



# MADISON METROPOLITAN SCHOOL DISTRICT

## **Cash Handling Guidelines and Financial Procedures**

## Table of Contents

<b>Introduction</b>	3
<b>General Guidelines and Procedures</b>	3
<b>Budget</b>	4
<b>Account Numbers</b>	6
<b>Grants &amp; Donations</b>	7
<b>Service Agreements /Contracts</b>	10
<b>Direct Pays</b>	12
<b>Mileage</b>	12
<b>Conference/Travel Reimbursements</b>	13
<b>Invoices/ Billings/ Accounts receivable</b>	14
<b>Clearing Account</b>	15
<b>Food</b>	16
<b>Gift Cards/Gift Certificates</b>	16
<b>Procurement Cards P cards</b>	17
<b>Special Guidelines and Procedures for School Locations</b>	
<b>School Activity Funds</b>	18
<b>Classroom Collection of Field Trip and School Activity Fees</b>	19
<b>School Office Collection of Field Trip and School Activity Fees</b>	19
<b>Commission Checks</b>	19
<b>Banking</b>	20
<b>School Cash Supply</b>	20
<b>Event Athletic Start-Up Monies</b>	20
<b>Food Services</b>	21
<b>Money Solicitation and Collection</b>	22
<b>Student Fee Schedule</b>	23
<b>Student Fees and Rentals</b>	23
<b>Fee Pro-ration/Waiver</b>	24
<b>Textbook Damage Fines</b>	25
<b>Sale of Supplies or Materials</b>	25
<b>Refunds</b>	26
<b>Non-Sufficient Fund (NSF) Checks</b>	27

## **Introduction**

Madison Metropolitan School District continues to review its guidelines and procedures and in doing so has updated its cash handling guidelines and procedures to re-iterate the importance of safe handling of District and student assets/funds. Specifically, these procedures will:

- Increase security of funds;
- Promote consistency throughout the district;
- Promote accountability related to these activities

The guidelines and procedures outlined in this manual will provide for district-wide consistent handling of cash in the District. Adherence of these guidelines and procedures is expected from all district staff and students. Compliance will be reviewed throughout the year and during our annual audit.

## **General Guidelines and Procedures**

### **District Wide Asset/Fund Security**

- Funds may not be taken home by any District employee.
- Change may not be made out of collected funds.
- Personal or 3rd party check cashing is prohibited.
- No money should be left unattended or in the open in any school or department.
- All checks will be immediately restrictively endorsed with the applicable MMSD Depository/School Bank Account stamp.
- When Student Fees are paid by check, please ensure that the student ID number is written on the check.
- Staff should be aware of their surroundings when counting the money. Cash should be counted in a secured location.
- All collected monies will be deposited once a week or more often if dictated by volume. Establish a scheduled date to go to the bank.
- The School Secretary will obtain a deposit receipt from the bank for all of the school's deposits (e.g. Food Service, Student Fees, & Student Activities).
- All deposit receipts will be retained at the school office.

## Budget

Preliminary budget information for 2020-21 was posted to Munis on June 30, 2020. Buildings are encouraged to review their building formula budgets for planning purposes. Please take time to review the following notes and expectations regarding building formula budgets.

As a reminder, the non-personnel budget (or 'formula' budget) includes the following divisions:

All Schools:

- 0101 / General Formula – These are school discretionary funds for materials, supplies, etc.
- 0108 / SIP – These funds are available for annual School Improvement Planning and School Based Leadership Team meetings, activities, or supplies
- 0111 / Common School Fund – These funds are designated for library materials as defined by state statute for common school fund eligibility

High School Only:

- 0102 / High School Extra Curricular – Non-Athletic Extra Curricular expenditures
- 0105 / High School Athletics – Interscholastic athletic expenditures except personnel
- 0107 / High School Athletic Supervisor – Event Supervision, Ticket Person, Police

These budgets are calculated using a per pupil amount by school level and is based on student enrollment at each site. 4K student enrollment is also factored into elementary building allotments. Each 4K student is worth 0.60 of the student allotment amount and is included in your general formula funds. These funds are designated with the project code 04KDG in your reports. Please be aware that some 4K programming is centrally purchased for building use. If you are a 4K site, please review communications from the Early Learning office that discuss these purchases.

### 2020-2021 Budget Information and Reminders

Formula funds are distributed based on the same enrollment based criteria for Elementary, Middle, and High School students. For the 2020-21 budget, the total of general formula budgets has not been changed.

As a reminder, the Athletic Formula budgets are not the same across all high schools. This change began in the 2017-18 school year. The amounts given to each high school now factor in differences for facility availability, number of teams, and travel requirements for regular season practices and events. This measure was being taken to ensure that distribution of athletic formula dollars better matches the needs for all students to access the athletic programs at each high school.

The allocation method for Summer Counselor hours at secondary buildings remains the same for 2020-21. Please note that counselor hours are reflected in your formula budgets in Local B 0108 (SIP) using Function 213000 (Guidance). Funds in this area are not to be transferred for other SIP uses. If you have any questions about your allocation in this area, please reach out to Erica Kruger (x21263) in Student Services.

### Expectations Regarding Building Budgets

Buildings should be reviewing their budgets on a regular basis. You are encouraged to access your dashboard report using the attached directions.

Expenditures in formula budgets should be matched to line item budgets. If you are entering an extended employment project, please ensure that funds are available in the account code you are using. The

budget office will be reviewing all extended employment requests to ensure that there is enough budget available. If there are not funds available, your project will not be approved until a budget entry is made. If you would like to move any budgets within your formula budgets, please let us know. We will be glad to assist you with any ongoing adjustments. Please be aware, budget transfers between different formula budgets (i.e. 0101 to 0108) are not allowed.

### **COVID-19 Response for 2020-21 School Year**

For the 2020-21 school year and in response to the significant interruption in school operations resulting from the COVID-19 pandemic, the following increased carryover limits for 2019-20 are in place for building General Formula budgets for this year only:

Elementary Schools:	\$25,000 (normally \$15,000)
Middle Schools:	\$35,000 (normally \$25,000)
High Schools:	\$75,000 (normally \$50,000)

At the conclusion of the 2020-21 fiscal year, carryover limits will revert to their existing limits of \$15,000 per Elementary School, \$25,000 per Middle School, and \$50,000 per High School for General Formula budgets.

During the spring of 2020, we set up accounts using the Project code 3COVID for emergency spending related to costs associated with online learning, communications, and technology needs. When used at the building level, these codes did not count against your existing formula balances. The building carryover limits were increased for this reason to allow flexibility for reopening for the fall 2020-21 start of school. As of July 1, 2020, the 3COVID codes are not to be used further. As we learn more about the federal and state fiscal response to COVID-19 funding, we will be working to identify and designate costs to support learning in this environment.

### **Rules Regarding Carryover of Formula Budgets**

Finally, buildings should be aware of what funds can be carried over into the next year, and which cannot. The following guidelines are in place for 2020-21 with increased carryover limits indicated above.

- **General Formula 0101:** The net positive or negative amount is carried over to the next fiscal year based on spending at year end. General Formula Carryover is recorded in Local B 0131. General Formula carryover is capped at \$15,000 per Elementary School, \$25,000 per Middle School, and \$50,000 per High School unless preapproved in advance for a specific expenditure in the subsequent year.
- **Extra-Curricular 0102 (HS Only):** The net positive or negative amount is carried over to the next fiscal year based on spending at year end. Carryover is recorded in Local B 0132. Please note, a review is underway of extracurricular spending as it relates to advisor setups at the district level versus building level. At the end of the 2020- 21 school year, carryover limits will be in place once this spending is clarified.
- **Athletic Formula 0105 (HS Only):** The net positive or negative amount is carried over to the next fiscal year based on spending at year end. Carryover is recorded in Local B 0137.
- **Athletic Supervision 0107 (HS Only):** Positive amounts are not eligible for carryover. Negative amounts carry over to the next fiscal year based on spending at year end. Any negative carryover is recorded in Local B 0137.
- **School Improvement Plan (SIP) 0108:** Positive amounts are not eligible for carryover. Negative amounts carry over to the next fiscal year based on spending at year end. Any negative carryover is recorded in Local B 0131.

- **Common School Fund 0111:** No carryover allowed. District award in next year dictates amounts available for libraries.

We do not allow positive carryover in 0107 and 0108 is because these budgets are established for annual school year purposes. Overspending in these areas counts against building discretionary funding (0101 and 0105) since they have exceeded their annual amounts for these activities.

Carryover funds will be added to your budget once the district fiscal audit is complete in the Fall. Please use your current year reports to estimate any positive or negative carryover. If you would like to discuss your preliminary carryover amounts or any other questions, please contact a Budget Team member below.

Ross MacPherson, Budget Director                      442-2161  
 Natalie Rew, Comptroller                                      663-5311

### Account Numbers

The Budget Office also maintains the chart of accounts. The District’s chart of accounts is based on Wisconsin’s Department of Public Instruction’s (DPI) dictates. The District is allowed our own variation as long as it complies with DPI’s standards; this is why all new account number requests are channeled through one person to maintain. When requesting an account number to be activated, please state your purpose so the Budget Office can determine if the account number is correct. Call or E-mail Julie Pophal with your request.

Account number string example:

Fund	Organization	Object	Function	DPI Project	Local B	Location	Acct Activity
10	112	411	110000	000	0101	001	

This account number is Elementary, supply, undifferentiated curriculum, formula at Allis 

For more account number information visit this staff only site:  
<https://budget.madison.k12.wi.us/budget-department>

For Grant & Donation  
 usage

## Grants & Donations

ALL Grant and Donation monies must be turned into BPA for deposit by using the original check. This means that the donations may not be deposited into the school checking account. All grant and donation funds are subject to the same budget, procurement, and expenditure guidelines as the rest of the District funds.

### Donations

- Generally, all donated funds should be spent in the year given. A donor typically has a specific project, grade level or teacher they are donating to, therefore funds should be spent on those students at that time. Donations/gift can be any sum of money from any source.
- A donor form should accompany any donation.
- All donations are tracked (expenditures must not exceed donation) and reported back upon request of donor. Donations are represented by a number in the Local B location of the account string.
- All donations to a school must be deposited and spent to a Fund 21 donation account.
- The only exception would be funds donated specifically to fund field trips. These should be deposited into the school checking account for field trips.
- All donations are reported to the School Board for acknowledgement at a board meeting.
- If a donor requests MMSD's tax ID for donation purposes, please request a tax exempt letter found on line.

### How to proceed with a Donation:

- •If you have the Donation check, send to Julie Pophal in Accounting for deposit along with any correspondence that you received with the donation.
- •Submit how the donor would like the donation spent (i.e. supplies, AV, books, staff, etc.), for account numbers to be set-up.
- •Once the account numbers and budget are activated, use those account numbers when expending those funds in that budget year.
- •Monitor your donation budget on Munis Financial Software using biweekly budget report.

### Options for Parent Organizations:

- If a PTO receives funds from Target, Box Top Labels, etc. and the checks are made out to them, the PTO should keep the funds in their own account.
- If a PTO receives funds from Target, Box Top Labels, etc. and the checks are made out to the school or the District, the check must come to Budget, Planning and Accounting for deposit to a Fund 21 account number per DPI dictates. The donation would then be spent according to the district's Purchasing Guidelines.

### Reimbursed Donations:

- Reimbursed donations are also known as 809s because Local B 0809 is in the account string. Example: 21.112.0411.110000.000.0809.004
- Use a reimbursed donation account when you have expenditures in which an outside entity intends to reimburse the MMSD. Entities reimbursing are typically a school parent's organization or sports booster club.

**How to proceed:**

- Enter purchases using the appropriate 809 account number for your location.
- BPA will generate a monthly report which includes the transactions paid or payroll run within that month, then create and send an invoice, which includes the detailed report of the transactions, to secretary at the appropriate location.
- BPA will send the invoice/bill the appropriate entity.
- Please do not allow your PTO's and clubs to pay in advance, as there are often freight charges and an increase/decrease in the item's cost.
- Payments on the invoice should be remitted to the Accounting office along with the invoice.
- Please note that before a purchase can be made, BOE approval is still required for donations \$10,000.00 and greater per BOE policy 6177.

**Grants**

- A grant is typically federally or state funded. Examples would be Title I and Title VII.
- A grant is represented by a number in either the DPI Project or Local B location of the account string. These are predetermined numbers by DPI or state/federal requirements.
- All grant funds are tracked and reported back to the appropriate agency.
- All grant funds should be spent in the program(s) of the award.

<i>If the proposal includes...</i>	<i>Contact...</i>	<i>At...</i>
Payments to staff	Rachelle Hady, Director of Benefits, Human Resources. If you are unable to reach Rachelle, contact Heidi Tepp.	663-1795, <a href="mailto:rdhady@madison.k12.wi.us">rdhady@madison.k12.wi.us</a> 663-1742, <a href="mailto:htepp@madison.k12.wi.us">htepp@madison.k12.wi.us</a>
Computer hardware or software	Jeff Knutsen, Direction of Technical Services	663-5430, <a href="mailto:jmknutsen@madison.k12.wi.us">jmknutsen@madison.k12.wi.us</a>
Alterations to buildings or grounds	Chad Wiese, Director of Building Services	204-7909, <a href="mailto:cwiese@madison.k12.wi.us">cwiese@madison.k12.wi.us</a>
Supplies, equipment, or purchased services	Mick Howen, Director of Administrative Services	663-5287, <a href="mailto:mhowen@madison.k12.wi.us">mhowen@madison.k12.wi.us</a>
Community partnerships	Nichelle Nichols, Executive Director of Equity, Partnerships & Engagement	442-2945, <a href="mailto:nenichols@madison.k12.wi.us">nenichols@madison.k12.wi.us</a>
Professional development of staff	Jorge Covarrubias, Executive Director of Professional Learning and Leadership Development	663-1925, <a href="mailto:jcovarrubias@madison.k12.wi.us">jcovarrubias@madison.k12.wi.us</a>
Budget	Ruth Schultz, Accounting Financial Supervisor - Grants	663-5365, <a href="mailto:rschultz@madison.k12.wi.us">rschultz@madison.k12.wi.us</a>

**How to proceed with a Grant:**

- A letter from the source of the grant must be provided to Accounting's Grant Supervisor.
- The Grant Supervisor will work with you to set up a budget with the appropriate account numbers.
- You are required to spend your money based on the state/federal guidelines under which it was granted to the District and in accordance with District Policy.
- During the year, you should monitor your Grant budget on Munis Financial Software using YTD Budget Report. The Grant Supervisor will also work with the Grant administrator to review the budget and expenditures.

- At the end of the Grant, ensure that all of the funds were spent within the purchasing and accounting deadlines to expedite timely payment of invoices or employment.
- The Grant Supervisor makes all state/federal grant claims.
- If you have any questions, contact Ruth Schultz, Accounting Financial Supervisor for Grants.

## Service Agreements /Contracts

A contract is needed for every third party provider that enters MMSD property, or does work for MMSD. Contracts are necessary to limit liability when a non-employee does business with MMSD. Anything that requires an acceptance signature or agreement of terms and conditions is a contract. Contract forms and other related information is located on the Contract / Service Agreement Toolkit staff only site at: <https://budget.madison.k12.wi.us/Contracts>

### Quick facts:

- In accordance with IRS guidelines, payment must be processed through BPA, as a 1099 must be issued to a consultant for earned income.
- A contract is required for all dollar amounts.
- Agreement to reimburse for materials, travel, mileage or any other expenses must be included in the contract. Exact amounts are not required and the statement can read "...and a reasonable amount of reimbursement for ..."
- An addendum to the contract is necessary when the dates on the invoice exceed the dates on the contract, if the dollar amount exceeds the amount on the contract, or changes to milestones/scope of work.
- Some vendors may ask for an honorarium and that is considered their fee by the District. All consultants that are paid by the District receive earned income and will be reported as such to the IRS in accordance with their regulations.
- Services provided by Former Employees must go to HR and Legal Services for extended employment determination.
- All Current Employees who will be performing duties outside their contracts will need to be declared as LTEs unless they have their own LLC, carry all the insurances that are required and meet the [9-point test](#) to be considered an independent contractor. As a result of this change, b-numbers will no longer be available to use as vendor numbers. Everyone under contract must use a vendor number, which means they must fill out a W-9 and have evidence that they can meet the 9-point test and carry all the insurances that are necessary based upon their contract type.

### How to Proceed:

1. If using the **Vendor's Form**, review by Legal Counsel is required before any district signatures
2. Access the appropriate contract form on-line at: <https://budget.madison.k12.wi.us/Contracts>
3. Fill form out completely and have the consultant sign on the bottom left.
4. Ask the Principal or Executive Director to sign in the Budget Approval area on the bottom right. (At a school, only the Principal is authorized to sign).
5. Make sure the account number to be charged is on the bottom left of the form.
6. If the total of the contract will be over \$10,000 or includes Federal Funds, please work with Legal Services first or the contract will fail to be considered for BOE approval or payment.
7. Enter a requisition into Munis, following the instructions on the toolkit.
8. Send the contract to Business Services for final approval and processing.
9. The contract originator will then receive a copy of the completed contract with the purchase order number on it.
10. The consultant will then receive a copy of the contract along with instructions on how to invoice the District.
11. Do NOT enter a Direct Pay (DP) for payment of the invoice.
12. The invoice needs to be approved by the budget manager on the contract and then Accounting can pay the invoice against the purchase order.
13. Please include the purchase order number on the invoice.

**Debate & Forensic Judges**

Judges are required to have a contract on file in Accounting. There is no need to decide on the total amount to pay individual judges on the Services Agreement form. For payment, simply have the judge fill out the standard form CO2-CF, then fax or inter-office it to BPA for payment. Forms located here: <https://budget.madison.k12.wi.us/Forms>

## Direct Pays

Direct Pays (DPs) are a method of reimbursement or for paying unexpected, unanticipated items that could not follow Purchasing guidelines. A DP is a last resort method of paying for invoices and small staff reimbursements. DP's are also entered for staff conference attendance and conference expense reimbursement. When acquiring items, a p-card or a requisition and purchase order should always be requested, just as a contract should always be in effect for services. Purchasing guidelines can be found at: [Quick Guide to Purchasing Thresholds](#)

### How to proceed:

- The Secretary has invoice/receipts with the applicable expenditure account number recorded on it.
- The Secretary completes the Direct Pay Form and obtains all Supervisor/Budget Manager signatures and backup documentation.
- The Secretary submits all invoices/receipts and direct pay form to BPA (Room 200, Doyle Administrative Building).
- After submission of invoices/receipts to BPA, any DP may be analyzed and questioned for appropriateness of purchasing and payment method. Any DP over \$5,000 Accounting Services will be forwarded to the Comptroller for approval.
- Accounting Services processes the payment and mail; the check with appropriate attachments.

## Mileage

Mileage is reimbursable to District staff that are required to use their own car for District purposes.

- The reimbursement rate is set by the IRS.
- The district reimburses employees for mileage for trips between the first and last assignments.
- Reimbursement for mileage incurred for trips to the employee's first work assignment or from their last work assignment is not paid.
- If an employee is required to return for an evening or weekend meeting, mileage can be claimed for the trip.
- If the employee lives outside the district boundary, mileage can only be claimed from the district boundary to the meeting place.
- Mileage form must be signed by staff and Principal or Chief/Director at the Administration level.

Use your vehicle's odometer for exact miles traveled. A mileage chart and reimbursement form is located on the staff only site at: <https://budget.madison.k12.wi.us/Mileage>.

## **Conference/Travel Reimbursements**

The current Travel and Conference Policies are located at: <https://budget.madison.k12.wi.us/Conference>

- All Travel and Conference arrangements are made by the individual(s) attending or department secretary.
- Out of District Professional Activity Request Form, with all appropriate approval signatures, is the first step.
- A Direct Pay must be completed by the appropriate secretary and approved by the Supervisor/Budget Manager.
- The Out of District Professional Activity Reimbursement Form must accompany any Direct Pay processing submission.
- Registrations may be done by completing a requisition to the Conference Vendor or Procurement Card.
- Travel Expenses (Rental Cars, Airfare, Taxi, Meals, Tolls, Misc.) should be charged to the travel Procurement Card.

If you are lodging in Wisconsin, take the tax exempt letter to ensure the room is exempt from state tax.

<https://budget.madison.k12.wi.us/taxexempt>.

No matter what state you are lodging in, please ask for government rates.

## **Invoices/ Billings/ Accounts receivable**

BPA creates invoices/bills for the District and follow-ups on collection. As soon as the invoice is entered into Munis the revenue is created and an account number is assigned.

### **Internal reimbursed subs:**

The internally reimbursed sub code is used when sub costs are reimbursed by an MMSD budget (other than your school's), a school checking account, or a PTO (for this purpose, the District considers them internal organizations.) Examples: A music teacher from Whitehorse participated in an event at East so East agreed to cover the sub cost.

How to proceed:

- Use sub code **857** to request the sub.
- Add the account info to the Google Sheet sent from Denise Scott.
- Include the account covering the cost (formula, school checking, etc....).
- BPA will move the sub costs to the provided account/budget.

### **External reimbursed subs:**

There are many organizations that offer reimbursement for the District's sub costs, so when a teacher needs a sub to attend an event, have them ask the event sponsor for reimbursement.

For example: the University of Wisconsin invites teachers to participate in events and typically offer to reimburse the District for the cost of said teachers' subs. The daily reimbursement rate is \$200.

How to proceed:

- Use sub code **807** to request the sub.
- Add the billing info to the Google Sheet sent from Denise Scott.
- Include the billing info: contact name, address, event name, and portion covering (full or partial cost, see notes below.).
- BPA will generate and send an invoice to the appropriate entity.

### **Note:**

- If less than \$200 is reimbursed by an outside entity, the department or school is responsible for covering the remaining balance of the sub.
- For internally reimbursed subs, the actual cost for the sub will be used, rather than the \$200 daily rate. The cost is not available until the payroll has run.

### **Clearing Account:**

Clearing account invoices are also known as 970s because Object 0970 is in the account string. Example: 10.222.0970.240000.000.0000.141

When this account number is used, it is assumed that the school intends to pay for the expenditure(s) using their SAF (school activity funds) checking account.

How to proceed:

- Enter purchases using the appropriate 970 account number for your location.
- The Accounting office will generate a monthly report which includes the transactions paid or payroll run within that month, then create and send an invoice, which includes the detailed report of the transactions, to the clerical support at the appropriate location.
- The school secretary then pays the invoice using the appropriate club account within the checking account.
- Please do not pay in advance, as there are often freight charges and an increase/decrease in the item's cost.
- A check with the invoice number referenced should be sent to Accounting Services.

## **Food**

The Management Team has developed the following guidelines for the purchasing of food for meetings, etc.:

- **Local tax dollars may not be used for purchasing food.**
- Non-tax resources that may be used to purchase food are vending machine proceeds, donations, grants, Title 1 (parent outreach only), PTO, etc. Any exceptions must be approved by the Assistant Superintendent.
- Purchasing food/snacks for anything involving Students, Parents or the Community out of any type of budget is allowed, as long as the Wellness Policy is observed.
- Use Club/Agency Funds, for student related activities.
- Use Staff Sunshine Funds, for staff.
- For professional staff meetings held:
  - Food may not be purchased for regular staff meetings. Food may be purchased for all day meetings.
  - Meetings before the normal start of the work day,
  - Meetings over the lunch hour,
  - Meetings over the dinner hour.
- If meetings are held within MMSD buildings, the MMSD Eatery should be explored first before going to outside vendors.
- Follow the regular district purchasing policy when purchasing food. Purchasing cards may be used.

Please note that these food policies are under review and could change for the 2021 school year.

## **Gift Cards/Gift Certificates**

Gift cards or Gift Certificates can be purchased:

- For student incentives.
- If a grant or donation specifies, for instance a donation to purchase grocery gift certificates for homeless students.
- By using location staff Sunshine funds.

Gift cards or Gift Certificates MAY NOT be purchased:

- As a "Thank you" to a district employees.
- As payment or thank you to a consultant or vendor.
- For families as a gift payment or incentive to attend School sponsored events.
- To use up budget funds (General, Donation or Grant budgets etc.).

## Procurement Cards P cards

The District has implemented the U.S. Bank Visa Purchasing Card Program to facilitate the purchase and payment of low cost goods (usually under \$50). The main purpose of this program is to establish a more efficient, cost-effective method of purchasing small dollar items for District programs and activities. Purchasing cards eliminate purchases previously made via petty cash or through the use of personal funds that are later reimbursed by the District. In most instances purchases over \$50 should be facilitated through the Munis requisition System. As stipulated by MMSD Board of Education policy #6244, most purchases should fall under the authority of the Director of Administrative Services or the Director of Building Services.

Purchasing cards will only be issued to schools/departments which have the recurrent need to make purchases of low cost goods and services, and have a history of complying with all purchasing and financial policies. The approval of the Principal/Administrator is required for the issuance of any card. All prospective cardholders must sign the Cardholder Agreement before a card will be issued to them.

Purchasing Services and Accounting Services are responsible for administering the program for the District. The purchasing card is a unique credit card. The U.S. Bank Visa Purchasing Card is similar to any other Visa Card, except that all statements are paid bi-weekly, and it includes controls to make it functional for large organizations. These controls ensure that the card can be used only for specific commodity purchases and vendor types within specific dollar limits. Improper card use may result in cancellation and appropriate disciplinary action.

P card usage will adhere to following guidelines

- The p card statement will be reconciled monthly by the secretary.
- The reconciled statement will be approved by the Principal/Administrator.
- The secretary is the keeper of the procurement cards and is responsible for safeguarding and issuing the cards.
- Appropriate documentation for each purchase, such as a printed receipt from the vendor, will be provided to the secretary upon return of the card.
- Secretaries will document any required budget account change on the statement and provide the request for change to BPA.
- Appropriate use of p-card as a purchasing vehicle.
- Cards, receipts, and statements will be stored appropriately in a binder.
- The P card may not be taken home.
- Cards will be checked out and in via a sign out log.

NO TAX may be paid using a procurement card.

The purchasing card may be used at any merchant or service provider that accepts the card, except as noted in the MMSD Purchasing Cardholder Agreement Form.

For complete information on the Procurement Card program please visit the following website:

[http://dww.madison.k12.wi.us/purchasing/purchasing\\_cards.htm](http://dww.madison.k12.wi.us/purchasing/purchasing_cards.htm)

## Special Guidelines and Procedures for School Locations

### School Activity Funds

All funds held in MMSD checking accounts are subject to the same guidelines as funds issued from District Office, regardless if they are collected student fees or extra-curricular fundraised monies.

- Tax will not be reimbursed to anyone seeking reimbursement for expenditures. Please copy and distribute the letter regarding MMSD's tax exempt status located on the staff only site at: <https://budget.madison.k12.wi.us/TaxExempt>.
- Each check issued from an MMSD checking account will have appropriate itemized receipt or invoice amount matching the check.
- A live signature by the principal on all "Order of Withdrawal of Funds" and checks, documenting approval of the disbursements, is required.
- Consultants/service providers are not to be paid out of school checking accounts.
- Consulting fees are considered earned income and are subject to IRS guidelines for 1099 issuance. Consultants and service providers are paid by BPA to ensure compliance with IRS earned income guidelines.
- No check shall be issued to an MMSD employee for labor or services rendered, regardless if the work does do not pertain to their normal employment.
- If a school or location wishes pay for a staff member's services, extended employment must be entered to ensure the appropriate taxes are deducted.
- All purchases, \$1000 and over, will be entered into Munis Financial Software as a requisition, to go through the electronic approval process.
- All purchases must still adhere to MMSD purchasing policies located on the district site at: <https://operations.madison.k12.wi.us>
  - Examples:
    - AV equipment must be approved by Media Production.
    - Computers, software and related must be in compliance with Tech Services standards.
- School General Formula cannot be used for the purchase of flowers, gifts, etc.
- Student activity funds may not carry negative balances.
- Monthly reports of financial transactions of the various trust and club accounts are to be prepared and submitted monthly to the appropriate administrator.
- Void checks are to be maintained by school.

## **Classroom Collection of Field Trip and School Activity Fees**

- Class teacher/assigned staff will prepare an “Activity/Field Trip Roster” for each field trip or school activity.
- An entry should be recorded on the Roster for each student participating.
- Cash/checks should be placed in the envelope “Activity/Field Trip Remittance Form” and submitted to the School Secretary nightly for safekeeping in the building safe.
- When all fees have been collected; a copy of the “Roster” and the Remittance Envelope will be turned into to the School Secretary.
- The School Secretary will reconcile the collected payments on the Remittance Envelope to the amount collected on the Roster and staple the envelope behind the Roster.
- The “Activity/Field Trip Roster” and “Activity/Field Trip Remittance Envelope” are to be retained at the school office. The Roster Forms and Envelopes may be ordered from Printing Services (at your expense) by referring to the following:
  - ../ A/P 70 Activity/Field Trip Roster
  - ../ A/P 71 Activity/Field Trip Remittance Envelope

## **School Office Collection of Field Trip and School Activity Fees**

- Class teacher/assigned staff will deliver cash and checks collected in the classroom to the School Office daily, specifically the School Secretary responsible for money handling. The cash and checks must be physically handed School Secretary responsible for money handling.
- Cash and checks may not be left unattended at the office.
- All checks will be immediately restrictively endorsed with the applicable School Bank Account stamp by the Secretary.
- The School Secretary responsible for money handling will issue a pre-numbered receipt for all cash and checks collected, so that the total collected reconciles with the pre-numbered receipt issued. The secretary will retained appropriated documentation: e.g. items receipted, unit price per item, money description.
- The School Secretary deposit any cash or checks in the school bank at least once a week, or more often if dictated by volume.
- All cash and checks will be stored in the school safe until they are deposited in the school bank account.
- The secretary will obtain a deposit receipt from the bank.
- The deposit receipt could be collected the same day or the next time the authorized employee goes to the bank by special arrangement.
- All deposit receipts are retained at the school office.

## **Commission Checks**

Vending Commission – If a vendor check comes to your school, please send it to BPA. Most of the vendors send the check BPA. These checks are tracked based on our contracts with the various vendors. Accounting will issue a district check to the school for the school to deposit in the school bank.

Elementary & Middle Schools – Vending commission revenue may be used for staff, since they are the primary users of the vending machines.

High Schools – A breakdown will come with the check with the amount for the staff and students.

## **Banking**

- The School Secretary deposit any cash or checks in the school bank at least once a week, or more often if dictated by volume
- Bank reconciliations should be prepared by the School Secretary on a monthly basis by the 15th of the following month. Bank reconciliations should be reviewed and approved by the principal.
- US Bank and Summit Credit Union are the local service providers.
- Use the night depository to deposit funds, and a receipt will be mailed to you, or
- Use the night depository to deposit funds, but enter the bank to obtain a receipt for your previous day's night drop deposit, or
- Enter the bank and make a deposit in person and obtain a provisional receipt. This would only take a few minutes. A corrected receipt will be issued only if an adjustment to your deposit is necessary. Again, you have the option of picking this corrected receipt next time you are at the bank or have the bank mail it to you.

## **School Cash Supply**

The District will supply a non-replenishable cash amount for making change. Contact Jim Beilke, Accountant to obtain the School Cash Supply.

The amount given is as follows:

- Elementary School - \$50.00
- Middle School - \$100.00
- High School - \$300.00

This Cash Change Supply will be kept in the building safe at the individual site. The original cash allotment (e.g. Middle School currency of \$100) should always be maintained.

This Cash Change Supply will be reviewed at the end of each fiscal year as part of the external audit.

## **Event Athletic Start-Up Monies**

- Before each season the Athletic Office at each school will receive a lump sum amount of money to be used as start-up money.
- Gate receipts will be deposited the same night or locked in the school's safe.
- Start-up money will be returned to the school's safe.
- Form CO1-Bs will be provided to the District Athletic Office within five days after the event.
- District Athletic Office will verify gate receipts with the Accounting Services at the end of each month.
- Monies placed in a disposable deposit bag will fit into a bank night deposit drop without the need of a key. If you are in need of a key, please contact Jim Beilke to set that up.
- Start up monies are to be deposited at the end of each season and a CO-1-B sent to Jim Beilke in Accounting Services, reflecting the deposit.

## Food Services

### Classroom Staff

- All lunch/milk funds collected in the classroom will be taken to the school office by the class teacher/assigned staff daily at the designated time set by the Principal.
- In the school office, the money should be kept in a secured area until the Food Service staff collects it from the School Secretary daily.

### Food Service Staff

- The money will be kept in a locked drawer in the kitchen during the day until it is taken to the school office.
- The Food Service staff will count all cash received and reconcile to the Cash for Deposit Report.
- The Food Service staff will make an adjustment on the computer for cash over or short.
- All cash and checks generated (including overages) must be deposited daily, regardless of the amount indicated on the daily Cash for Deposit Report.
- The Food Service staff should be aware of her/his surroundings when counting money. It is recommended money be counted in a secured area.
- The Food Service staff will prepare the deposit slip and place the deposit in a secured bag. All checks should be restrictively endorsed with the MMSD Depository Account stamp.
- Every day, the secured bag, which includes the money along with the deposit slip, will handed to the School Secretary. The Food Service worker will receive an acknowledgment from the secretary, both will sign off on a sheet retained at the school office.
- Do not leave money unattended in the school office.
- The Food Service staff will retain a copy of the deposit slip along with the Daily Cash for Deposit Report.
- Daily, after the bank deposit is completed and adjustments have been made, the Food Service staff will upload the computer.
- The money for the cash drawer should be kept in the school office safe or another secured area overnight. This money should be placed in a separate bag (other than the daily deposit) and given to the School Secretary.
- When change is required for the cash drawer, the Food Service personnel will provide the School Secretary with cash for the change in a separate bag.
- Checks should be accepted from staff for the amount of the purchase only, unless the checks are to be deposited on account.
- The Food Service worker is responsible for reducing a student's account by any NSF check amount plus fees as notified by Accounting Services.
- When a student leave the district and a refund is due, the food service worker should inform the School Secretary/Food Service Manager the name of the student, whom the check should be written to, the address where the check should be mailed and the amount due. The School Secretary/Food Service Manager then faxes or E-mail's Rebecca Bender (located in Food Service) this information. A refund check will be mailed from BPA.

## **Money Solicitation and Collection – Board Policy 4121**

Do not solicit or collect money from student unless it has been specifically approved by the SUPERINTENDENT.

### **PROCEDURE**

Approved collection of money from pupils is limited to the following:

- Sale of approved school supplies;
- Approved pupil fees;
- Field trip assessments;
- School activity costs -- dances, picnics, banquets, plays, concerts, athletic events, etc.;
- Parent dues or contributions to parent-teacher organizations;
- School lunch;
- School milk;
- Students, teams, rooms, grades, buildings, or other delineations may not compete for solicitation or collection of money. The total amount of money collected may be announced only by school building or by each grade of the School District.
- No emblem, insignia, plaque, or other designation or endorsement may be given or accepted in acknowledgment of effort or achievement for the collection of money.
- Pupils may act as messengers or carriers for notices, tickets, and money between home and school for parent-teacher organization activities.
- Solicitation or collection of money may in no way be cause for embarrassment to pupils or parents.

## Student Fee Schedule

See Enrollment current fees at <https://enrollment.madison.k12.wi.us/student-fees>.

### Student Fees and Rentals

Standard fee/waiver forms are created by RAD. Forms are filled out electronically during registration.

- Pupil fees may be charged, subject to the approval of the board of education, and collected on an annual basis.
- A pupil is not to be denied full entry privileges because of nonpayment of fees, fines, or rentals; nor is any student to be identified for payment or nonpayment of fees, fines, or rentals.
- Fees and rentals paid to a Madison district school are honored by other Madison district schools for the pupil who transfers from one school to another during a given school year.
- Unpaid fines, assessments, or obligations transfer with a pupil from the Madison school of her/his withdrawal to the Madison school entered, and are collected from the pupil by the school where the pupil terminates her/his school year in a Madison school.

#### Middle School Activity Fees

The activity fees should be deposited in the central depository account with the rest of the fees. One quarter (1/4) of the student athletic fees will be allocated back to the schools from Accounting Services as a budget adjustment on a monthly basis as money is received in Accounting Services.

#### Middle and High School Yearbooks, Planners & Locks

The funds related to these activities should be deposited in the central depository account as well. The following accounts will be set up to account for revenues and expenditures for yearbook, planners and locks.

	Revenues	Expenditures
Yearbooks	10.2x2.1243.161338.000.0854.XXX	10.2x2.0354.161338.000.0854.XXX
Planners and Locks	10.2x2.1292.120018.000.0804.XXX	10.2x2.0411.120018.000.0804.XXX

#### Student Fees Collected After Initial Registration Period

Student fees that are collected after the initial registration period will be handled in the following manner: Student fees will be deposited in the Central Depository Account once a week or more often as dictated by volume. Then, a deposit transmittal form shall be submitted to Accounting Services, so that the deposited Student Fees are allocated into the proper general ledger accounts.

When Student Fees are paid by check, please ensure that the student ID number is written on the check.

## **Fee Pro-ration/Waiver**

### **Pro-ration Board Policy 3710A**

Pupil fees and rentals are pro-rated for the pupil who transfers into the Madison Metropolitan School District and enrolls in a school after the opening of the school year as follows:

- 1st quarter - full payment
- 2nd quarter - 80% payment
- 3rd quarter - 60% payment
- 4th quarter - 40% payment

### **Waiver – Board Policy 3340**

#### **School Activity Fee Waiver**

To encourage all students to participate in all school activities, regardless of the student's financial situation, it is the policy of the board to waive the payment of part or all of student fees if the student or the student's parent/guardian demonstrates an inability to pay such fees, and to notify students and parent/guardian of this fee waiver policy.

Student fees for the purpose of this policy include fees for school day field trips and fees that are on the yearly student fee schedule, except for library and textbook fines.

At the beginning of each semester, the principal shall notify the staff, the students, and their parents or guardians of this policy and procedure. In addition, information regarding the fee waiver policy will be included in enrollment information provided to new students and their parents or guardians, and in information about the availability of free and reduced-price student meals. Any written notification or registration form relative to items on the student fee schedule including field trips shall include an opportunity to claim a waiver under this policy unless, when a parent/child indicates that a child will not participate, the class teacher or another representative of the school makes a good faith effort to contact and inform each such parent/child that s/he can claim a waiver pursuant to this policy. When information about such an activity is given verbally to a group, information regarding fee waivers is to be given verbally. A student or his or her parent may also seek a fee waiver by contacting the principal or principal's designee directly.

Whether a student, or his or her parent or guardian, is unable to pay a fee in whole or in part shall be determined by the principal or principal's designee upon consideration of financial information provided by the applicant for the exemption. Factors to be considered include, but are not limited to, eligibility for free or reduced student meals. Any denial of a waiver under this procedure may be appealed to the appropriate Assistant Superintendent.

## **Textbook Damage Fines – Board Policy 3710B**

Discretion governs the assessment of fines for lost or damaged textbooks. The construction of the book, the condition of the book, and the nature of the loss or damage is to be taken into account. Such discretion applies to the following fine schedules:

### **Lost Books and Books Damaged Beyond Repair**

Year of Use	Fine:
1st	100% of the cost price of the book at the time of purchase
2nd	80% of the cost price of the book at the time of purchase
3rd	60% of the cost price of the book at the time of purchase
4th	40% of the cost price of the book at the time of purchase
5th and after	20% of the cost price of the book at the time of purchase

### **Major Book Damage**

The book needs to be rebound, the book cover has been removed, or the binding is damaged. The fine is 40% of the price at the time of purchase, regardless of the book age with a Minimum Fine of \$1.00.

### **Minor Book Damage**

Torn pages, soiled pages, creased pages, excessive writing or marking in or on the book. The fine is 20% of the price at the time of purchase with a Minimum Fine of \$1.00.

### **Other Student Fines**

Student fines may also be collected for unreturned library books and lost athletic uniforms. These fines have been historically assessed by each school to be reasonably compensated for item replacement.

### **Collection and Expenditure of Fines**

All textbook, library and athletic uniform fines collected shall be deposited in the central depository. The appropriate receipt transmittal form should be filled out to indicate the source of funds. Each school will be given additional budget through library, formula or athletic formula in the next fiscal year equal to the amount of the fines collected in the prior year to spend for replacement.

## **Sale of Supplies or Materials – Board Policy 3650**

A school may sell instructional supplies or materials to pupils.

A school may sell instructional supplies or materials to pupils providing:

- The instructional program warrants the sale of the supplies or materials;
- The price of the item or materials is economically advantageous for the pupil.

A list of instructional supplies that are being sold by the school will be filed with the appropriate Assistant Superintendent.

School personnel, as school employees or private individuals, may not sell supplies or materials to students.

No particular supplier of school supplies or materials may be designated to student under any circumstances.

## **Refunds – Board Policy 3710A**

- Refunds may be made for school activity fees, food service, and athletic fees.
- Refunds should only be made to students who are leaving the district or withdrawing from an activity.
- Refunds should not be made when a student transfers to another school within the District.
- The School Secretary is authorized to make refunds with the proper information: a signed request, name of the person receiving the refund, address of person receiving check and amount due.
- The refund check may be made out of the school bank account and charged against the student fees account at the school level and be reimbursed by the district.
- Refund requests are made via E-mail to Jim Beilke in the Budget, Planning & Accounting Department.
- All refunds must be in the form of a check.

A refund of pupil fees and rentals is paid to the pupil who withdraws from a Madison school and does not re-enroll in another school before the close of the school year as follows:

1st quarter - 80% refund  
2nd quarter - 60% refund  
3rd quarter - 40% refund  
4th quarter - no refund

## Non-Sufficient Fund (NSF) Checks

Accounting Services is responsible for collection of NSF checks. As soon as notification is received, both the recordkeeping and collection process will start. In all cases, NSF checks will be received from the bank by BPA. Depending on the type of check received, procedures will vary. In all cases a notice will be sent to the appropriate area or school regarding the NSF.

- Food Service – Because a food service check by nature is generally paying for a future service, NSF information should be forwarded to our food service accountant and the amount of the check subtracted from the student’s account. A \$15 processing fee will also be subtracted from the student’s account.
- MSCR – NSF information will be sent to MSCR personnel. Depending on the course enrollment (adult fitness versus Safe Haven child care) the enrollee may be dropped from the class. MSCR will record these checks against the appropriate revenue account when submitting their monthly remittance.
- Student Fees – The appropriate record should be located on Infinite Campus by the School Secretary and a New Fee Assignment created for the amount of the NSF check plus a \$15 NSF fee. In the case of a fee being related to athletics, the high school Athletic Secretary will be contacted to update the coach.
- Student Activity – As all recordkeeping for student activity accounts is done at the building level, the school will be notified of the NSF, with a photocopy of the check attached for their use. The schools will then adjust their bookkeeping accordingly.
- For checks deposited within one week of receipt, the NSF \$15 fee will be debited to our bank charges account. If a school or department holds onto a check for more than two weeks resulting in an NSF, the \$15 fee will be debited to the school or department’s budget.

### Collection of NSF’s:

- For Food Service checks, no collection efforts will be made. Our legal counsel has advised that as the checks are in effect prepaying for a service, it would be difficult to collect on the entire amount. Complications also arise when the amount of the check does not cause the account to be overdrawn by the same amount.
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- All other NSF checks - Within five days of the NSF check being received in BPA from the bank, a first collection letter should be sent to the payer. The letter states that the funds should be remitted to DOYLE, not the school.
- When funds are remitted, the following steps need to take place:
  - For MSCR checks, we will work with MSCR personnel to determine the appropriate revenue account, and also communicate with them that enrollment can be reinstated.
  - For student fees, the original amount of the NSF will be credited to the appropriate revenue account, and the fee adjusted on Infinite Campus as paid. The \$15 fee will be credited to our bank charges account.
  - For student activity accounts, the appropriate school will be notified and a request for the appropriate revenue account made. As these funds will be deposited centrally, and a transfer and journal entry for the deposit created.
- If an NSF is reported by the check writer prior to collection efforts taking place, the NSF fee charge may be adjusted.
- If funds are not remitted a second letter will be sent within 20 days of the initial letter. A copy of this letter is also included. The same steps will be taken as after the initial letter if funds are remitted.
- It is imperative that school personnel communicate with Accounting Services if replacement funds are received at the school for an NSF check. Without our knowledge of receipt, collective efforts will continue.

- If after two letters are sent with no response, Accounting Services may use the services of a collection agency.

Further check acceptance:

District staff has also inquired if it is acceptable to not accept checks after an NSF has been received. Our thought is that after two NSF checks are issued to us per school (without being successfully replaced), it would be appropriate to no longer accept checks as a method of payment.