



NEPN Code: DJ-R/STI

Policies and Regulations

Fiscal Management

Expenditures

Incidental Accounts

The School Board shall authorize the transfer of up to \$30,000 each for incidental accounts on an imprest basis to be maintained by Southeast Technical Institute. Incidental accounts are advanced by STI to enable programs to efficiently carry out the work of STI. An incidental account shall be established for all departments for payment of most expenses under -\$1,000 each, travel advances and registration fees, contest or field-trip entry fees, criminal background check fees, or urgent payments authorized by the STI Finance Office. Urgent payments are defined as those for services that will not be performed unless payment is in advance or immediately after services have been performed, or for ordering materials or supplies that will not be filled unless payment is made in advance or upon delivery.

An appropriate financial software program prescribed by the Sioux Falls School District Business Manager shall be used to maintain a record of the financial transactions for the incidental account. These records shall be kept in a secure place. Each incidental account is to be set up and administered according to the following procedures.

1. The Board shall appoint an Administrator or designee as treasurer of the incidental account. An assistant treasurer may be appointed to carry on business in the absence of the treasurer. All references to the treasurer are binding upon the assistant treasurer. The treasurer shall be responsible for the proper care, handling and accounting for the fund, as required by law.
2. The treasurer shall be bonded by the District as required by law.
3. The Board shall authorize a depository for the fund, and the treasurer shall be authorized to establish a checking account in the authorized depository.
4. The treasurer shall issue pre-numbered checks in payment of approved vouchers.
5. The treasurer shall deposit advances and reimbursements in the authorized depository.
6. No payments for services or items that are required to be inventoried under Policy DID may be made from the incidental account.

7. The Board shall authorize the Business Manager to establish the accounting procedures and forms that shall be used in conjunction with the operation of the account.
8. The overall fiscal policy shall be as follows:
 - a. An Administrator shall be responsible for the approval of all purchases. A voucher to which invoices and statements have been attached shall support payment. Payments by the treasurer are contingent upon the receipt of a voucher that has been signed by a faculty member and approved by the Vice President of Finance and Operations or designee.
 - b. All purchases of items greater than \$1,000 each shall be submitted by the Vice President of Finance and Operations or designee to the Sioux Falls School District Business Manager for prior authorization. All purchases of \$15,000 or more shall be submitted to the Board for prior authorization.
 - c. All obligations shall be submitted to the treasurer for payment by the end of the fiscal year in which the obligations were incurred.
 - d. A petty cash fund, not to exceed \$1,000 per building or department, which includes no more than \$200 per individual cash box, may be established to take care of small or emergency payments of \$100 or less. An administrator shall retain receipts to cover such payments and shall attach the receipts to a voucher indicating the accounts to be charged and shall submit the voucher to the treasurer for reimbursement.
 - e. With authorization from the President, the treasurer may make loans from the account to agency funds on a short-term basis. All loans shall be reimbursed prior to the end of the fiscal year.
 - f. A detailed account of the expenditures from the account shall be presented at regular intervals not to exceed one month with verified vouchers, itemized and supported by receipted bills or other information as general evidence of payment.
 - g. All expenditures from the account shall be listed with other bills in the regular Board proceedings.
 - h. The administrator, or any other person who controls the expenditures of an incidental account, must have written approval from the Vice President of Finance and Operations to receive any payments from that account.
 - i. A detailed audit shall be made at the close of each fiscal year by the auditor employed by the Board or by District personnel. Major findings of such audits will be reported to the Board.

Open Purchase Orders

In limited cases, open purchase orders will be allowed for multiple purchases from local vendors. An open purchase order is an incomplete contract with a given vendor to purchase certain items from that vendor. Open purchase orders should be utilized to reduce paperwork for those items purchased repetitively and decentralize the act of purchasing similar items on a regular basis. Examples include the purchase of grocery

items for use in family and consumer sciences classes, advertising, and automotive repair parts. Maximum benefits are achieved when open purchase orders are issued to eliminate a large number of rush and routine small-dollar value transactions.

Open purchase orders will be issued only through the School Falls School District Finance Office. Such purchase orders will remain active no later than a date specified by the Sioux Falls School District Finance Office each fiscal year in order to give the Sioux Falls School District Finance Office adequate time to liquidate the obligations prior to the following year. If practicable, the open purchase order should contain a list of individuals eligible to use it. Any individual purchasing items using an open purchase order must provide the vendor with the proper purchase order number, present the vendor with his or her STI staff identification badge or a school-supplied voucher authorizing the individual to utilize the open purchase order, and must legibly print his or her name on and sign an invoice to be presented to the Sioux Falls School District Finance Office for payment.

Legal References: SDCL

13-18-16
13-18-17

Petty Cash Accounts
Incidental Accounts

RELATED POLICIES

DID/STI - Inventories

Regulation		Board Action
approved:	06-28-04	33860
revised:	01-09-06	34304
revised:	10-27-08	35196
revised:	09-12-11	36165