MT. DIABLO UNIFIED SCHOOL DISTRICT

FISCAL GUIDANCE

Allowable Reimbursable Expenses &/or Revolving Cash Accounts

Definition and Purpose

A revolving cash account is a specific amount of money reserved in an already established fund to be used by district employees for purchase of **'qualified'** inexpensive items (with prior approval of the principal/budget administrator) directly from vendors and to be reimbursed by the revolving cash account at the school site. It is not a separate entity and is part of MDUSD, which means the expenses need to be allowable expenses. Account balance plus any pending reimbursement from a District account must equal the account cash limit each month.

Expenses

Allowable Expenditures from Revolving Cash Account (receipts must be provided):

- A single item under $200.
- A number of items on one receipt under $200.
- Materials and supplies not offered through Office Depot/Amazon Business
- Infrequently purchased materials/supplies not stored in the Warehouse
- Refreshments and meals provided at in-service training workshops (not to exceed the current meal allowance). The workshop must be for district employees only. An itemized receipt, along with a sign in sheet, and agenda for the workshop must be submitted with the revolving reimbursement request.

Expenditures NOT Allowed from Revolving Cash Account:

- Conference registrations, meals and travel
- Consultant fees of any kind
- Daily beverage, i.e. coffee, tea, water, etc., for the office/employee lounge. Etc.
- Decorations
- Flowers, candy, trophies, prizes, etc., that may be considered a "gift of public funds
- Gift cards or purchase using gift cards
- Staff shirts, staff items that are personalized, mugs, etc.
- Items ordered frequently which a purchase requisition is necessary
- Membership dues of any kind
- Incentives rewards for employees and volunteers
- Mileage claims
- Salaries of any kind
- Vendors already in P.O. system, e.g. Office Depot
- This is not an exhaustive list (always ask)

Always obtain pre-approval from the site administrator prior to making a purchase, keeping in mind the guidelines above on what are non-allowable items. Also, when in doubt regarding any questionable purchases, check with Accounts Payable to clarify if the expense is reimbursable through the revolving cash account.

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Questions(s) may be directed to the Accounts Payable Supervisor @ Fiscal Services This will reduce the risk of the purchaser being personally held responsible for payment if the item is not a reimbursable expense.

Purchased items should be shipped to the district sites only, and not to the district employees personal address

If purchase is paid for with a personal credit card and reimbursed thru revolving cash account, the receipt must show the amount paid in full. Quotes are not acceptable as receipts.

A reminder that purchases using District funds should go through the Purchase Order process to ensure compliance with contracted vendors for products and services."

Frequently Asked Questions

What are public funds?
Per state law, they are monies collected and retained in district accounts, including ASB. (CA Constit. Article 16, Sec 6)

Can I purchase staff shirts if they are uniforms?
No. They are considered gifts of public funds and subject to the constitutional gift clause. We have two groups that are required to have uniforms that we purchase and distribute for safety reasons: landscaping and security.

What do you mean we can't pay for shirts? We could in the past.
Just because we did something in the past doesn't mean it is appropriate. We have double checked with our auditors who confirmed we cannot purchase staff shirts, personalized mugs, end of year gifts, etc.

But if I want to purchase items for staff, how can I do that?
Talk with your PTA, PFC, Boosters, or other groups you work with. Explain that you cannot purchase from district funds (this includes donation accounts) because they are a "gift of public funds."

I want to purchase 40 widgets but don't know how I can pay for it or which budget to use. What do I do?
You can work through Accounts Payable Supervisors, Gustavo Aguilera, Brenda Barbera, or Adrian Vargas. Sometimes we can get creative, but we still have to draw the line on anything that looks like a gift of public funds.

Oops…I used revolving cash and reimbursed something that cannot be reimbursed. What do I do?
Gus Aguilera, Brenda Barbera or Derrick Miranda can review the reimbursement. If it really is inappropriate, you will need to get the funds back from that person or we risk an audit finding. That makes the error public and requires us to put more steps in place as the district's response to the audit finding; this would mean more oversight for every single revolving cash/reimbursement districtwide. Please do not put us in that situation.

What if we have a Sunshine Account where we collect funds for gifts, flowers, cards (or vending machines)?
These types of accounts cannot be held by the district or they are subject to "gift of public funds" rules.

What if I get an Executive Cabinet member to sign off?
If it is not an allowable expense, the Fiscal Department will send it back. Please don't put the Superintendent or other Chiefs in this position.

Why are you being so mean and strict?
Well, in a nutshell, it is our job. We work very hard to be the "yes" departments, but we have compliance regulations and restrictions that we have to follow because the funds that come into the district become district funds with rules that govern them. The fiscal and purchasing teams are often as frustrated as you are. It's not fun to go back and tell you that you did it incorrectly or it needs to be resolved. But it's a part of our job and we have to be consistent. These discussions and trainings are our evidence of our due diligence to ensure our practices are above board and ethical. Please help us better do our jobs in Fiscal and Purchasing. Call if you have a question.

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