

Business and Noninstructional Operations

DISTRICT REVOLVING CASH FUND

The Revolving Cash Fund (RCF) shall be used to expedite the payment of any liabilities of the District in accordance with District procedures. The use of the RCF shall be carefully coordinated with the purchasing function so that efficient, simplified purchasing procedures may be developed involving the use of the RCF.

The purposes for which the RCF is established include, but are not necessarily limited to, the advance of funds to the employees for conference expense, mileage and meals for one-day workshops, purchases under \$25.00, payroll errors (see maximum in 5b below), and vendor payments of an emergency nature.

1. A general ledger account shall be established in the accounting records to reflect the RCF as an asset of the school district.
2. In order to save the cost and trouble of providing an individual bond, for the RCF custodian, a position bond or blanket bond shall be provided, per Education Code Section 41021.
3. Payments from the RCF shall be for services or materials for which an itemized receipt is obtained setting forth the date, purpose of the expenditure, and amount expended.
4. Upon demand of the County Superintendent of Schools or County Auditor an accounting shall be given of the fund.
5. Although the Education Code provides authorization for the expenditures for services or materials, practical considerations lead to the following recommendations for limiting the use of the RCF:
 - A. Disbursements may be difficult to recover and may result in financial loss to the custodian of the RCF if the disbursements are later found not to be reimbursable by school order. The disbursements made should be only for those items which are clearly legal expenditures of district funds and for which the same documentary support is received as would permit the payment if made by school order. Prior travel/conference authorization for a conference advance is required if the RCF is used for travel/conference advances.
 - B. As a general rule, the RCF should not be used to pay wages. Use of the RCF to correct payroll errors is permitted under specified circumstances. Because of the problems involved in wage payments relating to retirement, credentials, withholding tax and W-2's RCF payment for payroll should be limited to a

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maximum of 90% of the estimated net pay. Reimbursement to the RCF is made by a one-time voluntary deduction payable to the "Calaveras Unified School District Revolving Fund" from the regular payroll process.

- C. Each RCF disbursement shall be complete in itself as to documentation and not be a payment applicable to a separately filed document such as a contract.
6. The checks used shall be press-numbered and imprinted with "Calaveras Unified School District Revolving Fund". Each check shall be drawn payable to a named payee and shall not be signed unless drawn on the basis of an itemized receipt for a legal expenditure. Voided checks shall be made non-negotiable by having the signature portion torn off and should be kept on file for the accountability of all checks. The supply of unused checks shall be kept in a safe location, accessible only to authorized personnel.
7. For each disbursement from the RCF, a receipt shall be prepared in duplicate for the signature of the payee (See Form BUS-3).
8. The procedures for use of the RCF may provide not only for emergency-type payments such as COD deliveries but for occasional payments to vendors not regularly used, so that the RCF is used efficiently as a time and money-saving tool.
9. At least monthly, a school order shall be drawn payable to the "Calaveras Unified School District Revolving Fund", for the reimbursement of the RCF in the same manner as other bills, per Education Code Section 42804.
10. An itemized duplicate deposit slip shall be prepared for each bank deposit kept on file. A permanent form of bank reconciliation shall be prepared each month as soon as the bank statement is received. A bank endorsement stamp shall be used on all warrants which are received for deposit.
11. The applicable RCF receipt or RCF voucher Form BUS-3, shall contain appropriate information as to budget classification and legal reference similar to the supporting information provided with individual school orders as well as reference to the check number and date of payment.

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12. As RCF checks are written, they shall be currently entered in a record which provides for check number, date, payee, purpose of payment, amount of check, reimbursement deposits, and the balance of the account. Such a record may also contain columns in which payments are distributed according to budget classifications. This record may be utilized for the monthly list of RCF payments submitted to the Governing Board for approval.
13. The following controls are appropriate:
 - A. Checks shall be imprinted with "VOID 90 DAYS FROM DATE OF CHECK".
 - B. Rigid numerically sequential check writing and control is mandatory.
 - C. Name of payee shall always be on check.
 - D. Checks shall always have authorized signatures before being issued.
 - E. To provide separation of duties the Business Services Coordinator shall be an authorized agent or signing RCF checks but shall not reconcile the cancelled checks received from the bank.
 - F. All checks issued through the revolving cash fund shall require two (2) signatures from the following:

Superintendent
Assistant Superintendent/Business
Director of Special Projects

Business Services Coordinator**Administrative Procedures:**

1. The Revolving Cash Fund is established to pay for necessary small miscellaneous expenditures. Each expenditure should be limited to, or less than, twenty-five dollars (\$25.00).
2. Revolving Cash Fund advances may be made to any member of the Administrative Council, who then becomes responsible for the advance. General advances will be determined by the Business Manager, but not in excess of \$250.00.

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Special advances (approved travel, conference, etc.) shall be determined by the specific need and shall be submitted to the District Office for processing to the employee.

3. It is imperative that a receipt be obtained at the time an expenditure is made (a cash register receipt will suffice, if itemized).
4. To initiate and reimburse your Revolving Cash Fund, follow the steps outlined below and present to the Business Office monthly, or oftener if necessary:
 - A. Form BUS-1 - Agreement - to be completed by the site administrator requesting the establishment of a Revolving Cash Fund (Petty Cash). Submit original and duplicate (done annually).
 - B. Form BUS-3 - Revolving Cash Voucher - to be completed for each expenditure. Attach two copies of "Paid" receipt to white copy of form and forward white, pink, and yellow copies to Business Office when requesting reimbursement.
 - C. Form BUS-4 - Revolving Cash Fund Reimbursement Summary - to be completed at the time reimbursement is requested. Include all "Revolving Cash Vouchers" (BUS-2) and receipts. Forward original to Business Office for reimbursement, retain yellow copy for your files.
5. Cash should be placed in a secured area and proper controls established at all times. Reimbursement cannot be made without a paid receipt.

Accounting Office Procedures

Site Administrators may request a cash advance up to two hundred fifty dollars (\$250.00) to be used to establish a Petty Cash Fund. Site Administrators assume total responsibility for maintaining the integrity of this advance.

Step	Responsibility	Action
Set up site fund:		
1.	Site Administrator	1. a. Complete Agreement (BUS-1). b. Submit to Business Office.
2.	Accounts Payable	2. a. Debit advance. b. Draw RCF check. c. Forward check and Agreement original. d. File Agreement Duplicate.

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Step	Responsibility	Action
3.	Asst. Superintendent/Business and/or Director of Special Projects , Business Services Coordinator	3. a. Verify b. Sign. c. Counter Sign. d. Return to Accounts Payable
4.	Accounts Payable	4. a. Pull Agreement duplicate. b. File Agreement original. c. Forward check & Agreement duplicate to site administrator.
Disburse Fund:		
5.	Employee	5. a. Obtain approval for expense. b. Make purchase. c. Obtain receipt or register tag. d. Submit to site administrator
6.	Site Administrator	6. a. Reimburse employee. b. Record transaction, RCF voucher (BUS-3).
Reimburse Fund:		
7.	Site Administrator	7. a. Complete the RCF summary (BUS -4). b. Submit three copies of BUS-3, original and one copy of receipts, and BUS-4.
8.	Accounts Payable	8. a. Verify Claim. b. Code expense to site & account. c. Draw RCF check. d. Forward check & documentation
9.	Asst, Superintendent/ Business and/or Director of Special Projects, Business Services Coordinator	9 a. Verify. b. Sign. c. Counter Sign. d. Return to Accounts Payable.
10.	Accounts Payable	10. a. Pull documentation. b. File. c. Forward check & code BUS-3 to site administrator.

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Step	Responsibility	Action
Fiscal Closing of Fund:		
11.	Site Administrator	11. a. Return cash, plus receipts and tags to Accounts Payable by June 15. Note: cash, plus receipts and tags must equal original advance.
12.	Accounts Payable	12. a. Code expense. b. Credit advance (See 2.a.). c. Deposit cash.

NOTE: Any claims for expense reimbursement must fit legal requirements as established by the Education Code and the California School Accounting Manual. Any inappropriate expenditures will be withheld from reimbursement to the site administrator.

Expenditures-Staff Procedures

Responsibility: A Revolving Cash Fund (RCF) is established by the Board of Education of the Calaveras Unified School District to expedite payment of liabilities of the District. Site administrators are responsible for the fiscal solvency of the operating unit budget. RCF claims shall be processed in the Business Office at least once per month and more often if necessary.

Step	Responsibility	Action
1.	Employee	1. a. Identify materials, supplies or other item(s) desired to be purchased, or estimate of travel to be incurred, in pursuit of "job" responsibilities. b. Discuss proposed expenditure with site administrator.
2.	Site Administrator	2. a. Approve or disapprove. b. See 3, if approved.
3.	Employee	3. a. Make purchase (incur expense). b. Obtain receipt or register tag, or record other expense. c. Complete RCF voucher (Form BUS-3). d. Submit to site administrator.

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Step	Responsibility	Action
4.	Site Administrator	4. a. Sign and Date. b. Forward three copies with original and one copy of receipt and one copy of receipt to Business Office when submitting the RCF reimbursement summary (BUS-4). c. Retain one copy of BUS-3.
5.	Accounts Payable	5. a. Verify claim. b. Code to school and account. c. Draw RCF check. d. Forward check & documentation.
6.	Asst. Superintendent/ Business/and or Director of Special Projects	6. a. Verify b. Sign. c. Counter sign. d. Return to Accounts Payable.
7.	Business Services Coordinator	7. a. Pull documentation b. File documentation c. Forward check to payee.

Expenditures-Reimbursement

Step	Responsibility	Action
1.	Accounts Payable	1. a. Verify complete coding of revolving cash vouchers (BUS-3). b. Verify receipts for each (BUS-3). c. Xerox receipts (as needed) d. File one set of BUS-3 and receipts e. Hold one carbon copy of BUS-3. f. Prepare purchase request for payment, making charges against appropriate accounts. g. Submit original BUS-3 and receipts and request for payment to accounts payable.
2.	Accounts Payable	2. a. Prepare input for computer. b. Forward BUS-3 and receipts to the County Superintendent's Office.

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Step	Responsibility	Action
3.	County Superintendent's Office	3. a. Approve. b. Return warrant to Accounts Payable.
4.	Accounts Payable	4. a. Forward warrant to Accounts Payable.
5.	Accounts Payable	5. a. Deposit warrant to Revolving Cash Fund Account. b. Forward check to payee.

Expenditures-Purchase Orders-Advance Payment

Advance payment to governmental agencies, publications, subscriptions and like items which cannot be secured without payment in advance as provided for in Education Code Section 40013 shall be made pursuant to the following:

Step	Responsibility	Action
1.	Site Administrator	1. a. Complete purchase requisition, indicating <u>Advance Payment Request</u> . b. Forward to Purchasing.
2.	Purchasing Technician	2. a. Determine compliance with E.C. 40013. If improper, return requisition to originator with explanation. b. Verify price. c. Assign RCF number for Advance Payment. d. Submit requisition/Purchase Order to Accounts Payable for coding.
3.	Accounts Payable	3. a. Code Advance Payment Purchase Order. b. Prepare check. c. Submit check for signature. d. File RCF copy of Advance Payment Purchase Order. e. Forward signed check, and four copies or Advance Payment Purchase Order to Purchasing.
4.	Purchasing Technician	4. a. Mail original Advance Payment Order and check to vendor.

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Step	Responsibility	Action
4.	Purchasing Technician	b. Forward receiving and department copies of Advance Payment. c. File Purchasing copy of Advance Payment Purchasing Order in Outstanding P.O. file. (Note: Do <u>not</u> encumber Advance Payment Purchasing Order.)
5.	Originator} whrseperson Receives	5. a. Sign receiving copy of Advance Payment Purchase Order upon receipt of materials. b. Forward receiving copy to Purchasing Technician.
6.	Whrseperson	6. a. Record receipt of order in outstanding P.O. files. b. Forward receiving copy to Accounts Payable.
7.	Accounts Payable	7. a. File receiving copy.

Expenditures-Purchase Orders-Advance Payment

Advance payments for purposes not identified in California Education Code 40013, e.g. conference pre-registration, room reservations, etc., shall be made pursuant to the following:

Step	Responsibility	Action
1.	Site Administrator	1. a. Ascertain advance payment is necessary. b. Prepare purchase requisition to employee and Conference Attendance Request form, in the case of a conference. Attach a copy of the conference notification or brochure.
2.	Accounts Payable	2. a. Prepare check. b. Prepare Cash receipt (BUS-3) c. Submit check for signatures. d. File requisition in "pending" e. Advise employee that check is ready. f. Forward requisition to Purchasing Technician for P.O. and encumbrance.

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Step	Responsibility	Action
3.	Employee	3. a. Sign cash receipt (Account Tech. file BUS-3). b. Pick up check. c. Make personal advances or payments as necessary. d. Submit receipts, cash balance, and reimbursement claim of expense to Accounts Payable. within two (2) weeks of date of expense or return from conference.
4.	Accounts Payable	4. a. Prepare receipt for cash returned. b. Deposit cash or hold in petty cash. c. Pull Purchase Order. d. Destroy cash receipt. e. Record proper expenditure codes. f. File receipts (for reimbursement.) g. File requisition copy. h. Forward P.O. copy to Purchasing i. Forward P.O. copy to site administrator.
5.	Purchasing Technician	5. a. File requisition copy.
6.	Accounts Payable	6. a. Request reimbursement to Revolving Cash Fund.

NOTE: If cash Advance is inadequate to cover expense, issue a supplementary RCF check.