



FINANCIAL MANUAL

MONTROSE PUBLIC SCHOOLS

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FINANCIAL MANUAL TABLE OF CONTENTS

Topic	Page
Cash Receipts/Deposits/Cash Handling for the Building	2
Cash Receipts/Deposits/Cash Handling for the Teacher, Coach or Sponsor	4
Check Policy	5
General Purchasing Guidelines	5
Accounts Payable	8
Invoices	9
Sales Receipt Slips	10
Travel Policy and Guidelines	10
Gifts/Gift Certificates/Gift Cards	11
Check Processing and Board Approval	12
Activity Funds	12
Parent-Teacher Organizations	13
Outside Organizations (i.e., Booster Clubs)	14
Petty Cash Accounts	14
Administrative Practice	16

The following forms are available from the building secretaries as needed:

Reimbursement/Mileage

Expenditure Transfer

Budget Transfer

Petty Cash Request

Student Balance Refund (Lunch, Library, Misc.)

CASH RECEIPTS/DEPOSITS/CASH HANDLING (Cash in School Buildings)

All money collected within the district's schools shall be handled in a proper fiscal manner and prudently safeguarded.

Money collected for any purpose will be submitted to the school secretary or designee, who will provide for its proper deposit. Money should **never** be left in a desk, classroom, or common access area of an office. When a teacher or other school employee collects money from students for any purpose, that employee shall be held responsible for the money collected until the employee turns it over to the building designee responsible for receiving and depositing money.

A. All deposits are to be made at **MSB**. Deposits are manually prepared by the administrative assistant after the school secretary prepares the deposit.

B. Deposits are to be made **daily**. **Funds will not be taken home by employees of the District for "safekeeping"**.

C. For deposits with multiple checks, and list the total amount of each check in the bottom section of the deposit receipt. Include the calculator tape with the deposit if one was prepared.

D. Deposits are to remain intact; **funds are not to be held back for petty cash purposes, cashing personal checks, etc.** Checks received must be for the correct amount only.

E. All checks must be endorsed immediately upon receipt using a Montrose Public Schools 'For Deposit Only' endorsement stamp.

F. Schools will identify the staff to be responsible for cash handling procedures. Generally, this will include an administrator and one, or more, staff employees. Procedures should include "backup" for situations when the primary staff are absent or unavailable.

G. The school should store all cash in a locked container, preferably a safe, with access limited to a minimal number of designated employees (typically 2 or 3).

H. Cash should never be left out unattended or in unlocked desk drawers or file drawers.

I. Schools should identify areas to be used for counting and handling funds with limited access and out of view of traffic.

J. Keys to cash drawers, vending machines or money bags should be locked in a secure place with limited access.

K. All thefts must be immediately reported to the district's Central Office. An immediate review will be performed to see what, if any, corrective actions should be taken.

L. Fundraisers or any other event that requires cash will need to enter a requisition on SISFIN. Please understand a requisition could require up to 30 days to get turned around to the requestor.

M. All money collected by district personnel should be deposited in MSB. Money is **NOT** to be held back from deposits for expenditures of the event. All expenditures of the event should run through the District's regular Purchasing Procedures.

N. Fundraisers should be approved by the building administrator and procedures should be developed before each fundraiser begins regarding how cash receipts will be handled and reconciled. Any questions regarding the handling of the fundraising monies should be discussed with the building principal to be possibly referred to the Central Office.

O. Central Office staff will meet with individuals having cash handling responsibilities to discuss procedures and provide additional training as deemed necessary.

CASH RECEIPTS/DEPOSITS/CASH HANDLING **(Cash Received by Teacher, Coaches, Sponsors)**

A. **Teachers, coaches, and sponsors** collecting money should use receipt slips for all cash receipts. **All** receipts must be documented as to source and amount. A "Cash Receipt" should be used for deposits for fundraisers.

Cash Receipt: The original copy of the receipt slip should be given to the person making the payment and the second (yellow) should be retained by the sponsor for their records. The third copy (pink) will stay in the receipt book and be turned in to the Central Office. Receipt slips should equal the deposit totals. The Central Office

will order receipt books as needed.

B. All collected cash should be turned in to the school secretary **daily** of receiving the money. The accounting procedures for teachers, coaches, and sponsors are as follows:

To deposit money in the school activity account, it must be counted and turned in to the school secretary.

The individual receiving money will count in the presence of the building designee, with both parties agreeing on the amount to deposit.

The school secretary receiving the money completes a cash receipt. Do not send cash deposits with students.

Items purchased from any activity account must be done with a requisition which is available in SISFIN. After the item is purchased a copy of the bill is returned to the bookkeeper and placed on file and will be paid that pay period. For your own protection, follow the proper channels when purchasing and paying for purchases.

CHECK POLICY

Personal checks are welcome at the Montrose R-XIV School District. Guidelines for accepting checks are as follows:

A. The check must have the name, phone number and address of the check writer pre-printed on the check. Counterchecks should not be accepted.

B. Checks that are returned by the bank due to insufficient funds or the closing of an account will be charged back to the original activity. Collection of a returned check will be the responsibility of the school or sponsoring club.

C. When an individual has bounced multiple checks it is up to the school or

sponsoring club to enforce a policy of no longer accepting checks from that individual.

GENERAL PURCHASING GUIDELINES

The district operates using funds collected from taxpayers for the benefit of the district's educational program. The School Board has directed employees to maximize these resources to the benefit of the district. Further, the School Board is required by law to approve payment of bills. The district's auditor also reviews district funds and expenditures. For these reasons, it is necessary that all personnel carefully follow district procedures when making expenditures for district supplies or services.

General Rules for Purchases of Goods or Services

- A. Purchases may only be made through purchase order, district credit card, request for check, or through petty cash, when appropriate.
- B. In circumstances when one of these methods of payment is not available, the district may reimburse an employee for a purchase made with the employee's personal funds. Reimbursements will only be made if the employee contacts the district's Central Office **PRIOR TO** making a purchase outside the authorized methods to ensure reimbursement.
- C. All purchases must receive approval from the building principal or other appropriate supervisor responsible for the budget code from which the purchase is made. Employees needing supplies or services will present a requisition to the building principal or appropriate supervisor.
- D. All purchases must be attributed to a budget code, and funds must be available in that code prior to making the purchase. If the requested expenditure does not fit into a budget code or would go beyond the approved amount in that budget code, the request will be forwarded to the Central Office for review.
- E. All purchases must be appropriately documented. All documentation should be retained and be available for the annual audit performed by the district's independent auditing firm.
- F. School purchases of equipment, supplies, materials, and services for educational or instructional use or necessary for the educational function of a school (such as office supplies or copy paper) are exempt from state and local

taxes and federal excise taxes. To claim exemption a school must provide the vendor with a valid sales tax exemption certificate.

G. Purchasing (Regulation 3165) **Micro-Purchases** - Where small purchases under Ten Thousand Dollars (\$10,000.00) price quotations will be obtained from an adequate number of qualified sources. Micro Purchases will be distributed equally among qualified vendors.

Small Purchases - The District will utilize the following procurement procedures for purchases of \$250,000 or less. The District where feasible will obtain at least three (3) bids or quotes for each such purchase. The District will maintain documentation for all "small purchases" including the small purchase item; identity of quotes/bids; amount of such quotes/bids; and the date of purchase.

H. Bidding and purchasing records will be maintained in accordance with the Secretary of State's retention manual.

General Rules for Purchases Requiring Separate Authorization

In addition to receiving approval from the person responsible for the budget code from which the purchase will be made, persons purchasing the following items must also receive additional approval before making the purchase, regardless of the cost:

- A. Computer hardware and software must be approved by the Superintendent.
- B. Materials purchased with grant funds must be approved by the Superintendent.
- C. Construction or maintenance of district facilities must be approved by the Superintendent.

General Rules for Credit Card Usage

District staff authorized by the superintendent may make purchases with District credit

cards. The following rules apply to the use of the district credit cards:

A. Any employee using a district card shall sign a card usage agreement and receive training on applicable procedures for credit card use. An employee refusing to sign the form will not be issued a district card and will need to discuss alternative methods of making purchases with his or her superior.

B. All purchases made with a district card must be attributed to the appropriate code and must conform to the Board-adopted budget.

C. Detailed receipts supporting **all** charges must be submitted to Central Office within two (2) business days or as soon as possible after use of the card.

D. Since the school district is tax exempt, the cardholder should ensure sales tax is not charged to the district.

E. District cards will not be used for purchases that would circumvent bidding required by law or district policy.

F. District cards will not be used to purchase personal items, unauthorized items or items that do not benefit the district. A partial list of unauthorized items includes: alcoholic beverages, cash advances, telephones and related equipment, utility bills, weapons, ammunition, leases, rentals, payments to construction contractors, hospitality and entertainment expenses.

G. All employees issued a district card must take all reasonable measures to protect the card against damage, loss, theft or misuse. Any damage, loss, theft or misuse of the card must be reported to the Superintendent or Central Office immediately.

H. A District credit card may not be used by any person other than the authorized employee to whom the card is issued.

I. District employees will surrender all District cards before leaving the district and/or upon demand by the district.

ACCOUNTS PAYABLE

Requisitions: When submitting requisitions, please provide the following information:

Name

Street Address, City, State, Zip code

Telephone and Fax Numbers

If the vendor is new to the District's financial/accounting system, the bookkeeper will collect the Tax ID number or Social Security Number by requesting the vendor send a W-9 form to Central Office.

Purchase Orders: A requisition is entered into SISFIN for any purchases or reimbursements and then the bookkeeper creates a Purchase Order.

Recurring Bills: As recurring bills are received, they are entered into SISFIN as an invoice and paid on a weekly basis.

Encumbrances: When a Purchase Order is processed by Central Office, the entire amount is encumbered, or set aside. A school's available spending balance is decreased by the total of its encumbrances. After the Purchase Order has been entered into the system and Accounts Payable approves it on-line, the original copy will be attached to the documentation provided by the requestor.

ACH Transactions: Each month when payroll is completed some vendors require an ACH transaction in order to process payment.

Account Codes: For budgetary control purposes, account codes are to be assigned to all purchases by the originating department or school. Central Office reserves the right to change codes to more applicable codes.

Receipt Verification: When merchandise is received, the receiver will verify the quantity received and the bookkeeper will sign off.

Original Invoices: All invoices are sent directly to the school/department or packaged with the merchandise. Central Office should receive the original invoice, along with any packing slip or receiving verification document. **Payments will be made from original invoices only.**

INVOICES

Central Office requires an original company invoice to support a payment. A statement from a company is NOT an order to pay and Central Office will NOT pay from a statement.

However, certain relationships with vendors make invoices impractical. Therefore, Central Office will accept the following alternative methods of documentation:

1. A prepayment for an order – send order blank
2. DJ or band – send copy of the contract
3. Honorarium – send memo.

Central Office must have some kind of back-up paperwork. A request for a check will not be processed until appropriate paperwork is received by Central Office.

Central Office also will not pay an invoice that has been altered. When an order has been changed, please contact the vendor and request a new invoice or a credit memo to explain the price difference between the original invoiced amount and the requested payment amount.

When paying a registration or any invoice that requires a copy to be sent with the check, please make a copy of everything you want mailed with the registration form/check and provide it to Central Office with specific instructions for the mailing.

SALES RECEIPT SLIPS

Send all sales receipts (Wal-Mart, Sam's Club, etc) to Central Office. If a receipt is lost, the employee will be required to go to the store or business and obtain a copy of the original receipt. Some receipts can be recovered electronically online. If no receipt is obtained, the district may require the employee to reimburse these funds.

Original receipts are needed in order to reimburse employees. When a mileage reimbursement is sent to Central Office, it typically doesn't have a detailed description of what was bought so original receipts are necessary. Anyone being reimbursed from a restaurant, etc., must provide a detailed receipt. A stub or slip from the restaurant will not

be accepted. Alcoholic beverage purchases and tips are not reimbursable expenditures.

Invoice totals are double checked prior to payment. It would speed up the payment process if receipt totals were highlighted before being submitted to Central Office for payment.

TRAVEL POLICY AND GUIDELINES

The District shall reimburse employees for travel and related expenses incurred in connection with District business so that the individual will neither suffer nor gain financially as a result of such travel or expense.

Registration for an event: The PD request form in Google Drive must be submitted to the District PD representative and principal for approval. All approvals must be received prior to attendance for all out of district activities. Purchase orders may be requested to pay authorized fees for conferences/workshops with sufficient notice to Central Office. Please work with your bookkeeper to obtain a purchase order number.

Hotel Reservations: Lodging will only be reimbursed for the days attending meetings plus allowable travel time. If an overnight stay is necessary, the sharing of hotel rooms for same gender staff is required. Supervisors should approve all hotel stays. Itemized hotel bills must be submitted. Please do not charge additional expenses to your room.

Air Travel: Any requests for professional development that require air travel will need to be sent to the District PD representative. Details including when the conference begins and ends will need to be sent to determine the flight with the best rate and arrival and departure times. Central Office will correspond with the attendee to gather all information necessary for booking the flight.

Meal Per Diem: The per diem meal reimbursement limit is \$30.00 per person. *Itemized receipts* must be turned in. The District will not reimburse the cost of alcoholic beverages or tips.

Personal Vehicle Use: Reimbursement for mileage will only be approved if the school van is not available. If a personal vehicle is used for business purposes, mileage may be claimed on a Request for Reimbursement form at the rate of .655 cents per mile, as well as parking fees. Carpooling to a conference or event is required, especially when multiple staff members from the District are attending. Mileage claimed for reimbursement shall be the lesser of the mileage from the employee's building of employment or the employee's home. For example, if an employee lives in Clinton, but attends a meeting in Ballard, the mileage reimbursement will be from their Montrose work location.

Unallowable Expenses include: Alcoholic beverages and entertainment, tips, fines, traffic tickets, gifts, phone calls and other items for personal use, as well as any expense incurred by an accompanying spouse or family member.

GIFTS/GIFT CERTIFICATES/GIFT CARDS

Gift Certificates or gift cards are not allowed and should not **be purchased**.

CHECK PROCESSING AND BOARD APPROVAL

Central Office prints, seals and mails the accounts payable checks. A check register listing is presented to the Board of Education monthly. Invoices and other supporting documentation are placed in the file folders which are then filed and labeled accordingly to the month paid.

ACTIVITY FUNDS

The purpose of the activity funds is to promote the general welfare, education and morale of all students and to finance the normal legitimate co-curricular activities of the student body organizations. These funds consist of programs that have student participation in the activities and are maintained by Central Office.

A. Each school will maintain a list of approved clubs and sponsors. When new clubs are created, the appropriate information must be provided to Central Office so that account codes can be established for the revenues, expenditures and fund balance of the new activity.

B. The club sponsor will oversee activities of the student organization. The sponsor will work with the school's bookkeeper to process the collection of cash receipts and expenditures. All revenues will be deposited into the District's bank account and expenditures will be processed through the Central Office.

C. The school's bookkeeper will account for all revenue and expenditures for each

club. Each club sponsor has access to detailed accounting activities.

D. All purchases for Activity Funds are to be made through Purchase Orders in accordance with the District's Purchasing Procedures.

E. After an order has been sent and received, check all items listed on the invoice to make sure all items ordered were received. Upon fulfillment of the order, the invoice should be submitted to the Central Office for payment.

PARENT-TEACHER ORGANIZATIONS

Money-raising activities sponsored by the parent-teacher-student organization (PTSO) are allowable subject to the following:

The PTSO initiates the activity and assumes responsibility for conducting it.

PTSO activities may involve the students (as a whole) and the school personnel either as contributors (consumers) or money-raisers (workers).

The Principal, Secretary or other staff
cannot:

1. Receive goods for the PTSO.
2. Receive or deposit money raised by the PTSO.
3. Pay vendors or otherwise disburse money for these organizations.
4. Have signature authority on any bank account of the PTSO.

If money is left in the care of the school or school personnel, the funds **must** be in a locked bank bag which cannot be accessed by the school personnel.

Money raised by the PTSO must be deposited to the account of the PTSO, not the school's activity fund accounts. Identifying tax numbers used on a related bank account cannot be that of Montrose R-XIV Public School District.

The Montrose PTSO should cooperate fully with the Principal in planning activities or raising money.

Discretion should be used to limit money-raising activities to that necessary for school purposes.

OUTSIDE ORGANIZATIONS (i.e., BOOSTER CLUBS)

Outside organizations should be valid, stand-alone organizations with their own identities. There should be no confusion of their identity with that of the school. Examples of such organizations are booster clubs.

Outside organizations:

1. Shall not use the school's address, tax ID number, or names of school employees in conducting business.
2. Shall manage and assume responsibility for the club's finances.
3. May make donations to the school or to a student club either for a specific purpose or for use at the discretion of the Principal or club sponsor.

The Principal, Secretary, sponsors, or other school staff **cannot:**

1. Receive goods from any outside organization.
2. Receive or deposit money raised by any outside organization.
3. Pay vendors or disburse money on behalf of any outside organization.
4. Have signature authority on any bank account of an outside organization.
5. Commingle money belonging to an outside organization in personal checking or savings accounts.

PETTY CASH ACCOUNTS (Policy 3120)

Petty cash funds are available for minor purchases, refunds, collections of fines and fees, and to make change when necessary. Petty cash funds will not be used to circumvent established purchasing procedures but will be used as a convenience for immediate

purchases of low-cost goods and services. The school secretary or designee will be responsible for petty cash accounts in his or her school

The petty cash account should not exceed \$275. The total of the Petty Cash Requests and the actual cash on hand must always total the authorized fund amount. The cash on hand cannot exceed the authorized petty cash amount. If the cash on hand ever exceeds that amount, a deposit must be made into the district's account. The petty cash account should be reconciled on a regular basis by the school secretary.

Only the school secretary or principal may handle or distribute the building's petty cash. Employees cannot distribute petty cash to themselves. If the school secretary or principal needs petty cash for district purposes, another trained employee must disburse the funds.

The Superintendent reserves the right to end the use of petty cash in the District or to reassign responsibility for the petty cash in the District.

The petty cash will be securely stored in a locked container and kept in a locked storage area, preferably a safe.

All disbursements from such funds are to be supported by receipted bills or other evidence documenting the expenditure in a form available for audit.

The Petty Cash Reimbursement Request submitted to Central Office to replenish the petty cash fund should be signed by the custodian responsible for the fund, with all expenditures properly accounted for. All original receipts or other evidence documenting the expenditure must be attached.

1. Examples of acceptable petty cash purchases include:

- a. Food purchases.
- b. Necessary emergency supplies that could not be anticipated.
- c. Postage.

2. Examples of unacceptable uses of petty cash include:

- a. Purchases that exceed \$50, regardless of whether the purchase is made in one
(1) or several installments.

- b. Paying a vendor who is charging the district sales tax. Employees must provide all vendors copies of the district's tax-exempt letter.
- c. Purchasing furniture or equipment including, but not limited to, DVD players, cameras, televisions, computer equipment, etc.
- d. Reimbursing an employee.
- e. Cashing checks.
- f. Loaning money to any person

ADMINISTRATIVE PRACTICE

The following are the daily business procedures for the Montrose R-XIV School District.

Attendance- The Montrose School District captures our ADA and Eligible pupil numbers by taking daily attendance by classroom teachers. Then the school secretary does check-in and check-out of students arriving late or leaving early. We run a history report each month and check for discrepancies. When all errors are fixed we run the ADA report.

Budgeting- The Superintendent prepares the budget and it is approved by the School Board. The budget is amended as funding changes.

Federal Program Coordinator- The Superintendent is responsible for

compliance and reporting for all federal programs.

Transportation- The Montrose School District captures eligible miles by running the complete bus route on the first day of school and multiplying that number times 146 school days. We capture ineligible miles by tracking all activity trips in a mileage log.