Policy Type: **Executive Limitations**Policy Title: **Financial Management**Adopted: June 20, 2016 Amended:

It is the policy of the EASW Board of Directors that the Principal shall not handle finances in an imprudent manner.

1. Bonding. All persons handling money on a regular basis shall not fail to be bonded. This includes all check signers.

2. Internal controls. The Principal shall not fail to create internal controls so that appropriate checks and balances and separation of duties exist with respect to the financial operations of EASW. These may include but are not restricted to: 1) cosigning of checks paid to Exalt Education, or signing by a Board member, so that Exalt Education employees are not the only check signers; 2) obtaining Board approval for checks above a certain monetary amount; and 3) a different employee reconciling bank statements from the employee who handles payments.

3. The Principal shall not fail to obtain two signatures on checks for amounts of over $10,000.

3. Credit cards. The Principal shall not fail to obtain approval from the EASW Board before applying for any credit card for EASW; shall not fail to obtain approval of the credit amount for each card; and shall not fail to give monthly credit card statements to the Treasurer.

4. Bank statements. The Principal shall not fail to disclose monthly bank statements for all bank accounts held by EASW, including line-of-credit accounts, to the Treasurer and to any other EASW Board member who so requests.

5. Financial reports. The Principal shall not fail to disclose detailed cash flow statements to the Treasurer and to any other EASW Board member who so requests.

6. Disclosure statements. The Principal, Finance Director and EASW Board members shall not fail to sign conflict of interest statements at the beginning of each fiscal year.

7. Expense reimbursement. The Principal shall not fail to create and comply with a policy for reimbursement of employee and board travel and other expenses, including but not limited to limits on daily lodging rates; limits on what will be reimbursed; receipt requirements; and reporting to the board.

8. Board review. As required by EASW’s charter agreement, the Treasurer shall not fail to review all monthly bank statements.

9. The Principal shall not fail to assist the EASW Board in its selection of an auditor each year after reviewing bids from at least two audit firms and considering at least the following factors if a private auditor is chosen (instead of Legislative Audit): 1) experience with charter school audits; 2) cost; and 3) whether the auditor is also auditing Exalt Education, Inc. or LRPA. The Principal will not fail to timely advise the Board of all steps necessary for compliance with the current ADE Rules Governing Publicly Funded Educational Institution Audit Requirements.

10. ATM cards. The Principal will not fail to prohibit any use of any ATM card to obtain cash on behalf of or in the name of EASW.

11. Procurement. The Principal will not fail to have a procurement policy that requires arms-length dealing with vendors, including soliciting multiple bids, and requiring board approval of purchases over $25,000.

12. Financial risk. The Principal will not fail to disclose to the EASW board any bills or payments due (e.g. rent or installment payments) for more than $1,000 that are unpaid for more than 30 days past the due date. The Principal will not fail to disclose to the EASW board any default on any legal obligation.

MONITORING: Monthly and annually