Title: Financial Controls Policy

Number: 2.4

Status: APPROVED

Owner: P. Holloway – Board Treasurer

Last Revised: 11-21-09

Policy Detail

General Authorization
1. Authorization for signatures necessary on contracts, checks, and orders for payment, receipt or deposit or withdrawal of money, and access to securities of Amana Academy shall be provided by resolution of the board.
2. Any individual authorized to purchase goods and/or services for the organization shall follow the procedures set forth in these policies.
3. The Executive Director shall be responsible for reviewing and recommending an annual operating and a capital budget to the board for approval.
4. The board shall be responsible for adopting the annual operating and capital budgets.
5. No expense shall be incurred in excess of the total budgetary appropriations without prior approval of the board.

Check-Signing Authority
1. The board Chair and Treasurer are authorized to sign checks.
2. Checks up to $50,000 require one signature.
3. All checks $50,000 and over require two signatures.
4. Any checks payable to an authorized check signer shall be signed by someone other than the payee.

Cash Disbursements
An authorized check signer will make disbursements only upon review and approval of the transaction. This will include review for the existence of proper supporting documentation, such as a purchase order and evidence of the receipts of the goods and services and approval by the Executive Director or designee.

Accounts
Amana Academy shall maintain its accounts in financial institutions that are federally insured. All funds received by the school shall be deposited daily. All nonproductive funds shall be invested in accordance with the investment policy established by the board.
Bonding
Each officer or designated signatory with authority to withdraw funds shall be bonded. The cost associated to secure the aforementioned coverage shall be that of Amana Academy. The amount of insurance coverage will be reviewed annually by the Business/Finance Committee.

Borrowing of Funds
If it should ever become necessary for Amana Academy to borrow funds from outside sources to fund operations and expansion because of the irregularity of income from the District and/or State, donations, or due to major expansions or revisions of Amana Academy’s programs, such funds are to be borrowed only as required to meet these needs, and borrowing is to be consistent with sound fiscal and management practices. Borrowings are not intended to make up for inadequate planning or spending above budgeted levels.

Borrowing funds should be done within the following guidelines:
1. Borrowing should be within appropriate limits approved by the board prior to the time of borrowing.
2. Amounts should be borrowed at the lowest available interest rates. Where borrowing from individuals can be done at lower than current commercial rates, this may be done.
3. Most borrowing will be done at short-term conditions due to the seasonal nature of income. Long-term borrowing will be done only if rates are favorable and amounts for short-term would be at the same minimum level.

Loans
No loan may be made to any officer, director, or employee of the school, except in accordance with applicable Georgia law. Any such loan may be made only pursuant to a written agreement approved by the board and reviewed and approved by legal counsel. All such loans to an employee shall be repaid through payroll withholding and shall be callable by the organization upon termination of employment. Staff shall ensure that all such loans are properly reported for employment and income tax purposes.

Credit Cards
The board has the authority to approve the establishment of a charge account in Amana’s name, including the credit limit.

The Executive Director has the responsibility to establish and enforce written procedures for the use of all open charge accounts and credit cards. The Business/Finance Committee will review all credit card procedures on an annual basis.

Amana Academy shall not issue corporate credit cards to employees. Employees shall follow the expense reimbursement policy whereby employees submit legitimate business expenses charged to their personal credit cards and the school shall reimburse them within 30 days of receipt. For emergency situations, Amana Academy may maintain one corporate credit card under the supervision of the Executive Director.