

**Southwest Georgia STEM Charter School**  
**Policy F1: Financial Practices**  
**Amended and Adopted: February 18, 2021**

The Governing Board of Southwest Georgia Stem Charter hereby adopts the following financial policies and procedures which shall be effective on the date the policy is adopted by the Board.

**SECTION ONE. GENERAL PRINCIPLES**

Southwest Georgia STEM Charter School is committed to responsible financial management. The entire organization, including the Board of Directors, administrators and staff will work together to ensure that all financial matters of the school are addressed with the utmost care and integrity, and in a way that promotes the best interest of Southwest Georgia STEM Charter School.

This policy is designed to:

- Protect the assets of Southwest Georgia STEM Charter School.
- Ensure the maintenance of accurate financial records.
- Provide a framework for operating standards and expected behaviors.
- Ensure compliance with federal, state, charter, and local authorities.

The Chief Financial Officer (CFO) of Southwest Georgia STEM Charter School has the responsibility of administering these policies and ensuring compliance with procedures approved by the Board of Directors. The CFO shall also have the responsibility of following all rules in accordance with the Georgia Department of Educators' Local Units of Administration Manual (LUA) and the Governmental Accounting Standards Board (GASB). The CFO shall also make sure that entries are made according to Generally Accepted Accounting Principles (GAAP). Exceptions to written policies may only be made with prior consent of the Board of Directors. Any changes or amendments to these policies must be approved by the Board of Directors. Policy review will be conducted annually.

All Board members, along with any administrative/staff members with financial related responsibilities, should be familiar with and operate within the parameters set forth by these policies.

**SECTION TWO. FISCAL YEAR**

The Fiscal Year for Southwest Georgia STEM Charter School is July 1 thru June 30.

**SECTION THREE. BUDGET PROCESS**

1. The Chief Financial Officer in conjunction with the leader of the school, the Board of Directors, and appropriate administrative staff, will ensure that Southwest Georgia STEM Charter School follows a budgeting process that is consistent with the requirements of

**Southwest Georgia STEM Charter School**  
**Policy F1: Financial Practices**  
**Amended and Adopted: February 18, 2021**

federal and state law, State Board of Education Rules and Regulations and any other applicable laws or rules. The CFO and the leader of the school are responsible for the preparation of the annual budget.

2. Needs Analysis. Each year before the annual operating budget is drafted, the leader of the school shall ensure that a needs assessment of Southwest Georgia STEM Charter School, is drafted and reviewed by the Finance Committee and ultimately approved by the Board of Directors. The needs assessment shall inform the drafting of the annual budget.
3. Adoption. The Board shall formally adopt the budget in an open meeting held in accordance with the Board's bylaws before the fiscal year begins and before the expenditure of any funds.
4. Minutes. The Secretary of the Board will record the adoption of the budget and any amendments in the Board meeting minutes in which the adoption occurs.
5. Budget Amendment. The leader of the school, the Board of Directors, and the Finance Committee shall periodically review actual fund disbursements compared to the adopted budget and make budget amendments as needed.
6. Fiscal Compliance. The Chief Financial Officer shall ensure that Southwest Georgia STEM Charter School complies with all state and federal law and rules concerning the budget and related processes of the school

**SECTION FOUR. LINE OF AUTHORITY AND RESPONSIBILITY FOR ASSETS**

1. To establish a clear understanding of authority and responsibility for financial assets and provide guidelines for handling and controlling their accumulation/consumption, the line of authority for Southwest Georgia STEM Charter School shall be established as follows:
2. The Board of Directors has the authority/responsibility to establish any policy deemed to be in the best interest of Southwest Georgia STEM Charter School within the parameters of the Articles of Incorporation, bylaws and applicable federal, state and local laws.
3. The Board of Directors will approve the annual budget, which shall be managed by the CFO and the leader of the school in a responsible manner. Any single item purchases of \$10,000 or more require Board of Directors' prior approval. In addition to Board approval, any single purchases of \$10,000 or more will require 3 written bids/quotes per the Bids/Procurement Policy.
4. The School Leader has the authority to make spending decisions within the parameters of the approved budgeted for expenses less than \$10,000. The School Leader's salary shall be set by the Board, but the School Leader shall determine salary levels for all other employees, shall create and amend operating procedures/controls, shall make decisions regarding the duties/accountabilities of personnel, and shall enter into contractual agreements with personnel within Board designated parameters.
5. The Chief Financial Officer has the authority to establish accounting procedures/controls that are consistent with Board policies, make decisions regarding expense allocations, select

**Southwest Georgia STEM Charter School**  
**Policy F1: Financial Practices**  
**Amended and Adopted: February 18, 2021**

an accounting system and enter into contractual agreements within Board designated parameters. The CFO reports directly to the Board of Directors. The CFO and Board of Directors shall work together to secure an annual audit from an independent charter approved CPA.

6. The Board shall designate a Finance Committee. The Finance Committee shall have the responsibility to provide oversight to the organization's financial activity, which shall be carried out through the following duties: regular audits of financial transactions, aid in the annual budget development, become involved in the process of selecting an independent auditor and help determine the allocation of investment deposits.

**SECTION FIVE. ACCOUNTING PRINCIPLES**

1. Southwest Georgia STEM Charter School fully complies with Generally Accepted Accounting Principles (GAAP) and agrees to follow all rules in accordance with the Georgia Department of Educators' Local Units of Administration Manual (LUA) and the Governmental Accounting Standards Board (GASB), as well as any other applicable state and federal standards for financial management systems.
2. Southwest Georgia STEM Charter School will use modified accrual based accounting.
3. Southwest Georgia STEM Charter School will use PC GENESIS as the official accounting software program.
4. The CFO will serve as the primary bookkeeper and will be responsible for logging receipts/disbursement in the accounting system (PC GENESIS). All entries should be calculated prior to input and compared with totals calculated by system personnel. Any errors should be corrected immediately. Detailed reports of receipts/disbursements should be created and reviewed by the CFO and compared to source documents for accuracy. The CFO will be responsible for making Journal Entries to close out the General Ledger each month by the regularly scheduled board meeting of the following month. Trial balance totals should be compared to detailed reports for verification of balances each month.
5. Only the Board Office Administrative Assistants and the CFO should have access to the Accounting System.
6. The CFO shall ensure that Southwest Georgia STEM Charter School maintains accurate records of capital assets in accordance with applicable rules. A capital asset is an asset that is tangible in nature; has a life that exceeds one year; of significant value (\$10,000 per unit); and reasonably identified and controlled through a physical inventory system. Examples include: land, buildings, machinery, and furniture.
7. Capital assets are depreciated using the straight-line method over the following estimated useful lives:
8. Estimated Useful Life

**Southwest Georgia STEM Charter School  
Policy F1: Financial Practices  
Amended and Adopted: February 18, 2021**

Buildings	40 years
Machinery and Equipment	10-20 years
Computers	5 years

9. Inventory. The leader of the school will work with other administrative staff to ensure that a physical inventory of capital assets takes place once every year.
10. Annual Audit. The annual financial audit required by O.C.G.A. 20-2-2065 (b)(7), shall include an exhibit in the audit report identifying all capital assets and the ownership interest of local, state, and federal parties.

**SECTION SIX FINANCIAL CONTROLS AND OPERATIONS**

1. The CFO will function as the Senior Accountant with the primary responsibility of maintaining the accounting system. Bookkeeping duties may be provided by Board Office Administrative Assistants as designated and supervised by the CFO. Journal entries will be posted monthly by the Chief Financial Officer and will be presented to the Board of Directors as completed. Journal Entries should be pre-numbered and accounted for monthly. Any "atypical" journal entries should be discussed with a third-party accountant to ensure proper handling. The CFO will present or make available monthly financial reports to the Board of Directors within 30 days of the close of each month, including but not limited to the following reports:
  - Monthly and Year-to-Date Profits and Cost
  - Balance Sheet
  - Bank Reconciliation
  - Year to Date Budget to Actual Expenses and Revenues
  - Monthly Journal Entries
  - Monthly Credit Card Statements
  - Individual Budget to Actual Reports for Grant Funds — if amendments are necessary
  - Fiscal Compliance Template
  - Monthly GaDOE Financial Reports

**Southwest Georgia STEM Charter School**  
**Policy F1: Financial Practices**  
**Amended and Adopted: February 18, 2021**

2. The CFO will work closely with the leader of the school in ensuring the accuracy of reports. Both the CFO and the leader of the school should be prepared to account for any material variances (5% or greater) in budget to actual numbers.
3. The Finance Committee will be responsible for auditing expense items on a regular basis to ensure proper handling of school funds (30/60/90). The Finance Committee will also work closely with the leader of the school and the CFO in developing the school's annual budget for the following year. The budget must be submitted to the Board of Directors for approval by the April board meeting. Additionally, the Finance Committee should conduct a mid-year review in December of each operational year. If necessary, the Finance Committee, working in conjunction with the leader of the school and the CFO, may adjust the budget at mid-year to reflect changing conditions. The Finance Committee will be responsible for reviewing insurance coverage annually. The CFO shall ensure that two public meetings are held before the Board approves or amends a general operating budget.

**SECTION SEVEN. SAFEGUARDING ASSETS**

1. The CFO, under the oversight of the Board of Directors, is entrusted with the safeguarding of the school's assets, and will have the primary responsibility of ensuring that all financial reports accurately reflect the school's financial condition. Additionally, the CFO will have the responsibility/authority of ensuring that proper financial management procedures are maintained and board policies are being adhered to. Actual income/expenditures should be compared to budget on a monthly basis and reported to the Board of Directors.
2. Separation of Duties
  - a. No authorized check signer may write checks or perform bookkeeping tasks.
  - b. Bank reconciliations will be approved during the Finance Committee meeting by the Finance Committee chairperson.
  - c. Deposit documentation and reconciliations should be prepared by someone other than the person who records the receipts.
  - d. General journal entries will be posted by the Chief Financial Officer. The entries will be reported during the monthly Board of Directors' meeting.
  - e. There will be two named Board Office Administrative Assistants that will assist the CFO in duties related to bookkeeping as the CFO sees fit.
3. The basic idea underlying segregation of duties is that no employee or group should be in a position both to perpetrate and to conceal errors or fraud in the normal course of their duties with our internal controls, we will be able to verify that the implementation of this award is conducted in an appropriate manner and to ensure that we avoid fraud and error.
4. Requisitions are requested by teachers, administrative staff, or other school personnel. These requisitions will have the evidence based facts to support the request, detailed quotes, and

**Southwest Georgia STEM Charter School**  
**Policy F1: Financial Practices**  
**Amended and Adopted: February 18, 2021**

need for the request. These requests are sent to the Program Director and in some cases the School Leader for approval. If they are not approved, they are rejected and returned to the requestor. If they are approved, these will be the next steps that must be followed:

- a. Request sent to the CFO for verification of funds
- b. Program Director creates and assigns a P.O. number
- c. Program Director attaches copy of requested approval information and makes copy
- d. P.O. is submitted for approval by the School Leader
- e. P.O. is then returned to the Board Office Administrative Assistant or the Program Director for items to be purchased.
- f. Invoice is printed and attached to the P.O.
- g. Upon Delivery the package is opened by the receiver and they sign off on packing slip that all items on the packing slip were received. If it does not match a phone call is immediately made to question the missing items
- h. The Program Director is notified of the items for the P.O. have arrived and the items are then verified by the Programs Director as received and signed off on the packing slip and it is attached to the original P.O.
- i. Program Director then notifies the School Leader that items have been received.
- j. Once all items are received and match the invoice and delivery tickets, the P.O. is then paid. The P.O. is stamped as paid with the date and check number used to pay the P.O. Each check is required to have a two party signature. There are only a few people who are approved check signers. The consist of the Chairman of the Board, Secretary/Treasurer of Board, and the School Leader. If invoices require credit card payment verification of the payment is printed and places with the P.O.
- k. Items are then delivered to the requestor who signs off that items have been received and are now in their possession.
- l. Items are logged into the database for Program purchases and labels are attached to identify items, if needed.
- m. The original P.O. is returned to the CFO and filed, while an exact copy is filed in the Program Directors office and in a binder labeled purchases for the current school year.

**SECTION EIGHT. BANKING PROCEDURES**

1. Bank Accounts. The Board of Directors acting in favor of Southwest Georgia STEM Charter School along with the leader of the school has the authority to enter into an agreement with a bank or other Federally insured financial institution once the Board has adopted a formal resolution at a board meeting held in accordance with its bylaws designating the bank for the school to use for its financial transactions. This agreement should be signed by the Chairperson and Vice-Chair of the Board of Directors.

**Southwest Georgia STEM Charter School**  
**Policy F1: Financial Practices**  
**Amended and Adopted: February 18, 2021**

2. Checks. All authorized checks drafted on the school's designated bank account shall require two signers from the school system. The following officers are authorized to sign checks from the bank account on behalf of the school: (leader of the school, Board Chairperson, and designated Board Member) Each check must be completed in its entirety before it is signed by either party.
3. Checks Received. Checks received shall be endorsed "for deposit only" and deposits shall be made within two days of receipt by someone other than the person who prepared the deposit. A non-accounting staff (District Office Administrative Assistant) should receive the mail, open it and list checks received in a three-part pre-numbered receipt book. This receipt should identify The date, name of organization or person submitting payment, amount of payment and description of what the payment is for. A receipt should be given to the person submitting payment, another should be attached to the deposit slip together with a copy of the check and one should be kept in the school office for reference .The CFO should be given the deposit slip and all supporting documentation from the District Office Administrative Assistant daily.
4. Payment by Cash. If the deposit is a cash deposit the leader of the school should receive the deposit in a locked deposit bag to be unlocked only by the bank. All cash transactions shall be recorded in writing, such as by handwritten receipt detailing from whom the money and in what amount, which shall be signed and dated by the named Board Office Administrative Assistant who has the authority to receive cash on behalf of Southwest Georgia STEM Charter School. Also, when cash is received by the named Board Office Administrative Assistant a second person shall count the cash and sign the receipt along with the named Board Office Administrative Assistant to verify that the cash receipt is correct.
5. Depositing Cash. The Board Office Administrative Assistant will be responsible for preparing the depot slip - which will be initialed by the CFO - and placing the deposit in the locked deposit bag. Deposits shall be made within two days of receipt. All deposited cash shall be kept in a secure location on the school premises with limited access. A copy of the validated deposit slip shall be returned to the school to the CFO or District Office Administrative Assistant on the same day the deposit is made or the next day after the deposit is made.
6. Petty Cash. Petty cash shall be maintained in a locked box in the CFO's office in an amount not to exceed \$200.00. All disbursements from petty cash shall be documented in writing, indicating the date, amount disbursed, the identity of the individual receiving the funds, and the reason for the disbursement, Receipts from purchases made with petty cash shall be

**Southwest Georgia STEM Charter School**  
**Policy F1: Financial Practices**  
**Amended and Adopted: February 18, 2021**

remitted to the CFOs office as soon as practicable. Petty cash funds shall not be used to cash checks.

7. Bank Reconciliations. The CFO shall reconcile the monthly bank statements with the Cash Journal by Bank and Date Report in the accounting system. In the event of a discrepancy, the CFO will then be responsible for resolving the discrepancies. The CFO will adjust the Check Register & General Ledger, if necessary. Bank reconciliations shall be performed on a monthly basis. Bank reconciliations will be reported during the monthly Board of Directors' meeting and will be reviewed and approved. The Board of Directors' chairperson will be responsible for signing the bank reconciliation report.
8. Check Requests. Services or products rendered, or mileage reimbursements may receive payment with a check. Services or products rendered shall be paid from an invoice, must have a prior approved Purchase Order (PO) by the leader of the school and a signed packing slip by the person receiving the products. A travel form must be completed and signed by the requestor, approved and signed by the leader of the school. Invoices and travel forms shall then be submitted to the CFO for processing. All documentation shall be maintained by the CFO.
9. Checks payable to cash for any reason are prohibited.
10. The Board of Directors shall review the School's cash collection procedures set forth above on an annual basis and shall modify the School's policies and procedures to reflect any improvements or modifications required each year.

**SECTION NINE. PURCHASING AND DISBURSEMENTS**

All expenditures of school funds, including cash expenditures shall be documented and accounted for by daily receipts. As a general rule, cash will not be used to make purchases except from petty cash, as described below. School checks shall not be made payable to "Cash."

1. The leader of the school has expenditure approval within the parameters of the operating budget as approved by the Board of Directors, of less than \$10,000 with the exception of expense reimbursement items for the leader of the school, which must be approved by a Board member having check signing authority. The intentional "splitting" of invoices for the sole purpose of meeting the parameters set forth by this authority is prohibited and may be grounds for discipline.
2. Expenditure requests will be initiated in writing and approved within the specified authority by the leader of the school. If the expense is a Title I expense or Special Education expense, the request will first go to the appropriate individual for approval and then to the leader of the school.



**Southwest Georgia STEM Charter School**  
**Policy F1: Financial Practices**  
**Amended and Adopted: February 18, 2021**

3. No one person may act as the authorized check signer for checks made payable to themselves. The authorized Board designated check signers will approve reimbursement requests and sign checks for the person.
4. All disbursements should be made by check and accompanied by substantiating documentation.
5. Check stubs (or copies of the checks if the check is not a voucher style check) should be retained, along with supporting documentation. All voided checks must be defaced and retained.
6. No checks may be written to "cash" or "bearer".
7. Blank checks should be stored in a locked enclosure. Blank checks may never be signed in advance.
8. Once an invoice/check request has been keyed, it should be held until reviewed by the CFO for accurate recording/proper coding, then printed and filed along with supporting documentation and copy of check. Checks shall be printed by the designated administrative assistant(s) only.
9. The leader of the school and specified Board members shall be listed as authorized signatures on the checking account. The CFO shall not have check signing authority.
10. A board member shall be at least one of the signers on all checks.
11. All invoices received should be forwarded to the CFO for approval as soon as it is received. Once an invoice has been approved for payment, the invoice shall be forwarded to a specific Board Office Administrative Assistant. The named Board Office Administrative Assistant will then key the invoice in Claim Processing (PC GENESIS).
12. All invoices, along with supporting documentation, and open payables report shall be forwarded to the CFO to prove for accuracy. Once approved, the CFO will print the checks and forward them to the leader of the school for review and check signature.
13. After checks have been approved by the leader of the school and received the second signature by a board member, the checks will be returned to the named Board Office Administrative Assistant to make copies, prepare checks for mail and file copy of checks along with supporting documentation in the vendor file.
14. The CFO shall reconcile the check register to the bank statement on a monthly basis. All checks should be pre-numbered and accounted for monthly.
15. If necessary, the Board of Directors/Finance Committee will follow up with any outstanding items.

**SECTION TEN. BIDS AND PROCUREMENT**

1. It is the policy of Southwest Georgia STEM Charter School that all purchases be made in accordance with Georgia law.

**Southwest Georgia STEM Charter School**  
**Policy F1: Financial Practices**  
**Amended and Adopted: February 18, 2021**

2. When it is necessary to procure a single good or service with an amount of \$10,000 or greater, they must be procured through a formal bidding process where at least three bids will be obtained for consideration by Southwest Georgia STEM Charter School's Board of Directors. An exception can be made in the event that the goods or services being sought are so specialized in nature that the procurement process does not render three quotes from qualified vendors. All goods and services valued at \$10,000 must be posted on the Georgia Procurement Registry for a period of 1 week before items are purchased.
3. An exception shall also be made in emergency situations where normal school operations dictate that goods/services be acquired immediately and without Board approval. In such situations, the leader of the school has the authority to act in good faith on behalf of the board, and in doing so, must exercise reasonable judgement to procure the goods or services in a manner which produces the most cost effective solution for Southwest Georgia STEM Charter School. The leader of the school will inform the Board of Directors of the purchase as soon as is reasonably practical, but no later than the next scheduled board meeting.
4. It is the intention of the Board of Directors that the Southwest Georgia STEM Charter School will purchase equipment, supplies and other materials that best meet the needs of the school at the most economical costs.
5. Generally, a competitive process should be followed for each purchase based on a process to be determined by the leader of the school and the Board of Directors, the leader of the school or his/her designee shall have the authority to issue regulations, invitations to bid, requests to bid, requests for proposals or other procedures governing the process where there exists no specific state law or State board rule that must be followed. In addition to price, the process established by the leader of school may consider performance of the vendor with the school, performance of the vendor with other customers, the convenience of the vendor to the school, including whether the vendor is a local business, other benefits offered by the vendor, the uniqueness of the product or service or any other factor that may make the acceptance of a particular proposal from a particular vendor in the best interest of the School.
6. The leader of the school or his/her designee is authorized to approve any and all purchases from the budgeted funds of less than \$10,000.00.
7. For any purchase in excess of that amount, the leader of the school shall provide to the Finance Committee written documentation of the competitive process used and the proposals, bids or offers received in response to that process. The Finance Committee will consider all documentation and present the Board of Directors with their recommendation with the vendor selected through the evaluation process. At all times, the leader of the school or his/her designee shall follow any mandated processes

**Southwest Georgia STEM Charter School**  
**Policy F1: Financial Practices**  
**Amended and Adopted: February 18, 2021**

required by state law, set forth in State Board of education rules or procedures or regulations of the State Department of Education.

**SECTION ELEVEN. CREDIT CARDS**

1. The Southwest Georgia STEM Charter School's credit card cannot be used for cash advances, personal or non-business related purchases. The preferred payment method is through vendor invoices, corporate checks, and reimbursements to employees/Board members. This method allows for budget compliance and ensures that the organization gets certain discounts and does not pay sales taxes. However, in some cases, this is not feasible for a variety of reasons. As such, a credit card will be used.
2. The cardholder is responsible for ensuring the credit card purchases are within budget and properly approved. The following expenses shall not be made by credit card: Purchases over \$10,000, purchases from regular vendors that could be made through purchase order, payments of personal expenses, and purchase of alcohol when on school approved-trips.
3. The only personnel specifically authorized at this time for a Southwest Georgia STEM Charter School credit card is the leader of the school. If a purchase exceeds 2,500, the Chairman of the Board shall authorize payment by card. In some cases, the leader of the school may authorize other personnel to use the credit card.
4. The credit card should be used during travel, for emergency purchases, and in some POS purchases when the savings are substantial or when card payment is the only option. The Card should be issued in the school's name.
5. The CFO shall serve as the credit card administrator and is responsible for checking the credit card in and out as it is used for all purchases. The CFO will ensure that a check-out and check-in form will be used when someone uses the credit card. The form includes description of the item to be purchased and the likely vendor, an explanation of the reasons the purchase shall be made by credit card, the date of check out, and date of check-in. There must be two signatures on the log: the leader of the school and the person checking out the card. It will be signed when checking out the card and checking in the card - by both parties. The signature on the log indicates that the individual using the card agrees to abide by the policies for using the card.
6. Credit Card purchases have a limit of \$2,500 of any single purchase, unless prior written approval is received. The School is a tax-exempt organization. When using the credit card, the user should ensure that the vendor receives the appropriate tax-exempt forms and that, when possible, the school is not charged

**Southwest Georgia STEM Charter School  
Policy F1: Financial Practices  
Amended and Adopted: February 18, 2021**

state sales tax. The state and federal tax exempt forms are located in the CFO's office.

7. Receipts must be submitted to the CFO no later than 72 hours after purchase or the return from a business meeting, if longer than 72 hours. Any receipts for meals must clearly indicate the names of all persons attending the meal and the business purpose of the meeting. The transaction must accompany all documentation needed to support the transaction.
8. All transactions for the credit card are reconciled by the CFO. Credit Card spending will be reported to the Board as part of the monthly finance report. Failure to abide by the terms of this credit card policy shall be ground for discipline, including termination.

**Southwest Georgia STEM Charter School  
Credit Card Check-Out and Check-In Form**

Date of CheckOut	Explanation of Use	Signatures	Date of Check-In	Signatures
Ex. 05/08/2020	Purchase of Reading Incentives from Oriental Trading for the Accelerated Reading celebration          Amount of Purchase: _____ _____	School Leader: _____ _____  Personnel: _____ _____  *Board Chairman: _____  <i>*Board Chairman signs for the School Leader to check the card out</i>	Ex. 05/09/2020	School Leader: _____ _____  Personnel: _____ _____  *Board Chairman: _____  <i>*Board Chairman signs for the School Leader to check the card out</i>

**SECTION TWELVE. PAYROLL**

1. A master payroll file should be maintained, showing compensation and withholding amounts for each employee. Any changes to compensation or withholding amounts should be reflected in the file, and submitted to the payroll service or payroll clerk as soon as the

**Southwest Georgia STEM Charter School**  
**Policy F1: Financial Practices**  
**Amended and Adopted: February 18, 2021**

changes become effective. Each month, the CFO is responsible for processing the payroll, and reviewing the payroll register, payroll checks/direct deposit amounts and tax deposit checks to ensure proper processing. The CFO will monitor the usage of vacation and sick time, as well as attendance records. The time records shall be reviewed by the employee's direct supervisor on a regular basis. The employee attendance records should be emailed to the School Leader on a monthly basis.

2. Accurate and Timely Payroll. The Chief Finance Officer shall ensure that Southwest Georgia STEM Charter School employees are paid accurately and timely in accordance with applicable laws and rules.
3. School employees shall be paid: By the electronic transfer of funds to the employee's bank pursuant to a direct deposit agreement signed by the employee.
4. Payday. Payday for employees shall be on the last day of each month unless the last day falls on a Saturday or Sunday, then payday will fall on the last Friday of the month.
5. Withholding of Wages. The CFO shall ensure that the wages of school employees are not withheld except in the following situations as permitted by applicable laws and rules.
  - a. The school is ordered to do so by a court of competent jurisdiction.
  - b. The school is authorized to do so by state or federal law; or
  - c. The school has written authorization from the employee to deduct part of the wages for a lawful purpose.
6. Teacher Retirement System. Unless otherwise allowable by law, all teachers at Southwest Georgia STEM Charter School shall be members of the Georgia Teachers Retirement System and subject to its requirement. The CFO will ensure that the school complies with all requirements of the Georgia Teachers Retirement System, including making any required contributions.
7. All personnel salaries/wage rates are authorized by the leader of the school and the Board of Directors. All changes in employment are authorized by the leader of the school and approved by the Board of Directors.

**SECTION THIRTEEN. PROHIBITION OF CONFLICTS OF INTEREST IN  
PROCUREMENT PROCESS**

Southwest Georgia STEM Charter School has established a clear Conflict of Interest Policy which specifically prohibits any Board member or employee from participating in the selection or awarding of a contract to procure goods or services if a real or apparent conflict of interest were involved. A conflict of interest will arise when a Board member, employee, any member of his/her immediate family, his/her partner, or any organization which employs, or is

**Southwest Georgia STEM Charter School**  
**Policy F1: Financial Practices**  
**Amended and Adopted: February 18, 2021**

about to employ, any of the parties indicated herein, has a financial or other interest in the firm selected for the award.

**SECTION FOURTEEN. BUSINESS RECORDS RETENTION**

This policy shall apply to all business records documentation whether the documents are stored electronically or physically maintained. Once the required time period has elapsed, all documentation should be disposed of in such a way so that no sensitive information can be obtained by any outside parties (i.e. shred). In the event that documents are stored electronically, adequate backups should be made on a regular basis to prevent data loss.

**SECTION FIFTEEN. FEDERAL FISCAL COMPLIANCE POLICY**

1. Supplement not Supplant. The Southwest Georgia STEM Charter School shall ensure that federal funds will be used to supplement, not supplant regular non-federal funds.
2. Documentation. Documentation shall be maintained by the designated employee for federal programs. The documentation must clearly demonstrate the supplementary nature of federal funds.
3. Federal Grant Allowable Expenditures. Prior to expending funds, the school leader, or her designee shall consult the federal guidance to determine what costs are allowable. All grant funds shall be expended in accordance with the state, charter, and all federal laws or rules.
4. Employee Time Sheets. If an employee's compensation is funded by any grant, the school leader, or her designee, shall ensure that the employee maintains a time sheet on which he or she records the time spent during the work day along with a description of the service he or she performed during that time. The time sheets must contain the signatures of the employee, federal program director and leader of the school.
5. If Southwest Georgia STEM Charter School receives Charter Schools Program (CSP), Title V, PART B (CSP) grants the school leader, or her designee, shall ensure that Southwest Georgia STEM Charter School shall comply and use the federal funds in accordance with all statutes, regulations, and approved applications.
6. The school leader, or her designee, shall directly administer or supervise the administration of any projects funded through CSP funds, and together with the CFO, use fiscal control and fund accounting procedures that ensure proper disbursement of, and accounting for federal funds.

**Southwest Georgia STEM Charter School**  
**Policy F1: Financial Practices**  
**Amended and Adopted: February 18, 2021**

7. When using CSP funds to enter into a contract for equipment or services Federal Programs Director shall comply with the applicable federal procurement standards.
8. Open and Free Competition. The school leader, or her designee, shall ensure that all procurement transactions using federal grant funds are conducted in a manner that provides open and free competition. Awards must be made to the bidder/offer or whose bid/offer is responsive to the solicitation and is most advantageous to Southwest Georgia STEM Charter School considering price, quality, and other relevant factors deemed appropriate by the Federal Program Director.
9. Pursuant to the Conflict of Interest Board Policy, no employee, officer, or agent of the school, who has a real or apparent conflict of interest, will participate in the selection, award, or administration of a contract supported by federal funds. Employees, and agents may also not solicit or accept favors, gratuities, or anything of monetary value from contractors or their agents.
10. The solicitation of bids or offers must provide a clear and accurate description of the requirements to be fulfilled by the bidder, technical requirements to be performed including the minimum acceptable standards and specific features of brand name or equal descriptions that bidders are required to meet;
11. Positive efforts shall be made to utilize small businesses, minority-owned firms, and women's business enterprises whenever possible;
12. The type of procurement instrument used (purchase order) must be appropriate for the particular procurement;
13. Contracts are made only with responsible contractors who possess the potential ability to perform successfully under the terms and conditions of the proposed procurement;
14. Procurement documents shall be made available, upon request, to appropriate government officials.
15. Record Documentation. The school leader, or her designee, shall ensure there is a cost or price analysis made and documented with every procurement action as well as appropriate for the basis for contractor selection. The school leader, or her designee, shall also ensure the evaluation of the contractor performance and document whether the contractor has met the terms, conditions, and specifications of the contract.

**SECTION SIXTEEN. ANNUAL AUDIT**

1. Annual Audit. The CFO in conjunction with the Board of Directors and the Finance Committee - shall ensure the engagement of a certified public accountant (CPA) to audit the financial and programmatic operations of Southwest Georgia STEM Charter School. The Board of Directors shall ultimately select and contract

**Southwest Georgia STEM Charter School**  
**Policy F1: Financial Practices**  
**Amended and Adopted: February 18, 2021**

only with Georgia Licensed, Georgia Charter Commission approved CPAs. The Board shall ensure that the school provides timely assistance to the auditors in order to provide them with the necessary information for the audit.

2. Board Action. Once the Board of Directors at Southwest Georgia STEM Charter School receives the final report, it must vote to accept the contents of the audit at either its next regularly called meeting or at a special meeting called in accordance with the Board's bylaws.
3. Submission to Authorizers. The leader of the school shall ensure that a copy of the annual audit report is timely filed with the State Board. The audit report should include a certificate signed by the Board of Directors' Chairperson and that the Board voted to accept the contents of the audit. If the Board did not accept the contents of the audit report, that should be noted with the submission.
4. Annual Financial Statement. The CFO shall prepare, or cause to be prepared, an annual financial statement for each fund subject to the authority of the Board of Directors during the fiscal year showing.
  - a. The total receipts of the fund, itemized by source of revenue, service charges, grants of state money, gifts, or other general sources from which funds are derived,
  - b. The total disbursements of the fund, itemized by the nature of the expenditure; and
  - c. the balance in the fund at the close of the fiscal year.
5. The leader of the school shall ensure that the annual financial statement is submitted to all authorizers in a timely manner pursuant to deadlines.

**SECTION SEVENTEEN. TRAVEL EXPENSES**

1. The purpose of this Policy is to provide guidelines to Southwest Georgia STEM Charter School for payment of travel expenses in an efficient, cost effective manner, and to enable state travelers to successfully execute their travel requirements at the lowest reasonable costs, resulting in the best value for the State. Teleconferencing instead of travel should be considered when possible. Southwest Georgia STEM Charter School is charged with the responsibility for determining the necessity, available resources and justification for the need and the method of travel. The Policy is based on travel industry best practices and with total cost management in mind. As such, it is important for employees to understand the intent of the Policy and work with their management on managing work related travel, accordingly.
2. The policy of the school is to only reimburse reasonable and necessary expenses actually incurred by personnel.
3. When incurring business expenses, the school board expects personnel to:
  - a. Exercise discretion and good business judgment with respect to those expenses.



**Southwest Georgia STEM Charter School**  
**Policy F1: Financial Practices**  
**Amended and Adopted: February 18, 2021**

- b. Be cost conscious and spend money as carefully and judiciously as the individual would spend his or her own funds.
      - c. Report expenses, supported by required documentation, as they were actually spent.
      - d. Have prior approval, on a leave form, from the leader of the school. The leader of the school has approval from the Chairman of the Board.
4. If travel expenses are charged directly to a Federal Award, there must be supporting documentation to justify that.
  - a. Participation of the individual is necessary to the Federal Award
  - b. The person requesting reimbursement actually attended the event (agenda, sign-in sheets, certificates of attendance, etc. will be required)
  - c. The costs are reasonable and consistent with the school's general travel guidelines.
5. Expenses will not be reimbursed unless the individual requesting reimbursement submits a written expense report. Southwest Georgia STEM Charter School adheres to the State of Georgia daily per diem and allowable expenses.
6. The expense reimbursement request must include:
  - a. The employee's name
  - b. If reimbursement for travel is requested - the date, origin, destination and purpose of the trip, a completed approval document for expenses by the leader of the school. The leader of the school shall have theirs approved by the Board Chairman.
  - c. An itemized list with receipts of all expenses for which reimbursement is requested.
  - d. Employees must sign an expense report along with the leader of the school, before the expense report is submitted to the CFO for reimbursement. All employees including the CFO, expense reports must be approved by the leader of the school. If the expense report is for the leader of the school, these reports will need to be approved by the Chairman of the Board.
7. Receipts. Receipts are required for all expenditures billed directly to the school, such as airfare and hotel charges. No expense will be reimbursed to Personnel unless the individual requesting reimbursement submits the Expense Report with original receipts from each vendor showing the vendor's name, a description of the services provided (if not otherwise obvious), the date, and the total expenses, including tips (if applicable). A credit card receipt or statement may be used to document the vendor and date of an expense, provided other required details of the expenditure are fully documented.
8. Organization Credit Cards. If the school's credit card is issued by the leader of the school to personnel for travel (and other) organization-related expenses, the requirements for regular expense reports, explaining charges, as described above under "Expenses

**Southwest Georgia STEM Charter School**  
**Policy F1: Financial Practices**  
**Amended and Adopted: February 18, 2021**

Reports" must still be met, and charges may not be made for "Non-Reimbursable Expenditures" as described below. Failure to meet the Expense Report requirements, or making of inappropriate charges will result in loss of the credit card and disciplinary action.

9. General Travel Requirements. In determining the reasonableness and necessity of travel expenses, Personnel and the person authorizing the travel shall consider the ways in which the school will benefit from the travel and weigh those benefits against the anticipated costs of the travel. The same considerations shall be taken into account in deciding whether the benefits to the school outweigh the costs, less expensive alternatives, such as participation by telephone or video conferencing, or the availability of local programs or training opportunities, shall be considered, when traveling is necessary, carpooling is required as the school will not pay each person to drive to the same destination. No advancements on travel will be made.
10. Air Travel. Air travel reservations should be made as far in advance as possible in order to take advantage of reduced fares.
11. Lodging. Personnel traveling on behalf of the school may be reimbursed at the single room rate in a "business economy" or "budget" hotel for the reasonable cost of hotel accommodations i.e. Comfort Inn, Fairfield Inn, Days Inn, Hampton Inn, etc. Convenience, the cost of staying in the city in which the hotel is located, and proximity to other venues on the individual's itinerary shall be considered in determining reasonableness. Personnel shall make use of available corporate and discount rates for hotels.
12. Out-Of-Town Meals. Personnel traveling on behalf of the school are reimbursed on a per meal basis at the state rates when they actually incur the cost of a meal. They will not be reimbursed for meals paid for or provided by others.
13. Ground Transportation. Employees are expected to use the most economical ground transportation appropriate under the circumstances and should generally use the following, in this order of desirability:
  - a. Courtesy Cars. Many hotels have courtesy cars, which will take you to and from the airport at no charge. Employees should take advantage of this free service whenever possible. Another alternative may be a shuttle or bus.
  - b. Taxis. When courtesy cars and shuttles are not available, a taxi is often the next most economical and convenient form of transportation when the trip is for a limited time and minimal mileage is involved. If possible, get a receipt or a stamped ticket from the driver.
  - c. Rental Cars. Car rentals are expensive so other forms of transportation should be considered when practical. Employees will be allowed to rent a car while out of town provided that the cost is less than alternative methods of transportation

**Southwest Georgia STEM Charter School**  
**Policy F1: Financial Practices**  
**Amended and Adopted: February 18, 2021**

- d. Personal Cars. Personnel are compensated for use of their personal cars when used for business travel. When individuals use their personal car for such travel, including travel to and from the airport, mileage will be allowed at the currently approved state rate per mile. Mileage will be calculated from the address that is closest to the destination - the home of the traveler or the school. In the case of individuals using their personal cars to take a trip that would normally be made by air, mileage will be allowed at the currently approved rate; however, the total mileage reimbursement will not exceed the sum of the lowest available round trip coach airfare.
14. Parking/Tolls. Parking and toll expenses, including charges for hotel parking, incurred by Personnel traveling on organization business will be reimbursed. The costs of parking tickets, fines, car washes, valet service, etc., are the responsibility of the employee and will not be reimbursed. On-airport parking is permitted for short business trips. For extended trips, Personnel should use off-airport facilities.
15. Non-reimbursable Expenditures. The school maintains a strict policy that expenses in any category that could be perceived as lavish or excessive will not be reimbursed, as such expenses are inappropriate for reimbursement by a school.



**Southwest Georgia STEM Charter School**  
**Policy F1: Financial Practices**  
**Amended and Adopted: February 18, 2021**

**SECTION EIGHTEEN. SCHOOL DRAWDOWN PROCEDURES**

1. Funds are drawn down based on actual program expenditures. It is the responsibility of the Program Director and the CFO to work together to review all program expenditures on a monthly basis after budget approval to review all program expenditures before funds are drawn down from GAORS. Moreover, the following practices are observed.
2. The Program Director and CFO should review the federal program expenditures on a monthly basis prior to the drawdown of funds once the federal program budget has been approved by the Georgia Department of Education. All program budgets must be reviewed monthly to ensure that all expenditures charged to a given program are allowable.
3. The Program Director will have a monthly meeting with the School Leader to review the request for expenditures for the month. Ones that are approved will be signed off on by both the School Leader. Ones that are not approved will be returned to the originator stating the reason for denial.
4. The Program Director will review expense reports and sign the grants review sheets to initiate the drawdown of funds, this will also require the signature of the School Leader.
5. Grants will be drawn down on a monthly basis for each month that expenditures occur and that the GaDOE GAORS module permits a request. (GAORS requests are available after budgets are approved.) In lieu of a drawdown request, the completion report will be used to generate the funds requests during the budget's final month.
6. The CFO should perform a periodic review of the general ledger to ensure:
  - a. There is no cash involved as all drawdowns are directly deposited into the district's general fund account.
  - b. Drawdowns are based on funds actually expended rather than projected expenses.
  - c. The CFO reviews reconciliations on bank statements.
7. All reporting documentation related to drawdowns are maintained by the CFO and the Program Director and may be reviewed upon request.