

The logo for the Missouri School Boards' Association (MSBA) features the acronym 'MSBA' in a large, bold, dark blue font. Below it, the full name 'MISSOURI SCHOOL BOARDS' ASSOCIATION' is written in a smaller, dark blue, sans-serif font. The text is set against a white background with several colorful, diagonal lines and rectangular blocks in shades of teal, orange, yellow, red, and green.

MSBA

MISSOURI SCHOOL BOARDS' ASSOCIATION



Tip of the Iceberg - School Finance

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Key Finance Topics

- Deadlines and Dates
- Dual Control and Separation of Duties
- Best Practices to Consider
 - Bidding
 - Business Board Items
 - New Board Member School Finance Training
- Financial Documents Best Practices



Financial Deadlines & Dates

July –

- Quarterly 941 Payroll Tax Report Due
- Report Ending **GO Bond info in EMAA** (Electronic Municipal Market Access)

August -

- **File (ASBR) by 8/15** (can amend)
- Enter Tax Rates in Core Data (amend when final)
- **Tax Rate Hearing** no later than 8/31 for non-charter counties



Financial Deadlines & Dates

September –

- Update Tax Rate in Core Data post hearing

October –

- Quarterly 941 Payroll Tax Report Due
- Core Data File due 10/15/22
- Target Date for Audit Report to Board

November –

- Upload Audit to DESE if presented to Board
- Board Approval of Initial Bus Routes



Financial Deadlines & Dates

December –

- Final Date to Upload Prior Year Audit is December 31st
- Upload Audit to DESE by December 31st

January –

- Quarterly 941 Payroll Tax Report Due

April -

- Quarterly 941 Payroll Tax Report Due
- Probationary Teacher Non-Renewals



Financial Deadlines & Dates

May –

- Teacher Contracts out by May 15th

June –

- Final Transportation Routes to Board
- Budget Hearing prior to Board Approval (May or June)
- Budget Approval by June 30th
- Transfers between funds if needed
 - Teachers' Fund
 - Capital Projects Fund

Other Dates to Consider

- When to engage the auditor



Go Bond Filing Dates for 2023

Last Filing Date	Election Date	Voter Requirement for Passage
November 29, 2022	February 7, 2023	Two-thirds
January 24, 2023	April 4, 2023	Four-sevenths
May 30, 2023	August 8, 2023	Two-thirds
August 29, 2023	November 7, 2023	Two-thirds

Dual Control & Separation of Duties

Generally, we want to create an environment where risk of fraudulent activity is negligible and you are protected from that scrutiny.

This can be difficult to achieve in small districts and where a group of leaders (such as a board) comes to one person for all things.

Focus on how to assure the District is protected and you are as well.



Areas of Risk for Fraud

- Purchase Order Generation to Check Creation
- Cash Handling in all Forms
- Signing Authority
- Time Entry/Payroll Creation
- Working with Vendors who have Relationship with Staff or the District
- Travel
- P-card/Credit Cards
- Other areas you have concerns about?

Creating Good Systems

Purchase Order Generation to Check Creation

- Tiered Entry and Approval Processes
 - By Department
 - By Building
- Dollar Value Limits for Higher Approval Levels
- Strict Adherence to PO Requirements prior to purchase – after all a PO is a request to spend





Creating Good Systems

Cash Handling

- Cash Locked Up at all Times
- Cash Kept only by Office Staff
 - No teachers holding candy \$\$ in their desk drawer
- Deposit Daily
- Two Staff Receiving and Counting Funds
- Create Forms to use to Document Cash Transactions
- Final Person Handling should have Documents that Support the Deposit with no Question

Sample Cash Form

Cash Handling Form

Date: _____

Names of Counters (Please Print and Sign):

- _____
- _____
- _____

Purpose of Cash Collection/Distribution:

Expected Cash Reconciliation:

Starting Cash: _____

Plus Amount Collected: _____

Minus Amount Paid Out: _____

Equals Final Cash Balance: _____

Final Count Information

<u>Denomination</u>	<u>No.</u>	<u>Total Amount</u>
\$10 Bills	_____	_____
\$50 Bills	_____	_____
\$20 Bills	_____	_____
\$10 Bills	_____	_____
\$5 Bills	_____	_____
\$2 Bills	_____	_____
\$1 Bills	_____	_____
Quarters	_____	_____
Dimes	_____	_____
Nickels	_____	_____
Pennies	_____	_____
Others	_____	_____
Total	_____	_____
Expected Total (from Col 1)	_____	_____
Long or (Short)	_____	_____



Creating Good Systems

Signing Authority

Who should not sign and why?

- Signers should not be transactors
 - For example, the Board Chair does not order or approve any purchases directly, so she can sign
- Dual Signatures on Checks and Wire Transfers
 - Protect the system from ease of fraud
- When should you use a signature stamp?

Creating Good Systems

Time Entry & Payroll Creation

- Reporting of Time
 - Should be approved in writing or online by supervisor
 - Should only be adjusted with documented information and approvals
- Payroll Creation
 - Ideally, payroll is prepared by one person and the GO Button is pushed by another after review
- Goal is to protect those who input/adjust time and pay

Weekly Time Sheet

Week of: Employee's Name: Employee ID:

Day	Date	Project or Task	Time In	Time Out	Regular Hours	Overtime Hours	Total Hours
Monday							
Tuesday							
Wednesday							
Thursday							
Friday							
Saturday							
Sunday							
					Total Hours		
					Rate / Hour		
					Total Pay		

Employee's Name	<input type="text"/>	Signature	<input type="text"/>	Date	<input type="text"/>
Manager's Name	<input type="text"/>	Signature	<input type="text"/>	Date	<input type="text"/>

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Creating Good Systems

Working with Vendors who have a Relationship with Staff or the District or the Board

- Lean into Policy GBCA (Staff Conflict of Interest) and BBFA (Board/Admin Conflict of Interest)
- Basically, anytime an employee or board member stands to gain from the relationship, walk the process carefully.
- Even if the employee does not influence the decision, proceed with caution and good process.
- Separate any bill approvals, etc. from anyone who does have a relationship.



Creating Good Systems

Travel Arrangements and Reimbursements

- Airfare and Hotel
 - Best to use a district card so credits go back to the District
 - Reimbursement should be just that and occur upon return unless a cash advance is used
 - Key is to be certain travelers know the options – district pay in advance, personal reimbursement after the fact or a cash advance before to settle up after



Creating Good Systems

Purchasing Cards/Credit Cards

- A Purchase Card differs slightly from a Credit Card in that it has limits per transaction, day, week and month.
- Both run through a card provider
- Both receive statements at the end of the month
- Who should use your card?
- Should Board Members have a card?
- What do you need to reconcile a card?



Creating Good Systems

What Others Areas Would You Like to Touch on Quickly?



Best Practices to Consider

Bidding

- Be Consistent with Process Regardless of Who or What
- Set Up a Calendar so Renewals are not Missed
- Use a Standard Template for Creation of Bid Requests for Proposal/Qualifications (RFP/RFQ)
- Use a Team for Review/Create a System that Protects you from Suit



Best Practices to Consider

Business Board Items

- With your Superintendent determine the information to be included in the board item.
 - Vendor Background
 - Others who bid and what they bid
- Use the same format for all business board items so board members know where to look for key info.
- Organize them in the packet by department/area for ease of reader
- Use terminology that readers can interpret
- Have a review and approval process similar to POs



Best Practices to Consider

New Board Member Finance Training

- Board members elected in April approve a budget in May or June!
- Setting the Tax Rate, Understanding how taxes are billed, etc. are new for most.
- Transparency creates understanding and trust
- Treasurer's Reports vary and often provide no valuable information, but it is all they get until budget or audit season.

Financial Document Best Practices

Budget

- Consider a budget workshop for the board
- Post the budget online when in draft form, clearly marked and then in final form after approved
- Keep historical documents available for public and others to research
- Meet the five requirements of the law in the document
 - Message, historical revenue, historical expenditures, Debt, Summary
- Use words

Financial Document Best Practices

Audit Report

- Post online along with the Management Letter
- Provide the Board with follow-up information relating to any audit findings
- Keep historical audits available online for reference
- Take time to make the Management Discussion and Analysis (MD&A) meaningful



Financial Tid Bits

- Superintendent and Finance Officer Talks
 - Timely financial topics once a month or more
- Does this group desire a similar offering?
 - If you are interested in something ongoing that is finance and operations related, email me and let me know what you think that should look like, topics you need and a good day/week/time each month for an online session
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