

# **INTERNAL CONTROL PROCEDURES**



**HARRISBURG SCHOOL DISTRICT, NO. 7**

Revised 10/01/2021



Harrisburg School District, No.7  
INTERNAL CONTROL PROCEDURES

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**INTERNAL CONTROL  
PROCEDURES  
DISTRICT WIDE**



**HARRISBURG SCHOOL DISTRICT, NO. 7**

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## ***Internal Control Procedures***

The purpose of the Internal Control Procedures is to provide established procedures for Harrisburg School District, No.7 employees to follow. This will allow for separation of duties so that no District employee shall be responsible for all aspects of any given transaction. These procedures will provide a safeguard for the District's assets, control over expenditures/revenues, and accurate reporting of financial information.

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Additional procedures are also outlined in the Staff Handbook and District Policies.

### **I. ACCOUNTS PAYABLE:**

The District's Accounts Payable Clerk or assigned designee is primarily responsible for the mechanics in processing accounts payable expenditures. The following are the internal controls necessary to insure the accuracy and integrity of the accounts payable process.

- A. Purchase requestors can request a proposed vendor electronically. The requestor inputs the vendor as "add new vendor" in the requisition. In the internal notes section of the requisition, the requestor inputs the vendor information. The Business Manager or assigned designee reviews and if approved, adds the requested vendor to the vendor maintenance list and changes the vendor to the new vendor requested.
- B. The authorized employees or assigned designee for each building or department will input requisitions online using the web portal for the District's Business Information System IV. Individuals without web portal access the request must be submitted to the on-site secretary. Once entered the request will appear in the **Work Flow** of the Building Administrator or Supervisor to approve or deny. Once the Building Administrator or Supervisor has determined that the requisition is within the budget appropriations, the Building Administrator will approve the requisition.

The requisition then appears in the **Work Flow** of the Business Manager to approve or deny. The Business Manager will perform a budget check to ensure that the requisition is within appropriation authority before approval, this authority is on a program budget level. Once approved by the Business Manager, the requisition then becomes a purchase order.

The accounts payable clerk will confirm that the merchandise is ordered. The purchase order register is viewable online by the Accounts Payable Clerk, the Building Administrator or Supervisor for their



specific location, and the originator of the requisition can view only the requisitions that they create.

Travel reimbursement and expense reports for all purchases except mileage, are required to have prior authorization on a requisition to be a valid request. Without prior authorization, the district will deny your request for reimbursement. Attach a map quest copy with both physical addresses starting from the school to the destination; if you use a different starting point than the school address you must print both and mileage will be paid on the lesser of the two printouts. If using a p card issued to the employees name, have district authorization to make purchases up to \$200.00 without approved purchase order, but monthly reconciliation report with attached receipts will be submitted no later than the 25<sup>th</sup> of each month.

Recurring monthly invoicing such as utility bills will be processed immediately on all open purchase orders. If significant change maintenance supervisor will notified for approval.

- C. If the requested merchandise or service is in excess of \$10,000, a completed quotation sheet documenting prices from three (3) different vendors must be attached to the purchase order prior to approval by the Superintendent or assigned designee (multiple purchase orders are not allowed to avoid obtaining the required quotes).

**NOTE:** Please see District Policy DJ, DJ-AR, DJC, DJC-AR, DJCA and the Attorney General's Public Contract Manual, all of which are available in the District Office.

- D. The Business Manager's signature will be obtained on the original purchase order prior to distributing copies of the purchase orders (an electronic signature is acceptable).
- E. A bill or invoice documenting that the merchandise has been received or the service rendered must be provided to the Accounts Payable Clerk before payment can be processed. It is the responsibility of the requestor to provide the required documentation.
  - 1. Merchandise and/or service received must be documented by providing the packing slip or bill of lading for the merchandise, or in the absence of a packing slip or bill of lading a copy of the purchase order can be used. The documentation must be signed and dated by the individual who received the item(s) or service with an **"okay to pay"**. An electronic signature is acceptable i.e., email approval
  - 2. The purchase order, packing slip, invoice, and **"okay to pay"** will be matched by the Accounts Payable Clerk, in order to begin processing the purchase order for payment.

3. Typically, the accounts payable check run will be made twice a month, during training the district may run weekly. Exceptions will be made for end-of-the year procedures, holidays, and other unforeseen circumstances.
- F. A check will be prepared for payment once the necessary approvals and documentation have been received. Verification of the following items are the primary responsibility of the Accounts Payable Clerk or assigned designee (*person authorized - processing a payment*) in processing the check for payment:
1. All required signatures
  2. Presence of the “**okay to pay**”, signature, and date
  3. The accuracy of the amount paid, vendor name, and vendor address as indicated on the invoice
  4. Verification of account number(s)
  5. Verification that W-9 and 1099 documentation have been obtained when necessary
  6. Capital equipment in excess of \$10,000 is recorded for inventory purposes in the District’s Asset program, and all high theft technology equipment for insurance coverage
  7. Verification that a completed quote sheet is attached to any purchase order over \$10,000 submitted for payment, except for those purchases, which are legally exempt from the requirement in which case the qualification for exemption must be attached (see current Board Policies for exemptions)
  8. Verification that the Maintenance Department has obtained Workers’ Compensation Certificates for vendors performing work on District property
- G. Accounts Payable “**aging**” process:
1. The Accounts Payable Clerk will maintain an alphabetical file system to hold copies of the purchase order, awaiting the vendor invoice and receiver copy of the purchase order authorizing the payment. These files are reviewed each week.
  2. When all three pieces of documentation are received, the invoice is compared to the detail of the purchase order. If the items are reconciled, the invoice is ready for input into the computer system.

3. As the review of the “**open**” files is completed, attention is given to the aging of the purchase order as well as the aging of invoices. Any invoice **approaching 30 days** of receipt is to be followed up with the building/department secretary. If the purchase order and okay to pay have been received, but not an invoice, the Accounts Payable Clerk is responsible for contacting the vendor for an invoice. If the purchase order and the invoice are received, follow up is to be done with the requestor and/or building/department secretary inquiring about the “okay to pay.”

4. All invoices ready for payment are entered into the computer system. When reconciliation of the batch is completed, the voucher is electronically created with the date the check will be written.

H. The Business Manager will review the processed checks and supporting documentation to ensure the accuracy of the check being issued. After reviewing each check for the following items the Business Manager shall initial and date the permanent copy of the check.

1. Presence of the required signatures
2. Presence of the “**okay to pay**”, signature, and date
3. The accuracy of the amount paid, vendor name, and vendor address as indicated on the invoice
4. Verification of account number(s) on a random basis
5. Verification that a completed quote sheet is attached to any purchase order over **\$10,000** submitted for payment, except for those purchases which are legally exempt from the requirement

**NOTE:** See district policies DJ, DJ-AR, DJC, DJC-AR, DJCA and the Attorney General’s Public Contracts Manual.

6. Payroll liability remittances will be subject to the same procedure, with exception to #2 shall read “Presence of the Payroll Deduction Register for Payment.” All Payroll liability checks will be reviewed by the Accounts Payable Clerk or district assigned designee, as the Business Manager or district assigned designee prepares the payroll liabilities for payment so two individuals are reviewing.

I. As the checks are reviewed, the reviewer shall prepare the checks for mailing along with any support documentation that will ensure proper credit by the vendor.

## **II. BUDGETED APPROPRIATIONS:**

- A. Each Building Administrator and/or Supervisor is responsible for ensuring that appropriation levels are not exceeded at their building.

Each department has the ability to print transaction detail analysis from the web portal. The Building Administrator and/or Supervisor will be responsible to see that the statements are reviewed to verify expenditures charged against their respective budgets correspond with purchase orders approved. The purchase order system is designed to alert the approver if the purchase order exceeds budget authority.

- B. The Business Manager is responsible for ensuring that the appropriation levels are not exceeded for the school district. The Business Manager will prepare monthly financial statements for the school board which projects cash flow for the entire year and shows the expenditures in relation to budget appropriations. If necessary, transfer appropriation resolutions will be prepared by the Business Manager for the school board to approve.
- C. The Business Manager and Accounts Payable Clerk have the ability to enter new account numbers. The account numbers must follow the Program Budgeting and Accounting Manual (PBAM) published by Oregon Department of Education.
- D. An independent auditing firm as required by ORS 297.405 conducts the final review of the District's expenditures and procedures. The audit report together with management comments, if any, is submitted to the appropriate state authorities.

## **III. PAYROLL:**

The Business Manager is responsible for the preparation of the District's payroll. The following are the internal controls necessary to insure the accuracy and integrity of the payroll process.

- A. Payroll will be processed under established guidelines using employee timesheets, contracts, absence reports via AESOP and the web portal absence management systems, any requests for extra duty, Requests for Curriculum, including overtime, must be pre-approved and noted on timesheets. Access for payroll changes will be limited to those authorized to process or input payroll.
  - 1. The Business Manager or district assigned designee is responsible for the following:
    - a. Ensuring the accuracy of the data and its compliance with bargaining agreements and labor laws;



- b. Review of the above documentation for the required, authorized signatures; and
  - c. Maintaining the appropriate files for the above documentation.
- 2. A District employee, other than the Business Manager will:
  - a. Verify the accurate placement of employees on salary schedules in accordance with the agreements between bargaining units and the District at the beginning of each classification's calendar for the fiscal year.
  - b. Review payroll balances monthly for reasonableness and budgeted amounts.
  - c. Verify balance of contract for administrative, confidential and licensed staff monthly.
  - d. Review hourly, overtime, and leave balances on a random basis.
- B. The Business Manager or assigned district designee is responsible for maintaining the appropriate files to support payroll entries made. Documentation to be maintained should include, but is not limited to, earnings records, benefit records, payroll deductions, I-9s, and W-4s.
- C. Payroll checks will be given to a building or department representative upon verification of the checks being provided.
- D. The Business Manager will reconcile gross and net pay amounts on a monthly, quarterly, and annual basis as required for accurate payment of Federal and State taxes, and other payroll liabilities.
- E. New employee files are created in Human Resources by this process and verified prior to first payroll.

#### **IV. CHECK AUTHORIZATION/POSITIVE PAY PROCEDURE:**

- A. All checks require two signatures. Individuals authorized to sign District checks are:
  - 1. Superintendent
  - 2. Board Chair
- B. Positive Pay
  - 1. In an effort to avoid bank fraud, whenever accounts payable and payroll checks are processed, the report will be provided by the Accounts Payable Clerk or the Business Manager, who will review the

data and will transmit the accounts payable and payroll check information to our main financial institution.

2. On a daily basis, the Accounts Payable Clerk or the Business Manager will electronically contact the District's main financial institution in order to monitor and ascertain if any positive pay items have processed.

#### **V. MANUAL CHECKS:**

Manual checks are no longer feasible due to the requirements of the positive pay process, and will not be issued.

#### **VI. CHECK STORAGE AND ACCESS**

- A. All checks, which are blank check stock, will be stored in a secure location out of the view of the general public.
- B. The check cabinet should remain locked at all times.
- C. Access to all checks should be limited to the following individuals:
  1. Business Manager
  2. Accounts Payable Clerk
  3. Payroll Clerk

#### **VII. BANK ACCOUNT RECONCILIATION:**

- A. The Business Manager or assigned district designee will reconcile the payroll bank statement. This will act as an additional control point for each of these processes. The Business Manager or assigned district designee will reconcile the accounts payable bank statement. All reconciliations will be completed two weeks after the month end. This will act as an additional control point for each of these processes.
- B. Accounts will be monitored for the following:
  1. Accurate beginning and ending balances;
  2. Outstanding checks will be monitored for stale dates. Stale dated checks will be voided and reissued when necessary.
  3. Each cleared check will be reviewed for the following:
    - a. Authorized signature(s);

- b. Appropriate endorsement by the payee;
  - c. The check cleared for the correct amount.
- C. Bank reconciliations will be reviewed monthly by the Superintendent and initialed after review. The review will verify the bank account is balanced to the general ledger.

#### **VIII. PETTY CASH:**

The purpose of the petty cash fund is to provide a ready source of funds to cover small and/or immediate expenditures such as postage due, certified mail requests, etc. The fund will be kept in accordance with Board Policy.

- A. A receipt is required for reimbursement from the petty cash fund.
- B. The petty cash fund should be reconciled periodically to ensure the accuracy and integrity of the petty cash fund.
- C. No substantial amounts of money shall be kept in the petty cash fund for a prolonged period of time.
- D. Cash receipts will not be co-mingled with petty cash.

#### **IX. DAILY CASH FLOW:**

The purpose of monitoring the District's daily cash flow requirements is to maintain a balance sufficient to cover all outstanding District checks, while continuing to maximize the interest earned on invested funds, taking into consideration an offset to monthly bank charges.

- A. The Accounts Payable Clerk will monitor the District's cash requirements for the general-purpose checking account on a daily basis.
  - 1. The District's cash flow requirements will be determined by taking the District's daily payables and receipts into consideration.
  - 2. A transfer from the appropriate invested funds to the general-purpose checking account will be processed to maintain a balance sufficient to cover all outstanding District checks.
    - a. Either the Accounts Payable Clerk or Business Manager will process the necessary transfers.
    - b. Either the Accounts Payable Clerk or Business Manager will input journal entries for the transferred funds.

- c. The Business Manager shall maintain a separate ledger, reconciled monthly to investment account statements, as an additional internal auditing control measure.
- 2. The Business Manager or designee will review and reconcile all investment accounts on a monthly basis.

#### **X. INTERNAL REVIEW OF REVENUE RECEIPTS:**

- A. The Business Manager and/or Accounts Payable Clerk will make the necessary batch receipts with automated numbering of receipts in the business information system in a timely manner. Whenever possible, revenue entries will be recorded in the month in which they were received.
- B. The person who prepares the deposits will not transport to the bank. The person who transports the deposit to the bank will not be the same person who prepared the deposit.
- C. District revenues will be reconciled on a monthly basis by the Business Manager or their designee. Items to be considered in the monthly reconciliation are:
  - a. Accuracy of account credited;
  - b. Timeliness of revenue entry;
  - c. Reconciliation of revenue received to annual budget.

#### **XI. INTERNAL REVIEW OF JOURNAL ENTRIES:**

The Accounts Payable Clerk and the Business Manager will be primarily responsible for the input of all journal entries. Journal Entries created by the Accounts Payable Clerk will be electronically approved by the Business Manager. Any journal entries made by the Business Manager will be manually approved by the Superintendent.

#### **XII. ACCOUNTS RECEIVABLE:**

The District will establish a centralized Accounts Receivable system for miscellaneous receipts and reimbursements, e.g. tuition, substitute pay, etc. This database will be accessible by appropriate users throughout the District to monitor the status of receipts and to generate repeat invoices if necessary.

### **Local, State, and Federal Grants:**

In accordance with district policy and grant parameters an approved grant narrative will be submitted to the district office finance department to ensure the adopted budget is in-line with the grant parameters. Drawdowns or request for reimbursements will be submitted on a minimum quarterly basis after the districts point of contact has reviewed and approved the period to date expenditures. All federal procurement requirements will be followed and appropriate documentation will be kept, such as micro purchased documentation forms, bids and quotes according to district policy and federal guidelines under 2 CFR 200.510 (b) by preparing a schedule of federal awards. On an annual basis all grants will be reconciled to ensure reasonable assurances are accurately recorded and retained.

### **XIII. CREDIT CARDS:**

- A. Credit cards are issued in the name of the Superintendent, School Principals, and the Business Manager.
- B. Card use is authorized by the issuer under the requirements of Section 1 of this document.
- C Use of Credit Cards is governed by board policies DJFA and DJFA-AR-1 and AR-2.

### **XIV. MEALS AND MEETINGS:**

- A. Meals are defined to include food and beverages provided at breakfast, lunch, or dinner to attendees of school-sponsored functions.
- B. School funds must not be used to provide non-travel business meals for regularly scheduled staff meetings.
- C. School funds may be used to provide non-travel business meals as follows:
  - 1. During a legal proceeding
  - 2. When there are more than 25 participants
  - 3. When the meeting is more than three hours long and is held over a meal period
  - 4. When the meeting is designated a working business meal, which is documented in the meeting agenda.
- D. Refreshments are defined to include beverages such as coffee, tea, bottled water, juice, soda and similar liquid refreshments, as well as,

sugar and creamer, etc. Food items such as fruit, pastries, chips, cookies, cake, candy, etc., are also considered refreshments.

- E. School funds must not be used to provide refreshments for regular scheduled staff meetings or office social events such as celebrating holidays or birthdays.
- F. School funds may be used to provide refreshments for the following purposes or events listed below:
  - 1. Business meetings with industry representatives or the public;
  - 2. Business meetings that last four hours or longer;
  - 3. Training events held for the purpose of instruction or dissemination of information to employees or the general public;
  - 4. Employee recognition or volunteer recognition.

#### **XV. FIXED ASSET ACCOUNTING:**

- A. Capital assets are assets with an initial cost of more than **\$10,000** and an estimated useful life in excess of two years and assets deemed to be a security item including note book computers, electronic calendars, etc.
- B. The Accounts Payable Clerk will record the purchase of a capital asset in the Fixed Asset Accounting Ledger program.
- C. Capital asset postings will be reconciled with the general ledger annually by the Director of Business Services or their designee.

#### **XVI. BOARD MONITORING POLICY:**

- A. The Board shall be provided monthly financial statements, claims paid report listing checks in sequence and have the opportunity to discuss financial issues with the Business Manager or their designee at their regularly scheduled meetings. These discussions will include rationale for budget structuring.
- B. The Board shall adopt the budget annually.



## **XVII. COMPUTER CONTROLS:**

### **A. Infinite Visions**

1. Security assignments for the business information system Distributed Accountability Centers must be requested by the Building Administrator and/or Supervisor and approved by the Business Manager or their designee. Access to the computer security system is limited to the Business Manager who can set up the approved assignment. Access is controlled by user roles in the security system.
2. Passwords to access the business information system are created by the individual user and must be changed on an annual basis.

### **B. iVisions Web Portal**

1. Security assignments for the web portal are made by the Building Administrator and/or Supervisor and approved by the Business Manager or their designee. Access to the computer security system is limited to the Business Manager who can set up the approved assignment.
2. Passwords to access the business information system through the internet are created by the individual user and must be changed on an annual basis.

STUDENT BODY FUND  
ACCOUNTING HANDBOOK

ELEMENTARY and SECONDARY SCHOOLS



Harrisburg School District, No. 7

Revised 10/01/2021

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## **SECTION ONE**

### **DEFINITIONS, PRINCIPALS AND ACCOUNTABILITY**

## DEFINITIONS

**Public Funds** are any funds raised or provided by the public to support district operations. Therefore, student body funds are considered public funds and are subject to school district oversight and management.

**Student Body Funds** are those funds that are **raised by students**, raised or provided on behalf of students, schools or programs, or raised due to positions held by employees of the district. These funds include donations, fundraisers and sales. Expenditures are approved by student body or governing body, minutes of meetings are kept for both school related activities and parents' clubs if within a district account.

**Third Party Organizations** are those organizations that are independent entities with a 501(c)3 IRS status that raise and manage monies separate from the school district, such as PTAs or Booster Clubs.

A **public official** is any individual performing services for a public organization, such as a school district. **All school employees are considered public officials.** ORS 244.040(1)(a) prohibits public officials from using their positions to obtain financial gain. Actions that are prohibited are to accept gifts, money, discounts, awards or rebates for services performed or for purchases made while in the role of a public official.

**School sponsored activities** are approved by the ***school's principal***, operate under the guidance or supervision of qualified adults, and are designed to provide opportunities for students to participate in such experiences on an individual basis, in small groups, or in large groups at school sponsored events.

Employees must avoid actions that create even the appearance of using their positions for personal or private purposes. Examples of potential conflicts of interest include, but are not limited to:

- Giving and receiving gifts, other than token gifts, in the course of doing business. Token gifts are items of inconsequential or minimal value (***below \$50***).
- Since no offsetting public good is achieved by accepting gifts, unclear or questionable situations should always be decided by rejecting gifts, gratuities, or favors that may raise questions regarding the employee's integrity, independence, and/or impartiality.
- Outside employment or the promise of outside employment which would interfere with, or inappropriately influence one's decision or actions or give the appearance of such action.

## PRINCIPLES

- Student body funds may be raised and spent to promote welfare, education, and morale of the students. Projects financed by student body funds shall generally contribute to the educational experience of students and not conflict with the instructional program.
- Student funds shall be used only for the purposes described in the **Student Body Fund Accounting Handbook**. Purposes for the use of funds not described in the handbook shall have the written approval of the District Finance Department.
- Funds derived from authorized clubs and organizations shall be expended to benefit the specific club or organization which has contributed to the accumulation of those funds.
- Funds derived from the Student Body as a whole shall be expended to benefit the Student Body as a whole.
- Student Body funds shall not be raised to purchase items for the personal benefit of any individual student or staff member.
- Participation in student activities or fund raising may not be required and school credit will not be given, except for those classroom activity funds such as yearbook.
- The management of Student Body funds shall be in accordance with acceptable business practices. All accounting records and documentation for transactions shall be maintained in accordance with applicable state and federal laws as well as generally accepted accounting principles for all transactions.



## ACCOUNTABILITY

- The **Board of Education** provides overall direction of Student Body funds through the superintendent. Student Body funds shall be audited annually by the Board's designated auditor.
- The school district **Finance Department** establishes accounting procedures for Student Body financial activities to ensure compliance with state statutes, district policies, and accounting principles. The Department will assist in training, provide consulting service to schools, and conduct internal audits of financial activities.
- Each **Principal** is responsible for the administration of the building's Student Body Funds. The Principal, as trustee, is held personally responsible or liable for replacement of student funds that have been improperly spent.
- The **Club Advisors** are responsible for monitoring the financial activity for their individual club, or organization. For classroom activities, **Teachers** are considered to be the **Club Advisors**.
- The **Athletic Directors** are responsible for monitoring the financial activity for clubs associated with individual sports.
- The **Office Managers or Bookkeepers** (referred to as "Bookkeeper" in this handbook) are responsible for ensuring that the proper documentation is obtained for all transactions. This includes providing appropriate cash receipt forms to all Club Advisors prior to the event, and requiring adequate documentation prior to disbursing any funds from a student body account. In addition, they are responsible for training staff on the proper use of student body funds.

## **BANKING PRINCIPALS**

### **USE OF BANK ACCOUNTS**

All Student Body Funds are to be deposited and maintained in a federally insured checking account, or in the event where funds temporarily exceed current needs, excess funds may be invested in a federally insured savings account, federally insured time certificates of deposit or with the Local Government Investment Pool (LGIP).

No bank account is to be opened or closed without the approval of the District Finance Department.

All Student Body revenues are to be deposited in the checking account.

Properly approved Student Body expenses, deposits to savings accounts, and purchases of time certificates of deposit are to be paid from the checking account.

Authorized signers should include the Principal, at least one assistant administrator, and/or the Finance Director. The Bookkeeper may be an authorized signer, but if the bookkeeper signs checks, he or she cannot prepare the checks or sign the purchase orders.

Student body funds may not be commingled with any other monies that may be available in the school building except for those amounts being held for the district pending remittance to the Business Office or pending expenditure (with prior approval) on behalf of the District.

### **FUNDS RAISED BY OTHER ORGANIZATIONS**

Funds raised by independent, third party organizations, such as PTA groups whose purpose is to indirectly support athletic or activity programs, will be managed by the third party organizations. **These organizations are separate entities from the District and will use their own federal tax ID number for their activities. All club advisors, including athletic coaches, are prohibited from participating in the management and disbursement of the funds of these organizations, including the authority to sign checks.**

**Outside organizations may not use student body bank accounts for their activities.** An organization may donate money to the student body account, and those funds could then be deposited and disbursed from the student body accounts, so long as they are an appropriate use of student body funds. An organization may donate money to a District Special Revenue account with a specific designation, and those funds could then be deposited and disbursed from the District accounts, so long as they are an appropriate use of said funds.

## APPROPRIATE USES OF STUDENT BODY FUNDS

Appropriate uses of student body funds include the following:

- Class or activity club field trips
- Student rewards, prizes, and other awards
- Student club parties, dances, or events
- Out of town contests or events
- Purchase of supplies for students' use in the classroom or activity
- Staff development expenses for club advisors and coaching staff, ***but only to the extent that the fundraiser was specifically held for that purpose, and all donors were informed, in writing, that the funds will be used for that purpose***

Inappropriate uses of student body funds include, but are not limited to, the following:

- Travel, meals and lodging for staff members, except when traveling with the student group or team
- Purchases for staff members, coaches or club advisors, including equipment, supplies and snacks
- Gift certificates, unless purchased as a prize or award for a student activity
- Athletic event entry fees, unless required for the entire team's admission

Illegal or prohibited uses of student body funds include, but are not limited to, the following:

- Purchases of alcoholic beverages, including those purchased with a meal
- Adult entertainment
- Compensation for volunteers or other staff members for work or services performed for the school or school district (including gift certificates)

Note, there are several pages of examples to guide you in the appropriate use of student body funds in the FAQ section of this handbook. If you are unsure if an expense would be appropriate, please contact the Finance Department.

**SECTION TWO**  
**CASH RECEIPTS**

## CASH RECEIPTS

It is the Bookkeeper's responsibility to make sure that club advisors and teachers have the proper paperwork and instructions to account properly for all cash receipts, before the event takes place.

The following table summarizes the forms needed for individual activities:

Activity	Required Forms
Car washes, garage sales, donation jars, etc.	Request for Fundraising Activity Triple Count Financial Reconciliation
Student Sponsorship Events (Val-o-Grams, Jump-a-Thon, etc.)	Request for Fundraising Activity Single Purpose Multiple Receipt ( <i>listing each student's name and amount collected</i> ) Double Count Financial Reconciliation
Class Fees and Fieldtrips	Single Purpose Multiple Receipt ( <i>listing each student's name and amount paid</i> ) Double Count Financial Reconciliation
Club Sponsorships (Yearbook ads, fence signs, dance sponsors, holiday entertaining, etc.)	Request for Fundraising Activity Single Purpose Multiple Receipt Double Count Financial Reconciliation
Concessions and Student Stores	Request for Fundraising Activity Request for Change Fund Shift Close Out Inventory Reconciliation
Dances, dinners, movie nights, talent shows, etc.	Request for Fundraising Activity Request for Change Fund Ticket Receipt Report Double Count Financial Reconciliation
Student-controlled sales (Candy bars, pizza cards, beef jerky)	Request for Fundraising Activity Inventory Reconciliation Merchandise Sales Control Double Count Financial Reconciliation
Teacher/Advisor-controlled sales	Request for Fundraising Activity Inventory Reconciliation Double Count Financial Reconciliation
Pre-sold Items (Bulbs, magazines, cookie dough, gift wrap)	Request for Fundraising Activity Single Purpose Multiple Receipt ( <i>listing each student/parent's name and amount turned in</i> ) Double Count Financial Reconciliation

## FUNDRAISING GUIDELINES

All fundraisers must be approved in writing by the Principal prior to beginning the activity using the Request for Fundraising Activity Form. No fundraising activity shall take place unless the form has been submitted and approved.

Note: Refer to district policies IGDF, IGDF-AR, IGDG.

Bookkeepers **MAY NOT** be the person in charge of any event, as event proceeds must be independently counted before being turned into the Bookkeeper, who is always either the second or third count.

Once approval is received, the Club Advisor may proceed with organizing the event. The Club Advisor is responsible for instructing students and adult volunteers on correct procedures. If the Club Advisor is not familiar with the recordkeeping requirements, he or she should contact the Bookkeeper for instructions.

By requesting approval for a fundraiser, the Club Advisor accepts all responsibility for training volunteers and students on proper procedure and properly accounting for all cash collected.

Expenses may not be paid out of the fundraising proceeds, except in limited circumstances and when it was part of your written fundraising plan approved by the Principal. Cash disbursements from fundraising proceeds will seldom be allowed. Fundraising supplies should be paid for using the guidelines provided under cash disbursements in this handbook.

Many schools have PTAs and Booster Clubs that raise funds on their behalf. If one of these organizations raises funds for your student body, you do not have to follow the cash receipt requirements as long as the following conditions are met:

1. The fundraiser must be clearly advertised as a "PTA" fundraiser, and
2. District employees do not collect or handle cash at the event.

If both of these conditions aren't met, it's considered a school fundraiser and you will need to follow the cash receipt processes in this handbook.

### CASH RECEIPT PROCESS – FUNDRAISERS, FIELDTRIPS, ETC.

1. Club Advisor (or Teacher) requests approval for a fundraising event using the Fundraiser Request Form. The form is turned into the principal.
2. Principal reviews request and approves fundraiser by signing the form. The form is returned to Bookkeeper, who maintains one copy in a binder for future reference.
3. Bookkeeper notifies Club Advisor that the fundraiser has been approved, provides the appropriate cash receipt forms at that time, and provides Club Advisor with instructions on how the cash must be accounted for.



4. Club Advisor collects money from the fundraiser, filling out the appropriate paperwork as instructed by the Bookkeeper. If the fundraiser will run for longer than a week, the Club Advisor must summarize the receipts on a weekly basis and submit the information to the Bookkeeper, along with all monies collected.
5. Club Advisor submits money collected along with appropriate documentation to the Bookkeeper.

## **CASH RECEIPT PROCESS – STUDENT STORE AND CONCESSIONS**

1. Club Advisor (or Teacher) requests approval for a fundraising event using the Fundraiser Request Form. The form is turned into the principal.
2. Principal reviews request and approves fundraiser by signing the form. The form is returned to Bookkeeper, who maintains one copy in a binder for future reference.
3. Bookkeeper notifies Club Advisor that the fundraiser has been approved, provides the appropriate cash receipt forms at that time, and provides Club Advisor with instructions on how the cash must be accounted for.
4. Club Advisor fills out the Request for Change Fund form and gives it to the Bookkeeper. This form is required at the beginning of each school year or when the responsibility for the store/concession changes hands. At this time, the Bookkeeper is responsible for providing the appropriate forms to the Club Advisor and explaining their use if necessary.
5. Club Advisor (or Student if supervised) must keep track of inventory using the Physical Inventory Form. This form must be filled out when inventory is first purchased, and at least once per quarter throughout the year. A final form must be filled out at year end or the end of the activity in the case of concessions.
6. Shift Leader must complete a Shift Close-Out Form at the end of each shift. All Shift Close-Out Forms must be turned into the Bookkeeper with all cash at the end of each day.
7. Club Advisor (or Student if supervised) is required to complete the Inventory Reconciliation weekly. This report must match to that week's Shift Close-Out Forms. The ending count should be written on a new form as the beginning counts for the next week. Purchases should be recorded on these forms as they are received. Club Advisor is required to turn the inventory paperwork weekly to the Bookkeeper.

Under no circumstances should expenses be paid for with money out of the cash box. When additional inventory needs to be purchased, the Club Advisor should complete a purchase order and obtain proper approval for the disbursement.

Cash boxes must be turned in daily to the bookkeeper. Under no circumstances should they be locked in the student store or a teacher's classroom overnight.

## CASH RECEIPT PROCESS – TICKETED EVENTS

1. Club Advisor (or Teacher) requests approval for a fundraising event using the Fundraiser Request Form. The form is turned into the principal.
2. Principal reviews request and approves fundraiser by signing the form. The form is returned to Bookkeeper, who maintains one copy in a binder for future reference.
3. Bookkeeper notifies Club Advisor that the fundraiser has been approved, provides the appropriate cash receipt forms at that time, and provides Club Advisor with instructions on how the cash must be accounted for.
4. Club Advisor fills out the Request for Change Fund Form and gives it to the Bookkeeper.
5. Bookkeeper issues a **pre-numbered receipt book**. All cash equivalents (checks, money orders, etc.) must be receipted. All checks and money orders must be made payable to the school, NOT an individual. If a pre-numbered receipt is written incorrectly, write VOID across it and leave intact in the book.
6. Club Advisor (or Student if supervised) must keep track of ticket sales using the Ticket Receipt Report.
7. At the end of the event, Club Advisor (or Student if supervised) must count the cash and fill out the Financial Reconciliation Form.
8. Club Advisor turns in the cash, pre-numbered ticket book, Ticket Receipt Report, and Financial Reconciliation Form to the Bookkeeper.

## CASH COLLECTION PROCEDURES

1. Bookkeeper verifies that the totals on **all** forms match to the cash the Club Advisor has turned in. **This must be done the same day that the money was turned in.** Bookkeeper then writes out a pre-numbered, two-part Cash Receipt, and writes the activity name and number on the receipt. The receipt should be written out to the Club Advisor or other individual that turned in the cash.
2. Return the original receipt to the Club Advisor or Organization. The duplicate receipt copy should be attached to the front of the cash receipt forms.
3. Collect Student Store or Concession cash boxes and appropriate forms daily.
4. Endorse the back of each check with a stamp that reads as follows: "For deposit only, (account number), (school name)."
5. Place all cash, receipts, and supporting forms in a locked, secure location.
6. If total cash on hand exceeds \$300, the cash must be deposited that day. If the cash does not exceed \$300, a weekly bank deposit is required.

## REFUND PROCEDURES

1. When refunds are received from a vendor that was prepaid, the Bookkeeper should receipt the funds back to the club, where the original payment was made. For example, the club prepaid for a field trip for a certain number of students, and five were absent on the day of the trip. The vendor should issue a refund check to the school, which should be deposited into the same account from which the original check was written.

## BANK DEPOSIT PROCEDURES

1. Enter all receipts into accounting software, using the receipt date.
2. Print a **Sequential List of Receipts** report for the date range of all receipts to be deposited.
3. Complete a bank deposit slip. Total of deposit slip should equal total from the Sequential List of Receipts report. The original deposit slip should be bundled with the cash and checks and placed in the bank bag. The deposit should be done that day. Take the deposit to the bank.
4. File the following together in order:
  - Deposit receipt provided by bank
  - Deposit slip copy
  - Adding machine tape listing checks included in deposit
  - Sequential List of Receipts form
  - Cash receipt documentation
5. In the accounting software, "Transfer Bank Deposit" using exact date of deposit. The deposit amount entered should equal amount on receipt.

**SECTION THREE**  
**CASH DISBURSEMENTS**

## CASH DISBURSEMENTS

It is the Bookkeeper's responsibility to make sure that disbursements are appropriate in nature to the activity account. Bookkeepers should be familiar with the *Appropriate Uses of Student Body Funds* section of this handbook before disbursing funds from the student body accounts. For examples of inappropriate or prohibited uses of student body funds, see the *Frequently Asked Questions* in this handbook. If you cannot determine whether a use is appropriate using the guidance in this handbook, please contact the Finance Department.

1. Club Advisor completes a Purchase Order and submits it to the Bookkeeper. **Purchase orders must be approved by the Principal if the Bookkeeper is a signer on the bank account.**
2. Bookkeeper reviews Purchase Order and writes the Activity Club number and appropriate sub-account code on the form.
3. Bookkeeper verifies that funds are available in the particular activity fund. If funds are available, bookkeeper places the order and sends original Purchase Order to vendor if required.
4. Bookkeeper keeps a copy of the Purchase Order in the pending file.
5. Club Advisor receives the items and makes a note on the packing slip that all goods were received by initialing and dating. If no packing slip is received, the Club Advisor should initial and date the invoice as proof that the items were received.
6. Bookkeeper receives the invoice and matches it up to the Purchase Order, verifying extensions and totals for mathematical accuracy. If the documents match, attach the Invoice, Purchase Order, and Packing Slip together as documentation for the check.
7. Bookkeeper prepares a check in the accounting software for the approved invoice and submits the check to the Principal for signature.
8. Principal reviews documentation for reasonableness and signs the check.
9. Bookkeeper bundles the following together chronologically and files:
  - a. copy of the approved voucher detail Completed **approved** purchase order
  - b. Detailed invoice and receiving records
  - c. Minutes of approval
  - d. Packing slips

## **CASH DISBURSEMENT GUIDELINES**

Prepare checks in strict numeric sequence to pay invoices by the due date and in time to take advantage of any cash discount offered.

Do not write checks which are not adequately covered by cash in the checking account.

Do not write checks which would cause an individual student body fund to be negative, without obtaining the Principal's specific written authorization.

If any error is made in writing a check, do not erase or alter it; mark it "VOID" tear out the signature portion and file the check with other checks in numerical order. Be sure voided checks are entered in the accounting software.

An issued check is to be voided if the check has been lost or never received and needs to be reissued. A "VOID" must be entered in the accounting software.

Arrange to stop payment with the bank only if the check amount exceeds the stop payment charge (generally about \$25).

You may not reimburse for cell phone usage through the student body funds. Cell phone stipends are to be paid through payroll, and must be pre-authorized by the Assistant Superintendent of Operations. Contact the Finance Department for a Cell Phone Stipend Request Form.

## **CASH DISBURSEMENT DOCUMENTATION REQUIREMENTS**

Never write a check without adequate documentation and approval. If a vendor insists on prepayment and will not take a purchase order or Visa, the Club Advisor must fill out a Check Request Form, which must be approved by the Principal before the disbursement is made. The Club Advisor must bring an invoice or other receipt to the bookkeeper for documentation within 48 hours.

When student clubs are participating in out of town events, they may ask that you advance funds for per diem meals. This is allowed, as long as the Club Advisor provides you with a list of all students attending. Schools have the option to set a student per diem rate for meals as long as it doesn't exceed the per diem rates set by the District. However, most schools will want to set a lesser per diem for student travel.

Upon return, the Club Advisor should provide you with a list of the students who attended and each student should initial beside their name to indicate that they received meals on the trip.



## 1099 REPORTING

All payments to **service contractors** must be reported to the District Finance Office each year. Payments must be reported regardless of the amount paid. The District is required to add up all student body fund payments to determine whether an individual contractor must be issued a Form 1099. Note that the amounts to be reported are for the **calendar year**, not the school year.

You will be reminded in early January of each year to provide the following information:

1. The name of the vendor
2. The total payments for each vendor
3. A completed Form W-9 for each vendor

## PETTY CASH

Petty cash reimbursements may be made to staff members, volunteers, or students for supplies and/or services received. Petty cash reimbursements may not exceed \$100 per purchase. Invoices or receipts must be provided before payment is made.

### PETTY CASH PROCESS - DISBURSEMENTS

1. Requestor fills out a Petty Cash Reimbursement Request, and attaches original receipts to the request. There is no standard form for this (there is an example in the Forms section), but the form must include the following information:
  - Name and signature or initial of requestor
  - Amount and purpose of expenditure
  - Activity account number
2. Bookkeeper reviews the request to make sure it is an appropriate use of student body funds, that the expense doesn't exceed \$100, and that all necessary information is included. If the request is not an appropriate use of student body funds, the bookkeeper may not reimburse the expense.
3. Bookkeeper gives cash to the requestor and places the receipt documentation into the petty cash box for file.

### PETTY CASH PROCESS – RECONCILIATION

As needed, the Bookkeeper will reconcile petty cash and request replenishment from the Business Office. **You must reconcile your petty cash at least once per quarter**, even if you do not need to replenish your cash.

1. Bookkeeper reconciles petty cash using the Petty Cash Reconciliation Form. An example is provided in the Forms Section of this handbook. You can obtain an electronic version of this form from the Business Office.
2. Bookkeeper prepares a purchase order, and attaches the reconciliation form and receipts to the purchase order.
3. Bookkeeper prepares a check drawn on the Student Body checking account, payable to the custodial of Petty Cash, and submits the package to the Principal.
4. Principal reviews and approves the purchase order, and signs the check.
5. Bundle the following documentation together and file in the petty cash file:
  - Copy of Check
  - Purchase Order
  - Petty Cash Reconciliation
  - Receipts and Invoices

## **SECTION FOUR**

### **FINANCIAL ACCOUNTING, AUDITS AND RECORD RETENTION**

## **ADJUSTMENTS AND TRANSFERS OF FUNDS**

### **ADJUSTMENTS**

An adjustment usually occurs when reconciling the bank statement.

For all entries involving an adjustment to the bank account:

- Prepare an Adjustment of Funds form, listing all adjustments for that month
- Obtain signed approval of principal
- Enter in accounting software as a journal adjustment, noting the reason for the adjustment with the appropriate date
- Attach any backup documentation to the Adjustment of Funds form.
- File the adjustment documents in chronological order

### **TRANSFERS**

Club Advisors may request a transfer between activity accounts.

For all entries involving a transfer between accounts:

- Prepare a Transfer of Funds form
- Obtain signed approval of Principal and Club Advisor
- Enter in accounting software as an Activity Account Transfer with the appropriate date.
  - A number will be assigned automatically when you select "Add." Write this number on the transfer form.
  - Note the reason for the transfer in accounting software and on the form.
- Attach any backup documentation to the Transfer of Funds form.
- File the transfer documents in chronological order.

## **BANK ACCOUNT RECONCILIATION**

All bank statements should have a cutoff date of the last day of the month. Bank reconciliations must be performed on the accounting software system by the district's assigned designee:

1. Using the "Cancel Checks" option, enter the date listed as the "Ending Date" on the bank statement.
2. Double Click to cancel each check per bank statement.
3. Compare the total checks cancelled to the "Total Debits" listed on bank statement. These two numbers should be equal.
4. Prepare adjustment entries (checks purchased, NSF etc.), if needed to complete the reconciliation. Enter adjustments in "Journal Adjustments" from the Accounting option. Be sure the date on the adjustment entry is the same as the date it was posted on the bank statement.
5. If you are out of balance, check to see that all deposits, transfers and adjustments are listed in the correct month.
6. Print a Bank Reconciliation from the Reports option, entering the appropriate beginning and ending dates and ending bank balance. The bank balance, checking account balance and GL checking account balance should all be the same.
7. Print a list of Outstanding Checks from the Reports option.
8. Print a Ledger Report from the Reports option. This report lists all activity accounts. The total of the activity accounts should be the total of all GL accounts from the bank reconciliation report.
9. Bundle together in the following order:
  - a. Bank Reconciliation Report
  - b. List of Outstanding Checks
  - c. Bank Statement
  - d. Ledger Report
10. Present the documentation to the Principal or assigned district designee for approval and signatures.

## FINANCIAL STATEMENTS

The Bookkeeper or district assigned designee is responsible for providing financial reports to student group advisors, site council and district auditors as needed. The financial statements include:

- bank reconciliation report,
- general ledger report of all transactions in all activity accounts (receipts, distributions, and transfers), and,
- reconciliation report in summary and in detail of specific accounts for the activity advisor.

The Principal or district assigned designee is responsible for reviewing and approving the monthly financial statements prior to distributing them to club advisors and other interested individuals.

### FINANCIAL STATEMENT PREPARATION PROCESS

- 1 Bookkeeper or district assigned designee verifies that totals from the Cash Receipts and Cash Disbursements Journals and individual account entries from the General Journal are posted to the General Ledger by the tenth of the following month.

(NOTE: "Receipts" and "Disbursements" columns should contain only actual cash receipts and disbursements plus any journal entries that also affect a cash account (checking, savings, or investment). Examples are to record interest income, to correct errors in recording cash receipts or disbursements as uncovered through the bank reconciliation, voiding of checks, etc.

"Transfer In (Out)" column should contain any journal entries that were actually transfers between funds. Examples are a club or department purchases something from another, or the Junior Class donating \$200 to a Memorial.

- 2 Bookkeeper or assigned designee prepares a Ledger Report when all postings have been completed to assure that there is still an equality of debits and credits.
- 3 Bookkeeper or assigned designee prepares the bank reconciliation report that verifies that bank statement(s) agree to the General Ledger cash accounts (checking account).
- 4 Bookkeeper or assigned designee submits all reports to Principal for review by the 10<sup>th</sup> working day of the month.

- 5 Principal or assigned designee carefully reviews the reports for completeness, accuracy and overall reasonableness. Procedures should include:
  - Check that bank accounts have been reconciled and if cash and investments on the bank statements agree to the student body fund ledger.
  - Note any club account which has a negative balance. If so, inform the group that they must make up the deficit or approve a transfer of funds.
  - Investigate items that come to your attention during the review and have the Bookkeeper record any necessary corrections. Resolve all questions arising during your review.
  - Initial the statement to indicate your approval and attach a memorandum containing any explanations or comments as you believe necessary.
- 6 Bookkeeper or assigned designee prepares and distributes notices giving current balances to advisors, directors, or others responsible for individual accounts.
- 7 By the 20<sup>th</sup> day of the month, submit to the Finance Department month-to-date report and a year-to-date General Ledger Report.

## AUDIT PREPARATION

Each year, the student body accounts will be audited by Finance Department staff. The purpose of the audit is to make sure that internal controls are in place and working properly to safeguard the District's assets. Secondary goals of the audit include providing training opportunities for bookkeepers and office managers, and gaining insight into ways we may be able to improve our controls or revise them to make them work in your school.

Audits will generally take place in the Spring or Summer. All schools will be audited every year. We will notify you approximately two weeks prior to your scheduled audit, and provide you with a list of reports and other documentation we will need.

To prepare for the audit you should do the following:

1. Review student body handbook and board policies regarding student body accounting.
2. Review prior year's auditor's report.
3. Prepare the following items and have them available for review:
  - Cash disbursements journal
  - Cash receipts journal
  - General journal
  - General ledger
  - Cash receipt tickets/deposits
  - Cancelled checks
  - Sequential List of Checks by check number
  - Sequential List of Receipts
  - List of adjustments
  - Ledger Report
  - Bank statements/reconciliations
  - Paid invoices, check requests, receiving records, purchase orders or requests.
  - Student body and District petty cash records
  - Financial statements
  - Investment records



## RECORD RETENTION POLICY

### DISTRICT FINANCE DEPARTMENT RESPONSIBILITY

The Finance Department will retain the following permanently, in locked, preferably fire-resistant files:

- Annual Financial Reports
- Copies of Management Letters
- Trust Records

### SCHOOL RESPONSIBILITY

The following documents must be retained for **ten years**:

- General Ledger

The following documents must be retained for **five years**:

- Cancelled checks
- Cash Receipt tickets
- Paid invoices
- Bank account reconciliation
- Fund adjustment documents
- Monthly Financial statements
- Cash Disbursements Journal
- Cash Receipts Journal
- General Journal
- Investment records
- Petty cash

**SECTION FIVE**  
**FREQUENTLY ASKED QUESTIONS**

## FREQUENTLY ASKED QUESTIONS (FAQ)

### USE OF STUDENT BODY FUNDS

***My Principal would like to use student body funds for a staff appreciation luncheon. Is this permitted?***

In general, the answer is **No**. Student body funds can't be used for staff member purchases, such as appreciation lunches or staff meetings, office equipment or coffee room supplies.

There are limited circumstances where a student club may want to recognize or reward a group of staff members, but this must be initiated and approved by the students in the club. An example of this is when the dance team wishes to thank the custodians for their extra efforts in cleaning up after their practices, by buying them pizza. For this type of expenditure, you must have the signature of the student leader on the documentation, as well the club advisor's signature.

***The Varsity football coach turned in a travel reimbursement request for a scouting trip. May I reimburse him out of student body funds?***

**No**. Travel reimbursements for athletic funds should not be paid out of student body funds unless the travel was for a trip that students attended. For instance, reimbursing travel for an out of town athletic event, when the coach is accompanying the team, is permitted.

Traveling for scouting trips cannot be reimbursed out of student body funds. You may reimburse these types of travel out of your district athletic fund, if approved by the Principal.

***Four of our basketball coaching staff members attended the OSAA state basketball tournament in Eugene this year. They turned in reimbursement requests for lodging, meals and mileage to this event and asked me to reimburse it out of the Boys' Basketball fund. Our team did not make the playoffs this year. Is this an appropriate use of student body funds?***

**No**. Staff travel can only be reimbursed using student body funds when the coaches travel with the team to out of town athletic events, because the team did not participate in the tournament, student body funds cannot be used.

You may reimburse this type of expense out of your district athletic fund, if approved by the Principal.

***Each year our athletic director purchases discount tickets from OSAA for various state tournaments. Can these tickets be purchased using student body funds?***

**No**. Admission fees to OSAA state tournaments can only be paid from student body funds if the team is involved in the tournaments, to the extent that OSAA requires the coaching staff to pay a participant fee.

## USE OF STUDENT BODY FUNDS (CONT.)

***During our Volunteer Appreciation luncheon, all volunteers were given a small plant in appreciation of their help. Is this OK? Also, can I pay for the plants out of student body funds?***

This should **not** be paid for from student body funds because it does not meet the definition of an appropriate use of student body funds.

***Our softball coach purchased a sympathy arrangement for a fellow staff member and has asked me to reimburse her out of the Girls' Softball student body account. Is this an appropriate use of student body funds?***

In general, this is not permitted, because it is a purchase made on behalf of a staff member. Student body funds are to be spent only on activities that benefit the club as a whole.

An exception is if the team wishes to send a sympathy arrangement on behalf of the entire softball team. If that's the case, you may use student body funds, but the request must be signed by the team captain in addition to the club advisor.

***Our dance team went out and had pedicures, which they charged to the Dance Team student body account. Is this an appropriate use of student body funds?***

Because the pedicures were for the entire dance team, this activity would somewhat meet the definition of a student body fund expense as it benefited the students involved in the activity.

However, please keep in mind that student body funds are provided by members of our community. These community members generously donate to your school to help raise funds for the needs of the team, such as uniforms, camps and travel, so you and your Principal should provide club advisors with guidelines for what is actually an appropriate use of these funds, in addition to the requirements set forth in this handbook.

You might begin by asking yourself if the club would be able to raise funds for that specific purpose, and if not, it is probably not a good use of the money. In this case, it is unlikely that many community members would donate their money to a fund to buy pedicures for the dance team. You can also call the Finance Department for assistance on setting guidelines.

***Our Cheerleading advisor had dinner with a coach who put on a camp for our cheerleaders. May I reimburse her using student body funds?***

**No.** Because the dinner was not attended by the students, this is an inappropriate use of student body funds.

## USE OF STUDENT BODY FUNDS (CONT.)

***The parents of some of our baseball players opened up an account to raise funds for the baseball program. They would like our Varsity baseball coach to be able to write checks for the teams' needs using this account. Is this permitted?***

**No.** Club advisors may not participate in the management or disbursement of funds raised by an outside organization for their club. The parent group may raise funds and donate them to the club; however the group may NOT use the District's tax identification number when raising these funds.

## CASH DISBURSEMENT DOCUMENTATION REQUIREMENTS

***One of our club advisors used the school's Visa and turned in a \$120 receipt from Red Robin for a team event. The receipt was not itemized, so I don't know what was purchased. What should I do?***

Itemized receipts are required for all purchases, including those charged to a district or school Visa. You should contact the club advisor and request that he or she contact the vendor for an itemized receipt. It is a good idea to put this request in writing, and copy your Principal or district assigned designee so that everyone is aware of the situation. Many vendors are able to provide an itemized receipt using the reference number on the Visa. If they cannot, you should contact the Finance Department for further assistance.

***The Dance Team went on a trip to Las Vegas for a competition. The advisor requested cash to cover the per diem for each day's meals for the students. What type of documentation should I have for this?***

Before advancing the funds, you will need to have a list of each student who is attending, along with documentation of the number of meals for each day they are at the competition. Suggested student per diem rates are \$5 breakfast, \$5 lunch, and \$10 dinner. However, your school can specify any student per diem rate as long as it doesn't exceed the district employee per diem rate.

When the team returns from the trip, you should obtain a second list of those who attended, along with each student's initial that he or she received the number of meals they were advanced for.

***This afternoon, one of our club advisors came to me with a request for payment to a vendor for services, but did not have an invoice or other documentation. She told me that she had to have a check immediately, and would bring an invoice to me later. Should I cut the check?***

You should **not** write a check without proper documentation. First, you should have the advisor contact the vendor and arrange with them to accept a purchase order. Many vendors will accept a purchase order when asked. For those that won't, you could use a credit card or petty cash (if it's under \$100) to make the purchase.

If the vendor will not accept a purchase order, you do not have a credit card, and the disbursement is over \$100, you should have the club advisor fill out a Check Request Form. Make sure the request is signed by the Principal before you write the check. The Club Advisor is required to return the documentation to you within 48 hours. This should only be done as a last resort and only for vendors who do not accept purchase orders.



## CASH DISBURSEMENT DOCUMENTATION REQUIREMENTS (CONT.)

***I recently received a reimbursement request for a meal. The receipt was itemized; however the expense was for a \$10 lunch, and the employee left an \$8 tip, for a total charge of \$18. What is the district policy on tipping?***

District policy states that tipping must be reasonable, which is defined as 15-20% of the restaurant check. When you receive a request with an excessive tip, you should calculate a 20% tip and reimburse only that amount. In this case, you would reimburse only \$12. The remaining \$6 should be picked up by the employee.

## STUDENT BODY FUND CREDIT CARD USE

***One of our teachers would like me to order some supplies that she found on the internet. Can I use the school credit card to make this purchase?***

No. You are not allowed to use credit cards to make purchases over the internet. All internet purchases for student body accounts must be made through the Purchasing Department.

## GIFT CERTIFICATES

***We purchased gift certificates for some of our volunteers and staff members who stayed late and helped clean up after a school dance. Is this OK?***

**No.** Gift certificates cannot be purchased to compensate any individual for time or extra effort spent during a school sponsored event. This includes volunteers, students and all district employees.

***A classroom teacher purchased ten \$5 gift certificates to an ice cream shop as rewards for a classroom spelling bee. Is this OK?***

Yes. Small gift certificates can be purchased to be used for student rewards or prizes for classroom or extracurricular activities. Some examples include a door prize at a student activity night, or as prizes for classroom or extracurricular activities. If you are not sure whether a planned use qualifies, please contact the Finance Department.

***Our track coach handed out \$25 gift certificates to several students who helped with event timing at our latest track meet. Is this OK?***

**No.** This would be considered "compensation for time spent," rather than a reward or prize. An acceptable alternative would be to give all the helpers a school t-shirt or something small from the student store.

## GIFTS AND USE OF PERSONAL CREDIT CARDS

***One of our teachers purchased classroom supplies using his personal Visa card and has asked to be reimbursed from her classroom account. This card earns airline miles for every dollar spent. May I reimburse him?***

**No.** It is an Oregon Ethics violation to obtain personal gain due to being a public employee. This includes receiving personal airline miles for purchases made on behalf of the school district.

***Our Vice Principal purchased student incentives using her personal Visa card. The Vice Principal tells me that this card does not earn airline miles or other perks. May I reimburse her?***

Yes. However, you need to have the employee sign a statement that clearly says no perks are received on the card. This statement must be retained with the receipt in the accounting records.

***One of the parents in our school wants to give \$100 to her son's teacher in appreciation of her hard work. Is she permitted to accept this gift?***

**No.** Under Oregon ethics rules, government employees may not accept gifts or gratuities, other than those that are inconsequential or of minimal value (less than \$50). However, if the parent would like to donate the amount to the teacher's classroom fund, the teacher would be allowed to use these funds to benefit purchase items to benefit the students in her classroom.

## PTA AND BOOSTER CLUB FUNDRAISERS

***Our PTA is holding a fundraiser to benefit the student body. They are asking the teachers to do most of the work at the fundraiser and be responsible for selling tickets and collecting money. The teachers will turn all money over to the PTA after the event. Is this really a PTA fundraiser?***

**No.** If the PTA puts on a fundraiser, it must be clear that it is not sponsored by the school. If teachers are in charge of selling tickets and collecting money, it appears to be a school-sponsored event, and you will need to follow all cash receipt guidelines and have the money turned into you to be deposited into the student body accounts.

***Our PTA is holding a garage sale to raise money for the orchestra. They have advertised it as a PTA fundraiser to benefit our school's orchestra. Is this OK?***

Yes. As long as they clearly state that it is a PTA fundraiser, and the school staff have minimum involvement (and do not handle any of the cash), they may hold a fundraiser to benefit the student body, and make a donation via check.



## FORMS

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#### CASH DISBURSEMENTS

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# REQUEST FOR FUNDRAISING ACTIVITY

Instructions for this form:

1. Fill out Part I and submit to principal for approval. You **MUST** receive Principal approval on all fundraising activity prior to starting.
2. Complete the necessary cash receipt forms during the activity.
3. At the end of the fundraiser, fill out Part II of the form and submit to the office manager for district assigned designee.

School Board Policy: No school –related student group is authorized to conduct any type of door-to-door solicitation for the school group. However, this policy shall not so restrict such activities conducted in the student’s home, or in the homes of relatives or close friends.

**PART I: Complete this section and submit to Principal for approval BEFORE event.**

Name of Club or Activity: \_\_\_\_\_

Name of Advisor: \_\_\_\_\_

Purpose of Fundraiser (provide detail on how the money will be spent): \_\_\_\_\_

Description of fundraising activity (what are you selling/doing?) \_\_\_\_\_

**DATE OF FUNDRAISER**    Begin: \_\_\_\_\_ End: \_\_\_\_\_

Estimated amount to be raised: \_\_\_\_\_ Estimated expenditures: \_\_\_\_\_

**PART II: Complete this section at completion of fundraiser**

Total revenues collected: \_\_\_\_\_ Total expenditures: \_\_\_\_\_

Amount and description of product not sold (i.e., product lot, given away, donated, returned etc.): \_\_\_\_\_

Principal's authorization: This request is \_\_\_\_\_ Approved \_\_\_\_\_ Denied

Reason for denial: \_\_\_\_\_

Principal's Signature: \_\_\_\_\_

Original: Office Manager or Bookkeeper

Copy: Advisor – to be returned upon completion of activity

Form 1: Rev 10/2021

## DOUBLE COUNT – FINANCIAL RECONCILIATION FORM

Advisor Name: \_\_\_\_\_

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

Describe Activity: \_\_\_\_\_

### Instructions:

- 1.) Use this form for the following types of activities:
  - a. Class fees and field trips
  - b. Club sponsorships
  - c. Club events (dances, dinners, etc.)
  - d. Sales (candy, beef jerky, entertainment books, etc.)
  - e. Pre-sold items (cookie dough, etc.)
- 2.) Club advisor counts the cash collected and signs where indicated
- 3.) Club advisor attaches for the following items to this form and return to office manager or bookkeeper
  - a. Appropriate receipt form (i.e., Single Purpose Multiple Receipt, Merchandise Sales Control, etc.,)
  - b. Copy of request for fundraiser form

### 1<sup>st</sup> Count Advisor Count

Currency: \_\_\_\_\_

Coin: \_\_\_\_\_

Checks: \_\_\_\_\_

Total: \_\_\_\_\_

Signature: \_\_\_\_\_

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

### 2<sup>nd</sup> Count Office Manager/Bookkeeper Count

Currency: \_\_\_\_\_

Coin: \_\_\_\_\_

Checks: \_\_\_\_\_

Total: \_\_\_\_\_

Signature: \_\_\_\_\_

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

## TRIPLE COUNT – FINANCIAL RECONCILIATION FORM

Advisor Name: \_\_\_\_\_

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

Describe Activity: \_\_\_\_\_

### Instructions:

- 1.) Use this form for the following types of activities:
  - a. Car Wash
  - b. Garage Sales
  - c. Donation Jars
- 2.) Club advisor counts the cash collected and signs where indicated
- 3.) Club advisor attaches for the following items to this form and return to office manager or bookkeeper
  - a. Appropriate receipt form (i.e., Single Purpose Multiple Receipt, Merchandise Sales Control, etc.,)
  - b. Copy of request for fundraiser form

#### 1<sup>st</sup> Count Advisor Count

Currency: \_\_\_\_\_

Coin: \_\_\_\_\_

Checks: \_\_\_\_\_

Total: \_\_\_\_\_

Signature: \_\_\_\_\_

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

#### 2<sup>nd</sup> Count Student or Teacher

Currency: \_\_\_\_\_

Coin: \_\_\_\_\_

Checks: \_\_\_\_\_

Total: \_\_\_\_\_

Signature: \_\_\_\_\_

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

#### 3<sup>rd</sup> Count Office Manager/Bookkeeper Count

Currency: \_\_\_\_\_

Coin: \_\_\_\_\_

Checks: \_\_\_\_\_

Total: \_\_\_\_\_

Signature: \_\_\_\_\_

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

# INVENTORY RECONCILIATION STUDENT BODY

Time Period: \_\_\_\_\_

Item	Beginning Count	Purchases	Ending Count	Sales Count	Price	Value

Total Expected Sales: \_\_\_\_\_

Total Credit Sales and Deposits: \_\_\_\_\_

Over/(Short) Variance Explain: \_\_\_\_\_

\_\_\_\_\_

Prepared by: \_\_\_\_\_

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

Name of Client: \_\_\_\_\_  
 Address City/Zip Code: \_\_\_\_\_  
 Picked Count: From: \_\_\_\_\_ To: \_\_\_\_\_ Date Submitted: \_\_\_\_\_  
 School Location: \_\_\_\_\_ Apt No. \_\_\_\_\_  
 PO No. \_\_\_\_\_

[illegible][illegible][illegible]

and  $\mathcal{L}_1$  (see [10, 11]).

# PETTY CASH RECONCILIATION SHEET STUDENT BODY

School / Department: \_\_\_\_\_

**CASH ON HAND:**

Quantity	Denomination	Total
<i>COINS</i>		
	\$0.01	
	\$0.05	
	\$0.10	
	\$0.25	
	\$0.50	
	\$1.00	
<i>TOTAL COINS</i>		\$

Quantity	Denomination	Total
<i>CURRENCY</i>		
	\$1.00	
	\$2.00	
	\$5.00	
	\$10.00	
	\$20.00	
	\$50.00	
	\$100.00	
<i>TOTAL CURRENCY</i>		\$

**Receipt Summary**

Description	Date	Amount	Account Number
<i>TOTAL RECEIPTS</i>			

Receipt Total: \_\_\_\_\_

Check Number for Petty Cash: \_\_\_\_\_

Cash on Hand Total: \_\_\_\_\_

Amount: \_\_\_\_\_

Petty Cash Total: \_\_\_\_\_

Difference: \_\_\_\_\_

Conducted by: \_\_\_\_\_

Signature: \_\_\_\_\_

Approved by: \_\_\_\_\_

Signature: \_\_\_\_\_





HARRISBURG SCHOOL DISTRICT 7  
SECTION D: FISCAL MANAGEMENT  
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The following symbol is used on some policies: \*\* As used in this policy, the term parent includes legal guardian or person in a parental relationship. The status and duties of a legal guardian are defined in ORS 125.005 (4) and 125.300 - 125.325. The determination of whether an individual is acting in a parental relationship, for purposes of determining residency, depends on the evaluation of the factors listed in ORS 419B.373. The determination for other purposes depends on evaluation of those factors and a power of attorney executed pursuant to ORS 109.056. For special education students, parent also includes a surrogate parent, an adult student to whom rights have transferred and foster parent as defined in OAR 581-015-2000.