

# York Adams Academy

Section: Finances

Title: Payment of Bills

Adopted: January 29, 2013

Revised: January 29, 2013

	616. PAYMENT OF BILLS
1. Purpose	It is the Board's intent to direct prompt payment of bills but at the same time to ensure that due care has been taken in the review of school bills.
2. Authority SC 439, 607, 1155	Each bill or obligation of this school must be fully itemized, verified and approved by the Board before a check can be drawn for its payment, except that payment of bills prior to Board approval can be made by the Board Secretary/Business Manager under any of the following conditions:
SC 427, 439	1. The prompt payment of items that will accrue to the school's advantage.
	2. Progress payments to contractors specified in a contract approved by the Board.
	3. Orders to cover approved payrolls and agency account deposits.
	4. Utility bills in months the Board does not meet.
3. Delegation of Responsibility	It shall be the responsibility of the Business Manager or designee upon receipt of an invoice to verify that the purchase invoice is in order, goods were received in acceptable condition or services were satisfactorily rendered, funds are available to cover the payment, the Board had budgeted for the item, and invoice is for the amount contracted.
	Should the invoice vary from the acknowledged purchase order, the Business Manager or designee shall document on the invoice the reason for such variance. If the variance is significant, payment will be determined based on the recommendation of the Business Manager or designee.
SC 607, 609, 687 Pol. 612	Should funds not be available in the account to which a proposed purchase will be charged, the Business Manager or designee shall determine the overage and request the Board make a legal transfer to cover it.
	The list of bills shall include for each:

	1. Check number.
	2. Check date.
	3. Vendor.
	4. Amount of remittance.
SC 439	Upon approval of an order, the Treasurer and Business Manager shall prepare a check for payment and cancel the commitment placed against the appropriate account.
SC 427, 433, 439	All checks approved by the Board shall be signed by the President, Board Secretary, and Treasurer.
SC 428	The Vice-President may sign for the President.
4. Guidelines 65 P.S. Sec. 302	Signatures of the President, Vice-President, Treasurer and Board Secretary may be engraved on a signature plate or stamp.
	No check shall be made out to cash.
	<u>Sales Tax</u>
Title 61 Sec. 32.23 72 P.S. Sec. 7204	The school is exempt from sales tax on the purchase of tangible, personal property or services that are sold or used by the school. The school shall control use of its sales tax exemption number issued by the Department of Revenue, in compliance with established regulations. The exemption number shall be used only when buying property or services for district use.
Title 61 Sec. 32.23 72 P.S. Sec. 7208 Pol. 618	The school shall obtain a sales tax license number for school organizations who purchase items to be resold.
	In order to monitor these activities, the Business Manager shall develop procedures to assure coordination and accumulation of information and proper reporting and remittance to the Department of Revenue.
	<u>Nonsufficient Fund (NSF) Checks</u>
	The Board authorizes the business office to administer guidelines regarding collection of payment for NSF checks and associated service charges. The Business Manager or designee will determine whether notification by certified mail, with return receipt, and whether filing charges with the district magistrate will be pursued.
	The Board shall authorize a service charge for each NSF check.

	<p>The Board directs that any individual issuing more than one (1) NSF check to the school will be advised that checks may no longer be accepted from that individual. The Business Manager or designee will determine if any further checks will be accepted.</p>
	<p><u>Electronic Funds Transfer (EFT)</u></p>
	<p>The Board authorizes the business office to establish guidelines for Electronic Funds Transfers (EFT) of the school.</p> <p>It is the policy of the district to comply with all state laws relating to Electronic Funds Transfers (EFT).</p>
	<p>References:</p> <p>School Code – 24 P.S. Sec. 427, 428, 433, 439, 607, 608, 609, 610, 687, 1155</p> <p>Department of Revenue Regulations – 61 PA Code Sec. 32.23</p> <p>Uniform Facsimile Signature of Public Officials Act – 65 P.S. Sec. 302</p> <p>Exclusion From Tax – 72 P.S. Sec. 7204, 7208</p>