

This Business Procedures Manual is intended for use as a guide to the Danville Community School District business practices. Procedures differ from policy that the Board of Directors set board policy. School district administrators implement that policy by adopting and/or changing procedures to execute school board policy. Procedures do not require a vote of the school board but reflect the intent of school board policy.

Auditors for public funds require a strict accounting of all school district funds. The Business Office has developed this handbook to outline procedures, which will allow for a clear accounting trail. The cooperation of all employees is essential if the Danville Community School District is to obtain the maximum value for each tax dollar spent. While this manual does not answer all questions related to purchasing and accounting procedures, it does provide the foundation for a sound financial management system.

The material in the manual is subject to revision to meet the often rapidly changing developments encountered in the field of purchasing and economy. Within these limits it is hoped that this manual will prove beneficial to the school district and to all District employees.

This manual is effective immediately upon issuance and receipt, and supersedes all previous instructions or directives concerning business procedures within the district.

1. DISBURSEMENTS

All disbursements of District funds must be made in accordance with Business Office procedures. We are accountable to the taxpayers who provide these funds, and we are also audited each year to ensure we follow established practices for making disbursements. By law, ALL purchases and expenditures must show “public purpose.”

Purchase Orders (PO)

When ordering merchandise from a vendor, a purchase order must be completed. All orders must be approved IN ADVANCE by obtaining the signature of the appropriate building administrator or superintendent on a completed purchase order before placing the order.

Completion of the purchase order is self-explanatory. Please read it carefully. The purchase order should contain the following information; vendor name, address, telephone number and fax number, item identification number, quantity, price, and clear item description including purpose. An estimated amount of shipping should be included. If available, also attach a copy of the checkout cart and web address to further help the Business Office.

If ordering multiple items from one vendor, include all items on one purchase order, thus limiting the amount of paperwork handled. By the same token, when purchasing several related items but from different vendors, a separate purchase order should be prepared for each vendor.

No personal items should be bought using a district purchase order. In addition, all items ordered have to be shipped to the districts location. No items should ever be shipped to a personal residence.

The Business Office will establish cut-off dates for purchase order issuance at the end of the fiscal year for general fund programs. If the vendor cannot guarantee delivery of goods before June 30th, DO NOT PLACE THE ORDER if items are to be paid with current year General

Fund Allotments. Orders not received by June 30th will result in charges being assessed to the new budget year.

Receiving Items Ordered

When the merchandise is delivered to the school, it will be checked in by office personnel. After verifying the correct item and quantity has been received and that the PO # is referenced on the packing slip, all packing slips should be taken to the Business Office to be matched up to the PO and invoice when it is received. If additional items from the same order are being shipped at a later date, please note that on the packing slip before you submit it to the Business Office.

Issuance of Checks

Payment cannot be initiated until the invoice, signed PO, and packing slip are matched at the Business Office. All documentation must be together before the bill can be paid. Please process the packing slips and check in delivered merchandise as quickly as possible to avoid late fees from the vendor.

After all documentation is received, the Business Office will enter the invoices into the computer to be paid. All bills will be presented to the School Board for approval at the next regular meeting, which is held the second Monday of each month. All invoices must be submitted to the Business Office no less than 5 business days prior to the Board meeting to allow time to process the invoice and enter it into the system. Failure to do so may result in your bill not getting paid until the next month's Board meeting.

Activity Fund Checks

All purchases and expenditures must show "Public Purpose". All Activity fund money belongs to the school district and is controlled by the Board of Directors. It is not personal spending funds of the individual group or

sponsor. The final say on how funds are to be spent falls with the Board, Business Manager, and Superintendent. If you have questions as to the appropriate use of the activity funds, contact the Business Manager.

Under NO circumstance should a coach or sponsor open a private checking account to collect and distribute money for their sport, club, or organization. Money in the activity fund MUST be accounted for and go through the same procedures as any other money the school receives and spends. Check request for merchandise being paid out of the activity fund will be handled the same as previously described for the general fund.

Reimbursements

Since purchase orders are readily accepted at District approved vendors, rarely will it may be necessary for an employee to purchase an item for the District with personal funds and then be reimbursed by the District. If possible, arrangements should be made for the district to pay the vendor directly. In the event that an employee does have to use personal funds for a district purchase, it MUST be approved in advance by the superintendent; otherwise reimbursement may be denied.

When requesting reimbursement for items purchased, the itemized receipt must be attached to the signed PO and reimbursement form.

Expenses with no acceptable receipt will not even be considered for reimbursement. The receipt must meet the following criteria:

- Must be an original, itemized receipt (No Copies)
- Cannot be a credit card receipt
- Must have a date
- Must show the cost of each item purchased
- Must show the total amount of purchase
- Must show the amount paid
- Must show that purchase was paid in full
- Must have the name of the vendor and their contact information

Per IRS guidelines, expenses for meals at meetings or travel not requiring an overnight stay will not be reimbursed. This would be taxable income; therefore, we will not reimburse these meals. If a meal is provided either by the hotel or as part of the conference being attended, DCSD will not pay for the meal if purchased elsewhere.

No checks will be written to an employee in advance of a purchase.

2. REVENUE PROCESSING

Occasionally the school receives money from parents, patrons, students, and personnel for various items. All funds received must be accounted for and handled appropriately. All funds that belong to the school should be submitted for timely deposit in the district accounts. All schools and programs receiving money are required to have a safe and secure location for all money in their possession. All funds should be submitted to your building secretary for deposit as often as daily, but no less than once per week. At no time, should a district employee hold more than \$100.00 of district money in their possession without turning it in to the appropriate secretary for deposit. Numbered receipts will be issued for any funds received.

Student treasurers are responsible for accurate accounting records. Sponsors for each activity are responsible for monitoring the treasurer's records.

Checks payable to the Danville Community Schools must be submitted to the district office to be deposited to a school account. Personal checks may not be cashed by the school. Only checks made payable to the Danville Community School District will be accepted. Two-party checks are not to be accepted.

Funds Collected During activities should have at least 2 people to count the funds and complete the reconciliation form at close of the activity. The athletic director or an Administrator will put the money in the school safe until deposited. No funds should be kept in classrooms or offices overnight.

3. FUNDRAISERS

All fundraising projects/activities (e.g., Book Fairs, candy sales, charitable donations) must be approved by the principal and/or Superintendent and the Board before scheduling the activity.

A Fundraiser Completion form must be filled out at the end of each fundraiser and signed by the principal or designee. This form must then be filed by the bookkeeper for the end-of-year audit. The principal must be notified by the bookkeeper whenever the appropriate fundraiser form has not been completed and/or submitted.

The fundraising activity must clearly disclose and publicize to the participants (e.g., students, parents, general public) the purpose of the fundraiser.

A school purchase order must be submitted and approved before items can be purchased for a fundraiser. The financial records of each club and organization are a part of the school records for accounting and audit purposes. All records are to be turned over to the Business Office at the end of the school year.

Each sponsor must maintain financial records consisting of receipt books and back-up documentation necessary to give a full accounting of all receipts and disbursements. There must be documentation for distributing items (e.g., candy packages) and receipting the students for each fundraiser.

Online fundraisers must also be approved by both the School Board and Business Office prior to the start of the campaign. A detailed report must be turned in with information on how the campaign will be run, on which website, and how the funds will be received.

4. BUDGETS

The annual budget for the district is developed in March and April and submitted to the Board of Directors for approval. Following approval by the Board, the budget must be presented at a public hearing. The final budget will be adopted after the public hearing and filed with the county auditor and the Iowa Department of Management prior to April

15th. A copy of the final budget is available upon request at the district's Business Office or available online at the Iowa Department of Management's website.

The budget is adopted in a format consistent with the Iowa Department of Education regulations for budget categories and formats. The General Fund (Fund 10) is the general operating fund of the district. The General Fund is used to account for all financial resources except those required to be accounted for in another fund. This is the largest single fund of the district. Law, regulation, or resolution restricts all other funds

Each budget officer (e.g. Activities Director, Principals, Business Manager, etc.) is responsible for monitoring each account under his or her control by tracking expenditures. The Business Office staff is available to assist building personnel with this responsibility and can provide reports with regard to accounting records at any time. Building principals and other budget officers are provided reports monthly by the Superintendent to monitor account activity. Over-expenditures in a specific budget code must be offset through under-expenditure in other line items. Communication with the Superintendent for these situations is important. It is imperative that the budget review be done regularly. The Business Office should be alerted to any questions or problems either in person, via email message, or telephone conversation.