

Policy Manual Index Series 600 – Fiscal Management

Policy

610	FISCAL MANAGEMENT GOALS
620	ANNUAL OPERATING BUDGET
623	BUDGET IMPLEMENTATION
630	TAX AND DEBT LIMITATIONS
652	REVENUES FROM INVESTMENTS
653	GATE RECEIPTS AND ADMISSIONS
653.1	FREE ADMISSIONS
654	REVENUE FROM SALES TO STUDENTS
656	STUDENT FEES, FEES, AND CHARGES
661	DEPOSITORY OF FUNDS
661.1	AUTHORIZED SIGNATURES
662.1	MANAGEMENT OF STUDENT ACTIVITY FUNDS
662.3	DISTRICT FUND BALANCE
663	ENDOWMENT FUND ADMINISTRATION
665	FRAUD PREVENTION AND REPORTING
671	PAYROLL MANAGEMENT
671.2	EXPENSE REIMBURSEMENT
671.3	SALARY DEDUCTIONS – TAX-SHELTERED ANNUITY PROGRAMS
672	PURCHASING
672.1	BIDDING REQUIREMENTS
673	PAYMENT PROCEDURES
675	AUTHORIZATION TO MAKE ELECTRONIC FUND TRANSFERS (new)
681	ACCOUNTING SYSTEM
682	FINANCIAL REPORTS AND STATEMENTS
683	ASSET MANAGEMENT (INVENTORIES)
683	RULE CAPITALIZATION AND DEPRECIATION PROCEDURES
684	AUDITS
690	SCHOOL PROPERTY DISPOSAL
690	EXHIBIT SCHOOL PROPERTY DISPOSAL

FISCAL MANAGEMENT GOALS

The Board recognizes that money and money management comprise the foundational support of the whole school program. To make that support as effective as possible, the Board intends to:

Encourage advance planning through the best possible budget procedures;

Explore all practical and legal sources of dollar income;

Guide the expenditure of funds so as to achieve the greatest educational returns;

Expect top quality accounting and reporting procedures; and

Maintain the level of expenditure needed to provide high quality education within the ability of the community to pay.

LEGAL REF.: 120.10 Wisconsin Statutes
 120.13(3)

CROSS REF.: 620 - Annual Operating Budget
 672 - Purchasing
 673 - Payment Procedures
 681 - Accounting System

APPROVED: January 19, 1987

REVISED: December 17, 2012

ANNUAL OPERATING BUDGET

The Board shall consider and adopt an annual operating budget for the District. The budget serves as the financial plan for the operation of the District. It provides the framework for both expenditures and revenues for the year and translates into financial terms the approved educational programs, goals, and priorities for the District. Preparation of the district budget shall be delegated to the District Administrator. The District Administrator shall involve members of the Board and school staff in a cooperative effort to determine the needs of the district. All state laws and regulations shall be followed in the preparation, adoption, publication and implementation of the annual District budget.

A preliminary budget shall be presented to the Board for consideration as early as possible. The Board shall study and evaluate the proposed receipts, expenditures and amount to be raised by local taxes in terms of the educational plan and ability of the school district to support the plan. Recommendations for changes in the proposed budget will be considered. Special budget review meetings may be scheduled by the Board.

The proposed annual operating budget for the District, as proposed by the Board, shall be presented to school district electors at the Annual Budget Hearing. The Board shall adopt the final operating budget at a board meeting held after the Annual Budget Hearing, and prior to the date designated in state law for the budget adoption and for notification of local municipalities of the tax levy information.

The adopted budget shall be adhered to as closely as possible and, as conditions may require, the District Administrator shall recommend budget transfers to the Board.

LEGAL REF.: 65.90 Wisconsin Statutes
 120.10(8)
 120.11(3)
 120.12(3)
 120.13(33)
 120.17(8)
 121.05(1)(c)

CROSS REF.: 110 - Philosophy of Education
 610 - Fiscal Management Goals
 623 - Budget Implementation

APPROVED: January 19, 1987

REVISED: December 17, 2012

BUDGET IMPLEMENTATION

The Board places the responsibility for administering the operating budget, once adopted, with the District Administrator. The Board also delegates to the District Administrator the responsibility for establishing a system of fiscal control to govern the expenditure of funds. In establishing such a system, the District Administrator will implement these general principles:

1. The budget shall be administered in accordance with federal and state legal requirements and Board policies. The budgeting system of the District shall meet all the requirements of the Wisconsin Department of Public Instruction, the Governmental Accounting Standards Board, and the District's auditors.
2. Each school and each department must operate under budget controls established by the District Administrator.
3. No expenditures of funds may exceed the major budget classification allowance to which it may be charged.
4. The adopted budget shall be adhered to as closely as possible and, as conditions may require, the District Administrator shall recommend budget transfers to the Board.
5. Changes in the amounts and purposes of the appropriations stated in the budget shall be made only when authorized by a vote of two-thirds of the entire membership of the Board as prescribed by law.

LEGAL REF.: 65.90 Wisconsin Statutes
 67.11
 120.13(33)
 Wisconsin Uniform Financial Accounting Regulations (WUFAR)
 Governmental Accounting Standards Board Statements

CROSS REF.: 620 - Annual Operating Budget
 672 - Purchasing
 682 - Financial Reports and Statements

APPROVED: January 19, 1987

REVISED: December 17, 2012

TAX AND DEBT LIMITATION

The Pecatonica Area School District may incur indebtedness for school purposes only in the amount prescribed by law, based upon the state of equalized valuation of the taxable property of the District.

When it becomes necessary and/or desirable to purchase school site additions, erect and equip new school buildings, remodel or add to current buildings, retire current indebtedness or finance any other capital expenditures for long periods of time, the Board shall consider, but not limited to, the following options at its disposal:

1. The sale of bonds
2. The sale of long-term notes
3. Use of the State Trust Fund

In evaluating its options, the Board shall consider the best financial advice available and the following: the status of its debt structure, the best interest rates to be secured and the purposes for which the borrowing is sought.

Funds so borrowed must be used exclusively for the purposes advertised at the time funds were sought.

Short-term loans to meet current fiscal year expenditures of the school district shall be affected in anticipation of property taxes and state aids to be received by the District. The total amount borrowed shall not exceed one-half the estimated receipts for the operation and maintenance of the District for the fiscal year in which the borrowing occurs. The school board may borrow money for such purposes only upon a recorded resolution adopted by a two-thirds vote of its members.

With the aid of a financial consultant, the interest rate for such loan shall be formally bid/negotiated.

LEGAL REF.: 67.03(1)(a) Wisconsin Statutes
67.04
67.11
67.12
120.13(29)

CROSS REF.: 672.1 - Bidding

APPROVED: January 19, 1987

REVISED: December 17, 2012

REVENUES FROM INVESTMENTS

The Pecatonica Area Board of Education shall recommend District funds in excess of those immediately needed to be properly invested. The District Administrator, or designee, shall be authorized to invest such funds in accordance with established state law and under the best conditions as possible in official depositories designated by the Board. Deposits made in any one financial institution shall be limited to the amounts protected by state and federal law, except under special conditions approved by the Board.

LEGAL REF.: 25.50 Wisconsin Statutes
34.05
34.08
66.0603
120.10(7)
Wisconsin Uniform Financial Accounting Regulations (WUFAR)
Government Accounting Standards Board (GASB) Statements 43 & 45 15
USC 80b-3

CROSS REF.: 661 - Depository of Funds
662.1 - Fund Balance
662.2 - Management of Student Activity Funds

APPROVED: January 19, 1987

REVISED: December 17, 2012

GATE RECEIPTS AND ADMISSIONS

Admission receipts of school events shall be adequately controlled. The Administrator or designee shall be responsible for the administration and supervision of all phases of school events for which an admission is charged.

Adequate records shall be maintained to provide chronological and accounting data for subsequent review and analysis.

LEGAL REF.: 120.12(1) Wisconsin Statutes
 120.13

CROSS REF.: 653.1 - Free Admission
 662.1 - Management of Student Activity Funds

APPROVED: January 19, 1987

REVISED: December 17, 2012

FREE ADMISSIONS

All school employees and students shall be admitted, free of charge, to all home regular season extracurricular events. School Board members will also be admitted, at no charge, to all home contests and will receive a league pass that may be used for admission at away contests during the regular season.

District residents who are 65 or older may receive a free pass for all home extra-curricular events, excluding tournaments. Senior citizen passes may be obtained at the District Office.

LEGAL REF.: 120.12(1) Wisconsin Statutes
120.13

CROSS REF.: 653 - Gate Receipts and Admissions

APPROVED: January 19, 1987

REVISED: January 15, 1996
December 17, 2012
May 16, 2022

REVENUES FROM SALES TO STUDENTS

School employees shall not receive for personal benefit anything of value to sell, promote the sale of or act as an agent or solicitor for the sale of any goods or services to any public school student while on district property or at a school sponsored activity except as otherwise provided by law.

LEGAL REF.: 77.54(4) Wisconsin Statutes
 118.12

CROSS REF.: 662.1 - Management of Student Activity Funds

APPROVED: December 17, 2012

REVISED: May 16, 2022

STUDENT FEES, FINES AND CHARGES

While the Board recognizes its legal responsibility to provide a public education for all students in the District, the Board also recognizes that certain educational programs and activities and materials may require special funding. Therefore, reasonable student fees will be assessed to offset the cost to the District taxpayers and reduce the local property tax levy.

A student fee schedule shall be reviewed and adopted annually by the Board at the July board meeting. The student fee schedule shall be posted on the District's website, and distributed through other means necessary to inform families of the established student fees. Information regarding fee waiver/reduction opportunities will also be included in such postings and mailings.

Building principals shall be responsible for the accurate and timely collection of student fees in accordance with proper accounting procedures. It is the Board's expectation that all reasonable efforts shall be taken to ensure the collection of all fees due to the District. After exhausting all other approaches to the collection of outstanding student fees, the Board authorizes the District Administrator or designee to pursue legal action through small claims court for the collection of unpaid fees due the District. The District Administrator shall inform the Board when such action is being taken.

- LEGAL REF.: 115.34 Wisconsin Statutes
 115.341
 115.343
 118.001
 118.03(1)a and (2)
 118.04(4)
 120.12(11) and (22)
 120.13(5) and (10)
 121.41
 121.54(7)(b)2
 895.035
- CROSS REF.: 352 - Field Trips
 662.1 - Management of Student Activity Funds
- APPROVED: December 17, 2012
- REVISED: May 16, 2022

DEPOSITORY OF FUNDS

The Board designates Farmers Saving Bank, Woodford State Bank, and the Local Government Investment Pool as depositories. The Board may designate other depositories for investment purposes upon specific action of the Board. Deposits made in any one financial institution shall be limited to the amounts protected by state and federal law, except under special conditions approved by the Board.

Withdrawal or disbursement from the above named depositories shall be made in accordance with state law.

LEGAL REF.: 34.05 Wisconsin Statutes
 34.08
 34.09
 66.0603
 120.12(7)
 120.16(5) & (6)
 Wisconsin Uniform Financial Accounting Regulations (WUFAR)

CROSS REF.: 652 - Revenues from Investments
 661.1 - Authorized Signatures
 662.1 - Management of Student Activity Funds
 673 - Payment Procedures

APPROVED: January 19, 1987

REVISED: October 13, 2003
 December 17, 2012

AUTHORIZED SIGNATURES

The signatures of the Board President, Board Clerk, and Board Treasurer shall be required on all checks expending general school district funds. Facsimile signatures may be used for Board Officers for routine payments such as employee payroll, and for other short order checks that the District Administrator shall certify.

The Board shall be informed of all checks issued at each regular Board meeting. The materials and equipment used to produce the facsimile signatures shall be locked in a secure location at the end of the day. All voided or spoiled checks shall be marked and retained in accordance with record retention requirements for fiscal records.

LEGAL REF.: 66.0603 Wisconsin Statutes
 66.0607(3)
 120.15(1)
 120.16(2) & (6)
 120.17

CROSS REF.: 662.1 - Management of Student Activity Funds
 665 - Fraud Prevention and Reporting
 672 - Purchasing
 673 - Payment Procedures

APPROVED: January 19.1987

REVISED: December 17, 2012
 May 16, 2022

MANAGEMENT OF STUDENT ACTIVITY FUNDS

The purpose of student activity funds is to finance the normal, legitimate co-curricular or extra-curricular activities of the student body organizations. Student activity funds shall be managed in accordance with sound business practices, including appropriate budgetary and accounting procedures and thorough audits.

All student activity funds shall be under the financial control of the Board of Education.

1. Projects for the raising of student activity money shall, in general, contribute to the educational experience of pupils and shall add to, not conflict with, the instructional program.
2. Student activity funds shall be deposited through the business office to the proper account and shall be used only for student programs and activities, school related purposes or educational purposes.
3. Student participation is an important factor in the democratic management of money raised by the student body and expended for its benefit. Expenditures must be approved by the appropriate student activity group. The activity group's minutes should reflect the students' approval of the expenditures of any funds.
4. Student activity money shall, insofar as possible, be expended in such a way as to benefit the school related activities of those pupils who have contributed to the accumulation of such money and consistent with the statement of purpose.
5. Money raised by the student body as a whole shall be expended so as to benefit the student body as a whole, and not for the benefit of a special group.
6. All sources of revenue must be approved by the District Administrator or designee.
7. All expenditures by the student activity program shall be in accordance with district procedures and shall be managed in accordance with sound budgetary and accounting procedures. The authorization for the expenditure must be certified by the District Administrator.
8. Financial reports for student activity funds shall be prepared by the District Bookkeeper upon request.
9. All activities shall be on a self-sustaining basis. No activity account shall maintain a negative account balance. Any unintended negative balance will need to be immediately resolved with a fund raising protocol.
10. A system of internal controls should be implemented by the District Administrator or designee in order to safeguard the assets of the student activity funds.
11. An audit of all student activity funds shall be made at the same time as the annual audit.

After one school year of inactivity, school administration will consult with the student activity's previous advisor to determine future existence of the club and/or organization. Upon administrative recommendation the board will consider a transfer of the unexpended funds of discontinued student activities to another account upon the approval of the school board.

Class Funds

The disposition of class funds will be determined by the class officers. All monies accrued will be designated for expenses, projects, memorials, or other selected items benefitting the class, the school or the community.

Following graduation, the unexpended funds of the Senior Class will be transferred to the Class President.

LEGAL REF.: 66.0607 Wisconsin Statutes
120.12 (2)
120.14(1)
120.16 (2)
120.18
Wisconsin Uniform Financial Accounting Regulations (WUFAR)

CROSS REF.: 370 - Extracurricular Activities
374 - Student Fund Raising Activities
652 - Revenue from Investments
661.1 - Authorized Signature
663 - Bonded Employees and Officers
672 - Purchasing
684 - Audits

APPROVED: December 17, 2012

REVISED: January 16, 2017
April 15, 2019
January 17, 2022
October 16, 2023

DISTRICT FUND BALANCE

WASB CODE: 662.3

Purpose

The Board of Education recognizes the need to maintain an operating reserve in the general fund for the following purposes:

1. Hold adequate working capital to meet the cash flow needs during the fiscal year;
2. Reduce the need for short term borrowing;
3. Serve as a safeguard for unanticipated expenditures of the District;
4. Show fiscal responsibility to maintain a high credit rating which will help reduce future borrowing cost

Any excess of revenues and other financing sources over expenditures and other financing uses at the end of the fiscal year will be added to the District fund balance. The District will strive to maintain a general fund balance of not less than 14% of subsequent year's operational expenditures. If the District as of June month-end of a given fiscal year shows an operating fund balance below 10% of the subsequent year budget, the Board will take proactive actions to raise the District fund balance to 14%.

Long-Term Goals

The District's long-term goal for fund balance is to achieve and maintain a general fund balance that would alleviate the need to short-term borrow for operational cash flow needs. Fund balance in excess of the goal may be used for one-time expenditures or unforeseen cost (i.e. damages). The general fund balance shall not be used for recurring cost in the operating budget.

Financial Disclosures

Fund balance amounts will be reported in conformance with generally accepted accounting principles and shall be reclassified not later than the end of the fiscal year for general purpose financial statements. The District shall report inventories, long-term receivables and amounts legally or contractually required to be maintained intact as non-spendable. The fund balance for the spendable portion of the permanent funds and balance, if any, in the special revenue trust fund, debt service fund, and other funds established by regulatory authority shall be classified as restricted.

The Board may, from time to time, commit additional amounts of fund balance to a specific purpose. Such action shall be taken in open meeting and require the approval of the majority of the Board.

Commitments of fund balance, once made, can be modified only by majority vote of the Board.

The School Board authorizes and directs the District Administrator, or designee, to assign the fund balance, to the extent such assignment does not create a negative unassigned fund balance, as follows;

- An amount sufficient to liquidate open encumbrances that are reasonably expected to result in an expenditure in the subsequent year, and;
- An amount estimated to be sufficient to cover the cost of unsettled labor agreements, if any;
- An amount estimated for labor cost incurred prior to recognition of revenue in the subsequent year;
- Unrestricted Community Service fund balance shall be assigned for future community service.

APPROVED: July 18, 2011

ENDOWMENT FUND ADMINISTRATION

Students in the Pecatonica Area School District shall be notified annually of any funds available to them for post-secondary educational opportunities. Information available on current opportunities will be made available through the High School Guidance and Counseling Office.

Wis. Stat. sec. 118.27(3) provides:

- (3) A school board may transfer a gift or grant to a community foundation only if the school board and the community foundation agree, in writing and at the time of the transfer of the gift or grant, to each of the following:
 - (a) The community foundation agrees to make disbursements from and of the gift or grant to the school board upon the written request of the school board.
 - (b) Subject to par. (bm), the school board retains control over the manner in which any disbursement made under par. (a) is used.
 - (bm)** The school board's use of any disbursement made under par. (a) shall be consistent with the intent of the donor of the gift, bequest, or endowment and with the agreement between the school board and the community foundation.
 - (c) The school board exercises its rights over the use of each disbursement made under par. (a) in accordance with the law applicable to trust investments.

For information on starting an endowment or scholarship to award to a Pecatonica Area School District student, please see the "Checklist for Donors" on the School District webpage or inquire with the School District Office.

Families and trusts which create scholarships do reserve the right to participate in the selection of the scholarship recipient and attend the Senior Awards Banquet, when scholarships are awarded, or they may choose to have a proxy attend either the selection or the scholarship presentation, regardless of whomever administers the funds.

It is the practice of the Pecatonica Area School District, beginning in the 2018-19 School year to limit the number of funds that they administer locally, and that donations of funds for student scholarship purposes are administered by the Community Foundation of Southern Wisconsin, whenever possible.

LEGAL REF.: 118.27(3) Wisconsin Statutes

CROSS REF.: 652 - Revenues from Investments
661 - Depository of Funds

APPROVED: October 15, 2018

REVISED: May 16, 2022

FRAUD PREVENTION AND REPORTING

The District expects all employees, School Board members, consultants, vendors, contractors, and other parties maintaining any business relationship with the District to act with integrity, due diligence and in accordance with all applicable laws, District policies and procedures in matters involving District fiscal resources. The District is entrusted with public dollars and no person connected with the District should do anything to erode that trust.

The District Administrator or designee shall be responsible for developing internal controls designed to prevent and detect fraud, financial impropriety or fiscal irregularities within the District. Every member of the District's administrative team shall be alert for any indication of fraud, financial impropriety or irregularity within his/her areas of responsibility.

Any District employee who suspects fraud, impropriety or irregularity in relation to District fiscal or other resources shall report his/her suspicions immediately to his/her supervisor and/or the District Administrator, who shall be responsible for initiating necessary investigations. In the event the concern or complaint involves the District Administrator, the concern shall be brought to the attention of the Board President. Investigations shall be conducted in a manner that protects the confidentiality of the parties and the facts and be conducted in coordination with legal counsel and other internal or external departments and agencies as appropriate. All employees involved in the investigation shall be advised to keep information about the investigation confidential.

If an investigation substantiates the occurrence of a fraudulent activity, appropriate actions shall be taken in consultation with the District's legal counsel.

LEGAL REF.: 19.41 Wisconsin Statutes
 19.59
 120.12(1)
 946.10
 946.12
 946.13
 Wisconsin Uniform Financial Accounting Requirements (WAFUR)
 Statement of Auditing Standard (SAS) 99

CROSS REF.: 363.2 - Internet Safety and Acceptable Technology Use
 653 - Gate Receipts And Admissions
 654 - Revenues From Sales To Students
 656 - Student Fees, Fines, and Charges
 662.1 - Management of Student Activity Funds
 Employee Handbook

APPROVED: December 17, 2012

REVISED: May 16, 2022

PAYROLL MANAGEMENT

Employees of the Pecatonica Area School District shall receive payroll in accordance with provisions of the current employee handbooks and/or established procedure.

Payroll is managed online through the District Accounting System, Skyward.

Payroll is paid bimonthly on the 15th and 30th of the month.

The payroll shall be paid on the business day prior when the days fall on a weekend or holiday.

LEGAL REF.: 402(g) Internal Revenue Code
 403(b)
 415

CROSS REF.: 671.3 - Salary Deductions – Tax Sheltered Annuity Programs
 Employee Handbook

APPROVED: January 19, 1097

REVISED: December 17, 2012
 January 20, 2020
 July 17, 2023

EXPENSE REIMBURSEMENTS

District personnel and Board members who incur expenses (enrollment fees, lodging, meals, and mileage) in carrying out their authorized duties shall be reimbursed by the District in accordance with established procedures and provisions of the current employee handbook. All trips must be authorized in advance by the District Administrator to receive reimbursement for expenses. Expenses shall be approved and incurred in line with budgetary allocations. Receipts for all expenses incurred must be attached to the reimbursement request form prior to reimbursement being made.

All expense reimbursement requests shall be made through the District office.

LEGAL REF.: 120.10(4) Wisconsin Statutes
 120.13(16) and (32)
 120.16
 121.02(1)(b)
 PI 34 Administrative Code
 Internal Revenue Code
 Employee Handbooks

APPROVED: January 19, 1987

CROSS REF.: 671 - Payroll Management
 673 - Payment Procedures

REVISED: December 17, 2012
 May 16, 2022

SALARY DEDUCTIONS – TAX SHELTER ANNUITY PROGRAMS

Employees in the Pecatonica Area School District shall be given an opportunity to voluntarily participate in tax sheltered annuity programs in accordance with state and federal laws and regulations. Payroll withholding privileges shall be made available.

For accounting purposes, the Board shall limit the number of companies who supply tax sheltered annuity plans for employees in the Pecatonica Area School District to five.

The District Administrator, or designee, shall be authorized to execute tax sheltered annuity agreements for the District. Procedures are established in the employee handbooks.

LEGAL REF.: 402(g) Internal Revenue Code
 403(b)
 415

CROSS REF.: 671 - Payroll Management
 Employee Handbook
 403(b) Plan Document

APPROVED: January 19, 1987

REVISED: December 17, 2012

PURCHASING

The District Administrator shall be responsible for developing and administering the District’s purchasing program in accordance with applicable legal requirements and quality purchasing practices.

Purchases shall be made at the best price available giving consideration to quality, delivery terms, past service history, conformity to developed specifications, suitability to educational program requirements and other pertinent factors. Purchases shall be made from local vendors when terms are comparable.

The District Administrator shall be authorized to order goods and services approved in the District’s annual operating budget. Purchases of goods or services shall be referred to the Board for consideration and approval when the purchase cost exceeds \$4,000 and /or the purchase cost exceeds the budgeted amount by \$1,000.

LEGAL REF.: 19.59 Wisconsin Statutes
66.0131
66.0901
120.03(5), 9m and (33)
175.10
946.10
946.12
946.13
Wisconsin Uniform Financial Accounting Requirements (WUFAR)
Governmental Accounting Standards Board Statements

CROSS REF.: 165 - Board Member Code of Ethics
620 - Annual Operating Budget
623 - Budget Implementation
662.1 - Management of Student Activity Funds
672.1 - Bidding Requirements
673 - Payment Procedures

APPROVED: February 15, 1988

REVISED: December 17, 2012
March 16, 2015

BIDDING REQUIREMENTS

The Pecatonica Board of Education's intent is to give all vendors/businesses a fair and equal chance to supply services and goods to the school district. Therefore, the full and complete implementation of bidding and quotation procedures is expected.

Bidding and quotation requirements are applicable to all purchases of \$4,000 or more by the school district whether funding is local, state, or federal. Construction contracts over \$7,000 will be bid. The District shall strive to obtain a minimum of two bids. The school district reserves the right to reject any or all bids/quotations and to accept that bid/quotation which appears to be in the best interest of the school district. In addition, the District shall comply with bidding procedures specifically required by contractual agreements or other legal requirements.

The Board may waive the bidding procedures when, in its opinion, an emergency condition exists.

LEGAL REF.: 62.15 Wisconsin Statutes
 66.0901
 120.12(24)

CROSS REF.: 672 - Purchasing

APPROVED: February 15, 1988

REVISED: December 17, 2012

PAYMENT PROCEDURES

All bills, invoices, expense reimbursement requests and other requests for payment must be received in the District office by the Friday prior to a board meeting in order to be processed and authorized for payment at the regular Board meeting held that month, where payments are approved or rejected.

In order to avoid incurring interest penalties, the District shall make prompt payments in accordance with state law and established procedures. To that end, payments and vouchers are paid following a board meeting where payments were approved.

Routine payments, such as utilities or other services that could acquire a late fee if not paid on time, could be paid after the 3rd Tuesday, and appear on the following month's regular Board agenda for approval under a "recurring or invoiced payments" report. This practice of paying twice a month allows the school district to make prompt payments in accordance with state law and established procedures and allow oversight by the School Board.

The District Administrator shall verify that purchased items have been received or services have been provided prior to submitting any payment request to the Board. The Board shall continue to survey all payment requests and approve or reject each payment.

LEGAL REF.: 66.0135
 66.0907
 120.12(1)
 120.13(33)
 120.16(2)

CROSS REF.: 620 - Annual Operating Budget
 623 - Budget Implementation
 661.1 - Authorized Signatures
 662.1 - Management of Student Activity Funds
 671 - Payroll Management
 671.2 - Expense Reimbursement
 672 - Purchasing

APPROVED: January 19, 1987

REVISED: December 17, 2012
 November 18, 2019
 September 20, 2021

AUTHORIZATION TO MAKE ELECTRONIC FUND TRANSFERS

The Board of Education authorizes electronic fund transfers (EFTs) for any purpose including direct deposit, wire transfer, withdrawal, investment, or payment, provided such EFTs are consistent with the provisions of Wisconsin's Uniform Electronic Transactions Code, Chapter 137, Subchapter II. Upon the recommendation of the District Administrator/designee, the Board shall approve the financial institutions that are authorized to receive monetary transactions through electronic or other medium.

Upon the recommendation of the District Administrator/designee, the Board shall then approve written agreements with financial institutions with whom EFTs will be made.

Such agreements shall set forth internal controls required by State law and State Administrative Code that will provide adequate integrity, security, confidentiality, and auditability of business transactions conducted by electronic commerce, including, but not limited to, the following:

- A. the official title of the bank account(s) subject to the agreement and each type of transaction approved, such as deposits, disbursements or transfers, shall be specified;
- B. the manual signatures of the Board President, District Administrator/designee, and the employees authorized to initiate EFTs shall be contained therein;
- C. a requirement that the District maintain documentation signed by the initiator and authorizer of the EFTs to confirm the authenticity of the EFTs;
- D. a requirement that, when funds are properly delivered to the receiving institution, that institution agrees to become responsible for prompt and diligent processing of the funds;
- E. a requirement that written or printed documentation from the financial institution acknowledging such transactions, including but not limited to deposit slips, debit and credit memos, trust receipts, transfer acknowledgements, or canceled warrants, shall be provided so that it may be kept in the official files of the District, which shall be maintained in a manner which facilitates easy review and validation of transactions.

All District staff shall comply with the provisions of this policy when creating, generating, sending, communicating, receiving, storing, processing, using, and relying upon electronic records. Further, all District staff and other persons who use electronic signatures when completing transactions with the Board shall do so in compliance with State law.

LEGAL REF.: Chapter 137, Subchapter II 1 Wisconsin Statutes
5 U.S.C.A. 1693, as amended

CROSS REF.: 610 - Fiscal Management Goals
673 - Payment Procedures
681 - Accounting System
682 - Financial Reports and Statements
684 - Audits

APPROVED: May 16, 2022

ACCOUNTING SYSTEM

The District Administrator, or designee, shall be responsible for maintaining the financial books and records of the

District in auditable form. The District Administrator, or designee, shall prepare or cause to be prepared all fiscal reports, keep necessary records to control adequately the financial transactions of the District, and prepare financial statements. The District Administrator shall file all fiscal reports and statements with local, state, and federal agencies as may be required.

The accounting system shall be designed to meet all requirements of the Wisconsin Department of Public Instruction, the Governmental Accounting Standards Board, and the District's auditors. The system shall provide assurance to the Board that all local, state and federal laws are being followed.

LEGAL REF.: 115.28(13) Wisconsin Statutes
 120.14(2)
 120.16(4)
 120.18
 121.05(1)(c)
 PI 14 Wisconsin Administrative Code

CROSS REF.: 610 - Fiscal Management Goals
 620 - Annual Operating Budget
 623 - Budget Implementation
 684 - Audits
 662.1 - Management of Student Activity Funds
 Employee Handbook

APPROVED: January 19, 1987

REVISED: December 17, 2012

FINANCIAL REPORTS AND STATEMENTS

The District Financial Administrative Assistant shall be responsible for maintaining the books and records of the District in auditable form. They shall prepare or cause to be prepared all fiscal reports, keep necessary records to control adequately the financial transactions of the District, and prepare financial statements.

The Board shall receive monthly financial statements. Such other financial records as may be determined necessary by either the Board or the Administration shall be presented periodically.

The District Financial Administrative Assistant shall file all fiscal reports and statements with local, state or federal agencies as required.

- LEGAL REF.: 65.90(3) Wisconsin Statutes
115.28(13)
120.16(4)
120.18(6) & (7)
Wisconsin Uniform Financial Accounting Requirements (WUFAR)
Governmental Accounting Standards Board Statement #34 (GASB 34)
- CROSS REF.: 171 - Regular Board Meetings
620 - Annual Operating Budget
621 - Budget Implementation
673 - Payment Procedures
684 - Audits
823 - Public Access to Records
- APPROVED: January 19, 1987
- REVISED: December 17, 2012
May 16, 2022

ASSET MANAGEMENT (INVENTORIES)

The Board intends to safeguard assets, enhance accountability and provide for more accurate and uniform financial reporting. The District Administrator shall be responsible for asset management in the District as required by the Wisconsin Department of Public Instruction, generally accepted accounting principles and applicable legal requirements. A physical inventory shall be completed annually.

LEGAL REF.: 120.12(1) Wisconsin Statutes
Wisconsin Uniform Financial Accounting Requirements (WUFAR)
Governmental Accounting Standards Board Statement #34 (GASB 34)

CROSS REF.: 623 - Budget Implementation
661.1 - Authorized Signatures
662.1 - Management of Student Activity Funds
671 - Payroll Management
671.2 - Expense Reimbursement
672 - Purchasing
683 Rule - Capitalization and Depreciation Procedures
823 - Public Access to Records

APPROVED: January 19, 1987

REVISED: December 17, 2012

CAPITALIZATION AND DEPRECIATION PROCEDURES

1. All fixed asset purchases in excess of \$5,000 for items that have a useful life of more than one year shall be capitalized.
2. Certain categories of assets costing less than \$5,000 shall be inventoried and tracked, although not in the general ledger. These items will not be depreciated.
3. In accordance with GAAP, assets must be depreciated over their estimated useful life.
 - a. Computer equipment 5 years
 - b. Vehicles and other equipment 10 years
 - c. Site improvements and subsequent modernization to buildings 20 years
 - d. Buildings 50 years
4. For depreciation purposes only, the salvage value of assets is estimated to be immaterial. Therefore, assets will be depreciated at 100% of cost.
5. The “half-year” convention will be utilized whereby one-half of depreciation is recorded in the fiscal year of acquisition and the fiscal year of disposition.
6. Straight-line depreciation will be calculated for all depreciable property.

APPROVED: September 8, 2003

REVISED: December 17, 2012

AUDITS

The financial records and accounts of the District shall be audited annually by a certified public accountant in accordance with prescribed standards and legal requirements. The Board shall select the accountant and pay for the audit with District funds.

The District Administrator shall present the completed audit to the Board for examination and certify to the Board that the audit conforms to the state accounting system requirements. The District Administrator shall file copies of the audit with the proper authorities as required by law.

LEGAL REF.: 120.12 Wisconsin Statutes
 120.13(5)
 120.14
 PI 14 Wisconsin Administrative Code
 Wisconsin Uniform Financial Accounting Requirements (WUFAR) Governmental
 Accounting Standards Board Statement #34 (GASB 34)

CROSS REF.: 620 - Annual Operating Budget
 623 - Budget Implementation
 662.1 - Management of Student Activity Funds
 682 - Financial Reports and Statements

APPROVED: January 19, 1987

REVISED: December 17, 2012

SCHOOL PROPERTY DISPOSAL

Property belonging to and not needed by the District may be disposed of as directed by the School Board.

The Board shall approve the disposition of property no longer considered usable in the school's instructional or operational program in one of the following ways:

- a. By sale, transfer or other specific action. The sale of property belonging to and not needed by the District must be authorized by the annual meeting.
- b. By approval of purchases or contracts that include trade-ins.
- c. By donation or discard of old, obsolete, out-of-date and/or worn-out materials that have no significant use to the instructional program and/or no resalable value.

Authorization may be provided by a resolution passed by the voters at the Annual Meeting.

The district administrator shall keep the Board informed of obsolete equipment and materials and shall make disposal recommendations to the Board.

LEGAL REF.: 120.12 Wisconsin Statutes
120.13(25)

CROSS REF.: 672 - Purchasing
683 - Asset Management (Inventories)

APPROVED: January 19, 1987

REVISED: December 17, 2012

SCHOOL PROPERTY DISPOSAL

RESOLUTION H: Be it resolved that the School Board of the Pecatonica Area School District, Counties of Iowa, Dane, Green, and Lafayette, State of Wisconsin be authorized to dispose of surplus property.

APPROVED: December 17, 2012