

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.

Information included:

1. Cash Policies
2. Debit Card Policies
3. Check Policies
4. Online Payment Policies
5. General Financial Policies
6. Fraud Reporting Process
7. Guidelines On Appropriate PTCO-Related Expenses
8. Teacher Grant Request Policies

Attachment: Check Request Form

Attachment: Deposit Notice Form

Attachment: Debit Card Payment Form

Attachment: Grant Request Form

Attachment: PTCO Spending Policies Guideline

FALCON CREEK MIDDLE SCHOOL PTCO FINANCIAL POLICIES

1. CASH POLICIES

Paying with Cash:

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

Accepting Cash Payments:

Falcon Creek Middle School PTCO accepts cash for payments made to the PTCO.

When possible, two people should be present when cash is being handled. It is acceptable to have only one person present when taking cash payment at the school store. Two people must be present when cash is being counted for a deposit. The final tally needs to be noted and signed off by both parties and the matching funds must be deposited into the Falcon Creek Middle School PTCO bank account within 48 hours of the event.

Order forms should be used when applicable. The order forms should indicate that the purchaser paid PTCO 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.

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

In cases where an order form is not applicable (e.g. School Store Sales), two Executive Board members should be present to count the money and complete the **Deposit Notice Form**. If two Executive Board members cannot be present, the second person should be the School Store Chair.

Cash should be given to the PTCO Treasurer, with a completed **Deposit Notice Form** 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 typically with the bookkeeper until receipt by the Treasurer.

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 Falcon Creek Middle School PTCO account and then spent under the PTCO spending policy guidelines.

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

Any discrepancies between the bank cash deposit slip and the **Deposit Notice Form** must be brought to the attention of the President immediately.

2. DEBIT CARD POLICIES

Paying with Debit Card:

Falcon Creek Middle School PTCO maintains a debit card in the name of the President or Treasurer. The Executive Board must approve a change in the name on the debit card. The primary reason for the PTCO to maintain a debit card is for online purchases. A **Debit Card Payment Form** must be completed and submitted to the board member with the debit card. The online transaction will then be completed. The Treasurer will monitor the account to ensure there are no fraudulent transactions. Upon termination of the cardholder's position with the board, the debit card will be canceled with the bank. The second signer on the account and/or replacement board members will make confirmation of the cancelation of the debit card.

General Debit Card Request Procedures:

1. A **Debit Card Payment Form** must be completed for all online transactions.
2. The form shall be given to the board member whose name the card is in for approval. Any request not accounted for in the budget will need to be approved by the Executive Board before the payment can be made.
3. The President or Treasurer (the card holder) will then place the order, print the invoice and attach it to the **Debit Card Payment Form**. The transaction will be recorded in the accounting system and the paperwork will be filed with the monthly statements.

Accepting Credit Card Payments:

Falcon Creek Middle School PTCO maintains a Square reader (kept by the Treasurer) and Square account to accept credit card payments. The Square account deposits payments directly into the PTCO bank account. The Square reader and account associated with the PTCO is for use by the PTCO only.

3. CHECK POLICIES

Paying with Check:

Falcon Creek 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 to be written from the Falcon Creek 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 should be attached to the form (e.g. receipts, invoices, etc.).

Checks will not be written for any purpose without an approved **Check Request Form and appropriate documentation**.

The **Check Request Form** requires approval by the Treasurer or President, except in cases where the check would be made payable to the Treasurer or President (i.e. for reimbursement). In that case, the Co-Treasurer or President must approve the **Check Request Form**. Checks will be made out and signed by the Treasurer or President. At no time can a check be made out to an individual and signed by that same individual. In other words, you cannot write a check to yourself and sign it.

Checks over \$500.00 require approval by two Executive Board members, preferably the Treasurer and President. These checks must be signed by two Executive Board members, preferably the Treasurer or President (or another approved account signatory).

On the occasion that cash is required for an event, two Executive Board members must sign the check for cash. The equivalent amount of cash must have its own deposit within 48 hours of the event. Any money made over the initial cash amount will be a separate deposit.

Treasurers should never write a check for anything without an invoice or receipt. Documentation is mandatory, not optional. The **Check Request Form** is additional documentation to support the invoice or receipt.

Accepting Check Payments:

Falcon Creek Middle School PTCO accepts checks for payments made to the PTCO.

Order forms should be used when applicable. The order forms should indicate that the purchaser paid PTCO 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 kept and 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.

All checks need to have the student's first and last name written in the memo section of the check or written in a receipt book with carbon copies.

Falcon Creek Middle School PTCO will attempt to collect bank fees and the original check amount for any check that is returned. Falcon Creek Middle School PTCO reserves the right to refuse to accept checks from individuals who have "bounced" checks to the PTCO in the past.

4. ONLINE PAYMENT POLICIES

Falcon Creek Middle School PTCO accepts online payments for items payable directly to the PTCO from online payment processors such as PayPal, CheddarUp, Black Tie Technology, RevTrack etc.

- This service should be set up and managed by the Treasurer or President. The account should 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.
- Online payment processing companies charge a fee for their service. It will be decided by the PTCO Executive Board whether the fee will be picked up by the payee/donor or by the PTCO.

5. GENERAL FINANCIAL POLICIES

The General Membership must approve the Falcon Creek 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 \$500.00 need the approval of General Membership.

Falcon Creek Middle School PTCO bylaws allow the Executive Board to approve a non-budgeted expenditure up to \$500.00.

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 your fiscal responsibility to the parent community.

The PTCO President and Treasurer should have access to online or paper bank statements. There shall be a third Executive Board member with signatory ability on the account. This person does not need to have access to the full bank account but does need to have the ability to sign checks. This is to allow for two signatures on a check for reimbursement to either the President or Treasurer that is over \$500 or if one of the first two signatories is not available to sign a check over \$500.

School Store deposits should be made at a minimum of a monthly basis. Two Executive Board members should be present to count the money and complete the **Deposit Notice Form**. If two Executive Board members cannot be present the second person should be the School Store Chair. The School Store will keep a daily financial log and provide it to the Treasurer at the end of the school year.

Twice per school year, the Treasurer will check the Colorado Unclaimed Funds for any funds associated with the PTCO. All actions necessary will be made to claim the funds.

6. FRAUD REPORTING PROCESS

In the unfortunate event that fraudulent activity is uncovered, it is the responsibility of a representative of the Falcon Creek 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 and appropriate action will be taken by CCDS Parents' Council in coordination with the District.

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

7. GUIDELINES ON APPROPRIATE PTCO-RELATED EXPENSES

IRS Guidelines for Non-Profit Organizations

Falcon Creek 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 Falcon Creek 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 Falcon Creek Middle School PTCO's purpose.

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

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 Family Nights, Movie Nights, and School Carnivals.

Appreciation gifts do not directly support the Falcon Creek 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 Falcon Creek 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 Falcon Creek Middle School PTCO is not considered "individual benefit" as long as the expenses being reimbursed are approved and/or appropriate and have a receipt.

8. TEACHER GRANT REQUEST POLICIES

The Falcon Creek Middle School PTCO Executive Board will determine the timing of teacher grant cycles, but will have at least one per school year. Teacher grant requests should be submitted in

accordance with grant cycle deadlines and all grants for a particular cycle will be evaluated at the same time in order to prioritize limited funding.

Grants must be awarded in time for the grant to be used within the fiscal period that it was raised. It is important to give teachers enough lead time to use funds that have been approved. It is recommended that all grants be finalized, approved and funded by April 30th of each school year.

Prior to submission to the PTCO, teacher grant requests should be reviewed by the department and Principal (or designated administrator). Principal recommendations should be taken into consideration but the General Membership of PTCO makes final approval. 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.

PTO Grant Accounts held at the district – an accounting should be done annually to ensure that unexpended funds aren't being held year after year. Unused funds should be returned to the PTO for future allocation or released by the PTO to the Principal for expenditure.



Falcon Creek Middle School PTCO
CHECK REQUEST

Name: _____ Phone: _____

Date Submitted: _____

Project/Account: _____

Date Needed: _____

Reason for Check: ☐ Grant ☐ Reimbursement ☐ Budgeted ☐ Board Approved Item ☐ Other

Description: _____

Check Payable to: _____ **Checks payable to a board member must be approved and signed by a different board member

Check Amount: \$ _____

Address of Payee (if payment needs to be mailed – Treasurer will mail payment):

Attach all invoices/receipts to this form. Reimbursements will not be made without appropriate documentation and receipts.

Approved by: _____ Title: _____ Date: _____

Approved by: _____ Title: _____ Date: _____

****Amounts over \$500.00 require 2 signatures**

Shipment Received: _____

Board member printed name, signature, and date

For Treasurer's Use Only

Account: _____ Check # _____ Date: _____



Falcon Creek Middle School PTCO
Deposit Notice

Name: _____ Phone: _____

Date Submitted: _____ Date Taken to Bank: _____

Total Amount: \$_____ Deposited By: _____

Specific Description of Source (e.g. School Store, Spirit Wear, Color Run):

Cash:

\$20 x _____ = _____

\$10 x _____ = _____

\$5 x _____ = _____

\$1 x _____ = _____

\$1 Coins x _____ = _____

.50 x _____ = _____

.25 x _____ = _____

.10 x _____ = _____

.05 x _____ = _____

.01 x _____ = _____

Checks:

Total Number of Checks _____

Total Cash: \$ _____

Total Checks: \$ _____

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

(Person 2) _____

Accepted by (Treasurer): _____ **Date:** _____



Falcon Creek Middle School PTCO

Debit Card Payment Form

Name: _____

Phone: _____

Date Submitted: _____

Order to Be Placed By: _____

Project/Account: _____

Reason for Check: ☐ Grant ☐ Reimbursement ☐ Budgeted ☐ Board Approved Item ☐ Other

Description of Item(s) to be purchased: _____

Website Address: _____

Vendor Name: _____

Item #	Description	Cost	Quantity	Total \$

Shipping: _____

*Submit completed form to Treasurer

Tax: _____

*Order will be reviewed, placed if approved and

Estimated Total Cost: _____

shipped to the school unless alternate address
is approved

For Treasurer's Use Only

Date Received: _____

Date Ordered: _____

Approved By: _____ Actual Total Cost: _____

Second Signature if over \$500: _____

Shipment Received: _____

Board member printed name, signature, and date

GRANT PROCESS
Applications for 20xx-20xx

Thank you for applying for a Nest Grant through Falcon Creek Middle School PTCO. We will try to award as many grants as our funds allow.

Please complete the application and return it to your department chair by the deadline. **Initial applications are due by xxxxxxxx, 20xx.** Grant awards will be made by xxxxxxxx, 20xx. Additional requests will be reviewed later in the year if PTCO funds are still available.

The PTCO applications address the following five types of requests:

- 1) **Purchases** – for the one time purchase of specific items needed for classroom and extra-curricular activities. If the item(s) is not a unique item such as a specific software program or set of books, please submit at least two competitive bids with the application.
- 2) **Student Training Programs** – for costs such as tuition, supplies/equipment, refreshments, speakers, etc.
- 3) **Elective Course Support** – for ongoing support of established elective curricula. These funds will generally cover the costs of student materials.
- 4) **Capital Improvements** – for the purchase of permanent fixed building improvements, i.e., blinds, sound systems, security cameras, etc. These applications must include bids that follow the Cherry Creek School District approved bid process.
- 5) **Technology Needs** – for the purchase of necessary technology utilized by the entire school. These applications must include the cost of necessary software need for students to utilize the technology. If a teacher grant request is technology-related, it should also be reviewed by the head of the Technology Committee prior to approval.

All funds must be spent by the end of the current school year. If they are not spent, the funds will be returned to the PTCO bank account for later use and may be used for a different purpose. If you have any questions regarding the application process, please contact your department chair, administration or the PTCO President.

Please remember that the Cherry Creek Schools Foundation may be another source of funds – www.ccsdfoundation.org

Thank you for your interest and application.

Grant Request Form

Applicant: _____

Request: _____

Amount Requested: _____

Is this item available through approved District Vendors? yes/no

Documentation of cost: yes/no (Please attach)

Item Expense (cost)	
Shipping (if applicable)	
Installation (if applicable)	
Total	

Description of Program/Item:

How will this enhance or improve student performance?

Has this request been previously funded?

_____ Yes, NEST Grant

_____ Yes, Foundation Grant

_____ Yes, School/Department budget

_____ No

_____ Yes, but only partially (Please explain) _____

Will this request require on-going monetary investment? Yes/no

If yes, please describe: _____

Applicant's Signature

Date

If grant is not expended as awarded, funds are to be returned to PTCO and reallocated.

Approved by:

Date

PTCO/PTCO Spending Policies Guidelines

The mission statement of the PTCO/PTCOs of the Cherry Creek School District is to **support the education of our students**. This means that money raised is to be used to enhance the education of our students. The IRS requires that all non-profits state their mission and use their tax deductible donations for that mission. To do this, the following practices should be observed. For more detailed information, refer to the Parents' Council Procedures and Practices Handbook, available on the website, www.ccparentscouncil.org.

1. The majority of the tax deductible funds raised by the PTCO/PTCO are to be used for direct educational enhancement. Auxiliary items such as Hospitality and After Prom may be supplemented by the PTCO/PTCOs but the amount should be viewed in context of the percentage of the total budget and should not be the primary expenditure.
2. Monies raised are to be spent in a timely manner to most benefit the students that attended the school during the fundraising efforts. Parent donors expect that the funds contributed should benefit their children.
3. **The IRS requires that the funds be spent for the purpose indicated when solicited.** If PTCOs solicit for specific funding goals, then recordkeeping will have to indicate any unused funds so that they can carry over to the next year for the same purpose.
4. **The IRS does not allow non-profits to accumulate "profits".** PTCO/PTCO's should not carry balances unless a specific expenditure has been identified. The IRS does not allow "profits" to accumulate without potential taxation. The PTCO may indicate that a reserve is required under the bylaws to cover expenses that will be due before funds are raised, (i.e. TA salaries) or money that has been earmarked for a specific purpose such as an ongoing fundraising for computers, playground equipment etc. PTCOs can also "prefund" their budget as long as their intent is clearly indicated in the minutes and has been approved by the general population annually. Once the approved reserve has been funded, any additional donations should be spent or any additional fundraisers should be limited until the funds have been allocated and spent.
5. Grant Requests - Teachers and staff should be informed of funds available and encouraged to make grant requests under policies established by the PTCO/PTCO's for items that would enhance the education of their students.
6. PTCO Grant Accounts held at the district – an accounting should be done annually to ensure that unexpended funds aren't being held year after year. Unused funds should be returned to the PTCO for future allocation or released by the PTCO to the Principal for expenditure.
7. **The IRS does not allow non-profits with the "Educational Support" mission to benefit individuals.** Funds can be raised with PTCO support for the occasional community needs BUT no funds can be deposited into the PTCO account and then disbursed to a family or an individual. This includes "Thank You" gifts within certain guidelines outlined in our manual. Any funding solicitations for individual needs should indicate the alternative payee and include language that these donations are not tax deductible.

SIGNATURE PAGE

I certify that I have received a copy of the Falcon Creek Middle School PTCO's Financial Policies. I understand that I need to abide by these policies when handling any PTCO funds. If I have any questions, I can speak with the Treasurer or the President to ensure my understanding of the policies and carrying them out in accordance with the guidelines provided.

Name (Printed)

Date

Signature

Please return this signature page to the Treasurer (either in person or to the PTCO mailbox at the school) within 10 business days of receipt of the policies.

Thank you for your participation in the Falcon Creek Middle School PTCO