

**PALM BAY EDUCATION
GROUP, INC.**

Your Financial Services

Handbook

By

School Financial Services

Introduction

This handbook is to serve as a guide for various financial processes from your perspective.

Current technology is utilized so that completion of the processes can be expedited. As technology changes, procedures will be enhanced to continually advance our level of service.

The mission of SFS is to provide quality business and financial services to your school. This mission shall be accomplished using sound managerial and stewardship principles in an environment that stresses teamwork and cooperation at all levels.

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Deposits

Local Bank Account

- A local bank account has been or will be established to which all operating revenue, capital funding, and state and federal grants received by school will be deposited immediately upon receipt.

- Funds are deposited by the administrative assistant or designated school employee per Charter School Board policy. One employee will prepare the deposit slip and another will make the deposit, thus ensuring 2 employees are involved in cash receipts and deposits. Both will be school employees. An employee of School Financial Services will reconcile the bank account(s).

- Depending on the district, funds are deposited by the use of these methods:
 1. Direct Deposit – Money from the district is transferred to the school’s bank account. The validated deposit slip is then mailed to the school. In this instance, no one at the school is involved in making a deposit.
 2. Remote Deposit – Money from the district is mailed or picked up by the school. After it is received by the administrative assistant or designated school employee approved by the Charter School Board, this employee will scan all checks or money orders into the remote deposit machine provided by the bank. Daily deposit limits are set by bank but can be overridden by bank if necessary. Original checks and money orders are kept in a locked, fireproofed cabinet for 90 days then destroyed by designated school employee such as administrative assistant per Charter School Board requirements.
 3. Mailed or taken directly to bank – Money from the district is mailed or picked up by the school. The administrative assistant or designated school employee approved by the Charter School Board stamps checks or money orders “for deposit only” with school stamp noting the schools account number, fills out a deposit slip, makes a copy for record

purposes and then mails or takes money for deposit to the bank.

- After administrative assistant completes the deposit, they will fax or email a copy of the checks received, the validated deposit slips and backup documentation to the banking specialist at SFS. The SFS banking specialist is responsible for reconciling the bank account and is not an authorized check signer.
- All fundraising activities, parent groups, or school support groups which do not use the school's Federal Employer Identification Number (FEIN) but have their own FEIN may establish a separate bank account for their use. The receipt and disbursement of these funds will not be accounted for by SFS or included in any financial reports prepared by SFS. Any group that uses the school's FEIN must be included in the school's General Ledger and Financial Statements.

Purchasing

(If applicable)

Purchase Requests

- To purchase goods and services, a Purchase Request (Appendix A) will require 2 or more people to approve. A Purchase Request will be initiated by the school employee or Charter School Board member making the request. The request will be approved by the site administrator or the designated Charter School Board member such as treasurer or similarly positioned member if one is delegated with this authority depending on Charter School Board policy. Typically RFP's over \$10,000 need to be approved by the Charter School Board but Charter School Board can adjust this limit as per their policy. Purchase request is emailed or faxed to SFS for processing. The Charter School Board sets the amounts that the site director may approve for purchase and the amounts the Charter School Board must approve.
- CSP purchases over \$750 will require approval of 2 or more employees or Board Members.
- The Purchase Request must be verified for transaction and budget authority. After the Purchase Request is processed, a Purchase Order (Appendix B) will be generated by SFS. Three copies of the Purchase Order will be generated. Two copies will be sent to the school, one copy to the originator of the Purchase Request and the receiving copy to the designated person to receive the goods. The third copy is the vendor copy used for order confirmation.

Travel

Reimbursement Requests

- Travel Reimbursement will be completed by submitting a Reimbursement of Travel Expense form (Appendix C). Only travel and related expenses approved by the site administrator or the delegated Charter School Board member will be reimbursed, according to Charter School Board policy.
 1. The mileage rate is set by Charter School Board.
 2. Meal reimbursement usually follows federal guidelines depending on Charter School Board policy.
 3. Lodging expenses are reimbursed fully unless Charter School Board policy states otherwise.
 4. Reimbursements for toll fees incurred are paid fully unless Charter School Board policy states otherwise.

Grant Travel (Effective During the Project Duration)

- Travel Reimbursement for CSP reimbursed travel: mileage and per diem are set to match the published guidelines by the Florida Department of Education.

Prepaid Credit Card Purchases

Uses and Limits of the Prepaid Credit Card

- The site administrator or administrative assistant may be issued a prepaid credit card upon Charter School Board request. The Prepaid Credit Card is primarily for low cost or urgent / emergency purchases. A monthly limit is established by Charter School Board not to exceed \$2,500.

Reconciliation Requirements

- Each purchase must be listed on the Prepaid Credit Card Log (Appendix D). On each Tuesday (providing the card has been used), this log and matching receipts will be sent by administrative assistant or card holder to SFS for reconciliation of purchases and restoration of the allotment if needed. The card will be restored to the account balance when it drops to or below 25% of the card limit. The designated ESP representative must approve expenses before any card is restored. It is recommended that the cardholder retain a copy of the log and receipts for their records.
- Each cardholder will receive a monthly printout of their individual Prepaid Credit Card Register. In the event a charge is incorrect, the cardholder can contact SFS to dispute the charge **within 60 days** of the transaction date.

Invoice

Payment Process

- In order to process an invoice, the invoice must be approved by the site administrator via bill transmittal. After approval, the administrative assistant emails or faxes the bills to SFS. Due to auditing purposes, original invoices must be kept. If bills are emailed or faxed, originals can be mailed to SFS or housed at school depending on Charter School Board policy. Note on invoice or transmittal if previously submitted. The Accounts Payable Specialist then confirms the bill transmittal with invoice amount, verifying mathematical accuracy of the invoice and extensions. Accounts Payable Specialist must pay from an invoice rather than a statement or quote. This will help avoid duplicate payments or paying sales tax. Prior to payment, the bank register balance must be confirmed to have sufficient funds for invoice batch. The Accounts Payable Specialist, using Cougar Mountain Software, will process the checks. Once checks are printed, Accounts Payable Specialist will enter into bank register noting any special routing instructions.
- In order to meet the deadline of check processing, SFS must receive the bill transmittal no later than on Tuesday at noon of each week, unless it is urgent. The accounts payable specialist is required to generate a spreadsheet detailing invoices due before check processing begins on Thursday of each week. This is sent to and approved by designated ESP representative.
- Any Accounts Payable Specialist, who did not process the check batch, may review the batch. This includes checking that the amount has been approved and has supporting documentation, the check amount is correct, the remittance address has been verified, and initials check copy.

- SFS president will confirm the Accounts Payable Specialist's initials, spot checks for documentation at random, signs checks, and gives to mail clerk for distribution. The SFS president is not responsible for maintaining the general ledger. The mail clerk then checks for signature, makes copy of remittance to send with payment, and mails check by selected carrier, being UPS, Priority Mail, Express Mail, or regular mail.

Other Reimbursements and Payments

Reimbursement Requests

- In most cases, school related purchases will be handled by a Purchase Request, Prepaid Credit Card, or Travel Reimbursement. However, if a faculty member incurs a school-related expense that could not have been purchased by normal procedures he / she can submit the receipt to the site administrator for approval and submission for reimbursement to SFS. This request will be in writing with the original receipts attached.

Property

Property Requirements

- The State of Florida defines equipment as accountable property if the following criteria is met:
 1. It can last more than one year.
 2. It is nonexpendable; that is if damaged or worn out, it can be repaired without replaced.
 3. It does not lose its identity through fabrication or incorporation into a different or more complex unit.
 4. It exceeds \$750 per unit cost in value (see Grant Property below).
- When a school purchases equipment that meets the criteria above, SFS will send the site administrator a property number to attach to the property.

Annual Inventory

- An annual inventory, by each school, will be required of all property. SFS will send the site administrator an inventory list to verify the equipment's location.

Disposal Requests

- Property that has been assigned an inventory number and is listed on the annual inventory **cannot** be disposed of until approved. The site administrator will complete a Property Disposal Form (Appendix E) and send it to SFS.
- After SFS completes the request, approval and instructions for disposition will be sent back to the school.

Grant Property (Effective During the Project Duration)

- Property purchased with CSP Grant funds will meet all requirements as above, with the exception of it exceeds \$500 per unit cost in value. This per unit cost does not determine if an item will be inventoried but rather whether classified as Capital or Non-Capital.
- All CSP purchased property with 600 series object codes (regardless of individual unit cost) will be inventoried at least twice annually and tagged:
 - Property of School District
 - School Name
 - Inventory item ID/serial #
 - Purchased with Federal CSP Funds
- Any proceeds from the sale of CSP funded equipment/inventory with 600 series codes must be used for a like purpose. This provision continues even after the grant expires.
- New CSP-funded equipment will be added/updated on the inventory report upon receipt or when status changes (lost, stolen, damaged, sold).
- Inventory Report will include the following:
 - Item #
 - Item Description
 - Funding Source
 - Acquisition Date
 - Cost
 - Location / Room #
 - Condition
 - Disposition Date

Budget

Annual Budget Requests

- SFS will prepare a proposed budget which combines input from the site administrator, Charter School Board, and ESP. Discretionary fund amounts will be budgeted by the site administrator and / or Charter School Board. SFS will send budget request information to the site administrator and / or Charter School Board for completion and will assist with projections and determining historical costs as needed.

Budget Amendment Requests

- The site administrator and / or Charter School Board may adjust and amended the school's discretionary budgeted funds as needed during the year. This will be done by submitting the request to SFS for approval and posting.