

FINANCIAL MANAGEMENTSystem of Funds and Accounts

The following guidelines shall be used in managing bank accounts:

- A. The amount of the imprest fund of a school shall be based on the highest amount of funds expended in one month. The amount shall be approved by the board of directors.
- B. The board of directors shall appoint a staff member to serve as custodian of the fund. A surety bond shall be secured in the amount of the fund.
- C. Use of imprest and/or petty cash funds shall be restricted to those obligations which cannot be handled by voucher.
- D. Imprest and/or petty cash funds may not be used to circumvent any laws related to purchasing.
- E. All receipts which are submitted for reimbursement shall be dated and signed by the submitter.
- F. Imprest accounts shall be replenished at least monthly by warrant of check payable to the custodian. The replenishment must be made by voucher with appropriate receipts attached.
- G. Whenever an individual's appointment as custodian is terminated the imprest fund must be replenished and turned over to the fiscal officer.
- H. Local audits of each imprest account by someone other than the custodian of the account shall be made on a surprise and unscheduled basis at least twice per year.

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A small district may have to make adjustments in developing controls for petty cash. The state auditor's office can provide you with counsel for dealing with this.