Bearden Public Schools

Policies, Procedures, and
Internal Accounting Controls

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Table of Contents

1. Purchasing Procedures page 3

2. Fixed Assets page 3

3. Activity Account Procedures page 4

4. Internal Controls/Gate Receipts page 5

5. Monthly Reconciliations page 6

6. Check Writing page 6

8. Reimbursements page 6

9. Receipting page 6

10. Payroll page 7

11. Board Reports page 7

12. Electronic payments page 8

Purchasing Procedures

Purpose: The purpose of these procedures is to outline the purchasing policies for the Bearden School District.

District Purchasing: Individuals purchasing materials, equipment, supplies, and services will fill out a purchase order that will be approved by the superintendent of schools by his signature. Items in the amount of $5,000 or greater must be bought from not fewer than two bids, if such are available within reason. Items $5,000 or greater will be approved by the school board, exceptions may be made upon approval of the superintendent in cases of extreme emergencies.

Building Purchasing: Individuals purchasing materials, equipment, supplies, and services will fill out a purchase order that will be approved by the building principal by their signature. Items in the amount of $1,000 or higher paid for by activity funds and any items that will be paid for with district funds will be pre-approved by the superintendent by his signature. Checks written to principals for any reason will be pre-approved and signed by the Superintendent.

Athletic Purchasing: Individuals purchasing materials, equipment, supplies, and services will fill out a purchase order that will be approved by the building principal and athletic director by their signature. Items in the amount of $1,000 or higher will be pre-approved by the superintendent by his signature. Any items that need to be purchased on a emergency/short notice basis (under $100) may verbally approved by the Athletic Director and then approved/signed as soon as he can fill out a purchase order.

Book Purchasing: Individuals purchasing textbooks and instructional materials will fill out a purchase order and book order form that will be pre-approved by the building principal and final approval by the superintendent. Items in the amount of $1,000 or higher will be pre-approved by the superintendent by his signature.

Federal Programs: Individuals purchasing materials, equipment, supplies, and services with federal funds will fill out a purchase order that will be approved by the individual district federal program coordinator and superintendent by his signature.

Internal Control: The district will use a uniform purchase order for all buildings and district purchases.

Fixed Assets: Items that are purchased in the amount $1000.00 or over, are required to be placed on the district's fixed asset inventory listing and will have a district fixed asset number assigned to it and a tag placed or the number written on the item The District will be able to locate fixed assets by verifying yearly inventories and ensuring replacement items are recorded in the fixed asset system and old items are removed by retiring them. Fixed assets will be properly removed from the fixed asset list; even if they are replaced with new assets instead of being repaired. The District will retire fixed assets instead of purging them; even if there are double entries for the same item. If double entries or some items have to be purged then some type of documentation will be made in writing to explain the purpose / what / why it was purged from the fixed asset inventory. If land is purchased, it should also be added to fixed assets in eFinance.

If you have any questions concerning the various purchasing policies of the Bearden School District, contact Mrs. Kaye Livingston or Mr. Denny Rozenberg.

Activity Account Procedures

Receipting funds:

Sponsor receipts funds from students, parents, or fundraising activities into their account receipt books. Sponsor receipts need to be dated and indicate whether it is cash or check and who the money was receipted from. Larger amounts will be individual receipts and smaller amounts may be a listing of names with amounts. The sponsor will count the money and take the money and receipt book to the building bookkeeper and the bookkeeper will count the money in front of the sponsor and then write the sponsor a receipt out of the building receipt book. This receipt should include the number range of receipts from the sponsor receipt book. The bookkeeper will then attach the building receipt to the sponsor receipt book. If a listing of names is kept instead of individual receipts, the sponsor will turn in one receipt for the total amount of money. The sponsor will maintain a copy of the list. The bookkeeper then fills out a deposit slip for the appropriate account and deposits the money in the building account at the local bank.

Note: When receipting funds please keep in mind that receipts should not be altered after they are written by using liquid paper or scratching out information—especially the amounts. All receipts should designate cash or check amounts and who the money was receipted from.

Also, receipts are considered properly voided only when all copies of the receipts are still attached in the receipt book. The original receipt should be stapled back in the receipt book, otherwise they are not properly voided and the custodian of the funds may be held accountable for those funds.

Receipts are not to be cut out of one receipt book and attached to another book (example: at the end of the school year). Receipt books are to remain intact as printed. Also, there is no need to leave a lot of unissued receipts in the last receipt book of the year simply to start a new book for the new year. Each building receipt book has the school name and can continue from year to year.

Receipt numbers are to be written on deposit tickets so the amount of the deposit can be traced back to the receipts. The cash/check compositions of deposits are to remain intact as they were receipted. Checks are to be listed on the deposit ticket copies or a list attached with the names and amounts of checks to preserve the audit trail. All deposits need to be made in a timely manner. All receipts should be written in sequential order.

Deposit ticket carbon copies have to be legible, so change carbon paper often.

Never cash checks from activity money.

Internal Controls/ Procedures

Gate Receipts:

1. District bookkeepers write checks and establish a money box setup with a specific amount of money* (see below) for gate boxes. The high school bookkeeper writes a check for the amount listed below * for concession stand box setup.
   Home Football Gate: $500 Visitor Gate: $300 Concession: $300
   Sr. High Home Basketball: $250 Concession Stand: $240
   Baseball Gate: $65 Concession: $140 * *Amounts are subject to change as needed.*

2. Received gate money and concession stand money is placed in locked bank bags, (by each gate keeper during / after the sporting event and the concession stand supervisor), gate receipts will also be reconciled with tickets and counted after the event by the building principal and gate keepers, then the money deposited in Bank of Bearden night deposit. Ticket reconciliation sheets will be signed by the gate keepers each night at the final collection of the gate money. The locked bank bags will be kept in a locked vehicle at the game or in the locked principal's office during the athletic event. (An alternative method if needed will be to utilize building secretaries as listed in #3 below.)

3. The gate money and concession money is then picked up by a building bookkeeper or central office bookkeeper. It is then brought to the Superintendent's Office, unlocked with the central office bank bag key, and then the money is counted, with building and central office personnel. Building secretaries will verify ticket reconciliations during this process. It is then receipted and deposited in the activity account at the local bank. (Alternative Method)

4. New procedures for ticket recap were developed with a new recap sheet for gate keepers and officer personnel to complete. Ticket recaps will be completed by appropriate personnel (gate keeper at the game / building / district administrator (at the game), building / central officer book keepers who deposit funds in the

bank. Unused tickets, and reconciled tickets, and the transfer of monies from the game will be properly verified by both parties. This includes the gate keeper that took in the money and central office or building personnel that verify and prepare deposits, and deposit the gate money. A ticket ledger sheet is also being kept by the district treasurer. This paperwork will be kept for future audits and to help create a paper trail of all transactions.

Reconciling Bank Statements:

1. Monthly Bank Statements are picked up or delivered to the Central Office and examined by at least two different bookkeepers and the superintendent each month.
2. The District Bookkeeper ~~and Asst. Bookkeeper together~~ post the vendor/payroll checks, verifying the checks the have cleared the bank each monthly with eFinance verifying the amount and who it was written to, then actually clearing the check in eFinance.
3. The bank statement balance is then put into eFinance, and eFinance determines which checks are outstanding and what the variance is, with the goal of a zero variance.
4. The activity accounts are posted and cleared by building bookkeepers and then the building bank statements are brought to the district bookkeeper to do the bank reconciliation on eFinance to make sure that the buildings have zero variance.
5. These are also verified during each eFinance CYCLE REPORT.
6. Bank Statements are also reviewed monthly *and signed* by the superintendent for accuracy in signatures and comparison to the board report account balance.

Check writing- Bills are sorted and then approved with each sponsor/maintenance director/Cafeteria Supervisor or superintendent that all materials are in and accounted for. Supervisors or the person who received the materials / service will initial or sign the invoice for receipt of materials/services and the superintendent will initial or stamp bills for approved for payment. The bills are then coded by the District bookkeeper and asst. bookkeeper, to be put into eFinance into the correct accounts. The checks are then printed *and reviewed* and *then* signed by the President or Secretary of the School Board and the Superintendent. Checks are then mailed with a copy of the invoice/statement to each vendor. Copies of all checks and invoices are kept on file. Activity checks for the high school and elementary follow the same above procedures, except their checks are handwritten and then approved and signed by the principal of that building.
NOTE: All expenditures prior to June 30th that are paid in current year need to be identified by entering the invoice number and invoice date. The auditor will be pulling a report for this information. The practice of recording invoice numbers and dates will be done for all bills.

Credit Cards- The only credit card the school district has, is the Walmart card. A pre-approved purchase order has to be presented before the card is released. The employee has to sign the card out and then back in after using along with the receipt. The card is only used for in-store purchases. Online purchases are blocked by Walmart.

Reimbursements: All reimbursements made to employees are required to have valid documentation of purchase. These include, receipt from vendor, documentation of registration or agenda from a workshop or any additional documentation. Before you use a gift card to make a purchase, Mr. Rozenberg has to pre-approve your purchase.

Reimbursement cannot be made from an employee's personal credit card statement. Also, sponsors will be encouraged to get receipts in a timely manner where they are still able to be retrieved from vendor data bases.

Receipting District Funds – Money received by the district is receipted by either the district bookkeeper, and then taken to the bank for deposit. The district bookkeeper enters the receipts into eFinance after the calculates the total amount of receipts for each account. Revenue status reports are run and checked by each bookkeeper to make sure the revenue is receipted into the correct account. *The superintendent receives a report of each transaction after it is receipted into* eFinance. Building bookkeepers will follow procedures as listed on page 4.

Receipting Lunchroom Money - The lunchroom supervisor and one other worker run two different cash registers taking up student money for lunches. They each count the money taken in daily and then bring it to the superintendent's office for the Central office clerk to count and verify that it matches their Nutri-Kids daily report for cash payments. The clerk then receipts the total amount and then turns it over to the district bookkeeper to deposit. The receipted money is then put into eFinance into the correct account and verified by the office clerk.

Journal Entry Procedures: The district treasurer and building bookkeepers are allowed to process a journal entry in eFinance when an expenditure needs to be moved to another account or when money need to be transferred from one account to another. All journal entries need to be approved by their individual supervisor and then can only be posted by the district treasurer. The District will identify which activity accounts are General, and which activity accounts are Agency and not transfer funds between the accounts, unless these transfers are approved by district administration and go for a specific purchase or project fully decided by the administration/teachers (Agency); not potentially decided by students. (General Accounts) The District Treasurer/Business Manager will remind the building level bookkeepers every month to check all journal entries completed for the month to make sure they have been reviewed and signed by their principal or the superintendent.

Payroll – The district bookkeeper collects times sheets on hourly employees. These timesheets, with hours worked and hourly pay, have been verified and signed by each employee and their immediate supervisor. Verify each employee is receiving the correct payment according to current salary schedule. All monthly salaried employees' wages are in place in eFinance and all hourly employees are entered by the hours worked each month. **Timesheets should be verified for any employee that works after school (bus**

driver, PLC, after-school tutoring etc) to ensure they do not have hours that are overlapping or duplicated. All totals are verified with a manual list that is checked by each bookkeeper. A printed listing of wages is checked and then payroll checks are printed. The checks are signed by the school board president or secretary and the superintendent. Employees salaries at the end of the school year (June) will be reconciled with their contracts to ensure that any over or under payments are identified. Also, employee names will be verified to ensure that no phantom employee names are being used. This process will be completed using the eFinance contract payout report by the assistant book keeper and reviewed by the superintendent in the June-July time frame.

Board Reports (financial statements) are run periodically to check balances and expenditure status reports are given to the superintendent or sponsor of fund to check for accuracies.

Vendor Lists/ District Employees- need to be run periodically to ensure that checks match which vendors are suppose to receive checks and that there is not an excess number of checks being written to any particular vendor or district employees.

Note: Any errors on your books should be cleared up monthly. We can not close out a year with errors. (Audit Supplemental Finding)

Any electronic payments are required to be approved by the school board prior to transaction, other than normal EFT's.

Further Guidance concerning determining reasonable, allowable and consistent expenditures for specific Federal / State / Local Programs:

Special Education Program: Individuals purchasing materials, equipment, supplies, and services with federal funds will fill out a purchase order that will be approved by the individual district federal program coordinator and superintendent by his/her signatures. Special Education teachers requesting use of IDEA grant funds or state/local special education funds will be reviewed by the principal and special education supervisor. Final approval of purchases for special education funds and IDEA grant funds will be the district superintendent especially if the purchase is over $1,000. These purchases should be related to supplies, equipment and necessary services to meet special education students' IEP requirements. The expenses should also be reasonable and allowable expenses. Examples of IDEA grant funds non-allowable expenses include: food for workshops, entrances to museums, parks, zoo, decorations for parties, gift cards, flowers, balloons, snacks for class room, etc. Food for specific life skills lesson plan should be placed in the student's IEP. The district's LEA special education supervisor will have access to a list of allowable expenses for IDEA grant funds.