



Financial Management Policy and Procedures

Version 20.3 September 29, 2020

For Third Party Vendors and Independent Contractors: Please review Items 4 through Item 9 at a minimum



Chester County Family Academy

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1.	Authorized Approval Parties for CCFA Expenses	Only the CCFA CEO and the Board of Trustees (“Board”) can approve CCFA expenses and associated payments. A CCFA payment is any debit (reduction) to the CCFA Checking account.
2.	Approval Thresholds for Board-approved annual operating expense budget items and contracted expenses.	<p>A. With the exception of the CEO’s own expense reimbursement forms, any invoice or expense < or = \$1,999.99 that was included in the Board-approved annual operating budget, can be approved by the CCFA CEO without Board Member Approval in Bill.com.</p> <p>B. A majority vote of a quorum of the Board is necessary to approve any and all CEO expense reimbursements, regardless of amount or included in the Board-approved annual operating budget.</p> <p>C. Any unbudgeted invoice or expense > or = \$2,000, must first be approved by the majority vote of a quorum of the Board. Once Board approval is given, the CEO shall approve the payment in Bill.com.</p> <p>D. Payment may be processed, only after Board approval.</p>
3.	Expense Pre-Approvals outside of Board-approved annual operating expense budget line items and contracted expenses	Any unbudgeted CCFA purchase order equal to or greater than \$1,000.00, must be submitted to the Board in writing and pre-approved by a majority vote of a quorum of the Board in a public meeting, in advance of the purchase.
4.	Third-Party Contracted Services	A. Any contracted services from a third party must have a co-signed contract or high-level service agreement, signed by the third party service provider and the CCFA Board, and stored electronically on the restricted Third Party Repository folder on the School Google Drive. The CCFA Board approves all third party contracts and the CEO implements and manages all third party contracts.



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		<ul style="list-style-type: none">B. All third party vendors and independent contractors must acknowledge awareness of this CCFA Financial Management Policy and Procedures (Items #4 through #9 at a minimum) through the Online Acknowledgement ConfirmationC. CCFA is a Net 30 Day Payable Term Business.D. The contract/service agreement should reference a Statement of Work, Contract Period, Contract Amount, Invoice Frequency, List of Deliverables with expected dates/milestones of completion, Net 30 Day Payable Terms, vendor contact details including email address.E. All independent contractors or vendor personnel performing services at the School location, during School hours, must have their valid PA clearances on file and stored on the restricted Third Party RepositoryF. All specialized independent contractors hired by the School directly (speech, nurse, CPA, etc.) must have a copy of their credentials and valid licenses on file stored in the restricted Third Party Repository.G. All invoices to be emailed to ccfacharter@bill.com for payment to be expedited. No paper copies.H. Unless stated otherwise in the co-signed agreement, third party contractors must bill CCFA monthly (maximum frequency) to ensure efficient and effective cash flow management.I. Contracted services from third party individual contractors and from those companies who are not incorporated (for example, LLC, partners, etc.) must email a completed W-9 to ccfacharter@bill.com for CCFA to issue payment for services rendered.<ul style="list-style-type: none">1. The W-9s must be stored electronically in the restricted Third Party Repository on the School Google Drive.J. All W-9 parties will be issued a 1099 for the calendar year. Copies of all 1099s issued must be stored on the restricted Third Party Repository on the School Google Drive.K. Any school data shared with a contracted third party is strictly confidential and is the property of CCFA. CCFA
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		<p>does not relinquish ownership rights of any school data to a third party. School data/files must reside on the CCFA network/premises. Third parties cannot, alone, have access to school data/files. All school data/files must be surrendered to the School upon third party contract termination.</p> <p>L. The CEO at a minimum, HR, and the Financial Management Vendor are accountable and responsible for ensuring these measures are implemented and sustained.</p> <p>M. Nepotism is the practice of granting employment or contracts to donors, family members and friends, regardless of whether they are qualified to do the work. Nepotism is particularly problematic in organizations accountable to the public, and/or financed by donations or sponsorships.</p> <ol style="list-style-type: none">1. Members with voting rights must disclose information about their financial interests AND affiliations which are not financially based, such as membership on the boards of other organizations, or membership in professional societies.2. Members with a conflict relative to a particular item/issue due for a Board vote, must abstain from voting and noted accordingly in the meeting minutes.3. CCFA will not execute contracts/service agreements with donors, relatives and/or close personal or professional associates of Board members, administration or staff (i.e., spouse, relative, employer, employee, etc.).
5.	Contract Period	CCFA does not accept multi-year contracts or automatic renewals of contracts with third party vendors with the exception of building rent and other minor necessary operational items as defined by the Board.



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6.	Payment for Third Party Contracted Services	<p>A. #4 is a prerequisite for #6. Payment for third-party contracted services will not be granted unless there is a copy of the current, co-signed contract/service agreement on file in the restricted Third Party Repository folder on the school Google Drive, and a completed W-9 on file (if applicable). In the absence of a co-signed, filed contract/service agreement and filed W-9, approval for payment will not be processed until an executed contract/service agreement/W9 is provided and approved by the authorized parties as outlined in this Financial Management Policy.</p> <p>B. All invoices for services rendered by a third party must be emailed to ccf charter@bill.com for payment. This is CCFA's preferred method. Emailing invoices to this email address ensures receipt of invoice and expedites payment quicker and easier. Paper invoices mailed to the School should be avoided at all costs and will only be accepted on a case-by-case basis.</p>
7.	Direct Billing of Third-Party Services	<p>Unless the Board approved and authorized in writing, third parties cannot procure services from other third parties on behalf of the school, and/or act as an agent or intermediary. Hence, third parties cannot invoice the school for services rendered from other third parties. The school must receive direct billing from each third party, unless authorized by a majority vote of a quorum of the Board.</p>
8.	Invoice for Payment	<p>A. CCFA only processes individual invoices for payment. Statements referencing multiple invoices are not accepted.</p> <p>B. Invoices from contracted parties, paid at an hourly rate, must provide a detailed description of the services rendered for each hour billed and the hourly rate.</p> <p>C. A summary of the monthly hours billed by recurring versus non-recurring activities, projects, tasks, assignments (if applicable) should also accompany the monthly invoice</p>
9.	Correct CCFA Information	<p>Third party invoices, contracts, service agreements, etc. must reflect the correct CCFA address, phone number, email, and addressed to the Accounts Payable Dept, in order for payment</p>



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		to be processed. Otherwise an invoice, contract, or service agreement without the correct CCFA information will be rejected and returned.
10.	Request for Quote/ Proposal (RFQ) to Contract Third Party Services	<p>When securing services from third parties for critical school business functions (i.e., bookkeeping, auditor, employee benefits, insurance, etc.), a formal RFQ process must be administered by the appropriate Board Committee, and/or School Official. This includes but is not limited to:</p> <ol style="list-style-type: none">1. Preparation of a written RFQ.2. Garnering a minimum of two, preferably three independent vendors to respond in writing to the written RFQ.<ol style="list-style-type: none">a. Vendors cannot have a formal relationship with any Board or School Official (i.e., Spouse, Relative, Donor, Employer, Client, etc.; see No. 4 above)b. Vendors cannot be selected based on convenience (my cleaner, my accountant, etc.)3. Analyze and vet the written responses.4. Deliver a written recommendation, with justification of the recommendation, to the Board.5. Approval by the Board, via a majority vote of a quorum in a public meeting, of the selected third party.
11.	CCFA Financial Systems	<p>CCFA uses Bill.com for invoice receipt, invoice expense classification, invoice approval, and invoice payment functionality, and QuickBooks Online for Business Financial Statements. Bill.com syncs with QuickBooks Online. All third party invoices from suppliers, vendors, etc. must be emailed to ccfacharter@bill.com or uploaded into Bill.com. All invoices/receipts from third party vendors must be documented and processed through Bill.com.</p>



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12.	CCFA Board Access to CCFA Financial Systems	<p>A. A minimum of two Board Members must have access to the CCFA financial systems. At the Board’s discretion, the financial systems include, but are not limited to Bill.com, QuickBooks, etc.</p> <p>B. The Executive Committee of the Board (President, Vice President, Treasurer, Secretary) retains the ability and authority to change, at its discretion, both the number and designation of the actual Board Members, who have the ability to access Bill.com, QuickBooks, etc. at any time and as circumstances may require.</p> <p>C. The Executive Committee of the Board also has the right to request, question, or inquire about any expense and its corresponding documentation (emails, etc.), and require a written response to its request, question, or inquiry.</p>
13.	Authorized Payment Sources	<p>School expenses should be incurred utilizing the following payment methods in order of priority:</p> <ol style="list-style-type: none"> 1. An invoice method via Bill.com (preferred); 2. The existing CCFA credit cards (also preferred); 3. The CCFA checkbook (least preferred). <p>NOTE: The use of the CEO’s personal credit cards and/or the CEO’s personal checking account for CCFA school related expenses is strictly prohibited. School expenses charged to the CEO’s personal credit card or written from the CEO’s checking account will not be processed.</p>
14.	CCFA Manual Check Writing	<p>A. Manual check writing from the CCFA checking account is prohibited, unless written authorization by a majority vote of a quorum of the Board. In the unlikely event a manual check is required; a detailed invoice or receipt(s) must be submitted for pre-approval to the Board, regardless of amount. The CEO may only sign a manual check with the written approval of the Board.</p> <p>B. A scanned copy of the invoice(s)/receipt(s) equal to the check payment must accompany the journal entry in Quickbooks for transparency.</p>



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15.	CCFA Credit Cards and Credit Card Statements	<ul style="list-style-type: none">A. At the Board’s direction, CCFA will obtain a business credit card(s) in the name of the CEO, the Treasurer, the President, and the Secretary, at a maximum. The Board Treasurer will determine the best financial institution to issue a business credit card(s).B. The selected business credit card will provide a competitive rate as well as the best opportunities for the school to earn the greatest amount of rewards (i.e., cash back, bonus points, etc.)C. All rewards earned via any CCFA business credit cards are the property of CCFA. Any CCFA credit cards issued will be used for CCFA business expenses only. Personal charges on CCFA credit cards are strictly prohibited.D. All business credit card receipts, regardless of amount, must be scanned and uploaded individually into the Bill.com in-box.<ul style="list-style-type: none">a. A business purpose and description must be written on each credit card receipt from the person who made the charge. No exceptions.E. The vendor/merchant referenced on the credit card receipt must be the ‘vendor of record’ in Bill.com/Quickbooks.F. All credit card statements are to be uploaded to the restricted Google Drive folder, Bank Statements, for transparency and uploaded into the bill.com in-box for payment processing.G. In order for approval to be authorized for the monthly credit card statements, the monthly statement and the individual merchant receipts must be individually scanned and individually uploaded in the Bill.com inbox.H. Monthly credit card statements are approved by the CEO, the Board Treasurer and Board President. Credit card charges > or = \$2,000.00, must be approved by a majority vote of a quorum of the Board.I. The CEO may not approve his/her own business expenses. CEO business expenses, regardless of amount, must be approved by Board vote.
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		<p>J. The credit card statements must be reconciled monthly in QuickBooks by CCFA's contracted third party Business/Financial Management Services.</p>
<p>16.</p>	<p>CCFA Employees Submitting Expense Reimbursement</p>	<p>Employee expense reimbursement forms should only be used if the Authorized Payment Sources listed above (#11) are not accessible. In the event an employee needs to submit an expense reimbursement form, the employee must use the designated CCFA Employee Expense Reimbursement Form and submit through Bill.com.</p> <p>The Employee Expense Reimbursement Form must be completed in full, including:</p> <ol style="list-style-type: none"> 1. Receipt, regardless of amount. 2. Business Purpose. 3. Vendor Name. 4. Description of Services. 5. Amount <p>If the above items are not clearly labeled and/or provided, the CEO will deny reimbursement until all of the above required information is provided.</p> <p>NOTE: Personal checks utilized for school related expenses are strictly prohibited and will not be acknowledged for reimbursement.</p> <p>NOTE: All requests for reimbursements, no matter the purchase method, require a vendor receipt.</p> <p>NOTE: Third party contractors may not purchase school related expenses (school supplies, meals/refreshments, clothes, etc.).</p> <p>NOTE: Vendors noted on employee's expense voucher should be the 'vendor of record.'</p>



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17.	CCFA Employee Expense Reimbursement Form	All employee expense reimbursements must be processed using the latest version of the CCFA Employee Expense Reimbursement Form (i.e., September 2019 or newer). A scanned copy of the approved expense voucher and accompanying receipts must be available in the CCFA Financial Systems.
18.	Approval for CCFA CEO Expense Reimbursements	<p>A. All CEO Expense Reimbursement Forms submitted for payment must be approved by a majority vote of a quorum of the Board. All CEO expense reimbursement forms must be submitted through Bill.com and must be submitted on the CCFA Employee Expense Reimbursement Form.</p> <p>B. All vendors/merchants referenced on the employee expense voucher should be the 'vendor of record' in the financial systems.</p>
19.	Reasonable and Customary CEO Expenses	<p>As a guide, the following is a list of fair and reasonable expenses which the CEO may incur on their business credit card, related to the performance and duties of their CEO role:</p> <ul style="list-style-type: none"> A. Food for working meals with employees, where school business is discussed. B. Equipment, software, materials purchased to support the school. C. Transportation and housing costs for trips that are related to the school D. Acknowledgements sent to staff for medical, hospitalization and funerals. E. Conferences, meetings, conventions, and professional development webinars that are pre-approved in writing by the Board. All necessary expenses to attend will be paid by CCFA. F. Mileage - personal car mileage for school business, with the exception of daily commute, shall be reimbursed at the current mileage allowance rate established by the IRS. G. Meals during overnight travel include food, room service, non-alcoholic beverage, tax, and tip (not to exceed 18%).



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20.	CCFA Board Incurred Expenses	<p>All CCFA Board incurred expenses should have a separate Income Statement line(s) tracked in QuickBooks. Unbudgeted CCFA Board related expenses must be approved by a majority vote of a quorum of the Board directly. Any board incurred expenses > or = to \$1,000 must be pre-approved by the Board at large, via a majority vote of a quorum of the Board.</p>
21.	CCFA Business Memberships and Business Subscriptions	<ul style="list-style-type: none"> A. All business memberships and business subscriptions (i.e., Wholesale memberships such as BJs, Costco, etc.) for school related business needs must be in the name of the school. Individual memberships/subscriptions opened on behalf of the school are prohibited and cannot be submitted for reimbursement unless an exception to policy is approved in advance by the Board Treasurer in writing. B. Exceptions may be approved by the Board Treasurer on a case-by-case basis, where there is a direct benefit to the advancement of the CCFA mission, and when the actual memberships, due to a particular organization’s by-laws, must be in an individual’s name, and not in the organization’s name by custom. C. Exceptions for employee Professional Development purposes will also be considered. Requests must be made in writing and delivered to the Board Treasurer for consideration at least 7 days prior to the time the disbursement is required. D. All membership fees paid are tracked and booked to the specific income statement expense line for memberships.
22.	CCFA Payroll and Payroll Approval	<ul style="list-style-type: none"> A. Payroll is conducted on a bi-weekly pay-cycle. B. Payroll is outsourced to a third party vendor. C. All timesheets and payroll records must be in electronic form (no paper copies filed in boxes/file cabinets, etc.) and stored in an electronic folder on the School’s Google Drive. D. There must be a minimum of four independent levels of checks-and-balances associated with each bi-weekly payroll submission as follows: <ul style="list-style-type: none"> 1. Designated/selected CCFA personnel appointed by the CEO.



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		<ul style="list-style-type: none">2. The CEO, HR Specialist, Financial Management Vendor and Payroll Vendor are the only parties involved with each bi-weekly payroll creation and submission, and must be easily identifiable within the bi-weekly payroll submission process.3. The CEO is the official approval of timesheet reporting and CCFA's Financial Management Vendor is the official approval of payroll submission of each bi-weekly payroll submission to the payroll vendor.4. The CEO and the Financial Management Vendor are accountable for accurate payroll reporting, and must be easily identified within the bi-weekly payroll submission process. <p>E. The Board pre-approves all CEO PTOs.</p> <p>F. The bi-weekly payroll process is as follows:</p> <ul style="list-style-type: none">1. Designated CCFA personnel appointed by the CEO, gather bi-weekly time reporting data for all staff members on a secure Google Sheet timesheet.<ul style="list-style-type: none">a. This includes regular pay, sick pay, personal pay, vacation pay, and other paid time off.b. Designated CCFA personnel approves and sends an email to the CEO for Google Sheet timesheet approval.2. With HR informed, the CEO approves the biweekly Google Sheet timesheet and emails the Financial Management Vendor.3. Financial Management Vendor approves the bi-weekly Google Sheet timesheet and creates a bi-weekly payroll record accordingly, with the payroll vendor.<ul style="list-style-type: none">a. Payroll record clearly delineates regular pay, bonus pay, stipend pay, sick pay, personal days, vacation pay and other paid time off.
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		<p>4. Payroll company issues payment and generates a payroll report.</p> <ul style="list-style-type: none"> a. Payroll report is used by Financial Management Vendor to upload journal entries into Quickbooks Online. b. Journal entries reflect the different types of time reported (regular pay, PTO pay, etc.) on the payroll record.
<p>23.</p>	<p>CCFA Foundation versus CCFA</p>	<ul style="list-style-type: none"> A. The CCFA Foundation is a completely separate 501(c)(3) and independent organization from CCFA. B. The CCFA Foundation has its own mailing address, Tax ID, independent Board of Directors, Bank Accounts, Financial Statements, Vendors, etc. C. Any requests for funding from the CCFA Foundation or transactions involving the CCFA Foundation, must be requested in writing using the CCFA Foundation Funding Application form, reviewed by the CCFA Board and approved by the CCFA Board and CCFA Foundation Board. D. Approval for CCFA Foundation funding must, at a minimum, meet the following criteria: <ul style="list-style-type: none"> i. It must be requested in writing. ii. It must clearly establish how this funding will advance the mission of CCFA. iii. It must provide the teachers, children and most importantly both Boards, visible and explainable benefit and/or advantage that is currently lacking in their educational or personal enrichment that this funding will afford. E. All funding received from the CCFA Foundation (CCFA Foundation check to the School should also be entered into Formstack) and then spent by the School, must be tracked as a program income statement in Quickbooks using a unique class, with scanned copies of all expense receipts uploaded to the Bill.com in-box or attached to the QB journal entry.



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		<p>F. Expenses incurred by the CCFA Foundation will be directed to the CCFA Foundation for processing. The CCFA Foundation mailing address is as follows: CCFA Foundation 1442 Pottstown Pike PMB 209 West Chester, PA 19380</p> <p>G. Both CCFA and the CCFA Foundation are businesses and are treated and managed accordingly, even with their own individual 501(c)(3) non-profit status.</p>
<p>24.</p>	<p>CCFA Management Hierarchy</p>	<p>A. The CCFA Board is an independent board and has overall governance and responsibility for the operations, including budgeting and financial oversight, of the school.</p> <p>B. The CCFA Board of Trustees consists of unpaid volunteers with a wide range of skills, knowledge, and abilities to serve the mission of the school.</p> <p>C. The CEO reports directly to the Board.</p> <p>D. Part-time and Full-time staff, contractors, vendors, suppliers, report directly to the CEO, and held accountable by the CEO in addition to the Board.</p> <p>E. The Board has the ultimate authority as the governing body and holds all parties accountable for performance quality, efficiency, and effectiveness.</p> <p>F. The Board approves both the hiring and terminating decisions of employees, vendors, consultants, contractors, and suppliers in a public Board Meeting.</p> <p>G. The Board approves all contracts including position titles, position job descriptions, headcount, salary letters, etc. and will consider written recommendation(s)/justification(s) by the CEO.</p> <ol style="list-style-type: none"> 1. For transparency, a one-page bulleted written report to the Board must be provided by the CEO or Board-assigned individual(s), outlining the hiring process, including posted job ad placement and time frame advertised, number of candidates who applied, shortlisted, resulting written evaluations, etc. This one-page bulleted written



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		<p style="text-align: center;">report will be attached to the associated Board Meeting Minutes.</p> <ul style="list-style-type: none">H. Background checks including verification of credentials, licenses, employment dates, degrees, clearances, etc. must be performed and cleared by the HR Generalist or Board-assigned staff before scheduling a vote in a Public Board Meeting to validate CCFA written offers and the official hiring of candidates.I. Each new hire must have a signed I-9, W-4, 403b registration, and other required documents as outlined in the New Employee Paperwork Repository, on file within the new hire's first paycycle.J. All CCFA employees must acknowledge awareness of this CCFA Financial Management Policy and Procedures through the Online Acknowledgement ConfirmationK. All staff must have a job description on file and have signed they understand the requirements, essential functions, and duties of their position.L. Written exit interviews in Formstack and oral exit interviews must be administered by the HR Generalist or Board-assigned staff for all employees who voluntarily resign.M. Staff operational and personnel issues should be directed through the CEO for resolution. If the CEO finds that he/she is unable to resolve a particular problem, or if he/she decides that Board consultation is required, it will be the CEO's, and the CEO's decision alone, to elevate the matter to the Board for resolution.N. Personnel issues/concerns regarding the CEO may be brought to the Board's attention with anonymity and will be handled in a confidential matter. Serious attempts should be made to rectify CEO issues with the CEO directly, before bringing CEO issues/concerns to the Board.
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25.	Annual Operating Budget not a guarantee of payments or guarantee funding of initiatives	<ul style="list-style-type: none">A. The Board-approved, preliminary/proposed/final annual operating budget (general fund budget) is not to be used or implied, to be in lieu of legally binding contracts/service agreements, or to be considered as a guarantee payment to any employee, vendor, supplier, or contractor, or a guarantee to fund projects or initiatives.B. Versions of the Annual Operating Budget are owned by the Board Treasurer and/or Board President, as members of the governing body. The Annual Operating Budget is a secured Google Sheet.C. Budget creation is a collaborative effort between the contracted third party finance/bookkeeping firm, the CEO, the Board Treasurer and/or Board President, and other Board-approved parties required to assist in the development of budget assumptions, that yield a proposed Annual Operating Budget to be approved by the Board via vote.D. The Board-approved proposed Annual Operating Budget numbers are transferred onto the PDE Final General Fund Budget template to be posted on the CCFA website for public inspection for 30 calendar days to meet PDE regulations for approval, adoption, and/or execution. The budget may be amended before final adoption.E. Adoption of the Final General Fund Budget will be approved at a School Board Meeting after the public inspection period.F. Because the incumbent Annual Operating Budget is created, approved, and adopted on or before the new fiscal year, it is meant to serve as a guide or plan for the forthcoming twelve months. It is important to note however, that ever changing political, social, business, or economic factors may require the Board and/or the School to change course at any given time during the fiscal year; thus, certain initiatives may or may not be implemented as originally created, approved and adopted in the budget.G. The Board decides if funding for the School's strategic projects or initiatives during a fiscal school year should come from Cash Operations, Cash Reserves, or seek
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		alternative means such as grants or donors to assist in funding accordingly at the time of implementation.
26.	Ongoing Financial Prudence	In the event an employee, vendor, contractor, or supplier has a situation or question that has not been addressed/answered in this document, the situation or question should be emailed to the Board Treasurer for further instructions/clarification. The intent of this document is to protect the organization's assets and to continuously improve internal controls with appropriate checks-and-balances.
27.	No Apparent Authority	No third party shall have authority to act in any capacity on behalf of CCFA without a majority vote of a quorum of the Board. Absent a recorded Board vote authorizing action, no individual School administrator or Board member may give direct or indirect permission and/or authority to an outside third party to act as an agent on behalf of the school to procure services for the school.
28.	Online Viewing	All payments and supporting documentation must be available for viewing online within the CCFA Financial Systems (Bill.com, Quickbooks, etc.). Hard copies of payments and supporting documentation cannot be the only method for locating information - it must be made available for online viewing within the financial systems. This includes scanned copies or electronic copies of bank statements, credit card receipts, payroll reports, invoices, 1099s, etc.
29.	Program Income Statement Requirement	All restricted funds or grants given to and received by CCFA must have their own recorded income statement in Quickbooks Online. This requirement will provide the donor/grantor the ability to see how the grantee spent the donation/grant.
30.	Class Codes	A. The use of "Class" codes in CCFA Financial Systems are required to track expenses associated with grants, special projects, special tasks, special assignments, and/or non-recurring items such as unforeseen, unexpected, unbudgeted events and/or situations. B. Descriptions of each class code are provided within the



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		<p>CCFA Financial Systems.</p> <p>C. The Board has ultimate authority regarding the applicable use and number of Class codes required.</p>
31.	Donor Contact Information	<p>A. All Donor contact information (Organization/Name, Address, contact person, date of donation, amount and whether restricted or unrestricted funds) must be tracked in CCFA Financial Systems, with the ability to generate a report illustrating all donor information for a given period of time.</p> <p>B. Copies of all donor checks must be entered into Formstack (CCFA’s Workflow Management Software Program).</p> <p>C. Donation letters acknowledging monetary contribution will be sent to donors by the Board Secretary.</p> <p>D. Donations received with a specific intent for the donation should follow #28.</p> <p>E. Donations received with a specific intent that cannot be executed by CCFA based on the intent of the donation, should be returned.</p>
32.	Cash Donation Receipts	All cash donations received are recorded as a sales receipt in Quickbooks Online.
33.	Check Payments Received	All checks received at 530 E. Union Street address, must be entered into Formstack. This includes but not limited to grants, donations, reimbursement checks, payments from School Districts, checks for the Foundation, checks from the Foundation, etc.
34.	Invoice Tracking	<p>All invoices will be tracked with the ability to generate a report to illustrate:</p> <p>A. Date Invoice was Received at CCFA (Stamped by CCFA if paper invoice received).</p> <p style="margin-left: 40px;">a. This stamped “invoice receive date” should be entered in the “P.O. section” of the invoice screen within bill.com for reference purposes only.</p> <p style="margin-left: 40px;">b. Invoices stamped and placed in the bookkeeper’s</p>



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		<p>folder to process payment, assumes services/products were received as indicated on invoice.</p> <p>B. Date invoice was Entered into Financial System (Automatically generated by bill.com))</p> <p>C. Date invoice was Approved (Approved by the appropriate CCFA authorities)</p> <p>D. Date invoice was Paid (Processed by last CCFA Approver)</p> <p>Paper invoices received without a Stamp date (i.e., CCFA Received Date) should not be entered into the bil.com queue for processing.</p>
<p>35.</p>	<p>Past due invoices or invoices > or = to 30 days old</p>	<p>All invoices > or = 30 days old from invoice date, or any past due invoice, requires a note in Bill.com as to the reason. Any late fees, finance charges, or interest charges incurred as a result of a past-due invoice must be tracked separately and accordingly in the CCFA Financial Systems.</p>
<p>36.</p>	<p>On-Line Portals for CCFA Property</p>	<p>There must be a minimum combination of two, preferably three CCFA administrative personnel and Board Members, registered for any on-line portal containing CCFA information. This includes but is not limited to payroll, insurance, banking, etc. Authorized external vendor personnel cannot be the only parties with on-line access to CCFA information/property.</p>
<p>37.</p>	<p>Computer/Electronic Equipment Purchased</p>	<p>A. All computer and/or electronic equipment purchased on the CCFA Business Credit Card or otherwise, with a unit price of \$250 or more, must be logged into the restricted Equipment Inventory Repository on the Google Drive, referencing the Vendor, Purchase Date, Manufacturer Name, Serial Number, Model Number, Cost, and Employee responsible for the equipment.</p> <p>B. Any equipment, electronic or otherwise, purchased with CCFA funds, must be mailed/shipped to the CCFA address and not to the purchaser's home address.</p> <p>C. This restricted Equipment Inventory Repository is primarily maintained by the CCIU, but the CEO is accountable for ensuring it is current and accurate at all times.</p>



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		<p>D. All computer and/or electronic equipment purchases should be purchased directly with the vendor/manufacturer but made through the CCIU, unless directed otherwise by the Board in writing, to obtain the best educational discounts, for appropriate configuration with existing networked equipment, and inventory tracking purposes.</p> <p>E. Any such equipment, electronic or otherwise, must be returned to CCFA upon the departure of the CCFA employee.</p> <p>F. The HR Generalist, CEO or other Board-appointed party are responsible for ensuring the release and safe return of all CCFA equipment upon a contractor's/employee's departure. Both the new/departing employee/contractor, and the HR Generalist, CEO or other Board-appointed party, should sign an 'equipment release' and 'equipment return' document and place these signed documents in the School's personnel files.</p>
38.	Petty Cash	Petty cash funds are not maintained by CCFA and are not permitted.
39.	Stipends	<p>A. All staff stipends outside of at-will employment agreements must be pre-approved by a majority vote of a quorum of the Board in a public meeting, in advance of paying the stipend.</p> <p>B. Stipends outside of at-will employment agreements must be tracked as a separate personnel expense line item in Quickbooks.</p>
40.	Grants received	<p>A. All grants received by CCFA must have the accompanying approved grant application on file in the Grants folder in the restricted Third Party Repository.</p> <p style="padding-left: 40px;">1. Grant agreements on file must illustrate the approval signatures by both Grantor and Grantee (CCFA) in order for payment approval of associated grant expenses.</p> <p>B. Grant applications should include cost of labor in addition to cost of materials to fulfill grant obligations.</p> <p>C. All monies received from grants must be designated as Restricted Funds and tracked as a separate program</p>



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		<p>income statement.</p> <p>D. The CEO and Financial Management Vendor are accountable for the accurate tracking and reporting of expenses associated with grants received. The CEO is accountable for providing grant expenditure tracking reports to the grantor and these reports should also be on file in the Grants folder in the restricted Third Party Repository.</p>
41.	Capital Assets/Expenditures	<p>A. A capital asset is a piece of property that meets all of the following requirements:</p> <ol style="list-style-type: none"> 1. The asset is tangible and complete. 2. The asset is used in the operation of the school. 3. The asset has a useful life of longer than the current fiscal year. 4. The asset individual unit price is \$1,000 or more. <p>B. Examples of Capital Assets include, but not limited to:</p> <ol style="list-style-type: none"> 1. Classroom furniture 2. Improvements to the building 3. Computers 4. Smartboards 5. Etc. <p>C. Capital assets may be acquired through donation, purchase, or may be self-constructed.</p> <ol style="list-style-type: none"> 1. The asset value for donations will be the fair market value at the time of the donation. 2. The asset value, when purchased, will be the initial cost plus the trade-in value of any old asset given up, plus all costs related to placing the asset into operation. 3. The cost of self-constructed assets will include all costs of construction. <p>D. Capital Assets must be clearly identified and recorded accordingly in Quickbooks Online.</p> <p>E. Computer and computer related equipment that is capitalized must also be referenced on the restricted Equipment Inventory Repository</p>



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42.	Depreciation Method	<p>A. The “straight line” method of depreciation should be utilized to depreciate capital assets, except for land, over the estimated useful lives of the related assets principally as follows.</p> <p>B. Estimated life for fixed assets shall follow IRS guidelines.</p> <ol style="list-style-type: none"> 1. Leasehold Improvements: Remaining Useful Life up to 25 years 2. Computer Hardware (5 years) 3. Software (3 years) 4. Equipment (5 years) 5. Furniture (7 years)
43.	Disposition of Assets	<p>When capital assets are sold or otherwise disposed of, the inventory of capital assets should be relieved of the cost of the asset and the associated accumulated depreciation. Assets will be removed at the time of sale. The appropriate depreciation will be taken for the year of disposal. The Board approves the disposition of assets.</p>
44.	Gift Card Purchases	<p>A. Written pre-approval by the CEO and the Board Treasurer or Board President, is required prior to purchase. Documentation must include the purpose of the gift cards, intended recipients, and timing of distribution. This written approval must be attached to purchase receipt and uploaded in bill.com and/or Quickbooks Online for electronic processing and filing.</p> <p>B. Gift cards must be stored in a locked and secure location with restricted access.</p> <p>C. Monthly reconciliation of remaining gift cards and card distribution must be provided to the Financial Management Company and included in the monthly financial review.</p> <p>D. All gift cards distributed to employees must be reported to payroll and is considered imputed income. Taxes are paid by the receiving employee on the value of the gift card.</p>
45.	Investments	<p>A. It is the policy of the Board of Trustees to optimize its return through investment of cash balances in such a way as to minimize non-invested balances and to maximize return on investments.</p>



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		<p>B. All investments shall be made in accordance with applicable laws of Pennsylvania including Section 440.1 of the PA School Code.</p> <p>C. Investments shall remain sufficiently liquid to meet all operating requirements that are reasonably anticipated.</p> <p>D. Investments shall be made with the objective of attaining a maximum rate of return available in the market at the time of investment and taking into account the investment risk constraints and liquidity needs.</p> <p>E. All investments require approval by a majority vote of a quorum of the Board in a public meeting, in advance of the date of investment.</p> <p>F. Designated officers and employees involved in the school’s investment process shall disclose in writing any personal business activity that could conflict with the proper execution and management of the investment program or could impair their ability to make impartial decisions.</p>
<p>46.</p>	<p>Annual Independent Audit</p>	<p>A. Annually, CCFA hires an independent certified public accounting (CPA) firm to review all financial transactions.</p> <p>B. The CPA accounting firm is selected and recruited by the CCFA Board via an annual engagement letter that is approved in a public Board Meeting.</p> <p>C. The CEO, the Financial Management Vendor, and other third parties as authorized by the CCFA Board of Trustees, will ensure there is a third-party audit conducted on an annual basis and will have responsibility for providing the auditors with the management letter for inclusion in the audit report.</p> <p>D. Members of CCFA staff and the Board of Trustees as well as select vendors will be interviewed annually regarding internal controls as well as checks-and-balances.</p> <p>E. The results of the examination will be reported to the Board. The report shall include:</p> <ol style="list-style-type: none"> 1. An independent auditor’s report on the fair presentation of all financial statements;



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		<ul style="list-style-type: none">2. An independent auditor’s report on compliance and on internal controls;3. All financial statements with accompanying notes;4. Reportable findings and recommendations; and Auditee’s comments and corrective action plan(s). <p>F. The independent auditor will prepare and file the annual IRS Form 990 to be approved via vote by the Board in a public Board Meeting.</p>
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