

NOVATO UNIFIED SCHOOL DISTRICT

Board Policy

Series 3000

BP 3314.2

BUSINESS SERVICES

REVOLVING CASH FUND

The Board of Trustees has established by resolution a revolving cash fund in the amount of \$15,000 for use by the Superintendent or designee to pay for one-time purchases of authorized goods and services or other charges, including supplemental payments required to correct any payroll errors, when there is insufficient time to use regular purchasing procedures. The fund will not be used for transactions that could have been processed under routine conditions by using better planning techniques. The property of each request will be reviewed by the Superintendent or designee.

The funds are to be deposited in a bank doing business locally whose deposits are insured by the Federal Deposit Insurance Corporation (FDIC). The bank shall be chosen by the Superintendent or designee and approved by the Board of Education. The Superintendent or designee shall be responsible for all payments into the account as well as expenditures from the account subject to the restrictions established by the Board.

A list of payments for reimbursement shall be submitted to the Board of Trustees at least monthly, for approval of the expenditures in the same manner as prescribed for payment of other claims against the funds of the district. The Board shall review and revise fund usage as appropriate.

The Board shall name the administrators who will have use and control of the funds. Officials so named shall be responsible for all payments into the accounts as well as expenditures from the accounts, subject to restrictions established by the Board.

No funds maintained in a revolving fund shall be used in an attempt to influence government decisions, for entertainment purposes, or for any other purpose not related to classroom instruction.

The revolving cash fund for supplies shall be subject to the bonding provisions of Education Code 42801.

The Board shall provide an audit of revolving funds on a regular basis.

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Legal References:

EDUCATION CODE

35160 Authority of Governing Boards

41020 Audit of all District Funds

42238 Local Taxation by School Districts

42800-42806 Revolving Cash Fund

42810 Revolving Cash Funds; Use; Administration

45167 Error in Salary

cf 3400 – Management of District Assets/Accounts

cf 3530 – Risk Management/Insurance

Approved 5/01

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Administrative Rules and Regulations

Series 3000

AR 3314.2

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A. Disbursements

Disbursements shall be made for items which are clearly legal expenditures for which a receipt has been obtained setting forth the date and the purpose of the expenditure and the amount expended. Such disbursements shall be limited to the following:

- a) Travel and conference advances when there is insufficient time to process a commercial warrant. Authorization for the travel must accompany the request for payment.
- b) Any out-of-pocket expenditures for employees of the District.
- c) Any invoice for which the District would receive a substantial discount by paying the invoice within a time frame which cannot be met through the commercial warrant process.
- d) For any emergencies when they are authorized by the Superintendent or designee.
- e) Any bills under the amount of \$200 if the amount is owned to a vendor with whom the District does not deal with either on a regular or occasional basis.
- f) Required prepayment by vendors who will not accept purchase orders, amount not to exceed \$500.

The Revolving Cash Fund shall not be used for the following types of purchase:

- a) Membership fees.
- b) Materials or supplies which are available in the district warehouse.

B Requests for Revolving Cash Fund Checks

The following procedures are to be used when submitting a request for a District Revolving Cash Fund check:

- a) Submit a request for Revolving Cash Fund Check. (Exhibit A) The request must be signed by the administrator in charge.
- b) When the Revolving Cash check is to be used for purchasing item(s), the original signed receipt from the vendor is required.
- c) Requests that do not meet the criteria for payment, as described above, will be either processed with a commercial warrant or returned to the claimant even though approval was obtained for the purchase.

Approved 5/01