

Adopted: 9.21.16
Revised: 10.19.16

NORTH METRO FLEX ACADEMY POLICY No. 7.1 SEGREGATION OF DUTIES/ INTERNAL CONROLS

I. PURPOSE

The purpose of this policy is to establish internal controls that will enable North Metro Flex Academy to properly safeguard its assets, data and to comply with state and federal laws.

II. POLICY STATEMENT

It is the policy of North Metro Flex Academy to have internal controls that will adhere to Generally Accepted Accounting Principles, Data Security Controls and applicable mandates of state and federal law.

III. BANKING AND CASH MANAGEMENT

- A. Bank accounts. The Anton Group/ACCEL and Board President/Treasurer shall be designated as parties authorized to open bank accounts on behalf of North Metro Flex Academy. All banking documents shall require the signature of these two individuals.
- B. Check preparation. The Anton Group/ACCEL shall be responsible for preparation of all checks.
- C. Deposits. ACCEL initiates and prepares deposit transactions and shall be responsible for all deposits. Specific policies regarding electronic fund transfers are contained in Board Policy 7.3.1.
- D. Reconciliation. ACCEL/Anton Group shall reconcile cash and bank transactions monthly.
- E. Petty cash. Office Manager shall be responsible for management of petty cash. Office Manager shall ensure that the receipts and cash in the petty cash fund are equal to the total value of the petty cash fund.

IV. PAYROLL AND RELATED LIABILITIES

A. Timekeeping. The Principal, in consultation with ACCEL shall establish policies for employee timekeeping. Those policies shall be presented to the Board annually for its review and approval.

B. Payroll.

ACCEL shall contract with a payroll vendor approved by the Board. The vendor shall establish and implement policies regarding appropriate disbursement of payroll to bona fide employees, record payroll disbursements accurately, and will develop an adequate system for necessary payroll taxes and other withholdings. The Principal shall be responsible for ensuring that the payroll vendor adheres to the policies established and those policies shall be reviewed by the Board annually.

V. FIXED ASSETS

A. Purchases.

1. Conformity to budget. All purchases shall be demonstrably related to activities and functions identified in the annual budget.
2. Purchases that exceed \$10,000 must be shall receive prior approval from the Board.

B. Inventory. The Principal or designee shall ensure that an appropriate inventory of all fixed assets is maintained showing description, date purchased or received and cost or fair market value. The assets shall be compared to the inventory annually and an annual report shall be made to the Board regarding inventory.

VI. GRANTS, DONATIONS

- A. The Anton Group/ACCEL shall establish a procedure for recording all monetary contributions and shall maintain documentation of such contributions.
- B. All grants, gifts and donations shall be administered in accordance with Board Policy 2.6.

VII. DATA SECURITY BETWEEN NMFA AND ACCEL SCHOOLS

A Educational Data.

1. North Metro Flex Academy will employ industry best practices, both technically and procedurally, to protect student data from unauthorized physical and electronic access or during transfer.

2. Under the Minnesota Government Data Practices Act (MGDPA), and under a Memorandum of Understanding between NMFA and ACCEL, ACCEL employees and agents are required to comply with the provisions of the MGDPA in collecting, creating, maintaining and/or disseminating private education data on NMFA students.
3. NMFA **Identified Official with Authority** for MDE **is NMFA Board Member and licensed teacher Debbie Krantz**. As a part of NMFA internal controls for educational data security The IOWA provides oversight of the Office manager and the principal who have been granted permission to access MDE systems including MARSS, Statewide Testing and SERVES.

Legal References: Minn. Stat. §124D.10 subd. 8(j) (Charter School Law/Auditing Requirements)