

THE ROOSEVELT HIGH SCHOOL FOUNDATION FINANCIAL MANAGEMENT POLICY

I. Purposes

The Roosevelt High School Foundation (hereinafter “TRHSF”) is committed to using its funds in the most effective and efficient manner possible. TRHSF must always remain accountable to all stakeholders, including donors, donees, Board Members, employees, volunteers, and indeed the public at large, for proper care of its finances. TRHSF will provide accurate and complete financial data for both internal and external use.

II. General Roles and Responsibilities

1. The Board is ultimately responsible for TRHSF’s financial management.
2. The Executive Committee is responsible for the day-to-day financial management of TRHSF. The Board authorizes the Executive Committee to hire and supervise staff and independent consultants, pay bills, receive funds, and maintain bank accounts.

III. Specific Responsibilities of Executive Committee

The Executive Committee shall be responsible for the following:

1. Account for donor-restricted and Board-designated funds separately from general operating funds and clearly define the restrictions applicable to these funds.
2. Limit vendor credit accounts to prudent and necessary levels.
3. Make no contractual commitment for bank loans, corporate credit cards, or for real estate leases or purchases, without specific approval of the Board.
4. Manage expenses within the parameters of the overall Board-approved budget and report to the Board on any variances and the reason for these variances.
5. Obtain competitive bids for items or services costing in excess of one thousand dollars (\$1,000). (Note that the Board may award the bid to any provider and is not required to accept the lowest cost proposal).
6. Pay all obligations and file required reports in a timely manner.
7. Provide oversight so that depreciation of capital assets will not exceed five (5) years for furniture and equipment or three (3) years for computer and other technology equipment.
8. Record fixed assets with purchase prices greater than five hundred dollars (\$500) as capital assets in accounting records.

9. Report financial results of TRHSF operations, as may be mandated by the Board.

IV. Specific Responsibilities of the Board

The Board shall:

1. Ensure the Executive Committee strictly adheres to both this Policy and to generally accepted accounting practices (commonly known “GAAP”).
2. Provide adequate training to Board Members to enable each member to fulfill his or her financial oversight role.
3. Review financial reports at each Board meeting.

V. Pre-Approval and Other Restrictions on Executive Committee

1. Board pre-approval is required for expenses in excess of one thousand dollars (\$1,000).
2. The Executive Committee is authorized to sign checks up to two thousand five hundred dollars (\$2,500).
3. Checks written for amounts greater than two thousand five hundred dollars (\$2,500) shall require a second signature of an authorized signer.
4. The Executive Committee is authorized to enter into contracts, but only for activities that have been approved by the Board as a part of budgets or plans.
5. The Board must approve any use of any cash reserve fund.

VI. Budget

In order to ensure that planned activities minimize the risk of financial jeopardy, and are consistent with Board-approved priorities, long-range organization goals, and specific five-year objectives, the Executive Committee shall:

1. Submit operating and capital budgets to the Finance Committee in time for reasonable approval by the Board prior to each fiscal year.
2. Use responsible assumptions and projections as background with the general goal of an unrestricted surplus.

VII. Financial Reports

1. **Monthly reports.** Financial reports shall be provided to the Board at all regular meetings and, in any case, every month. Reports shall include a comparison to the budget.
2. **Year-end financial reports.** Year-end financial reports shall be provided to the Board within sixty (60) days of the close of the fiscal year.
3. **Notations.** Reference explanations for any budget variances of ten percent (10%) or more are required.
4. **Audit.** An audit shall be conducted by an independent certified public accountant (CPA) no less than biennially. Every year, the Finance Committee shall review the financial records. The Finance Committee shall report findings and recommendations to the Board.

VIII. Cash Management Security

1. **Counting cash.** For all fundraising activity or receipts of cash from events, two (2) people shall count the cash together at the conclusion of the event, or receipt/ticket taking portion of the event, and both shall sign an acknowledgment of the total receipts counted.
2. **Deposits.** All cash and checks shall be processed immediately and no later than the second business day following receipt; if deposits cannot be made immediately, checks and cash shall be locked in a secure location. For all deposits, careful record of funds must be made, including the account the funds are deposited to, purpose of deposit, donor (or payor), and amount. Copies or scans of all checks received are encouraged. If possible, deposits should be verified and initialed by other staff or Board Member.
3. **Cash disbursements.** No cash disbursements or petty cash accounts are permitted.

IX. Other Accounting Protocols and Security

1. **Computer controls.** Computers, laptops, and other electronics used for operations of the Board shall be password-protected and kept in a secure location(s).
2. **Reconciling accounts.** All accounts shall be reconciled monthly and reviewed by the Treasurer and the Finance Committee.
3. **Credit card accounts.** All credit card statements shall be reconciled monthly; receipts for all charges, including the name of the person making the charge and the purpose of the charge are required. If no receipt is available, a dated statement with details of the transaction must be signed by the person who made the charge.
4. **Bank statements/online banking access.** Bank accounts shall be opened and accessible by the Treasurer and the Executive Committee. In addition to the Executive Committee, the Treasurer will have access to bank accounts online for purposes of monitoring the accounts.

5. **Payroll.**
 - a. **Personnel files.** Personnel files are to be maintained in a secured location for all employees. Changes in payroll data (pay, benefits, etc.) must be approved by the Board or Finance Committee.
 - b. **Payroll processing.** Payroll will be processed by an outside firm with reports sent to the Executive Committee and Treasurer no less than monthly.
 - c. **Tax deposits and returns.** Copies of tax deposits and all state and federal payroll returns will be provided to the Executive Committee or Treasurer before the deposits and returns are due.
7. **Board and staff fiduciary duty.** It is the duty of the Executive Committee and/or any Board Member who has authority to sign checks to verify that there are sufficient funds available for payment of the checks before affixing his or her signature.
8. **Board approval required for all credit and borrowing transactions.** Board approval must be obtained for all applications of credit and loans. At least two (2) signatures, at least one (1) of which must be a Board Member, are required to obligate the Board for any loan or extension of credit.
9. **Financial transactions with insiders.** No advances of funds to employees, officers, or Board Members are authorized. Direct and necessary expenses, including travel for meetings and other activities related to carrying out responsibilities, shall be reimbursed. In no case shall the Board borrow funds from any employee, officer, or Board Member without specific authorization from the Board following review of the Conflict of Interest Policy.

X. Asset Protection

In order to ensure that the assets of the Board are adequately protected and maintained, the Executive Committee shall:

1. Avoid actions that would expose TRHSF, its Board (individually or collectively), or its staff to claims of liability.
2. Insure against theft and casualty losses to the Board and against liability losses to Board Members, staff, or the Board itself to levels indicated in consultation with suitable professional resources.
3. Plan and carry out suitable protection and maintenance of property, building, and equipment.
4. Protect financial information and intellectual property, whether in paper or electronic form, or both, from unauthorized access, tampering, loss, or significant damage.

- 5. Receive, process, and disburse funds under controls that are sufficient to maintain reasonable security.

XI. Gift Acceptance

The Board will review, accept, and/or decline charitable gifts in accordance with TRHSF’s most recently adopted Gift Acceptance Policy.

XII. Amendments to this Policy

This Financial Management Policy may be amended, but only by a vote after due deliberation by the Board at a meeting held with proper notice, including notice this Policy is to be discussed.

Policy approved by The Roosevelt High School Foundation on:

[date]

Signature: _____

Name: _____

Title: _____