SECTION V: BUSINESS AND TECHNOLOGY POLICIES 5000

Internal Controls

Separation of Duties: Duties are divided so that no one person has complete control over a key function or activity. The check signatory must not be the person who creates checks or who does the bookkeeping. Someone, other than the check signer, reconciles bank statements. A person other than the one recording the receipts prepares deposit documentation and reconciliations.

Authorization and Approval: Proposed transactions are authorized by the governing board when they are consistent with policies, procedures, regulations and laws.

Custodial and Security Arrangements: Responsibility for custody of assets is separated from the related record keeping.

Review and Reconciliation: Records are examined and reconciled to determine that transactions were properly processed and approved by the treasurer, encumbrance clerk, head of school, and finance manager. All POs and bank reconciliations are presented to the Board monthly.

Physical Controls: Equipment, inventories, and other assets are secured physically, counted periodically and compared with amounts shown on control records by the operations manager and reviewed by the head of school.

Training: Employees are trained to ensure that control processes function properly.

Expense Reports: To properly control reimbursement activities, the encumbrance clerk initially reviews to ensure rules are complied and as well as the head of school approves all expense reimbursements submitted by staff. The treasurer approves the payment proposal before checks are issued and signed by designated signers.

Authorization and Approval: Employees never approve actions affecting their own reimbursement. The treasurer and two board members have signature authority for check issuance. ACH transactions are created by the treasurer and approved by the head of school
Review and Reconciliation: The Oklahoma Virtual Charter Academy bank statements are addressed to the school's administrative office. Bank statements shall be reviewed and reconciled monthly by the treasurer. and presented to the Board for review and approval monthly.

Source: OVCA Board Policy adoption 6/23/2011
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