

# **Boise Schools Elementary Checking Account Procedures**

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# **ELEMENTARY SCHOOL FUNDS**

## **I. INTRODUCTION**

The purpose of this document is to communicate the financial accounting system for Elementary Checking Accounts. The purpose of the elementary checking accounts is to ensure that an elementary school can function adequately and provide students with a variety of opportunities both in and out of the classroom.

The school district is custodian of all assets in the elementary checking accounts. Therefore, the Board of Trustees has the ultimate responsibility for the accounting and operations of these funds.

The raising and expending of money by an elementary school should have one purpose: to promote the general welfare, education and morale of the overall school and to finance normal educational activities.

This manual supersedes all prior publications regulating the administration of the Elementary Checking Accounts.

## **GENERAL INFORMATION**

The Elementary Checking Account is defined as an agency fund consisting of resources received and held by each school for the purpose of financing legitimate activities. The principal is responsible for the proper collection, disbursement and control of all school activity monies. His/her responsibility includes providing for the safekeeping of monies, proper accounting and administration of the funds, and compliance with Board of Trustees and District policies and procedures outlined in this document. The principal may appoint assistants to aid with the various functions of the fund, such as supervising activities, collecting and counting money, writing receipts, keeping the records and making deposits.

The fiscal year for all elementary schools is July 1 through June 30.

Idaho Code Section 33-705 provides the legal requirements for the Student Activity Funds:

### **Activity Funds**

The Board of Trustees of each school district, including specially chartered districts, shall create a fund or funds for the purpose of controlling and accounting for the receipts, deposits, expenditures, assets, liabilities and fund balances arising from the following transactions:

- Admission charges for activities
- The sale of yearbooks and annuals. The sale of t-shirts or other items with a school logo
- Student fee collections which are used to provide more than one (1) activity or benefit to all of the students of a school or school building for example assemblies and field trips.
- The sale of any food items (bake sale, ice cream, popcorn etc.)
- Receipts from vending machines located on school property.
- Receipts from book fairs, pictures, or other fund raising activities sponsored by the school.
- Cash or other donations accepted by the school.
- The proper receipt of and disbursement of monies from the district generally known as petty cash.
- All grant monies directly deposited with an elementary school.

For each fund created under the Elementary Accounting procedures the Board of Trustees shall promulgate policies:

- Describing with reasonable certainty the nature and type of expenditures, which may be made there from.
- Setting forth the requirements for the expenditures and withdrawal of such moneys.
- The treasurer (Supervisor of Accounting) of the district shall provide accounting procedures for the receipt, deposit, expenditure and withdrawal of such monies and procedures for monthly reporting to the Board for Trustees of the transactions, assets, liabilities and fund balance for each such fund.
- For other activity or student funds including, but not limited to, custodial funds, the Board of Trustees may create a separate fund or funds and promulgate policies to provide for accounting and control thereof.
- Nothing in this section limits the power of the Board of Trustees of any school district from promulgating polices or imposing further controls, requirements, accounting and reporting procedures with respect to any funds or monies of the district or monies which it holds as custodian for the students.
- Disbursements from any of the funds created under this section shall be made by regular bank check signed by the treasurer or assistant treasurer of the district and countersigned by the chairman or vice chairman of the Board of Trustees or other employee of the district designated by the Board of Trustees. (This is the approved list for each school updated each fall)

## **II. DESCRIPTION OF ACCOUNTS**

### **General**

*Definition:* Ledger accounts for controlling, accounting for and disbursing monies received from sources for the entire school's benefit including but not limited to concessions, picture sales, vending machine sales, interest income and bank charges.

*Purpose:* These funds are used to promote the general welfare of each school and the educational development and morale of all students.

*Responsibility:* These funds are disbursed at the discretion of the principal.

*Account Code:* **10-000-00**

### **Classes**

*Definition:* Ledger accounts for controlling, accounting for and disbursing monies received from sources including but not limited to fund raisers for grade level classes, donations for specific classes and sales specific to classes such as book orders, and fees charged for specific fieldtrips or other class activities.

*Purpose:* These funds are used to finance specific projects sponsored by a designated class.

*Responsibility:* These funds are disbursed at the discretion of the classroom teacher with the approval of the principal. These funds should be expended during the year they were collected.

*Account Code:* **20-000-00**

### **Media**

*Definition:* Ledger accounts for controlling, accounting for and disbursing monies received from sources including but not limited to lost book fees and donations for media materials. Any fundraisers that pertain to the library should be included in this account.

*Purpose:* These funds are used to replace library books and materials.

*Responsibility:* These funds are disbursed at the discretion of the librarian with approval of the principal.

*Account Code:* **30-000-00**

### **Student Council**

*Definition:* Ledger accounts for controlling, accounting for and disbursing monies received from sources including but not limited to fundraisers promoted by the student council for the general welfare of the students.

*Purpose:* These funds are used to finance specific projects to promote the activities of the entire student body.

*Responsibility:* These funds are disbursed at the discretion of the student body with the approval of the class advisor and the principal.

*Account Code:* **40-000-00**

### **Assemblies**

*Definition:* Ledger accounts for controlling, accounting for and disbursing monies received from sources including but not limited to fund raisers, performance revenues and donations for such activities.

*Purpose:* These funds are used to promote activities of the entire student body of the elementary school.

*Responsibility:* These funds are disbursed at the discretion of the principal.

*Account Code:* **50-000-00**

### **Donations**

*Definition:* Ledger accounts for controlling, accounting for and disbursing monies received from sources including but not limited to general donations of the school.

*Purpose:* These funds are used to promote the general welfare of the entire elementary school.

*Responsibility:* These funds are disbursed at the discretion of the principal.

*Account Code: 60-000-00*

### **Holding Accounts**

*Definition:* Ledger accounts for controlling, accounting for and disbursing monies received for funds that are payables. These accounts should be cleared periodically during the fiscal year. Monies in these accounts are usually for monies being held for specific projects or expenses. These include but are not limited to returned checks, district music proceeds and sales taxes. Grants received by faculty would be included in this section, as well as PTA/PTO grants for field trips or classrooms.

*Purpose:* Monies are collected and held in these accounts until they are disbursed i.e. sales tax.

*Responsibility:* These funds are disbursed at the discretion of the principal.

*Account Code: 70-000-00*

### **School Operations/Petty Cash**

*Definition:* Ledger accounts for controlling and accounting for monies received from the district. Reimbursements to teachers from district funds would be recorded in this account.

*Purpose:* These funds are used for expenditures beneficial to the faculty, the school building and the Associated Student Body.

*Responsibility:* These funds are disbursed at the discretion of the principal.

*Account Code: 80-000-00*

***Adding new accounts*** - New accounts can be added by reference to the chart of accounts. The additions should be appropriately placed within the descriptions provided. Each July, accounts that have not been used for more than one fiscal year should be deleted, and new accounts for the next fiscal year should be established. (Please leave accounts open for one year with a zero balance; this makes it easier for the auditors to analyze the activity in the accounts.)

## **III. RECEIPTS**

Receipt Books are available upon request from the Supervisor of Accounting. All monies deposited into the elementary school bank account must be supported by a prenumbered written receipt.

### **Funds Collected by Staff Members**

All funds are to be submitted daily to the building principal/designee for receipts. **No money is to be kept by staff members over night in classrooms, desks, file cabinets etc.** When a teacher/sponsor collects any amount of cash/checks from students they must submit to the principal/designee an accurate accounting of the amounts collected and from whom it was collected.

When this occurs, the teacher/sponsor will record the cash receipt on a Cash Collection Form (See Appendix A) and submit the cash and the form to the principal or designee by the end of the day.

The principal or the designee receiving the Cash Collection Form and monies shall record all cash and check collections by issuing a prenumbered cash receipt. The person delivering the money will receive an original

receipt while a copy will stay in the receipt book for reconciliation to the deposit to the bank. If someone mails a check and requests a receipt for the payment, prepare a receipt, noting the check number, and return it by mail to the individual making the payment.

All funds received by school employees for all school related activities must be documented on Cash Collection forms (**No Exceptions**).

All receipts should be pre-numbered and a copy left in the receipt book. All Cash Collection Forms shall be filed for further reference.

The receipt must be filled in completely including:

- The date
- The amount
- The name of the person or company delivering the funds
- The source of the funds (fund raiser, fine payment, year book payment etc.)
- The account code

The person receiving the funds must make an actual verification of all currency and coins collected.

Do **not** accept postdated checks for any reason.

Do **not** alter a cash receipt for any reason. If an error occurs, indicate the receipt was voided, mark void on the receipt and retain the voided receipt in numerical sequence with the copies of the receipts.

File completed receipt books and retain for audit purposes.

There are times when funds for deposit cannot be counted and a receipt issued immediately. The building principal must secure the funds and the Cash Collection Form in a safe location until funds can be verified and a receipt issued. All schools should have a safe or a locking file cabinet to keep money in until a deposit can be made.

All funds received by school employees for all school related activities must be documented on Cash Collection forms provided to each person.

### **Ticket Sales**

If tickets are used for admission to a building activity it is up to the building principal to determine an appropriate manner to account for tickets sold and monies collected. If you need assistance developing a tracking system please contact the Accounting Supervisor.

### **Night Deposit Procedures**

Each school should have a supply of night deposit bags from their bank or a school safe. This provides some means of getting money collected from evening events and into safe keeping. These bags should be kept in a secured place at all times.

- The night deposit process should include the following steps:
- The person responsible for collecting the money at a night activity is responsible to see that the money is counted and verified.
- All funds collected for deposit should be recorded on a receipt or deposit slip and placed in the night deposit bag.
- The bag should be locked/sealed and then placed in the safe or in the night drop at the bank.

- The key should be returned to principal or designee the next morning along with a copy of the deposit slip or receipt.
- If necessary the principal or designee will pick up the bag, receipt all revenue and make a proper deposit the next working day.

#### **Deposit of Funds**

- Deposits should be made daily when the total cash and checks on hand exceed \$300.00 (excluding petty cash funds). Deposits must be made no less than once a week.
- Funds received after banking hours should be locked in the safe or deposited in a night drop at a local bank.
- All checks that are deposited should be stamped with a restrictive endorsement stamp.
- Written receipts should support all deposits and the sequence should be noted on the bank deposit slip.

#### **Check Cashing**

- Cashing checks for students and faculty is prohibited.

### **IV. PURCHASING PROCEDURES**

The school principal is fully responsible for all purchases and purchase commitments requiring the present or future disbursement of funds.

#### **Purchase Orders (use of the school clearing account)**

All purchases must be documented by a properly signed purchase order issued before any goods or services are ordered. Vendors will be advised not to take any orders without a signed purchase order.

No staff member shall make a commitment to any vendor without a written purchase order signed by the principal. (Any purchase commitment made without a signed purchase order will be considered to be a personal purchase made by the staff member, and the vendor will be instructed to bill that staff member.)

No purchase shall be made unless sufficient funds are available in the proper account to cover the expenditure. There may be instances where funds will become available by time payment is due.

If you plan to pay for an item through your elementary checking account that has been purchased by the District, you must send a check to the District Accounting Office when you start the original order.

#### **Competitive Bidding Requirements**

The following requirements apply whether you are using a PO or you are writing a check directly from school funds.

If a purchase is for less than \$5,000, the purchase may be made in the most inexpensive, expedient manner available to the principal. Any purchase over \$5,000 should be handled through the District's Purchasing Office.

If the purchase is greater than \$5,000 but less than \$15,000, at least three (3) written quotes must be obtained. Quotations may be solicited from any generally recognized supplier by mailing/faxing the request for

quotation form to the suppliers. Specifications for items ordered should be clearly documented on the Request For Quotation Form (see appendix).

The lowest quote must be accepted by Board Policy.

Purchases in excess of \$15,000 must be referred to the District Purchasing Office to allow them to request bids in compliance with state law. **Any time there is a possible annual aggregate purchase that may exceed the \$15,000 limit, the order should be referred to the District Purchasing Office.** For purchases exceeding the \$15,000, the school will be billed through the school clearing account for the total amount of the purchase. The merchandise will be delivered to the school, and payment to the vendor will be made from the District Accounting Office.

For any item that is available from only one source (single-source item), document the vendors contacted to determine whether the item was available; also, consider checking with the District Purchasing Office to determine whether there are other vendors available. Documentation of requests for quotes for single-source items should be retained.

For purchases that are split between School funds and District funds, send a requisition (form 102) to the Purchasing Office. The school account, and the School clearing account will be charged for the amount of the purchase and then will issue the purchase order. The District Accounting office will make the payment to the vendor.

#### **Contracts, Installment Contracts, and Lease Agreements**

Any contracts, installment contracts and lease agreements must be reviewed by the District Purchasing Supervisor and Supervisor of Accounting for compliance with bidding procedures and appropriate accounting treatment; all such contracts must be approved by the school principal and the Deputy Superintendent of Finance. No contract or agreement may extend over a period exceeding one (1) year from the date of the contract or cross over fiscal years without specific written authorization by the Superintendent. All contracts, installment contracts and lease agreements must be in writing and must be supported by a properly completed purchase order.

#### **Conflict of Interest – Employee Requirements and Restrictions**

No employee shall make any purchase or incur any obligations for or on behalf of the District from any private business or vendor in which the employee has a direct or indirect financial or ownership interest. Purchases or contracted services from any private business or venture in which any employee of the District has a direct or indirect financial or ownership interest **shall be made on a competitive bid basis strictly in accordance with the following procedures:**

- The interested employee, the business, or the vendor shall seek, in writing, from the Deputy Superintendent of Finance a clarification of this policy stating the transaction at issue. The employee's exact relationship to the business or vendor shall be identified and disclosed fully in writing.
- Upon written clarification from the Deputy Superintendent of Finance, which shall include written specification to be followed in advertising for bids, the affected business or vendor may submit a bid in compliance with the specifications outlined by the District.
- The interested employee shall not be involved in preparing specifications, advertising, analyzing, or accepting bids nor in any manner in the bidding process.

- It shall be the duty of each employee, to the best of his or her knowledge and belief to disclose in writing to the Deputy Superintendent of Finance his or her financial or ownership interest in any business or other purchase arrangement with the District.
- This policy shall apply to any organization, fund, agency or other activity maintained or operated by the District.
- No employee shall receive gifts, prizes, awards of merchandise, or commission as a result of ordering any items secured as a result of placing any purchase order with a vendor on behalf of the District or the student funds.

**Purchase for Staff or Other Individuals**

Employees are not authorized to purchase supplies, materials, or equipment for personal use. All purchases must be shipped to the school site or the district warehouse. Under no circumstances shall any district purchased items be shipped to a district employee’s home.

**Credit Cards**

Schools are not allowed to have credit cards issued in their name. Schools are only authorized to have the procurement card issued by the District Purchasing Office.

**V. CASH DISBURSEMENTS**

**Petty Cash**

An imprest petty cash account may be established at the discretion of the principal for the cash purchases of small, miscellaneous items. As with all other purchases, any expenditure of funds must be supported with an original receipt/invoice.

Each petty cash account shall not exceed \$100 for Elementary Schools in actual cash with the remainder of the \$500.00 placed in the school checking account under the School Operations/Petty Cash category.

It is suggested that all petty cash disbursements be done by check.

Disbursements from petty cash shall be limited to a maximum of \$100.00 for each purpose.

No payments for labor shall be made from petty cash.

**Purchasing items from petty cash** - Each time an item is purchased, a Petty Cash Request for Payment form is completed including the amount spent, the date, the payee (person or club purchasing item), an explanation of the purchase, the account to be charged and the signature of the person making the purchase. Invoices or other suitable documentation is required for all purchases from petty cash and is to be attached to the petty cash voucher. A check or cash is issued for the amount on the Request for Check/Petty Cash Form (see appendix).

When the petty cash is reduced to a small amount, it should be replenished following the approved procedures provided by the Supervisor of Accounting. The total of the petty cash vouchers equals the amount to be replenished. (The total of the petty cash vouchers plus actual cash remaining should always equal the amount of the petty cash fund).

The petty cash fund should be closed at the end of each school year. The actual petty cash on hand should be receipted and deposited to the bank account.

## **ISSUANCE OF CHECKS**

All payments shall be made by check with the exception of items noted under petty cash disbursements.

All checks must bear the signature of two individuals specifically authorized by the District's Board of Trustees as a designated signer on the elementary checking account. **Under no circumstance may a signature stamp be used for any of the required signatures.**

If any of the individuals authorized by the Board to sign checks leaves the District or leaves the position designated, they must be removed from the list of authorized signers as well as from the bank signature cards. Any new individuals to be authorized to sign checks must be approved by the Board of Trustees before they are added to the bank signature cards. The principal is required to submit the request for a new authorized signer to the District Accounting Supervisor.

No disbursement shall be approved by the principal for any non-budgeted account unless sufficient funds are available in the account.

Payments must always be made to a specific person, company, or organization. Checks shall not be made payable to "Cash" or to the paying school.

Under no circumstance shall checks be presigned. That is, no check shall be signed until all blanks, (date, payee, and amount) have been completed.

If it is necessary to void a check, the check signatures must be removed by mutilation and "VOID" must be clearly marked across the check. The original and all copies should be filed in numerical sequence in the check file.

**ORIGINAL** invoices and sales slips should document all disbursements from the Elementary School Fund or register tapes with detailed explanations provided. These should be marked with the date received and the check number issued for payment.

Only reimbursements may be paid to teachers or other employees, and these must be completely supported by paid receipts or other proper documentation and explanations. Any payments for services must be forwarded to the District Payroll Office.

Documents in support of checks should be clearly marked "Paid" with the date and check number and initialed when payment is made to prevent a duplicate payment based on the same documents.

## **REIMBURSEMENTS/REFUNDS**

Checks may be issued to students or employees to reimburse them for personal funds disbursed for school purposes provided that proper supporting documentation is submitted.

### **Multiple Refunds**

Occasionally it may be necessary to make multiple refunds. In such case, a single check may be issued to the activity sponsor who will distribute the refund to each student. This may occur if a school charged a field trip fee to every student and then the trip was cancelled.

The sponsor must have each person due a refund sign for the refund received; this documentation should include the amount of the refund and the date the refund was received. The support showing the amount of the refund and the signatures must be returned to the office and filed as support for the disbursement.

## **VI. CANCELLATION OF CHECKS**

A check must be cancelled if:

- It is outstanding for more than 6 months
- It has been lost or stolen
- The payee for some reason has returned it.

In such cases:

- Void the check and original disbursement by recording the information in the computer. This will add the amount of the check back to cash and the appropriate account. Be certain you record this information, as you must reflect changes in beginning and ending cash on your monthly board report.

If the check is replaced with a new check file it may be necessary to file a "stop payment" order with the bank. (Keep in mind that the bank will assess a stop payment fee; only place stop payments on checks that are for **more** than the fee that will be assessed by your particular bank.)

## **VII. PAYMENT FOR SERVICES**

In order to ensure the District is complying with the IRS regulations, no school is authorized to pay any employee or private individual for performing a service. This includes paying your custodian for extra time worked during school fundraisers and activities. Do not pay parents or volunteers for any service, no matter what the circumstance.

The procedures for paying for services even when using your Clearing Account can become complicated. If you are unsure of District procedures, please contact the District Accounting Supervisor.

In all cases the district must file an IRS Form 1099 for any individual or unincorporated business who renders services or provides materials and labor for an amount greater than \$600 for the District as a whole in any calendar year. (This includes the assembly individuals or groups who are paid as independent contractors. Therefore, for all services you need to use your School Clearing Account).

Any payments for services rendered (wages) must be made through the District payroll office. (This includes teachers, custodians, secretaries, assistants, etc. - anyone who is currently a full or part time employee of the District in any capacity.)

There is only one option for paying employees for additional services. This is to increase their compensation by reporting the additional services to payroll so the compensation can be included in the employee's regular paycheck.

Document the additional services in accordance with building policy. Summarize the services rendered for the month on the "Additional Compensation for Employees Report" (See Appendix A). This form requires:

- If this employee works more than 20 hrs per week more than 5 months per year and is subject to PERSI
- Employee's Name
- Employee's Identification Number
- Date(s) services were performed
- Brief description of services
- Amount of additional compensation to be paid
- Amount of Compensation Subject to PERSI
- Signature of the employee acknowledging agreement with the information
- Total the amount of compensation due; calculate the amount of FICA taxes due on total compensation.
- Total the amount of compensation for employees who are subject to PERSI contributions. Calculate the amount of PERSI contribution due.
- Summarize the amount due by entering (a) compensation (b) FICA as calculated, (c) PERSI as calculated and enter this as the "TOTAL DUE FOR MONTH".

The principal or assistant principal must sign the form.

Prepare a check payable to the Independent School District of Boise City with the form for the total due for the amount of additional services reported for the month including the FICA and PERSI. The district will not pick up extra expense in these areas.

Send the report and the check to the Accounting Office by the third working day of the month. (The report **must** be in the District office by 5:00 p.m. on the third working day of the month in order to include the additional compensation in the appropriate paycheck. If the report is received after the third working day of the month, the employee will not be paid until the following month.)

The accounting department will **credit** the appropriate account with the check for the additional services, and the payroll department will **charge** the same account for the same amount. Therefore, the net to the account will be zero and is just a mechanism for recording the payments.

Because there are many rules to follow, it is important to work through the district accounting office, as they know the IRS and State regulations. Everyone must follow these and using ignorance of the law does not excuse the violation.

## VIII. BANKING PRACTICES

### Bank Accounts

Each school shall have only one bank checking account. The bank account title and all checks and deposit slips must clearly indicate that these are school funds. All funds received will be deposited into this account.

Only Funds that come under the jurisdiction of the Board of Trustees of the District may be recorded in this account. Transactions controlled by outside organizations including PTAs, PTO's, Booster Clubs, school social groups and school lunch must be handled through separate bank accounts.

Funds deposited and the pre-numbered receipt book must agree. A record of the pre-numbered receipts issued should accompany the deposit records.

### **Authorized Signatures**

Two individuals specifically authorized by the District's Board of Trustees must sign all Elementary School Fund checks. The authorized individuals include "assistant treasurers" and "designated counter signers". **Under no circumstances shall checks be pre-signed or a signature stamp used.**

### **Returned Checks**

Occasionally the bank because of insufficient funds, a closed account, or improper signature returns a check deposited.

- Notify the maker of the check immediately and request that it be redeemed with cash. Returned checks should not be redeposited more than once. Each time you deposit the check the bank charges a returned check fee.
- Do not return the check to the maker except in return for cash.
- Make every effort to collect the funds from the maker.
- If unable to collect the funds, reduce the appropriate account. A record of the returned check and the account it was deposited to should be maintained. This can be done manually or on the computer.
- If the check is subsequently made good by payment of cash, issue a receipt for the returned check and deposit the new funds to the appropriate account.
- A fee of up to the amount charged by the bank for a returned check may be charged to the person issuing the check.

### **Bank Reconciliation**

Upon receipt of the monthly bank statement, it will be immediately given to the principal /designee who will open and review and complete the reconciliation. The bank statement is to be reconciled to the general ledger cash balance as soon as possible after the bank statement is received. The bank reconciliation form and outstanding checklist should be completed, signed and should be retained as a permanent record. The principal should review the cancelled checks and timelines of deposits.

## **IX. SALES TAX**

The Independent School District of Boise City is a governmental agency that is exempt from Idaho State Sales tax **for those items purchased and used by the District**. Any items we sell or rent to students, parents, or the general public is subject to Idaho State Sales tax. The District/their representatives are responsible for collecting those taxes and remitting them to the State of Idaho each month.

## **Purchases**

In order to purchase items without paying sales tax, we must complete an ST101 for each vendor. The ST101 is good for the life of our relationship with the vendors. (Vendors have been advised to update their files periodically, so if a vendor requests an ST101 each year, please complete it.)

**Note:** If you purchase an item from a vendor **with your own funds**, you must pay sales tax on that purchase even if you are going to be reimbursed by the District. The Idaho State Tax law treats this type of transaction as a purchase by an individual **not** as a purchase by the District.

## **Sales**

If we sell or rent any item to a third party (students, parents, teachers, and the general public), we must comply with the Idaho State sales tax law and remit the appropriate sales tax. Sales include bake sales, popcorn or other food items, admission fees and other fundraiser for which we provide a product. Rentals that are taxable include rental of uniforms, band and orchestra instruments, and facilities.

## **Donations**

Any funds received that are clearly donations must be identified in the accounting records as donations. If you **require** a "donation" for admission to an event, it ceases to be a donation and becomes an admission charge. Admission charges are taxable.

## **Sales to Students, Parents and General Public**

Funds received from the sale of goods, food, t-shirts, year books, pictures, the sale of activity cards and charges for admission must be clearly identified in the accounting records. If you purchase the item and pay sales tax at the time of purchase, you must remit the sales tax for the total sales when you resell the items. Just paying sales tax on the amount of the purchase does not meet the legal requirements. Taxes are to be collected and remitted each month. Procedures are as follows:

- Identify each sale and the total funds collected.
- Calculate the sales tax due. Total collected divided by one plus the sales tax rate equals taxable sales. Taxable sales times the tax rate equals sales tax due.

### **EXAMPLE:**

**TOTAL COLLECTED = \$522.28**

**SALES TAX RATE = 5%**

**TAXABLE SALE = \$497.41**

( $522.28/1.05=497.41$ )

**SALES TAX DUE = \$24.87**

( $497.41*.05=24.87$ )

Sales taxes are also due on vending machine sales, but if the items are sold for a price of \$.12 to \$1.00 the formula for calculating the tax is as follows:

**Cost** of item times number sold times 117% equals taxable sale amount. Taxable sale times tax rate equals sales tax due.

### **EXAMPLE FOR SODA MACHINE:**

**COST PER CAN = \$.25**  
**NUMBER OF CANS SOLD DURING MONTH = 100**  
**TAXABLE SALE = \$29.25**  
(.25\*100\*1.17 = 29.25)  
**SALES TAX DUE = \$1.46**  
(29.25\*.05 = 1.46)

For vending machine items with a sales price greater than \$1.00, the tax is calculated on total sales.

**Note:** If it is too difficult to obtain the cost and the number of items sold, you may pay sales tax on the total sales from the vending machine **as long as you are sure you are paying at least as much as you would pay under the method described above.** Please be aware, however, that in most cases you will be paying more tax than is actually due.

- Allocate cash to pay sales taxes to a "SALES TAX DUE" account in your accounting records so the funds are identified and available to pay the tax.
- At the end of the month, summarize all sales and complete the **MONTHLY SALES TAX REPORT** for the month. **STATE LAW REQUIRES SALES TAXES TO BE REMITTED TO THE STATE IN THE MONTH FOLLOWING THE SALE; DO NOT HOLD CHECKS OR DELAY IN REPORTING THE SALES.** The **MONTHLY SALES TAX REPORT** **must** include **all** sales for that month.
- Sign the **MONTHLY SALES TAX REPORT FORM** and submit it to the appropriate individual for approval.

**NOTE: THE PERSON RESPONSIBLE FOR ACCOUNTING MUST SIGN THE FORM.**

- Send the **MONTHLY SALES TAX REPORT** and a **check for the amount of the taxes due** to the District accounting office no later than the 12th of the month.
- A completed **MONTHLY SALES TAX REPORT** **must** be submitted at the end of each month **EVEN IF YOU HAD NO TAXABLE SALES.** If your school is closed for the summer vacation, please complete a form **in advance** for the months you will be closed and submit the forms to accounting **before** you leave for summer vacation.

## **X. FINANCIAL REPORTS**

### **Monthly Reports**

Each month the following reports should be prepared and retained:

- Trial Balance (Summary of account or Cash flow in Quicken)
- Transaction Journal (Income Report and Expense Report)
- Transaction Register (Printed Copy of the Quicken Register)

### **Monthly Reports to Board of Trustees**

Each month a summary statement of cash receipts and disbursements must be prepared for the Board of Trustees.

- Using the computer software, summarize the receipts (income report) and disbursements (expense report) for the month.
- Agree the beginning cash balance for the month to the ending cash balance for the prior month. (If there are any differences due to corrections, attach an explanation to the report.) This includes voided checks, miss-recorded checks, or any other items that would change a beginning or ending cash balance.
- Add up the total receipts (from the Income Report) shown on the Board report and reconcile the amount to total shown. Add up total disbursements (from the Expense Report) shown on the board report and reconcile the amount to total shown. (These must reconcile with the last monthly date of transaction on the computer register; if they are out of balance, there is something out of balance in the general ledger.) Reconcile the total amount of cash to total per your records and document the differences.
- Send a copy of the Board report to the Supervisor of Accounting in the District Accounting office by the Monday before the first meeting of the Board of Trustees for the month. (Retain a copy for your files.)
- Annually you are required to send a copy of your June 30 bank statement to the Accounting Office. This bank statement should be submitted immediately upon your return from summer break.

### **Audits**

#### **Annual Audit**

Each fiscal year 5 to 10 schools will be chosen at random and a review audit will be done at the school.

#### **Internal Audits**

- **Change of Principal**

All Elementary School Fund records must be audited when the school principal is changed. A three-week notice should be submitted to the Supervisor of Accounting to allow time to prepare for the audit. The Supervisor of Accounting or his/her designee will complete the review of records. The incoming principal shall review the results of the audit. A signed copy of the review will be retained as a permanent record.

- **Record Retention**

All records should be kept current and in good order for a period of five years and be available for audit at any time. All schools should have vendor files that include the following items: a copy of the check issued, a copy of the invoice, a copy of the purchase order showing authorization to purchase and a receiving document. All receipts, deposit slips, bank statements and bank reconciliation's must also be retained for a period of five years.

## **XI. MISCELLANEOUS**

**Fundraising**

The principal must approve all fundraising activities.

**Transfers**

All transfers from one account to another must be submitted to the principal and must be in writing.

**Carryovers**

All Funds earned in any fiscal year are to be expended during that year. Any funds remaining at the end of the fiscal year must have a written request signed by the principal to allow the funds to be carried over to the next fiscal year. The request should document the reason the funds are remaining (i.e. a large fund raising effort late in the year) and the anticipated type of expenditure to be made in the next year. The principal must approve or deny the request and return a copy of the request to the originator and retain a copy for the records.

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**BOISE SCHOOL DISTRICT  
STAFF CASH COLLECTION FORM**

**NAME:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**LARGE BILLS** \_\_\_\_\_

**TWENTIES** \_\_\_\_\_

**TENS** \_\_\_\_\_

**FIVES** \_\_\_\_\_

**ONES** \_\_\_\_\_

**QUARTERS** \_\_\_\_\_

**DIMES** \_\_\_\_\_

**NICKELS** \_\_\_\_\_

**PENNIES** \_\_\_\_\_

**CHECKS** \_\_\_\_\_

**TOTAL** \_\_\_\_\_

**COUNT VERIFIED BY:** \_\_\_\_\_

**DATE** \_\_\_\_\_

**RECEIPT NUMBER** \_\_\_\_\_

**DEPOSIT ACCOUNT** \_\_\_\_\_

**Boise School District - Elementary Accounts**  
**Request for Reimbursement Check or Petty Cash**

**Request for:**

Check

Petty Cash

**Name** \_\_\_\_\_

**Date** \_\_\_\_\_

**Purpose** \_\_\_\_\_

**Amount Requested** \_\_\_\_\_

**Account to be Charged** \_\_\_\_\_

**Receipt Attached** \_\_\_\_\_

**Check Number** \_\_\_\_\_ **Amount** \_\_\_\_\_

**Signature Approving Disbursement** \_\_\_\_\_



# BOISE SCHOOL DISTRICT MONTHLY SALES TAX REPORT

SCHOOL NAME \_\_\_\_\_

FOR MONTH OF \_\_\_\_\_

## REGULAR SALES

- 1. Total collected from sales
- 2. Taxable Sales (line 1 divided by 1.05)
- 3. Regular Sales Tax due (5% of line 2)

## VENDING MACHINE SALES

- 4. Total Cost of Goods Sold
- 5. Multiply Line 4 times 117% to get taxable sales for vending machines.
- 6. Vending Sales Tax due (5% of line 5)

**TOTAL SALES TAX DUE FOR THE MONTH (add line 3 and line 6)**

**NO TAXABLE SALES WERE MADE DURING THE MONTH (check box if no taxable sales)**

I have reviewed the accounting records for the month and to the best of my knowledge and belief, the above information reflects the to total sales and sales tax due for the month in accordance with District procedures.

\_\_\_\_\_  
Principals/Supervisor Signature

\_\_\_\_\_  
Date

Report Due to the Accounting Office by the 12<sup>th</sup> of each month.

\_\_\_\_\_  
**ELEMENTARY SCHOOL, BOISE PUBLIC SCHOOLS**  
**MONTHLY FINANCIAL REPORT TO THE BOARD OF TRUSTEES**  
**FOR THE MONTH OF \_\_\_\_\_**

**BEGINNING CASH BALANCE:** \_\_\_\_\_  
**\*ADJUSTMENTS TO BEGINNING BALANCE** \_\_\_\_\_

**RECEIPTS :**  
 GENERAL \_\_\_\_\_  
 CLASSES \_\_\_\_\_  
 MEDIA CENTER \_\_\_\_\_  
 STUDENT COUNCIL \_\_\_\_\_  
 ASSEMBLIES \_\_\_\_\_  
 DONATIONS \_\_\_\_\_  
 HOLDING ACCOUNTS \_\_\_\_\_  
 SCHOOL OPERATIONS/PETTY CASH \_\_\_\_\_  
  
 TOTAL RECEIPTS \_\_\_\_\_

**DISBURSEMENTS:**  
 GENERAL \_\_\_\_\_  
 CLASSES \_\_\_\_\_  
 MEDIA CENTER \_\_\_\_\_  
 STUDENT COUNCIL \_\_\_\_\_  
 ASSEMBLIES \_\_\_\_\_  
 DONATIONS \_\_\_\_\_  
 HOLDING ACCOUNTS \_\_\_\_\_  
 SCHOOL OPERATIONS/PETTY CASH \_\_\_\_\_  
  
 TOTAL DISBURSEMENTS \_\_\_\_\_

**CASH BALANCE AS OF \_\_\_\_\_** \_\_\_\_\_  
 (Date) \_\_\_\_\_

**CASH BALANCE COMPRISED OF:**  
 CASH IN CHECKING ACCOUNT \_\_\_\_\_  
 PETTY CASH \_\_\_\_\_  
 INVESTMENTS (SAVINGS ACCOUNT) \_\_\_\_\_

**CASH BALANCE AS OF \_\_\_\_\_** \_\_\_\_\_  
 (Date) \_\_\_\_\_

SUBMITTED BY: \_\_\_\_\_ DATE \_\_\_\_\_  
 (Principal)

\*Explanation For Adjustments \_\_\_\_\_  
 H:\[ELEMENTARY BOARD REPORT.xls]elem acct

**BOISE INDEPENDENT SCHOOL DISTRICT #001  
REQUEST FOR QUOTATION  
FOR PURCHASES BETWEEN \$5,000 - \$14,999**

School Requesting Quote: \_\_\_\_\_

School Fax Number: \_\_\_\_\_

Quotation Due Date: \_\_\_\_\_

Brief Description of Item(s) Being Quoted: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Item(s) Number: \_\_\_\_\_

Item(s) Description: \_\_\_\_\_

Item(s) Price: (must be FOB Pricing) \_\_\_\_\_

Estimated Delivery \_\_\_\_\_

Vendors Name: \_\_\_\_\_

Authorized Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**BOISE INDEPENDENT SCHOOL DISTRICT #001**  
**Fund Raising Approval Form**

Club/Organization	
Date(s) of Fundraiser	
Vendor	
List the exact product(s) to be sold	
Anticipated Profits	
Sponsor/Adult	
Phone Number	
Is this a Booster Club Fund Raiser	

**Approved**      **Disapproved**

Principal Signature \_\_\_\_\_

Date \_\_\_\_\_



**Boise School District #001  
Music Revenue Submittal**

Receipt Number \_\_\_\_\_

**School Name** \_\_\_\_\_

**Amount (A+B)** \_\_\_\_\_

Recorder Sales \$4.25 each \_\_\_\_\_

Clinic Ticket Sales \_\_\_\_\_

Festival Fees \_\_\_\_\_

Philharmonic Bus \_\_\_\_\_

Music Replacement \_\_\_\_\_

Total 41000030 54111 **(A)** \$ \_\_\_\_\_

Instrument Rentals 00000100 41991 **(B)** \$ \_\_\_\_\_

H:\ELEMENTARY BOARD REPORT.xls\music form

Please submit this form with your school check remitting all music money collected on behalf of the school district. This form should accompany the check and be mailed to the Accounting Department.

