

	1.4.3	CASH MANAGEMENT	Effective: 04/90 Revised: 03/09; 06/23; 11/24 Reviewed/Approved by Bd. of Dir.: 11/24  Teddi Hernandez, President/CEO
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Policy Statement:

Lakemary Center (LMC) is committed to effective and responsible fiscal management of its cash resources. LMC will maintain appropriate liquidity to meet operation needs while optimizing the use of available funds. LMC will comply with all applicable state and federal regulations regarding the investment and utilization of funds, adhering to prudent investment practices that balance risk, return, and liquidity needs. LMC is committed to transparency, accountability, and financial sustainability in managing its cash and investments.

Policy:

It is the policy of LMC to maintain operating cash reserves sufficient to cover 30-60 days of average operating expenses. The CEO and CFO will regularly assess LMC’s cash flow projections to ensure that liquidity is sufficient to meet ongoing financial obligations such as payroll, vendor payments, and other short-term liabilities.

Funds in excess of day-to-day operating needs will be transferred into investment accounts or other vehicles designed to maximize returns while maintaining liquidity.

LMC will maintain separate accounts for operational funds, reserve funds, and surplus investments to ensure transparency and prevent co-mingling of funds. A primary operating account will be maintained for the deposit and withdrawal of funds required for day-to-day activities. Additionally, separate accounts designated for restricted funds, capital reserves, and long-term investments will be maintained.

The CFO will monitor balances in these accounts to ensure sufficient liquidity is available for operations needs and that surplus funds are properly invested to generate income.

All accounts will be reconciled monthly, with reconciliations completed by someone other than the person responsible for processing deposits or withdrawals. The CFO will review and sign off on all reconciliations, and any discrepancies will be reported to the CEO and Audit & Finance Committee.

Policy reference: None

Procedure reference: Accounting Departmental Procedure Manuals

Application: All services