

Policy Type: Operational Policy

Title: Finance Policy

Effective: May 22nd, 2025

Purpose

The purpose of this Finance Policy is to establish strong internal controls and financial accountability at Custom Class Charter School (Custom Class), a statewide public charter school, that primarily serves students online. This policy ensures compliance with state and federal requirements while adapting to the unique operations of a largely online school environment.

1. Internal Controls

Custom Class will implement and maintain internal controls to safeguard assets, ensure accuracy of financial records, and prevent fraud. Segregation of duties, digital access controls, and regular oversight will be applied throughout financial operations. No single individual may control cash receipts, disbursements, payroll, and bank reconciliations. A list of authorized personnel for purchasing and invoice approvals, including limitations to their authority, is maintained and updated annually by the Business Office.

2. Budgeting and Financial Reporting

- Custom Class will prepare an annual operating budget aligned to its educational goals and enrollment projections.
- Budget-to-actual reports will be reviewed monthly by the Chief Financial Officer (C.F.O) and shared at Board meetings.
- Financial records will be maintained on a modified accrual basis and independently audited annually.

3. Cash Handling and Online Payments

As a largely online school, Custom Class primarily accepts and disburses funds through digital means. All online transactions will be processed using secure, board-approved platforms. Physical cash will not be accepted or handled.

4. Procurement and Expenditures

All procurement processes, thresholds, and vendor approval protocols shall align with and refer to the separate Procurement Policy adopted by the Board of Directors.

- All invoices must be reviewed and approved (initialed or signed) by an authorized individual prior to payment.
- Custom Class will maintain written procedures regarding the initiation, review, and approval of all non-payroll expenditures.
- The school maintains a current and annually reviewed list of authorized purchasers and approvers, including defined limits to their authority.

5. Credit Card and Reimbursements

School-issued credit cards may be assigned to administrative staff with approval of the Board. All charges must be supported with itemized receipts. Reimbursements for authorized business expenses must be submitted within 30 days of the expense.

6. Payroll and Compensation

Employees are paid monthly on a 12-month schedule. Pay rates are board-approved and recorded in personnel files. All payroll records will be securely stored and audited annually.

7. Audit and Compliance

Custom Class will contract with a licensed independent CPA firm to conduct an annual audit. The Board's Finance Committee will review audit findings and ensure corrective actions are taken when necessary. Custom Class has established procedures to identify unallowable costs under federal/state grant programs before funds are committed or expended, including pre-approval by the C.F.O. and review against program guidance.

8. Financial Data and Document Security

Custom Class will use encrypted digital platforms for financial operations and document storage. All financial data will be backed up regularly and access will be restricted to authorized personnel.

Custom Class will maintain equipment and real property management procedures. All grant-funded or state-provided capital equipment is inventoried, tagged, tracked, and audited annually to ensure compliance with accounting standards and funding guidelines.

Certification

The undersigned officers and/or Board of Directors of Custom Class Charter School certify that this Finance Policy was duly adopted as of May 22, 2025.



Signature:

Cory Henwood – Board Chair



Signature:

Matt Middione – Board Vice Chair

Effective Date: 5/22/2025

Revised Date: 8/18/2025

References: Utah Codes: 53F-2-702, 53G-5-404