

THE SCHOOL DISTRICT OF
PHILADELPHIA

No. 616

Section: 600 Finances

Title: Payments

Adopted: April 27, 1981

Revised: June 24, 2021

616 PAYMENTS

Purpose

The Board of Education (“Board”) is responsible for the payment of obligations. The purpose of this policy is to direct the prompt payment of obligations, but at the same time to provide that due care has been taken in the review and payment of such obligations.

Definitions

Obligation: A requirement or commitment to make a payment including, but not limited to, a requirement or commitment based on an underlying contract, such as a purchase order, for goods or services.

Authority

As required by the Public School Code and Philadelphia Home Rule Charter, each obligation of the Board must be fully itemized and verified before payment is made to satisfy the obligation. [1][2][3][4]

Delegation of Responsibility

The Board directs the Superintendent or their designee, through the Office of Finance, to develop a manual that describes how the District processes payments upon receipt of an invoice or other demand for payment, including, but not limited to, verifying that: [1][2][4]

1. Any applicable invoice or other demand for payment is in order,
2. An invoice matches the purchase order,
3. The goods were received in acceptable condition or services were satisfactorily rendered,
4. Funds are available to cover the payment,
5. The item is in a classification for which the Board budgeted,
6. The invoice is consistent with the amount contracted, and
7. Payment is made and accounted for appropriately.

Mandatory Regulatory Procedures

No instrument of payment shall be made out to cash.

Data Audit

The Office of Finance shall periodically review and assess payment data to identify late payments, trends in the reason for lateness, and who the late payments impacted.

Sales Tax

The District is exempt from sales tax on the purchase of tangible, personal property, or services that are sold or used by the District. The District shall control use of its sales tax exemption number issued by the Department of Revenue, in compliance with established regulations. [5][6]

Legal References:

1. [24 P.S. § 4-439](#)
2. [24 P.S. § 6-607](#)
3. [24 P.S. § 11-1155](#)
4. [Home Rule Charter Section § 12-403](#)
5. [61 Pa. Code § 32.23](#)
6. [72 P.S. § 7204](#)

Related References:

[Policy 602](#) - Budget Planning