

<b>Policy Title:</b>  <b>MISCELLANEOUS ACCOUNTING POLICIES AND PROCEDURES</b>	<b>Policy No.</b>	<b>No. of Pages</b>
	ACC08	4
	<b>Eff. Date</b>	<b>Rev. Date</b>
	2010	1/9/2014 3/7/2016

- I. RECLASSIFICATION OF CODING: When changes need to be made to previously coded transactions, the Reclassification Request Form (Attached) will be completed by the School Business Office. The request will include the reason for the reclassification and be authorized by the Principal. The request is then sent to Ho`okāko`o for review and approval and forwarded to Ho`okāko`o Account Manager to be input in the accounting system. The approved reclassification form should be filed at School with the accounting files.
  
- II. RECORD RETENTION: Financial records should be retained for the minimum seven (7) years or until the statute of limitations for a particular record expires. Financial records include:
  - Financial statements
  - Ledgers
  - Audit records/reports
  - Invoices and expenses for records
  - Federal and State tax returns
  - Personnel Files
  - Payroll
  - Accounting procedures
  - Customer records
  - Vendor records
  - Purchase orders

It is the responsibility of the Business Office staff to secure financial records in an appropriate manner.

- III. AUDITS: Ho`okāko`o requires that an **annual** audit of school financial statements be conducted by an external auditor that is appointed by Ho`okāko`o.

Audits will be submitted to the Ho`okāko`o Board of Directors for acceptance. Upon notification that the Board has accepted the audited statements, the Adjusting Journal Entries (AJE's) will be input into the AccPac system by December 31<sup>st</sup>.

The adjusted file will be reviewed/approved by the Ho`okāko`o Chief Operating Officer with consultation from Ikeda & Wong, as needed. The fiscal year will be closed and password protected.

Findings identified by the audit must be addressed in a Management Plan by December 15<sup>th</sup>. Upon approval of the Management Plan by Ho`okāko`o, the School is responsible for its implementation.

#### IV. BANK STATEMENTS AND RECONCILIATIONS

##### 1. Bank Statements

- a. Bank statements are received monthly by the Staff. The statement is date stamped and forwarded to the Principal.
- b. The Principal reviews the bank statement/cancelled checks and signs/dates to indicate completion of the review. Any questionable transactions should be reported to the School Business Office staff and the Ho`okāko`o Chief Operating Officer. The signed bank statement is forwarded to the School Business Manager/Account Clerk who reviews and forwards to Ho`okāko`o by the 15<sup>th</sup> of the following month (i.e. by May 15<sup>th</sup> for April).

##### 2. Bank Reconciliations

- a. Bank reconciliations are completed monthly by Ho`okāko`o Account Manager, with information provided by the School Business Office staff. The bank reconciliation is to be completed within four (4) weeks after the close of the month.
- b. Items that appear on the Bank Statement (i.e. service charges, interest earned, etc.) but do not appear on the School's books will be entered in their respective General Ledger accounts.
- c. The bank reconciliation reports are to be attached to the bank statements and reviewed and signed by the Ho`okāko`o Chief Operating Officer.
- d. The bank reconciliation reports are filed at Ho`okāko`o and are made available to the Schools.

- V. TRAVEL: Employee travel and the related expenses will be authorized only in circumstances which are clearly consistent with the mission of the School. The Principal is responsible for ensuring that employee travel meets this objective and that reimbursement is made only for actual, reasonable business expenses in connection with authorized travel as defined in this document. Travel should be planned well in advance in order to take advantage of reduced fares and fees.

In order to maintain control over expenditures, any expense submitted which does not comply with the guidelines of this procedure will not be reimbursed, unless accompanied by a valid exception authorized by Ho`okāko`o.

1. Travel Authorization Form: All travel must be requested using the "Travel Authorization Form" (TAF) or the Reimbursement Request Form.

- a. For interisland travel, the TAF or Reimbursement Request Form must be submitted fourteen (14) calendar days prior to the travel date. In the rare instances where this is not possible, the Principal may make an exception and authorize the TAF.
- b. For out-of-state travel, the TAF must be submitted within thirty (30) calendar days prior to the travel. In the rare instances where this is not possible, the Principal may make an exception and authorize the TAF.

All travel expenses are to be purchased by the employee and submitted for reimbursement. Reimbursement requests and supporting receipts must be submitted within thirty (30) calendar days of the completion of travel.

The traveler also has the option to request an advance for travel via the TAF. Travel advances must be reconciled (including the submission of original receipts) within fifteen (15) calendar days of the completion of the trip.

The Principal must sign the TAF, authorizing the travel. In the event that the Principal is requesting the travel, Ho`okāko`o must sign the TAF to authorize the travel/advance.

2. **AIRFARE:** Airfare is to be purchased on the airline with the cheapest fare, taking flight schedules into consideration. Coach fares should always be purchased; in the event that coach fares are unavailable, alternate airlines/flights should be considered. Ho`okāko`o may authorize a first class/business class fare in the very rare cases that it cannot be avoided.
  - a. **UPGRADES:** Upgrades at the expense of the SCHOOL are NOT permitted: upgrades are allowed at the traveler's personal expense and are the sole responsibility of the traveler.
  - b. **FREQUENT FLYER & OTHER BENEFITS:** Any discount/frequent flyer coupons accumulated by an employee on school-related travel, will remain the property of the employee. Employees *are not* to arrange a more expensive flight in order to accumulate points.
  - c. **BAGGAGE FEES:** SCHOOL will reimburse the cost of the first baggage fee for travel that requires overnight stay. Any additional baggage fees will be the responsibility of the employee. Ho`okāko`o may authorize an exception to this policy in the rare instance that multiple baggage is required for travel.
  - d. **CANCELLATIONS:** When a trip is cancelled after the ticket has been issued, the traveler should inquire about using the same ticket for future travel. Every effort should be made to reuse the airline ticket and the ticket number/information should be filed and maintained at the school.
3. **CAR RENTALS:** will either be secured via 1) the school-business account or 2) the traveler's personal credit card (for reimbursement or travel advance). All reimbursements or travel advances must be reconciled within fourteen (14) calendar days of return from travel.

4. **LODGING:** Personnel traveling on behalf of the school may be reimbursed at the single room rate. Convenience, the cost of staying in the city in which the hotel is located, and proximity to other venues on the individual's itinerary shall be considered in determining reasonableness. Personnel shall make use of available corporate and discount rates for hotels.
5. **PER DIEM:** Per diem for approved travel will be processed through the Per Diem Worksheet and in accordance with the appropriate collective bargaining contract. SCHOOL will make every effort to provide employees with advance per diem upon receipt of the approved paperwork.
6. **MILEAGE:** Mileage will be processed as a reimbursement, in accordance with appropriate collective bargaining contract. Mileage requests should be submitted within fifteen (15) calendar days following the pre-approved trip.

# Reclassification Request Form

School Name: \_\_\_\_\_

Date: \_\_\_\_\_

Requestor: \_\_\_\_\_

Check/ PO #	Check/ PO Date	Amount	Vendor Name	Originally Coded as	Reclassify as	Reason for Change

Authorized by: \_\_\_\_\_

HC Approval: \_\_\_\_\_