



WEST MIDDLE SCHOOL PTCO FINANCIAL POLICIES

PURPOSE AND INTENT

These policies are intended to document PTCO policies and procedures regarding using and receiving cash and credit cards (to meet the needs of Cherry Creek School District Parents' Council) as well as outline general financial policies and procedures used by the PTCO to ensure appropriate fiscal management.

The PTCO financial policies should be given to PTCO Executive Board members as well as event chairpersons (and others) who will be responsible for receiving, requesting, and/or making payments relating to PTCO business. The policies are intended to provide both an understanding of how PTCO financial processes work and provide protection to volunteers themselves.

1. CASH POLICIES

Paying with Cash:

West Middle School PTCO does not maintain a petty cash account and cannot pay cash for PTCO purposes.

Accepting Cash Payments:

West Middle School PTCO accepts cash for payments made to the PTCO.

A minimum of two people must be present when cash is being handled or counted. The final tally needs to be noted and signed off on by both parties and the matching funds must be deposited into the West Middle School PTCO bank account within 48 hours of the event.

When placing advance orders, or purchasing items at events (e.g. check-in, t-shirts for Puppy Project, events, fundraisers, etc.) order forms (either online or paper) should be used. Those order forms should indicate that the purchaser paid with cash, and the cash amount paid. The order forms should be kept by the PTCO until at least 30 days after the purchased items are delivered.

Paper order forms and accompanying cash payments should be kept secured in the school's front office until the cash is deposited.

For school store cash payments, the cash register system should be used. Cash collected should be reconciled to the cash register receipt. A **School Store Reconciliation Slip** should be completed and signed by the school store volunteer indicating the total cash received toward each budget line item. The form, supporting cash register receipt, and cash should be placed in an envelope and kept secure in the school's front office until the cash is deposited.

In cases where an order form is not applicable or feasible, the event chairperson and one other volunteer must count the cash and sign the West Middle School PTCO **Deposit Notice Form** indicating the amount of cash received.

Cash should be given to the PTCO Treasurer, with a completed **Deposit Notice** immediately after the event or sale. If the PTCO Treasurer is not present at the event, cash awaiting deposit must be secured at the school until receipt by the Treasurer.

Cash received should not leave the school grounds except to go to the bank. No cash, whatsoever, should be taken home by anyone.

Under no circumstances should any cash raised at an event or sale be spent (even with a receipt) before being deposited. It must be deposited into the West Middle School PTCO account and then spent under the West Middle School PTCO spending policy guidelines.

The Treasurer must retain the bank cash deposit advice (equaling the amount counted and signed off on the **Deposit Notice**) and attach it to the **Deposit Notice** for record keeping. This will verify that all funds accounted for are deposited into the West Middle School PTCO bank account with complete transparency.

A copy of the **Deposit Notice** is attached.

Approved 1/19/2021

2. CREDIT CARD POLICIES

Paying with Credit Card:

West Middle School PTCO does not have a credit card account and therefore cannot pay for purchases with a credit card.

Accepting Credit Card Payments:

West Middle School PTCO has a credit card facility available through Square and can process credit card payments for items payable directly to the PTCO.

- Credit card information should be stored in the school safe until processed.
- All transactions should be processed at the school. No person(s) may remove credit card information from the school property.
- A crosscut shredder should be used when destroying written credit card information.
- No credit card transactions should be processed unless two designated PTCO members are present.
- A master list of each transaction including payee's name and amount charged must be kept for financial record keeping. If the credit card system can produce a list, that list will be sufficient. If not, a manual spreadsheet needs to be maintained and kept.
- Once the charges have been processed, a statement should be printed showing the total charges processed. A copy of this list must be given to the Treasurer for reconciliation with the bank deposits from the credit card company.

Because of the time-consuming nature of this process, it is preferable to have customers use an online payment system themselves to pay by credit card (see Online Payment Policies below).

In cases where a vendor accepts credit cards as a form of payment (e.g. Book Fair), order forms or credit card receipts must be kept secure and locked in the school safe until the vendor collects the information. This will minimize the risk of unauthorized access to credit card information.

3. CHECK POLICIES

Paying with Check:

West Middle School PTCO maintains a checking account and can pay for purchases with a check.

A **Check Request Form** is used to request and document any check written from the West Middle School PTCO checking account, including paying vendors and reimbursing individuals for expenses they incur on behalf of the PTCO. Appropriate documentation for the purpose of the request **MUST** be attached to the form (e.g. receipts, invoices, etc.).

Checks will be made out and signed by the Treasurer, unless the check is payable to the Treasurer (i.e. for reimbursement). In that case, the Treasurer Elect or President (another approved account signatory) will sign the check. At no time can a check made out to an individual be signed by that same individual.

Checks over \$1000.00 require the signature of both the Treasurer and either the Treasurer Elect or President (another approved account signatory).

Treasurers should never write a check for anything without an invoice or receipt. Documentation is mandatory, not optional.

A copy of the **Check Request Form** is attached.

Accepting Check Payments:

West Middle School PTCO accepts checks for payments made to the PTCO.

Order forms should be used (online or paper), and those order forms should indicate that the purchaser paid with a check, the amount paid, and the check number. The order forms should be kept by the PTCO until at least 30 days after the purchased items are delivered.

Checks must be secured in the school front office until deposited.

Checks must be given to the Treasurer with a completed **Deposit Notice** as soon as practical after an event or sale. Checks should be deposited within 48 hours of an event or sale in order to minimize the risk of “returned” checks.

For deposits with multiple checks, a spreadsheet detailing names, amounts and check numbers should be attached to the **Deposit Notice** and given to the Treasurer for accurate record keeping.

West Middle School PTCO will attempt to collect bank fees and the original check amount for checks that are returned. West Middle School PTCO reserves the right to refuse to accept checks from individuals who have “bounced” checks to the PTCO in the past.

All checks should be made out to “WMS PTCO” or “West Middle School PTCO” not “West Middle School.”

4. ONLINE PAYMENT POLICIES

Paying with an Online Payment Account:

West Middle School PTCO does not have an online payment account and therefore cannot pay for purchases with an online account.

Accepting Online Payments:

West Middle School PTCO accepts online payments for items payable directly to the PTCO using Square and/or CheddarUp. These services are set up under a West Middle School PTCO

Approved 1/19/2021

account and are managed by the Treasurer. The accounts must be in the PTCO's name and associated with the generic email address used by the PTCO. Personal accounts and personal emails are NOT to be used for PTCO finances.

A master list of each transaction including payee's name and amount paid must be kept for financial record keeping. If the online payment system can produce a list, that list will be sufficient. If not, a manual spreadsheet needs to be maintained and kept.

Once the payments have been processed, a statement should be printed showing the total payments processed. This list must be kept by the Treasurer and used for reconciliation with the bank deposits from the payment processing company.

5. GENERAL FINANCIAL POLICIES

Budgeting:

The general PTCO membership must approve the West Middle School PTCO budget annually. Once the budget is approved, budgeted items do not need further membership approval in order to be paid.

Non-budgeted items over \$1000.00 need the approval of the general membership.

West Middle School PTCO bylaws allow the Executive Board to approve a non-budgeted expenditure up to \$1000.00.

Bank Accounts and Reconciliation:

West Middle School PTCO has two accounts at 1st Bank: checking and money market. The checking account is used to receive and disburse funds throughout the year. The money market account contains the required reserves. Interest accrued on the money market account may be transferred to checking as used as part of the general funds. All accounts containing PTCO funds must be FDIC insured. Funds should not be invested.

Bank statements and the bank reconciliation must be reviewed monthly (and signed off) by the PTCO President or appointed Executive Board representative other than the Treasurer. Copies of all written checks are to be included. This ensures the reconciliation payees match the cashed checks and removes all liability from the Treasurer and other Board members of fiscal responsibility to the parent community.

The PTCO President or appointed Executive Board representative should have access to online or paper bank statements.

Treasurer and Treasurer Elect Responsibilities:

The West Middle School PTCO has a Treasurer and a Treasurer Elect. The financial duties are divided as follows:

- Treasurer handles all expenses, reimbursements, bank reconciliations, budget development, and reporting.
- Treasurer Elect handles all income including deposits, serves as an alternate when the Treasurer is unavailable, performs the annual fiscal review, and serves as the Treasurer the following year.

Bookkeeping and Reporting:

QuickBooks will be the designated bookkeeping software. All income and expenses must be entered into QuickBooks in a timely manner.

At each Executive Board and general meeting, the Treasurer must provide an updated budget vs. actuals report and balance sheet.

A fiscal review will be conducted by the Treasurer Elect at the close of each fiscal year. The Treasurer Elect will submit the review to the Parent's Council Treasurer within 30 days of completion.

Fundraising:

A written acknowledgement is mandatory for all direct donations of \$250 or more. The chair of the appropriate fundraising activity is responsible for sending acknowledgments.

Funds collected from fundraising should be spent within the same fiscal year.

Fraud Reporting Process:

In the unfortunate event that fraudulent activity is uncovered, it is the responsibility of a representative of the West Middle School PTCO Executive Board to inform the Principal **and** the President of CCSD Parents' Council of such activity on the same day you learn of the activity either by phone or email. The Principal will report the matter to the Cherry Creek School District as will the Parents' Council President. Appropriate action will be taken by the District.

Under no circumstances should any member of West Middle School PTCO enter into negotiations for funds to be repaid without reporting the matter.

Guidelines on Appropriate PTCO-related Expenses:

West Middle School PTCO is a tax-exempt 501(c)(3) organization. For an organization to continue to be classified as tax-exempt under section 501(c)(3) of the Internal Revenue Service Code, the organization must be organized and operate "exclusively" for public purposes.

Any public, tax-exempt charitable group, such as West Middle School PTCO, must use all of the group's assets for its public, tax-exempt purpose. Therefore, none of the PTCO's funds can be used to benefit private individuals. The only exception is when an individual benefits as a by-product of carrying out the West Middle School PTCO's purpose.

The West Middle School PTCO's purpose is "to assist in attaining the highest level of education and welfare for the entire student body of West Middle School".

Approved 1/19/2021

Expenses related directly to the educational environment and student experience are clearly allowable under the IRS guidelines. Examples include: technology hardware and software, playground equipment, assemblies, instructional equipment, books, and costs associated with PTCO-sponsored school/community events such as West Fest.

Appreciation gifts do not directly support the West Middle School PTCO's purpose and are considered inappropriate expenses. Under IRS guidelines, the most conservative approach would be to have no expenses in this category at all. However, the West Middle School PTCO follows the standards for federal employees which allows "modest items of food and refreshment" and gifts with a market value of \$20.00 or less.

Reimbursement of expenses incurred by an individual on behalf of the West Middle School PTCO is not considered "individual benefit" as long as the expenses being reimbursed are approved and/or appropriate and have a receipt.

Changes to Financial Policies:

Exceptions and amendments to this policy may be made by a vote of the PTCO Executive Board in accordance with the bylaws.

6. GRANT REQUEST POLICIES

Net proceeds from fundraising efforts, the proceeds of which are not otherwise specifically designated for another purpose, will be used to fund grants for the current year. If the proceeds from a fundraising event are explicitly designated for a specific purpose, those net proceeds shall not be included in the calculation of the amount available for grant requests.

The West Middle School PTCO Executive Board will determine the timing of grant cycles but will have at least one per school year. Grant requests should be submitted in accordance with grant cycle deadlines and all grants for a cycle will be evaluated at the same time in order to prioritize limited funding.

Grants must be awarded in time for the funds to be spent within the fiscal year in which they were raised. It is recommended that all grants be finalized, approved and funded by March 31st.

All grant requests are to be submitted on the grant approval form showing at a minimum, the cost, quantity, use, supplier and an approximate number of students it will benefit.

Grant requests should be reviewed by the Principal prior to consideration by the PTCO. Principal recommendations should be taken into consideration, but final approval is made by the appropriate grant committee or PTCO Executive Board. The Principal does not have the authority to veto grant requests but may prioritize requests and recommend action and/or outcome.

The PTCO cannot pay for the costs associated with receiving credit from a training or workshop for teachers, as that is considered a personal or private benefit. However, non-credit portions of workshops or trainings will be considered on a case by case basis, with preference given to matching training grants provided by the Cherry Creek School District up to \$250.00.

WEST MIDDLE SCHOOL PTCO
Check/Reimbursement Request

Name: _____ Phone #: _____

Date Submitted: _____

Amount \$: _____ Date Needed: _____

Committee: _____

Reason for Check/Description:

Check Payable to: _____

Remit Check: Mail PTCO Mailbox (Front Office) Pick Up

Mailing Address:

If this is a bill that needs to be paid directly to a vendor, please attach the bill/invoice. If this is a reimbursement of person funds, please attach original receipts.

WEST MIDDLE SCHOOL PTCO

Deposit Notice

Name: _____ Phone #: _____

Date Submitted: _____

Name of person submitting deposit: _____

Total Amount: \$ _____

Specific Description of Source (e.g. Popcorn Sale, Fall Carnival, School Supply Sale):

Cash:

Checks:

\$100 x _____ = _____

\$50 x _____ = _____

\$20 x _____ = _____

\$10 x _____ = _____

\$5 x _____ = _____

\$1 x _____ = _____

.25 x _____ = _____

.10 x _____ = _____

.05 x _____ = _____

.01 x _____ = _____

Total Cash: \$ _____

Total Checks: \$ _____

Cash Counted and Signed Off By: (Person 1) _____

(Person 2) _____

WEST MIDDLE SCHOOL PTCO
School Store Reconciliation Slip

Date: _____ Volunteers: _____

Opening Cash: _____ (Should be \$100.00 but count to be sure)

Closing Cash: _____ (Count total of cash & checks in register drawer)

Z Tape Information (the following can be found on the printed Z tape):

Gross Total	\$ _____	
Dept 1 =	\$ _____	(supplies)
Dept 2 =	\$ _____	(spirit wear)
Dept 3 =	\$ _____	(planners)
Dept 4 =	\$ _____	(book covers)
Dept 5 =	\$ _____	(directories)

If Closing Cash minus \$100 does not match Gross Total from Z tape, please explain problems you may have had with the register:

Deposit Instructions

Closing Cash \$ _____ - \$100 (opening cash for next day) = \$ _____

Deposit Amount \$ _____

- 1. Write the deposit amount on the "Deposit Log Sheet" in the cash box.**
- Place this Reconciliation Slip, the Z Tape, and the money to be deposited in an envelope. Tape the envelope closed so no coins fall out.
(Try to leave smaller change in the cash box for the next day, but do leave exactly \$100 in the cash box. The rest is to be turned in for deposit.)
- Return the cash box with the store key in it to the Administration Office.
- Turn in the deposit envelope to the Office. They will drop it in the PTCO Lock Box.

THANK YOU FOR YOUR TIME! WE COULDN'T HAVE A SCHOOL STORE WITHOUT YOU!!!