

Milton Town School District

Policy

E105: CASH ACCOUNT MANAGEMENT

Policy

The Board acknowledges that specific guidelines and steps are necessary in order to ensure proper cash management and handling throughout the District.

This policy sets forth those guidelines and steps necessary to protect the District and those handling cash in specific areas of:

- Gate Receipts and Admissions to School Events
- Student Activity & Athletic Accounts
- Petty Cash

Gate Receipts and Admissions to School Events

Admission fees will be established in accordance with guidelines provided by the Vermont Principal's Association, with consideration given to child, student, adult and senior citizen rates.

Admission to those school events for which an admission is charged will be issued through tickets or special passes only. Adequate records will be maintained for accounting purposes.

Building Administrators are responsible for the proper collection, supervision, disbursement and/or remittance of gate receipts.

Gate receipts in excess of costs directly related to the event shall be turned over to the general operating fund of the school district daily in a locked cash bag.

Any individual who is serving in an official capacity for a specific event will receive free admission to that specific school activity. In addition, any volunteer and his/her immediate family shall also receive free admission to that specific activity.

The Board may grant a season pass to any person who has made a significant contribution to the school district.

Student Activity and Athletic Accounts

Student Activity and Athletic Accounts are agency funds. The School District acts only as a custodian for these funds and is responsible for receiving and disbursing monies at the request of authorized activity representatives. These include any activity administrator/treasurer, a faculty advisor or school principal depending on the fund. The importance of sound accounting procedures for these funds is to document that the District acted within its authority as agent with regards to any transactions involving these funds. All accounting functions are designed to

achieve maximum control over the safeguarding of assets and the accurate reporting of these funds.

An accounting of all Student Activity funds managed at building levels will be maintained by the Finance Department and distributed to building administrators on a monthly basis.

A minimum account ledger for Student Activity funds shall be maintained by the Finance Department, which shall include:

- a. Code and description of each account.
- b. Beginning balance at the start of the fiscal year for each account.
- c. Receipts to date for each account.
- d. Disbursements to date for each account.
- e. Ending balance for each account for the period reported.
- f. Location of the cash; petty cash, checking account, savings account and investments.

Student Activity Accounting

1. For each activity there must be an identifiable person responsible for the financial operation of the activity. This person shall herein be referred to as the advisor/treasurer. The advisor/treasurer must be identified in the minutes of a meeting of the activity organization. This identification shall be made in writing to the Principal. This shall be updated and on file each year.
2. For each activity there shall be a completed form that details the following:
 - a. The purpose for which any funds will be collected.
 - b. The amount to be collected, per participant and the estimated total.
 - c. A detailed description of how the money will be used.
 - d. Instructions concerning the disbursement of unused funds at the end of the activity.
 - e. Signature of the advisor/treasurer.
 - f. Approval by the Principal.
3. No activity shall commence, including fund raising, until the Principal has approved the activity and both the Principal and the Business Manager have signed the activity form described in Paragraph 2 above.
4. No checks shall be written against accounts in excess of the monies on deposit in said account. No accounts shall have a negative balance.
5. Each request for payment will include supporting documentation, such as receipts, in the case of an advance of the receipt must be submitted after the fact. All requests for payment must be signed by the advisor/treasurer and approved by the Principal.
6. The Town Treasurer will sign all checks.

7. Funds shall be used for the event or activity that was announced when the money was collected. All fund-raisers will follow the guidelines in Policy E106.
8. The account adviser/treasurer and the Finance Department will verify all deposits before they are sent to the bank.
9. All accounts must be reconciled monthly to the bank statement, and a report of that reconciliation approved by the account's advisor/treasurer. Failure to report accurately and timely will result in the management of the Student Activity Account being transferred to the Business Manager.
10. At the conclusion of any activity, the Principal shall disburse any remaining funds in accordance with the direction given in paragraph 2d above.
11. The Business Manager will review any individual Activity Account that has been inactive for six school months and the account will be considered dormant. The remaining funds will be withdrawn from the General Account and separated into a separate holding account, controlled by the Business Manager and disbursed as by Board decision.

Athletic Fund Accounting

1. The express purpose of this account is the payment of Referees for athletic events held in the Milton Town School District. This fund has a separate checkbook used for making immediate payments for expenses that normally would be paid by the General Fund of the School District.
2. Each month funds will be requested from the General Fund, using a Reimbursement Request as defined in the Procedures for Policy E108: Purchasing.
3. The person responsible for accounting will verify all deposits before they are sent to the bank. That person will document any reason for any difference between the amount provided by the General Fund of the District and the amount deposited. The Principal will acknowledge that documentation.
4. Checks will be prepared for each event.
5. The Principal will sign all checks.
6. The Administrator for each event will deliver the checks to the appropriate referees. That Administrator will return a receipt for each check to the accounting person the first business day following the event. That receipt will identify the person who received the payment and include the signature of that person.
7. The person responsible for accounting for the Principal's office will forward all gate receipts to the Business Manager daily with a locked cash bag.

8. The accounting person will track the amounts paid for each event, the person who received the payment and the running balance of the Athletic Fund after each event.
9. The Athletic Fund account must be reconciled monthly to the bank statement, and a report of that reconciliation approved by the Principal. Documents that support that reconciliation shall be forwarded to the Town Finance Department each month. Failure to report accurately and timely will result in the management of the Student Activity Account being transferred to the Business Manager. On a quarterly basis, the Town Finance Department, for the Business Manager, will sample audit this account to ensure that procedures are followed, including but not limited to the documentation supporting each check written.
10. Any requests for reimbursement from the school operating account must be received for processing by the District Office no later than the last day of school in June.
11. Any excess funds, except any amount required by the bank to keep an active account remaining in the account at the end of the spring athletic season shall be returned to the General Fund no later than June 25 each year.
12. The Superintendent shall provide the Board with reports on request. The Principal and the person responsible for the accounting shall sign the final report each fiscal year.
13. The person responsible for accounting in each Principal's office shall report all payments for all accounts to the Town Finance Department sorted and subtotaled by vendor on a quarterly basis as follows:
 - October 10th for the period July 1 to September 30
 - January 5th for the period October 1 to December 31
 - April 10th for the period January 1 to March 31
 - July 10th for the period April 1 to June 30
14. The person responsible for accounting in each Principal's office shall send a cumulative check register to the Finance Department to be reviewed by the Independent Audit Firm at the end of the fiscal year.

Petty Cash

To facilitate periodic need for cash based transactions and occasional urgent need, a petty cash fund is annually authorized to the District Office to allocate for school level purchases.

The petty cash fund is a "revolving fund" since it always equals the same dollar amount comprised of cash and/or receipts slips. Petty cash should not be used to thwart or circumvent established purchasing procedures; instead, it is a convenient accommodation to facilitate immediate necessary acquisition of local low-cost goods and services in an efficient manner.

The School Board authorizes the following petty cash drawn from the General Fund:

- Schools: \$100
- Superintendent's Office: \$500

Petty Cash Checking Account

The District Office maintains a petty cash checking account with a balance of \$2,400. This account is used for isolated events requiring immediate disbursement unable to be drawn through the normally warranted check run.

Expenditures are reimbursed to this checking account with detailed documentation of purpose and payment coded through existing funds authorized in the General Fund Budget. The petty cash checking account is reconciled and reimbursed through the existing budget line items and processed with the normally scheduled board approved warrants.

Date Warned: 8/9/2010

Date Adopted: 8/23/2010

Legal Reference(s):

Cross Reference: Replaces 607, 609, 617