



Monroe County
Board of Education
*Financial Guidelines for
School Activity Accounts
And Affiliated Organizations*

Revised February 26, 2016

**MONROE COUNTY BOARD OF EDUCATION
FINANCIAL GUIDELINES FOR
SCHOOL ACTIVITY FUNDS AND
AFFILIATED ORGANIZATIONS (PTAs, PTOs, Booster Clubs)**

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INTRODUCTION

Historically, little attention has been given to accounting for activity funds in school systems. The nature of activity funds, however, makes them especially vulnerable to error, misuse, and fraud. In addition, activity funds often total to large sums of money, especially when capturing the amounts that flow through an educational organization in the form of school board funds, student-generated funds, receipts and disbursements related to athletics, and the myriad co-curricular and extracurricular events sponsored by school districts. As a result, more uniform policies and procedures have become necessary to strengthen internal controls related to the accumulation, use, and accountability for each school's financial activities.

This manual has been developed by the Monroe County Schools Business Services Department and is designed to assist bookkeepers, secretaries, and principals in administering an efficient and effective accounting system at the local school level. It incorporates laws, board policies, rules and regulations and lines of authority pertaining to local school funds. Following these guidelines will provide an audit trail that will properly account for the receipt and disbursement of funds. Questions arise from time to time regarding the necessity of some of the procedures outlined herein. In a school system, the area most susceptible to fraud and misappropriation is the individual school. School personnel handle relatively large amounts of cash each day. We must therefore take appropriate measures to insure that school resources and personnel are protected. Our best means of accomplishing this is through clear and understandable guidelines regarding the handling of school funds. By standardizing procedures and practices, all schools should maintain and report all of their financial activities accurately and uniformly.

Please recognize and understand that each and every aspect of accounting and record keeping for student activity funds has not been covered in this manual. Effort has been made to include the most pertinent information in areas with which the schools must comply. Through continued use and communication, this manual will evolve.

The Monroe County Board of Education (MCBOE) recognizes the important and vital roles that affiliated organizations play in our school system. Accordingly, the MCBOE wishes to encourage strong relationships and partnerships with these organizations to help enhance the academic and extracurricular programs in our schools. In this regard, Section 6 -Affiliated Organizations (PTA, PTO, Booster Clubs) was developed in collaboration with affiliated organizations (Booster Clubs) to provide a framework which outlines policies relative to affiliated organizations' operations, reporting requirements, and school relations.

In accordance with provisions contained in Federal law Title IX , "No person in the United States shall, on the basis of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any education program or activity receiving federal financial assistance." With this in mind, the Principal is responsible for ensuring funds received from Booster Organizations meet the U.S. Department of Health, Education, and Welfare's set of guidelines for judging compliance, which is known as the "three-prong test." Schools stay within the law by meeting one of three prongs:

- Providing athletic opportunities that are in proportion to student enrollment
- Demonstrating a continual expansion of athletic opportunities for the underrepresented sex
- Fully and effectively accommodating the interest and ability of the underrepresented sex.

All procedures are subject to change. If you have recommended changes, let us know. Changes will be approved and made in writing through the Business Services Department and the Assistant Superintendent for Support Services. Any changes will be distributed to and discussed with all appropriate personnel.

Any questions with regard to interpretation should be directed to the Assistant Superintendent or System Bookkeeper.

SECTION 1: GENERAL INFORMATION

1.1 Definition and Purpose

School Activity Accounts are established to direct and account for monies used to support both Governmental Activities (500 level) and Student Activities (700 level).

Governmental activity funds essentially belong to the School District. Accumulation and use of these funds is directed by the School District with the decision over how the funds are spent delegated to each school's principal. Examples of authorized Governmental Funds include: School General Funds, Book Fairs, School Plays, Special Field Trips, School Plays, Music Concerts, etc...

School (student) activity funds have been defined as agency funds consisting of resources received and held by each school to be expended in accordance with conditions of the fund. Specifically, they are all monies accumulated from student activity programs and various school-approved fund raising activities. Student activities have become a part of the regular school program because of their value in supplementing academic programs. Each school will maintain student activity funds. These funds will encompass the care and administration of those activities and functions relating to student and faculty programs. The basic policy for student activity funds is that income received for a specific function shall be disbursed only for that function. However, if unusual circumstances occur, the school principal may re-allocate funds to the general function. Upon dissolution of any function, the school principal shall insure that any liabilities of that function are liquidated. *Examples of authorized Student Activity Funds include: Art, Club, Debate Club, Junior Beta Club, National Honor Society, Student Council, etc...*

Some funds have restricted uses, some have discretionary uses, and some are clearing accounts (in and out). Monies generated by and for students are to be expended for the benefit of students only and for educational or student support purposes only (1934-56 Op Att'y Gen. P. 269). Adult generated monies are to be kept separate and may be expended with more latitude than student funds.

Activity funds safeguard the assets of the public schools and provide reliable information for interested persons. These funds maintain internal accountability through a uniform financial accounting system *designed to meet State legal requirements, State Board of Education standards and Local Board policies...*

1.2 Legal and Regulatory Requirements and Lines of Authority

- Georgia Law 20-2-962 requires that each principal make financial reports to the local Board of Education, accounting for all receipts and expenditures of school funds, at least quarterly. (The Revenue & Expense reports will be printed quarterly by the Business Office and provided to the principals for review, approval and inclusion in a report to the Board.)
- State Standard D1.2 – 1a requires that purchases and/or contracts for or on behalf of students which involve the aggregate sum of \$100.00 or more be made in accordance with local rules and regulations.
- State Standard D1.2 – 1b requires that each principal maintain adequate records of all funds collected and make complete financial reports to the Superintendent accounting for all receipts and

expenditures.

- Professional Standards Commission: Code of Ethics for Educators: Standard 5 Public Funds and Property - An educator entrusted with public funds and property should honor that trust with a high level of honesty, accuracy and responsibility. Unethical conduct includes but is not limited to: 1. Misusing public or school-related funds or property; 2. failing to account for funds collected from students or parents; and 3. Submitting fraudulent requests for reimbursement of expenses or for pay.
- Monroe County Board of Education Policy DK – Governs the administration of school level fund accounts
- Monroe County Board of Education Policy DJ – Provides guidelines for the safekeeping of cash in school buildings

The lines of authority over all monies handled by the Monroe County School System are as follows:

- *The Board of Education is responsible for adopting policies to govern the establishment and operation of all activity funds.*
- *The Superintendent is directly responsible to the Board of Education for administering all board policies.*
- *The Assistant Superintendent for Support Services has overall responsibility for accounting for and reporting on all school activity funds. This includes responsibility for implementing and enforcing appropriate internal control procedures.*
- *The Principal at each school is personally responsible for the proper collection, disbursement and control of all school activity monies relative to the funds in his/her trust, and for supervision of all bookkeeping activities.*
- *The School Bookkeeper is responsible for obtaining documentation, signed by the submitter, to support all school activity funds received for deposit and for providing an initialed copy of the documentation back to the submitter. In addition, the School Bookkeeper is responsible for obtaining and maintaining signed documentation to support approval for use and disbursement of school activity funds.*
- *Teachers/Sponsors and Staff Members who are responsible for collection and use of school activity funds are required to follow guidelines established by the school. Signed documentation supporting funds collected should be submitted with the funds to the school's bookkeeper for deposit. A copy of this documentation initialed by the Bookkeeper must be obtained, and maintained on file, by the Teacher/Sponsor or Staff Member. Signed documentation, supporting approval for use and disbursement of activity account funds, shall be accounted for in a similar manner.*

All monies raised or collected on behalf of or for the benefit of students and under the authority of the principal shall be deposited into the general operating bank account. Within the accounting records, an individual activity code shall be established for the student club, organization or school activity for which the money has been deposited. Proper record keeping procedures shall be maintained, and reports shall be made at least on a quarterly basis. All monies collected by a school employee shall be receipted through the school financial records, and all disbursement of funds, with the exception of petty cash expenditures (See Section 4.3), shall be by check. LEGAL REFERENCE: O.C.G.A., 20-2-500; 20-2-501; 20-2-502; 20-2-962.

1.3 Basis of Accounting

Student activity funds will use the cash basis of accounting. This method recognizes revenues when they are received and expenses when they are paid. No accruals are used or recognized. This is the same basis as most people use with their checkbooks at home.

1.4 Accounting System

Fund, Activity Code and General Ledger (income and expense) accounts are used within the CSI accounting system to track the various activities within the school. A comprehensive Chart of Accounts is provided in the system accounting system and all schools will be required to use this list of accounts. If there is a need for additional accounts, contact the System.

1.5 Annual Review

The Business Services Department will review all Monroe County schools' financial records at least annually, and an end-of-the-year financial report will be issued to the Superintendent, the Assistant Superintendent and the Principal by August 31 following the fiscal year closing on June 30. This report will detail the results of the review and identify any areas where improvement should be made. Reviews of financial records are a control measure to assure principals that their procedures for handling funds entrusted to them appear to be adequate for the protection of themselves, their personnel and the school's assets.

All schools are subject to a spot inspection of their records at any reasonable time during any workday by the Assistant Superintendent, System Bookkeeper or designee.

Records needed for this review include, but are not limited to, the following:

- Reconciled bank statements with canceled checks.
- Check stubs (if available) or duplicate checks.
- Invoices paid (with check request forms or purchase orders) and documentation.
- Receipt books and deposit tickets (including teacher/sponsor collection reports).
- Year-end financial statement and transaction reports or ledgers showing all transactions for the year by fund/activity (July 1 – June 30).
- Monthly financial statements and transaction reports (journals) or ledgers showing all transactions for the month both chronologically and by individual fund/activity
- Fund Raiser approvals and sales reports.

1.6 Records Retention

The principal is responsible for the maintenance and security of school financial records. Per State Retention Schedule 83-716, the following records are to be retained in the local school for a minimum of five (5) years:

Bank statements and reconciliations, canceled checks, deposit tickets, check stubs or duplicate checks, purchase orders, invoices, vendor statements, journals, ledger sheets or transaction reports, receipt books, quarterly reports, and related documents and correspondence.

After five (5) years, following the end of the fiscal year, these records should be properly documented, approved for destruction, and shredded through the process identified by the Business Service Department.

1.7 Administrative Responsibility

An administrator of the school shall be responsible for the proper administration of the financial activities of each activity fund account in accordance with the provisions of state law and appropriate accounting practices and procedures. In accordance with this policy, local school principals are ultimately responsible for the schools' entire financial operations, and for ensuring that their school personnel follow the procedures outlined in this manual. Accordingly, school principals are expected to familiarize themselves with this manual. The delegation of duties to assistant principals, bookkeepers, or clerical staff does not relieve the principals' responsibility for compliance with all applicable policies and procedures.

Effective internal controls require that certain duties be separated. The principal is responsible for proper management of funds and is the primary authorized check signer on the school checking account. The principal should designate at his/her discretion an administrator (preferably the assistant principal) to be the second signatory on the account in case of emergency or absence. The bookkeeper should be assigned the duties of counting money, preparing deposits, processing purchase order requests, processing check requests, preparing checks, and maintaining the accounting records. *Many of the duties performed by the bookkeeper result in internal control deficiencies that expose both the School and the bookkeeper to increased risk. With this in mind, compensating controls have been designed to minimize risk and protect schools assets and the bookkeeper. For example, documentation signed by both the teacher/sponsor and the bookkeeper must be maintained by both for funds collected and submitted for deposit, and for authorizing use/disbursement of funds.* The bookkeeper is also responsible for providing monthly reports to the principal regarding the status of the accounts and general ledger.

School principals are accountable for all money, equipment and other school property involved in school-related activities, whether or not the activities occur during school hours or on school property. Principals will be held personally responsible when school funds, equipment, or property have been mismanaged due to noncompliance with required policies and procedures.

School financial transactions are required to be recorded on the school system computerized accounting program. This program produces financial reports that will assist management in monitoring the financial position of the school. The bookkeeper is trained on this program and is responsible for assisting the principal in obtaining and interpreting financial information.

Both the Principal and School Bookkeeper have a responsibility to report to the Superintendent and/or the Assistant Superintendent for Support Services any financial irregularities, missing or lost funds or suspicions of malfeasance or wrongful acts relating to the financial operations of the school.

SECTION 2: BANKING

2.1 Bank Accounts

Each school is authorized to maintain one checking account for its student activity funds. If more than one account is needed, contact the Assistant Superintendent's office for approval and appropriate accounting procedures. If an investment account is used, be sure that it is reflected in the financial statements. Interest-bearing checking accounts are authorized. Every account should be in a Monroe County federally insured financial institution. If any account or combination of accounts exceeds \$250,000, the bank must furnish proof of pledge of securities in the name of the school for the amounts in excess of FDIC or FSLIC guarantees.

Investment of idle funds is permitted (See Section 4.9). Opening a checking or an investment account or changing any account to another financial institution is the prerogative of the principal. You must notify the System Bookkeeper of any change in banks or account numbers within 30 days of the change.

Outside agencies, including PTAs, Booster Clubs and other parent organizations, are NOT permitted to use the school system's Federal Employer Identification number or Sales and Use Tax Certificate or Exemption. (See Exhibit A (W-9 Information) and Exhibit B, Sales Tax and Use Certificate.)

2.2 Authorized Signatures

The principal shall be authorized to sign checks on the school's bank account. The principal's personal signature is required. Use of a signature stamp or other facsimile signature when issuing a check is prohibited.

An Assistant Principal shall be authorized to sign checks also; however, the guidelines for their signing checks will be limited to:

- When the principal is not available on the school campus and a signed check is required to meet an emergency.
- Periods of time when a principal is absent due to sickness, vacation, workshop, etc. and it is necessary to have a check signed. In this case, verbal authority should be obtained from the principal where possible.
- When the check is payable to the principal.

The school bookkeeper or secretary must not be designated as an authorized signature.

If the principal elects not to have an Assistant Principal as a second signature on the checking account, the Assistant Superintendent for Support Services must be designated as an additional signature on the account.

The bank account title, bank name, account number and authorized signatures should be on record in the Assistant Superintendent's office. Any changes in this information should be submitted to the Assistant Superintendent's office within 30 days of said change.

2.3 Use of Credit/Debit Cards

Schools may secure and make use of a bank credit card so long as the following procedures are accepted and followed by all personnel. **The use of a Debit Card is prohibited due to the inability to maintain an adequate paper trail when using Debit Cards and due to circumvention of internal control procedures related to approval for use and disbursement of funds required by board policies.**

Credit Cards should be issued in the name of the school and a designated administrator – preferably the principal or assistant principal. The credit card should be used sparingly and all purchases should be documented through the maintenance of itemized receipts for purchase showing the name and address of the vendor, a detailed listing of items purchased showing description, quantity and price, the date of purchase, and the name of the school official making the purchase. **The credit card transaction receipt (which is not a detailed receipt) should be stapled to the detailed receipt.** The administrator should immediately date, sign and write a short description of the reason for the transaction (i.e. office supplies, food for administrative meeting, etc.). These documents should be held and maintained until the monthly statement is received by the school.

When the statement arrives, the unopened statement and the receipts should be submitted to the school bookkeeper for reconciliation. Each transaction on the statement should be matched to a receipt and the total transactions should match the balance due on the statement. At this point, payment of the statement should be processed and made in a timely fashion.

Transactions on the credit card statement for which a receipt was not kept should not be paid by the school, but should be paid personally by the person who conducted the transaction. This payment should be made to the school, for inclusion in the school's payment to the credit card company. This should be documented, and a copy of the check issued by the purchaser should be attached to the statement at the time payment is made.

Use of the school credit card for personal transactions is strictly prohibited.

SECTION 3: BOOKKEEPING PROCEDURES

3.1 General Comments

“Public trust demands an efficient system of accounting for all money received and expended through school activity fund accounts. The system of safeguarding and accounting for activity funds is dependent on the soundness and effectiveness of board of education policies and guidelines. The dispersed nature of student activity funds and the multiple site collections for some activity fund revenues dictate a need for orderly controls on all activity funds. These controls include establishing lines of authority and a set of policies to guide the operation of all activity funds.” Reference: GDOE, Financial Reporting, School Activity Accounts, Section II, Chapter 43, page 1.

No teacher or employee is authorized to initiate any project involving the collection or disbursement of school funds without prior approval of the principal.

“FUND/ACTIVITY” is defined as a self-balancing set of accounts. It is an individual set of books. If each fund/activity balances within itself, then the total of all funds will balance, and this total will agree with the bank balance. Each fund/activity must be balanced at least monthly. Each new fiscal year must begin on July 1 with the same figures that ended the prior fiscal year on June 30 in each activity.

Each fiscal year’s financial records must be kept separate. If an error is found in a prior fiscal year after the books are closed for that year, the error must be corrected through a journal entry adjustment to fund balance in the current fiscal year. This entry should only be made with the System Bookkeeper’s approval.

Quarters are July - September; October - December; January - March; April - June.

Questions asked and answered before posting transactions, will pay many dividends in time, effort and aggravation saved. Call the System Bookkeeper’s office if any doubt exists.

3.2 Fund/Activity Types

There are three main types of fund/activity: restricted, discretionary, and clearing (in and out).

- **Restricted** fund/activities are those whose expenditures must be limited to the educational purpose for which the monies were collected. Transfers “out” from these funds should have the prior approval of the principal and activity sponsor. Examples are athletic, clubs, field trips, yearbooks, student council, instructional area organizations (vocational, band, math, etc.), and donations for specific purposes, etc. Normally, these funds will carry over from year to year. An inactive restricted activity may be closed to the General Fund on authorization of the principal if the activity is no longer active or viable (see paragraph 4.8).
- **Discretionary or non-restricted** fund/activities are those whose monies may be transferred at the principal’s discretion to other activities which are used for the benefit of students and are expended for educational purposes. Examples are concession, school store, fund raising/ money-making, donations with no restrictions, etc. **These accounts must be closed to the General Fund prior to year-end closing on June 30.**
- **Clearing** fund/activities are those used to record transactions involving money in which the school has no equity but must be accountable during the time that such money is in its possession. These in and out funds normally zero by year-end. Examples are Change Funds; money collected for and paid to charitable organizations, student book club orders, etc. Transfers to or from these funds are very rare.

3.3 Receipts and Collections

All collections of monies from either students or adults shall be validated through the use of standardized collection forms approved by the System Bookkeeper.

No teacher or employee is authorized to initiate any project involving the collection or disbursement of school funds without prior written approval of the principal.

School volunteers are not authorized to make collections or to issue receipts. Only Board employees may receipt school funds. (See Section 4.12 for Parent/Booster Clubs)

NOTE: This section is not intended to prohibit students from selling items or services as fund raisers for their clubs or organizations. (Car washes, Candy sales, etc.) These monies will be submitted to a teacher or sponsor who will receipt the funds for the school.

A) Teacher/Sponsor Class/Group Collections. The school office shall provide a pre-printed collection form (Exhibit C) to each employee authorized to collect funds.

1. Using the pre-printed collection form, the teacher/sponsor should make an alphabetical master list (class/club roster, etc.) at the beginning of each school year if more than one collection activity is anticipated for this group. This master list should be kept for subsequent collection activities.
2. For each collection activity, the teacher should complete the section on the collection form identifying the specific activity, edit the master list for additions/deletions to the group roster, indicate the amount due from each group member, (if applicable) obtain the principal's approval signature if this is not a school-wide project (i.e. school pictures), and have enough copies made to provide a form for each day in the collection period.
3. For each collection day during the activity's collection period, the teacher/*sponsor or Staff Member* should record the amount collected, and indicate whether collection was cash or check. Total each day's collection by cash and checks *and initial the collection form. The original and one copy of each day's collections should be placed* in a sealed envelope, indicating on the outside of the envelope the amount included, and the name of the person collecting the money *and hand delivered to the School Bookkeeper for deposit and entry into the accounting system. The copy of the signed collection form should be initialed by the bookkeeper and returned to the Teacher/Sponsor or Staff Member. The Teacher/Sponsor or Staff Member is responsible for maintaining this documentation on file should it be requested by either the principal or central office.*
4. **COLLECTING FOR THIRD PARTY.** In some cases, usually charitable organizations, you may collect an assortment of checks, some payable to the school and others payable to a third party (example: American Heart Association). The third party checks should not be included in the total indicated on the collection form to be deposited, but should be listed separately and attached to the collection form.

B) Teacher/Sponsor *or Staff Member* Miscellaneous Collections. Receipt books shall be used when the group collection form is not practical. A pre-numbered, **triplicate** copy receipt book (available from any office supply store) shall be issued to appropriate personnel by the principal or his/her designee. A control log shall be maintained by the principal/designee for audit purposes and shall include the following.

1. Name of the employee to whom the book was issued.
2. The inclusive receipt numbers.
3. The employee's initials.

4. Date the Receipt Book was issued.
5. Date the book was returned to the Principal's office.

All receipt books must be turned in to the Principal's office at the close of the school year. Each receipt must show the date of collection, the student's name, the amount collected, the purpose/reason for the collection, and the collector's signature. The original receipt should be given to the student, the second copy submitted to the bookkeeper with the collected monies, and the third copy maintained by the collector. As with collection forms, these monies must be submitted to the Principal's office on a daily basis, should be placed in a sealed envelope with the amount enclosed and the submitter's name clearly indicated on the envelope. A receipt should never be altered. If a correction is necessary, void the receipt and issue a new one. The original copy should be attached to the receipt book.

- C) OTHER REVENUE DOCUMENTATION: Other revenue documentation material that should be retained in a monthly revenue file includes check stubs and letters or memos accompanying checks received for deposit. Cross-reference these documents with your receipt numbers as you do with collection forms and file them numerically by receipt number in your monthly revenue files.
- D) School Bookkeeper. All monies (cash or check) received in the Principal's office must be receipted using pre-numbered receipts, and must be receipted and deposited within three (3) days of receipt by the bookkeeper. The receipt should always be issued to the individual submitting the funds, not a class, club, etc. and should indicate the following:
1. Date received.
 2. Name of individual submitting the money.
 3. Amount received.
 4. Purpose, reason or source of the money.
 5. Account to be credited.
 6. Initials of the employee designated by the Principal to issue receipts.

Do not let the above statement regarding the issuance of receipts to the individual submitting funds confuse you. A single check handed to you by the principal or athletic director from, for example, the Board of Education or the Chamber of Commerce, should be receipted to the agency, not the person who handed you the check. In receipting to the individual, as referred to in Item C, you would have a backup collection document listing more than one source of revenue.

When accepting monies for deposit which do not require a listing of individual payments (example: Library Book Fairs, School Store Sales, collections from vending machines, anonymous donations at collection sites) the individual submitting the funds to you should complete a deposit record indicating the total funds submitted, the date, and the source.

The total of all receipts issued shall always equal the sum of monies deposited. The school office shall deposit intact all monies collected. **There shall be a clear audit trail from the backup documentation (collection form, deposit record, etc.) to the receipt book to all deposits. Make sure you record (cross-reference) on the backup documentation the official receipt number for the deposit.** Funds on hand for deposit can be verified at any time by totaling the receipts from the date of the last deposit. **Before making a deposit, run a tape on the collection forms and**

compare it to your actual deposit and system total for the inclusive receipt numbers. When using a receipt book, on the last receipt included in a bank deposit, indicate:

1. The inclusive receipt numbers for this deposit.
2. The total deposit.
3. Date of deposit.
4. **Record the date and amount of the deposit, and the inclusive receipt numbers.**

Never hold cash receipts out to make change, to make purchases, or for any other purpose. Cash receipts should never be used to cash checks. (See “Change Funds” and “Petty Cash Funds”).

For Teacher/Sponsor Collections, verify the total daily collections as indicated on the collection form, and if correct, issue an official receipt to the individual submitting the funds. (Do not issue the receipt to the class, club, etc.). **If there is a discrepancy**, issue the receipt for the actual amount received and attempt to reconcile the difference with the teacher/sponsor. **Be sure to note any differences** on your copy of the collection form. The collection form should be filed with deposit slips.

- E. Electronically Printed Receipts. After a deposit has been entered in the CSI accounting system cash collections module, print a receipt for each teacher/sponsor who made a deposit. Include on the receipt the date, sponsor’s name, reason for deposit, and the amount of the deposit. If the account code distribution is incorrect for a receipt/deposit, create a journal entry to debit the incorrect account and credit the correct account.

If the account code distribution is incorrect for a prior period receipt, create a journal entry to debit the incorrect account and credit the correct account.

For all other types of corrections, Void the incorrect receipt and enter a new receipt when necessary.

Current Period VOID Receipt: If it is necessary to VOID a current period receipt, mark VOID on the original receipt and issue another one. VOID the receipt in the system by adding VOID on the “Received From” line, clear the amount, clear the account distribution/amount. Enter a new receipt into the system. Cross-reference the new receipt number on the VOID original receipt.

Prior Period VOID Receipt: To VOID a prior period receipt, create a journal entry debiting the original account, “Void Recpt# ____ dated ____”. When the receipt is re-issued, enter the changes and code to the correct account number. Cross reference the new receipt number on the VOID original receipt.

All receipt documentation (collection forms, deposit records, Reports of Tickets Sold, Report of Admissions, individual teacher/sponsor or staff member receipts, check stubs, correspondence, etc.) should be arranged in numerical order by receipt number, attached to the corresponding bank deposit slip, and filed in a monthly revenue file folder.

3.4 Deposit of Funds

Principals are responsible for the timely deposit of money into the bank, which is within 3 days of receipt by the bookkeeper. This responsibility may be delegated, but it is not negated. **Daily deposits are required at times when collection activity is high. Principals should strive to keep the amount of monies on-hand in their building to a minimum. Under no circumstances should large amounts of cash or checks be held in the building over the weekend.** Night deposits should be provided to avoid this situation. Any money kept overnight should be in the school safe or vault. Only the principal, assistant principal, and the bookkeeper should know safe or vault combinations. If there is a personnel change in any of these positions, the safe combination should be changed.

Occasionally a mistake is made on a deposit. If the bank teller finds an error, the teller should process the deposit as it is written and then correct the amount by issuing either a credit or a debit memo for the difference. Under no circumstances should the bank teller change the deposit slip, request additional cash, or return an overage to the school in cash. The bookkeeper should enter the bank's credit/debit memo as a journal entry to correct the error.

Periodically, the bank will return a deposited check to the school with an explanation as to why the check has not cleared (insufficient funds, account closed, etc.) When this happens, enter the check (**within the Activity affected**) as a **debit** journal entry *to the revenue account posted with the original deposit, indicating the name of the individual.* Make a notation on the original receipt such as "returned check", "NSF check", etc. Use the system-designated check recovery system (FARS, CheckXPress, etc.) to collect the check. **DO NOT** attempt to cover the bad check using other funds such as petty cash, change funds, etc... When and if you receive the replacement cash or if you redeposit the original check, complete another receipt (indicating it as a redeposit of check #____) and *record it as revenue to the appropriate activity account affected.*

Penalties for NSF Checks: If penalties are imposed, the minimum amount is \$15.00. In cases where school checking accounts are being debited for a greater amount by their respective banking institutions, the school may charge the greater fee. When and if you recover the bad check indebtedness, penalties on NSF check should be separated from the face amount of the check.

The Bookkeeper is required to attempt to collect on all bad checks through the system-designated check recovery system or through school efforts. It is up to the principal to decide the amount of time and effort that should be made in an attempt to collect on an individual case. Any debit balances left in the NSF account at the close of the year will be considered "written off" as bad debt. The bookkeeper should maintain a file chronicling attempts to collect on NSF checks.

It is procedure that after an individual's second bad check is returned, the school or department should refuse to accept any future checks and should require cash or money order.

3.5 Purchasing

"No public school may sponsor any activity that is not for educational purposes." (1934-56 Op. Attorney General P. 369)

School principals are responsible for all purchases and disbursements from school activity fund monies

and for ensuring that these purchases are made in accordance with Board policy. School principals are also responsible for expending funds only for the purpose for which the funds were collected. Monies collected for restricted account funds must be expended for the restricted purpose.

The school principal is the only individual having the authority to financially obligate school activity funds. **No employee of the school may financially obligate the school, either through written or oral purchase orders, without first obtaining the approval of the school principal.** Principals should make sure that all staff members know that the school will not be held responsible for payment for any item or service ordered by a teacher, pupil, or other employee who has not received prior written approval of the principal. **No teacher or employee is authorized to initiate any project involving the collection or disbursement of school funds without prior written approval of the principal.** Failure to comply with this provision may result in disciplinary action, including employment termination.

PURCHASING FROM SCHOOL EMPLOYEES:

Purchases, except through sealed bid, from board of education employees or a member of an employee's immediate family or a company in which the employee or his/her immediate family has a controlling interest are prohibited. If the sealed bid of an employee is to be considered for a purchase, the employee must have no involvement in developing the specifications for the bid or any involvement in the evaluation of the bid. Note: For the purposes of this policy, immediate family is defined as spouse, child (natural or adopted), stepchild, mother, father, brother, sister, mother-in-law, father-in-law, sister-in-law, or brother-in-law.

PURCHASING FROM BOARD OF EDUCATION MEMBERS:

Purchases from elected board members, *members of their immediate family* or companies in which the board member or member of his/her immediate family has a controlling interest are prohibited.

PURCHASE ORDERS: In general, all purchases having a combined item value of more than \$100 should have a written **School Purchase Order (Exhibit D)** executed in advance and approved by the school principal. The Principal must develop a control system for Outstanding Purchase Orders. The control system may be a file suspension system, into which a copy of all Outstanding Purchase Orders are retained, until paid or otherwise canceled.

Items presented for payment or employee reimbursement without a prior approved purchase order must be accompanied by a *signed* **Check Requisition Form (Exhibit E)**.

BIDS AND QUOTATIONS: Purchases for goods and services with a cost of \$1,000 or less may be made non-competitively. For purchases exceeding \$1,000, see Monroe County Board of Education policy DJED.

EQUIPMENT, FURNITURE, COMPUTER HARDWARE & SOFTWARE: Items requiring maintenance, supplies, or follow-up service contracts shall be standardized.

VENDOR RELATIONS: No employee shall make personal gain from conducting business with a

vendor. No employee shall directly or indirectly solicit any gift or accept or receive any gifts, whether in the form of money, services, loan, travel, entertainment, hospitality, thing or promise, or any other form, under circumstances and of such value that it could be reasonably inferred that the gift was intended to influence him or her in the performance of official duties. Gifts and/or offers which violate this policy or which the employee reasonably suspects may violate this policy must be reported to the Assistant Superintendent or Superintendent. The acceptance of a gift, gain, or gratuity which violates this policy shall be subject to administrative action.

3.6 Disbursements

All disbursement of school activity monies shall be made by check unless made from the Petty Cash Fund. (The Petty Cash Fund should not be overused. There should be a relatively small number of disbursements made from this fund.) There should never be any doubt as to WHY a check is written. No check shall be made payable to CASH but shall indicate the person, institution, or vendor to which the money is being paid.

Signing blank checks in advance is strictly prohibited.

Before issuing a check, the school bookkeeper should make sure all supporting documentation is in order. Evidence supporting expenditures should be in the form of itemized receipts, invoices, or sales slips. **Either a School Purchase Order or Request for Check** form should be attached. Documentation must be signed by the individual who actually took possession of the merchandise or can verify the receipt of *goods or services, as evidenced on the receipt, packing slip, or invoice*. The Request for Check must be signed by the originator and the principal. However, if the principal is the originator, it is only necessary to check the originator's box next to the principal's signature. **Signature Stamps are not acceptable.** Although it is appropriate, in some cases, for the secretary/bookkeeper to sign as originator, it should not be done as simply a matter of convenience. The person who requests or initiates the purchase should be the one to sign the payment request. **Copies** of invoices, receipts etc. **should not be accepted unless** there is adequate explanation as to why the original is not available. **NEVER PAY FROM A STATEMENT.** A statement will not be accepted as adequate documentation. Adequate documentation will leave no doubt to an examiner as to WHAT and WHY an item or service was purchased.

When all required supporting documentation is made available, the bookkeeper should prepare the check for the principal's signature. The principal shall sign the check only after he/she has reviewed and approved the supporting documentation.

Checks payable to the school principal should not be signed by the principal. The second authorized signature for the school's checking account should sign the check only after reviewing appropriate supporting documentation.

Paid invoices should indicate the check number, check date, and account number, and should be numerically filed by month for auditing purposes.

3.7 Adult vs. Student Generated Funds

“Expenditures for a faculty banquet and for payment of insurance premiums for members of a high school football team would be improper objects for the expenditure of school funds.” (1971 Op. Att’y Gen. No. 71-12) This does NOT include adult-generated money.

Each school may have an “Adult Activities Fund” for the purpose of funding activities **of a non-instructional/non-administrative nature** that affect adults only. Principals should recognize that the law provides that student-generated funds may only be used for the benefit of students. The school principal may **transfer up to TEN per cent of the General Fund/General Activity ending balance on June 30 to the Adult Activities Fund. This should be the last entry made for the current school year.** No more than this amount (plus any additional pure adult funds collected) may be spent during the year for adult activities. This will be a mandatory audit item each year.

3.8 Petty Cash Fund

If the school elects to make cash expenditures, those expenditures must be made through the use of a Petty Cash Fund. A Petty Cash Fund, not to exceed \$100.00, must be maintained using the following procedures:

The principal at each school shall approve the desired amount to be designated as Petty Cash (not to exceed \$100). A single employee will be designated as Petty Cash Custodian and made responsible for its operation. The Assistant Superintendent's office should be notified in writing of the approved petty cash amount and the designated custodian.

The fund is established by drawing a check on the General Fund --General Program Activity-- Expenditure Account/Petty Cash Advances, payable to the individual named as Petty Cash Custodian. The custodian will cash the check and place the proceeds in a secure lock-box, safe, etc.

A **Petty Cash Disbursement Form (Exhibit F)** must be completed and signed by the person requesting a withdrawal. The maximum amount that can be drawn from the Petty Cash Fund for a single disbursement is \$50. The Principal may set an amount lower than this. This form must include the name of the person receiving the funds, the amount of the withdrawal, and the purpose of the withdrawal. Original receipts, paid invoices, purchase tickets, etc., should be attached to the disbursement form. The documentation should leave no doubt as to what was purchased and why. The request must be approved by the principal.

Cashing checks or making loans from these funds is prohibited.

To replenish the petty cash fund, the custodian shall present all completed Petty Cash Disbursement Forms (attached to a Check Requisition Form -- Exhibit E) to the bookkeeper who will issue a check to the custodian for the exact total of the disbursement forms presented, restoring the Petty Cash Fund to its original authorized amount. The bookkeeper will **charge the replacement check to the Petty Cash Account. A Petty Cash Expenditure File must be maintained into which all disbursements and replacement checks are filed.**

The Petty Cash Custodian should balance the Petty Cash Fund weekly to insure that the cash on hand plus unreimbursed disbursement forms equal the authorized petty cash amount.

As part of the June 30 closing procedures, the **unexpended** petty cash advance should be deposited back into the General Fund--General Program Activity--Expenditure Account/Petty Cash Advance. **The debit amount left in the account will be the exact amount actually expended through the account and supported by documentation in the Petty Cash File. The school bookkeeper will use the supporting documentation to post a journal entry crediting the petty cash and debiting the appropriate expense account to zero out the balance.**

To reopen the Petty Cash Fund for the next fiscal year, the same procedures should be followed as those used to first establish the fund.

3.9 Journal Entries

Journal entries are used to make adjustments and corrections to the books, to transfers funds from one activity to another *and to post bank account activity initiated outside of the school, such as interest earned, returned checks or printed check charges. Journal entries should contain a detailed explanation to document the entry that clearly references where underlying source documentation can be obtained. Journal entries should be printed, approved by the Principal and filed numerically for use by the auditors at year end.* The System Bookkeeper is always available to assist with the proper form and entry of journal entries.

Funds being transferred from one activity to another should be completed on **(debit) outgoing funds, and (credit) incoming funds.** Examples: transferring funds from general to cover negative instructional balances; transferring profits from fundraising activities to the general fund to close out the year.

Do not use the transfer accounts to correct posting errors. Example: a receipt is posted to the wrong account, debit the erroneous account and credit the correct account using explanation “correct posting error Receipt #xxx”.

General Journal Entries are a potential source of internal control problems and should be well documented as to reasons for the adjustment, and approving authority, when required, should be obtained (example: transferring funds from one activity to another).

3.10 Transfer of Funds

Transfers do not add to or subtract from the bank balance. They merely move money from one fund to another. All transfers of money from one fund to another fund must be approved by the principal. Remember that transfers from a restricted fund also must have the approval of the fund sponsor.

3.11 Bank Statement Reconciliation

The bank account must be reconciled every month. Never allow a backlog to develop in bank statement reconciliations. Until audited, all paid checks and any other items returned by the bank shall be filed with the bank statement on which they appear.

The System Bookkeeper receives bank statements, directly and unopened, each month *for all school activity accounts*. A copy of the bank statement and information included with it is then forwarded to the appropriate school bookkeeper for balancing with the school's books.

Deposits should relate directly to the month-end Cash Receipts after considering deposits in-transit, any returned checks which have not been re-deposited, and interest earned.

Canceled checks should relate directly to the month-end Cash Disbursements after considering outstanding checks and any bank charges.

The reconciled bank balance must agree each month with the month-end balance on the system reports and the balance shown on the checkbook when using manual checks. **The principal must sign and date the reconciled bank statement.**

A procedure should be in place for clearing **checks which have been outstanding on the bank statement for more than 60 days**. The payee should be contacted and asked to locate and deposit the check. If the check has been lost, a stop payment should be issued, the check voided, and a replacement check issued. If the payee cannot be contacted, a stop payment and void should be completed at the end of six months.

If you have a **PRIOR YEAR VOIDED CHECK**, *you should* contact the system bookkeeper for assistance in resolving this issue.

3.12 Closing/Opening Procedures

MONTHLY: After all monthly transactions have been posted, including bank adjustments and any corrections, the books should be closed for the month. Monthly closings should be on a timely basis, but not later than the 15th day of the following month. For example, the December 31 books should be closed no later than January 15. If all transactions are timely posted to the CSI Accounting System during the month, closing on time should not be a problem. **A pattern of late monthly closings indicates a serious accounting control problem which will result in close scrutiny of the records by the auditor, and a report finding.** In the case of unusual circumstances (bookkeeper illness or vacancy) a written explanation of the circumstances should be submitted to the Assistant Superintendent by the Principal.

There is no formal monthly closing for the CSI System. Once your Activity and Fund Summaries are in balance with your Cashbook Control Sheet and your bank statement, run your end of month reports. The **School Principal** should be presented with a **monthly report** consisting, at a minimum, of the Activity and Fund Level Financial Reports and the balanced bank statement. The Principal is required to sign both the reconciled bank statement and the accompanying Fund Level Financial Report. It is strongly suggested that the Principal also review the year-to-date General Ledger. Other reports such as revenue, expenditure, and adjustment journals are also excellent management tools, useful to the principal in keeping fully informed of school business operations.

QUARTERLY REPORT: The Quarterly Report consists of: the completed Monthly/Quarterly Financial Checklist, copies of the School's reconciled monthly bank statements and copies of the School's Fund Level and Activity Level Financial Reports for each month encompassed in the quarter. **The bank statement and the reports must be signed by the principal. Quarterly reports are due in the Central Office by the 20th of the month following FY Quarters ending September, December, March. June—End of Year—will be August 1st.**

Quarterly reports including bank reconciliations will be reviewed by the System's Accounting Office to ensure procedures are being followed and to identify any potential misstatements or areas of concern. Any questions or problems noted will be reported to the School's Principal.

When deemed necessary by the Central Office or when requested by the Principal, the Accounting Office may periodically perform internal audits of individual student organization reports and supporting records.

YEARLY: All non-restricted funds should be closed to the General Fund as of June 30.

Determine what amounts can be transferred to your Adult Funds from General and make the appropriate journal entries.

Any negative balances in the instructional fund must be covered by transferring funds from the General Fund, General Activity. Normally, negative balances in the Clubs/Organizations Fund must also be covered. Within the Athletic Fund, negative balances in individual sports need to be covered by Athletic General funds. All profits from your Fundraising Activities must be transferred to General Fund, General Activity. Within the Adult Fund, negative balances should be reconciled.

Review your General Ledger for obvious posting errors and make appropriate corrections.

Make sure your Activity Level and Fund Level Financial Reports balance to your June 30 Cashbook Control Sheet and your June 30 Bank Statement.

Run year-to-date copies of all reports from the Financial Reports Menu. These reports are your school's vital financial records and should be safeguarded.

E-mail the System Bookkeeper that you are ready to close the year. The deadline for closing end-of-year books is August 1st. The end-of-year close process will be completed, and you will be notified when to resume entries for the New Year.

SECTION 4: SPECIAL GUIDELINES

4.1 Admissions/Ticket Sales

An accurate accounting of all ticket sales is to be kept for each activity of the school where tickets are sold for admission. This would include individual event admissions and season passes. Examples are athletic events, dances, etc.

If tickets are issued, any and all rolls of tickets should be under lock and key and under the control of the school bookkeeper. All admission tickets shall be pre-numbered. If various ticket prices are to be charged (i.e. adult, student), tickets should be distinguishable by color.

The bookkeeper shall maintain a **record of tickets issued**. This record is to be retained for audit purposes and shall show the name of the individual to whom the tickets were issued, the ticket numbers inclusive, the employee's initials, the date the tickets were issued, the ticket numbers returned to the principal's office and date returned.

CASH ADVANCE FOR CHANGE FUND: A check should be issued and charged out to the Change Fund expenditure account under the appropriate activity code. When cash is returned after the event, the same amount should be receipted to this account. (See Section 4.3)

All monies collected for each event shall be deposited intact and no payments may be made in cash to officials or other parties. All payments for expenses relating to the event shall be made by check only.

Because of the large amount of cash collected at some events, the following procedures should be followed if a sizable gathering is expected:

- Assign two (2) people to each gate. One person will sell tickets and collect money; the other person will collect the tickets at the gate. Only one person needs to be at a pass gate where no tickets are sold.
- Appropriate security measures should be established for the collection of cash and these measures followed by the ticket sellers and police personnel, if used.
- Bank deposits should be made using regular deposit procedures on the day of the event or, if a night event, dropped in the night depository and retrieved for regular deposit the following working or banking day. It is a good idea to have a security person accompany the deposit, if possible. **YOU SHOULD NEVER TAKE GATE RECEIPTS HOME FOR SAFEKEEPING.**
- After collection, do not cash checks or pay workers or security personnel from gate receipts.
- A Report of Admissions or Tickets Sold Form must be completed and signed by the person responsible for collecting money.

4.2 Adult Funds

Money generated by adults must be kept separate from student-generated funds. Adult funds have more latitude for expenditures since they are **not** required to be spent for educational purposes. (See paragraph 3.7 above).

Certain activities within the Adult Activities Fund, such as Benevolence and some Social Activity Funds, are restricted in the sense that they should be only expended for the purpose for which the contributions were intended.

Adult money **MAY** be transferred to student funds, but student funds must **NEVER** be transferred to adult accounts, with the exception of the permitted transfer outlined in paragraph 3.7.

4.3 Change Funds

In order to have the necessary “cash” needed to sell tickets or to make change at school-sponsored events, a Change Fund should be established.

Checks should be made payable to the individual in charge of the event, not to the event or to the bank itself or to cash. The check should be posted as a debit to the Expenditure Account, Change Funds, under the appropriate Fund/Activity. The check should only be issued after a **Check Request Form (Exhibit E)** is completed.

The person to whom the check is payable will be responsible for ensuring that funds equal to the amount of the check are returned and receipted separately by the bookkeeper. The monies should be receipted to the same Expenditure Account that the original check was written on, bringing the account back to zero.

4.4 Charity/Family Support Funds----Trust Funds

CHARITABLE ORGANIZATIONS – When money is collected from students/faculty for a specific outside charitable organization, it should be receipted separately, kept intact, and deposited into a Trust Fund Activity set up in the charity’s name. When remittance is made to the organization, the activity should zero.

FAMILY SUPPORT FUNDS – A Trust Fund Activity Code may be established for collecting money for a student or a student’s family that may need financial aid. The need(s) should be documented by the local school administrators. The fund must be approved by the principal in writing.

A specific Activity Code should be set up under the Trust Fund account for each project initiated under these guidelines.

The purpose of the Project/Activity and a statement of how the money will be expended must be kept in the local school records. Monies from the fund may be used for medical services, food, clothing, or any of a number of other support needs. Expenditures should follow the guidelines in the statement. Ideally, each Project/Activity under the Trust Fund should zero by year-end.

Profits generated from students should not be contributed to charities unless there is a pre-approved fund raising project initiated for a specific purpose. Club or organization monies may be donated if so directed by the membership. Example – The Beta Club may vote to give \$50.00 of its money to the United Way.

This section is not intended to restrict the principal's authority to use general fund monies to pay for small day-to-day incidental expenses required to meet the basic needs of students.

4.5 Donations to the School

Cash donations to the school for a specific purpose should be set up in a separate Activity Code under the appropriate fund and expended as indicated by the donor. School records will then reflect that the donor’s wishes were met. **Whenever possible, a written directive should be obtained from the benefactor as to how he/she wishes the donation to be used. This document, or a copy, should be**

filed in the revenue file for the month the donation is received.

Cash donations to the school for general school use (undesignated purpose) may either be deposited in the General Fund --General Program Activity or set up as a separate activity. The principal will decide if expenses need to be shown separately or not.

Donations of equipment or other property to the school will remain at the school, but will become the property of the Monroe County Board of Education **and cannot be disposed of unless approved by the Board or System Administration.**

4.6 Fund-Raising/Enterprise Funds

All fundraising projects must be approved by the Board of Education. PTO or booster club projects that do NOT involve students or Board-owned property or facilities are not covered by this requirement.

School-wide fund-raising/enterprise projects should be recorded in the Fund Raisers' Fund; using a separate Activity Code for each project. Only receipts and disbursements pertaining directly to the activity should be recorded in the transactions of the fund. This allows the school to determine the amount of profit (or loss) realized from the activity, after taking into account spoilage, items lost, items or cash given as prizes, awards, or incentives, etc. It also allows the school to determine if theft has occurred, if sales are too low, or if the mark-up is sufficient to allow a suitable profit.

Club or class fund-raisers may be handled within that club or class' fund (car washes, etc.).

The following fundraisers are not required to have a Fundraiser Approval Form. In addition, a Fundraiser Financial Report is not required, unless there is a negative year-end balance for the fundraiser.

School Pictures	School-wide Concessions
Yearbook	School Newspaper
School Store	Field Day

Profits from a school-wide fund-raiser or on-going enterprise activity may be transferred to the General Fund at any time during the school year, but must be transferred by June 30 to zero the fund. Expenditures of a general nature (not directly related to the fund raising activity) must be made from the General Fund and not from the profit-making fund.

4.7 Gratuities/Discounts

All Monroe County Board of Education employees are strictly forbidden from accepting gratuities or discounts for personal gain. These include but are not limited to those arising due to purchases made for the school or for the school system. By accepting either, a conflict of interest is created.

4.8 Inactive Funds

A fund will be considered inactive if there has been little or no activity during the preceding twelve (12)

months, and the school administrators do not anticipate further activity.

In the case of a disbanded club, a discontinued subject, or a discontinued activity group, any remaining balance should be transferred to the General Fund within six (6) months after the fund or the function becomes inactive.

In the case of a graduated class, six (6) months after the date of graduation, or when all obligations have been cleared, any remaining balance may either be transferred to the General Fund or be transferred to the current graduating class fund. The principal will decide which option to follow.

In all cases, if an inactive fund has a negative (deficit) balance, a transfer from the General Fund should be made to cover the deficit amount and to close the account with a zero balance.

4.9 Lost or Damaged Books

Library Books: Monies collected for lost or damaged library books should be receipted to the Instruction Fund--Library/Media Center Activity account under the revenue code for Lost and Damaged Books. This money must be used by the school to replace library materials.

Textbooks: Monies collected for lost or damaged textbooks should be receipted to Instruction Fund--General Instruction Activity using the revenue code for Lost and Damaged Books. This money must be returned to the Monroe County Board of Education for textbook replacement. *A check payable to MCBOE should be issued by the school at the end of the school year and charged to the same revenue account, zeroing out the revenue account for the year.* Likewise, any refund made during the year to students for found books should be charged to this same account. Contact the Assistant Superintendent's office for procedure to follow when a request for student reimbursement is made after you have transferred funds to the central office.

4.10 Negative Fund Balances

Most funds have positive balances, and when these funds go “in-the-hole”, the bookkeeper should advise the principal who will determine if the negative balance should be investigated. As a general rule, negative balances should be cleared into the appropriate fund by June 30.

In some schools there may not be enough money in the General Fund to pay expenses all year and a negative balance develops in the fund, although there is money in the bank account because profits have accumulated in the enterprise funds. In this case, the principal has the option to leave the negative balance until year-end or to transfer some of the profits from the fund-raising funds during the year to the General Fund to give it a positive balance.

4.11 PTO/Booster Clubs (Moved to Section 6)

4.12 Parking Fees

If parking fees are required, a separate restricted Activity Code fund should be established for these monies. Expenditures should be for security and/or maintenance of the parking areas.

4.13 Refunds

The Check Request Form for a single refund should have the original receipt attached, if the receipt is obtainable.

Occasionally, it may be necessary to make refunds to a number of students; for example, when a field trip is canceled. In this case, one of two options may be exercised.

SINGLE CHECK. When the amount due each student is less than \$25.00, a single check for the total amount to be refunded may be issued to the teacher/activity sponsor (upon the approval of Check Request Form) who will cash it and distribute the money to each student due a refund. To properly account for the cash so disbursed, each person due a refund shall sign a receipt verifying that the refund was received. The teacher/activity sponsor will return the signed receipt to the bookkeeper, who will attach it to the Check Request Form as documentation.

MULTIPLE CHECKS. When the amount due each student is more than \$25.00, a check should be written to each student due a refund. The teacher/activity sponsor will submit a list of students due refunds and amounts due, leaving space for the "Check Number" which will be completed by the bookkeeper as the checks are written. This form is **NOT** for cash refunds.

When monies are refunded, the checks should be written against the original revenue account, **unless the refund is made in a subsequent fiscal year. Contact the System Bookkeeper for assistance with proper posting of subsequent year refunds.**

WHEN THE REFUND IS TO THE SCHOOL: If the school receives a refund (overpayment, canceled event, returned items, etc.) the receipt should be posted to the expense account to which the original payment was charged; **UNLESS** the original expense occurred in a prior fiscal year. In this case, the receipt is charged to **REFUND FROM PRIOR YEAR.**

4.14 Salary Supplements/Bonuses/Loans/Gifts

The following payments from local school activity funds to any Monroe County Board of Education employee (or student) are strictly prohibited:

- Supplemental salary. All salary to employees must be paid through the Payroll Department.
- Salary advances.
- Bonuses.
- Personal loans (to anyone).
- Gift cards or gift certificates, unless from Adult Benevolence Fund (also known as Sunshine Funds, Teacher Funds, etc.) or from clubs which have voted to make such purchases.
- Gifts, flowers, or any other non-monetary contributions except from adult funds [Benevolence or

Adult Activities) or from donations for which these monies were specifically received, or from clubs which have voted to make such donations.

- Monetary gifts written directly to the employee. Monetary gifts can come from adult funds but must be paid through the Payroll Department.

Loans to any organization, such as a PTO, a Booster Club, etc., are also prohibited.

4.15 Sales Tax

All Boards of Education and the schools under their control are required to comply with the Georgia Sales and Use Tax Laws and Regulations.

1. Payment of sales tax is not required on the following items, provided the net proceeds are used solely for the benefit of such public school or its students:

- Tangible Personal Property (fund raisers, yearbooks, book fair, pictures, etc.)
- Concessions (including all vending items)
- Tickets for admission to any school event or function.

Note: This regulation does NOT apply to sales made to students or faculty directly by vendors.

2. Payment of sales tax is not required on purchases of school property that becomes and remains the property of the school.
3. Payment of sales tax is not required on purchases of supplies that will be used in the school.
4. **A Certificate of Exemption (Form ST-5)** shall be honored only when purchases are paid from school funds. The certificate must be completed and signed by the principal. Items 1 (resale) and 5 (government) should be checked **if the items being purchased are for resale**; otherwise, check only item 5. "Board of Education, Monroe County, GA" should be inserted in the space provided for "Certificate of Registration Number".
5. Sales tax is required at the time of purchase on the following items:
 - * Personal items purchased for faculty (gifts, T-shirts, etc.)
 - * Food items purchased for faculty banquets, celebrations, etc.
6. **Permitting any outside agency (PTO, Booster Club, etc.) access to the Sales and Use Tax Exemption form is prohibited.** This form is to be used only by the schools.

Note: PTO's, Booster Clubs, etc. may qualify for tax exempt status but there are specific State of GA guidelines for establishing eligibility. It is suggested that they contact their tax advisors for guidance.

4.16 Vandalism

Each school will be responsible for attempting to recover the cost of vandalism from the individuals

involved. When vandalism occurs, the school shall establish a separate restricted activity fund entitled "Vandalism Fund" into which the monies recovered by the school will be receipted and deposited.

At the end of the school year, the fund will be zeroed by issuing a check to the Monroe County Board of Education and forwarding the check to the Assistant Superintendent's office. Any expenses incurred directly by the school in repairing/replacing vandalism losses should be charged directly to this fund.

4.17 Vending Machines

Principals should give serious consideration to vendor-operated machines. The vendors stock the machines, collect and count the money, and then issue the school a check for their share of the profits. This frees school personnel from any vending machine duties and responsibilities. If this process is used, the principal should insist on receiving an accounting document from the vendor verifying the computation of the school's share of the profits. This statement should include the cost of goods sold and the total collection of monies from the vending machine and the percentage of the profits being paid to the school. These statements should be retained for audit purposes. Keep in mind that the products sold must meet school nutritional guidelines.

If school personnel collect monies from vending machines, it should be done in the presence of another school employee, if possible. Likewise, the monies should be counted in the presence of another employee before being placed in a marked envelope and presented to the bookkeeper for receipt. **Vendors should NEVER be paid cash from the collections.** The money should be properly receipted and a check issued to the vendor.

To provide a method of tracking profit and loss information for your vending/concession activities, a separate activity number should be established for each project, and revenues and expenses posted to that activity.

4.18 Wages/Casual Labor

The following procedures are required for the school system to comply with state and federal tax laws. Failure to comply may result in severe financial penalties for the MCBOE. These procedures will be a mandatory audit item each year.

Wages: All payments to school district employees must be paid through Payroll using the MCBOE form Extra Pay Sheet. The business office will bill the school for wages and employers' cost of Social Security. Reimbursement of wage and FICA should be remitted to the Business Office within 15 days.

Casual Labor/Professional Services: If an individual who performs a service or casual labor for your school owns his/her own business or is an employee or associate of another business organization, the individual is not a school system employee and may be paid through the local school. Under certain circumstances, however, it still may be necessary for the MCBOE to report payments made to this individual to the IRS at the end of each tax year.

IMPORTANT!! The IRS requires a W-9 form to be held on file for each payee. The Purchasing Department retains all W-9s for approved vendors of the Monroe County Board of Education.

Payments for casual labor/professional services should only be made when documented by a Check Requisition Form or School Purchase Order.

4.19 Employee Travel

The System allocates travel expenditures for school personnel when approved for “educational purposes” in the annual budget. School activity funds should not be used for travel related expenditures without the express permission of the Superintendent.

When submitting reimbursement requests for approved System or School Activity travel all schools/employees are required to follow the minimum guidelines outlined in the Statewide Travel Regulations. Schools are not authorized to set more lenient policies than those authorized by the Statewide Travel Regulations. <http://sao.georgia.gov>

Meals Not Associated with Overnight Travel

Employees who are required to travel for their job and do not stay overnight may receive per-diem for certain meals under the following situations:

- *Employees acting as an official representative for their department may receive per-diem for meals that are an integral part of a scheduled, official meeting. **Per-diem is only authorized, however, if the meeting is with persons outside the employee’s department and if the meeting continues during the meal.** Employees are not authorized to receive this per diem if they leave the premises of the meeting site.*
- *Employees may be reimbursed for noon meals that are part of a required registration fee that is paid by the employee. Note: In this instance, a per-diem is not authorized; the registration fee is the basis for reimbursement.*

Eligible Meals Per-Diem Amount: Breakfast \$6.00, Lunch \$7.00 and Dinner \$15.00

*Employees are considered traveling in high cost areas of Georgia when their official responsibilities must be performed at a location designated as a high cost area (see definitions in Chapter 1 of State Travel Regulations) **or** lodging is obtained in a location designated as a high cost area. Per-diem rates applicable to high cost areas are outlined below:*

Eligible Meals Per-Diem Amount: Breakfast \$7.00, Lunch \$9.00 and Dinner \$20.00

Meals Associated with Overnight Travel in Georgia

Employees traveling overnight will be paid a per diem amount designed to cover the cost of meals (including taxes and tips), based on the number of meals per day for which the employee is eligible.

◆ How many meals per day?

Employees traveling overnight are generally eligible for per diem amounts designed to cover the

cost of three (3) meals per day for all days on travel status **other than** the day of departure and the day of return.

Day-of-departure: Employees may only receive per-diem for meals occurring while officially on travel status. For example, if an employee departs at 3:00 p.m., the employee is not eligible for breakfast or lunch per diem amounts for the day of departure. If an employee departs on an overnight trip prior to 6:30 a.m., the employee is eligible for per-diem for breakfast on the day of departure. If an employee departs on an overnight trip prior to 11:00 a.m., the employee is eligible for per-diem for lunch on the day of departure. If an employee departs on an overnight trip prior to 5:30 p.m., the employee is eligible for per-diem for dinner on the day of departure.

Day-of-return: Employees may only receive per-diem for meals occurring while officially on travel status. For example, if an employee returns at 11:00 a.m., the employee is not eligible for per-diem for lunch on the day of return. If an employee returns from an overnight trip after 6:30 a.m., the employee is eligible for per-diem for breakfast on the day of return. If an employee returns from an overnight trip after 1:30 p.m., the employee is eligible for per-diem for lunch on the day of return. If an employee returns from an overnight trip after 7:30 p.m., the employee is eligible for per-diem for dinner on the day of return.

Lodging

Employees who travel more than 50 miles from their home office, residence, or headquarters may be reimbursed for lodging expenses associated with approved overnight travel. Employees will be reimbursed for the actual lodging expenses, provided the expenses are reasonable.

Responsibilities of Employee

Employees traveling overnight are responsible for ensuring the most reasonable lodging rates are obtained. To accomplish this, employees should:

- *Make reservations in advance, whenever practical,*
- *Utilize minimum rate accommodations,*
- *Avoid the “deluxe” hotels and motels, and*
- *Obtain corporate/government rates, whenever possible.*
- *When submitting a request for reimbursement form, employees must attach a copy of the agenda for any meeting, conference or workshop attended, along with lodging receipts, parking or toll receipts.*

4.20 Professional Membership Dues

Schools are authorized to pay for professional membership dues that are in the name of the school. Schools are not authorized to pay for personal membership dues of any kind. Principals, teachers, and all other school employees must reimburse the school for any personal membership dues which are paid through the school activity accounts.

4.21 Summary of Safeguards

To be in compliance with the accounting procedures outlined in the manual, we have listed SOME of the required and prohibited procedures that must be followed:

A. Required procedures

- Issue a receipt for all monies received.
- Require *bookkeeper to obtain* a *signed* Monies Collected Form or *signed* Deposit Record Form *from Teacher/Sponsor or staff members* when accepting any collection of funds *for deposit to school activity accounts*.
- All checks must be properly documented *using the Check Request/Request for Reimbursement Form signed by the Principal or his/her designee*.
- Make all payments by check unless using a Petty Cash Fund.
- Report immediately to the Assistant Superintendent any errors that cannot be traced to the source or corrected.
- **Report immediately to the Assistant Superintendent any irregularities or missing funds.**
- Maintain the current bank balance in the checkbook **and/or Cashbook Control Sheet** after daily transactions.
- Make daily deposits when possible.
- Deposit intact all collections of money.
- Deposit all cash except for change funds and Petty Cash Funds the last banking day of each month.
- Reconcile each bank statement with the checkbook, cash control sheet and the ledger.
- Take advantage of all trade discounts when available.
- Complete each month's posting and balance the books by the 15th of the following month.

B. Prohibited Procedures

- Paying Board of Education employees a wage or wage supplement. This includes bonuses and additional compensation for any service. This is a function of the Board's Payroll Department.
- Issuing a check without first securing an itemized invoice or receipt *signed by the Teacher/Sponsor or Staff Member authorizing the expenditure and by the individual verifying receipt that goods or services have been received*.
- Using a statement as the basis for payment.
- Making obligations for which funds are not available or making obligations beyond the end of the fiscal year without approval of the Assistant Superintendent or his designee.
- Making personal loans from school funds.
- Cashing checks with school receipts.
- Volunteers writing receipts and handling school funds. *Note all persons handling funds under the control of the School **MUST** be bonded. System employees are covered under a blanket honesty bond.*
- Permitting any outside agency (PTO, Booster Club, etc.) access to the Monroe County Schools' Sales Tax Exemption Form or the schools' Federal Tax Identification Number.
- Transfer of funds from a restricted account without the approval of both the fund sponsor and the principal.
- Issuing checks to "CASH".

- *Cashing checks made payable to the School. This includes writing a check from school funds payable to the School and cashing it to use for change or petty cash.*

SECTION 5: PROPERTY INVENTORY (Report Annually to Central Office)

5.1 Property Inventory Reporting

Complete property inventory records of the school are required to be reported annually in accordance with OCGA 20-2-962, as enumerated in GDOE's FMGLUA Section II Chapter 43 and MCBOE Policies DIB – *Financial Reports* and DIC – *Inventories*.

For external financial reporting purposes, the Central Office will distribute a detailed listing of property (in accordance with capitalization policies established by the MCBOE for reporting in the Board's financial statements) to each school for physical verification and condition of capital assets/property located at the School.

Additions should be added to the listing provided by the Central Office for capital assets purchased by or donated to the School when the value exceeds \$25,000.00.

SECTION 6: AFFILIATED ORGANIZATIONS (PTA, PTO, Booster Clubs)

6.1 Affiliated Organization Policy

As reflected in the GDOE Financial Management for Government Local Units of Administration (FMGLUA), School districts and student groups are increasingly benefited by affiliated organizations that support curricular, co-curricular, and extra-curricular activities. Affiliated organizations include groups such as Parent-Teacher Associations (PTA's), Parent-Teacher Organizations (PTO's), school foundations, athletic booster clubs, and so on. Contributions by these groups often include supplies, materials, equipment, and even school facilities, such as weight training rooms. In the case of revenue from affiliated organizations, board authorization to receive such funds is needed. MCBOE policies: DFK – *Gifts and Bequests*, KHE – *Gifts to Schools*, and LEC – *Affiliated Organizations* address these issues.

In some cases, owing to the requirements of GASB Statement 39 *determining whether certain organizations are component units*, these affiliated organizations may be reflected in the financial statements of the school district as discretely presented component units. Whether or not the organizations are included as component units, decisions regarding allocation of the donations should be made on the basis of whether the curricular or co-curricular program is the primary beneficiary, as well as on the basis of fundamental fairness in resource allocation. **Due to disbursement control issues, the actual accounting of receipts and disbursements for these affiliated organizations should not be maintained by school district employees.**

6.2 Principal's Responsibilities

The principal (or designee) shall have overall responsibility to coordinate affiliated organizations (referred to as Booster Clubs or Booster Organizations in this Section) and activities as they relate to or reflect upon the school, and to ensure compliance with all Board policies relating to booster club activities and reporting procedures.

In this regard, the principal (or designee) may designate an individual certified employee to act as a Sponsor to work with any particular booster organization on an activity-by-activity basis. Such designee shall be familiar with and observe all policies of the Board relating to booster organizations. It is the duty of such advisor to coordinate and ensure adherence to Board policy. However, the club will be operated by the boosters.

The principal (or designee) must serve as an ex-officio, non-voting member of the executive committee of all booster club organizations and attend meetings regularly. This will help ensure continuity of booster club functions or activities from year-to-year.

The principal must require that the booster organizations operating at the school complete a "Booster Organization Registration Form." The documentation required with the submission of the form includes a copy of the by-laws, current budget, federal tax identification number, a list of the officer's names, addresses, and telephone numbers, and proposed meeting dates. In addition, the principal must maintain a file of all the preceding items in a central location at the school.

The principal (designee) must approve all fundraisers and review monthly bank statements, bank reconciliation forms, and monthly and annual financial statements. The principal must also require that the booster organization's books be audited annually and submit a copy of the results of the audit to the Director of Finance's office at the Monroe County Board of Education on or before August 31 of each year.

In addition, each principal will approve the formation and operation of all booster organizations and reserve the right to disband a booster organization if it is not operating in the best interest of students and the school's instructional and extracurricular programs.

6.3 Booster Club Operations

Booster organizations can only receive funds through dues or Fund-raising activities.

The officers are responsible for recommending fundraising activity programs to its membership. These activities shall, in general, contribute to the educational/ extracurricular experience of students and shall add to the school's instructional program or extracurricular philosophies.

All booster organizations shall serve as a support group for the advancement of the school or departmental objectives. Under no circumstances shall booster clubs operate in opposition or careless disregard of Board policies and procedures.

6.4 Bylaws

All booster organizations shall have written bylaws, passed by its members, setting forth the following in general terms:

- Name of organization
- Purpose of the organization
- Basic policies of the organization

- Membership Dues and Requirements
- Relationship if any the organization holds with any national or state organization
- Officer selection, election procedures and duties
- Procedures for notifying members of meetings
- Schedule of minimum proposed meetings
- Determination letter verifying exempt status, if applicable
- Minimum bonding requirements of \$10,000 for all officers
- Methods of maintaining the financial records of the organization
- Principal or designee is to be ex-officio officer of the organization
- Financial Reporting Requirements
- Audit Requirements

In addition, every effort shall be made to coordinate the above criteria with any state or national booster club requirement to avoid duplication and a double burden on Booster Clubs. Furthermore, a copy of the bylaws shall be kept on file in the principal's office and other designated central office locations.

6.5 Annual Reporting Requirements

Each booster organization is required to complete a Booster Organization Registration Form. Names, addresses and phone numbers of each officer and of each proposed meeting date is to be included on the registration form.

The registration form should be reviewed and approved by the school principal and updated by the booster organization during the year if any officers are elected and/or terminated after the beginning of the school year. A copy of a Booster Organization Registration form is included with the Forms in Section 6 of the Financial Guidelines.

Booster club organizations should prepare a budget each year at the beginning of the school year. No fundraising activities can be approved without a budget. The budget shall be submitted to the principal (or designee) and kept on file at the school.

In addition, the financial records and books of each booster organization shall be audited at least annually. For booster organizations whose national or state requirements provide for annual audits, such reports shall be accepted in lieu of a local audit.

The Director of Finance of the Monroe County Board of Education shall have the right, but not the responsibility to conduct audits from time to time.

Copies of audit reports shall be forwarded by each principal to the Director of Finance for permanent central record keeping by August 31 of each year.

6.6 Organizational Structure

Booster clubs may file for incorporation through the Georgia Secretary of State's Office. However, this is not a requirement. If a booster club does decide to incorporate, it can file for tax exempt status, 501(c)(3), with the Internal Revenue Service. Some booster club organizations such as PTA's, PTSA's, and PTO's already have tax exempt status.

If a booster club chooses not to file for tax exempt status, it shall be responsible for adhering to all applicable state and federal regulations concerning non-profit groups.

PTO/PTA/Booster organizations are sales tax exempt only if the organization has filed and received the tax exempt status under 501(c)(3).

6.7 Bank Accounts

All booster clubs must establish a bank account with its own distinct tax identification number.

The federal identification number of the Monroe County Board of Education or the Social Security number of an individual officer can not be used as a tax identification number for the booster organizations bank account.

All checks of any booster organization must be signed by at least two officers (generally the president, vice-president, and/or treasurer) of the booster organization. The principal should not be a check signer for any booster organization.

In addition, under no circumstances should booster club monies be commingled with the school's general fund monies. The Monroe County Board of Education and each school shall assume no liability for lost or stolen funds.

Each year when new officers are elected, financial files should be transferred to the new treasurer and signature cards should be updated at the bank.

The bank statement should be mailed to the President for his/her review and submitted to the treasurer for reconciliation each month. Bank account reconciliations should be given to the principal (or designee) and executive officers of the booster club along with the bank statement for review. A copy of a Bank Reconciliation Form is included with the Forms in Section 6 of the Financial Guidelines.

Each booster organization must request that original canceled checks be returned to them each month with their bank statement, even if a fee is charged. If original canceled checks can not be provided, copies of the canceled checks should be included with the bank statement. In this regard, if possible, copies of both the back and front of the checks should be obtained.

Preferably, bank deposits should be made daily. Balances in checkbooks should be current and "running balances" should be maintained.

Efforts should be made to collect on checks which were returned for non-sufficient funds. In addition, **no debit cards or check cards are allowed** to be used with your Booster Club/PTO bank account.

6.8 Surety Bonds

All officers of booster clubs must be bonded. The amount of the surety bonds obtained may vary between the booster organizations. However, it is recommended that the maximum fundraising level be covered or at a minimum, at least \$10,000 coverage should be obtained for each officer.

6.9 Fundraising Activities

It should be noted that no fundraiser should be held for the purpose of raising money for personal gain or for non-school related activities at school or during school hours. All proceeds obtained from fundraisers should be used for the benefit of the students and the school. Students are not to go door-to-door throughout the community selling items to raise money for school projects.

In addition, all fundraising requests must be submitted to the principal (or appropriate department head) for preapproval. The principal must respond to all fundraising requests within five business days. Furthermore, the principal may only approve fundraisers from the system wide list of approved fundraisers. If a fundraising activity is desired that is not on the aforementioned list, the principal must seek prior approval from the Superintendent of the Monroe County Board of Education.

The Fundraising Financial Report should be completed by the booster organization for all fundraisers prior to the beginning of any fundraiser. A separate form should be prepared for each fundraiser.

The form requires the principal's signature of pre-approval before a fundraiser can be held. The beginning date (of the fundraiser), estimated ending date, and the purpose of the fundraiser should be listed on the form. An estimate of the projected income and expenses, and the projected profit or loss associated with the event is to be provided. The projected profit percentage is to be calculated, and the contracted rate of return, which is the profit percentage that the vendor indicates the fundraiser will make on the fundraising event, is to be shown.

At the end of the fundraising event, the Fundraising Financial Report should be completed and turned into the principal. The Fundraising Financial Report reflects the following:

- summarizes the actual income and expenses
- shows the related profit or loss associated with all fundraising events
- calculates the actual profit percentage
- compares actual profit percentage to the vendor's projected rate of return
- allows for brief explanation of a loss

The Fundraiser Financial Report Form should be used for, but not limited to, the collection of revenue for all approved fundraisers. Because the Fundraising Financial Report provides an important analysis of fundraising efforts, the form should be completed for all fundraisers held during the fiscal year. These forms should also be included in the accounting records with supporting documentation and presented for review during the year-end auditing process. A copy of a Fundraising Financial Report Form is included with the Forms in Section 6 of the Financial Guidelines.

In addition, copies of other forms that are very useful for fundraising activities are also included with the Forms in Section 6 of the Financial Guidelines. They include an Events Proceeds Form that can be used to record the revenue generated at a specific event, as well as, reflect the funds issued to make change. Additionally, the Product Sales Reconciliation Worksheet, Coupon/Booklet Reconciliation Form, and Fundraiser Completion Report Form are documents that can be used to analyze fundraisers held and highlight or explain variances from projected results. Furthermore, we encourage all clubs to complete all fundraising activities by the end of April each year. Also, all bills should be paid in full by the end of May each year.

6.10 Raffles

Only nonprofit organizations can conduct raffles. In addition, to have a raffle you must also apply for a raffle license. The raffle license is obtained from the Monroe County Sheriff's Office.

6.11 Sales Tax

PTO/PTA/Booster organizations are sales tax exempt only if the organization has filed and received the tax exempt status from the IRS under 501(c)(3).

6.12 FINANCIAL REQUIREMENTS

a. Budgets

Annual budgets should be prepared and approved by all booster club organizations to identify projected sources of income and proposed expenditures. A copy of a Proposed Budget Worksheet is included with the Forms in Section 6 of the Financial Guidelines.

b. Cash Receipts

Receipts should be written for all monies collected at the time the funds are received. Pre-numbered receipt books should be purchased to record all cash receipts transactions. It is also recommended that the PTO/PT A/Booster Remittance Report be utilized by booster organization members to help track and summarize all monies collected and remitted to booster officers. A copy of this form is included with the Forms in Section 6 of the Financial Guidelines.

Any monies that have not been received by year end should be recorded on the Outstanding Accounts Receivable Balances Form. However, great efforts should be made to obtain all funds due to the booster organization prior to the end of the school year.

c. Cash Disbursements

All disbursements should be properly approved, documented by receipts or invoices, and clearly identify what was purchased and from whom. In addition, an approved Check Request Form should be on file for all disbursements made. A copy of a Check Request Form is included with the Forms in Section 6 of the Financial Guidelines.

If certified checks are utilized, supporting documentation in addition to a copy of the check used to purchase the cashier's check (do not use cash) should be maintained. Checks should generally be made payable to a company. Checks written to individuals must be endorsed by the individual. Checks should be signed only after they are completely prepared. All checks are to be accounted for including voided checks. The checks which have been voided should be retained for review. Unused checks should be properly controlled and safeguarded.

Invoices should be paid on a timely basis and preferably within the fiscal year. If there is an amount owed to a vendor after the end of the fiscal year, the name of vendor and the amount owed should be listed on the Outstanding Accounts Payable Balances Form. A copy of the preceding form is with the Forms in Section 6 of the Financial Guidelines.

d. Inventory

If perishable goods are sold by the booster club, the vendor should be notified immediately of spoiled and/or damaged goods for replacement or credit. These goods should be accounted for on the fundraiser report. Documented evidence should be made for future reference.

e. Ledger Sheets

Ledger sheets should be used to record all cash receipts and disbursement transactions. A copy of a ledger sheet is included with the Forms in Section 6 of the Financial Guidelines.

f. Monthly Financial Reports

Monthly financial reports (Treasurer's Reports), including interim status of fundraisers and bank reconciliations, should be prepared by the treasurer and submitted to the officers and principal. These reports will also be submitted to the membership at large during meetings and included in the official minutes of each meeting. A copy of a Treasurer's Report is included with the Forms in Section 6 of the Financial Guidelines.

g. Annual Financial Statements

Annual financial reports shall be submitted to the organization's officers, membership at large and to the principal. The annual financial statements should reflect all revenue generated and expenditures incurred during the fiscal year.

h. Audit Reports

A copy of each booster's organization audit report should be presented to the organization's membership and the Principal. Guidelines and forms relative to conducting the audit, as well as, preparing the annual financial statement are included in the Forms Section of this handbook.

A copy of the audit report should be presented to the booster officers, members at large, and principal. In addition, the Principal should send a copy of the audit report to the Director of Finance at the Monroe County Board of Education for permanent filing no later than August 31 of each year.

i. Assistance and Training

If you have any questions relative to the policies and procedures contained in this handbook, please contact the Controller's office at the Monroe County Board of Education.

In addition, annual training sessions on booster club policies and procedures will be conducted by the Director of Finance of the Monroe County Board of Education. It is mandatory that at least two booster club officers attend the annual training sessions.

Forms

The sample forms included for booster organizations are provided only as guidelines and do not have to be used if the forms you currently use provide the same information. However, it is the responsibility of the booster club to follow all board policies and guidelines. Sample forms supporting documentation for booster organizations are included in Exhibit J of the Appendix.