

Volume Two

FINANCIAL POLICIES

FUNDRAISING

2.01-1

DEVELOPMENT OF PHILOSOPHY

In formulating a Scriptural philosophy of development, we recognize that we have an important responsibility to apply Scripture to all aspects of our development activities and phases. The following applications were developed from Biblical principles and patterns related to fundraising and giving. In all of our philosophy we desire to fulfill Matthew 6:33 in the deepest sense.

But seek first His kingdom and His righteousness and all these things shall be added to you.

– Matthew 6:33

Applications:

1. All development activity must be directed toward a work that honors God, not man. (Exodus 25:2, 35:5; I Chronicles 29:1) We must never involve ourselves in “empire building,” “busy work,” “fads,” “neat ideas,” etc.
2. We must recognize that God is the ultimate source for meeting the needs of our ministries. (I Chronicles 29:12-16; Philippians 4:19)
3. We will continue to acknowledge gifts of both individuals and groups of individuals. (Exodus 35:30-35; II Corinthians 8:1-5; Philippians 4:10) Contributors should be advised that their gift was received and must be provided with a receipt for tax purposes
4. In communicating with contributors, our focus must not be on the need or gift, but on providing them an opportunity to give and thus profit their account. (Philippians 4:10, 17; II Corinthians 9:6-8)
5. We will tastefully remind contributors of unfulfilled pledges. (II Corinthians 8:8, 8:10-11, 9:5-7) Under no circumstances will this follow-up be accomplished with pressure tactics
6. We will make provisions for diverse means of giving. (Exodus 25, 35) Gifts may consist of valuables (money and other), materials, time, skills, etc. We will also accommodate planned giving such as wills, life insurance, etc.
7. We must never communicate a need so as to even imply complaint, but must always communicate out of contentment with our circumstances. (Philippians 4:11)
8. We must maintain an attitude of confidence (II Corinthians 8:22, 8:24) and rejoicing (Philippians 4:10) toward our family of givers.

9. Prior to initiating planning of a development activity, we will make every effort to assure we have the right motives and are being obedient to God, sensitive to His will. (James 4:3; I John 3:22, 5:14-15)
10. We must be good stewards. (Luke 16:1-3)
 - a. We will take measures to assure that our needs do not originate in a lack of quality work, a lack of productivity, or other inefficiency. (I Thessalonians 4:11-12)
 - b. We will make care preparations prior to initiating a new ministry, expanding a ministry, etc. (I Chronicles 22:5, 28:11-19)
 - c. We will accept only those gifts that are needed. (Exodus 36:6-7)
 - d. We will use the gifts with precaution and honor before God and man (II Corinthians 8:20-21) We will recognize we are administering what is His, not ours. (Psalm 24:1)
11. We will follow a pattern of leaders giving first, followed by the remainder of the Faith Academy family and other supporters. (I Chronicles 29:1-9)
12. School leaders will praise and thank God publicly for His provision and leaders will provide an opportunity for others to participate in glorifying God. (I Chronicles 29:10-22)
13. Prayer will be maintained as a key element of our activity. (Philippians 4:6-7)

2.01-2 FUNDRAISING POLICY

Since Faith Academy began in 1994, it has been the policy and the practice of the school to trust God to provide the necessary funds to operate the school. Tuition has been priced at less than the full cost of education to keep the tuition affordable and to depend on gift income. Thousands of dollars are needed each year to operate the school, not including the thousands of dollars needed for land, building, capital expenses, and the financial aid funds. God has provided thousands of dollars for the school since 1994.

Fundraising is not to be viewed as a necessary evil. Fundraising activity does not contradict our trust in God. Scripture speaks of faith and works. (James 2) We must begin with faith in God to provide and present our needs to Him. The needs, then, must be shared with the Lord's people.

Faith Academy is God's work. The school is not a church, but it is an educational ministry for the Lord. The principles of giving to the Lord apply to giving to the Christian school.

1. Our primary method of fundraising shall be to ask God (pray) and tell the people. We want to concentrate our energy and our planning into effective communication of our ministry with regular appeals for support. We will attempt to broaden the number of people who potentially may have an interest in our ministry.
2. By in large, it is the Lord's people who will support the Lord's work. Therefore, our requests for support will be directed to believers; however, we will request support from foundations, corporations, organizations, or philanthropic individuals that support independent education. We will not sell any products or appeal for support on a door-to-door basis.
3. Giving through methods other than cash giving will also be encouraged (stocks, life insurance, deferred gifts, annuities, etc.)
4. With board approval, organizations within the school may conduct various minor fundraising projects to raise funds for their organization for some specific purpose:

- a. Promotion of these projects should be such that they do not interfere with regular giving to the school.
 - b. The Administrator and the chairman of the development committee must coordinate fundraising projects.
 - c. Projects of this type (bake sales, dinners) should be raising funds for specific needs.
 - d. Projects must be spaced out on the calendar so organizations are not in competition with each other.
 - e. Fund raised by a class throughout high school should be used as follows:
 - i. Vote as a class to purchase a gift for Faith Academy upon graduation.
 - ii. Vote as a class on how to use the remainder of the funds for an additional project.
 - iii. Gifts and/or projects must have administrative approval.
 - iv. The funds will be spent in an equal manner, not matter how many years the student has attended Faith Academy.
 - v. Any student who chooses not to participate in the project(s) vote on by the class shall forfeit his/her portion of the funds.
 - vi. The forfeited funds and any other remaining funds will be disbursed to the senior project(s).
 - vii. Any deviation from this policy will require board approval.
 - viii. Any funds not spent by the start of the school term following graduation will be deposited in the school's general fund.
5. Combining community service with fundraising is also permitted. Projects that provide a service to the community (car wash, clean-a-thon) may also involve an appeal to that community for support. This solicitation should be low-key style. We do not want to make it appear that giving is a spiritual act to be rewarded by eternal life, or that God does not provide for us, or to indicate that we won't provide the service unless we receive support.
6. ALL proceeds of the Faith Academy Golf Tournament and Night of Knights will go into the general fund.

2.01-3

GUIDELINES FOR A FUNDRAISER

1. Pray without ceasing. (I Thessalonians 5:17)
2. Communicate the need. (II Corinthians 9:9)
3. Take pains to do what is right. (II Corinthians 8:20-21)
4. Do things decently and in good order. (I Corinthians 14:20)

2.01-4

SOLICITATION AND ACCEPTANCE OF GIFTS

Regardless of the source of a gift, no conditions may be attached by the donor or assurances given by the recipient without the prior approval of the board. Any conditional gift must be approved by the board before it may be accepted on behalf of Faith Academy. Any gift or solicitation not clearly authorized by this policy statement must receive board approval before the gift may be accepted or the solicitation conducted.

2.01-5

MEMORIAL GIFTS

1. **DEFINITION:** The term “memorial gift” shall mean a gift of outstanding service to Faith Academy of Bellville (whether of property, time or talents) that is selected by the board for specific individualized commemoration. As used in this policy statement, the term “memorial gift” does not include student class gifts. Such gifts may be commemorated without reference to the restrictions in this policy.
2. **PURPOSE:** The Biblical purposes to be accomplished through memorial gifts are as follows:
 - a. To serve as a perpetual reminder of God’s faithfulness. (Joshua 4:7)
 - b. To inspire thanksgiving and praise to God. (Matthew 5:16; II Corinthians 9:10-15)
 - c. To honor those donors to whom special honor is due. (Romans 13:7; Mark 14:9)
 - d. Primarily, a memorial gift should commemorate the event for the purpose of glorifying God. A specific name is connected with the event only secondarily to reference a worthy example and to honor that example. In selecting memorial gifts, care must be taken to assure that the primary purpose is not lost or subordinated to other purposes.
3. **SELECTION CRITERIA:** Because of the significance attached to memorial gifts and the long-term effect of commemoration, such gifts present tremendous opportunities for both good and evil. Accordingly, careful and prayerful selection of such gifts in light of the facts and circumstances peculiar to each is imperative.
 - a. Use of a pre-set formula tied exclusively or primarily to the amount of a gift is to be avoided.
 - b. Instead, selection of gifts for commemoration as memorial gifts shall involve a case-by-case evaluation, giving consideration to the totality of the circumstances pertaining to the gift, the donor, and the person memorialized:
 - i. **THE GIFT:** Considerations should include:
 1. The type of gift (time, talents or property).
 2. The magnitude of the benefit to Faith Academy (immediately and long term).
 3. The degree to which the gift (because of timing, source, etc.) points to God’s faithfulness or inspires praise to Him.
 - ii. **THE DONOR:** Considerations should include:
 1. The quality of the donor’s testimony for Christ, if any.
 2. The quality of the donor’s reputation both in and outside of the Christian community.
 3. The type of economic activity that generated the funds used for the gift.
 - iii. **PERSON MEMORIALIZED:** Considerations should include:
 1. The quality of the person’s testimony for Christ, if any.
 2. The quality of the person’s reputation both in and outside of the Christian community.
 3. The person’s connection with Faith Academy, if any.
 4. Whether the person is living or deceased.

ACCOUNTING

2.02-1 INVESTMENTS

Available funds (tuition, gifts, etc.) shall be invested in accounts or securities, which are risk free with a guaranteed return until needed.

2.02-2 EXCESS REVENUE OVERTURE EXPENDITURE

Excess revenue over expenditures at the end of the fiscal year shall be invested in an interest-bearing, liquid savings account, (reserve account). The excess revenue will be determined by fiscal year audit findings.

2.02-3 BOOKS OF RECORD AND FINANCIAL STATEMENTS

The financial transactions of the school shall be recorded on a monthly basis in the books of record. Said books shall include at least a cash receipt and disbursements journal, general journal entries, and a general ledger, consisting of all the financial accounts of the school. The administrator or his designate shall reconcile the bank statement(s) monthly. The treasurer of the board of directors or his designate shall post all monthly entries in the books for record and present the financial statements each month at the regularly scheduled board of directors meeting. The board will hear a motion to accept the financial report upon its presentation. The financial statements presented shall include a balance sheet and an income statement. The income statement shall reflect the current month's financials compared to the approved monthly budget as well as the year-to-date financials compared to the year-to-date budget.

2.02-4 BUDGETARY PROCESS

The Faith Academy overall financial program for each school year is developed and implemented primarily through the budgetary process. The Faith Academy board of directors is responsible for approving the budget and assuring availability of adequate funds. Upon approval of the budget, the administrator is responsible for its implementation and administration through suitable control of purchase order, issuance of contracts related instruments of financial allocations and authorizations of payment. (I Corinthians 14:40)

2.02-5 AUDITS

See FA Constitution, Article V.

2.02-6

FINANCIAL POLICY (BUDGET)

Procedures for changes to the current year operating budget, after approval has been given by the board of directors:

1. Monies will not be committed and spent unless approve by the board of directors.
2. Un-budgeted requests will need the following materials:
 - a. Emergency basis only.
 - b. Request will be in writing to treasurer of the board of directors, with copies provided to the administrator, financial director, and appropriate board members.
 - c. Justification should include:
 - i. What request is for
 - ii. Why it is necessary
 - iii. Why it was not budgeted
 - iv. How request will be funded, to include specific amount numbers where monies will come from
 - d. If monies are to be raised to cover costs, monies will be in hand prior to commitment to vendor project.
 - e. Treasurer will approve or disapprove request and present request at next regularly scheduled board meeting.
 - f. Board of directors will make final authorization.
 - g. Vote needs to be by a majority vote of board members at a regularly scheduled or special called board meeting with a quorum present.

2.02-7

LONG-TERM DEBT

Approval to assume long-term debt must be acquired from the board of directors.

2.02-8

FISCAL YEAR

The fiscal year for Faith Academy is July 1 – June 30.

2.02-9

TAX-EXEMPT STATUS

The fair market value of the donated use of any school facilities will not be included as revenue or expense in any financial statement. Faith Academy is a tax-exempt organization under Internal Revenue Code Section 501 (c) (3). A letter from the United States Treasury stating such is kept with the corporation's original papers. Copies are kept in the school office.

2.02-10

FACILITIES USE POLICY

Faith Academy's facilities are a gift from the Lord, and the school wants to be a good steward of that gift. The following guidelines must be adhered to:

1. Any school organization desiring use of a facility must receive prior permission from the administrator.
2. Any organization outside the school may be considered for use of the facilities but must obtain board approval.
3. The gymnasium of Faith Academy may be rented for a minimal fee to various groups.
 - a. Once the board approval has been obtained, the rental will be scheduled through the appropriate school office and subject to approval of the administrator to avoid scheduling conflicts with school activities.
 - b. Use of facilities may be limited to those organizations, personals that support our ministry, that have a Spiritual emphasis and are consistent with our Statement of Faith. Any exceptions must have the board of director's approval.
4. The aim of Faith Academy in any activity is to glorify the Lord Jesus Christ whom we serve. All actions and language must not detract from the purpose. There will be no alcohol or smoking or tobacco use on school property.
5. Any promotion or publicity items such as posters, advertisements, mailings, etc. concerning programs being held in our facilities must be approved by our administrative office. They must state in all advertisements, posters, mailings, etc. the following:
 - a. Sponsored by (name of organization)
 - b. Using the facilities of Faith Academy at 12177 Hwy. 36, Bellville, TX 77418

2.02-11

RECEIPTS AND DISPBURSEMENTS

All receipts of the school shall be documented and deposited on a timely basis by the school administration. Appropriate checks and balances (internal control) shall be enforced to minimize the chance of a misappropriation of funds. All deposit slips shall be in sufficient detail so as to document the source of the funds.

All disbursements from the school accounts shall be supported by appropriate documentation substantiating the amount of the expenditure, purpose, approval, and receipt of the goods and/or services.

No withdrawals of funds from scholarship and endowment funds or redemption of certificates of deposit shall be made without the prior approval of the board of directors by the boards designate.

2.02-12

CHECKING AND OTHER SCHOOL ACCOUNTS

The board of directors shall authorize each account. This includes checking accounts, savings accounts, certificates of deposit and "special" accounts such as scholarship and endowment type accounts. On an annual basis, upon the election of new officers, the board will formally approve the authorized signers on the accounts of the school. On all checking accounts, savings accounts, certificates of deposit and "special" scholarship and endowment accounts, two authorized signatures will be required. The appropriate bank signature cards and other documentation shall be executed by appropriate board members so authorized. All accounts of the school shall be maintained at a banking association that is a member of the FDIC. No account of the school shall be in excess of the federally insured limit of the financial institution.

2.02-13

PURCHASE ORDERS

A purchase order is the written instrument that lets the vendor know what we wish to purchase. If he accepts the order, it becomes a legal and binding document between the vendor and the school. Purchase orders are necessary before anything is purchased or paid for, except petty cash items and miscellaneous credit card charges. If any purchase is made without approval of the school, the person making such purchase is responsible for paying the bill.

PROCEDURE:

1. Get a PO from the school office.
2. Fill out the PO and return it to the school office.
3. The office personnel will send the PO to the administrator for signature.
4. If approved by the administration, the order will be placed.

2.02-14

MISCELLANEOUS

All personal cashing of checks must be witnessed by another. This is for the protection of the employees.

2.02-15

PETTY CASH

Petty cash of \$200 shall be kept and secured in the administrative office. All receipts shall be affixed to the petty cash voucher that must be properly filled out and signed by both parties. All vouchers and receipts are to be stapled together and shall be kept in the petty cash box.

As needed, but not less than every four weeks, an accounting shall be made and recorded in the petty cash accounting books.

All purchases from petty cash shall be for items less than \$50. Any purchases over that amount shall have a purchase order.

2.02-16

STUDENT FINANCED INCOME

All student activities (i.e. field trips, etc.), club incomes, and extracurricular incomes will be paid by students participating in the activity. All funds collected are received as income to the student activity income account. Teachers are responsible for collecting and documenting the funds. The fees collected must at least cover the expenses. Excess of the funds (income less expense) at the end of the fiscal year will be carried over as a payable to that account to the next fiscal year only at the request of that group, club, or those participating in the activity.

FINANCIAL ASSISTANCE

2.03-1

GOVERNMENT AID (FUNDING)

Any such program in which Faith Academy takes part which, in the view of the board of directors, becomes, or threatens to become, restrictive to the basic mission of the school, will be discontinued.

It is the policy of Faith Academy to:

1. Never compromise the distinct purpose of the school of providing a Christ-centered education through board again Christian employees.
2. Avoid excessive entanglement with the state or federal government.
3. Not become dependent on any form or type of government financial or material assistance, directly or indirectly.

Therefore, Faith Academy shall refrain from participating in any form of government program accompanied with conditions, requirements or stipulations that would cause the school to violate any one or more of the aforementioned position statements.

2.03-2

TUITION AID PROGRAM

Extent of Aid

The amount of aid will be based on funds received for that purpose. The range general y would be from a 10% to 50% reduction in tuition only. The board or its designate will make these allocations upon available funds. Registration and book fees must be paid in full by the family.

2.03-3

FAMILY CRITERIA FOR AID

1. Does the family manifest or exhibit a conviction for Christian education for their children? Or are they only interested in private school education?
2. How long have the children been attending FA? Christian schools?
3. Is this family or individual open to receiving spiritual counsel? To what extent are they committed to the Lordship of Jesus Christ and His priorities for their lives?
4. To what extent has this family taken the initiative to communicate with us relative to their need for assistance? If we have had to call them, do they return the calls? Have they submitted a written payment plan when requested to do so?
5. To what extent has the family fulfilled their work and involvement commitments to FA: scholarship assignment, volunteer, active involvement in a Bible-teaching church, communication with teachers and administrators with reference to their children? Is FA just “a” school, or is it “their” school?
6. What factors are the causes for the need for aid? (i.e. unemployment, poor money management, a cutback in pay or in hours, a medical set-back, divorce, etc.)
7. Does the family presently have, or have they had, resources to pay even a portion of fees?

2.03-4

DISCONTINUANCE OF AID

Financial aid would be discontinued because of:

1. Failure to keep tuition payments current.
2. Aid could be revoked in light of serious disciplinary action for the student.

2.03-5

EMERGENCY TUITION AID GRANTS

A family experiencing a temporary financial crisis may apply for tuition aid assistance on a short-term basis. The application will be reviewed by the administrator, the board and teacher to accept or reject the request. If the request is accepted the student(s) would be permitted to remain in Faith Academy for a minimum of one month to a maximum of one semester without requiring tuition payments or any applicable late fees. If the family financial situation has not improved within that time frame, they would be able to apply for long-term tuition aid or asked to make other arrangements if their request for long-term assistance is denied. The school would encourage families receiving emergency tuition aid to pay back the amount of relief to the best of their ability once their financial status has improved.

FEES

2.04-1

REGISTRATION / APPLICATION / TESTING

New students entering FA must pay the entire registration and/or applicable book fee at the time of enrollment. Books required to be purchased from Faith Academy or another source must be in the student's possession before they will be admitted to class. Any student leaving Faith Academy and returning during the same school year will be required to pay the applicable registration and have their books upon re-enrollment.

The fee schedule, as approved annually by the board of directors, is deemed to be part of these policies and procedures.

All funds from registration received prior to the upcoming fiscal year are to be escrowed. The registration fee is to be reviewed annually and set or changed as necessary by the board. A place for a child is reserved in the school year once the registration fee has been received. Should the registration be complete and the first or second tuition payment not paid when due, the child may lose the reserved place.

The registration fee and book fee are non-refundable, except:

1. The registration and any book fees paid to Faith academy will be refunded to families who find they will be moving before their child(ren) enter(s) school. Refunds for books purchased from another source will be made upon the agreement of the supplier.
2. Registration fees are refunded if Faith Academy refuses admission of the student.
3. ***The testing fee is non-refundable.***

2.04-2

UNIFORMS

Uniform costs may be handled through the school office. Each family shall purchase uniforms from the school or an approved vendor. It is required that every student be in uniform on the first day of school or on the first day following the purchase of the school uniforms.

2.04-3

OTHER FEES

Other fees shall be reviewed and set by the board of directors annually.

2.04-4

AFTER SCHOOL OR EXTENDED CARE

1. After school care is provided for students in early childhood through 5th grade.
2. After school care begins at noon or 3:30 p.m., depending on regular class dismissal, and concludes at 6 p.m.
3. Hourly and monthly rate plans are subject to change from year to year. Rate schedules will be announced and made know each school year.
4. After 6:15 p.m., an additional per day fee is charged. There are no half-hour charges.
5. Extra day care fees are turned in to the financial director each week for billing.
6. Extended care fees are billed in advance for those enrolled in the program.
7. Credit for the prepaid extended care will be given on a request basis as authorized by the administration.

2.04-5

FIELD TRIP FUND

Expenditures for approved class field trips will be paid for from the Field Trip Fund within the operating budget when possible. Lunch, dinner, and other refreshments will be the responsibility of the participant (student, teacher, chaperone) and will not be paid for from this fund.

2.04-6

ATHLETIC FEES

Participation on an athletic team at Faith Academy requires an athletic fee to be paid. The fees are set by the athletic department and approved by the board of directors. The fee amounts are announced and made known each school year.

TUITION

2.05-1

PHILOSOPHY

Payment of tuition by the parents is not the complete discharge of responsibility to the school. Other ways of participation include prayer for the school, its families and teachers, transportation help, attendance at school meetings, service on committees, work to maintain and improve the buildings and grounds, cooperation with the faculty in the training and discipline of children, fellowship in giving as God enables to meet the financial needs. (Tuition covers approximately 80% of the cost of operating the school.)

2.05-2

PASTORS' DISCOUNT

1. A 10% REDUCTION IN TUITION IS TO BE ALLOWED TO PASTORS.
2. Pastors' children attending Faith Academy of Bellville receive a discount annually.
3. "Children" include the pastor's own natural children and legally adopted children who have their legal resident with the pastor and are wholly dependent on the pastor for maintenance and support; and step-children who reside in the pastor's house in a normal parent-child relationship and who qualify as dependents of the pastor according the IRS income tax and rules and regulations.
4. Children of associate and assistant pastors in full-time employ at churches, as well as ministers of churches, shall qualify for reduction in tuition.

2.05-3

FACULTY DISCOUNTS

1. It is the wish of the board of directors that teaches have all school age children enrolled at Faith Academy during their employment.
2. Full-time faculty and administrative staff shall receive a 50% reduction in tuition and extended care for any and all children attending Faith Academy.
3. Full registration and book fees must be paid by all.
4. Part-time faculty shall receive tuition credit in proportion to their time rating. (EX: Assuming 8 hours per day equals full-time, an 8-hour workload would receive 50% tuition; however, if the workload is 4 periods a day, that would equal 25% tuition reduction.)

2.05-4

NON-FACULTY DISCOUNTS

Non-faculty personnel shall receive tuition reductions as approved annually by the board of directors.

2.05-5

EMPLOYEE TUITION AND FEE PAYMENTS

All tuition and fee payments made by employees may be by payroll deduction over the same period as their paychecks are distributed (10 months or 12 months). Employees beginning after August will have deductions made equal to the number of checks to be received.

2.05-6

SECOND AND ADDITIONAL CHILD DISCOUNTS

Full tuition is charged for the oldest child. The second child and each additional child will receive a 10% discount.

2.05-7

REFUND POLICY

Since Faith Academy has an obligation to its employees, students are considered enrolled for the entire year. Tuition fees are calculated on the basis of the entire year; therefore, no reductions can be made for vacations or school holidays. Deductions of tuition for absence during the school year will be considered by the board on an individual basis. As stated in the Parent Commitment, tuition is not refunded even in part for any month that a portion of that month was attended by withdrawing student. (EX: If a student withdraws on October 3, October tuition is due.)

2.05-8

PAYMENT SCHEDULES

Tuition, as per the current fee schedule, may be paid using one of three payment plans:

1. Annual
2. Semi-Annual
3. Monthly (10 months, August – May)

Any exception to these plans requires the advance approval of the board of directors.

2.05-9

INDEBTEDNESS

The employee should use special care in making certain that he/she does not incur indebtedness beyond his/her ability to pay. It is understood that FA, or any of its departments, will not be responsible for personal or private indebtedness acquired or charged to any individual employee presently or formerly employed.

2.05-10

DELINQUENT ACCOUNTS

1. Monthly payments must be made using automatic bank draft, cash, cashier's check or money order. Credit card payments will be charged a 3% convenience fee.
2. If installment payments are received after the 5th of the month, the account is considered delinquent and a \$10 per day late fee is charged including weekends and holidays.
3. A tuition account must be current to within 60 days by the end of the semester in order for a child to continue in school the next semester.
4. If a tuition account continues to be delinquent during the next semester, and is not current to within 60 days by the end of that semester, the board reserves the right to withdraw the privilege of monthly installment payments for the year.
5. All tuition accounts must be paid in full before a child can re-enter the school.
6. If the privilege of monthly installment payments is withdrawn, tuition must be paid in advance per semester for the school year. Semester tuition due dates would be August 1 and January 5.
7. In the event that payment shall not have been received in fully by the school within sixty (60) days after the due date, the child(ren) may be removed from the school unless parents make other arrangements in writing with the administrator. The terms and conditions for payment must be fully and promptly met.
8. No child who has an outstanding tuition balance shall be graduated from the school or records sent to another school without the consent of the school board.

The following procedure is used for delinquent accounts:

1. If a payment does not come in by the 5th of the month, the first reminder letter is sent on the 10th of the month.
2. If a payment still is not made by the 5th of the following month, a second reminder letter is sent on the 10th of that month.
3. If the payment is still not made, the financial director turns the account over to the board treasurer to personally contact the family.
4. Also, each month the financial director shall prepare for the administration and board treasurer, a school tuition report showing the status of any delinquent accounts.
5. Tuition may be paid in equal payment s according to the established plan. If arrangements for late payment are not made with the administrator before the 1st of the month, a late fee will be added to an account no current by the 5th of the month. Payments are due on the 1st of the month and will be considered late if arriving at the school office after regular working hours on the last regular working day prior to the 6th of the month.
6. Should a check be returned from the bank a second time, the payment will be considered late and an assessment for late payment beginning the date the check was returned will be made.
7. The board considers that all unpaid tuition from past years is still due. Careful records are kept and any parent may determine the status of his or her account by inquiry of the financial director.

2.05-11

RETURNED CHECKS

Any check returned to Faith Academy for any reason will result in a charge of \$25 to the account of the check writer to cover fees and additional bookkeeping. See #6 & #7 above, for checks returned a second time.

EMPLOYEE COMPENSATION

2.06-1

PAYROLL

1. All employees shall be paid on the 5th and 20th of the month.
2. Teachers may elect to receive payment in either 10 or 12 monthly increments (20 or 24 checks).
3. Should the normal payday fall on a holiday, checks will be issued on the closest working day to the normal payday.

2.06-2

SALARY SCHEDULE

A laborer is worthy of his reward. – I Timothy 5:18

A Christian institution owes to its employees the very best remuneration that it can afford to pay. The board of directors shall annually review and adopt a salary schedule.

2.06-3

TENURE

Faith Academy does not operate a tenure system for instructional staff.

2.06-4

EXTENDED CONTRACTS AND STIPENDS

1. Certain positions require additional time during the summer months for properly performing the assigned duties and others require “after hours” work.
2. The board will approve contract extensions. Salary for the extended period will be determined by dividing the annual salary of that particular employee by the number of days in the normal contract period to arrive at a daily rate of pay. That rate will then be multiplied by the number of days the contract is to be extended. The sum of the normal contract period plus the extension will be the annual salary for that employee.
3. Stipends for “after hours” work shall be set by the board and added to the amount of that employee’s annual salary.

2.06-5

OVERTIME OR COMPENSATORY TIME

The decision as to whether the school shall pay an employee for overtime or give compensatory time off shall rest with the administration; it shall not be at the option of the employee. Overtime is defined as hours worked in excess of 40 hours in any one-week or 8 hours in any one day.

2.06-6

COMPENSATION FOR THOSE WHO RESIGN OR ARE DISMISSED

If any employee resigns or is terminated during the period of service covered by his/her contract, the employee shall be paid only that portion of the annual salary which the number of days of actual duty worked bears to the number of days of actual duty covered by the contract. All fringe benefits terminate at the end of the last full month of active employment.

2.06-7

SOCIAL SECURITY

Faith Academy matches payments for Social Security withheld from the employees' checks. School employees who are ordained ministers may refuse to participate in Social Security based on their religious conviction. In such a case, there will not be any FICA withheld nor will there be compensation to the employee for the loss of benefit.

2.06-8

RETIREMENT / INSURANCE

Faith Academy does not have a retirement plan or life insurance plan in place at this time. Faith Academy does offer a health care plan for 50% discount to full-time employees after 60 days of employment. Automobile liability covering all school-owned, and automobiles that are hired, rented or borrowed, while used for school business, shall be maintained by Faith Academy.

2.06-9

UNEMPLOYMENT INSURANCE

As a non-profit 501 (c) 3 religious organization, Faith Academy is not required to pay unemployment insurance and therefore former employees are not entitled to apply for or receive unemployment benefits.

2.06-10

WORKMAN'S COMPENSATION

Faith Academy participates in a mandatory Worker's Compensation insurance. All injuries due the employee's work must be reported to the office within one day of the injury or illness. The school must make a written report of the injury or illness within 120 hours to the insurance company and a phone call within 24 hours.

Because Faith Academy desires a safe working environment and since the Worker's Compensation insurance rate is based on the school's safety record, employees are encouraged to avoid unsafe activities and to report any unsafe working conditions to the office immediately.