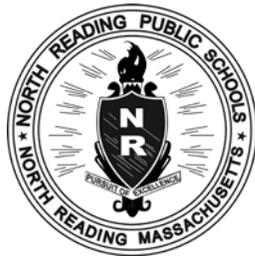


North Reading Public Schools



Administrative Financial Guidelines & Procedures Manual

2014-15 School Year

NORTH READING PUBLIC SCHOOLS
FINANCIAL GUIDELINES AND PURCHASING PROCEDURES

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NORTH READING PUBLIC SCHOOLS

ADMINISTRATIVE GUIDELINES AND PROCEDURES

I. PURCHASING

Purchasing procedures, including those requiring the use of purchase orders, are a matter of State law and Town and School Committee policy. The purchasing, receiving, storing and distribution of the supplies, equipment and services required in order to deliver our educational program represent a significant expenditure of the school department budget. Therefore, these items must be procured efficiently and economically to increase the mileage of the educational dollar. The measure of efficient, economical purchasing is the degree to which the necessary items are provided in the correct quantity, to the right place, at the right time and at the best price. Thus, it is essential that all concerned follow the administrative guidelines and procedures outlined in this document for purchasing:

A. Authority and Key Principles

1. One important function of the Business Office is to serve the educational program by expediting the provision of the necessary supplies, equipment and services.
2. The North Reading Public Schools intends to purchase competitively without prejudice and to seek maximum educational value for every dollar expended.
3. All purchasing, accounting and payment authorization transactions are conducted through the business office. The acquisition of services, equipment and supplies through the bid process is centralized in the Business Office and is a function assigned to the Director of Finance & Operations.
4. Only the person designated as the Director of Finance & Operations may commit funds allocated to the school department. The Director of Finance & Operations is responsible for administering the purchasing program for the school department.
5. The Director of Finance & Operations is authorized to issue purchase orders without prior approval of the School Committee where formal bidding procedures are not required by law and when budget appropriations are adequate to cover such obligations.
6. Purchasing procedures will comply with all applicable laws and regulations of the Commonwealth of Massachusetts, the Department of Elementary & Secondary Education and the Town of North Reading.
7. Purchasing and payments under the operating budget, revolving accounts and/or federal and state grants are subject to the same regulations, including the

following purchasing requirements that apply to any individual item or single total order.

8. Splitting one large order into two smaller orders for the purpose of avoiding the limits identified below is referred to as “bid splitting” and is prohibited by law.

B. Purchasing Guidelines

This process shall pertain to both quantity purchases of standard items as well as purchases of high dollar items and shall conform to Massachusetts General Laws, Chapter 30B, Uniform Procurement Act.

The designated Procurement Officer for the North Reading School Department shall award contracts and/or purchase orders for supplies and services as follows:

1. Competitive bids or quotations will be solicited in connection with all purchasing whenever required by law and whenever possible and/or practical. Contracts will be awarded to the lowest responsible bidder complying with the specifications and with the other stipulated bidding conditions.
2. For purchases less than \$5,000, sound business practice should be used. This means that you should make sure that the price we are paying for something is reasonable. You may do this by looking in catalogs, looking at price lists, or by getting telephone quotes. Make a reasonable effort to get our money’s worth. Whenever possible, items should be purchased from established school department vendors or State bid lists. Bid lists for office and general supplies, paper and card stock, and computer supplies including ink and toner cartridges are available in the Business Office. Updated copies of these lists are forwarded to the main office of each school annually (April or May). Additional copies can be obtained from the business office.
3. For purchases between \$5,000 and \$24,999, a more formal process is required by state law. You are required to seek written or telephone quotes from at least three vendors unless you are purchasing from an approved state contract. A sample price quotation form is included in the Appendix (See Forms Appendix, A-1) and copies may be requested as needed from the Business Office. The following information needs to be recorded on a quotation form and submitted to the Business Office with your purchasing requisition:
 - the item(s) to be purchased
 - vendor name, address and contact information
 - the amount quoted
 - the date of the quote

The contract award shall be made to the qualified source with the lowest quotation. If you are purchasing from state contract pricing, please indicate the

state contract number in the description field when submitting your purchase requisition in the Munis accounting system. Exceptions to this shall be reviewed with the Director of Finance and Superintendent and, if deemed necessary, with the School Committee.

As related to quantity purchases, the Business Office of the school department shall periodically estimate requirements of standard items or classes of items and make quantity purchases, thereby effecting economies of scale. This should include purchasing through a consortium of school departments whenever this makes economic sense. Also, whenever storage capabilities make on time delivery of the purchased items impractical, the total quantity will be bid and staggered delivery dates will be made part of the bid specifications.

4. All purchase contracts for materials, equipment, supplies or services involving an annual aggregate expenditure totaling \$25,000 or more, will be awarded on the basis of public advertising and competitive bidding. The Director of Finance & Operations and his/her designee are authorized to open bids and record and act on them pursuant to law.
5. Bid instructions shall be prepared by the Business Office and shall be clear, complete and conducive to competitive bidding, setting forth all conditions necessary to bid.
6. Residence or place of business of bidders may be a consideration only in cases where identical bids have been submitted.
7. Items commonly used in the various schools, departments or offices shall be standardized whenever consistent with the educational goals and in the interest of efficiency and economy.
8. A statement of "General Conditions" and a "Bid Proposal Certification" form shall be included by the Business Office with all specifications submitted to suppliers for their bids. These documents shall be incorporated into all contracts awarded through the bid process for the purchase of materials, equipment, supplies and services.
9. Opportunity shall be provided to responsible suppliers to do business with the North Reading Public Schools. To this end, the Director of Finance & Operations shall develop and maintain lists of potential bidders for the various types of materials, equipment and supplies. These bidder's lists shall be used in the development of a mailing list for the distribution of specifications and invitations to bid. Any supplier may be included on the list upon request. However, the Director of Finance & Operations reserves the right to reject a bidder if it is in the public interest to do so.
10. The Business Office shall, whenever it is practical and beneficial to do so, post any Request for Proposal (RFP) out to the appropriate channels. The intent is to

seek bids from those sources able to offer the best prices, consistent with quality, delivery and service. All bids shall be opened in public, at the prescribed time and place, and shall be tabulated for study.

11. After bids are opened and tabulated, they will be made available to anyone interested in copying or studying them, but shall not be removed from the Business Office.
12. The administration will make awards to the lowest qualified bidder meeting specifications, as long as they fall within budget and with notification to the School Committee. Exceptions shall be brought to the committee for approval. At all times, the Committee reserves the right to make awards in the best interest of the Town of North Reading.
13. School Committee members or employees of the North Reading Public Schools may not participate in any matter in which an immediate family member (parents, children, siblings, spouse, and spouse's parents, children, and siblings) has a financial interest. Acceptance of any gifts and/or gratuities, financial or otherwise, by any of the above persons from any supplier of materials or services to the school department is prohibited by State law.

In the event of tie bids, the following procedure shall be followed:

- a) In the case of single item bids or multiple item bids where all items are tie bids, the award will be made to a local vendor, if appropriate, or to the vendor who has offered the most consistent quality services and reliability in the past.
- b) In the case of multiple item bids, where only part of the items are tie bids, the award of all tie bids shall be made to the local vendor, if appropriate or to the vendor who has offered the best bid as a whole.

Town Counsel shall review and approve the form of any and all contracts, no matter what dollar value, prior to the contract being signed.

All appropriate signatures in accordance with Massachusetts General Law (Chapter 30B, Section 4 – Uniform Procurement Act) and Local Ordinances shall be obtained by the Business Office prior to the actual purchase.

Payment:

All payments for purchased goods and services shall be made in accordance with Massachusetts General Law (Chapter 30B Section 4) local ordinances and procedures, and good general accounting practices.

C. General Purchasing Procedures

1. The materials, equipment, supplies and/or services to be purchased should be of the quality required to serve the function in a satisfactory manner as determined by the originator of the requisition and the Director of Finance & Operations.
2. It is the responsibility of the originator of the requisition to provide the Director of Finance & Operations an adequate description of the items or services required so that specifications may be prepared and the desired items and/or services can be procured most expeditiously and economically.
3. The Director of Finance & Operations may make alternate suggestions to the originator of the requisition if, in the judgment of the Director of Finance & Operations, the specifications would overly restrict competition or otherwise preclude the most economical purchase of the required items.
4. When a low bidder proposes an alternate as an "equal" to that specified, it is the responsibility of the Director of Finance & Operations to determine whether the proposed substitution is, in fact, an "equal." Such decision shall be based on the evaluation of the Director of Finance & Operations and in the case of a "specialized" item, that of the originator of the requisition.

D. Requisitioning

1. The following are designated as "requisitioners," that is, they are authorized to approve purchasing requisitions against stipulated segments of budgetary appropriations:

Superintendent
Principals

Director of Finance & Operations
Directors/Supervisors

2. Requisitioners are responsible for limiting their requisitions to the amounts appropriated for the programs under their control.
3. Only the forms provided by the Business Office may be used for purchasing. The Director of Finance & Operations reserves the right to approve, in advance, alternative means of requisitioning, (e.g., email, fax).
4. Standard supply lists (bid lists) of commonly used items shall be jointly developed for all categories or groups of supplies by the Director of Finance & Operations and the appropriate requisitioners. Whenever possible, these standard lists will be used as a basis for purchasing.
5. Items not specifically included on standard supply lists will be purchased on the regular purchasing requisition form.
6. Whenever possible, purchasing requisitions shall be submitted in accordance with the established and published purchasing schedule.

7. All purchasing requisitions are to be submitted to the Business Office via the school automated accounting system known as Munis. Instructions on how to use the automated purchase requisition system can be requested and maintained through the Business Office and are also available in the Help features in Munis. All purchase requisitions must be approved and finalized by the budget or program leader and sent to the Business Office for final approval.

Purchase Orders are required and must be processed in advance of all services and goods. A purchase is not acceptable without issuing a purchase requisition to the Business Office in advance. A purchase order is required and all funds should be encumbered in advance via the purchasing requisition process. Budget leaders are not authorized to submit online orders or phone orders without first receiving permission from the Director of Finance through the purchase requisition process in advance. Only the Business Office, under the direction of the Director of Finance & Operations, is authorized to submit purchase orders online with approved vendors such as WB Mason, Barnes and Noble, Staples and Amazon.

E. Purchasing Requisitions

1. The purchasing requisition is used to assist the Business Office in maintaining the budget. It is imperative that all purchases payable from school department funds be properly encumbered through the purchasing requisition process.
2. The Director of Finance & Operations prepares and publishes an annual purchasing schedule consistent with the school system's needs in order to enable the efficient functioning of the Business Office.
3. Purchasing requisitions must include the following essentials:
 - a. Vendor name, complete address and phone number, and federal tax identification number.
 - b. A specification which adequately describes to the vendor the quantity required, characteristics, and when available and the quality standards of the item(s) required.
 - c. A firm, quoted, net delivered price, whenever possible. Catalog prices must be taken from the vendor's most recently available catalog. Prices shall be shown per unit.
 - d. Clear delivery instructions, including the address, date as well as time, if necessary. **Deliveries must be made to one of our schools. School department funds cannot be used to pay for items shipped to the requisitioner's home address or any other non-school location.** Delivery costs shall be listed as a separate line on the purchasing requisition, if it is not included in the unit price. Such delivery costs are charged to the same budget

line item as the items being purchased.

e. Authorized signature(s)

f. Budget account code number(s)

g. Date of order

h. Price quotation sheet, if required. (See B-3 above.)

F. Purchase Order Generation

1. The originator determines which items are needed and the vendor source for those items. Items may be purchased through State or school department bid lists, from catalogs or other sources. The originator can be a teacher, secretary, custodian, Director or Asst. Director, Principal or Asst. Principal, etc. The originator sends this information to his/her Director or Principal, i.e. whoever is authorized to approve the expenditure from the funding source. (See D-1.)
2. The program leader reviews and approves all purchase requisitions for the items requested under the budget within their control. The program leader should verify the account number and approve the requisition, authorizing the expenditure of funds from the program budget. The purchasing requisition is then forwarded to the Business Office via the Munis accounting system. All necessary back up documentation including quotation sheets, registration forms, etc., must be sent to the Business Office and must reference the requisition number that was submitted through the Munis system.
3. The Business Office staff reviews the requisition for completeness, verifies the funds are available, and are being charged to the right account. Corrections are made as necessary. For example, a textbook purchase cannot be charged to the conference cost center code. If it is determined there are insufficient funds within the program's budgeted line item for the purchase, the program leader is notified by the Business Office. The Program leader may then review his/her budget and request a line item transfer by sending an email to the Director of Finance and Operations. If the Director of Finance and Operations approves and processes the budget transfer, the program leader and Business Office staff are notified. Once approved, the **requisitions are returned to the program leader.** Purchasing requisitions are entered in batches daily into Munis accounting. The Munis accounting system automatically assigns a purchase order number to the approved, converted requisition.
4. The Director of Finance & Operations posts the requisitions once approved by the Business Office staff and authorizes purchase orders with an electronic signature. Once printed, the original purchase order is sent to the vendor, the department copy is returned to the Principal or Director and the accounting copy

is filed in the open purchase order file.

5. Purchase orders are posted and printed daily. It normally takes one day from the receipt of an accurately completed purchasing requisition to generate and mail a purchase order to a vendor. Emergency purchase orders can be generated in as few as five minutes. During periods of heavy volume, such as late June when many requisitions are received, turnaround time is typically three to four days. It is up to the originator and/or program leader to communicate clearly about time constraints. The Business Office prints approximately 2,500 purchase orders per year.

G. Files

Good purchasing procedures require that the Business Office have available a number of files to assist program leaders in obtaining the services, supplies and/or materials needed to meet the needs of the educational program. These include the following:

1. Specification File - A file of specifications previously used by the school department and any specifications from other school departments which might be of use is maintained. This is of value when the Director of Finance & Operations begins to develop new specifications for bids.
2. State Bid File - A file of current state bid prices and contracts by product group is maintained. This is of value to both the Director of Finance & Operations and staff members when researching pricing information for items not on the standard supply lists.
3. Catalog File - A file of catalogs organized by vendor is maintained to assist both the Director of Finance & Operations and staff members in quickly locating the item(s) for purchase.
4. Vendors File - An alphabetical file of all vendors utilized by the school department together with a summary listing of the goods or services provided by each vendor is maintained. A cross-reference file organized by product group to supplement this file is also helpful in quickly locating vendors for purchases or bids. This file is currently maintained as part of the Munis accounting system.
5. Numeric File of Purchase Orders - One copy of the purchase order is filed numerically by purchase order number. This file is useful for analyzing purchasing patterns. It is also helpful when goods are received with only the purchase order number listed on the package. This file is currently maintained as part of the Munis accounting system.

H. Receiving and Accounts Payable Process

1. After receiving the purchase order, the vendor will fill the order and ship the items to the originator. Back orders are acceptable for up to ninety (90) calendar days

after the original issue date of the purchase order. After ninety (90) calendar days, the purchase order is closed. The originator will need to submit a new purchasing requisition to reorder items on back order for longer than ninety (90) calendar days.

2. The vendor mails the invoice to the Business Office. In the event the original invoice is included with the order delivery, the originator should immediately forward the invoice to the Business Office.
3. The originator receives the item and verifies that the order is correct. The Business Office will send a copy of the invoice to the originator, if the order received is correct and in good condition, the originator signs the invoice copy authorizing payment and forwards it along with the packing slip (if applicable) to the business office. For partial receipt of orders, a photocopy of the invoice should be forwarded to the Business Office clearly indicating those items that have been received. If the order is not correct, the originator should contact the vendor to correct the error and also advise the Business Office of the nature of the discrepancy and the resolution. Please refer to the next section (Section I) for the return of goods procedure if necessary.
4. The Business Office matches the invoice with the file copy of the purchase order and the receiving documentation. Price differences, if any, are reconciled with the vendor. Invoices are approved by the Director of Finance & Operations and then entered into the Munis accounting system. Invoice entry liquidates the encumbrance and is the first step in converting the transaction into a payment.
5. Invoice batches are printed and then verified for accuracy.
6. The Director of Finance & Operations signs and approves all invoices before they are entered into an invoice batch. The approved original invoice batch is then sent to the Town Finance Director along with the original invoices every Tuesday & Thursday each week.
7. Each Wednesday, the Town Finance Director approves and posts invoice batches, balances the warrant and then prints vendor checks. The Town Accountant is legally obligated to review invoices and has the right to raise questions regarding the appropriateness of any transaction.
8. Each Friday, the Town Treasurer signs the checks and mails them to the vendors.
9. The vendor receives the check and credits the school department's account.

Invoices are entered daily. **Invoice batches that have been approved and forwarded to the Town Finance Director on Tuesday & Thursday are usually included in the warrant for payment the following week.** Checks are printed each Friday. Typically, a vendor will receive payment within one or two weeks after the invoice is received by the

Business Office, assuming all paperwork has been forwarded to the Business Office and there are no significant discrepancies between the purchase order and the invoice. THE TOWN WILL NOT GENERATE MANUAL CHECKS TO VENDORS. The Business Office processes approximately 250 invoices per week (15,000 invoices per year).

I. Return of Goods

1. The originator should contact the vendor and get authorization to return the items.
2. The originator should properly pack and label the items to be returned. If required by the vendor, include the return authorization number on the shipping label.
3. Notify the Business Office, either by fax or email, of the return. Information required includes the vendor name, original purchase order number, item(s) being returned, reason for return and final disposition, (i.e., return for credit, return for replacement or exchange for a different item). In the event of an exchange, please also include the price of the new item so that the encumbrance can be appropriately adjusted.
4. Schedule a UPS pick up at the school location.

J. Employee Reimbursement for Purchases

1. All purchases that are to be reimbursed through school funds must be pre-approved by the Program Director or Principal. The direct purchase method should only be used under one of the following situations:
 - undue hardship and/or delay would be encountered by using the normal purchase order process
 - significant savings can be realized by paying for items on the spot, or
 - a particular vendor does not accept purchase orders

The following local companies do accept purchase orders and we have established business arrangements with them:

Market Basket Staples
Reading Lumber Moynihan Lumber

2. Direct purchases exceeding \$25 require advance approval by the building

Principal or Director. **The Town is prohibited, as well as exempt, from paying and/or reimbursing sales tax. A sales tax exemption form is available by contacting the Business Office.**

3. Once approved, the Principal or Director should generate a purchase requisition, substituting the employee's name, school and/or department for the vendor name and address, prior to the actual purchase. (Refer to section E, Purchasing Requisitions and F, Purchase Order Generation above).
4. **If any employee makes a purchase that includes sales tax, he or she is responsible for the tax.** Tax exempt forms can be obtained from the Business Office. Presenting the tax exempt form to the vendor at the time of purchase will generally prevent the charging of sales tax on the purchase.
5. After purchasing the approved item(s), the employee must complete and sign the *Reimbursement Voucher Form* (see Forms Appendix, A-2), attach all **original** receipts and obtain the supervisor's signature. The completed *Reimbursement Voucher Form* with receipts attached should then be forwarded to the Business Office for processing. Properly completed forms, received by noon on Friday, are processed each accounts payable warrant cycle. Forms that are incomplete and/or missing documentation of the purchase, (e.g. receipts) will be returned to the Principal or Director.
6. For purposes of reimbursement, the Town considers **original** receipts to be any of the following:
 - for items purchased with cash - an original cash register receipt or hand written receipt from the vendor indicating a cash sale.
 - for items purchased with a check - a copy of the front and back of the cancelled and an original receipt detailing the item(s) purchased. In accordance with Town policy, reimbursement for purchases made by check will be made to an employee for checks drawn on an account owned solely and/or jointly by the employee. **Purchases paid from a checking account owned by a spouse, parent, friend, etc. are not eligible for reimbursement.**
 - for items purchased with a credit card: an original or online credit card statement, signed by the employee, detailing the item(s) purchased, or an original receipt detailing the item(s) purchased showing the credit card number charged and a copy of the employee's credit card statement highlighting the charge, or an original receipt detailing the item(s) purchased showing the credit card number charged and a copy of the employee's credit card indicating the card number and the name of the credit card holder. In accordance with Town policy, reimbursement for credit card purchases will be made to an employee for charges to the

employee's credit card. **Purchases charged to the credit card of a spouse, parent, friend, etc. are not eligible for reimbursement.**

- for items purchased with a debit card: an original or online statement detailing the item(s) purchased showing the debit card number charged and a copy of the employee's debit card indicating the card number and the name of the debit card holder. In accordance with Town policy, reimbursement for debit card purchases will be made to an employee for charges to the employee's debit card. **Purchases charged to the debit card of a spouse, parent, friend, etc. are not eligible for reimbursement.**

K. Employee Reimbursement for Conferences and Travel

1. All conferences and/or travel expenses that are to be reimbursed through school funds must be pre-approved by the Director or Principal. Whenever possible, conference registration fees will be done with a purchase order and should not require any out of pocket expenses by the employee. Employees traveling to conferences are only reimbursed for their travel expenses in special circumstances that have been pre-approved by the Director or Principal in advance of the conference. In the majority of the circumstances, there are no funds available in the budget to reimburse employees for their travel expenses. If payment for travel expenses has been pre-approved by the Director or Principal employees shall be reimbursed for actual, reasonable and necessary expenses incurred by and for themselves as a result of approved conference attendance and travel in connection with their duties. Actual, reasonable and necessary expenses include transportation, tolls, legal parking fees, and mileage between the employee's usual place of work, the destination and return, and business or professional association conference registration fees if the association did not accept a purchase order. Parking or other vehicular violations are not reimbursable.
2. Once the request for conference or travel is approved, the Principal or Director should generate a purchasing requisition, substituting the employee's name, school and/or department for the vendor name and address. The Business Office, before processing the reimbursement, will verify the conference is an approved workshop (listed in the employee's My Learning Plan). Refer to section E, Purchasing Requisitions and F, Purchase Order Generation above.
3. If an employee has received pre-approval of all reasonable expenses to attend an out of state conference requiring air travel and overnight hotel accommodations the following will apply:
 - a. Air travel will be reimbursed at coach class rates using the most economical route.
 - b. Employees using personal automobiles will be reimbursed at the current IRS rate \$0.56 per mile.

- c. Detailed receipts for airfare, taxi, tolls, parking, etc., are required for reimbursement. No reimbursement will be made for the value of points, mileage and/or airline vouchers used.
 - d. Reimbursement for meals will be a maximum of \$40 per day: \$10 for breakfast, \$10 for lunch and \$20 for dinner. Alcoholic beverages, (beer, wine, etc.) will not be reimbursed. Detailed receipts are required for reimbursement. If a reasonable gratuity tip is clearly identifiable on the receipt, it may be included for reimbursement. If there is no documentation of the amount of tip paid on the receipt, it will not be reimbursed.
 - e. Personal phone calls, movie rentals, uses of gymnasium and/or pool facilities included in lodging expenses are the responsibility of the employee and are not eligible for reimbursement.
4. In order to be reimbursed for conference and/or travel, the employee must complete and sign the Reimbursement Voucher Form (see Forms Appendix, A-2), attach all original receipts, (see section J, number 6 for acceptable forms of receipts) and obtain the supervisor's signature. The Reimbursement Voucher Form with receipts should then be forwarded to the Business Office for processing. Properly completed forms will be processed on the next accounts payable warrant cycle for payment the following week. Forms that are incomplete and/or missing documentation of the purchase, (e.g. receipts) will be returned to the Principal or Director.

L. Employee Reimbursement for Mileage

5. Employees required to regularly travel between schools in connection with their duties shall be reimbursed for mileage at the approved current IRS mileage rate of \$0.56 per mile.
6. The Principal or Director should generate a purchasing requisition at the beginning of each school year, substituting the employee's name, school and/or department for the vendor name and address and estimate the mileage and amount for the school year. The requisition should indicate the employee's home school and the destination school(s). For coding purposes, mileage reimbursement is to be charged to the destination school. Refer to section E, Purchasing Requisitions and F, Purchase Order Generation above.
7. Each month, the employee should enter the daily miles traveled on the *Request for Mileage Reimbursement Form* (see Forms Appendix, A-3) by date. Also refer to the North Reading Public Schools Approved Mileage chart for calculated distances between schools. (See Forms Appendix A-4).
8. At the close of the month, the employee must sign the *Request for Mileage Reimbursement Form* and obtain the supervisor's signature. The completed *Request for Mileage Reimbursement Form* should then be forwarded to the Business Office for processing. Mileage reimbursement requests must be

submitted monthly, no later than sixty (60) business days after the end of the month. A submitted monthly mileage reimbursement request is required in order to receive reimbursement. The requests will need to be completed by the employee and signed off by a supervisor at the end of each month. Properly completed requests are processed either on the Tuesday or Thursday accounts payable warrant cycle submitted to Town Hall. Forms that are incomplete and/or missing information will be returned to the Principal or Program Director.

M. Petty Cash

1. Petty cash up to \$50 is maintained at Central Office for purchases by the Central Office personnel only. Petty Cash is no longer held at each school location.

N. Gift Acceptance Process and Form

All Gifts and donations received from outside groups including PTO's, must be officially accepted by the School Committee and deposited through the Town Treasurer in accordance with M.G.L Chapter 44 section 53A. The form in Appendix A-5 is the official Gift Acceptance Form and should be used for the acceptance of all gifts with a monetary value including in kind donations of equipment/supplies with a useful life beyond one year. Once the gift has been accepted by the School Committee, the funds will be deposited in the appropriate school gift revolving account and forwarded to the Principal or Program Director responsible for spending the funds for the intended purpose. The Business Office staff will keep an annual spreadsheet of all gifts and in kind donations received, which will periodically be presented to the School Committee. The purchase requisition process through the Munis accounting system should be used to expend from the gift revolving account.

O. Cash Handling Receipts and Deposits

Operations or activities involving the handling of cash are the most vulnerable to loss, regardless of the type of organization, and require the closest attention to fiscal controls in order to protect both the district and the staff involved in those activities.

1. The Director, Principal, Asst. Principal, Athletic Director, Student Activity Advisor, and/or any staff member responsible for handling cash will assure that all class, field trip, student activity, athletic user fee, gate receipts and other event receipts are deposited promptly at the bank and copies of all required forms are sent to the business office within a twenty four hour to forty eight hours of receiving the funds. If you are a Director directly responsible for depositing funds in the bank it should be done whenever possible on the day of the event for all events that take place between Monday and Friday. If this is not possible for any reason it must be done within a 48 hours of the event. Each staff member will assure that the receipts from all weekend events are properly safeguarded by holding them in a locked safe, or vault, on school property over the weekend. All such receipts should be deposited or turned over to the business office on the morning of the next business

day following the event. No student or staff member shall take money home at any time. Money shall be secured in a locked safe, or safeguarded by other means within the department, at all times. Only staff members employed by the district should handle cash at all times.

2. Funds collected should be counted and verified by at least two people before being deposited at the bank. Every effort should be made to deposit all receipts at the bank within a 48 hour period. Funds collected should be maintained in a locked file cabinet or safe prior to being deposited at the bank. Gift or rebate checks received directly by a School or Department should be promptly forwarded to the business office for deposit. Every effort should be made to code and send all checks received to Town Hall for deposit within one week of the date of the check.
3. Staff members will use the *Deposit Form (Appendix, A-6)* or the deposit forms available at the bank to report collection of all receipts. The staff members will identify the name of the program, department, activity that identifies the source of funds and report:
 - Cash receipts
 - Total check receipts
 - Total of all receipts.

After each receipt is deposited at the bank, the Director or Principal will sign *the Deposit Form and complete the Schedule of Department Receipts to the Treasurer. (Appendix A-7)* A copy will be sent to the Treasurer's office and to the business office verifying the amount collected and recorded is accurate. The *Schedule of Departmental Payments to the Treasurer (Appendix A-7)* with the bank deposit forms must be sent to the Treasurer's office on a daily basis (if cash/checks have been received).

4. Members of the business office upon receipt of these forms will review and verify the amount recorded is accurate. A copy of the *Schedule of Departmental Payments to the Treasurer* and bank deposit form must be sent to the business office. This provides a source document for reconciliation that all receipts have been posted to the correct School general ledger account.

The business office will file the forms received to maintain a record of each deposit.

5. If there is any discrepancy, the Business Office will contact the Director and/or Principal immediately via phone or email if a discrepancy exist. The Business Office will maintain a log of deposit discrepancies.
6. The business office staff accountants once checks are received for any gift, rebate, busing, or tuition based account shall promptly prepare a *Schedule of*

Departmental Payments to the Treasurer (Appendix A-7) every day that checks are received.

7. The Town Treasurer will enter the receipts to the appropriate budget subsidiary account in the accounting software to assure that receipts are posted promptly to reflect correct and updated balances in the subsidiary account. The business office will verify that the receipt has been posted into the correct account by the Town Treasurer's office.

P. Income Reports for Athletic Events

1. Athletic fees collected from students or parents by the Athletic Department will be deposited using the Deposit form and Schedule of Departmental payments and instructions noted above. It is the responsibility of the Department to maintain a record of the students who paid that corresponds with the deposit. The Athletic Director should prepare a student roster to match each deposit so that each deposit can be reconciled each season to ensure the funds received match the level of student participation. A separate Income Report will not be required. At the completion of each season the Athletic Director should complete the Deposit Recap template shown in [Appendix, A-11](#), and submit to the business office. This will enable the business office to properly reconcile all user fee and gate receipt deposits each season with the level of student participation, financial assistance, and family caps that have been awarded.
2. Gate receipts collected at athletic events should be deposited within 48 hours of the event. A copy of the deposit form along with the Gate Receipts Report in [Appendix, A-8](#) should be sent to the Business Office following each event. The report will detail the number of tickets issued, tickets sold and total income. Each ticket seller will record the beginning ticket number for each roll used, the ending ticket number and the price that applies to the tickets. If different prices apply (e.g., a lower price for seniors or children) a different set of tickets should be used in order to reconcile the number of tickets sold to the price per ticket.
3. Approved fundraising or other activity conducted by a coach, advisor or other staff member that results in the collection of funds must have the Event Income Summary Form completed shown in [Appendix, A-9](#), that documents the program or approved activity, the date(s) of the activity, the source of the revenues, the total revenues collected and the breakdown of the revenues by cash, check, and coin. If an activity spanned multiple days, the collections for each day will be recorded with the breakdown of the revenue for each day. The daily amounts should correspond to deposits made to the Business Office, unless the activities occurred over a weekend and all funds are deposited at once on the next business day.
4. If there is a need to process a user fee refund to a parent or family because their child will no longer be participating in the sport or activity, a Tuition/Fee Refund Request Invoice shown in [Appendix, A-10](#) must be completed and sent to the Business office. The Invoice form will detail the parents name, address, the

program, refund amount, account, and reason for the refund. Proof of payments must be attached to the form for processing which should include a copy of the cancelled check if paid by check. If paid online the business office can print a receipt of the online transaction as back-up.

Q. Account Reconciliation

1. Principals and Directors should process and review expenditure and revenue year to date reports on a monthly basis. Any discrepancies must be reported promptly to the Business Office. The Director of Finance & Operations will review and, if necessary, a request for an account transfer will be prepared and submitted to the Town Finance Office who will in return process the journal entry in the accounting system. Documented evidence of this reconciliation must be retained and maintained in the Business Office. The Business Office can provide financial reports on any operating budget account and on any revolving or donation account to allow the Department to reconcile its records.

2. The Business Office must verify that the total of the receipt from the Treasurer's office agrees to their copy of the Departmental turnover and retain both copies on a monthly basis.

R. Other

1. No departments, other than the Treasurer and School Business Office are authorized to maintain their own bank accounts.

PURCHASING POLICY FORMS APPENDIX

<u>Form/Document</u>	<u>Page #</u>
Price Quotation Sheet	A-1
Reimbursement Voucher Form	A-2
Mileage Reimbursement Form	A-3
Approved Mileage Chart	A-4
Gift Acceptance Form	A-5
Receipt/Deposit Form	A-6
Schedule of Department Receipts to Treasurer	A-7
Gate Receipts Form	A-8
Event Income Report	A-9
Parent User Fee/Tuition Reimbursement Request	A-10
Athletic Deposit Seasonal Recap Template	A-11

A-1
PRICE QUOTATION SHEET

Three quotes are **REQUIRED** when the cost of the supply or service is \$5,000 or greater, but less than \$25,000. Please complete this form as you are soliciting quotations. When purchasing textbooks or library books, this form must be used unless we can verify in writing that there is only one supplier.

Item Required: _____

1.) Vendor Name: _____

Address:
(Street) _____

(City/State/Zip) _____

CONTACT

Name or vendor Representative Providing the Quote

Quoted Unit Price _____ And/or Total Price _____
Date: _____

2.) Vendor Name: _____

Address:
(Street) _____

(City/State/Zip) _____

CONTACT

Name or vendor Representative Providing the Quote

Quoted Unit Price _____ And/or Total Price _____
Date: _____

3.) Vendor Name: _____

Address:
(Street) _____

(City/State/Zip) _____

CONTACT

Name or vendor Representative Providing the Quote

Quoted Unit Price _____ And/or Total Price _____
Date: _____

INCLUDE THE COST OF DELIVERY WHEN COMPLETING THE PRICE QUOTE LINE

Quotations submitted by: _____

NORTH READING PUBLIC SCHOOLS

North Reading, Massachusetts

Date: _____

REIMBURSEMENT VOUCHER

Pay to: _____

Address or School: _____

The amount of: _____

For: _____

Date and type of activity or expense

Explanation for total: _____

Miles:	Starting Point	To Destination	To Starting Point
--------	----------------	----------------	-------------------

_____	_____	_____
-------	-------	-------

Total Miles _____

@.56 cents _____

Hotel: _____

Meals: _____

Other: _____

Total _____

All items appearing here need documentation, except mileage _____

Signature: _____

Person who is being reimbursed

Account # _____

Approved by: _____

Principal

PLEASE NOTE THAT REIMBURSEMENT VOUCHERS MUST BE Submitted within 60 days of activity

Mileage reimbursement must be calculated to and from an employee's normal place of business and the approved conference destination. It should not be submitted using an employee's home address.

A-4

NORTH READING PUBLIC SCHOOLS APPROVED MILEAGE to the nearest tenth between school buildings					
	<u>Batchelder</u>	<u>Hood</u>	<u>Little</u>	<u>Middle School</u>	<u>High School</u>
Batchelder		1.8	2.9		
Hood	1.8		4.6	2.5	2.2
Little	2.9	4.6		2.7	2.5
Middle School		2.6	2.7		
High School		2.2	2.5		

A-5
GIFT DONATION TO
NORTH READING PUBLIC SCHOOLS

Item to be donated:

Recipient/Purpose:

Donor's Name:

Address:

Describe any site changes required to accommodate item (e.g. room or land preparation):

Form Completed by:

Approvals

Principal/Program Leader:

Date

Superintendent:

Date

Business Manager:

Date

(For School Committee Secretary Use Only)

Listed on School Committee Agenda: _____

_____ **Date**

Acknowledgement letter Sent: _____

_____ **Date**

A-6
NORTH READING PUBLIC SCHOOLS
DEPOSIT SLIP

SCHOOL/DEPARTMENT/PROGRAM: _____ DATE _____

SOURCE OF MONEY _____

AMOUNT OF MONEY TO BE DEPOSITED _____

BILLS _____ DIRECTOR/PRINCIPAL _____

COINS _____ REVIEWED BY _____

CHECKS _____

TOTAL _____

(PLEASE SEND TO BUSINESS OFFICE AFTER EACH DEPOSIT, THIS INFORMATION MAY ALSO BE RECORDED ON THE BANK DEPOSIT SLIP AND SENT TO THE BUSINESS OFFICE)

A-8
GATE RECEIPTS
NORTH READING SCHOOL DISTRICT

(To be submitted by Ticket Sellers at the end of each game with revenue collected)

Sport: _____

Event: _____

Event Date: _____

Full Price: \$_____ per Ticket	
Beginning # _____	Ending # _____
Total Tickets Sold _____	
Price per Ticket x Total Tickets Sold =	
Total Income \$_____	

Reduced Price: \$_____ per Ticket	
Beginning # _____	Ending # _____
Total Tickets Sold _____	
Price per Ticket x Total Tickets Sold =	
Total Income \$_____	

Reduced Price: \$_____ per Ticket	
Beginning # _____	Ending # _____
Total Tickets Sold _____	
Price per Ticket x Total Tickets Sold =	
Total Income \$_____	

Total Gate Receipts for All Tickets Sold: \$_____

Submitted by: _____ **Date:** _____
(Ticket Seller)

Gate Location: _____

(A copy should be sent to the Business office with the bank deposit slip and schedule of departmental payment to the treasurer form after each athletic event)

A-9
NORTH READING SCHOOL DISTRICT
EVENT INCOME SUMMARY

(To be submitted by Staff member upon completion of any fundraiser or revenue-generating activity)

PROGRAM/ACTIVITY: _____ DATE _____

EVENT _____ DATES _____

DEPOSIT DATE _____ SOURCE _____

BILLS _____

COINS _____

CHECKS _____

TOTAL INCOME \$ _____

SUBMITTED BY _____ DATE _____

REVIEWED BY _____ DATE _____

*Attach an itemized list of all deposits made for this event, by date with amount

A-10

TUITION/FEE REFUND REQUEST INVOICE

Please generate a refund in the amount noted to the following individual.

Name: _____

Address: _____

City/State/Zip: _____

SS #: _____

Program/Activity: _____ Refund Amount: _____

Account Line Item: _____

Reason for Refund: _____

PROOF OF PAYMENT MUST BE ATTACHED FOR PROCESSING

