

PURPOSE

Alternative Revolving Cash ("ARC") funds are established for each school and some departments for making small purchases or expenditures for \$200 or less (amounts for which it is not practical to follow the required purchasing procedure of issuing a purchase order). All other District policies apply to ARC fund purchases. Purchases will be charged to a site, department, or categorical program budget which allows these expenditures.

ARC FUNDS - SECURITY AND CONTROLS

Each ARC fund is operated on the imprest system of accounting. This means that, at any given point in time, the ARC fund must contain receipts (with vouchers) and a checkbook balance that add up to the total amount for which the fund was originally established.

There is an ARC fund custodian, which shall be the Principal or District office administrator, assigned responsibility for each school's or department's fund.

Check stock for the ARC fund must be maintained under lock and key at all times. Expenditures from the fund must be pre-approved by the one person appointed ARC fund custodian for the school or department. Unannounced audits of ARC funds may be made at any time by the District's internal or external auditors.

All ARC fund checks are signed only by the custodian (Principal or District office administrator). Checks shall not be pre-signed.

SUPPORTING DOCUMENTATION

Each expenditure from ARC funds must be supported by a completed Cash Voucher (form #352) and original receipts (or vendor invoices) marked "PAID". Each Cash Voucher must contain the date, the name of the individual who is receiving the check payment, amount, budget account number, and school name.

All receipts must set forth the date, pre-printed vendor name/address, items purchased, and amount of the purchase. Adding machine tapes, cancelled checks, and credit card receipts by themselves do not constitute receipts. Evidence of receipt of the items is required for any items ordered from vendors.

TYPES OF EXPENDITURES

ARC Purchases can be made for:

1. Postage due or postage
2. Freight or express bills
3. Supplies or materials
4. Refunds on lost textbooks or library books
5. Admission tickets for field trips (with copy of approved Student Field Trip Request form)

ARC Purchases may not be made for:

1. Services, royalties, or wages
2. Travel expenses, registration fees, membership fees, or mileage
3. Anything that would not constitute a legal expenditure against the funds of the District or is not authorized under the California Education Code
4. Payments to individuals who do not submit itemized paid receipts for expenditures made on behalf of the District
5. Loans, I.O.U.'s, or advances
6. Items which are stocked in the District warehouse
7. Subscriptions
8. Payment for items lost, stolen, or damaged
9. Purchases from other district employees
10. Equipment or other capital items
11. Books for instructional purposes
12. Maintenance or operational items which require installation

REIMBURSEMENT OF ARC FUNDS

As needed by the school/department, but at least once per month, the ARC custodian will submit to Accounting all receipts and vouchers for reimbursement, along with any voided checks, in the Revolving Cash Fund envelope (form #628).

Each individual voucher must be listed on the front of the voucher envelope in the space provided. All other information must be provided as requested on the envelope, along with the reconciliation of the ARC fund. The total of the checkbook balance and the vouchers being submitted for reimbursement must equal the total for which the ARC fund was originally created.

The envelope must be signed by the secretary or person who completed it, and verified and approved by the ARC custodian (Principal or District office administrator).

A copy of the envelope or the amount being requested should be kept with the ARC checkbook until the reimbursement notice is sent by Accounting to the school/department.

Accounting will audit all receipts and vouchers and will prepare a check in the amount of the request for reimbursement if all requirements are met. The check will then be deposited into the bank account for that school/department. Schools/departments should allow approximately one week for reimbursement and retain enough of a checkbook balance to meet their needs until the reimbursement check is deposited.

Board of Trustees
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