

OFFICE OF THE SOLANO COUNTY SUPERINTENDENT OF SCHOOLS

Series 3000 – BUSINESS AND NONINSTRUCTIONAL OPERATIONS

Policy 3314.2

Revolving Funds

Establishment

A Revolving Cash Fund shall be established in accordance with Education Code Sections 42806 and 45167, which require a resolution of consent by the Solano County Board of Education.

Purpose and Intent

The purpose of the Revolving Cash Fund is to provide:

1. reimbursement or advance for travel and conference or other necessary out-of-pocket expense;
2. a means of securing supplies, equipment, or services that cannot be obtained through the normal accounts payable system;
3. emergency payment of salaries, as referenced in Education Code Section 45167; and
4. for emergency purchases.

The Revolving Fund is not intended to be used as a substitute for the regular vendor warrant process.

Payment for unanticipated purchases necessary to protect personnel and property from immediate danger may be made from the revolving fund.

Prior Approval

Employees shall have the prior, advance approval of their immediate supervisor before making an expenditure on behalf of the Solano County Office of Education (SCOE). In addition, authorized signatures shall be required for payment approval, the same as under the vendor warrant process.

Reimbursement for Conference and Workshops

Such payments as conference registrations, hotel room deposits, and airline reservations should be requested far enough in advance to allow for the normal vendor claim payment schedule.

When revolving fund reimbursements for registrations, room deposits, travel, meals, and other conference or workshop expenses are requested, the claimant shall also follow Policy 3350 – Travel Expenses.

Reimbursement for Materials, Supplies, Equipment, Parts, and Services

Whenever possible, materials, supplies, equipment, parts, services, and other items shall be purchased through the normal vendor warrant procedure. Cash purchases by employees shall be held to a minimum.

When revolving fund reimbursement for materials, supplies, equipment, parts, and services is necessary, the claimant shall adhere to all other applicable purchasing policies, procedures, and contractual requirements of the County Office of Education.

Establishment of Separate Bank Account

A separate bank account shall be established and shall be known as the Solano County Office of Education Revolving Cash Fund Account.

Operating and Audit Procedures

The Business Department shall establish step-by-step operating and audit procedures for the Revolving Cash Fund. This shall also include the development of any necessary forms to provide for smooth operation and a clear audit trail. It shall be the responsibility of the management staff to properly inform employees of the Revolving Cash Fund purposes and procedures.

Revolving Cash Fund Audit and Payment procedures

Purpose

To make payments, audit, and balance a Revolving Cash Fund for the Solano County Office of Education (SCOE).

Payments

Requests for Revolving Cash Fund payments shall normally be made within one (1) or two (2) working days after the Business Department receives claims.

1. Minimum Documentation Required

- a. Completed Revolving Fund Reimbursement Request form.
- b. Itemized invoices and/or receipts attached to the Reimbursement Request form (which meet requirements of all policies).
- c. Approval by immediate supervisor or department head.
- d. Approval of all payments in excess of \$300.00 will be determined by the Director, Internal Business Services.
- e. Note: Other documentation may be required as determined by the Director, Internal Business Services, or his/her designee.

2. Audit and Payment Procedure

- a. Disbursements shall be clearly legal expenditures.
- b. Each disbursement shall be a full payment, not a progress payment.
- c. Each payment will be recorded in Revolving Fund checkbook and on accompanying ledger.
- d. Each payment (check) will be typewritten.
- e. Each payment will have a clearly named payee.
- f. Issuing checks to cash or bearer is prohibited.
- g. IOUs and the cashing of personal checks are prohibited.
- h. Duties of staff will be adequately separated. Different persons will prepare checks, sign checks, and reconcile bank statements.
- i. Signing blank checks is prohibited.

- j. Blank checks will be kept in a secure place.
- k. Dual signatures shall be required on each Revolving Cash payment.
- l. Revolving Cash Fund checks shall be pressed-numbered; identifying the fund and County Office.

3. Reconciliation Procedure

- a. The County School Service Fund (CSSF) accounting staff shall (by the last working day of each month) reconcile the Revolving Cash Fund account.
- b. Reconciliation consists of balancing the Revolving Cash Fund account against the bank statement, checkbook, and the Revolving Cash Fund account ledger.
- c. The Revolving Cash Fund shall be replenished to the \$15,000 level no later than the fifth (5th) working day of each month.
- d. The Revolving Cash Fund shall be replenished by drafting a warrant on the General Fund payable to the Solano County Office of Education Revolving Cash Fund account.

Legal Reference:

EDUCATION CODE

- 35160 Authority of governing boards
- 41020 Audits of all funds
- 42238 Local taxation by school districts
- 42800-42806 Revolving cash fund
- 42810 Revolving cash funds; use; administrators
- 45167 Error in salary

Policy Cross-Reference:

- 3400 - Management of District Assets/Accounts