

Business and Noninstructional Operations

Revolving Cash Fund

A. Authority

Education Code Section 42800 authorizes the establishment of a revolving cash fund for general use with a school district.

B. Purpose of Revolving Cash Fund

The District's revolving cash fund (RCF) is to be used for payment for authorized services, or the purchase of instructional, office, or other similar materials and supplies. It should only be used when there is not sufficient time to follow established purchasing procedures. The RCF may also be used for advance payment of certain travel and conference expenses and for correcting salary payments. Reimbursement of approved out of pocket purchases will be made by commercial warrant.

C. Submitting Claims

The following procedures are to be used when submitting claims for reimbursement from the District's revolving cash fund:

1. Obtain your supervisor's and responsible program administrator's prior approval and signature on a buy out requisition form, with a notation that it is for revolving cash fund use.
2. When purchasing item(s), the original signed receipt from the vendor is required. The name of the vendor must be easily identified on the receipt.
3. Submit a requisition to the Financial Services Office, listing services or item(s) purchased, name of vendor, and amount to be paid. Attach the original receipt.
4. Allow five to ten working days for processing the Revolving Fund check.

D. Restrictions

Purchases of equipment and/or items whose unit cost exceeds \$50.00 will not be reimbursed from the District Revolving Cash Fund without the written approval of the Director, Procurement & Contract Services or Chief Business and Financial Officer.

Payment for food and refreshments will not be reimbursed from the RCF unless specifically approved by the Board, or authorized by program guidelines if paid from categorical funds. In all cases, there must be a Board agenda item indicating the date, the place and type of activity.

In addition, the following purchases will not be reimbursed.

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1. Materials or supplies that are available in the District warehouse.
2. Prizes or awards, unless specifically authorized by the Board of Education or contained within program guidelines.
3. Gifts to District employees.
4. Alcoholic beverages.

E. Funding of RCF Purchases

Unlike other reimbursements, RCF reimbursements are not pre-encumbered. It is the administrator's responsibility to insure that there are sufficient unencumbered funds in the account to be charged, prior to submission of the request for reimbursement. The funds of the fiscal year in which the request for RCF reimbursement is received will be charged, regardless of when the original purchase was made.

F. Use of Revolving Cash Fund

A portion of the RCF (not to exceed \$250.00) may be deposited in an account under control of the Director of Facility and Support Operations. Receipts for purchases made from this account must be submitted to the Financial Services Office for reimbursement on a quarterly or more frequent basis.

Additional amounts of the RCF may be used to provide change funds needed for other District or school site purposes.

G. Control of Change Funds

At the close of each fiscal year, the custodian responsible for a change fund must certify that he/she has counted the cash in the change fund and that the amount signed for is indeed available. If the certification cannot be made because of a shortage in the fund, the Director, Financial Services should be immediately informed. Change funds are subject to the same closure procedures as imprest accounts.

Imprest Cash Fund

A. Authorization

Board Policy 3314.2 authorizes the use of imprest funds so that principals, and other administrators, may make direct local purchase of instructional materials for immediate use. Instructional materials purchased through imprest funds would normally be items of relatively low unit cost, which may be purchased from local sources. The fund must not take the place of regular ordering and delivery procedures.

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B. Board Approval

Board approval, specifying the account custodian by name, must be obtained prior to establishment of an imprest account. Specified in the Board approval would be the amount of the cash advance, which would be limited as follows:

Elementary School	\$1,000.00
Middle Schools	\$1,000.00
Senior High Schools	\$1,000.00
Other Administrators	\$1,000.00

C. Responsibility for Imprest Fund

As custodian, the principal or administrator is personally responsible for the imprest account and is expected to be familiar with these Administrative Regulations.

D. Establishing the Imprest Account

The principal/administrator may establish an imprest account by:

1. Completing and signing the "Request for Money" form (sample 3314.2). Requests for less than the full amount must be in multiples of \$50.00.
2. Submitting the "Request for Money" form to the Financial Services office, Administration Center, who will arrange for delivery of the warrant to the responsible administrator.
3. Establishing a no fee checking account at a local bank and depositing this warrant in that account. Contact the Financial Service office for the name of a bank providing no fee accounts. The title of the account should be: "Glendale Unified School District, Imprest Account - \_\_\_\_\_ School. Be sure that the name of the District Director of Financial Services is included as an alternate signatory on the account.
4. Funds from other sources, i.e., PTA, student body, etc., should not be deposited in the imprest account.

E. Auditing Imprest Account

All records relating to the imprest account must be available at the school office for purposes of audit. Imprest accounts will be audited periodically by District staff and/or independent auditors under contract with the District.

At all times, principals must have the checking account up to date, including written receipts for all purchases.

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F. Self-Audit of Imprest Account

Monthly, the principal shall perform the following review (self-audit) to verify accuracy of the imprest account.

1. Reconcile the bank statement to the checking account balance. All checks should be pre-numbered by the bank. As canceled checks are received with the bank statement, their number should be noted (✓) in the checkbook. In this way, the amount of the outstanding checks can be readily obtained for reconciliation.
2. Add the amount of unreimbursed receipts to the checking account balance. This sum should equal the imprest account authorization. An overage of the imprest account authorization could be the result of the principal claiming more reimbursement than the amount of checks written, or the inclusion of funds from other sources, i.e., PTA, student body, etc., or the principal has inadvertently submitted the same claim twice, using a duplicate copy of an invoice or sales slip. A shortage of imprest account authorization could most likely be the result of forgetting to submit a claim for an imprest account payment.
3. If problems are encountered in reconciling the imprest account, or in balancing to the total authorization, the principal should contact the Director of Financial Services. Arbitrary adjustments to checking account balance should not be made.

G. Limitations on Using Imprest Account

Unless specifically authorized by the Board of Education, the following items should not be purchased from the imprest account:

1. Items whose unit cost exceeds one hundred dollars unless specifically approved by the Director of Procurement and Contract Services.
2. Reimbursement of mileage or conference expenses.
3. Trophies, awards, or decorations.
4. Items normally available in the District warehouse.
5. Entertainment costs.
6. Items or services to be paid from categorically funded programs.

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H. How to Replenish Imprest Funds After Purchases Have Been Made

Principals/administrators can replenish their imprest account by completing an “Imprest Fund Claims Form” (sample 3340 j) and sending it with receipts and/or supporting invoices to the Financial Services office. The claim form may be reproduced on automated software as long as all headings and certification are identical to the original form and is signed by the principal/administrator. A copy of the claim form and canceled checks should be retained by the principal/administrator for four (4) years. In the “description” column of the claim form, briefly describe item(s) or service purchased, name of vendor, and to whom the check was issued. Information to be included in the other columns is self-explanatory.

Each claim form and supporting documents will be reviewed by the Financial Services’ staff and exceptions will be noted on the return copy. A warrant made payable to the principal/administrator as custodian of the account will be processed in the amount of the approved claim. Depositing the warrant in the imprest account should bring the account back up to its authorization limit. If any part of the claim has not been approved for payment, the imprest account will be short of its authorization and the principal/administrator should make every attempt to resolve the exception.

Selecting a bank recommended by the Financial Services office would normally exempt the imprest account from bank charges. However, if bank charges are incurred, they should be included on the claim form. A copy of the bank statement showing the charges should be submitted with the claim form. No reimbursement will be made for charges incurred by writing checks with insufficient funds.

I. Final Claim of the Year

1. Make sure every payment made through the end of the year, if not reimbursed earlier; is included in the final claim. The final claim should be prepared on the approved claim form and sent, with supporting invoices, to arrive at the Financial Services office no later than three (3) work days after the last day of school. This will insure that all purchases are charged to the school’s current fiscal year funds. If there are no expenditures for reimbursement at the end of the year, advise the Director of Financial Services in writing.
2. The warrant to reimburse the imprest fund for final purchases will be prepared by the Los Angeles County Office of Education (LACOE) during the summer. If the school is closed during this period, the Financial Services office will hold the warrant and send it to the principal when school reopens. Remember that County warrants are only valid for 60 days after issue. When the warrant is received and deposited, the checking account balance should equal the imprest fund authorization; if it does not, immediately notify the Director of Financial Services.

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J. Changing the Imprest Fund Custodian of Record

If a principal's assignment is changed, the imprest fund must be closed. This can be accomplished by taking the following steps:

1. Send a check to the Financial Services office from the imprest account payable to Glendale Unified School District. The amount of the check will be the remaining balance in the account.
2. Notify the bank and Financial Services you are closing the account.
3. Make sure that a final claim for all unreimbursed items has been submitted. The total of the final claim and the check to the District should equal the imprest fund authorization. If it does not, notify the Director of Financial Services immediately.
4. Send all statements, canceled checks, and blank check stock to the Financial Services office.
5. Advise the bank to send the final statement to the Financial Services office.

K. End of Year Audit

At the end of each fiscal, year, all imprest fund custodians must send in the following imprest fund items to the Financial Services office:

1. All bank statements for the fiscal year.
2. Checkbook or check register used during the fiscal year.
3. Checks disbursed and voided during the fiscal year.
4. A final claim for reimbursed expenditures.

The above items are required by the Financial Services office and the District auditors to conduct the annual audit of the imprest accounts. The custodian will not be allowed to operate the imprest account until his/her account has been audited and found to be reconcilable.

Legal Reference: Education Code, Section 42810

Rules Approved: 7/19/94

Rules Revised: 9/24/96; 3/17/98; 6/2/98; 2/4/03

Formerly AR 3340

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Imprest Cash Fund – (continued)

**REQUEST FOR MONEY - IMPREST FUND**

Date: \_\_\_\_\_

TO: Director, Financial Services

FROM: School/Site \_\_\_\_\_

Please send me a warrant in the amount of \$\_\_\_\_\_ to establish my Imprest Fund.

I agree upon receipt and endorsement of the warrant, I will be personally responsible for the money furnished for my Imprest Fund.

If I am leaving the school district for any reason, or being reassigned to another location, I agree to clear my account. This will be done by submitting a final claim for all purchases made and returning all funds not spent, which I understand must equal the total amount of my Imprest Fund advance.

I further understand that the District can not reimburse me for any loss or theft of funds from this account; or for charges made by the bank because of checks I wrote without sufficient funds.

\_\_\_\_\_  
Signature of Administrator

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date of Board Approval

(Please submit in duplicate)

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**REQUEST FOR MONEY - IMPREST FUND**  
**(INCREASE)**

Date: \_\_\_\_\_

TO: Director, Financial Services

FROM: School/Site \_\_\_\_\_

Please send me a warrant in the amount of \$\_\_\_\_\_ to increase my Imprest Fund to \$\_\_\_\_\_.

I agree upon receipt and endorsement of the warrant, I will be personally responsible for the money furnished for my Imprest Fund.

If I am leaving the school district for any reason, or being reassigned to another location, I agree to clear my account. This will be done by submitting a final claim for all purchases made and returning all funds not spent, which I understand must equal the total amount of my Imprest Fund advance.

I further understand that the District can not reimburse me for any loss or theft of funds from this account; or for charges made by the bank because of checks I wrote without sufficient funds.

\_\_\_\_\_  
Signature of Administrator

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date of Board Approval

(Please submit in duplicate)