

# Riverview Elementary School

## RPTO Financial Procedures Manual

(Updated April 8, 2013 based on March Minutes)

### 1. BUDGETING & General Information:

- The **RPTO** Budget is prepared by the **RPTO** President, Treasurer, Vice Treasurer, Ways & Means, Secretary and Riverview Principal.
- The **RPTO** Fiscal Year begins July 1 and ends June 30 of each calendar year.
- The **RPTO** Financial Institution has been selected by the **RPTO** President and the Treasurers and has approved by a simple majority at a general meeting of the **RPTO** Board of Directors.
- **RPTO**'s financial institution is currently the Columbia Credit Union (CCU), Cascade Park, 131st & E. Mill Plain, 210 SE 131st Ave, Vancouver, WA 98683.
- The **RPTO** Treasurer, Vice Treasurer, President and Vice-President, per the **RPTO** By-Laws have "signature authority".
- Reserve funds are a means to retain financial stability.
- Please refer to the **RPTO** By-Laws for more information.

### 2. FINANCIAL CONTROLS & General Information:

- a) The **RPTO** is a not-for-profit organization. **RPTO** is accountable like any other business and must follow standard and acceptable business practices for handling money.
- b) **RPTO** Board of Directors are charged with the responsibility to safeguard its funds from loss, misuse and theft. In order to do that, the **RPTO** must establish good business procedures. These procedures will insure the accurate and timely recording of financial activity. These procedures will also protect everyone who handles money on behalf of the **RPTO** from undue scrutiny. If procedures are not in place or not followed, suspicion may result.
- c) Failure to comply to and with these procedures will result in a meeting of the board to determine consequences such as a warning up to and including removal of the board and possible legal actions.

### 3. LOCKBOX:

- a) Purpose: The Lockbox's purpose is to temporarily hold **RPTO** funds received from all **RPTO** sponsored activities where a donation, fee or a charge of money is requested. Cash and Checks are the usual forms of payment **RPTO** requests. (Payback Book, **RPTO** Calendars, Move-A-Thon, Chess Club are some examples.)
- b) Contents: The Lockbox normally contains **RPTO**'s Financial Institution's endorsement stamp, blank deposit slips and, once a month, SCRIP Orders. Advanced event sales, direct donations,

spirit wear and other fundraisers received from Riverview's students should be clearly labeled in a sealed envelope and placed inside the Lockbox. See Deposits.

- c) Keyholders: There are 3 assigned keys that open the Lockbox. The Treasurer, Vice Treasurer and SCRIP Coordinator will receive a key once the member is voted in or appointed to the RPTO as an Officer (Board Member).

#### 4. RECEIPTS General Information:

- a) All deposits of RPTO funds must be made to RPTO's Financial Institution - NO EXCEPTIONS! Never deposit RPTO funds into a personal bank account, the school bank account or any other business account.
- b) All RPTO transactions must be placed into the LOCKBOX until a deposit can be made. If the RPTO sponsored event is held after school hours, a night deposit is required.
- c) Never hold cash or checks made payable to RPTO. All RPTO funds must be placed inside the LOCKBOX or deposited in the RPTO bank account within 5 business days or sooner. RPTO monies must never go home - NO EXCEPTIONS!
- d) Deposits are to be made within 5 business days, if not sooner. If the RPTO sponsored activity runs the course of a week or longer, then large sums of cash are assumed. It is the responsibility of the Treasurer or Vice Treasurer to check the lockbox for deposits at least once each school week.
- e) The RPTO Treasurer, without exception, should allow anyone involved in making a deposit to verify the deposit on the RPTO bank statement. If, at any time the deposit is missing on the bank statement, the RPTO Treasurer will follow up at the next RPTO meeting the reason for omission and documentation of the deposit should be included in the minutes of the next RPTO meeting. If the RPTO Treasurer refuses to share the bank statement or fails to report back at the next RPTO meeting, report the incident to the RPTO President.

#### 5. RPTO Cash Handling Procedures

- a) **Set Up One Cash Point.** For any event, take cash at one place only. The fewer hands that touch it, the better. For the spring carnival you will need one cash box at the 3 primary stations: 1) Admissions, 2) Food Service and 3) Silent Auction.
- b) **Create a Paper Trail.** Always use paper receipts for cash transactions. This is good record keeping for the IRS and PTO finances. For the carnival, where small amounts of money are received many times over, tally each sale. At the end of the day, the number of tallies should match your cash receipts.
- c) **It Takes Two.** Always have two people present whenever cash is around. Two people, one of whom is a PTO person, must tend the cash box at all times. Always have a least two people on-hand when cash receipts are counted. After the cash is counted, have the counters each initial a form certifying how much money is being turned over to the treasurer.
- d) **Make Deposits Immediately** Never let large sums of cash sit for a few days. Receipts should be deposited as soon as they are counted, certified, and turned over to the treasurer. For evening events like Carnival & Silent Auction, a bank night drop deposit must be made.

- e) **Never Take Money Home.** At no time should any money go home with anyone. This includes SCRIP Money.

## 6. DEPOSITS of CASH & CHECKS:

- a) The Treasurer or Vice Treasurer will be involved in all deposits of **RPTO** funds received from all sponsored **RPTO** activities.
- b) It is required that the Treasurer or Vice Treasurer will coordinate with each other or another member or Director of **RPTO** in all forms of money handling. A minimum of two people, at least one being the Treasurer or Vice Treasurer, must count and verify all forms of money to be deposited.
- c) Daily Deposits are recommended for large fundraisers like Move-A-Thon. On Fridays, the lockbox should be checked for deposits.
- d) Multiple events may be combined on one deposit slip. The event name and amount received for each event should be noted on the deposit slip. Check numbers and amounts should be listed on the deposit slip. When there are more than 28 checks to be deposited, please fill out a CHECK VERIFICATION FORM (see attached) and attach it to the Treasurer's copy of the Bank Deposit.
- e) Each person should **count and verify the cash and check totals, endorse all checks and complete and sign the "RPTO CASH & CHECK VERIFICATION FORM"** (See attached forms or refer to <https://sites.google.com/site/riverviewevergreenpto/> Treasurer Tab).
- f) Lost Checks: If checks are accidentally lost, the person who lost the checks must contact every person, acknowledge the loss, and request a replacement check. A stop payment may be required and the RPTO should accept responsibility for the fee. The best practice is to deposit checks within 5 business days to avoid loss or misplacement.
- g) The Treasurer or Vice-Treasurer have the responsibility to prepare the CCU bank deposit slip, sign and attach all required documentation and immediately deposit funds into the **RPTO** bank account. If the bank is closed, the night drop must be used. The Night Drop deposit key and bags are held by the Treasurer. On occasion, due to scheduling conflicts, another Board Member may be trusted with taking a prepared deposit to the bank. The bank's deposit voucher must be attached to the Treasurer's documentation copies and returned to the LOCKBOX. Please send an e-mail notifying the Treasurer of the deposit, its amount and event name(s).
- h) All Financial Records maintained by the Treasurer are held inside the Treasurer's Binder. During **RPTO's** Fiscal Year, the Treasurer keeps the binder in a secure location. At the end of the **RPTO** Fiscal Year, the Treasurer is to place the Closed Financial Binder in the Principal's office for a period of 5 years.

## 7. DISBURSEMENTS

- a) **RPTO** will pay all financial obligations by check. All payments by **RPTO** require two signatures. The **RPTO** Treasurer will prepare all checks and provide the first signature. The Treasurer will obtain the second signature from the **RPTO** President, please refer to the **RPTO** By-Laws for more information.
- b) A blank check will never be issued or signed.
- c) Every RPTO Check Request must have backup documentation. Acceptable backup

documentation includes original receipts and invoices. No photocopies will be accepted.

- d) An RPTO Reimbursement form (see attached) must be completed with all original documentation attached. All requests for reimbursement should be made within the calendar month of purchase or as soon as possible to receive timely reimbursement. Place the completed form in the RPTO mailbox prior to a general meeting when both the RPTO Treasurer and President are normally present.
- e) Reimbursements on purchases must have a line item on the current year's budget. If a purchase is required and not budgeted for, the Board members must hold a vote, either at a general meeting with a simple majority or by Unanimous Consent and notated in the RPTO minutes.

#### 8. **SCRIP** General Information:

- a) SCRIP Coordinator is appointed by the **RPTO** President and is a non-voting Board Member. Please refer to **RPTO** By-Laws for further information.
- b) SCRIP SERVICE CENTER is located at 6960 SW Sandburg, Tigard, OR. Ph: 503.620.5437. Please refer to the SCRIP website for more information: <http://plone.ttsd.k12.or.us/get-involved/scrip>
- c) SCRIP is considered a self-enclosed payment system. All purchases of SCRIP must match the gift card order quantity and amount. SCRIP Coordinator will handle any customer complaints within this system.
- d) All SCRIP Orders are due the first school Monday by 4 p.m. SCRIP Coordinator will arrive Tuesday morning to pick up the SCRIP order forms and fill out a SCRIP CASH/CHECK Verification Form, organize the SCRIP money into an envelope and notify the Treasurer or Vice Treasurer that the funds are ready to be counted and deposited.
- e) SCRIP Funds are required to be deposited into the CCU account no later than the first school WEDNESDAY each month of the school year.
- f) SCRIP Coordinator will contact RPTO Treasurer with a request for an on-line transfer of funds from the CCU into the RPTO SCRIP account. The transfer of funds is considered immediate and must be completed before SCRIP Gift Cards can be picked up in Tigard, OR by SCRIP Representative.
- g) The SCRIP Coordinator is trusted with safeguarding the SCRIP Gift Cards. A fireproof safe is required to store the SCRIP cards. The SCRIP Coordinator will designate the safe's location.
- h) The SCRIP Coordinator and/or its representative (RPTO Officer) will fill customer orders and deliver the SCRIP Gift Cards
- i) SCRIP Cards are considered cash and therefore are not covered by insurance.
- j) If the RPTO Board is notified of any loss of SCRIP cards or SCRIP funds and the Board deems that loss significant, the RPTO Board has the authority to vote to suspend the SCRIP Program indefinitely. The Board must then address the reimbursement of loss.

#### 9. **Credit Card Processing:**

- a) The RPTO rents or contracts a credit card machine for two specific purposes: Scholastic Book fair and Carnival/Silent Auction.
- b) The RPTO should only process transactions on a credit card terminal issued to the RPTO.

- c) The RPTO should **never** share their credit card terminal with another institution or corporation.
- d) The RPTO will safeguard forms containing credit card numbers as follows: Once the transaction is complete, or the event has concluded for the year, store credit card forms in sealed bank bags. Write the name of the event and contents on the bag. Maintain forms with the credit card number and authorization as required in the merchant contract. Destroy (burn) the bag and contents at the end of the required period
- e) The RPTO is responsible for the fees, lease, safety and use of the credit card machines.
- f) The Scholastic credit card machines must be locked in a secure location overnight. A Scholastic employee will pick up the machines the following work day morning.

## 10. **CONTRACTS, GRANTS and GIFTS:**

- a) **Contracts:** There are a few contracts that the RPTO enters over the course of the school year. The Riverview Yearbook; Restaurant Fundraisers (Partnership Agreements); Rental of games and equipment from local vendors for Carnival; Scholastic Book fair, and a Credit Card machine rental to receive payment for Silent Auction purchases and Carnival entry fees.
  - Before entering a contract, it is important to consider any possibilities of a conflict of interest within the Evergreen School District, Riverview Elementary or any RPTO Officers.
  - The contract should clearly state that the RPTO is entering into the contract, not the Board Member as an individual. The signature on the written contract should read, "Riverview Elementary School RPTO and the name and signature of the current RPTO President. The RPTO President is responsible for the contract.
  - It is preferable to require two signatures on the contract, the president's signature plus another Board Member (Officer).
  - Funds for the contract must have a line item on the budget or be approved at a general meeting or by unanimous consent before entering a contract.
  - The RPTO will only pay contract signed by an RPTO Officer(s). Liability issues may result and insurance coverage may not be guaranteed if third party contracts are paid.
  - Subject to Board approval, the RPTO can pay for product invoices (tables, chairs, etc) ordered by the school. The invoice to the school can be used for supporting documentation.
- b) **1099 to individuals (example paid club teachers)**
- c) **SCRIP is a contract.**
- d) **Grants:** example is Kohls - must follow Evergreen School District policy and procedures; must have Riverview Principal approval; must have Board approval via a general meeting with a simple majority or by unanimous consent.
- e) **Gifts:** examples would be Silent Auction - must document the bidder's paid amount and the retail value of donated items/gifts for IRS purposes.

## 11. TAX EXEMPTIONS

- a) The RPTO is a non-profit organization and has its own Tax ID# can be found in Treasurer, Vice Treasurer, Fundraising and Co-fundraising binders.
- b) Tax ID maybe used for a sales tax exemptions on purchases that will be resold as a fundraiser. Yearbooks are an example and School Supply Sales are examples.