

Provo City School District
Policy Series 6000 Finances and Operations

Policy No. 6140

Accounts Receivable

Departments within Provo School District will occasionally bill for services performed to entities outside the District Office. Accounts Receivable represents the money that will be received for those services. The Business Office is ultimately responsible for accurately reporting all received and expected revenue. Any questions regarding this policy can be directed to the Provo School District Business Office.

Purpose

The purpose for the Accounts Receivable policy is to provide accurate and timely information regarding money owed to Provo School District and revenue to be accounted for per government and accounting standards. This policy will cover all departments within Provo School District and will provide a uniform Accounts Receivable invoice generated by the district accounting program and allow for accurate reporting of received revenue. School level student receivables are exempt from this policy.

Items that are Invoiced

The following defines the items needing to be invoiced.

Policy

- A. An invoice will need to be generated for any services performed that will be billed to any entity outside Provo School District.
- B. An invoice will need to be generated for services that will be billed to schools or partners of Provo School District when a check or cash will be received. Services rendered that will be transferred between district accounts (journal entry) will not need to be invoiced.
- C. An invoice will need to be generated for any Accounts Payable overpayment. Most vendors will not refund overpayments until an invoice or letter has been sent. This will help track total payments including refunds, of all vendors.
- D. Any regular payments received by any department or school, excepting receivables (lease payments, rent, insurance premiums, ROTC payments) should be set up in Accounts Receivable. Invoices will not necessarily be sent to each payee, but an accurate accounting of money owed, which can be tracked through the year, is important for reporting purposes.
- E. Federal, state, and local grants will be set up on Accounts Receivable each month as claims are done. This will help reconcile money received by check, on the District Allotment Memo each month, and with accruals at the end of the fiscal year.
- F. Items that DO NOT need invoices generated include fees for classes, school lunch and school activities.

Department Responsibilities

Departments within Provo School District who generate regular invoices will input information

directly into the district accounting system (see attached procedures). Access and training will be provided by the Business Office to assist departments in their invoicing.

Departments within Provo School District who do not generate regular invoices but only send out occasional invoices will fill out the District Accounts Receivable form (see attached procedures) and forward the completed form to the Business Office.

All payments for invoices shall be received directly by the Business Office and deposited into the District bank account.

Back-up Documentation

All Accounts Receivable invoices sent must have back-up documentation. Departments who enter their own Accounts Receivable into the district accounting system will need to forward back-up documentation to the Business Office. This back-up documentation will be used reconcile charges entered to payments received. Any requests submitted to the Business Office on the District Accounts Receivable form need to have back-up documentation attached.

Approved by Board of Education

September 9, 2008

Revised:

July 31, 2008