

# SHALER AREA SCHOOL DISTRICT

POLICY 616

SECTION: FINANCES  
 TITLE: PAYMENT OF CLAIMS  
 ADOPTED: June 18, 1998  
 REVISED:

## 616. PAYMENT OF CLAIMS

1. Purpose
 

It is the purpose of the Board to effect the prompt payment of bills, but at the same time to ensure that due care has been taken in the review of such bills.
2. Authority
 

Each bill or obligation of this Board must be fully itemized, verified and passed upon by the Board before a check can be drawn for its payment, except that the Secretary is permitted to draw payment orders for:

  1. Items the prompt payment of which will accrue to the advantage of the district.
  2. Progress payments to contractors as specified in a contract approved by the Board.
  3. Payment of utilities including telephone, water, sewage, electric and gas when failure to pay in a timely manner may result in a late payment charge.
  4. Debt Service payments on the district's long-term debt obligations.
  5. Orders to cover approved payrolls and contracted employee benefits.
  6. Travel Expense Advances, Registrations, and Reimbursements.
  7. Petty Cash Reimbursements.
  8. Athletic Fund Advances and Reimbursements.
  9. Discount and penalty items.

### 10. Routine Operating Items (e.g. postage, small cash-only items, etc.)

The Director of Business Affairs shall make every effort to keep the above to a reasonable and manageable level.

### 3. Delegation of Responsibility

It shall be the responsibility of the Director of Business Affairs upon receipt of an invoice to verify that the purchase invoice is in order, the goods were received in acceptable condition or services were satisfactorily rendered, funds are available to cover the payment, the item is one for which the Board budgeted, and the invoice is for the amount contracted.

Should the invoice vary from the acknowledged purchase order, the Director of Business Affairs shall document on the invoice the reason for such variance.

### SC 607, 687(d)

Should funds not be available in the account to which a proposed purchase will be charged, the Director of Business Services shall determine the overage and request the Board make a legal transfer to cover it.

All claims for payment shall be submitted to the Board in the form of a listing including check number, check date, to whom paid, amount of remittance, and account charged, in the form of original records including a copy of the purchase order, the receiving report, the purchase invoice, and the purchase requisition.

The check list shall be placed in the official minutes of the Board.

### 72 P.S. 7204(12)

The district is exempt from sales tax on the purchase of tangible personal property or services which are sold or used by the district. The sales tax exemption number issued by the Department of Revenue is used by the district to effect certain controls with respect to the use of this number in compliance with the Department of Revenue's regulations. This exemption number will be used only when buying property or services for use by the district.

The district shall obtain a sales tax license number for school organizations who purchase items to be resold.

In order to monitor these activities, the Director of Business Services shall develop procedures to assure the coordination and accumulation of information and proper reporting and remittance to the Department of Revenue.

Prior to the Board's consideration of the bills for payment each invoice shall be reviewed by the Director of Business Services.

- SC 439                    Upon Board approval of an order, the Director of Business Services shall prepare a check for payment, and cancel the commitment placed against the appropriate account.
- SC 427,  
433                      All checks approved by the Board shall be signed by the President, Treasurer and Secretary.
- SC 428                    The Vice-President may sign for the President.
- Act 276  
of 1974                  Signatures of the officers listed above may be engraved on a signature plate.
- No check shall be made out to cash.
- School Code  
427, 428, 433, 439,  
607, 608,  
610, 625,  
687(d),  
1155
- Other Cites  
Act 276  
of 1974