

4. CASH MANAGEMENT

All disbursements of District funds must be made in accordance with District 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.

As previously mentioned, schools are allotted funds annually based on an approved budget. In addition to funds managed at the District level, schools also receive monies through fundraisers, donations, sales, etc. As provided by Board policy each school is authorized to have one school checking account to manage school generated funds. The activities of these funds must be reported monthly to the Board of Trustees. All funds collected by students and employees for school activities must be accounted for in the school checking account or in the District's Accounting System.

School ASB accounts and elementary checking accounts must be managed in accordance with District accounting procedures as outlined in the manuals identified on the District website under Business Operations.

4.1 PETTY CASH

Each department may obtain a petty cash fund; the amount should be limited to no more than \$250.00 except for very large departments or schools. It is the responsibility of the building administrator to ensure they have a safe, secure place to keep these funds. If the building administrator is not able to provide that safe, secure place, they should reduce the amount of petty cash they request.

Each administrator should request the petty cash at the beginning of the year using a Form 103 and specifying the amount they are requesting. The petty cash may only be used for supplies and is to be charged to the supply account. Use the organization key and object code for your supply account on the Form 103.

Disbursements may be made from petty cash for local purchases up to \$100.00 per purchase. Petty cash may be used only for purchases of physical goods; do not pay any labor using petty cash. A receipt must be obtained for any petty cash purchase.

When petty cash is low, replenish the petty cash by completing the front of the petty cash envelope and sending the receipts in the envelope to the accounting department.

All petty cash must be turned in at the end of each year for processing in the appropriate fiscal year. Turn in the final petty cash before you leave for the summer or by June 25th (for 12-month departments). A new Form 103 must be submitted requesting petty cash for the next year. The check for the next year will be issued shortly after July 1st.

Note: At any time, the receipts in your petty cash fund and the actual cash in your petty cash fund must be equal to the original amount of petty cash issued. Do not "borrow" funds from petty cash or place an IOU in the petty cash fund.

4.2 VENDOR PAYMENTS

A purchase order is required for any district employee to charge anything to a vendor. (See Purchasing Procedures) The vendor will ship the goods in accordance with the purchase order and then will bill the District for the goods. No goods may be shipped to a personal residence.

Do not ask vendors to charge without a purchase order. A purchase order is what commits the district's financial resources. District employees do not have the right to charge anything to any vendor without a purchase order or without budget officer approval if under the \$250.00 limit.

The District does allow budget officers to charge items under \$250.00 if they submit an invoice with a Direct Pay Form 103 for payment. In addition to the 250.00 exclusion, budget officers are authorized to charge for office supplies up to \$1,000 if purchased with the District's approved preferred vendor.

4.3 DIRECT PAYMENTS

There are instances where payments will be paid for registrations, plane tickets, etc...or where the goods or services have already been received. In those instances, the budget officer must complete a 103 Form, attach appropriate invoices and submit to Purchasing for review and then onto Accounting for payment. All Direct Pay requests must be submitted using the Form 103. The appropriate accounting codes must be identified, an invoice or receipt must be attached and the Form 103 must be signed by the budget officer responsible for the account being charged. A copy of the Direct Pay Form 103 is in the appendix.

4.4 REIMBURSEMENTS

Reimbursements can be made for purchases of supplies with a cost greater than \$50.00 but less than \$250.00.

No reimbursements will be made for invoices in excess of \$250.00. Any purchase in excess of \$250.00 must be purchased on a Form 102 purchase order. This policy ensures the district receives the best price on an item and also ensures district funds are not committed without appropriate approval.

No reimbursements will be made for items that are not shipped to a District facility. All orders and purchases should be shipped to a District facility.

If the administrator is willing to spend his/her own funds to obtain the goods, then a reimbursement can be made. The receipt for the goods must be attached to a properly completed Form 103 requesting reimbursement (the name and address of the person to be reimbursed is to be placed in the 'vendor' information area of the 103).

Reimbursements will be paid to the building principal for items purchased under \$250.00. It is the principals' responsibility to reimburse any individual employee that actually purchased the item.

When requesting reimbursement for items purchased under \$250.00 the receipt must meet the following criteria:

- Must be an original receipt (no copies).
- Must show the cost of each item purchased.
- Must show the total amount of the purchase.
- Must show the amount paid.
- Must show that no amount is outstanding.
- Must show the name of the vendor.

NOTE: It is not acceptable to submit an invoice with a written "pd. by check number XXX." Anyone can write that information on an invoice. We must have clear documentation on the receipt of payment and clear documentation that no amount is outstanding. The vendor receipt must clearly indicate the total charge, the total paid, and a "0" in the amount due column. (The "0" due must be part of the receipt, not created by just crossing out the amount due.)

If you are purchasing from vendors who do not provide receipts in this format, please use a District purchase order. (Any purchases from out-of-town vendors are to be made using purchase orders.)

Keep in mind that the Boise School District is exempt from paying Idaho Sales tax; however vendors will not allow you to purchase tax exempt when you are being reimbursed.

Elementary schools are not allowed to pay for any type of service from their separate elementary checking accounts. This includes fees charged for performing assemblies. These types of expenditures must be processed through the district accounting office. You may charge the cost to your school assigned clearing account and then reimburse the district with a school check. The reason for this is to make sure all independent contractors receive the appropriate IRS 1099 forms at year end. When you submit your 103 Direct Pay for payment, please be sure that you have attached the IRS form W-9, which is required to be on file for all independent contractors. This form is available on the Districts website under 'accounting'.

4.5 PAYMENT SCHEDULE

The Accounting Office produces checks to vendors for purchase orders twice each month and checks for travel, mileage, reimbursements and direct pays approximately 4 times each month.

The checks to employees for mileage reimbursement, travel advances, petty cash reimbursements, and other reimbursements are usually issued Friday morning. Depending on when the month ends, we may move the final payment date for the month from Friday to the following Monday or Tuesday. Also, the payment time around the Christmas holiday and Spring Break may be moved to accommodate the holidays. At a minimum, checks are issued at least every 12 days.

Reimbursement requests and petty cash reimbursement requests must be received in the purchasing department by Wednesday morning to be included in the Friday payments. Any requests received after that will be held until the next payment date.