Business Procedures Manual

2026-2027 Cardinal CSD

TABLE OF CONTENTS:

INTRODUCTION AND PURPOSE

This manual outlines the procedures to use for business-related functions in the Cardinal Community School District, including procuring merchandise, requesting reimbursement, issuance of school district checks, and other financial transactions.

External auditors require strict accounting of all school district funds.

To ensure that the money is managed appropriately, specific procedures have been established and approved by the Cardinal School Board of Directors. This document is intended to assist you in conforming to these regulations & procedures.

Following these procedures will provide a clear accounting trail for all district-related transactions.

Key points:

● Plan ahead and ask permission before making purchases or financial commitments

● Understand and follow all procedures - it is not optional; using the excuse “I wasn’t aware” or “I didn’t understand” is not an option.

● Ask questions if any procedures are unclear!

The District Office makes every effort to handle items related to business functions efficiently while following the stringent laws of the Iowa Code. All forms referred to in these procedures may be obtained at either the building level offices or on the district website.

Personal Responsibility:

● Failure to follow appropriate fund management procedures may force the District to hold an employee personally responsible for incurred expenses.

● Sponsors, coaches, and teachers may not operate school business from their personal bank accounts.

TRACKING TIME AND EFFORT FOR EMPLOYEES PAID BY FEDERAL FUNDS

Cardinal Community School District will track time and effort for employees paid by federal funds through our payroll department. The payroll department will coordinate coding and bookkeeping with our school business official, who will then complete federal reporting requirements.

INTERNAL CONTROLS AND PUBLIC PURPOSE

Internal Controls: The district has internal controls in place to ensure the integrity of financial and accounting information, promote accountability, and prevent fraud. Segregation of duties is necessary so no individual can both commit and conceal an irregularity by performing incompatible duties.

Risk factors for fraud:
- Motive – the need for money
- Opportunity – weakness in internal controls
- Rationalization – willingness to commit the crime

Cash controls:
- Establish amounts for petty cash and/or change
- Require two or more individuals to be involved, when practical
- Require pre-numbered receipts and/or tickets
- An order form may be sufficient documentation for fundraising
- Require reconciliations after events including fundraising
- Forms completed and signed by workers
- Require collections to be deposited or locked in a secure location
- Require periodic administrative review of procedures

Public Purpose:
School districts operate under Dillon's Rule: They have only that authority specifically granted to them through the laws and Code of Iowa. The Iowa Constitution and Iowa Code address the "Public Purpose" concept regarding the use and appropriation of public monies.

Consider the following questions:
- Would the tax-paying public view the expenditure as necessary to support public education?
- Does the expenditure directly benefit a significant part of the student body?
- If the local paper headlines stated that public funds were used to pay for "xyz", how would the community react?
- Can the community see the relationship of the expenditure to the education of children?

PURCHASING PROCEDURES

Most local merchants accept purchase orders as a method of payment.

All orders for merchandise, supplies, equipment, and services must be approved in the form of a purchase order prior to placing an order or requesting a service. This includes classroom supplies, office supplies, registrations, membership dues, and forward resale items (t-shirts, band instrument supplies, etc.). Resale items must have all monies collected prior to purchasing. Any questions or special approvals should be directed to the Business Office prior to making any purchase.

1. Employee completes a requisition via Weblink for materials/supplies or services. Requisition must Include: vendor, item description, item code, quantity, and price. Include shipping if applicable.
2. Requisition is submitted to the building Principal/Supervisor for approval.
    a) After submission, the requisition goes through the designated approval chain.
        i) Activity fund related expenditures require approval by the activity director.
3. A Purchase Order is created by the Business Office and a copy of the Purchase Order is sent via email to the individual who generated the requisition.
4. When placing the order with the approved Purchase Order, please make sure the vendor is not billing sales tax (district is exempt from sales tax on purchases except on hotel rooms). Always request the Purchase Order number be placed on the invoice and instruct the vendor to send the invoice via email to ap@cardinalcomet.com or by mail to:

Cardinal Community Schools
Attn: Business Office
4045 Ashland Road
Eldon, IA 52554

Any invoices received in the building should be sent to the Business Office through interschool mail, delivered to the Business Office directly, or emailed to ap@cardinalcomet.com. If placing an online order, send a printed copy of the invoice created online to the Business Office via interschool mail, deliver to the Business Office directly, or email to ap@cardinalcomet.com. Please be sure you reference the Purchase Order number directly (no post it notes) on the documents you send to the business office.

5. When merchandise is received, the individual who originated the Purchase Order will:
- Notify the business office that the order was received;
- Tell the business office if anything was damaged or missing in the shipment.

6. When the invoice is received, the Business Office will match the invoice with the Purchase Order and process for payment. An invoice is required in order to make payment.
7. All documents submitted to the Business Office should be originals. No photocopies. Employees should submit all paperwork in a timely manner.
8. Each Purchase Order should be a separate order. Please do not combine.
9. Purchase Orders must be done in the Fiscal Year that the items arrive.
10. When placing orders, be sure to use the DISTRICT account (using the district office information for the “bill to” account). Do not set up an account under your individual building. The “ship to” information can be set up for your building.

NOTES ON PURCHASE ORDERS

- Email new vendor information to the Business Office. We will need the vendor, a name, complete address,completed W-9 and what we are purchasing..

● When completing a Requisition, include a detailed explanation. Details include product numbers and descriptions, quantity, price, any special instructions and reference to any special funding, such as a Grant, Professional Development, Curriculum, etc.
● The Business Office should never receive an invoice prior to issuance and approval of a Purchase Order.
● If an invoice is received in the Business Office prior to issuance and approval of a Purchase Order, you will be contacted.
● Employees that do not use the Purchase Order procurement system may be held personally responsible for the purchase.
● The Cardinal Board of Education strongly supports business transactions with local vendors if the goods/services are of acceptable quality and are price competitive. Iowa law stipulates preference to Iowa suppliers. Local suppliers are even more important because their tax and overall economic contributions are vital to our community and schools.

Additional Information:
● All POs must be dated prior to the invoice date.
● Computer hardware/software purchases need technology director approval prior to a requisition being submitted. The technology director will then submit the requisition.
● All purchases need superintendent approval at all levels, regardless of the amount. The superintendent’s designee may approve at the superintendent level in absence of the superintendent after confirming approval with the superintendent.
● Orders may not be placed until PO has final approval.

DISTRICT CREDIT CARD PURCHASES

1. Create a requisition for the estimated amount. In the comments section, note "credit card purchase" and select the appropriate credit card vendor.
2. Obtain itemized receipt for each transaction.
3. Return card and submit documentation within the next business day following use.

TRAVEL AND REIMBURSEMENT

[Board Policies: 401.7, 829, 825]

General Guidelines: Employees of the school district may occasionally travel to attend conferences, conventions, training seminars, or meetings as deemed necessary for carrying out the duties of their position.

Before the Conference/Meeting/Etc.
● Employee will get approval for the conference and register for the conference through the building principal and provide the receipt.
● The employee will submit requisitions as needed:
  ■ Credit Card for hotel
  ■ Credit Card for meals and incidentals

- Work with the business office to book hotel rooms at the state rate.
- Obtain approved POs before travel. Separate POs needed for registration, hotel, and travel reimbursement.
- Complete leave request in Frontline. Out-of-state or 3+ night trips need board approval.
- Attach registration details, brochures, etc., to the PO for documentation.
- If the PO is not accepted by the vendor, allow time for check processing or request direct billing.
- Complete the Vehicle Request form for transportation. If a school vehicle is unavailable, mileage is reimbursed both ways.
- Check out the credit card from the business office immediately prior to leaving.

During the Conference/Meeting/Etc.

- Employees should use the credit card to pay for meals, ground transportation, and other incidental expenses related to the approved travel.
- Employees must keep detailed receipts for all expenses. Summary receipts are not sufficient, and no alcohol can be included on receipts turned in for reimbursement or credit card reconciliation.
- If multiple people from the same building are traveling together and using the same credit card for meals, employees should write names by each item on the receipt for Business Office coding purposes.
- Employees are expected to exercise the same care in incurring costs as they would on a personal trip. Sharing of rooms and automobile travel is encouraged whenever possible.
- Employees are allowed to give a 15% gratuity on school district credit card meal purchases. Anything above 15% is the responsibility of the employee.
- Employees turning in receipts that include unacceptable expenses charged to the credit card will be personally responsible for those charges. Failure to provide proper documentation for acceptable charges will result in the employee assuming responsibility for those charges.

After the Conference/Meeting/Etc.

- If using a district credit card for meals and incidentals:
    - ■ Employees will give all itemized receipts for meals to the building secretary immediately upon their return to work.
    - ■ All receipts for meals, incidentals, and hotels are due to the business office within three business days of returning from the trip.
    - ■ Return the credit card to the business office.
- Rarely, it may be necessary to use a personal credit card for meals and incidentals if no credit cards are available for checkout.
    - ■ Employees will send all itemized receipts for meals directly to the building secretary for reimbursement.
    - ■ All receipts are due to the business office within three business days of returning from the trip.
        - Submit for reimbursement within 30 days of the event.

STUDENT ACTIVITY FUNDS

[Board Policies: 504.06]

Revenue raised for student activity funds must be used for co-curricular or extra- curricular activities. It cannot be used for items used in the curriculum. It cannot be used to purchase classroom supplies, clothing, etc. for staff. (Iowa Code 298A.8)

Sources of activity revenue: Gate receipts, ticket sales, admissions, student club dues, donations, fundraising events, interest on investments. (See the Cash Handling Procedures Guide for further details).

Appropriate uses: Operating school district sponsored and supervised student co-curricular and extracurricular activities.

Inappropriate uses:
- Maintenance of funds raised by outside organizations
- Employee bonds
- Expenditures lacking public purpose
- Payments to private organizations unless specifically fundraised for
- Transfers to other funds
- Payments more properly accounted for in another fund
- Use as a clearing account
- Cash payments to student members
- Optional equipment or customizing uniforms
- Uniforms not meeting educational program and necessity criteria
- Medical claims or insurance for student injuries
- Optional promotional costs
- Optional membership fees
- Costs for non-sponsored athletic contests

1. Sponsors are responsible for monitoring the revenues and expenses of their activity.
2. Sponsors are responsible for accurate accounting records.
3. A receipt must be given for all cash transactions.
4. Money collected must be turned in to the appropriate building office for safekeeping.
5. A deposit sheet is completed by the responsible individual and given to the building secretary with the collected funds.
    a) The building secretary verifies the deposit and sends the deposit to the Business Office for deposit into the bank.
6. Purchase Order procedures must be followed for all purchases; under no circumstances should a student be allowed to charge and pick up merchandise without a signed Purchase Order. An adult sponsor or school personnel MUST do for all credit card purchases.
7. Student activity accounts may not operate as a negative balance.

8. Expenditures which lack public purpose shall not be made from public monies. Student activity monies are public funds. (Uniform Administrative Procedures School Districts.) Cash payments to students have been determined by the Auditor of State and Department of Education to not be a public purpose.
9. All activity fund money belongs to the public and is controlled by the Cardinal Board of Education; it is not personal spending funds of the individual group or sponsor.

Basic Rules:
- Student Activity funds are "public monies"
- Can only be spent for public benefit
- All bank accounts must be under district control
- All expenditures must be board-approved
- Funds are covered by district's depository resolution and investment policy
- To be used equally for all students, not based on individual fundraising
- Federal grants should not be recorded in Student Activity Fund
- Individual accounts (line items in Activity Fund) should not have deficit balances on June 30th
- No "revolving" or "miscellaneous" accounts allowed
- No "Trust" or "Agency" accounts are allowed
- Student groups may use district's tax-exempt ID for allowable purchases
- Outside organizations cannot use district's tax-exempt or taxpayer ID
- Teachers/coaches cannot use personal or separate bank accounts for school activities

EVENT CASH BOXES

Event cash boxes will be issued to Parent Groups and buildings for events on campus. Please allow one week advance notice for requests for event cash boxes. A phone number or email address will be required so we may contact you if we have questions.

Count starting cash as soon as you receive the box and initial the money summary form. If the starting cash is not correct, please notify the Business Office immediately. All cash and checks must be recorded on the money summary provided with the cash box. Cash boxes need to be returned to the Business Office immediately after the event or locked in a building office safe. All cash must be deposited intact.

FUNDRAISING

Students may raise funds for school-sponsored events with the permission of the Building Principal or Activities Director. Generally, student fundraising should be minimized. Each fundraiser should have a specific purpose, which can be articulated clearly by the sales agent. Other sources of funding should be exhausted before fundraising is undertaken.

Revenue raised for student activity funds must be used for co-curricular or extra- curricular activities. It cannot be used for items used in the curriculum. It cannot be used to purchase classroom supplies, clothing, etc. for staff (Iowa Code 298A.8). Failure to follow appropriate fund management procedures may force the district to hold you personally responsible for incurred expenses.

1. Obtain approval from the building principal or Activities Director. Complete the Fundraising Approval form. Students/parents should be informed of the goal of the fundraiser and given the option to write a check to the organization.
2. Sponsors should not set an amount that each student is required to raise.
3. School organizations are not permitted to make donations to other non-profit organizations unless the particular purpose was identified prior to raising the funds. The district wellness policy must be considered when planning a fundraiser.
4. Rewards for individual students are not permitted. Prohibited rewards are outlined below:
    a) Monetary rewards
    b) Food that does not align with the Healthy Kids Act (H.R. 3921) and the Cardinal CSD Wellness Policy.
5. Guidelines regarding depositing funds, use of school Purchase Orders for merchandise, and payment of invoices in a timely manner must be followed.
6. During fundraising, an accurate accounting of merchandise and funds must be maintained. No merchandise or funds will be given in trade for work or volunteer activities. All merchandise will be sold or returned to the vendor for credit.
7. Deposit funds daily with the building secretary for safekeeping. Do not hold funds in the classroom, desk, or file cabinet overnight.
8. Sponsor must collect money from each student.
9. A deposit sheet (found here) is completed by the responsible individual and given to the building secretary with the collected funds. The building secretary verifies the deposit and sends the deposit to the Business Office to go the bank. Use a receipt sheet for each deposit. A copy of the deposit and receipt sheet is sent to the Business Office, along with the completed Money Receipted from Fundraisers form.
10. Remember you are acting as an agent of the Cardinal Community School District and are bound by Iowa law regarding handling of public funds. Failure to follow appropriate fund management procedures may force the district to hold you personally responsible for incurred expenses.

NOTES ON FUNDRAISERS:

Community/Business Organizations are separate organizations which are not subject to the school district's procedures. However, once one of these organizations has given money to the school district, it then becomes subject to the district's procedures.

- Include district/school name on all materials
- Specify fundraising goals on all materials
- Participation must be voluntary
- No student exclusion for non-participation
- Group incentives preferred over individual
- Limit activities during school day

● Consider donation option in lieu of participation
● No donations to other non-profits unless pre-identified
● Represent school responsibly during activities

Financial Management:
● Minimize student handling of cash
● Checks payable to district, never to individuals
● Deposit all money in district accounts
● Keep cash locked in office/safe
● Sponsors responsible for collections until deposit
● Complete Fundraiser Reconciliation form after event

Consequences for non-compliance (per board policy):
● 1st offense – Letter of reprimand in permanent file
● 2nd offense – Half of money earned goes to general activity fund
● 3rd offense – All money earned goes to general activity fund

RESALE ACCOUNTS

Any district employee using resale accounts should follow these steps:

1. Contact the vendor for the total cost of items including shipping, or other additional charges to get an estimate of cost. Do not place the order at this time.
2. Submit a Purchase Order with a detailed description of the order to the building principal/Activities Director for approval.
3. Take orders from students/staff. Collect money at the time of order, give a receipt to each person.
4. Submit the approved request for materials/services and the collected funds to the building secretary.
a) A deposit sheet (found here) is completed by the responsible individual and given to the building secretary with the collected funds.
b) The building secretary verifies the deposit and sends the deposit to the Business Office for deposit into the bank. Use a receipt sheet for each deposit.
c) A copy of the deposit and receipt sheet is sent to the Business Office within three days of being made. The amount due to the vendor and the money collected must be equal.

DONATIONS AND GIFTS

Donations:
● Ensure proper fund accounting for donation intent
● Monitor spending of donation
● Ensure appropriate recognition/thanks
● Assess any ongoing costs associated with donation

Gift cards received as donation:
● Send copy of card (both sides), amount, source, and purpose to central office
● Submit receipts as card is used or when exhausted

Free Will Donations:
● Notify activities department in advance
● Display sign identifying recipient group and purpose
● Assign someone to monitor donation container
● Count money and complete deposit form promptly
● Administrator to secure funds in vault

Gift Law:
● Public employees prohibited from accepting gifts over $3 from "restricted donors"
● Restricted donors are those seeking contracts/business with the district
● Exceptions: Non-monetary items under $3, informational materials, items available to general public
● Violations can result in criminal charges, termination, and loss of educational license

EQUIPMENT AND FACILITY USE

● Do not give permission for others to use facilities
● Report equipment breakdowns to building principal
● Technology purchases require technology director approval
● Curriculum purchases require curriculum director approval

CAMPS AND CLINICS

District-sponsored camps/clinics:
● Obtain board approval for salaries and to hold the camp
● Deposit all fees in Student Activity Fund
● Use purchase order process for expenses
● Process staff payments through normal payroll
● Set fees to at least break even
● Retain any profits in district accounts, not to staff privately-sponsored camps using district facilities
● Contract must address facility use, rental fees, insurance, etc.
● Camp facilitator must provide liability insurance certificate
● District only renting facility, not sponsoring camp

GRANTS

Grant writing is a formal application process to request monetary support from an organization other than the district. The grant should be used to support the educational mission of the district.

Process:
1. Ensure alignment with district goals, curriculum, and technology plans
2. Assess immediate and long-term budget impact
3. Provide all grant details to Business Office for accounting

When applying for a grant:
- Complete the application with all required documentation
- Use complete sentences and descriptions
- Submit applications by deadlines

When accepting a grant:
- Notify the Business Office and provide a copy of the grant request and award amount
- Submit a requisition with grant information listed.
    - Grant expenses will be recorded and initialed by the grant recipient and verified by the Business Office.

ACCIDENTS AND SAFETY

Workers' Compensation Procedures:

Employee/Supervisor:
1. Immediately contact supervisor or building nurse for work-related injuries
2. Seek treatment at designated provider (EMC-On Call Nurse)
3. Notify HR/Payroll Specialist ASAP and complete Employee Accident Report
4. Provide treatment results and work status to HR/Payroll Specialist
5. No sick leave charged for initial or follow-up appointments

Supervisor Responsibilities:
1. Coordinate emergency first aid if needed
2. Arrange transport to medical provider
3. Notify District Office immediately
4. Assist employee to call EMC-On Call Nurse (1-844-322-4668) with a detailed accident report within 24 hours
5. Maintain contact with District Office and injured employee
6. Identify tasks outside restrictions and educate co-workers
7. Ensure employee compliance with restrictions
8. Discipline for non-compliance with restrictions

Employee Responsibilities:
1. Notify supervisor/nurse immediately if injured
2. Call EMC-On Call Nurse (1-844-322-4668) with a detailed accident report within 24 hours
3. Assist with accident report completion
4. Obtain treatment from designated provider
5. Comply with all treatment guidelines and work restrictions
6. Provide all medical documentation to District Office
7. Choose between Workers' Comp benefits or sick leave if absent 3+ days

CLOSING STATEMENT

This comprehensive Business Procedures Manual outlines the essential processes and guidelines for managing school district funds in compliance with Iowa Code and auditor requirements. By following these procedures, employees ensure proper handling of public funds, maintain transparency, and uphold the district's financial integrity. It is crucial for all staff to understand and adhere to these guidelines to prevent misuse of funds and potential personal liability. Always consider the public purpose of expenditures and maintain accurate records for all financial transactions. When in doubt, consult with the Business Office or your supervisor for clarification on any financial procedures.