

## **FFA - INTERNAL CONTROLS POLICY**

Family Foundations Academy Incorporated, (FFA) under the direction of the Board of Trustees, is required to establish and maintain adequate accounting records and internal control procedures. Internal control consists of five components: control environment, risk assessment, control activities, information and communication, and monitoring. The objectives of internal control relate to financial reporting, operations, and compliance.

FFA and all levels of management are responsible for preventing and detecting instances of fraud and related misconduct and for establishing and maintaining proper internal controls that provide security and accountability of the resources of the charter. Management is also responsible for recognizing risks and exposures inherent to these areas of responsibility and for being aware of indications of fraud or related misconduct.

Any employee with reasonable basis for believing fraudulent or related misconduct has occurred should report such incidents to the appropriate authority within the charter and the external management company's Controller.

Internal control policies provide FFA with the foundation to properly safeguard its assets, implement management's internal policies, provide compliance with state and federal laws and regulations and produce timely and accurate financial information. A fundamental concept in a good system of internal control is the segregation of duties. Although the size of the FFA's accounting staff prohibits complete adherence to this concept, implementing the following practices will improve existing internal control without impairing efficiency. Internal controls are hereby adopted in the following areas:

- 100. General Accounting Procedures**
- 200. Cash Management Procedures**
- 300. Management Reporting Procedures**
- 400. Purchasing Procedures**
- 500. Payroll Procedures**
- 600. Institute Property Procedures**

### **Compliance with Laws**

FFA will follow all the relevant laws and regulations that govern Nonprofits within the Commonwealth of Delaware. Additionally, U.S. Government laws and regulations that relate to grant funding will be adopted as the grant funding is received.

### **Record Keeping**

To provide an accurate and auditable record of all financial transactions, the charter's books, records, and accounts are maintained in conformity with generally accepted accounting principles as required by the Commonwealth's statutes, applicable to Nonprofits .

Further, the charter specifically requires that:

- o No funds or accounts may be established or maintained for purposes that are not fully and accurately described within the books and records of the charter.
- o Receipts and disbursements must be fully and accurately described in the books and records.
- o No false entries may be made on the books or records nor any false or misleading reports issued.
- o Payments may be made only to the contracting party and only for the actual services rendered or products delivered. No false or fictitious invoices may be paid.

## **100. GENERAL ACCOUNTING PROCEDURES**

### **101. General Accounting System Design**

#### ***Control Objective***

To establish a coding structure that supports financial reporting and management's decision-making. Note First State Financial System is a expense driven accounting allocation system. A appropriation expense budget is approved and expenditures are recorded and subtracted from the fiscal year, appropriation line budget, and finally the expenditure.

(GIVE AN EXAMPLE)

#### ***Major Controls***

**A. Business Manager Trained in Chart of Accounts/Coding Structure**

The charter will use Generally Accepted Accounting Principles format to outline Chart of Accounts as cataloged by the appropriations budget. To support decision-making, the Business Manager, will be trained in this coding structure, including designations for grants or other funding to be accounted for separately.

**B. Prohibiting Adjustments**

No transaction shall be posted to a prior year or prior month by FFA 's accounting staff; nor shall any transaction be changed or deleted by FFA 's accounting staff. If deemed necessary, FFA 's accounting firm with prior board approval shall make such adjustments.

**B. Establishment of Control Accounts**

Control accounts for fixed assets, accounts receivable and accounts payable will be established with subsidiary detail listings and will be reconciled monthly to these control accounts., if applicable.

**C. Use of Contra Accounts**

If necessary, the accounting structure provides for offsetting contra accounts (e.g. an allowance for doubtful accounts, accumulated depreciation) to adjust historical cost to current levels for financial reporting purposes, if applicable.

## **102. General Ledger Activity**

### ***Control Objective***

To ensure that all General Ledger entries are current, accurate, and complete.

### ***Major Controls***

**A. Timeliness of Entries**

All entries are made soon after the underlying accounting event to ensure the financial records and reporting is current.

**B. Support Documentation**

All entries are supported by adequate documentation that clearly indicates the justification and authorization for the transaction. (i.e. purchase orders, invoices)

**C. Audit Trail**

A complete audit trail is maintained by the use of reference codes, from source documentation through the books of original entry and general ledger, to periodic reporting statements.

### ***Procedures***

1. Financial data on source documentation is verified against original documents (e.g., invoice, purchase order, etc.) by the Business Manager before forwarding to external management company for entry into the accounting system.
2. Each source document in the accounting system is reviewed by the Business Manager and approved by the Chief Executive Officer (CEO)/ Chief Administrative Officer (CAO).
3. Provision is made for using recurring General Journal entries for certain transactions, such as recording the monthly portion of prepaid insurance.
4. Non-recurring entries, such as for correcting entries, recording accruals, and recording non-cash transactions, are prepared as circumstances warrant and on an as needed basis.
5. All entries in the books of original entry (e.g., cash receipts journal and disbursements) are made soon after the accounting event from authorized forms, and are prepared and reviewed by qualified accounting personnel at the school's external management company.
6. All General Journal entries are supported by General Journal Vouchers that have supporting documentation attached, and are approved by the Controller of the charter's external management company.

### **103. General Ledger Close-Out**

#### ***Control Objective***

To ensure the accuracy of financial records and reports.

#### ***Major Controls***

**A. Trial Balance**

Monthly, a trial balance is prepared by the school's external management company to ensure the accuracy of the general ledger account balances.

**B. Reconciliation of General Ledger Control Accounts with Subsidiary Ledgers**

Reconciliations are prepared on a monthly basis.

#### ***Procedures***

1. At the end of each month, a trial balance of all general ledger accounts is prepared by the institute's external management company
2. Reconciliation between the general ledger control accounts and the subsidiary ledgers are completed by the charter's external management company.
3. At fiscal year end and after the annual audit, all income and expense accounts are closed out, and the general ledger balances are agreed to the audited financial statements.

### **200. CASH MANAGEMENT PROCEDURES**

#### **201. Cash Receipts**

#### ***Control Objective***

To record cash receipts completely and accurately and to prevent the diversion of cash assets.

#### ***Major Controls***

**A. Cash Receipts Policies**

FFA has internal control systems in place to monitor cash receipts, and ensure that deposits are made in a timely manner. Occasionally, the charter also uses electronic fund transfers to accelerate deposits.

**B. Internal Accounting Controls**

- Opening of mail is assigned to an employee with responsibilities independent of

access to files or documents pertaining to accounts receivable or cash accounts, such as with Before and After Care payments.

- Listed receipts and credits are compared to accounts receivable and bank deposits.
- General Ledger control accounts are reconciled with Accounts Receivable Subsidiary Ledger.

### ***Procedures***

1. All incoming mail is opened by the charter's Business Manager.
2. All checks are restrictively endorsed immediately by the Business Manager (using the institute stamp).
3. The Business Manager prepares deposit slips.
4. A copy of each check to be deposited is made and attached to a copy of the deposit slip and submitted to the charter's external management company to be filed to provide support for all deposits.
5. The external management company inputs journal entries.
6. The Business Manager makes deposits on a daily or no later than on a weekly basis. If deposits are made other than daily, the deposit should be maintained in a secure area with limited access.
7. Reconciliation of cash receipts to deposit slips and bank statements are performed by the external management company on a monthly basis.

## **202. Cash Disbursements**

### ***Control Objective***

To disburse cash for authorized purposes and record cash disbursements completely and accurately.

### ***Major Controls***

- Pre-numbered checks and special check protective paper.
- Match disbursement records against accounts payable/open invoice files.
- Bank statements reconciled to cash accounts and any outstanding checks verified by external management company, if applicable.
- Supporting documentation canceled to prevent resubmission for payment.
- Detailed comparison of actual vs. budget disbursements on a periodic basis.
- Separation of duties to the extent possible for an organization the size of the institute.

### **Procedures**

1. Upon receipt of invoice, the Business Manager or department head indicates on the invoice that the prices, quantity, shipping, and cash discounts are correct and that goods and/or services have been received by initialing such.
2. Business Manager enters the invoices into First State Financial Systems (FSFS), review for correct appropriations and expense chart of account allocations. The Business Manager lists the invoice on an Accounts Payable Transmittal Sheet and signs this form authorizing that the invoices have been reviewed and are deemed correct.
3. The CEO/CAO shall review the Accounts Payable Transmittal Sheet and the accompanying invoices. His/her signature on the form, along with the Business Manager's, authorizes the payment of the invoices listed therein. Note this process is performed in FSFS
4. The Accounting Specialist at the external management company shall cancel invoices by using a rubber stamp titled "PAID" which provides spaces to indicate the date paid, check number, etc. on the invoice.
5. Checks require one signature, typically the school's CEO. Checks are mailed directly to the institute for review and signature then mailed to the vendor.
6. On a periodic basis, cash disbursement records are matched against accounts payable/open invoice files for any discrepancies.
7. Bank statements are reconciled soon after receipt by the external management company.

## **300. MANAGEMENT REPORTING PROCEDURES**

### **301. Budgets**

- A. FFA prepares an annual operating budget of revenues and expenses and a capital budget. The budget is a two-step process. The first preliminary budget is on or before June's Board Meeting. June's Preliminary Budget is based calculated from May 1<sup>st</sup> "new and returning" students register count. The Final Budget is presented at October's Board Meeting. October's variance or amended budget takes into consideration September 30<sup>th</sup>, Final Enrollment Student count. Note, every January anticipate an increase in state funding, which will increase associated appropriations. The variance in state funding is recognized and captured in the subsequent Board financial statements.
- B. Financial statements displaying budget vs. actual results are prepared by the external management company and reviewed by Audit/Finance Committee and presented to the Board of Trustees at each monthly board meeting. The financial statements should also include a summary of vendors paid and their respective amounts and current outstanding accounts payable. There will be a 7 day waiting periods to ratify financial

statements to respond to inquiries stated in the financial statements.

***Control Objective***

To effectively support the preparation of the annual budget and its periodic review.

***Major Controls***

**A. Budget Process**

The external management company and the Audit/Finance Committee work with the charter administrative leadership (including the CEO and Business Manager) to prepare the annual operating and capital budgets, with input from the all department heads. The budgets are submitted to the Board of Trustees for review and approval.

**B. Internal Accounting Controls**

Accuracy and completeness of the budgets and projection.

***Procedures***

1. Each spring, FFA leadership assesses each department's needs for the upcoming institute year, including staffing and capital expenditures and provides this data to the external management company.
2. In preparation of the annual operating and capital budgets and cash flow projection, the external management company prepares preliminary budgets for review by the organizations administrative leadership in consultation with the Audit/Finance Committee.
3. To support the budgets and projection estimates, the external management company prepares current year-to-date financial data with projections of year-end totals.
4. The charter administrative leadership in consultation and the Audit/Finance Committee reviews the budgets submitted for completeness and reasonableness.
5. The Audit/Finance Committee presents the proposed budget to the Board of Trustees for review, discussion, and (as necessary) amendment.
6. The Board of Trustees approves and adopts the final budgets by June 30 each year.
7. The adopted budget totals are entered in the general ledger by the external management company for the new fiscal year, in order to prepare budget to actual reports.



## **302. Financial Reporting**

### ***Control Objective***

To ensure the accuracy, completeness, and timeliness of financial reporting to support decision-making.

### ***Major Controls***

#### **A. Schedule**

Monthly financial reports are prepared based on a pre-determined schedule and reviewed by the CEO and Board of Trustees.

#### **B. Review and Approval**

Financial reports are reviewed for accuracy and completeness.

#### **C. Audit**

The annual financial statements of the charter are audited by a certified public accounting firm.

### ***Procedures***

1. The external management committee prepares monthly budget vs. actual financial reports and the Audit/Finance Committee presents the reports at the Board of Trustees meeting. (summary and appendix outlining details)
2. The charter submits to an audit of its financial statements by a qualified certified public accounting firm.

## **400. PURCHASING PROCEDURES**

FFA procures only those items and services that are required to perform the mission and/or fill a bona fide need. Procurements are made using best value contracting which includes assessing the best value considering quality, performance and price. The charter will use a competitive procurement process, which requires sound business practices for purchases less than \$50,000. A formal bid process will be used for items greater than \$50,000, in which three bids will be received and evaluated using a formal evaluation process. Professional service contracts (excluding those for construction, reconstruction, repairs, maintenance, or work of any nature upon any institute building or institute property), professional skill contracts, and personal service contracts are exempt from competitive bidding and quotation requirements.

The Charter adheres to the following objectives:

- Procurements will be completely impartial based strictly on the merits of supplier and contractor proposals and applicable related considerations such as delivery, quantity, experience with nonprofits, etc.
- Make all purchases in the best interests of the charter and its funding sources.
- Obtain quality supplies/services needed for delivery at the time and place required.
- Buy from responsible and dependable sources of supply.
- Obtain maximum value for all expenditures.
- Deal fairly and impartially with all vendors.
- Be above suspicion of unethical behavior at all times; avoid any conflict of interest, related parties or even the appearance of a conflict of interest in FFA supplier relationships.
  - A. FFA will execute a *Purchase Order* for necessary purchases and it shall be approved by CEO/CAO. Approval is contingent upon the charter's budget and availability of funds.

### **Control Objective**

To ensure that goods and services are acquired at fair and reasonable prices and the highest personal standards of conduct are maintained in all relationships with vendors, suppliers, and subcontractors.

### **Major Controls**

#### **A. Purchase Requirements**

The Charter has developed cost-effective and efficient purchase requirements in order to achieve full and open competition, meet delivery schedules, control inventory and material, and expedite purchases.

#### **B. Encouraging Competition**

The Institute utilizes the following procurement guidelines:

- o *Purchases under \$50,00* – The institute uses sound business practices when procuring goods and services for amounts less than \$50,000. Expenditures in excess of \$500 but less than \$50,000 are permitted when sufficient funds remain in the budget. Such expenditures must be authorized by the CEO/CAO and Board of Trustees. A summary of such expenditures, the name of the vendor, the amount of purchase and the purpose of the purchase must be submitted to the Board of Trustees at each monthly meeting for ratification

- o *Purchases from \$15,000 to \$50,000 for supplies/equipment or construction, repairs, maintenance, or work of any nature – at* Written or telephonic price quotations from at least 3 qualified and responsible vendors are required for purchase of supplies costing at least \$15,000 but less than \$50,000. If fewer than three qualified vendors exist in the market area within which it is practicable to obtain quotations, a memo shall be kept on file containing such fact. Written records of telephonic price quotations must be maintained on file for 3 and must contain: the date of quotation, name of vendor, vendor representative name, list and description of supplies quoted, and price of same. It is illegal to evade the provisions of this section 24 P.S. § 8-807.1 by purchasing materials piece-meal for the purposes of avoiding bidding or quotation requirements for transactions which should in the exercise of reasonable discretion and prudence be conducted as one transaction.
  
- o *Purchases greater than \$50,000 for supplies/equipment or construction, repairs, maintenance, or work of any nature –* Bids may be awarded by the Board only after due advertisement once a week for three weeks in not less than two newspapers of general circulation. Proof of advertisement must be kept to show that a reasonable number of qualified vendors were invited to bid. It is illegal to evade the provisions of this section 24 P.S. § 8-807.1 by purchasing materials piece-meal for the purposes of avoiding bidding or quotation requirements for transactions which should in the exercise of reasonable discretion and prudence be conducted as one transaction.
  
- o The Board recognizes that emergencies may occur when imminent danger exists to persons or property or the continuance of existing institute classes is threatened, and time for bidding cannot be provided because of the need for immediate action.
  
- o Professional service contracts (excluding those for construction, reconstruction, repairs, maintenance, or work of any nature upon any institute building or any institute property), professional skill contracts, and personal service contracts are exempt from competitive bidding and quotation requirements.

**C. Selecting the Vendor**

The Charter selects the most responsive and responsible vendor to provide required materials and services, and promotes competition in order to obtain fair and reasonable prices. Vendors are evaluated on a variety of criteria including cost, integrity, record of past performance, financial and technical resources, responsiveness/suitability to institute's need, etc.

#### **D. Internal Accounting Controls**

- All expenditures are approved by the CEO/CAO in accordance to the budget authorized by the Board of Trustees.
- Adoption of policy requires the reporting of unethical conduct to management and subsequent restitution of any gain resulting from such conduct.

#### **Procedures**

##### **Purchase Requirements**

1. After approval of the annual budget, institute's leadership (Instructional Coordinator, Principals, and CEO) reviews the school's needs to uncover patterns of orders, and opportunities for clustering orders, to achieve volume discounts.
2. In preparing purchase requisitions, the CEO or designee identifies minimum needs.

##### **Processing Purchase Orders**

1. Purchase Orders are forwarded to Business Manager for CEO review and approval.
2. Purchase Orders include the following:
  - A description of items ordered
  - A cost estimate
  - The required delivery information
  - A statement of the nature and purpose of the procurement
3. Purchase Orders are approved by the CEO, after review of the remaining budget.
4. In addition to forwarding the Purchase Order to the vendor, a copy is forwarded to the external management company.

##### **Obtaining Bids and Quotations**

1. The department head requests bids or quotations verbally or in writing on transactions expected to be between \$15,000 and \$75,000. Items greater than \$75,000 will require formal bid requests and evaluation before *Purchase Order* is issued.
2. In evaluating bids received, the external management organization performs and documents a cost or price analysis as one of the bid criteria.

### **Negotiation and Award**

1. Consistent with the charter's goal of expanding opportunities for minority business enterprises, companies which are minority or women owned, to the extent they are available locally and qualified, are given an opportunity to bid on a procurement in the school's selection process.
2. Award may be made to other than the low bidder in circumstances where the higher bid demonstrates best value contracting procedures to the institute. In such situations, the Business Manager shall prepare a justification statement for such awards, furnishing a brief explanation of the factors leading to such a decision.

### **500. PAYROLL PROCEDURES**

- A. All salaried employees (including 10-month teachers and staff) are paid on a 12-month, bi-weekly schedule from July 1 to the following June 30.
- B. Employee's time is recorded electronically via swipe time card. The records are downloaded and manually entered into a bi-weekly payroll report and forwarded to the external management company. (facial scan sign in)
- C. All employee payroll amounts are calculated based upon approved rates included in the individual's personnel file.
- D. Any changes to the pay rates or benefits are properly authorized.
- E. All payroll taxes and benefits are properly calculated and any deposits made in a timely manner.
- F. Payroll liabilities and expenses are recorded in the general ledger by the external management company.
- G. All payroll tax reports are prepared in a timely manner and reviewed by a designated individual for accuracy prior to filing.

Payroll procedures are organized under six categories: personnel requirements, personnel data, timekeeping, preparation of payroll, payroll payment, and payroll withholdings.

### **501. Personnel Requirements**

#### ***Control Objective***

To ensure that the charter hires only those employees—full or part-time—that it absolutely needs and exerts tight control over hiring new employees.

## **Major Controls**

### **Payroll Policies**

The Institute has adopted payroll policies for installing new employees on the payroll system and removing terminated employees from the system, as well as monitoring vacation and sick pay.

## **Procedures**

### **New Employees**

1. Requests for new employees are initiated by the charter's administrative leadership and compared with the approved annual personnel budget.
2. A Payroll Information Form is initiated when hiring a new employee. Included on this form are the job description, approved pay rate, and grant funding, if any. Information on this form is reviewed by the Business Manager and communicated to the external management company and outside payroll service provider.
4. New employees complete an *IRS W-4 Form* and I-9.
5. An FBI criminal history background check, Pennsylvania criminal history background check, and Pennsylvania child abuse clearance for each new employee must be submitted to the institute prior to the first day of work these reports are placed in the personnel files.

### **Personal Time and Sick Pay**

1. Employees accrue sick time based on the terms of the employee contract.
2. Employee is required to provide at least two weeks advanced notice to supervisors for a vacation and at least one week notice for personal time request.
3. Employees' earned sick time balances are adjusted monthly to reflect time earned and taken and reviewed by the Business Manager.
4. Sick leave taken is monitored against each employee's available sick time on an electronic spreadsheet and reviewed by the Business manager.
5. Before any paid time off is paid, a Staff Leave Slip is to be prepared by the employee, which is reviewed and approved by the CEO.
6. Employees are not compensated for nor are they permitted to carry over unused vacation or personal pay.

## **502. Personnel Data**

### ***Control Objective***

To calculate and record payroll data accurately and completely for all employees.

### ***Major Controls***

- A precise paper trail covering all transactions.
- Changes in personnel data approved by responsible officials.
- Separate payroll and personnel files periodically reviewed and reconciled.

### ***Procedures***

1. Changes to personnel data are initiated with a New Hire/Change Form when making changes in new hires, terminations, pay rate changes, or payroll deductions.
2. The CEO authorizes any change to payroll data.
3. Authorized changes are communicated to the external management company who notifies the payroll service provider.
4. A copy of the New Hire/Change Form is retained in the employee's personnel file.

## **503. Preparation of Payroll & Timekeeping**

### ***Control Objective***

To ensure that payment of salaries and wages is accurately calculated.

### ***Major Controls***

- Time records or contracts are periodically reconciled with payroll records.
- Labor hours are accurately recorded using time clock and any corrections to timekeeping records, including the appropriate authorizations and approvals, are documented on the time sheet forwarded to the external management company
- The Business Manager monitors the overall integrity of timekeeping, semi- annually.
- Reconciliation of hours charged on time clock to time sheet and attendance records.
- The responsibility for checking the accuracy of payroll calculations is separated from the responsibility for payroll preparation to the extent possible for the size of the Charter.

## ***Procedures***

### **Time Clock**

- All hourly and salary employees clock in and out using swipe time clock. (facial recognition sign-in)
- Any errors in clocking in or out are to be communicated by the employee to the Business Manager who makes manual adjustments.
- The Business Manager uses data about each employee's hours worked from the time clock to prepare a time sheet/spreadsheet for all employees.
- The school-wide payroll report is forwarded to the external management company on a bi-weekly basis.
- The payroll reports received from the payroll service provider (e.g., calculations, payrolls and payroll summaries) are compared with time sheets, pay rates, payroll deductions, compensated absences etc., by the external management company.
- The external management company verifies gross pay and payroll deductions.
- The total hours and number of employees are compared with the totals in the Payroll Register by the Business Manager and external management company.
- The Payroll Register is reviewed and approved by the external management company prior to the payroll company issuing final paychecks/direct deposits.

## **504. Payroll Payment**

### ***Control Objective***

To ensure payment for salaries and wages by check, direct deposit, cash or other means is made only to employees entitled to receive payment.

### ***Major Controls***

- Pre-numbered checks are used and all check numbers are accounted for.
- A complete audit trail on all payroll checks and direct deposit with authorizing signatures at each juncture is maintained.

### ***Procedures***

- Payroll Register is approved by the external management company prior to payroll company cutting and signing checks/direct deposit.
- Payroll payments by check, direct deposit, or cash are distributed by the Institute for forwarding to employees and payroll register is filed.
- The Business Manager controls and monitors all undelivered payroll checks.
- The payroll bank account is reconciled monthly by the external management company.



## **505. Payroll Withholdings**

### ***Control Objective***

To ensure that payment withholdings are correctly reflected and paid to the appropriate third parties.

### ***Major Controls***

#### **A. Reconciliation of Payment and Payroll Withholdings**

Payroll withholdings are recorded in the appropriate General Ledger control accounts and reconciled with payments made to third parties.

#### **B. Internal Accounting Controls**

The payroll service provider calculates payroll withholdings, which are reviewed and verified by the external management company.

### ***Procedures***

- The payroll service provider calculates payroll withholdings for each employee. These are summarized by pay period and recorded in General Ledger.
- Payments for payroll withholdings are reconciled with the amounts recorded in the General Ledger control accounts by the external management company.
- The external management company reviews the accuracy and timeliness of payments made to third parties for payroll withholdings.
- Original withholding and benefit election forms, maintained in the employee file, are prepared by employee and reviewed and approved on a periodic basis by the Business Manager and/or external management company.

## **600. Charter PROPERTY PROCEDURES**

FFA maintains detailed records of all government-furnished property and equipment, with an identification and segregation of property and equipment acquired through government contracts.

**Format:** Date Purchased, Maker, Description, Amount, Location

### **601. Identification of Property**

FFA tags all property upon receipt and assigns an identification number to the property and all applicable documents.

**Check Policy**

FFA distributes checks for institute-related purchases and payments which require check payments (as opposed to credit/debit), and for parent/student refunds and employee reimbursements over \$75.00.

**Procedures**

1. There is a waiting period of fifteen (15) to thirty (30) days for ALL checks.
2. The person requesting a check must complete a Check Request Form and submit it to the Business Manager for CEO approval.
3. An invoice, receipt(s) or backup documentation (including payee and cost information) must be attached to the Check Request Form.
4. Once reviewed and approved (signed by the CEO), the request is forwarded to the Finance/HR Clear who processes the request. Checks are not printed on-site. Approved check requests are forwarded to the external management organization once weekly. Occasionally, "rush" requests are faxed or emailed to the external management organization. Once processed, checks are sent to the institute for the CEO to sign and distribute.

**This policy will go into effective immediately upon adoption.**

**TO THE EXTENT THAT ANYTHING IN THIS POLICY COULD BE CONSTRUED TO CONFLICT WITH APPLICABLE STATE AND/OR FEDERAL LAWS, THE APPLICABLE STATE AND/OR FEDERAL LAWS CONTROL.**

ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2012

\_\_\_\_\_ President

\_\_\_\_\_ Secretary