

Etowah Board of Education			
Monitoring: Review: Annually, in January	Descriptor Term: Expenditure of Funds	Descriptor Code: 2.800	Issued Date: 08/20/15
		Rescinds: 2.800	Issued: 09/22/08

1 *Central Office*

2 All expenditures shall be approved by the Board or the director of schools when authorized. No
 3 expenditures shall be made except on an approved purchase order or contract. Employees of this system
 4 shall not create or authorize creation of a deficit in any fund. No expenditure may be authorized or made
 5 which exceeds the appropriation of any fund of the budget as adopted or amended, and expenditures or
 6 encumbrances will not be authorized, made, or incurred in excess of any fund balance. The director of
 7 schools shall develop federal grant expenditure and cash management procedures that comply with all
 8 federal laws and regulations.¹

9 *Individual Schools*

10 Internal activity funds shall not be expended without written approval by the membership of the group.
 11 All such expenses shall be in accordance with the *Tennessee Internal School Uniform Accounting Policy*
 12 *Manual*. Restricted account expenditures require the account sponsor's approval prior to expense. No
 13 checks shall be written to employees from the internal school activity fund account. Any supplemental
 14 compensation owed to the Board for extracurricular activities must be processed through the director of
 15 schools' office in the same manner as salary and other payroll payments. The Board shall invoice the
 16 school for reimbursement. Substitute teachers' salaries related to restricted class and club accounts shall
 17 be paid by the Board and shall be reimbursed by the school from the appropriate class or club account.²

18 Employees who authorize or contract for any obligation in violation of this policy shall assume personal
 19 responsibility for the payment of the obligation, shall be subject to dismissal from employment, and shall
 20 be subject to applicable civil and criminal proceedings. Any obligation, authorization for expenditure,
 21 or expenditure made in violation of the law and this policy shall be illegal and void.³

Legal References

1. 2 C.F.R. § 200.403; Cash Management Improvement Act, 31 C.F.R. Part 205
2. *Tennessee Internal School Uniform Accounting Policy Manual*, Section 5-22
3. *Tennessee Internal School Uniform Accounting Policy Manual Section 5-17*