

# MORRISVILLE BOROUGH SCHOOL DISTRICT

SECTION: FINANCES

TITLE: MODIFIED ACCRUAL  
ACCOUNTING SYSTEM

ADOPTED: May 28, 2008

REVISED:

618.1. MODIFIED ACCRUAL ACCOUNTING SYSTEM	
1. Purpose	The purpose of this policy is to give direction to the administration on handling transactions important to the modified accrual accounting system.
2. Authority	<p>The Board recognizes the relevance of accruing the July and August professional staff salaries and the benefits that are a percentage function of salaries. The exclusion to benefits accrual will be employee group insurances, since they are not payable until July and August and are a function separate from salary payments.</p> <p>For accrual purposes, material amounts will be within local audit guidelines. Any items that are less than this amount will flow into the following year expenditure accounts.</p>
3. Delegation of Responsibility	The administration is directed to include invoices received by August 15 of each year, as an expense for the prior fiscal year, if the goods or services were received by June 30. Any invoices that are received after August 15 are to be included in the current fiscal year.