Sycamore Valley Academy
Budget Policy 12-002
Controls, Budget, and Fiscal Management

SVA must maintain in effect the following principles in its ongoing fiscal management practices to ensure that, (1) expenditures are authorized by and in accordance with amounts appropriated in the board-adopted budget, (2) the school's funds are managed and held in a manner that provides a high degree of protection of the school's assets, and (3) all transactions are recorded and documented in an appropriate manner.

I. SEGREGATION OF DUTIES

SVA must develop and maintain a standard check request and purchase order form to document the authorization of all non-payroll expenditures. All proposed expenditures must be approved by the Principal/Superintendent who will review the proposed expenditure to determine whether it is consistent with the Board-adopted budget and sign the check request form. All check request and purchase order forms over two hundred fifty dollars ($250) must be signed by the appropriate combination of the Principal/Superintendent, the Board's Treasurer, Chairperson, Vice-Chairperson or Secretary, in accordance with the requirements of Board Policy 12-001, including Section I(C), as revised from time to time. All such completed forms must be maintained in a file labeled with the fiscal year to which they pertain.

All transactions must be posted in an electronic general ledger. In accordance with Board Policy 12-001, Section II(A)(3), the transactions must be posted on the ledger by an SVA employee or a contracted bookkeeper. To ensure segregation of recording and authorization, the bookkeeper may not co-sign check requests for purchase orders.

II. RECORD RETENTION

Transaction ledgers, canceled/duplicate checks, attendance and entitlement records, payroll records, and any other necessary fiscal documents will be maintained by school staff in a secure location for at least three (3) years, or as long as required by applicable law, whichever is longer. Appropriate back-up copies of electronic and paper documentation, including financial and attendance accounting data, will be regularly prepared and stored in a secure off-site location, separate from the school.

III. PROPERTY INVENTORY

In accordance with the operational MOU with the Visalia Unified School District (e.g. § 9(I), 12/2011 MOU), the Principal/Superintendent must establish and maintain an accurate inventory of all non-consumable goods and equipment worth over five hundred dollars ($500). This inventory shall include the original purchase price and date, a brief description, serial numbers, and other information appropriate for documenting SVA's assets. This property will be inventoried on an annual basis and lists of any missing property shall be presented to the Board.

All non-consumable property of SVA lent to students must be returned to the school no later than five (5) working days after end of the school year.

Any excess or surplus property owned by SVA may be sold or auctioned by the Principal/Superintendent provided the Principal/Superintendent engages in due diligence to maximize the value of the sale or auction to SVA. The sale or auction of property owned by SVA with a fair market value in excess of one thousand dollars ($1,000) shall be approved in advance by the Board.

Donation of surplus property shall be governed by Board Policy 12-001, Section IV(H).

IV. PAYROLL SERVICES

SVA must contract with the County Office of Education or a reputable, bonded and insured payroll contractor to prepare payroll checks, tax and retirement withholdings, tax statements, and to perform other payroll support functions. The Principal/Superintendent will establish and oversee a system to prepare time and attendance reports and submit payroll check requests. The Principal/Superintendent and Board Treasurer will review payroll statements monthly to ensure that (1) the salaries are consistent with staff contracts and personnel policies and (2) the proper tax, retirement, disability, and other withholdings have been deducted and forwarded to the appropriate authority. All staff expense reimbursements will be through checks or wire transfers separate from payroll checks or wire transfers.

Upon hiring of staff, a personnel file will be established with all appropriate payroll-related documentation including a federal I-9 form, tax withholding forms, retirement date, and an accounting of the use of sick leave. Payroll processing must occur in the manner prescribed by Board Policy 12-001, Section IV(E), as amended from time to time.

V. ATTENDANCE ACCOUNTING

The Principal/Superintendent will establish and maintain an appropriate attendance accounting system to record the number of days students are actually in attendance at the School and engaged in the activities required of them by SVA. The annual audit must review actual attendance accounting records and practices to ensure compliance. The attendance accounting practices will be in conformance with the Charter Schools Act and the applicable California Administrative Code sections defining Charter School Average Daily Attendance ("ADA"). Therefore:

- ADA will be computed by dividing the actual number of days of student attendance by the number of calendar days of school instruction by SVA.

- SVA's instructional calendar will include at least the number of days of instruction required under 5 C.C.R § 11960(b) to avoid the fiscal penalty for providing fewer than said number days of instruction (175 days as of July 2012). The calendar must also document that the school offers an amount of annual minutes of instruction as required pursuant to Education Code § 47612.5 (as of July 2012, 36,000 minutes for kindergarten; 50,400 minutes for grades 1-3, 54,000 minutes for grades 4-8).

- Independent study must be pre-arranged by the student's adult guardian and approved by the Principal/Superintendent and the adult guardian must be required to complete and submit documentation of engagement in instructional activity to the school on forms prepared by the school. As applicable, such study shall be in full compliance with law governing independent study, including Article 5.5 (commencing with section 51745) of Chapter 5 of Part 28 of the Education Code and section 11963.1 of Title 5 California Code of Regulations.

This policy was formally adopted at a meeting of the SVA Board of Directors on 7.19.12.

Rachele Berglund Bailey, Board Secretary