

## **Coyote Hills Elementary School PTCO Cash Handling Policies**

### **Purpose and Intent**

These policies are intended to document the Coyote Hills PTCO's policies and procedures regarding using and receiving cash and credit cards (to meet the requirements of the Parents' Council,) as well as outline general financial policies and processes used by the PTCO to ensure appropriate fiscal management.

The policies should be given to event chairpersons and others that may find themselves responsible for receiving, requesting, or making payments related to the PTCO. The policies are intended to provide both an understanding of how PTCO financial processes work and provide some protection to the volunteers themselves.

Included information:

1. Cash Policies
  2. Credit Card/PayPal Policies
  3. Check Policies
  4. General Financial Policies
  5. Teacher Grant Request Policies
- Attachment: Check Request Form  
Attachment: Deposit Notice Form

### **1. Cash Policies**

#### Paying with Cash

Coyote Hills PTCO does not maintain a petty cash account and cannot pay cash for PTCO purchases.

#### Accepting Cash Payments

Coyote Hills PTCO accepts cash for payments made to the PTCO.

When possible, two people should be present when cash is being handled or counted.

Order forms should be used when possible, and those order forms should have a way for the purchaser to indicate they paid 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 by the committee chair person until they are processed and deposited.

For situations where an order form is not applicable (e.g., concessions or ticket sales at an event,) two treasurers (or President if Treasurer is not available)

should count the cash and sign the Coyote Hills PTCO Deposit Form indicating the amount of cash received. If it is not an event, the committee chairperson (and another individual when possible) should count the cash and sign the Coyote Hills PTCO **Deposit Form** indicating the amount of cash received.

Cash should be forwarded to the current Deposit Treasurer, with a completed **Deposit Form** as soon as practical after an event or sale. Cash awaiting deposit should be kept locked in the PTCO safe in the front office until receipt by the Treasurer.

## **2. Credit Card Policies**

### Paying with Credit Card

Coyote Hills PTCO does accept credit card payments via our PayPal virtual terminal

### Accepting Credit Card Payments

1. Credit card information should be stored in the school safe until processed.
2. No credit card transactions should be processed unless two designated parent PTCO members are present.
3. A master list of each parent who has charges processed through the credit card system should be maintained. If the credit card system can produce the list, then that list will be sufficient.
4. Once the charges have been processed, a statement should be printed showing the total charges processed. A copy of this list should be given to the Treasurer for reconciliation with the bank deposits from the credit card company.
5. A crosscut shredder should be used to destroy credit card information after processing and confirmation that the transaction has cleared.

In cases where a vendor accepts credit cards as a form of payment (i.e., School Tool Box, Book Fair) order forms or credit card receipts should be kept secure and locked in school safe to prevent any unauthorized access to credit card information.

## **3. Check Policies**

### Paying with Check

Coyote Hills PTCO maintains a checking account and can pay for purchases with a check.

The **Check Request Form** is used to request and document any check to be written from the Coyote Hills PTCO 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 until they are signed by one of the co-presidents.**

The **Check Request Form** requires approval by the Committed Chair and Treasurer or Co-President). When the check would be payable to the President, the First Vice President or a Co-President would approve the **Check Request Form.**

Checks will be made out and signed by the Treasurer, unless the check is payable to the Treasurer (i.e., for reimbursement.) When the check would be payable to the Treasurer the President must sign the check.

Checks over \$500 require approval by the President and First Vice President, or both Co-presidents.

Coyote Hills PTO accepts checks for payments made to the PTO.

Order forms should be used when possible, and those order forms should have a way for the purchaser to indicate they paid with a check and the check number. The order forms should be kept by the PTO until at least 30 days after the purchased items are delivered.

Checks should be kept secured in the PTCO mailbox until they are processed and deposited. Checks are not to leave school property until ready for deposit.

Checks should be forwarded to the Deposit Treasurer, with a completed **Deposit Notice** and copies of the checks as soon as practical after an event or sale. For deposits with many checks, a spreadsheet of check numbers and amounts can be attached to the **Deposit Notice.**

The PTCO will attempt to collect bank fees and the original amount of the check for checks that “bounce.” The PTCO reserves the right to refuse to accept checks from individuals who have “bounced” checks to the PTCO in the past.

#### **4. General Financial Policies**

The General Membership must approve the budget annually. Once the budget is approved, budgeted items do not need further membership approval to be paid.

Non-budgeted items over \$500 need the approval of the General Membership.

Coyote Hills PTCO Bylaws allow the Executive Board to approve non-budgeted expenditures up to \$500.

## **Guidelines on Appropriate PTO-related Expenses**

### **IRS Guidelines for Non-Profit Organizations**

Coyote Hills PTCO is a tax-exempt 501(c) (3) organization. For an organization to continue to be classified as a tax-exempt under section 501(c) (3) of the Internal Revenue Code, the organization must be organized and operated “exclusively” for public purposes.

Any public, tax-exempt charitable group, such as the Coyote Hills PTCO, must use all of the group’s assets for its public, tax-exempt purpose. Therefore, none of the PTO’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 Coyote Hills PTCO’s purpose.

### **Coyote Hills PTCO Policies**

The Coyote Hills PTCO’s purpose is “to assist in attaining the highest level of education and welfare for the entire student body of Coyote Hills Elementary 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, Popcorn Days, and Fall Carnival.

Appreciation gifts do not directly support the Coyote Hills PTCO’s purpose, and are generally inappropriate expenses. Under IRS guidelines, the most conservative approach would be to have no expenses in this category at all.

Reimbursement of expenses incurred by an individual on behalf of the PTCO is not considered “individual benefit” as long as the expenses being reimbursed are appropriate.

## **5. Cub Scouts**

Cub Scout Pack 1127 is chartered under Coyote Hills PTCO. The pack will follow the same policies and procedures as the PTCO does.