

BUSINESS OFFICE PROCEDURES AND INTERNAL CONTROL STANDARDS



Table of Contents

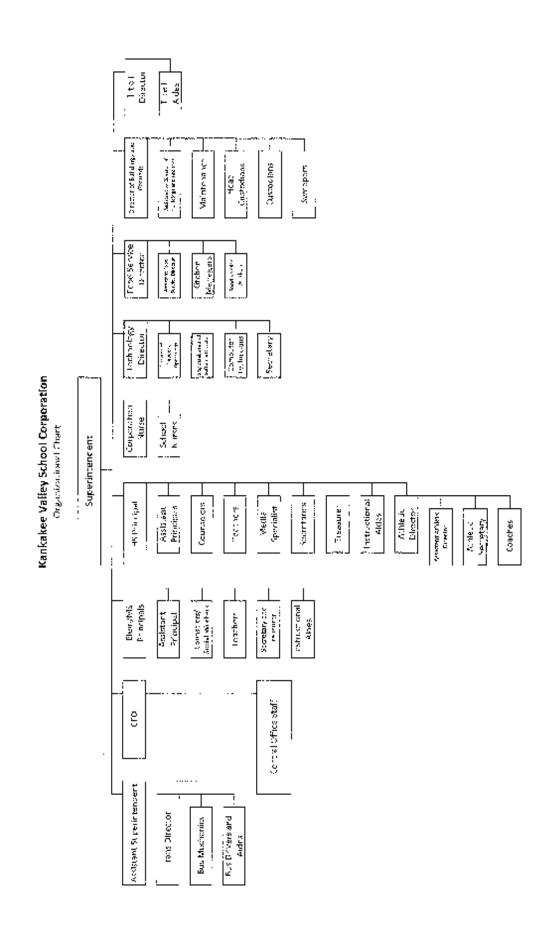
l.	GE	ENERAL INFORMATION1
	0	Organizational Chart
	0	Job Description (Staff Job Descriptions on File)
	0	Daily Procedures
	0	Monthly Procedures
	0	Quarterly Procedures
	0	Semi-Annual Procedures
	0	Fiscal Year Procedures
	0	Calendar Year Procedures
	0	Gateway Reporting
	0	Retention of Records (subject to change)
	0	Data System Security and Access to Records
	0	Credit Cards
	0	Statement of Acceptable Risk and Materiality Threshold
	0	Attorney Opinion on Fees
	0	Bonding Policy
	0	Resolution of Board of Trustees adopting Internal Controls
II.	Вι	JSINESS STAFF TRAINING24
	0	Indiana Code 5-11-1-27 required Internal Control Policy Training
	0	Uniform Internal Control Standards for Indiana Political Subdivisions
Ш	. ST	ATE AND FEDERAL PROGRAMS/GRANTS25
11.7	EV	TRACURRICULAR ACCOUNTING27
ıv		
	0	Daily Processes
	0	Monthly Processes
	0	Semi Annual/Fiscal Year Processes
	0	Separation of Duties
	0	Gateway Reporting
	0	Bonding Requirements Cash Handling Practices
	0	Athletics
	0	Concessions
	0	Fundraisers
	0	Gifts and Donations
	0	Ticket Taking
	0	Processing of Personnel Payments
	0	Gift Cards
	0	Form Approval
	\cup	i omin'ipprovai

	0	Disposition of Old and Outstanding Checks
V.	SC	HOOL NUTRITION PROGRAM32
	0	Daily Procedures
	0	Monthly Procedures
	0	Fiscal Year End Procedures
	0	Prepaid Food
	0	Write-off Procedures
	0	Procedures for Student Meal Accounts and Charge Policy
	0	Approval of Staff and Student Meal Prices
	0	Separation of Duties
	•	Endorsement of checks
	•	Bank reconciliations
	•	Entering and Posting of Data
	•	Purchasing and Receiving Functions
	•	Contract Management
	•	Free and Reduced Applications
	•	Textbook Assistance
	•	Receipts and Bank Deposits
	•	Payroll
	•	Monitoring of Segregation of Duties

o Write-off Procedures

o Signature Stamps

o Credit Card





Kankakee Valley School Corporation

Deputy Treasurer

The Deputy Treasurer is responsible for the coordination and processing of payroll services for all employed staff of Kankakee Valley School Corporation. The Deputy Treasurer, under general direction, will plan, organize, manage, and participate in the personnel and benefits record management, and state and federal reporting. As required by administrators and staff working in the central office, the Deputy Treasurer will utilize word processing, spreadsheet, and presentation software. Confidentiality must be maintained in carrying out the responsibilities of this position. The School Deputy Treasurer is responsible for the coordination and performance of the following:

- Manage the processing of payroll and related data, forms and applications to assure employees are paid in an accurate and timely manner.
- Assure payroll functions comply with federal, state and local laws, codes, rules and regulations.
- Organize, direct, and participate in the processing and auditing of employee time cards, pay sheet information and related reports and documents.
- Evaluate and assure proper and timely resolution of payroll errors and discrepancies.
- Review, evaluate, and audit payroll and related financial and statistical data to assure accuracy and completeness; partake in making corrections, additions and deletions as needed.
- Participate in calculating and processing checks for special payroll transactions such as retirements, terminations, leaves of absences and other matters.
- Balance teacher contracts to assure accurate employee payments.
- Organize, tabulate and review various payroll reports using a variety of financial and statistical payroll data.
- Reconcile and assure proper balancing of payroll accounts.
- Extract and adjust data, develop spreadsheets, initiate queries and generate a variety of computerized records and reports related to District payroll activities.
- Maintain and update deduction schedules with changes.
- Maintain schedule of payroll and reporting time lines; assure reports are completed and submitted to appropriate administrators or governmental agencies in accordance with established time lines.
- Maintain knowledge of laws, codes, regulations and pending legislature related to the payroll function; adjust activities to meet state and federal requirements.
- Report to teachers' retirement and non-certified retirement agencies each pay day.

- Process and distribute annual W-2s to employees; report W-2 information to federal and state agencies.
- Preserve oversight of employee licensing and employee experience to ensure proper placement on compensation models.
- Coordinate extra-curricular billings.
- Maintain and reconcile benefit billings for payment.
- Upkeep payment spreadsheet for receipt of outside payments to retain benefit coverage.
- Retain and manage attendance records on all personnel and service records.

• Perform other duties as assigned by the Chief Financial Officer.

Reports to: Chief Financial Officer, Superintendent, or designee designed to meet the

particular needs of the district

Evaluated by: Chief Financial Officer

Work Period: 260 days/year, 8 hours/day, 5 days/week

Qualifications: Any combination equivalent to: graduation from high school or college-level

course work in accounting or related field and demonstrated payroll

experience of three to five years

Demonstrates analytical and computer skills

Exceptional oral and written communication skills

Positive personal image.

Collaborative work ethic.

Exceptional organizational skills.

Physical Regularly required to sit, stand, walk, talk, hear, operate a computer, hand-

Requirements: held learning devices and other office equipment, reach with hands and arms,

and must occasionally lift and/or move up to 10 pounds.

I. GENERAL INFORMATION - INTERNAL CONTROL SYSTEM

The Corporation's internal control system comprises the policies and procedures established to provide reasonable assurance that specific Corporation objectives will be achieved. Accounting responsibilities, procedures, and policies should be implemented and designed to prevent:

- 1. Misstatement of account balances because errors go undetected (both intentional and unintentional); and
 - 2. Misappropriation of cash and other resources of the School Corporation.

These objectives are pursued through a sound internal control structure which is carefully established and followed by business office personnel as well as all other applicable personnel. Such an internal control structure can also tend to promote operational efficiency. From a financial statement perspective, the School Corporation's internal control structure is comprised of the control environment, the accounting system, control procedures and internal control systems. This internal control structure will ensure that the five requirements are met — Control Environment, Risk Assessment, Control Activities, Information and Communication and Monitoring Activities.

These elements of the internal control structure are as follows:

Control Environment

The control environment encompasses the collective effort of various factors on establishing, enhancing, and enforcing the effectiveness of specific policies or procedures. The control environment includes such factors as management's philosophy and operating style including but not limited to:

- The Corporation's organizational structure;
- 2. The functioning of the Board of Trustees;
- 3. Assignment of authority and responsibility;
- 4. Management's control methods for monitoring and following up on performance;
- 5. Personnel policies and procedures.
- 6. Various external influences that effect the Corporation's operations and practices.

The control environment reflects the overall attitude, awareness, and action of the Board of Trustees, Administration, and others concerning the importance of control and its emphasis in the Corporation.

Accounting System

The accounting system encompasses the methods and records established to identify, assemble, analyze, classify, record, and report the Corporation's transactions and to maintain accountability for the related assets and liabilities. An effective accounting system gives appropriate consideration to establishing methods and records that will:

1. Identify and record all valid transactions;

- 2. Describe on a timely basis the transactions in sufficient detail to permit proper classification of transactions for financial reporting;
- 3. Measure the value of transactions in a manner that permits recording their proper monetary value in the financial statements;
- 4. Determine the time period in which transactions occurred to permit recording of transactions in the proper accounting period; and
- 5. Present properly the transactions and related disclosures in the financial statements.

Control Procedures

Risk assessment encompasses those policies and procedures, in addition to the control environment and accounting system, that administration has established to provide reasonable assurance that specific Corporation objectives will be achieved. Control procedures pertain to:

- 1. Proper authorization of transactions and activities;
- 2. Segregation of duties to reduce the opportunities to allow any person to be in a position to both perpetrate and conceal error or irregularities in the normal course of his or her duties. A proper segregation of duties entails assigning different people the responsibilities of authorizing transactions, recording and reconciling transactions, and maintaining custody of assets; and
- 3. Design and use of adequate documents and records to help ensure proper recording of transactions and events, such as monitoring the use of pre-numbered documents.

Monitoring System

- 1. Provide adequate safeguards over access to and use of assets and records, such as secured facilities and authorization for access to computer programs and data files; and
- 2. Independent checks on performance and proper valuation of recorded amounts, such as clerical checks, reconciliations, comparisons of assets with recorded accountability, computer-programmed controls, administrative review of reports that summarize the detail of account balances, and user review of computer-generated reports.

School Corporation Accounting Activities Internal Control Procedures

Activity	Employee	Notes Regarding Separation of Duties	
DAILY PROCEDURES:			
Cash Receipts Activities:			
Open mail	Secretary	Person who opens mail does not write official receipt	
Receive money, issue official receipts	Treasurer or Deputy Treasurer		
Prepare bank deposits	Treasurer or Deputy Treasurer		
Compare total receipts to receipt from bank	Treasurer or Deputy Treasurer	Checked & initialed by person who did not take deposit to bank	
Take deposits to bank	Treasurer or Deputy Treasurer		
Post receipts	Treasurer		
Access to computer system to make receipt adjustments	Treasurer		
Approves adjustments	Deputy Treasurer		
Cash Disbursement Activities:			
Authorize purchases	Administrator or Dept. Supervisor		
Prepare purchase orders	Treasurer or Supt.		
Coutify we saint of reads an envisor	Administrator or	The person receiving goods does not write checks	
Certify receipt of goods or services	Dept. Supervisor	WITE CHECKS	
Prepare claim for payment	Dept. Supervisor A/P Clerk	The person preparing the claim is not approving claim	
		The person preparing the claim is not	
Prepare claim for payment	A/P Clerk	The person preparing the claim is not approving claim Reviews invoices/receipts attached to	

Write manual checks	A/P, Treas. & Deputy Treasurer		
Have receipt of W-9 form before paying vendor	A/P Processor		
Post checks	Accounting Software	Checks are posted by accounting software at the time they are written	
Sign A/P checksautomated in accounting system	Treasurer		
Mail or distribute checks	A/P Processor		
A/P checks are accounted for in numerical order	A/P Processor	Check stock is pre-numbered on back	
A/P checks are in a secured location	A/P Processor	Access limited to A/P, Treas. and Deputy Treasurer	
Custodian of investments	Treasurer	Treasurer reviews all investments monthly	
Access to check stock	A/P & Deputy Treasurer & Treasurer	Check stock is locked	
Access to computer system to make adjustments	A/P & Deputy Treasurer	Treasurer approves adjustments	
Payroll Activities:			
Authorizes new hires, terminations, transfers, leaves	HR, Dep. Treas. Supt	Final approval by School Board	
Collect & review required employment documents Enter collected information in HR/Payroll System	HR HR & Dep. Treas.		
Check hours, make corrections, and approve	Dept. Supervisor	Biometric time clock system exports data to payroll system after approved by Dept. Supervisor	
Verify & submit bus driver & aide time & attendance	Transportation Dir. & Corp. Secretary		
Post vacation & sick leave records	Deputy Treasurer		
Run trial register & verify accuracy	Deputy Treasurer		
Generate payroll checks & direct deposit file	Deputy Treasurer	Payroll Processor does not sign checks	
Sign payroll checksautomated in accounting system	Treasurer	Treasurer signs checks but does not prepare checks	
Distribute payroll checks	Corp Office Staff or direct deposit	Bldg Principal or designee signs log when checks are picked up at Corp. Office	
Payroll checks are accounted for in numerical order	Deputy Treasurer		
Payroll check numbers are reconciled to check stock document number	Deputy Treasurer		
Payroll checks are in a secured location	Deputy Treasurer		

Prepare earnings and deductions reports **Deputy Treasurer** Verify Payroll Distribution Report Treasurer Access to computer system to make adjustments Treas. & Dep. Treas. **MONTHLY PROCEDURES: Cash Activities:** Receive bank statement online or by mail, open and print Treasurer Compares checks cleared to disbursements posted A/P Processor Compares deposits to receipts posted **Deputy Treasurer** Prepares bank reconciliation A/P Processor Prepare bank reconciliation statement summary A/P Processor Update investment report Treasurer Prepare Food Service analysis of 3 month operating cash balance **Food Service Director** Review and approve bank reconciliation Treasurer Close month in accounting system Treasurer **Cash Disbursement Activities:** Prepare docket for board meeting A/P Processor Run voucher register for docket A/P Processor Organize claims alphabetically and verify claim total A/P Processor Claims are approved by School Board School Board Approve claim docket prior to payment Approve claims in accounting system Treasurer **Other Activities** Prepare Grant reimbursement forms Treasurer Run grant expenditure reports Treasurer Sign and approve Grant reimbursement forms Supt. or Asst. Supt. **Payroll Activities:** Prepare and pay WH-1 form. File online on or before the 20th Treasurer (State and County monthly payroll taxes)

Deputy Treasurer

Submit TRF files to INPRS & AUL files after each payroll

Page | 8

Process payments for retirement contributions Deputy Treasurer

Enter leaves and terminations in INPRS Deputy Treasurer

Post payments for retirement contributions Treasurer

QUARTERLY PROCEDURES:

Cash Activities:

Prepare and submit Federal interest report Treasurer

Payroll Activities:

Prepare Form 941 Treasurer

Print 941 reports from financial system Treasurer

Review Form 941 and sign form Treasurer

Review and sign all back up documentation Deputy Treasurer

SEMI-ANNUAL PROCEDURES

Other Activities

Prepare Form 9:

Print and verify all required reports

Prepare debt analysis for the 6 month period

Submit Form 9 info on DOE website

Print and save files after DOE approval

Review Form 9 in detail and sign signature page

Treasurer

Review Form 9 and sign signature page Board President and Superintendent

Report ADM to DOE Sept and Feb Data Specialist Student lists verified by Bldg. Principals

Payroll Activities:

Prepare & submit CP report to DOE Data Specialist

Prepare & submit CE report to DOE Deputy Treasurer

Submit employee names & addresses to County Treasurer

FISCAL YEAR END AND OTHER ANNUAL PROCEDURES

HR & Corp. Secretary

Cash Disbursement Activities:

Void stale dated checks by end of February each year Treasurer Approved by School Board

Other Activities

Prepare Annual Financial Report

Free and Reduced applications

Audit of Free and Reduced applications

Textbook Rental Reimbursement Report

Bidding Procedures:

Post bid in newspaper

Bid Opening Award Bid

Oversee work

Approve claims for payment

Prepare and submit NE report to DOE

Budget Process

Review and Update Corporation Policies and Administrative

Guidelines

Review and Update the Classified Employee Handbook

CALENDAR YEAR END PROCEDURES

Cash Activities:

Present the Annual Interest Earned Report

<u>Cash Disbursement Activities:</u>

Prepare forms 1099 and 1096:

Order 1099 and 1096 forms

Update W-9 file

Print calendar year vendor reports and review all activity

Balance vendor report to 1099 report Print 1099 forms and mail to vendors

Review: reports, 1099's and 1096 (prior to mailing)

Review 1099's and sign 1096

Review outstanding PO's and void if necessary

Make Year End appropriation adjustments within funds

Other Activities

Prepare 1095-C forms (Affordable Health Care Act):

Reconcile 1095 C information to Ins. Co. online portal & enrollment

forms

Print forms 1095C and distribute to employees

Treas & Deputy Treas

Food Service Coordinator

Asst. Food Serv. Dir.

Data Specialist Treasurer reviews report

Treasurer and Superintendent sign

Treas or Appropriate

Administrator Bid Committee School Board

Dir. Bldgs & Grounds or Appropriate Admin. Dir of Bldgs & Grounds or

Appropriate Admin.

Deputy Treasurer

Treasurer & Supt.

& Supt. Board Review and Approve

Superintendent

Board Review and Approve

HR & Superintendent

Board Review and Approve

Treasurer

Board Review and Approve

Deputy Treasurer
A/P Processor

Treasurer
A/P Processor
A/P Processor
Treasurer

Deputy Treasurer

A/P Processor &

Treas

Treasurer

School Board review and approve

HR Coordinator

HR Coordinator

Transmit 1095-C and 1094-C to federal government

HR Coordinator

Review reports and spot check 1095-C forms

Personnel Software

Consultant

Responsible for 1095-C and 1094-C contents

HR Coordinator

Close Year End in accounting system

Treasurer

GATEWAY REPORTING:

Other Post Employee Benefits Report

Prepare and Review Data from Accounting system

HR Coordinator

Treasurer

Treasurer

Treasurer Reviews and Submits

Debt Management Report (prepare and submit)

Economic Development Report

ECA Treasurers

School Principals review; Treasurer

reviews & submits

Annual Financial Report:

ECA Risk Report

Prepare and Review Data from Accounting system

Treasurer

Collective Bargaining Report

Superintendent

Treasurer or Superintendent

Collective Bargaining Upload

aperintendent

Data from CBA

Supt. & Exclsv Barg Rep

Bargaining Status Form (Pre-Impasse)

Supt. & Exclsv Barg Rep

Payroll Activities:

W-2's Processing:

Order W-2 forms

Print calendar year wage and PR deduction reports from accounting system

Balance W-2's

Deputy Treasurer
Deputy Treasurer

Deputy Treasurer

Review & approve W-2 balancing report

Treasurer

Print and distribute W-2 forms to employees

Deputy Treasurer

Transmit W-2 files to state and federal governments

Deputy Treasurer

Prepare Form 100R:

Review Form 100R

Prepare & print 100R report and electronic file from accounting system

Upload 100R file on Gateway

Submit Form 100R to County Treasurer via email

Deputy Treasurer
Deputy Treasurer
HR & Corp. Secretary

Treasurer Treasurer

Review back up documentation Submit Form 100R on Gateway

Treasurer

Retention of Records

http://www.in.gov/iara

Records are retained per the State prescribed retention schedule. When records are past the required retention period, they may be destroyed in accordance with State prescribed destruction of records procedures.

Data System Security and Access to Records

The School Corporation employs numerous information systems for financial processes, human resources management, student processes, and reporting. In order to maintain effective controls over these systems, access to them must be controlled and monitored.

Policy dictates that departments are responsible for ensuring that access to information systems is granted only to those employees who must use the specific information contained in those systems to conduct business.

See the below Responsible Use Policy (RUP)

Technology Responsible Use Policy

Responsible Use of Electronic Networks and Devices

All use of electronic networks and devices shall be consistent with the Kankakee Valley School Corporation's (KVSC) goal of promoting educational excellence by facilitating resource sharing, innovation, and communication. It is essential for all students to have access to electronic devices and networks as part of the KVSC curriculum. These procedures do not attempt to state all required or proscribed behavior by users. However, some specific examples are provided. The failure of any user to follow these procedures may result in the loss of privileges, disciplinary action, and/or appropriate legal action.

Usage Guidelines

- Access to KVSC technology, devices, and electronic network must be: (a) for purposes consistent
 with KVSC's educational and curriculum objectives, or (b) for legitimate business use. The use of
 KVSC's electronic network is a privilege, not a right, and personal inappropriate use may result in a
 cancellation of those privileges. Personally owned devices are included in this Responsible Use
 Policy when on all school properties or connected to the school infrastructure.
- 2. KVSC has the right to regulate hardware/software technologies that are on its network or used within the school environment. This includes personally owned devices and/or media used on KVSC property or with KVSC technological infrastructure.
- 3. The user is responsible for his/her actions and activities involving accessing the network and using devices. The Chief Technical Officer, Building Principal or designee will make all decisions regarding whether or not a user has violated these procedures and may deny, revoke, or suspend access at any time. His/her decision is final. This includes temporarily confiscating and retaining students' personal electronic devices when such devices are used in violation of this policy. Some examples of inappropriate uses include, but are not limited to, the following:
 - o Using the network for any illegal activity, including violation of copyright or other contracts, or transmitting any material in violation of any State or federal law;
 - o Any use that violates any Board policy, including policies addressing bullying, harassment,

- and hazing, and student and employee discipline policies or codes of conduct;
- o Unauthorized downloading of software;
- o Downloading of copyrighted material for other than personal use;
- o Using the network for private financial or commercial gain or advertising
- o Wastefully using resources, such as file space or bandwidth for non-educational materials;
- o Hacking or gaining unauthorized access to files, resources, or entities;
- o Invading the privacy of individuals, that includes the unauthorized disclosure, dissemination, and use of information about anyone that is of a personal nature including a photograph;
- Publishing or transmitting private information, including photographic, video, and audio depictions of others, without authorization, including taking photographs in locker rooms, bathrooms, and other restricted areas;
- o Misrepresenting one's identity or using another person's password, user profile, or technology or allowing another to use one's identity, password, or technology without authorization;
- o Posting material authored or created by another without his/her consent;
- o Posting anonymous messages;
- o Accessing, publishing or transmitting information used to cheat, or otherwise violate student conduct rules;
- o Accessing, submitting, posting, publishing, creating, or displaying any defamatory, inaccurate, abusive, obscene, profane, sexually oriented, threatening, racially offensive, harassing, or illegal material;
- o Using the network while access privileges are suspended or revoked;
- o Removing hardware/software, networks, information, or communication devices from KVSC or other network;
- Installing client VPNs, unauthorized apps/extensions, configuring proxy servers on KVSC devices, or using such tools to circumvent content filtering or other network restrictions.
- o Any attempt to do any of the above.
- 4. Internet Safety Internet access is limited to only those acceptable uses as detailed in these procedures. Internet safety is almost assured if users will not engage in unacceptable uses, as detailed in these procedures, and otherwise follow these procedures.

Each KVSC device with Internet access, and any personal device accessing our network, has a filtering device that blocks entry to visual depictions that are: (1) obscene, (2) pornographic, or (3) harmful or inappropriate for students, as defined by the Children's Internet Protection Act and as determined by the Superintendent or designee. The Chief Technical Officer, Building Principal or designee shall monitor student Internet access.

- 5. **Digital Citizenship** The user is expected to abide by the generally accepted rules of network etiquette, **whether accessing the network from a KVSC-owned or personal device**. These include, but are not limited to, the following:
 - o Be polite. Do not become abusive in messages to others.
 - o Use appropriate language. Do not swear, or use vulgarities or any other inappropriate language.

- o Do not reveal personal information, including the addresses or telephone numbers, of students or staff.
- o Do not use the network in any way that would disrupt its use by other users.
- o Cyber bullying, including personal attacks or threats toward anyone made while using either district owned or personally owned technology, is to be reported to responsible school personnel. Communication should be conducted in a responsible, ethical manner.
- 6. Privacy Electronic communications are not private and students have no rights, ownership or expectation of privacy in any material that is stored, transmitted, or received via KVSC's network or electronic devices. KVSC reserves the right to access all electronic communications transmitted on its networks, including files deleted from a user's account but not erased. Electronic communications relating to or in support of illegal activities may be reported to the authorities. State law stipulates that school authorities may require a student or his/her parent/guardian to provide passwords or other related account information in order to gain access to students' social media account or profile. Students will make available for inspection by an administrator or teacher any messages or files sent or received to or from any Internet location using district technology. Files stored and information accessed, downloaded or transferred on district- owned technology are not private insofar as they may be viewed, monitored or archived by KVSC at any time. This request would only be as result of an administrator's reasonable suspicion that the student's social networking account contains evidence that a violation of a school rule has occurred.
- 7. **Security** Network security is a high priority. If the user can identify a security problem on the Internet, the user must notify the Chief Technical Officer or Building Principal. Do not demonstrate the problem to other users. Keep your account and password confidential. **Attempts to log-on to** the network as a system administrator may result in cancellation of user privileges. Any user identified as a security risk may be denied access to the network.
- 8. Vandalism Vandalism may result in cancellation of privileges and other disciplinary action. Vandalism is defined as any malicious attempt to harm or destroy data of another user, the Internet, electronic devices, or any other network. This includes, but is not limited to, the uploading or creation of computer viruses.
- 9. Use of Email KVSC's email system, and its constituent software, hardware, and data files, are owned and controlled by KVSC. KVSC provides email to aid students and staff members in fulfilling their duties and responsibilities, and as an education tool.
 - o Each person should use the same degree of care in drafting an email message as would be put into a written memorandum or document. Nothing should be transmitted in an email message that would be inappropriate in a letter or memorandum.
 - Downloading any file attached to any Internet-based message is prohibited unless the user is certain of that message's authenticity and the nature of the file so transmitted.
- 10. 1:1 Device Assignment Students across KVSC will be issued electronic devices for use in school and, based on grade level, at home, along with charging equipment and/or cases for their 1:1 device. Students in the 1:1 program must use the assigned device and may not substitute the

device for other equipment. KVSC retains sole right of possession of the 1:1 equipment, and the devices are lent to the students for educational purposes only. Under certain circumstances, students may be restricted from taking the device home. Moreover, KVSC retains the right to collect and/or inspect 1:1 devices at any time, including via electronic remote access and to alter, add or delete installed software or hardware. If a student ceases to be enrolled in KVSC, the student/parents will return the 1:1 device and equipment in good working order or pay the full replacement cost of the equipment.

- 11. 1:1 Device Student Responsibilities The students are solely responsible for any apps or extensions on their 1:1 devices that are not installed by KVSC; no guarantees that data will be retained or destroyed. Students are responsible for backing up their data to protect from loss. Students are solely responsible for the 1:1 device issued to them and must adhere to the following:
 - o Students must bring their device to school every day and make sure it is fully charged.
 - o Students must treat their device with care and never leave it in an unsecured location. If a device is lost, students must contact the IT Department immediately.
 - o Students must promptly report any problems with their device to the ITDepartment.
 - o Students may not remove or interfere with the serial number and other identification tags.
 - o Students may not attempt to remove or change the physical structure of the device, including the keys, screen cover or plastic casing or protective case.
 - o Students must keep their device clean.
 - o Students must not use their device in bathrooms or locker rooms.
 - o Students are not to mark, deface, or place stickers on the device.
 - o Computers must be closed and in their protective case whenever transported between locations.
- 12. **1:1 Device Spare Equipment and Lending** If a student's 1:1 device is inoperable, the school has a limited number of spare devices for use while the student's device is repaired or replaced. This agreement remains in effect for loaner devices. The student may not opt to keep an inoperable device. Students may be restricted from taking devices home.
- 13. 1:1 Device Repair- Only KVSC may repair or replace a device. KVSC will repair or replace damaged equipment resulting from normal use. All other breakages will be the financial responsibility of the student and billed at the prevailing rate for materials and labor or full replacement. Loss or theft of the equipment is also the student's responsibility and will result in the student being charged the full replacement cost to purchase a new device. Students may be restricted from taking devices home.
- 14. Charges KVSC assumes no responsibility for any unauthorized charges or fees, including telephone charges, long- distance charges, per-minute surcharges, and/or equipment or line costs. Any and all such unauthorized charges or fees shall be the responsibility of the user.

- 15. **Copyright** Copyright law and KVSC policy prohibit the re-publishing of text or graphics found on the web or on KVSC websites or file servers without explicit written permission.
- 16. No Warranties KVSC makes no warranties of any kind, whether expressed or implied, for the service it is providing. KVSC will not be responsible for any damages the user suffers. This includes loss of data resulting from delays, non- deliveries, missed-deliveries, or service interruptions caused by its negligence or the user's errors or omissions. Use of any information obtained via the Internet is at the user's own risk. KVSC specifically denies any responsibility for the accuracy or quality of information obtained through its services, including its accuracy or quality, obtained or transmitted through use of the Internet. Further, KVSC denies responsibility for any information that may be lost, damaged, altered, or unavailable when using the Internet.
- 17. Important Notice: The Kankakee Valley School Corporation will take measures to filter and monitor resources and information accessed through its information and data systems. Although a conscious effort will be made to deter access to materials that are inappropriate for the educational setting, no safe-guard is foolproof. The user is responsible for not seeking or initiating access to inappropriate material and reporting incidents should they occur.

Internet filters are not a substitute for educators diligently monitoring students' computer and internet usage. The school corporation will run filtering software as required by CIPA (Childhood Internet Protection Act). The staff is responsible for supervision of students on the network. The parent agrees not to hold the school corporation or school personnel responsible for any material the student mistakenly or intentionally accesses or transmits via the school's computer system.

Outside of school, families bear responsibility for the same guidance of internet use as they exercise with information sources such as television, telephones, radio, movies, and other possibly offensive media.

18. Indemnification - The user agrees to indemnify the Kankakee Valley School Corporation for any losses, costs, or damages, including reasonable attorney fees, incurred by KVSC relating to, or arising out of, any violation of these procedures.

Credit Cards

Acceptable uses of the Corporation Credit Cards

The use of corporation credit cards should not be to circumvent the normal purchasing procedures. Generally, the card may be used for routine purchases made for corporation business when a purchase order will not be accepted by the vendor. Some examples include supplies, books (not textbooks), repair parts, and repair services. It would be impractical to try and list all allowable uses. Instead, the list below of unacceptable uses should guide purchases.

Unacceptable uses of the Corporation Credit Cards

Items that **cannot** be purchased with the Corporation credit card:

- Online purchases Unless prior approval is obtained from two of the following: Superintendent, Assistant Superintendent, or Chief Financial Officer
- Payments to Individuals
- Personal purchases
- Gift certificates
- Alcohol or Tobacco
- Sales Tax
- Individual Memberships
- Gifts and seasonal greeting cards
- Office decorations for personal office
- Cash Advances
- Purchase made by someone other than the person with written permission to use the card.

The above lists are not all inclusive; specific questions should be directed to the Superintendent's office.

Individual Responsibility for Corporation Credit Card

The person with written permission to use the card is responsible for the security of the card and any transactions made using the card. If the credit card <u>is</u> used to make unacceptable purchases as listed above, the person with written permission to use the card will be personally responsible for the transaction.

The person with written permission to use the card is also responsible for the timely submission of documents required for reconciliation and payment to either the Corporation Treasurer or Building Treasurer, as appropriate.

Inappropriate and irresponsible card usage will be reported to the Principal and/or Superintendent and may result in disciplinary action. In addition, permission to use the credit card in the future may be denied.

Reconciliation and Payment

All credit card charges are included on one central invoice that is paid monthly. The person using the credit card should return the card along with receipts or other purchase documentation on the next business day after card transactions are completed.

Itemized receipts must be retained for all purchases. For purchases via phone, require the merchant to include an invoice/receipt with the goods when the product is shipped or e-mail an invoice/receipt. If that is not possible, a packing slip must be retained to document the purchase. These documents should be forwarded to either the Corporation Treasurer or Building Treasurer.

At this time, the Accounts Payable Clerk/Building Treasurer will reconcile the statement to receipts.

If an itemized receipt or packing slip was not received, the person using the credit card is responsible to contact the supplier to obtain one.

If the required documentation is inadequate or late in arriving, future use of the credit card may be denied.

Resolution of Errors and Disputes

There may be an occasion when items appear on the monthly statement that are in dispute. When this occurs, it is the responsibility of the person using the card to resolve the dispute and send detailed documentation to the Accounts Payable Clerk at the Superintendent's Office. For issues concerning products not received or the quality of goods received, the person making the purchase must contact the merchant to resolve the issue and notify the Superintendent's office in writing.

Lost or Stolen Cards

The Credit Card is the property of the School Corporation and should be secured just as a personal credit card. If the card is lost or stolen, contact the Corporation Treasurer or Building Treasurer immediately. The card will be deactivated and declined by any merchant if there is an attempt to use it. Prompt action in these circumstances is very important to avoid fraud.

Sales Tax

Purchases of items by public schools are generally exempt from sales tax. The exemption applies to educational purchases, and may not apply to extra-curricular purchases. Merchants are required by tax law to include sales tax at the time of purchase.

It is the responsibility of the person using the card to notify the merchant that the school is tax exempt. A tax exempt form is provided when the credit card is signed out for use. If sales tax is charged and should not have been, it will be the personal responsibility of the person using the card to pay the sales tax.

KANKAKEE VALLEY SCHOOL CORPORATION

Resolution 2016-3

Threshold for Material Loss, Shortage, or Theft of School Funds or Property

The Board of School Trustees of the Kankakee Valley School Corporation recognizes that losses, shortages, and theft of school corporation funds and other assets may occur from time to time. State law requires the school corporation to report to the Indiana State Board of Accounts all erroneous or irregular material losses, shortages or theft of school corporation funds or property. The Indiana State Board of Accounts requires school corporations to determine their own material threshold for the purposes of reporting the loss, shortage, or theft to the Indiana State Board of Accounts as required by state law.

The threshold for material losses, shortages, or theft for the Kankakee Valley School Corporation which must be reported to the Indiana State Board of Accounts by the Superintendent or the Superintendent's designee, is as follows:

Cash Losses, Shortage, or Theft:

A loss, shortage, or theft of cash from any school corporation fund is an amount over

\$2,000.00

Other Assets Loss, Shortage or Theft:

A loss, shortage, or theft of a school corporation asset other than cash exceeding a value of \$2,000.00

Whenever a loss, shortage or theft of school funds or property occurs, no matter the amount or value, or the requirement to report such to the Indiana State Board of Accounts, the administration should investigate any and all losses, shortages, or thefts of school corporation funds or assets. The investigation and the resolution of the investigation must be documented by the administrator who conducts the investigation. Such documentation should be maintained in the school corporation central office. State law requires public employees who have actual knowledge of, or reasonable cause to believe, a misappropriation of school funds has occurred to report such misappropriation to the Indiana State Board of Accounts and the county prosecuting attorney.

Motion:	Second:	Vote:
Adopted this 14th day of M	(arch 2016.	
KANKAKEE VALLEY S	CHOOL CORPORATION	
BOARD OF SCHOOL TE	RUSTEES	

SAMPLE

APPROVED ATTORNEY OPINION ON TEXTBOOK FEES

Date

School Corporation Street City/State/Zip

Re: School Corporation Textbook Rental and Fees Assessments

Dear Sir/Madam:

This letter will serve as confirmation that it is my opinion that the textbook rental and fees charged by the School Corporation, and approved by the Board of School's Trustees, are constitutional.

Sincerely,

(Attorney's Signature)

Bonding Policy

For each school year commencing July 1, the school corporation shall provide a bond for the faithful performance of duties, written by an insurance company licensed to do business in Indiana, in an amount determined by the governing body, for the following employees:

- School Corporation Treasurer
- School Corporation Deputy Treasurer
- Food Service Director
- Assistant Food Service Director
- All School Extra-Curricular Treasurers

The governing body may authorize the purchase of a position schedule bond for other individuals whose official duties include receiving, processing, depositing, disbursing, or otherwise having access to funds that belong to a school corporation. The amounts of coverage for the positions covered by such bond will be determined by the governing body.

RESOLUTION 2016-5 Kankakee Valley School Corporation Resolution to Adopt Internal Controls

WHEREAS, Internal Controls encourage the efficient use of government time and resources; and, WHEREAS, Internal Controls convey the Board of Trustees' (Board) commitment to detect fraud, waste, and abuse; and,

WHEREAS, the Board desires to have a successful and effective Internal Control System that meets the standards of Control Environment, Risk Assessment, Control Activity, Information and Communication, and Monitoring; and,

WHEREAS, Indiana Code 5-11-1-27 requires each political subdivision to maintain a system of Internal Controls to promote government accountability and transparency; and,

WHEREAS, documentation is a necessary part of effective Internal Controls; and,

WHEREAS, after June 30, 2016, Indiana Code 5-11-1-27(g) requires the Board to officially adopt minimum Internal Control Standards as defined by the Board; and,

WHEREAS, after June 30, 2016, The Board must ensure that personnel (as defined under IC 5-11-1-27) receive training concerning the Internal Control Standards and procedures that are officially adopted

NOW, THEREFORE, BE IT RESOLVED by the Board that the Administration shall make recommendations to the Board in compliance with the State Board of Accounts' approved minimum level of Internal Controls set forth; and shall further develop a program or procedure for training all applicable employees and board members concerning the Internal Control standards established by the Board.

Motion:	Second:	Vote:
Adopted this 20th day of June 2016.		
KANKAKEE VALLEY SCHOOL CORPORATIO	N	
BOARD OF SCHOOL TRUSTEES		

II. Business Staff Training

a. Indiana Code 5-11-1-27 requires Internal Control Policy Training

After June 30, 2016, IC 5-11-1-27(g) provides that the legislative body of each political subdivision must adopt the minimum internal control standards as defined by the State Board of Accounts. The legislative body must also ensure that personnel receive training concerning the internal control standards and procedures adopted by the political subdivision.

The fiscal officer must certify that the minimum internal control standards have been adopted and that personnel who are not otherwise on leave status have received training regarding these standards and procedures. This certification will be filed as part of the Annual Financial Report submission in Gateway.

In addition, a certification for each elected official, appointee, and employee should be signed as evidence of their individual training. A certification form and can be found in the Appendix in the Uniform Internal Control Standards for Indiana Political Subdivisions manual. These certifications are to be maintained by the political subdivision in either paper or digital form.

b. Uniform Internal Control Standards for Indiana Political Subdivisions

Indiana Code 5-11-1-27(e) provides that through the compliance guidelines authorized under IC 5-11-1-24 the State Board of Accounts (SBOA) shall define the acceptable minimum level of internal control standards for internal control systems of political subdivisions, including the following: (1) Control Environment, (2) Risk Assessment, (3) Control Activities, (4) Information and Communication, and (5) Monitoring.

In response, the SBOA developed the <u>Uniform Internal Control Standards for Indiana Political Subdivisions</u> manual, which contains the acceptable minimum level of internal control standards that a political subdivision is expected to maintain.

III. State and Federal Programs/Grants

- Title I
- Title II, Part A
- Title III
- Special Education
- Career and Technical Education
- High Ability
- English Language Learners
- School Safety Grant
- Any Other State or Federal Grants

Follow the grant guidelines as listed on the Grant Award Letter. Verify reporting requirements, amendments, and deadlines are followed.

Verify if the grant is reimbursable after expenses incurred or if the grant is payable via cash request by the submission of the proper request form. Reimbursement forms and/or cash requests will be prepared by Corporation Treasurer and approved by Superintendent or Assistant Superintendent.

Be sure to keep documentation on all expenditures and personnel transactions. Expenditures will only be made for items in the approved grant application, or approved grant amendment.

As with all grants, follow the five (5) internal controls cited in the <u>Uniform Internal Controls Standards</u> <u>for Indiana Political Subdivisions</u>.

- a. For State and Federal reports, reimbursement requests, and bank reconciliations, for example, the SBOA will be looking to see if the document(s) have been reviewed (initialed) by a second party, other than the preparer.
 - b. Verification that all expenditures are allowable under the grant guidelines

All other local grants will follow the grant award guidelines.

RESOLUTION 2014-2

Whereas, the Indiana State Board of Accounts has issued guidance concerning the use of gift cards by an extra-curricular account;

Whereas, the Indiana State Board of Accounts requires the School Board to authorize gift card purchases through a resolution;

Whereas, the Indiana State Board of Accounts requires the purposes for which gift cards may be issued must be specifically stated in the resolution;

Therefore, be it resolved that the Kankakee Valley School Corporation Board of School Trustees does hereby authorize gift card purchases from an extra-curricular account for distribution to students to be used as rewards, incentives, prizes or awards and that the issuance of such cards shall be in compliance with all procedures outlined by the Indiana State Board of Accounts.

Motion:	Second:		Vote:	
Adopted this 24 th day of March	n 2014.			
KANKAKEE VALLEY SCHOOL CC	KANKAKEE VALLEY SCHOOL CORPORATION			
BOARD OF SCHOOL TRUSTEES				
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IV. Extra-Curricular Accounting

- 1) Daily Processes IC 20-40-1-3 the treasurer shall receive, receipt, account for and disburse all funds flowing through the extra-curricular accounts. All expenditures will be reviewed and signed by the building administrator
- 2) Monthly Processes
 - a) Fund balances The extra-curricular treasurer should advise the activity sponsor periodically, preferably monthly, or upon request, of the current balance in the fund of their activity
 - b) IC 5-13-6-1(e) The bank shall be reconciled to the books, or financial software, typically by the 15th day of the following month
 - c) Building administrator and treasurer complete and sign monthly financial report stating that the following has been completed:
 - i) The ledger report that includes all accounts has been reviewed & is deemed accurate
 - ii) The bank statement has been reviewed & is deemed accurate
 - iii) Bank statement balances to the financial software report, Summary of Receipts and Expenditures
- 3) Semi Annual and Fiscal Year Processes
 - a) Financial Report IC 20-41-1-8 the treasurer shall file a copy of the treasurer's financial report of receipts and disbursements with the board of school trustees at the end of each semester. The first semester report shall be filed in a timely manner after the close of that semester, and the second semester report shall be filed no more than 2 weeks after the close of that semester. Records and files of extracurricular activities for the entire school year shall be filed with the last financial semester report of any one school year. (Forms SA5-1 Financial Report of ECA's, SA5-2 Cash reconcilement, SA5-3 Detail of Receipts and Expenditures by Fund, and SA5-4 Report Certificate)
 - **b)** ECA Risk Assessment Report Per IC 5-11-1-4 the Fiscal Officer (Treasurer/CFO) is required to provide electronically and in a manner prescribed by the State Examiner, financial reports for the fiscal year not later than ninety days after the close of the fiscal year.
 - i) Effective July 1, 2015, Public Law 181-2015 amended IC 5-11-1-25 to require the SBOA to develop risk based examination criteria and then determine the frequency each audited entity is required to be examined based on the results of a risk based assessment.
 - ii) The ECA Risk Report filed through Gateway is a part of the financial reports required to be filed by the Fiscal Officer (Treasurer/CFO) per IC 5-11-1-4 and has been designed as the tool for school corporations to provide the risked based criteria for their extra-curricular accounts (ECAs) to allow SBOA to evaluate for an appropriate level of risk.
- 4) Separation of Duties

Part of the control activity component is segregation of duties. An individual should not be permitted to initiate, approve, undertake and review the same duty. Separating the ability to record and authorize reduces the risk of error and/or fraudulent activities. In a school setting, segregation is not practical due to the limited number of staff available. Therefore, compensating

activities will be utilized. This includes the principal reviewing and approving ECA reports, and bank statements.

- a) Expenditures and Endorsement of Checks
 - i) IC 20-41-1-4 Expenditures by the treasurer of the extra-curricular account are limited to those approved by the principal of the school and they should be in accordance with general administration policies of the school corporation since the law provides that all expenditures shall be subject to review by the local school board.
 - ii) Unless specifically authorized by statute, payments made for goods or services which are not received shall not be made. Payments made in advance of receipt of goods and services may be the personal obligation of the responsible official or employee
 - iii) All checks will be signed by both the extra-curricular treasurer and building administrator.
- b) Bank Reconciliation Bank reconciliation shall be done by the treasurer monthly, typically by the 15th day of the month following the reconciling month. The completed reconciliation shall be reviewed and approved by the building administrator.
- c) Entering and Posting Data

The ECA Treasurer is expected to keep current with the accounting of ECA funds, including entering and posting receipts and expenditures.

- d) Purchasing and Receiving Functions
 - i) Purchase orders shall be processed at the approval and direction of the building administrator
 - ii) Compensation and any other payments for goods and services should not be made in advance of receipt of the goods or services unless specifically authorized by statute.
 - iii) Orders will be checked in by the teacher/club sponsor. Invoice or appropriate detailed document will be attached to the purchase order.
- e) Receipts A receipt is to be issued for any and all money received.
 - i) The cash receipts collected by and for the benefit of any activity fund should be under the control of some designated official or sponsor of the activity, until turned over to the treasurer of the extra-curricular account.
 - ii) A receipt is to be properly issued, shall show the date, the name of the person from whom the money was received, the payment type, the activity fund for which it was received, the amount and the source of the receipt.
 - iii) The receipt must be signed by the extra-curricular treasurer or collecting authority
 - iv) IC 20-41-1-9 states the treasurer shall deposit all receipts in one bank account without unreasonable delay.
- f) Bank Deposits IC 20-41-1-9 the treasurer shall receive all funds and prepare a bank deposit. The deposit will be reviewed and approved by a second person. Deposits will be made without unreasonable delay.
- g) Monitoring of Segregation of Duties

The ECA Treasurer shall report internal control issues identified while executing their duties. These issues will be documented and evaluated by the Corporation Treasurer. Corrective actions will be implemented if needed.

5) Gateway Reporting

The State Board of Accounts created the ECA Risk Report which is reported through Gateway. This report includes beginning balance, receipts, expenditures, and ending balance along with questions designed to determine the risk level at each school building. The reporting period runs from July 1st through June 30th each year. It is due near the end of August. Please check on Gateway for the specific due date. Additional information can be found on the State Board of Accounts website at http://www.in.gov/sboa/4449.htm. The user guide can be found at https://gateway.ifionline.org/guides.

- 6) Bonding Requirements IC 20-41-1-6 / 20-26-4-5
 - a) Issued in an amount fixed by the Superintendent and principal of the approximated amount totaling the anticipated funds that will come into the possession the treasurer at any one time during the regular school year.
 - b) Bonds shall be approved by the Board of School Trustees
 - c) IC 20-26-4-5 states a blanket bond may be purchased as long as it is endorsed to include faithful performance of all required bond holders and includes aggregate coverage for all of the specified amounts of the required bond holders.
 - d) SBOA update issued 10/22/15 states that SBOA will not take exception to coverage via a crime insurance policy as long as it is authorized by resolution and endorsed to cover faithful performance and includes aggregate coverage.
 - e) Will be required to submit a copy of the official bonds to the SBOA on subsequent submissions of the Gateway Annual Report

7) Cash Handling Practices

Cash shall be collected and turned over to the ECA Treasurer along with a SA-8 form detailing the deposit. The ECA Treasurer will verify the amount of the deposit with the SA-8 Form and will issue a receipt. The deposit will be prepared and taken to the bank. If the Treasurer is unable to get to the bank at that time, all cash, checks and money orders are required to be locked in the safe until they are able to make the deposit. All donation checks shall be made payable to the school and sent to the school address — not an individual. All donations need to be officially accepted by the School Board and receipted by the ECA Treasurer or Corporation Treasurer, as appropriate.

8) Athletics

Since most events take place in the evening hours when the ECA Treasurer is not on duty, a safe must be maintained by the Athletic Director to lock up the proceeds from the game or event. The following business day, the Athletic Director will complete a SA-8 Form and submit to the Treasurer.

9) Concessions – Internal controls should include, at a minimum, a regular reconcilement of the beginning inventory, purchases, distributions, items sold and ending inventory to the amount received. Any discrepancies noted should be immediately documented in writing to proper officials

10) Fundraisers

- a) Fundraisers are approved by the building principal.
- b) School Board shall approve/accept donations to be received.
- 11) Gifts and Donations The State Board of Accounts states that Cash donations that are extra-curricular in nature may be accounted for in extra-curricular accounts. All donation checks shall be made payable

to the school and sent to the school address – not an individual. All donations need to be officially accepted by the School Board and receipted by the ECA Treasurer or Corporation Treasurer, as appropriate.

- 12) Ticket Taking Serially pre-numbered tickets by the printing supplier should be used for all athleticand other extra-curricular activities and events which admission is required.
 - a) These tickets shall be two part with one part going to the person paying for admission, and the other part being retained as part of the financial accounting of the event.
 - b) Tickets for each group shall be different colors and or different series numbers.
 - c) The treasurer shall be responsible for the proper accounting of all tickets and should keep a record of the number purchased, the number issued for sale, and the number returned. (Form SA-4)
 - i) The treasurer receipt issued should show the number of tickets issued to the seller, the number returned unsold and the balance remitted in cash.
- 13) Processing of Personnel Payments
 - a) Employee Pay of teachers or other personnel for service at interscholastic athletic events such as ticket takers, scoreboard personnel, etc., are expenses of the Athletic Fund of the extra-curricular account.

Pay of concession stand supervisors and of ticket takers, etc., for fine arts events should be paid from the proceeds of the activity sponsoring the event. A claim shall be sent to the Payroll Department for processing through the financial software. The sponsoring club shall reimburse the expense.

Non-Employee – All non-employee vendors shall be paid by claim once a W-9 form has been obtained and entered into the financial system software.

- 14) Gift Cards The school board must authorize gift card purchases through a resolution, which has been approved in the board minutes
 - a) The purposes for which gift cards may be issued must be specifically stated in the resolution
 - b) The responsible official shall maintain an accounting system or log which would include the name of the business from which gift cards were purchased, their amounts, fund to be charged, date the card was issued, person gift card was issued to, proof that the gift card was received by the person it was issued to, etc.
 - Purchase and issuance of gift card should be handled by an official or employee designated by the school principal
 - d) Gift cards shall not be purchased to bypass the accounting system.
 - e) Procedures for payments should be no different than for any other claim. The school principal must approve the expenditure and supporting documents such as paid bills and receipts must be available.
- 15) Form Approval IC 20-41-1-4 Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed
 - a) A desired change or addition to a prescribed form must be approved by the State Board of Accounts as discussed in the Accounting and Uniform Compliance Guidelines Manual for School Corporations at: www.in.gov/sboa/2821.htm

b) The use of computer-generated prescribed forms should be brought to the attention of the Field Examiner during the next regularly scheduled audit. The forms and computer system generating the forms are subject to a technical audit based upon the results of the Field Examiners risk assessment.

16) Write off Procedures

- a) Documentation should exist for all efforts made to collect amounts owed prior to any write-offs
- b) School Board Policy #6151

17) Credit Card

- a) The governing board must authorize credit card use through official Board action, which has been documented in the minutes
- b) Issuance and use should be handled by an official or employee designated by the board
- c) When the purpose for which the credit card has been issued has been accomplished, the card should be returned to the custody of the responsible person.
- d) The responsible official or employee should maintain an accounting system or log which would include the names of the person requesting usage of the card, their position, estimated amounts to be charged, fund and account numbers to be charged, date the card is issued and returned, etc.
- e) Credit cards should not be used to bypass the accounting system.
- f) Payments should not be made on the basis of a statement or credit card slip only. Procedures for payments should be no different than for any other claim. Supporting documents must be available.
- g) If properly authorized, an annual fee may be paid
- 18) Signature Stamps A rubber stamp or other signing device should be used only under the personal direction of the public official and should be properly safeguarded when not in use since each official is responsible for his or her own signature
- 19) Disposition of Old Outstanding Checks
 - a) No later than March 1 of each year, the Treasurer shall prepare or cause to be prepared a list in duplicate of all checks outstanding for two or more years as of December 31 last preceding year. The original copy shall be filed with board of finance of the school corporation and the duplicate copy maintained by the Treasurer. The Treasurer shall enter the amounts so listed as a receipt to the fund or funds upon which they were originally drawn and remove the checks from the list of outstanding checks. If the fund on which the checks were originally drawn is not in existence, or cannot be ascertained, the amount of such checks shall be receipted to the General Fund. Each list prepared must show:
 - i) The date of issue of each check
 - ii) The fund upon which the check was originally drawn
 - iii) The name of the payee
 - iv) The amount of each check issued
 - v) The total amount represented by the checks listed for each fund
 - b) State Board of Accounts suggests that the school corporation attorney provide written guidance concerning claims that might be presented.

V. School Nutrition Program

Food Service Elementary School Daily Procedures

Description: Patrons are able to deposit money into their "lunch account" in the Point of Sale (POS) to purchase meals. The account is then used each day for purchases and is drawn down for the amount of the purchases. All money taken in is then deposited daily into the bank by the Food Services Director (FSD) and Assistant Food Service Director.

- 1) Each day at the Elementary Schools, the Teachers collect sealed envelopes (containing money for purchasing meals) in the classroom and place them into a collection envelope.
- 2) The collection envelope is delivered to the cafeteria.
- 3) The Food Service Cashier then opens each envelope and verifies the amount inside against the amount listed on the envelope. The amount is circled and cash or check number is written on envelope. (Envelopes are kept for a rolling 3 month period for reference.)
- 4) The money amounts are then entered into each child's lunch account in the POS.
- 5) The money is then counted by the Food Service Cashier and entered onto a daily count sheet and the total is entered into the daily deposit log and signed.
- 6) The amounts are then entered into the POS close screen and a Receipt and daily Sales Activity Sheet is printed which lists the amount of cash, coin and checks. This amount is checked against the deposit and initialed by the Foodservice Manager on the daily Sales Activity Sheet. A copy is kept on file at the school and a copy is sent to the FSD
- 7) The money is then counted again to ensure accuracy by the Cafeteria Manager. A deposit ticket is completed and the cash and coin is placed in a tamper proof bank bag for pickup by the FSD and/or Assistant FSD, who then takes deposit to bank.
- 8) Once the FSD and the Assistant FSD delivers the deposits to the bank, the bank opens the sealed deposit, counts the deposit and gives the FSD and Assistant the deposit ticket. The deposit ticket is then given to the Cafeteria Manager the next day. The Cafeteria Manager checks the deposit ticket total against the Sales Activity Total and initials the ticket. The Sales Activity, Electronic Receipt, Bank Bag Tab and Deposit Ticket are then sent to the FSD for totaling.

Secondary School Daily Procedures—Food Service

Description: Patrons are able to deposit money into their 'lunch account' in the Point of Sale (POS) to purchase meals. The account is then used each day for purchases and is drawn down for the amount of the purchases. All money taken in is then deposited daily into the bank by the Food Service Director (FSD) and Assistant Food Service Director.

- 1) Deposits into a patron's lunch account are made at the POS by the cashier.
- 2) Each Cashier's station is counted at the end of the day by the Cafeteria Manager and totals are entered into the POS close screen and a receipt for each station is printed which lists the total of cash, coin and checks.
- 3) The money is then combined into one total deposit and the total is recorded in the deposit log and signed. The money is then counted again to ensure accuracy by the FSD and Assistant FSD. The daily Sales Activity Sheet is printed and is checked against the deposit for accuracy and initialed by the Cafeteria Manager. A copy is kept on file at the school and a copy is sent to the FSD.
- 4) A deposit ticket is completed and the cash and coin is placed in a tamper proof bank bag for pickup by the FSD and/or Assistant FSD. The tab of the deposit bag is kept by Cafeteria Manager.
- 5) The FSD and/or Assistant FSD takes the deposit to the bank. The bank opens the sealed deposit, counts the deposit and gives the FSD and/or Assistant FSD the deposit ticket. The deposit ticket is then given to the Cafeteria Manager the next day. The Cafeteria Manager checks the deposit ticket total against the Sales Activity Total and initials the ticket. The Sales Activity, Electronic Receipt, Bank Bag Tab and Deposit Ticket are then sent to the FSD for totaling.

Food Service Month End Processes

Description: At the end of each month, the Food Service Director (FSD) completes procedures to close the month.

- 1) Each week the FSD totals the previous week's sales activity totals and deposit totals for each school and compares to be sure they match, staples them together and initials each on the tape.
- 2) At the end of the month, the FSD prints out the detailed list of all online patron deposits from the Point of Sale (POS) and compares them to the reconciliation information for each individual patron.
- 3) The bank statement is then cross checked for all online payments by the FSD and any outstanding deposits in transit are highlighted and totaled.
- 4) The monthly spreadsheet from the POS is printed that reflects the daily activity.
- 5) The total for each Account Type (i.e. Student Lunch, Student Breakfast, etc.) is entered into the 800 Fund of the Financial Accounting Software by the Assistant FSD.
- 6) The total change to Prepaid Food in Trust is entered into the 8400 Fund of the Financial Software by the FSD. The balance of 8400 Fund is then compared to the actual balance of Patron Accounts from the POS on the last day of the month.
- 7) Any catering, rebates or miscellaneous receipts deposited are entered into the 800 Fund of the Financial Accounting Software by the FSD.
- 8) The FSD reconciles each bank statement with a secondary count and initial by the Assistant Food Service Director.
- 9) FSD prints out meal count spread sheet from POS.
- 10) FSD enters meal totals into CNP web claim site.
- 11) FSD prints out copy of claim and submits to Assistant Food Service Director for review.

End of the Fiscal Year Process

Description: At the end of the Fiscal Year, the Food Service Director (FSD) completes tools and reports to close out the school year along with storage and destruction of appropriate records.

- 1) In July, the FSD completes the Non-Program Food Tool to ensure that all Non-Program Food revenue meets the new requirements in Section 206 of the Healthy, Hunger-Free Kids Act of 2010.
- 2) The Tool is then kept on file for review.
- 3) The FSD completes the Annual Financial Report (AFR) using info gathered from the Tool and other financial reports from the Financial Accounting Software.
- 4) The AFR is given to the Assistant Food Service Director for review and signature.
- 5) Before September 1st, the AFR is submitted online to the Department of Education through the CNP web.
- 6) The approved copy is printed and given to the Assistant Food Service Director for signature.
- 7) All paperwork from the school year is placed in storage for 3 years plus the current year.
- 8) A list of all paperwork that is up for destruction is compiled by each Cafeteria Manager and the FSD and a list is sent to the Central Office Staff for approval for destruction. Once approval is given, all paperwork is destroyed and the destruction record is signed by whoever is completing the destruction.

Prepaid Food in Trust Description

Patrons are able to deposit money into their lunch accounts in excess of their purchases for future use (Prepaid Food in Trust) at the Point of Sale (POS). This money does not actually belong to the Food Service Account until items have been purchased. The money must be accounted for in a separate fund until it has been used for purchases.

- 1) All deposits to patron accounts are accounted for in the POS system daily and broken down by the POS by actual Sales or Prepaid Food in Trust.
- 2) At the end of the week, the POS system generates the spreadsheet of the daily activity for the week including the change to Prepaid Food in Trust and is printed out by the Food Service Director (FSD).
- 3) The total for each Account Type (i.e. Student Lunch, Student Breakfast, etc.) is entered into the 800 Fund of the Financial Accounting Software by the Assistant FSD.
- 4) The total change to Prepaid Food in Trust is entered into the 8400 Fund of the Financial Software by the FSD.
- 5) The balance of the 8400 Fund should equal the balance of all Patron Accounts.
- 6) The balance of 8400 Fund is then compared to the actual balance of Patron Accounts from the POS on the last day of the month and is kept on file by FSD.

Food Service Bad Debt/Patron Balance Write Off Procedure

Description: Patrons who have been withdrawn during the school year are kept in the Cafeteria POS database but made inactive so that their accounts cannot be used. In the event that the patron returns during the school year, the patron will be activated in the POS system and any balances will be available again. At the end of the school year, a list is printed of all inactive patrons and held until the start of the new school year.

- 1) All students in the POS system database are made inactive just before the new school year begins.
- 2) An import is completed of all new and returning students from the Student Information System. This will activate all current students.
- 3) The inactive students from the previous year list is checked to remove any returning students.
- 4) All students who remain on the inactive list from the previous school year will be removed from the POS database and a list containing student name, school and balance will be created.
- 5) The list is then held for that school year to allow for any refund requests.
- 6) After 60 days of sending a refund request to the inactive student without a response, funds will be deposited into KV Lunch Program Revenue.

Kankakee Valley School Corporation Lunch Program Procedures for Student Meal Accounts and Charge Policy

Est. April 2017

The National School Lunch Program (NSLP) requires school food authorities to establish written administrative guidelines and procedures for meal charges. Kankakee Valley School Corporation will adhere to the following meal charge procedure.

- All cafeteria purchases are to be prepaid before meal service begins. Students can bring money
 (check or cash) to each school cashier to add money to their meal account. Also, we have online
 payment available on our school website at http://www.kv.k12.in.us/. Under the parent portal you
 will find a link to Online Payment.
- A student may charge up to 2 meals maximum (one charge per meal) as long as they establish and maintain a good credit history of making payments on their food service accounts. Charged meals can include one breakfast and one lunch; or two lunches; or two breakfasts.
- A staff member may charge up to 2 meals as long as they establish and maintain a good credit history of making payments on their food service accounts.
- A student who has charged a meal may not charge or purchase "a la carte" item(s), including extra main entrees.
 - After charging 2 meals, students will be given an alternate meal. If after two alternate meals and the student still has insufficient funds, please have the child pack a lunch as they will longer be able to receive the alternate meal.
 - The Elementary schools and the Intermediate school send letters home daily notifying parents of insufficient funds. Parent(s)/guardian(s) can visit our website on their Parent Portal account to view their student(s) meal account balance.
- If a student repeatedly comes to school with no lunch and no money, food service employees must report this to the building principal as this may be a sign of abuse or neglect and the proper authorities should be contacted.
- Schools may deny a meal to a student who pays reduced or full price and who does not provide the
 required payment for that meal. However if the student who pays reduced or full price has enough
 money in hand for a meal that day, they will not be denied a meal.

 OR
 - Schools will provide an alternative meal of a peanut butter sandwich and drink to a student who pays reduced or full price and who does not provide the required payment for that meal. The alternative meal will be charged as a Smart Snack price for that particular meal.
- The food service manager or other school personnel will coordinate communications with the parent(s)/guardian(s) to resolve the matter of unpaid charges.

- If food services staff suspects that a student may be abusing this policy, written notice will be provided to the parent(s)/guardian(s) that if he/she continues to abuse this policy, the privilege of charging meals will be refused.
 OR
 - o If food services staff suspects that a student may be abusing this policy, written notice will be provided to the parent(s)/guardian(s) that if he/she continues to abuse this policy, the privileges of an alternative meal will be refused.
- Kankakee Valley School Corporation has meal/textbook assistance available to families anytime throughout the year. We encourage you to visit our website and under the Forms/Link tab you will find an application. Please print and fill out an application and return with your student to the Manager of the his/her cafeteria. Only one application is necessary per household. Also, we have applications available at all our schools main offices as well as the Corporation Office. We will be glad to help assistance you with your needs by calling 219-987-4711 ext. 1117.
- All accounts must be settled at the end of each grading period. Letters will be sent home to parent(s)/guardian(s) of students who have any negative balances. The Lunch Program will work with parents/ guardians to set up a payment plan if one is necessary to accommodate families. Negative balances not paid in full 5 days prior to the end of the school year will force the Corporation to take action to collect unpaid funds by means of collection agencies, small claims court, or any other legal method deemed necessary by the Corporation.
- Students who graduate or withdraw from the corporation and have \$2.00 or more left in their lunch/meal food service account will be notified by mail by food services at the end of the school year about where to mail a refund. If no response is received within 60 days the student's lunch/meal account will close and the funds will no longer be available. Unclaimed remaining balances will be transferred to KV Lunch fund.

Food Service Board Approval for Student and Staff Meal Prices

Description: Each year it is required that the School Board approve Student and Adult Meal Prices. Also, each school year the School Food Authority (SFA) is charged with calculating their paid lunch price increase requirement to meet the requirements in Section 205 of the Healthy, Hunger-Free Kids Act of 2010. The PLE Tool was created to help with the calculation. The completed PLE Tool is required to be sent to the Department of Education each school year.

- 1) The PLE tool is completed each spring to determine if a price increase is required. An exemption from raising prices can be requested if certain criteria are satisfied.
- 2) A student meal price recommendation is then submitted to the School Board for approval.
- 3) Adult lunch prices are required to be equal to or higher than the total cost of a high school student meal.
- 4) Adult prices are assessed each spring and based on the recommendation for student lunches, is calculated and submitted to the School Board for approval.

Separation of Duties

Description: Internal Controls are set in place to provide for separation of duties and to ensure the integrity of the Food Service Program.

1) Endorsement of Checks

- a. All checks receipted by the Food Service Cashiers are entered directly into the patrons account and deposited into the bank by the Cafeteria Manager daily.
- b. All checks receipted by the Food Service Department not at the Point of Sale (POS) are deposited by the Food Service Director (FSD) and then the information is entered into the Financial Accounting Software by the FSD.

2) Bank Reconciliation

- a. Completed by the Food Service Director.
- b. The Food Service Director matches all online deposits made to the Point of Sale (POS) online and deposits.
- c. Daily POS transactions are posted daily and reconciled at the end of the month by the FSD into the Financial Accounting Software.
- d. The FSD reconciles the bank statement.

3) Purchasing and Receiving

- a. Completed by the Cafeteria Mangers (CM), Assistant FSD and FSD.
 - a.Food and supplies
 - 1. Food Bids are advertised and awarded to one single prime vendor by the FSD.
 - 2. Food Orders are sent to the Assistant FSD and FSD weekly by the CM.
 - 3. Food orders are checked over by the FSD before placement.
 - 4. The Assistant FSD places the order online.
 - 5. CM checks in all food deliveries.

b. Other Purchases

- 1. Small purchase items not on the bid are placed by the FSD in conjunction with the FSD following the procurement guidelines of 3 quotes for each item for anything over the micro purchase threshold of \$3500.
- 2. Payments All invoice pricing is double checked against bid and quoted prices by the Assistant FSD. Expenses are entered into the Financial Accounting Software by the FSD.
- 3. Checks, check registers and records are processed by the FSD.

4) Contracts

a. All contracts are evaluated by the FSD and approved by the School Board.

5) Free and Reduced Applications

- a. Free and Reduced Applications are processed and entered into the Free and Reduced Meal Application (FARMA) Program by the FSD and Assistant FSD within 10 days of receipt and signed and dated.
 - 1. A double check of all processed applications for accuracy is completed by the Assistant FSD and FSD and signed and dated.

7) Textbook Assistance

- a. Textbook Reimbursement lists are generated by the (FARMA) Software.
- b. Status Information only is exported from the FARMA software into the Student Information System daily.
- c. Only those involved with billing for Textbooks have access to the information.

8) Receipts and Bank Deposits

- a. All POS receipts are received by the Food Service Cashier, counted by the Cafeteria Managers, double counted and deposited by the FSD and/or Assistant FSD.
- b. All other receipts are received by the FSD, deposited by the FSD and entered into the Financial Accounting Software by the FSD.

9) Payroll

- a. All times sheets are collected by the Cafeteria Managers, checked for accuracy and signed.
- b. Time sheets are turned into the Assistant FSD and are double checked for accuracy and initialed by the FSD.
- c. Payroll is processed by the Assistant FSD.
- d. The FSD checks the payroll printout and signs off.

10) Monitoring

a. Weekly and Monthly Audits are performed regularly by the FSD.