

# LEWISTON-PORTER CENTRAL SCHOOL DISTRICT

2023

5510

Non-Instructional/Business Operations

## **SUBJECT: ACCOUNTING OF FUNDS**

Accounting and reporting procedures shall be developed to facilitate analysis and evaluation of the District's financial status and fixed assets. The District will use the Uniform System of Accounts for School Districts.

Books and records of the District shall be maintained in accordance with statutory requirements.

Provision shall be made for the adequate storage, security, and disposition of all financial and inventory records.

### **Online Banking**

The Board has entered into a written agreement with designated banks and trust companies for online banking and electronic or wire transfers, which includes the implementation of a security procedure for all transactions. Online transactions must be authorized by the Assistant Superintendent for Administrative Services. The District Treasurer, with a separate established user name and password, will have the authority to process online banking transactions. The Payroll Clerk, with a separate established user name and password, will be responsible for online banking transactions in the event the District Treasurer is not available, or as a job responsibility delegated to them by the District Treasurer. A monthly report of all online banking activity will be reviewed by staff independent of the online banking process and reconciled with the bank statement. Online banking will only take place on secure District computers located inside the Treasurer's or Business Office.

### **Electronic Transactions and Wire Transfers**

Procedures will be implemented specifying who is authorized to initiate, approve, transmit, record, review and reconcile electronic transactions. At least two individuals will be involved in each transaction. Authorization and transmitting functions will be segregated and, whenever possible, the recording function will be delegated to a third individual.

The District will enter into written wire transfer security agreements for District bank accounts which will include established procedures for authenticating wire transfer orders.

All wire transfers must be authorized by the District Treasurer or their designee. Dual approval controls will be established for non-routine wire transfer orders.

The Internal Auditor will periodically confirm that wire transfers have appropriate signatures, verification and authorization of proper personnel.

Education Law Section 2116-a  
General Municipal Law Article 2 Section 5, 5-a, 5-b, 99-b  
N.Y. UCC Section 4-A-201

Adoption Date: 06/12/2023

# LEWISTON-PORTER CENTRAL SCHOOL DISTRICT

2023

5511

Non-Instructional/Business Operations

## **SUBJECT: MAINTENANCE OF FUND BALANCE**

### **General Provisions**

The Board of Education recognizes that the maintenance of a fund balance is essential to the financial integrity of the District insofar as it helps mitigate current and future risks and assists in ensuring stable tax rates. Consistent with this understanding, the Board adopts the following standards and practices.

### **Classification of Funds**

The District will ensure that funds are classified consistent with Governmental Accounting Standards Board (GASB) Statement Number 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. Consequently, fund balance amounts will be categorized as non-spendable, restricted, committed, assigned, or unassigned.

### **Unassigned Fund Balance**

In order to maintain and support fiscal and financial stability and normal operating costs, the Board of Education recognizes its obligation under, and will strive to comply with, Real Property Tax Law Section 1318 with regard to its unassigned fund balance.

### **Fund Balance and Budget Development**

The District's ability to maintain its unassigned fund balance within the limits articulated above is contingent upon the development of a reasonable budget. Consequently, the District will develop and adopt budgets that, to the extent possible, reflect the anticipated revenues and expenditures.

Likewise, the District will ensure that appropriate reserve funds are established and utilized, consistent with applicable law and District policy, to ensure the fund balance is sufficient to meet District needs.

### **Compliance**

The District will ensure funds are maintained at levels appropriate for its fiscal health and stability.

NOTE: Refer also to Policies #5110 - Budget Planning and Development  
#5512 - Reserve Funds

Adoption Date: 06/12/2023

# LEWISTON-PORTER CENTRAL SCHOOL DISTRICT

2023

5512

## Non-Instructional/Business Operations

### **SUBJECT: RESERVE FUNDS**

Reserve funds (essentially a legally authorized savings account designated for a specific purpose) are an important component in the District's financial planning for future projects, acquisitions, and other lawful purposes. The District may establish and maintain reserve funds in accordance with New York State laws, Commissioner's regulations, and the rules or opinions issued by the Office of the New York State Comptroller. The District will comply with the reporting requirements of Article 3 of the General Municipal Law of the State of New York and the Governmental Accounting Standards Board (GASB) issued GASB Statement Number 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

Any and all District reserve funds will be properly established and maintained to promote the goals of creating an open, transparent, and accountable use of public funds. The District will authorize all payments or transfers into a reserve fund by express resolution. The District may engage independent experts and professionals, including, but not limited to, auditors, accountants, and other financial and legal counsel to monitor all reserve fund activity and prepare any and all reports that the Board may require.

### **Periodic Review and Annual Report**

The Board will periodically review all reserve funds. The District will also prepare and submit an annual report of all reserve funds to the Board. The annual report will include the following information for each reserve fund:

- a) The type and description of the reserve fund;
- b) The date the reserve fund was established and the amount of each sum paid into the fund;
- c) The interest earned by the reserve fund;
- d) Capital gains or losses resulting from the sale of investments of the reserve fund;
- e) The total amount and date of each withdrawal from the reserve fund;
- f) The total assets of the reserve fund showing cash balance and a schedule of investments;  
and
- g) An analysis of the projected needs for the reserve fund in the upcoming fiscal year and a recommendation regarding funding those projected needs.

The Board will utilize the information in the annual report to make necessary decisions to adequately maintain and manage the District's reserve fund balances while mindful of its role and responsibility as a fiduciary of public funds.

Education Law § 3653

Adoption Date: 06/12/2023

# LEWISTON-PORTER CENTRAL SCHOOL DISTRICT

2023

5520

Non-Instructional/Business Operations 1 of 2

## **SUBJECT: EXTRACLASSROOM ACTIVITY FUND**

Any organization within the District whose activities are conducted by students, and whose financial support is raised other than by taxation or through charges of the Board, is an extraclassroom activity (ECA). The moneys raised by these organizations are referred to as ECA funds. ECA fund management provides students with the opportunity to learn proper business practices and how to operate a successful business. The Board and designated District staff will protect and provide oversight of ECA funds. All ECAs will be approved by the Board.

The Board will appoint ECA Central Treasurers and an Independent Auditor, and a chief faculty counselor (appointed for each building in the District, typically the building principal). Each ECA will have a faculty advisor appointed by the chief faculty counselor. Additionally, each ECA will have a student activity treasurer elected by the members of the ECA.

All ECA funds will be handled in accordance with the financial procedures set forth in The Safeguarding, Accounting, and Auditing of Extraclassroom Activity Funds, Revised 2019, published by the New York State Education Department. All moneys received from the conduct, operation, or maintenance of any ECA will be deposited with the ECA Central Treasurers. Two separate and independent sets of records of receipts and expenditures will be maintained, one by the ECA Central Treasurers and one by the ECA's student activity treasurer. On a quarterly basis, the ECA Central Treasurers will submit to the Board a financial report relating to the receipts and expenditures for all ECA accounts. The authority to expend moneys will be distinct and separate from the custody of these moneys. The District will invest ECA funds in accordance with its investment policy.

ECAs are prohibited from using the District's New York State sales tax exemption. The ECA Central Treasurers are responsible for filing the periodic sales tax returns for ECA funds.

All commitments and contracts will be the sole responsibility of the ECA incurring the transaction, regardless of a change in faculty advisors, membership, or officers.

In conjunction with the annual audit of District records, the Independent Auditor will audit all ECA funds. This audit will include a statement of receipts, disbursements, and balances for each ECA, together with a reconciliation of cash.

Continued

# LEWISTON-PORTER CENTRAL SCHOOL DISTRICT

2023

5520

Non-Instructional/Business Operations

2 of 2

When an ECA becomes inactive or is discontinued, the ECA Central Treasurers are directed to expend the leftover ECA funds as voted by the organization controlling these funds. If this designation does not exist, then leftover funds of inactive or discontinued ECAs and of graduating classes will automatically revert to the account of the general student organization or student council. To reactivate, inactive or discontinued ECAs must follow the start-up procedures for new ECAs.

8 NYCRR Part 172, NYSED Finance Pamphlet,  
The Safeguarding, Accounting, and Auditing of Extraclassroom Activity Funds, Revised 2019

NOTE: Refer also to Policies #1330 - Appointments and Designations by the Board  
#1334 - Duties of the External (Independent) Auditor  
#1336 - Duties of the Extraclassroom Activity Fund Central Treasurers  
#3280 - Use of School Facilities, Materials, and Equipment  
#5220 - District Investments  
#5530 - Petty Cash Funds and Cash in School Buildings  
#5620 - Inventories and Accounting of Fixed Assets  
#7410 - Extracurricular Activities  
#7450 - Fund Raising by Students

Adoption Date: 06/12/2023

# LEWISTON-PORTER CENTRAL SCHOOL DISTRICT

2023

5530

## Non-Instructional/Business Operations

### **SUBJECT: PETTY CASH FUNDS AND CASH IN SCHOOL BUILDINGS**

#### **Petty Cash Funds**

Petty cash funds shall be established at each school, and the district office for the purchase of materials, supplies or services under conditions requiring immediate payment.

The amount of each fund will not exceed \$100.00. The Board shall appoint a custodian for each petty cash fund who shall administer and be responsible for such fund.

To ensure that these funds are properly managed, the following guidelines shall be followed:

1. Receipts and cash-on-hand must always total the authorized fund amount. All disbursements from such funds are to be supported by receipted bills or other evidence documenting the expenditure.
2. Payments may be made from petty cash for materials, supplies, or services requiring immediate payment. Sales tax on purchases will not be paid by the school district from petty cash funds.

The district shall reimburse uses of petty cash funds up to the extent of expenditures, with appropriate documentary support and as approved by the claims auditor. Petty cash funds provided for buildings must be closed out on June 30 and reestablished by Board action at the organizational meeting of the Board in July.

#### **Cash in School Buildings**

Not more than \$250, whether District or extra-classroom funds, shall be held in the vault in the main office of each District school building. In the event that funds exceed two hundred fifty dollars (\$250) due to the timing of specific school events, the school will hold the funds in the main office vault for deposit. Under no circumstances shall cash be left in classroom areas or desks. The District will not be responsible for funds left unprotected.

All funds, whether District or extra-classroom, shall be deposited prior to close of school each week. Only authorized personnel designated by the building administrator shall be allowed in the main office vault.

Education Law §§1604(26); 1709(29)  
8 NYCRR §170.4

Adoption Date: 06/12/2023

# LEWISTON-PORTER CENTRAL SCHOOL

2023

6161

Personnel

1 of 2

## **SUBJECT: CONFERENCE/TRAVEL EXPENSE REIMBURSEMENT**

Conference travel will be for official business and will be made utilizing a cost effective and reasonable method of travel.

All conference travel must have a completed Travel Conference Request Form (6161F) on file which has been approved by the appropriate supervisor. The Superintendent/designee approves those Travel Conference Requests which have reimbursable employee expenses. Travel Conference Request Forms are only to be used by District employees.

General guidelines for expenses to be reimbursed by the District are outlined below and should be adhered to closely. Requests for further interpretation should be addressed to the Business Office.

### **Prior Approval Required**

Travel or conference attendance without prior authorization will be at the participant's own expense. The district will not reimburse for conference expenses not previously approved.

### **Registration Fees**

Registration fees are reimbursable. An original receipt must accompany the request for reimbursement.

### **Lodging**

Costs for hotel and motel accommodations shall be reimbursable, excluding tax. An original receipt must accompany the request for reimbursement.

### **Meals**

Receipts for reimbursement of the costs of meals must be original receipts, itemized – showing what was purchased. The District will not reimburse for any receipt which includes the purchase of alcoholic beverages. Gratuity for meals shall not exceed 18% of the total bill or the percentage required by the restaurant based on the number of diners.

### **Travel Expenses**

When a personally owned vehicle is used for travel for a conference, the mileage payment shall be made at the rate currently approved by the Board at its annual reorganization meeting. When a public conveyance is utilized, the cost is to be computed at a "coach fair rate" and such cost is to be enumerated in the total conference request, and if approved, an invoice must accompany any requests for reimbursement. Toll fees and parking fees are allowable reimbursements upon presentation of an original receipt. EZ Pass statements may be substituted for toll receipts with the appropriate charges highlighted. Travel shall be by the most direct route possible. Any person traveling by an indirect route shall assume any extra expenses incurred.

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LEWISTON-PORTER CENTRAL SCHOOL

2023 6161  
Personnel 2 of 2

**SUBJECT: CONFERENCE/TRAVEL EXPENSE REIMBURSEMENT**

**Credit Card Charges**

If an expense is charged on a credit card, the receipt for that charge must indicate that it was paid by credit card. If the receipt does not indicate that, then a copy of your credit card bill (with item highlighted and other personal items blacked out) must be submitted for reimbursement.

Charges put on someone else's credit card will not be reimbursed. For example, if three staff members dine together during a conference, and the restaurant bill is charged on one individual's account – *that* individual will be reimbursed for the charge. In other words, the District cannot reimburse *you* for charges put on *someone else's* card. Auditing procedures require this. Same applies to hotel bills and registration fees. It is strongly recommended that each individual pay their own expenses – hotel stay, registration fees, meals – and submit their own original receipts for reimbursement with their claim form.

**Tax Exempt Status**

New York State sales tax cannot generally be reimbursed. Sales tax may, however, be reimbursed when such costs constitute an actual and necessary expense. A Sales Tax-Exempt Form can be obtained prior to travel for hotel accommodations.

Courses taken for salary credit cannot be reimbursed.

All reimbursable expenses will be verified in accordance with standard auditing procedures.

All receipts must be originals. Photocopies will not be accepted.

General Municipal Law § 77-b(2)

NOTE: Refer also to Policy #5323 - Reimbursement for Meals/Refreshments

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