

Leon County Schools



School Internal Accounts Procedures Manual

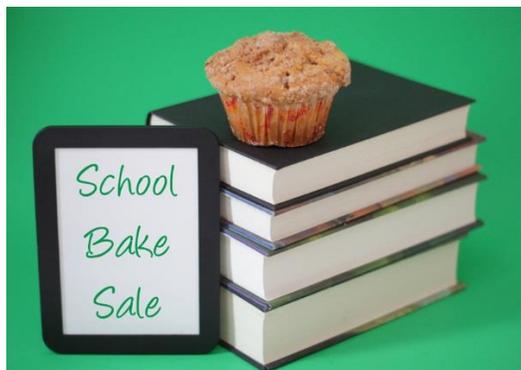


TABLE OF CONTENTS

CHAPTER 1 – GENERAL OVERVIEW.....	7
A. DEFINITION – INTERNAL ACCOUNTS	7
B. INTRODUCTION	7
C. BASIC PRINCIPLES.....	7
CHAPTER 2 – STATUTORY AUTHORITY	10
A. STATE GUIDANCE	10
a. FLORIDA STATUTES	
i. 1011.07 – INTERNAL FUNDS	10
b. FLORIDA STATE BOARD OF EDUCATION ADMINISTRATIVE RULES	
i. 6A-1.085 – BASIC PRINCIPLES OF INTERNAL FUND ACCOUNTING.....	10
ii. 6A-1.087 – SCHOOL BOARD RESPONSIBILITY FOR INTERNAL FUNDS.....	10
iii. 6A-1.091 – PURCHASES FROM INTERNAL FUNDS.....	10
c. FINANCIAL AND PROGRAM COST ACCOUNTING AND REPORTING FOR FLORIDA SCHOOLS, 2014	
i. CHAPTER 8 – INTERNAL ACCOUNTS	10
ii. CHAPTER 4 – OBJECT CODES	10
B. DISTRICT GUIDANCE	11
a. POLICY	
i. 6610 – INTERNAL ACCOUNTS	11
ii. 5830 – STUDENT FUND-RAISING	11
iii. 5830.01 – CHARITABLE ACTIVITIES	11
iv. 6152 - STUDENT FEES, FINES, AND CHARGES	11
v. 6550 - TRAVEL AND PER DIEM	11
vi. 7510 – USE OF DISTRICT FACILITIES	11
vii. 9210 - PARENT ORGANIZATIONS	11
viii. 9211 - PARENT ORGANIZATIONS, BOOSTER CLUBS, AND OTHER FUND-RAISING ACTIVITIES	11
b. PROCEDURES	
i. 6610 – INTERNAL ACCOUNTS	11
ii. 5830 – STUDENT FUND-RAISING	11
iii. 5830.01 – CHARITABLE ACTIVITIES	11
iv. 6152 – STUDENT FEES, FINES, AND CHARGES.....	11
v. 6550 – TRAVEL AND PER DIEM	11
vi. 7510 – USE OF DISTRICT FACILITIES	11

vii.	9210 – PARENT ORGANIZATIONS	11
viii.	9211 – PARENT ORGANIZATIONS, BOOSTER CLUBS, AND OTHER FUND-RAISING ACTIVITIES.....	11
c. OTHER GUIDANCE		
i.	STUDENT ACTIVITIES HANDBOOK.....	11
ii.	PURCHASING MANUAL.....	11
iii.	RECORDS DESTRUCTION GUIDE	11

CHAPTER 3 – GENERAL PRACTICES..... 12

A.	ACCOUNTING SYSTEM – SKYWARD	12
B.	ACCOUNT STRUCTURE.....	12
C.	CHART OF ACCOUNTS	13
D.	BANK ACCOUNTS	14
E.	FINANCIAL REPORTING.....	15
F.	RECORDS RETENTION.....	19
G.	AUDITS.....	21

CHAPTER 4 – CASH RECEIPTS PROCESS..... 23

A.	GENERAL PROVISIONS.....	23
B.	PRE NUMBERED TEACHER RECEIPTS	23
C.	REPORT OF MONIES COLLECTED	24
D.	VERIFICATION OF CASH RECEIPTS.....	24
E.	ISSUANCE OF OFFICIAL RECEIPT	25
F.	DEPOSIT GUIDELINES	26

CHAPTER 5 – CASH DISBURSEMENTS PROCESS..... 27

A.	GENERAL PROVISIONS.....	27
B.	CHECK REQUISITION FORM.....	27
C.	PURCHASE ORDERS	27
D.	CHECKS.....	29

CHAPTER 6 – INTERNAL ACCOUNTS P-CARDS..... 30

A.	GENERAL PROVISIONS.....	30
B.	OBTAINING AN IA P-CARD	30
C.	PRIOR AUTHORIZATION PROCESS.....	31
D.	CARD USAGE.....	32
E.	CARD RECONCILIATION.....	32
F.	RESTRICTIONS AND OTHER INFORMATION	33

CHAPTER 7 – CASH RECEIPTS TOPICS..... 34

A. GENERAL PROVISIONS 34
B. TICKET SALES 34
C. STUDENT FUND-RAISING 35
D. DONATIONS..... 36
E. VENDING MACHINES..... 36
F. CONCESSION SALES 36
G. INTEREST EARNED 37
H. STUDENT FEES..... 37
I. STUDENT FINES 37

CHAPTER 8 – CASH DISBURSEMENTS TOPICS 38

A. GENERAL PROVISIONS 38
B. RESTRICTED EXPENDITURES..... 38
C. PROHIBITED PRACTICES 38
D. TRUST ACCOUNTS 39
E. PETTY CASH FUNDS 39
F. CHANGE FUNDS..... 40
G. TIPPING 40
H. ITEMS PURCHASED FOR RESALE..... 40
I. REFUNDS 41
J. REIMBURSEMENTS 41
K. CAPITALIZED TANGIBLE PERSONAL PROPERTY 41

CHAPTER 9 – GENERAL PROCESSING PROCEDURES 43

A. NSF CHECKS..... 43
B. STALE DATED CHECK 44
C. BANK FEES..... 44
D. JOURNAL ENTRIES 44
E. STOP PAYMENTS..... 45
F. VOIDED CHECKS..... 45
G. 1099s..... 45

CHAPTER 10 – ATHLETICS..... 47

A. GENERAL PROVISIONS 47
B. GATE RECEIPTS & TICKET SALES..... 47
C. LOG OF COMPLIMENTARY ATHLETIC PURCHASES 47
D. ATHLETIC FEES..... 47

E. ATHLETIC CAMPS	48
F. ATHLETICS TRAVEL	48
CHAPTER 11 – TRAVEL	49
A. GENERAL PROVISIONS	49
B. OUT OF COUNTY/STATE TRAVEL	49
C. SCOUTING TRIPS	50
CHAPTER 12 – PTOs / PTAs / BOOSTER GROUPS	52
A. GENERAL PROVISIONS	52
CHAPTER 13 – MISCELLANEOUS.....	53
A. PTSA	53
B. YEARBOOKS	53
C. SALES TAX	53
D. SALES TAX EXEMPTIONS	54
E. FACILITIES RENTAL AGREEMENTS	54
F. GIFT CARDS	54
G. GIFTS OR HONORARIUMS.....	55
H. SCHOOL SPONSORED CAMPS	55
I. SCHOOL STORE	55
J. NON-CAPITALIZED TECHNOLOGY PURCHASES	55
K. EXTRA DUTY PAYROLL	56
APPENDIX	57
A. SKYWARD TRAINING MANUAL.....	57
B. INTERNAL ACCOUNTS ACCOUNT CLASSIFICATIONS	57
C. FORMS	57
A. REPORT OF MONIES COLLECTED	57
B. CHECK REQUISITION FORMS.....	57
C. P-CARD POLICY ACKNOWLEDGEMENT LOG	57
D. P-CARD REQUISITION FORM.....	57
E. P-CARD SIGN-IN/SIGN-OUT LOG.....	57
F. TEACHER RECEIPT BOOK LOG.....	57
G. YEAR BOOK REPORT	57
H. YEAR BOOK ADS SOLD REPORT	57
I. DONATION LETTER (SAMPLE).....	57
J. ACTIVITY REQUEST FORM (SAMPLE).....	57
K. SALES/INVENTORY REPORT	57
L. TICKET SELLER REPORT	57

M. PTSA57
N. PURCHASE ORDER LOG57
O. FACILITIES USE FORM57
P. PLANT SECURITY REPORT57
Q. CASH COUNT FORM57
R. RECORDS DISPOSITION DOCUMENT57

CHAPTER 1 – GENERAL OVERVIEW



DEFINITION – INTERNAL ACCOUNTS

Internal accounts are defined as all local funds derived by any public school from all activities or sources collected and expended to promote the education, general welfare, and morale of the students or to finance the “normal program of student activities not otherwise financed” [Florida State Board of Education Rules 6A – 1.085 [1]].

Specifically included in internal accounts are: funds derived from school athletic events; gifts and contributions made by music or athletic booster clubs, civic organizations, parent-teacher organizations; and all other similar monies, properties or benefits.

In addition to funds directly related to student or general school activities, certain monies may be held in trust for organizations or departments or for various specified purposes.

INTRODUCTION

This document represents the official procedures manual for the school internal fund accounts in the School District of Leon County. The purpose of this manual is to familiarize school district employees with the requirements governing financial accountability for the internal fund accounts. These procedures were developed in compliance with Federal Law, Florida Statutes, State Board of Education Rules, and Administrative Regulations of the School District of Leon County.

BASIC PRINCIPLES

The School Board of Leon County is responsible for the administration and control of all local school funds derived by any public school from activities or sources, including but not limited to, funds collected from school athletic events, gifts, and contributions made by booster clubs, civic organizations, and parent-teacher organizations. School internal account funds shall be used to finance a program of School Board approved activities which supplement those activities provided from District funds.

Basic principles and General practices shall apply to school internal account funds pursuant to LCSB Policy 6610 - Internal Accounts, Financial and Program Cost Accounting

and Reporting for Florida Schools (“Redbook”), Florida Statutes, and State Board of Education Rules. A summary of these requirements are listed below:

1. The School District of Leon County has established a standard chart of accounts and sub-account numbers. The purpose for requiring uniformity is to have consistency throughout the district and to be in compliance with federal and state guidelines. The internal fund accounting system is composed of seven (7) fund types: Athletics, Music, Classes, Clubs Departments, Trusts, and General.
2. Transactions of all school organizations shall be placed in school internal funds. All organizations or individuals that represent themselves as, are connected with or operate in the school’s name and obtain monies from the public shall be accountable to the school board for receipt and expenditures of those funds in a manner prescribed by the board.
3. All funds collected or handled by school board employees during normal working hours shall be included in and become part of the internal funds of the school unless accounted for in the district level accounting system.
4. The principal shall be responsible for the safe and proper handling of all monies collected and disbursed within the school and shall follow the rules governing the accounting of such funds or other assets as outlined in this manual.
5. All fundraising activities, solicited donations, purchases, or any other financial transaction must have prior written approval from the principal.
6. Funds which are collected each school year shall be expended within that school year to benefit the students, unless the funds have been collected for a specific documented purpose, which may include, but are not limited to, multi-year projects.
7. The objectives of fundraising activities by the school, by any group within, or in the name of the school, shall not conflict with programs as administered by the school board.
8. The collecting and expending of school internal account funds shall be in accordance with the Florida Constitution, Florida Statutes, State Board of Education Rules, and school board rules. Sound business practices should be observed in all transactions.
9. Each school organization should operate within a budget formulated by the organization members. The format of the budget shall be prescribed by the principal if not prescribed by school board rules.

10. Purchases from internal accounts shall not exceed the resources of the applicable student activity/project account, except for items acquired for resale or items authorized by school board rules.
11. All monies received shall be promptly deposited in a qualified public depository and provisions shall be made for the adequate safekeeping of all monies and other financial assets that may come into possession of the school.
12. Promissory notes shall not be executed in the name of a school or any school organization.
13. The principal shall not enter the school into any financial contract for longer than one year or in excess of \$8,000 without the prior written authorization of the superintendent (or designee).
14. The principal shall be responsible for obtaining contracts involving "funds handled in trust for individuals" (e.g. contracts for class jewelry, school annuals, cards and invitations, caps and gowns, etc.), which are not subject to the \$8,000 restriction. The actual contract must have the principal's signature at a minimum.
15. The school board shall provide for an annual audit of internal funds by a licensed public accountant(s).

CHAPTER 2 – STATUTORY AUTHORITY

STATE GUIDANCE

AUTHORITY	DESCRIPTION
1011.07 F.S. – Internal Funds	Establishes the responsibility of the district school board and the State Board of Education as it relates to internal funds.
6A-1.085 F.A.C.– Basic Principles of Internal Fund Accounting	Establishes the basic principles governing monies collected and expended within a school.
6A-1.087 F.A.C.– School Board Responsibility for Internal Funds	Establishes the responsibility of the school board for the administration and control of the internal funds of a school.
6A-1.091 F.A.C.– Purchases from Internal Funds	Establishes the requirements pertaining to purchases from internal funds.
Financial and Program Cost Accounting and Reporting for Florida Schools, 2014 (The Red Book) – Chapter 8	Established to provide Florida school districts with a uniform chart of accounts for financial, cost and budgetary reporting. Chapter 8 is the governing authority for School Internal Funds.
Financial and Program Cost Accounting and Reporting for Florida Schools, 2014 (The Red Book) – Chapter 4	Established to provide Florida school districts with a uniform chart of accounts for financial, cost and budgetary reporting. Chapter 4 presents fund and expenditure account numbers and related definitions.

DISTRICT GUIDANCE

AUTHORITY	DESCRIPTION
6610 – Internal Accounts	Leon County School Board policy governing internal accounts.
5830 – Student Fund-Raising	Leon County School Board policy governing student fundraising.
5830.01 – Charitable Activities	Leon County School Board policy governing charitable activities.
6152 - Student Fees, Fines, and Charges	Leon County School Board policy governing Student Fees, Fines, and Charges.
6550 - Travel and Per Diem	Leon County School Board policy governing travel and per diem.
7510 – Use of District Facilities	Leon County School Board policy governing the use of district facilities.
9210 - Parent Organizations	Leon County School Board policy governing parent organizations.
9211 - Parent Organizations, Booster Clubs, and Other Fund-Raising Activities	Leon County School Board policy governing parent organizations, booster clubs, and other fund-raising activities.
Student Activities Handbooks	Established to provide minimal standards and common understandings among administrators, coaches, parents, and students of the policies and procedures governing student activities.
Purchasing Manual	Established to foster a structured system of open competition enabling the District to purchase needed materials, supplies and services.
Records Retention Manual	Establishes retention periods and the procedures for scheduling and disposing of records in the State of Florida.

CHAPTER 3 – GENERAL PRACTICES

ACCOUNTING SYSTEM

The Leon County School District utilizes the School Based Activity Accounting (SBAA) Module in the Skyward Accounting System to manage school internal accounts. Each School Financial Accountant (SFA) is required to post all internal accounts transactions to the SBAA Module and complete the required reconciliations.

A representative from Leon County School's Finance Department is available to provide training on issues related to internal accounts and the proper usage of the Skyward Accounting Software. The SFA is responsible for obtaining the necessary training to become proficient in the use of the system. The Appendix of this manual includes a Skyward User's Manual that provides guidance and tips on proper usage of the SBAA Module.

ACCOUNT STRUCTURE

The internal funds account structure has been established in accordance with the guidelines set forth in the Financial and Program Cost Accounting and Reporting for Florida Schools ("The Red Book"). The internal funds account structure used by the Leon County School District consists of the following elements:

- Fund (8910)
- Function (0000)
- Object (See The Red Book –Chapter 4)
- Location (Cost Center)
- Project (See District SBAA Chart of Accounts)
- Sub Project (See District SBAA Chart of Accounts)
- Program (00000)

The object classification indicates the type of goods or services obtained as a result of a specific expenditure. Function and object code field sizes are four and three characters, respectively. The State does not currently require direct coding of the third and fourth characters of function codes or the third character of object codes, but it may specify such coding in the future.

The account structure below provides a sample line of coding for a baseball booster account at Chiles High School.

Fund	Function	Object	Location	Project	Sub Project	Program
8910	0000	0000	1141	17001	00003	00000

CHART OF ACCOUNTS

The Internal Fund Chart of Accounts is an all-inclusive listing of available account codes for classifying and recording internal fund financial transactions. The Chart of Accounts is maintained by the District’s Finance Department. All new account structures are created by the District Finance Department upon request of the SFA and Principal.

The Leon County School District has established a standard Chart of Accounts and sub-account numbers. The purpose for requiring uniformity is to promote consistency throughout the District and to ensure compliance with federal and state guidelines. The internal fund accounting system is composed of seven (7) fund types. The table below provides the basic account numbers and categories as detailed in “The Red Book”.

Chart of Accounts	
Control Account Number	Student Activity/Project
10000	Athletics
20000	Music
30000	Classes
40000	Clubs
50000	Departments
60000	Trusts
70000	General

A general description of the types of funds that should be included under each account classification is provided below.

Athletics: All revenues and expenditures associated with athletics, such as game revenues, fundraisers, and uniform fees. The physical education department is **not** part of this fund type (see departments).

Music: All revenues and expenditures associated with musical organizations, such as performances, competitions, fundraising, supplies and donations. The music department is **not** part of this fund type (see departments). Collections from students for rental or maintenance of uniforms or instruments are recorded in a subaccount under this classification.

Classes: All revenues and expenditures associated with class business activities, such as graduation fees and fundraising events for specific grade levels.

Clubs: All revenues and expenditures associated with club activities, such as fundraising events and dues. Examples are Student Government Association (SGA) and Drama Club.

Departments: All revenues and expenditures associated with activities of curricular related projects and production accounts. Examples include Science, Music, Art, and PE departments, and the Media Center.

Trust: All funds collected for a specific, restricted purpose are recorded in this fund type and shall be expended only for the purpose of which collected. Sales tax collected for the State is a trust fund.

General: This fund type encompasses all other accounts for funds that are to be utilized for the general welfare of the student body. Examples include the schools store, school picture proceeds, yearbook sales, vending machine commissions, facility rental income, and general donations. Separate sub-accounts are maintained for activities when it is good business practice to separately monitor the financial status of the activity.

BANK ACCOUNTS

Depositories for School Internal Account Funds

Depositories in which internal funds are kept must be qualified public depositories, approved by the district school board. The list of active Florida qualified public depositories approved for deposit of public funds can be found on the Florida Department of Financial Services Website at the following link:

https://apps8.fldfs.com/CAP_Web/PublicDeposits/ActiveQPDDisplayList.aspx

Please consult with the District Finance Department prior to changing banks to ensure that funds are deposited in a qualified public depository.

Bank Accounts - Checking

Each school shall have only one checking account, which shall be entitled “(SCHOOL NAME) Internal Fund, The School District of _____ County, Florida,” or alternative that clearly identifies the school and school district. The account title must be imprinted on all internal fund checks and deposit slips. All monies received by the school will be deposited intact as collected into this account, and all disbursements made by checks must be drawn on the school’s internal checking account.

Additional checking accounts may be used by designated area career centers, if required, in the administration of student grant or loan programs. The name of such grant or program shall be identified in the account title.

Bank Accounts – Savings or Investment Accounts

Savings or investment accounts shall be titled in the same manner. All monies deposited in a savings account are to be transferred from the checking account. Receipts should not be deposited directly to the savings account. All withdrawals from savings are to be deposited in the checking account. Payments are not to be made directly from savings.

Authorized Signatures on Checks

Each account shall have at least three authorized check signers, one of whom must be the principal. This will facilitate the conduct of financial transactions in the event one person who is authorized to sign checks is not available. These names shall be kept on file for audit. When a person who is authorized to sign checks leaves the employ of the school, the SFA is to notify the bank or savings and loan association in writing that the person leaving is no longer authorized to sign checks. The person leaving should not be permitted to sign checks for a period prior to the termination date sufficient to allow all checks bearing his/her signature to clear. A new signature card needs to be established for the new authorized signer.

All checks must be signed with two signatures as prescribed by the principal. Given this requirement, all check stock should include two signature lines.

FINANCIAL REPORTING

Monthly Bank Reconciliation

Bank statements shall be reconciled as soon as received, preferably by a person other than the person who receives and disburses funds. The SFA should complete the monthly reconciliation process utilizing the SBAA module of the Skyward Accounting Software. The bank statement balance is to be reconciled to the Principal's Monthly Report. The reconciliation should be completed by the 15th day of the month following the closing date on the bank statement.

The bank statement should be received, reviewed, signed and dated by the principal prior to providing the signed bank statement to the SFA to complete the reconciliation process. In cases where the school receives the bank statement electronically, the principal should log into the online banking system, print, review, sign and date the bank statement and forward a hardcopy to the SFA to complete the monthly reconciliation process.

The monthly reconciliation process is completed utilizing the Skyward Accounting System. The reconciliation process requires entering pertinent information from monthly bank statements, clearing checks, and generating all of the necessary journal entries (interest, corrections, transfers, adjustments, etc.). Prior to finalizing the monthly reconciliation, the SFA should research and clear any variances noted on the Bank Reconciliation Report.

Variations cannot be cleared by entry of manual adjustment figures on the Principal's Monthly Report.

In addition to the steps noted above, the SFA should take steps to research accounts with negative balances, NSF checks, and stale dated checks. See Chapter 5 for additional information on these topics

Administrative Review Process

Upon completion of the reconciliation by the SFA, the bank statement(s), bank reconciliation(s), Principal's Monthly Report, and all journal entries should be provided to the principal for review. The Principal's Monthly Report should detail account balances including total monthly and year to date receipts and disbursements by activity account. This level of detail will aid the principal in obtaining an understanding of the current financial position of each activity account. The principal should complete a comprehensive review of the Principal's Monthly Report and compare account balances to the values on the monthly Bank Reconciliation Report. Further, the principal should review the monthly bank reconciliation report to identify any variance between the bank balance and the balance recorded in the SBAA software. Any exceptions or variances should be investigated by the principal. Appropriate action should be taken by the principal to document exceptions or variances (journal entries, incident reports, etc.)

The bank statement(s), bank reconciliation(s), Principal's Monthly Report and all journal entries should be signed and dated by the principal. The original signed copies of these documents should be maintained as a part of the school's internal accounts records.

Recordkeeping

The following documentation must be maintained to support the monthly reconciliation process:

1. Bank Statements (signed by the Principal or designee)
2. Bank Reconciliation Report (signed by the Principal or designee)
3. Principal's Monthly Report (signed by the Principal or designee)
4. Journal Entry Report (signed by the Principal or designee)
5. Properly completed check requisition forms with all invoices, receipts and other necessary supporting documentation attached. The checks and support should be organized in sequential order.
6. Properly completed ROMCs with all necessary supporting documentation. The cash receipts should be kept in sequential order and attached to the corresponding deposit slip. The deposit slips should be organized by the date of deposit.

The detailed steps necessary to complete the monthly reconciliation can be found in the Skyward User's Guide included in the Appendix of this manual.

Year End Closeout

In addition to the reconciliation activities completed on a monthly basis, the SFA should work in collaboration with the school principal to ensure that adequate support and documentation has been maintained for the following:

1. NSF Checks
2. Stale Dated Checks
3. Student Fee Accounts
4. Deficit Spending
5. Fund-Raiser proceeds

Internal accounts records should be organized and stored in a secure location. Reconciled bank statements and monthly financial reports should be readily available for review. In addition to the documents noted above, the list below, although not comprehensive, provides guidance regarding the types of additional documentation that must be maintained:

1. Cash Receipts

All Reports of Monies Collected (ROMCs) and supporting documentation for the fiscal year.

2. Cash Disbursements

All Check Requisitions and supporting documentation for the fiscal year.

3. Monthly Financial Statements

Bank Statements, Bank Reconciliation Reports, Principal's Monthly Reports, and Journal Entry Reports.

4. IA P-Card Policy Acknowledgement Log

The IA P-Card Policy Acknowledgement Log should be completed annually at the beginning of each school year, preferably during the school's initial planning meeting. The SFA should print LCSB Policy 6424 – Purchasing Cards and LCSB Administrative Procedure 6424 – Purchasing Cards and attach them to the IA P-Card Policy Acknowledgement Log. Each staff member should read the governing policy and procedure and sign the log indicating their understanding of IA P-Card rules.

5. IA P-Card Sign-In / Sign-Out Log

The IA P-Card Log tracks custody of the miscellaneous IA P-Cards and should be completed when the card is checked out and/or returned. It is recommended that one continuous log be maintained for the entire fiscal year.

6. Teacher Receipt Book Log

The Teacher Receipt Book Log serves as an inventory of the teacher receipt books issued during the fiscal year. It includes the date issued, receipt numbers included in the receipt book, signature of teacher receiving the book and signature of the SFA evidencing return of the completed book.

7. Gift Card Log

The Gift Card Log documents all gift cards purchased during the school year. The log should include the account number and check number used for the purchase of gift cards, the reason for the purchase, as well as the signature and date of the individual receiving the gift card. Additionally, purchases of gift cards should not exceed District guidance as follows: Gifts or honorariums cannot exceed \$100 per person, per year.

8. Log of Complimentary Athletic Purchases

The Log of Complimentary Athletic Purchases should be maintained for any gratis or complimentary items purchased using athletic funds. The log should include the type of item purchased, account number and check number used for payment, and the signature and date of the individual receiving the item.

9. Fee Letters

Student fee letters must be provided to the parents whenever fees are requested. The fee letters should include an itemization of expenses and clearly detail the purpose for collection of funds.

10. Yearbook Report

The Yearbook Report is used to track all yearbook inventory for the school year.

11. Yearbook Ads Sold Report

The Yearbook Ads Sold Report lists the date sold, advertiser's name, ad size and amount, and a record of payment. This report is used to track all ad sales for the school year.

12. Donation Letters

Donation letters should be obtained from all donors and include details regarding how the donor would like the funds disbursed. If a donation letter cannot be obtained, the funds must be posted to the general student account and used for the general welfare of the entire student body.

13. Activity Request Forms

Activity Request Forms must be completed and approved by the principal prior to beginning fundraisers. The forms should include the type and duration of fundraising efforts, costs of items sold, and the intended use of all fundraiser proceeds.

14. Inventory Reports

Inventory Reports must be maintained whenever items are purchased for resale to include concession sales, school store inventories, T-shirt inventories, etc. The Inventory Report should include the type and quantity of items purchases, actual costs, sales price, and profit information. The report should also indicate the status of any unsold inventory (spoiled, salvaged, donated, retained for future sale, etc.).

15. Ticket Seller Report

Ticket Seller Reports indicating ticket prices and the number of tickets sold should be completed by an event sponsor whenever tickets are sold for an event. This record should contain a perpetual inventory of tickets on hand by color code (price), ticket number, the admission prices, and actual cash on hand. Ticket Seller Reports should be attached as supporting documentation to the ROMC when funds are being submitted for deposit.

16. Fundraiser Reconciliation Report

Fundraiser Reconciliation Reports should be completed to identify the types, frequencies, and profitability of fundraising efforts.

17. PTSAs

Professional Technical Service Agreements (PTSAs) should be initiated in accordance with the requirements outlined in LCSB Administrative Procedures 6320.01 – Professional/Technical Service Agreement (PTSA).

18. Extra Duty Payroll

Any Extra Duty Payroll must be processed through the LCSB Payroll Department. Salaries are not to be paid from internal accounts.

19. PTO/PTA/Booster Group Officers & Budgets

A copy of the current officers and an approved budget should be provided to the SFA annually. Additionally, any periodic financial reports must be provided to the principal in accordance with LCSB Policy 9211 – Parent Organizations, Booster Clubs, And Other Fund-Raising Activities.

RECORDS RETENTION

Chapters 119 and 257, F.S., provide that no public official may mutilate, destroy, sell, loan or otherwise dispose of any public record unless under the consent of the records and information management program of the Division of Library and Information Services of the Department of State. Provided applicable audits have been released, records may be disposed of in accordance with procedures established by the records and information management program. Examples of such records for internal funds include check requisitions and documentation, canceled checks, recap of collections, journals, ledgers, financial reports, purchase orders and serialized forms.

Disposal of Records

Upon receipt of the records after audit by the internal or external auditors, audit record containers are to be marked denoting the fiscal period involved. The basic retention time period for such records are:

Canceled checks are to be retained for five (5) years or until the final audit report has been issued, whichever is greater.

All other records are to be retained for three (3) years or until the final audit report has been issued, whichever is greater.

It is recommended that a file be maintained by the Principal/Director for published audits for at least five (5) years.

Records Management Program

Objective

The main objective of our Records Management Program is to establish a uniform District-wide system. In compliance with this responsibility, Records Retention Schedules have been established determining the length of time each records series is to be kept in accordance with state law. These retention schedules are established by the Department of State. They are updated in the General Records Schedule for Florida School Districts and the contents are included in the Records Retention Manual.

A record series is a group of identical or related records which are normally used and filed as a unit and are destroyed as a unit in accordance with a retention schedule. A retention schedule is a list of such records for a department, area, office or school specifying the length of time records are to be kept and when such records may be destroyed.

Please note: A RETENTION SCHEDULE DOES NOT AUTHORIZE THE DESTRUCTION OF ANY RECORDS. Destruction may not occur until a Records Destruction Request has been submitted by the Records Management Center to the state Division of Library and Information Services and approval has been received.

When a school or department has records it wishes to destroy, a Records Disposition Document form should be completed and forwarded to Records Management via Fax, email, or Inter-Office mail. The Records Disposition form can be found in the forms library on the Leon County Schools website.

The person initiating the Records Disposition Document should ensure that the form is completed in its entirety prior to forwarding to Records Management for approval. The Records Retention Manual should be referenced to ensure that records are being destroyed in accordance with the specified timeframe. Sections a. (schedule number); b.

(Item number) and d. (retention period) of the Records Disposition document should be completed using the appropriate information found in the Records Retention Manual.

After approval has been received from Records Management, section g. of the Records Disposition Document should be updated to include the disposition action and date. The document should then be certified for destruction (section 7), signed by a witness and filed as a part of the schools internal accounts records. A copy of the certified form should also be forwarded to Records Management. The school or department should contract with the vendor of their choice to destroy the records.

Once materials containing personally identifiable information have been approved for destruction, the original materials should be shredded as the means of destruction.

NOTE: It is the responsibility of the principal or other administrator to assure that records destroyed are those which have been approved for destruction.

Any request for assistance in the maintenance and disposition of records should be made to:

RECORDS MANAGEMENT CENTER
520 SOUTH APPELYARD DRIVE
TALLAHASSEE, FL 32304
(904) 487-7530

AUDITS

An annual audit of internal accounts shall be provided by the school board. In accordance with Rule 6A-I.087 (2), F.A.C., the signed, written report of the audit shall include notations of any failure to comply with Florida Statutes, State Board of Education rules, and rules of the school board. The report, which must also provide commentary as to financial management and irregularities, shall be presented to the school board while in session and filed as a part of the public record.

The Office of Internal Auditing conducts unannounced audits annually at each of the 43 schools in Leon County. During the audit visit, the auditors will review a sample of the school's transactions during the audit period to identify whether the school's internal accounts collection and expenditure practices are completed in accordance with Federal, State, and Local guidance. The SFA should ensure that all internal accounts transactions are documented in accordance with all Federal, State, and Local guidance. Additional audit steps may be completed at selected school sites by the District's external audit team.

The school administration has 20 workdays to respond to internal audit findings and recommendations. The audit response should be on school letterhead, signed by the principal and include corrective actions that will be taken to address the finding. If the

auditors find an audit response doesn't fully address the findings, consultation with the principal will be conducted to identify corrective actions that will fully address the concerns noted.

CHAPTER 4 – CASH RECEIPTS PROCESS

GENERAL PROVISIONS

This section will provide detailed information about the steps necessary to process internal accounts cash receipts. Cash receipts are those funds collected for school related activities including student fees, fundraiser proceeds, and funds held in trust for yearbooks, class rings, etc. The funds must be collected for a specific purpose and processed in accordance with the guidelines outlined below.

PRE-NUMBERED TEACHER RECEIPTS

The initial collection of monies should not be the responsibility of the SFA. A teacher or other school employee must receive money and document the transaction by issuing a pre-numbered teacher receipt. Teacher receipts must be issued for all funds collected in excess of \$5.00, including funds received through the mail or in the front office.

Teacher Receipt Book Log

The SFA should assign a pre-numbered teacher receipt book to all teachers and staff members responsible for collecting internal funds. The Teacher Receipt Book Log should include the receipt book numbers included in the receipt book being issued and the name and signature of the teacher or staff member receiving the receipt book. Each teacher may only be assigned one receipt book at a time.

Upon completion of all receipts, the teacher receipt book must be turned in to SFA. The log should be updated to indicate that the teacher receipt book has been returned. All outstanding teacher receipt books must be turned in at the end of each school year. If there are unused receipts remaining in the teacher receipt book, the log should be updated to reflect the last receipt number used. Partially used teacher receipt books may be reassigned the following school year. Upon reissuance of partially used teacher receipt books, the log should be updated to reflect the first unused receipt in the receipt book.

A new Teacher Receipt Book Log should be completed each year. The log for each fiscal year should be maintained as a part of the school's internal accounts records for the respective school year.

Issuance of Receipts

The teacher or individual collecting funds is responsible for issuing a teacher receipt for all funds collected in excess of \$5. The person from whom the money is received is to be given the original receipt when a receipt is required to be prepared (over \$5.00) or when

one is requested if under \$5.00. Teacher receipts are not required for collections of \$5 or less, unless requested by the individual submitting the payment.

Each teacher or activity sponsor receiving a check from a student or other person should write the name of the activity on the front of each check or on the lower left hand memo line of the check so that the check can be associated with a specific activity.

The receipts should be issued from the teacher receipt book in sequential order. All required information including the date received, name of individual submitting funds, purpose for collection and signature of individual collecting funds should be included on each receipt.

The white copy of the receipt should be provided to the individual submitting the funds. The yellow copy must be maintained in the teacher receipt book and should never be removed. Voided receipts should be clearly marked with the word "VOID". The white and yellow copies of the receipt must be maintained in the teacher receipt book. Teacher receipts should be completed in ink and should not include alterations or erasures. If an error is made, void the receipt and rewrite it. All copies of voided receipts must be retained for audit purposes.

Transfer of Funds to the School Financial Accountant

The teacher receipt book must accompany all funds being submitted to the SFA. The funds must be turned in on the day collected or no later than the next school day.

REPORT OF MONIES COLLECTED

A properly completed Report of Monies Collected (ROMC) must be completed for all internal funds collected. The ROMC should be completed by the teacher or staff member that collected the funds. ROMCs should not be initiated by the SFA. The ROMC should include the date of collection, purpose for collection, account number, teacher receipt number when required, and legible signature of individual collecting funds. If teacher receipts were not required (funds collected less than or equal to \$5), the names of each individual submitting funds and the dollar amount submitted must be included on the ROMC.

In addition to the teacher receipt book, the ROMC must accompany funds when turned in to the SFA. The funds must be turned in on the day collected or no later than the next school day.

VERIFICATION OF CASH RECEIPTS

The SFA shall verify the amount received before issuing an official receipt. The properly completed ROMC must accompany all funds turned in to the SFA. When collections are recorded in a teacher receipt book, the receipt book must accompany the funds as well.

The SFA must:

1. Prepare an adding machine tape of the amounts recorded as received on the series of teacher receipts covered.
2. Verify that the total from the tape agrees with the amount on the ROMC and that receipt numbers are reflected correctly.
3. Verify that the amount of money received agrees with the total of the teacher receipts and the amount recorded on the ROMC.
4. Staple or clip together the sequence of teacher receipts recorded on the ROMC; record the total amount received, date received, initials, and the official receipt number issued on the back side of the teacher receipt.
5. Sign the ROMC evidencing completion of the verification process

For collections where no teacher receipt has been issued, the SFA must:

1. Verify mathematical accuracy of the Report of Monies Collected.
2. Verify cash count and agree with Report of Monies Collected.
3. Sign the ROMC evidencing completion of the verification process.
4. Record the Official Receipt number on the ROMC and provide the yellow copy to the teacher.

The funds verification process is to be completed at the time of receipt of funds. The teacher or staff member submitting the funds should witness the verification process and receive an official receipt to evidence the transfer of funds.

ISSUANCE OF OFFICIAL RECEIPT

The SFA shall have responsibility for the issuance of the Official Receipt. The SFA should:

1. Complete the verification process
2. Enter the transaction in SBAA and generate the official receipt
3. Provide a copy of the Official Receipt to the teacher/sponsor who initially collected the funds.

These steps should be witnessed by the individual submitting the funds to the SFA. Funds should not be left in the SFA's office or delivered by a student. The funds should be delivered by the individual that collected them and sufficient time should be reserved for that individual to witness the verification process and wait for the issuance of the Official Receipt.

DEPOSIT GUIDELINES

Deposits should be made daily. All money collected must be deposited intact to a depository as frequently as feasible and as dictated by sound business practices. It is required that cash receipts be deposited within three days of receipt. A deposit must be made on the last day of the week so that no money is kept in the school over the weekend and on the last day of the month to facilitate the closing of the books.

Preparing the Deposit

A "today's cash receipts" report should be generated and attached to deposits. The total day's receipts must equal the amount reflected on the deposit slip for the day. Deposit slips are to be prepared in duplicate. One copy is for the bank and the other must be validated by the bank at the time of the deposit and maintained in the school's internal accounts records.

Making the Deposit

The SFA should not utilize a drop box or night deposit to make internal accounts deposits. All deposits are to be made in person. The bank endorsed ("franked") deposit slip is to be maintained as a part of the school's internal accounts records.

Recordkeeping

The deposit slip should be attached to the series of ROMCs used to support the deposit. The ROMCs should be organized in sequential order. The records should be maintained as a part of the school's official internal accounts records.

CHAPTER 5 – CASH DISBURSEMENTS PROCESS

GENERAL PROVISIONS

All expenditures from school internal accounts funds shall be made by check or via the Internal Accounts P-Card, except that provision may be made by administrative procedures for the use of a small petty cash fund in each school where needed. This chapter will discuss the processes governing all expenditures made by check or petty cash fund. Chapter 6 will discuss the processes governing all expenditures made with the Internal Accounts P-Card.

CHECK REQUISITION FORM

A properly completed check requisition form is to be used to initiate every expenditure from internal funds. The person initiating the request for payment should prepare the form and present it to the SFA for processing. The properly completed form should include the date, payee, amount requested, account number to be used for processing payments, brief description detailing the reason for the purchase, and the signature of the requestor. The check requisition must be accompanied by a valid invoice and other supporting documentation as appropriate (i.e. Purchase Order, Receiving Reports, Receipts, etc.).

The SFA should review the check requisition form to determine the availability of funds (must ensure that funds were collected and available for the purpose indicated on the check requisition form). Upon completion of the SFA's review, the form and all supporting documentation should be forwarded to the principal for review and signature. The principal's signature provides approval to process the payment.

After all approval signatures have been obtained the SFA should process the payment in accordance with the details included on the check requisition form. The SFA must record the issued check number on the check requisition form.

Check requisition forms and all supporting documentation should be maintained in sequential order as a part of the school's internal accounts records.

PURCHASE ORDERS

Purchase orders can be used as the prior approval process for internal accounts transactions. The purchase order must be generated prior to making a purchase or obligating the school to purchase items using internal accounts funds.

Internal accounts purchase orders are required for transactions paid via school check or IA P-Card when expenditures exceed established thresholds. District level guidance

requires the issuance of an internal purchase order for the purchase of an individual item in excess of \$100, or for a total invoice in excess of \$500. Further, all purchases over \$1,500 must be forwarded to the District purchasing department for approval. The purchase order approval process has been automated through the SBAA module of the Skyward Accounting Software.

The guidance outlined in the paragraph above details when an internal purchase order is required; however, the school administration may further restrict these guidelines and require purchase orders for all internal accounts transactions. This requirement may be implemented in order to simplify and streamline the prior approval process for internal accounts disbursements.

Purchase Order Requisition Process

The teacher or staff member requesting a disbursement that meets either the District or the school level requirements for issuance of a purchase order, must complete an internal Purchase Order Requisition Form. The Purchase Order Requisition Form must include the date, vendor, amount requested, description of items to be purchased, the account to be used for processing payment and the signature of the requestor. The completed form must be reviewed by the SFA to ensure that unencumbered funds are available to cover the purchase. If the SFA determines that adequate funds are available, (s) he must generate the purchase order in the SBAA module of the Skyward Accounting Software. The principal's approval or denial of the purchase order will be processed using the internal accounts approval tree provided in the SBAA module of the Skyward Accounting Software.

Upon receipt of all levels of approval - principal and District Purchasing Department (if required), a purchase order will be generated in the SBAA module of the Skyward Accounting Software.

Blanket Purchase Orders

Blanket purchase orders are issued for a specified period of time (i.e. fiscal year, school year) to make repetitive purchases of similar items. A blanket purchase order allows the purchaser to initiate multiple purchases and payments against the same purchase order.

The SBAA module of the Skyward Accounting Software does not provide an option to issue blanket purchase orders. However, the system does provide the option to initiate multiple payments against a single purchase order.

With the approval of school administration, the SFA may issue multiple payments for purchases of similar items when the same funding source will be used against a single purchase order.

CHECKS

Checks can only be issued by the SFA after receipt of all properly completed forms and supporting documentation to include the Check Requisition Form, Purchase Order and all invoices or receipts. The SFA should review the documentation to:

1. Ensure that items have been received and the purchase price matches the check amount.
2. Determine whether sales tax should be applied to the purchase. Sales tax only applies to items purchased for resale.
3. Ensure that the invoice from the vendor includes date of purchase, unit price, details of purchase and total amount due.
4. Verify mathematical accuracy of the invoice.

Vendor Verification

Prior to generating the check, the SFA must ensure that the vendor is an approved LCS vendor and included in the District's vendor database. If the vendor is not a current LCS vendor, the SFA must obtain a completed vendor application and W-9 from the vendor. These forms must be forwarded to the District finance department for processing. Checks cannot be processed until the vendor has been added to the District's vendor database.

Generating Checks

After all reviews have been completed, the check should be generated and printed using the SBAA modules in the Skyward Accounting Software. Two signatures are required to be affixed to all checks drawn from internal accounts. The authorized signers must review all supporting documentation prior to signing the checks. Checks cannot be signed using a signature stamp. Under no circumstances shall checks be pre-signed.

Finally, the SFA should cancel each invoice after it has been paid by marking "PAID" on the face of the original invoice and noting the check number used for payment.

Recordkeeping

All supporting documentation for each disbursement including the check stub, purchase order, and invoices should be attached the check requisition. The documentation should be maintained in sequential check number order and stored with the school's internal accounts records.

CHAPTER 6 – INTERNAL ACCOUNTS PURCHASING CARDS

GENERAL PROVISIONS

The Internal Accounts Purchasing Card (IA P-Card) must be used in accordance with the requirements outlined in LCSB Policy & Administrative Procedure 6424 – Purchasing Cards and the Purchasing Card Program Policy and Procedure Manual.

There are two types of internal accounts P-cards available for use at the school site:

1. Internal Accounts Travel P-Card
2. Internal Accounts Miscellaneous P-Card.

The IA P-Card program was implemented to eliminate the need to process reimbursements to employees for items purchased on behalf of the school district. The IA P-Card or an Internal Accounts check are to be used exclusively by employees when initiating payment for items to be purchased with internal accounts funds.

The prohibition on employee reimbursements with internal accounts purchases provides some valuable benefits to our employees:

1. Eliminated the need to use personal funds to purchase items on behalf of the school.
2. Eliminated the sales tax expense incurred by employees when purchasing items on behalf of the school. Given that the Florida Department of Revenue rules would not allow employees to use the District sales tax exemption with personal funds, employees were required to cover the sales tax with their personal funds.

Further the restriction placed on employee reimbursements with internal accounts funds provides additional controls over internal accounts expenditures that will help ensure that the prior approval process is applied to all purchases and serve to mitigate the fraud risk associated with the reimbursement process.

The District acknowledges that in isolated instances exceptions to the reimbursement restriction may be required. The principal is authorized to grant exceptions in emergency situations that would impact the health and safety of the school when use of an internal accounts check or P-Card is not practical. Additionally, exceptions to this requirement may be granted for approved travel reimbursements and in instances where the items purchased are restricted purchases using the IA P-Card (i.e. gas).

OBTAINING AN INTERNAL ACCOUNTS P-CARD

Each school is authorized to obtain a maximum of 4 Internal Accounts P-Cards - one Internal Accounts Travel P-Card and up to three Internal Accounts Miscellaneous P-Cards.

The principal must complete the appropriate application and forward it to the District purchasing department for processing. The principal is responsible for ensuring that all staff members who will be authorized to use the IA-P-Card have read the District policies and procedures governing the use of the card and have signed a log evidencing their understanding of these requirements (IA P-Card Policy Acknowledgement Log). The log should be updated on an annual basis and maintained with the school's internal accounts records.

PRIOR AUTHORIZATION PROCESS

Staff members requesting use of the IA P-Card must complete and submit the Internal Accounts Purchasing Card Requisition Form to the principal and the SFA to obtain prior approval for IA P-Card purchases. An internal accounts purchase order is not required for IA P-Card transactions.

The SFA's signature provides evidence that funds are available to initiate the purchase and the principal's signature serves as authorization to make a purchase. Upon completion and approval of the required forms, the employee may complete the steps necessary to purchase all prior approved items.

IA Travel P-Card

The IA Travel P-Card cannot be checked out by school employees. The card should be assigned to the employee designated by the principal to process travel arrangements funded through the school's internal accounts. The principal's designee should maintain custody of the IA Travel P-Card at all times. The principal's designee should work in conjunction with the employee who initiated the IA P-Card requisition form to make the travel arrangements. Travel arrangements are often secured using the IA Travel P-Card via phone or internet. The IA Travel P-Card should not accompany the employee initiating the request during travel. The individual traveling should have a copy of the front and back of the IA Travel P-Card and of the District's tax exemption certificate available for review by the hotel during travel if requested.

IA Miscellaneous P-Card

The employee initiating the IA P-Card Requisition Form must sign the log evidencing receipt of the IA P-Card. The employee has 24 hours to complete the purchase of the approved items and return the IA P-Card and receipts to the SFA. The employee must complete the log indicating return of the IA P-Card. The principal may authorize use of the IA P-Card for timeframes in excess of 24 hours when it's necessary for the employee to make purchases over the weekend or over extended periods of time due to school related travel that will keep the employee away from the school site for more the 24 hours.

IA P-Card Requisition Forms are to be maintained as a part of the school's internal accounts records.

A sample Internal Accounts Purchasing Card Requisition Form can be found in the Appendix.

CARD USAGE

The Internal Accounts Purchasing Card (IA P-Card) can be used for authorized, pre-approved internal account purchases from vendors that will not accept purchase orders. Additionally, the card may be used for online purchases, emergency situations or when it makes better business sense to use the purchasing card instead of an internal accounts purchase order.

The employee should use the card to make only those purchases authorized on the IA P-Card Requisition Form. The card may be used at any vendor that accepts Visa cards. All transactions must be sufficiently documented before a charge can be made on the IA P-Card, including the following:

1. Prior approval from school's administration for all charges.
2. Funds must be available in corresponding internal account (quotes must be provided to the SFA prior to issuance of card).
3. All supporting paper work must be complete (i.e. leave forms).
4. Requisition form must be completed and signed.
5. A list of all travelers is to be provided to school's administration.

CARD RECONCILIATION

The SFA is responsible for completing the monthly reconciliation for all IA P-Cards.

The SFA should collect and maintain all supporting documentation from IA P-Card purchases. This documentation should be attached to the IA P-Card Requisition Form and IA P-Card Statement and maintained as a part of the school's internal accounts records.

The principal and the SFA shall review and sign the IA P-Card statement to ensure that all charges are legitimate and all appropriate supporting documentation is available prior to remitting funds to the District Accounts Payable Department.

The SFA must remit the IA P-Card statement, all supporting documentation, and an internal accounts check to the District Accounts Payable Department within ten (10) days of the end of the billing cycle. When generating the internal accounts check for payment, the SFA must properly post expenses from the various Internal Activity Accounts that utilized an IA P-Card for the respective month.

The required support that must be maintained and attached includes:

1. Check Requisition Form
2. IA P-Card Requisition Forms
3. IA P-Card Statement (originals to be provided to the District Purchasing Department)
4. All corresponding receipts and invoices (originals to be provided to the District Purchasing Department)

RESTRICTIONS AND OTHER INFORMATION

The purchasing card can only be used for Board authorized purchases in accordance with the requirements outlined in LCSB Administrative Procedure 6424 – Purchasing Cards.

Personal use of the purchasing card is strictly prohibited. Misuse of the purchasing card shall be subject to the immediate revocation of purchasing card privileges. Resolution of situations involving improper use of the purchasing card will be handled by the Purchasing Card Administrator in accordance with LCSB Policy & Procedure 6424 – Purchasing Cards.

[Click here to view the Purchasing Card Program Policy and Procedure Manual.](#)

CHAPTER 7 – CASH RECEIPTS TOPICS

GENERAL PROVISIONS

All internal accounts cash receipts must be collected for a specific purpose which must be determined prior to the collection of funds. Given the vast purposes that can be identified for the collection of internal funds, this section is designed to discuss some common sources of internal accounts funds. Any specific requirements and relevant procedures related to each cash receipts topic will be detailed below.

TICKET SALES

Sale of tickets is required for cash control at all school sponsored events where an admission price is charged. Admission may not be charged, nor are tickets required, for school sponsored events occurring during the regular school day.

All tickets must pre-printed, pre-numbered, and color coded. Different colors are to be used when more than one admission price is charged for a single event. Do not use priced tickets for complimentary admission. Under special circumstances, custom tickets may be created. The creation of custom tickets must be approved by the ticket manager. The custom ticket stock must be pre-printed, pre-numbered and color coded.

Ticket Manager

The school principal shall appoint an individual to serve as ticket manager. This individual shall serve as the custodian of all admission tickets. The person having custody of the tickets is to take appropriate measures to safeguard the tickets. The ticket manager should maintain a detailed record for issuance of tickets and return of unused tickets. This record should contain a perpetual inventory of tickets on hand by color code (price) and ticket number. Resale of previously used tickets is prohibited.

Custom ticket stock must be reviewed and approved by the ticket manager prior to purchase and issuance of these tickets. The ticket manager must document the ticket number sequence for the entire population of tickets created. Any remaining ticket inventory at the conclusion of ticket sales must be provided to the ticket manager for inclusion in the school's perpetual ticket inventory.

Tickets are to be issued to the sponsor of the event. The sale of tickets by the SFA is prohibited. The person selling the tickets should not be the person responsible for collecting them at the door/gate. The sponsor is held totally accountable for tickets issued.

Ticket Seller Report

A Ticket Seller Report is required for each event where an admission price is charged. The properly completed Ticket Seller Report must accompany the ROMC when funds are submitted to the SFA for deposit. The ticket seller and the ticket manager should verify the collections against the Ticket Seller Report, verifying the cash receipts and the number of tickets remaining at the conclusion of the event. The ticket seller and ticket manager should sign and date the Ticket Seller Report evidencing this review and submit collections and supporting documentation to the SFA no later than the following business day. The ticket manager should observe the verification of funds by the SFA and wait for the issuance of an Official Receipt for the collection.

The loss or theft of tickets is to be reported to the internal auditor as soon after the occurrence as possible. Appropriate incident reports should be completed to report the loss or theft of tickets.

All monies generated by the event are to be deposited with the SFA intact. No expenditures are to be made from receipts.

STUDENT FUND-RAISING

Each school should develop a site-specific Activity Request Form as the prior-approval for all fund-raising efforts. At minimum, the Activity Request Form should include the duration of the fundraising efforts, the costs of items sold, and the intended use of all fundraiser proceeds. All fund-raising projects and activities must be approved in advance by the principal via the Activity Request Form. All fund-raising activities should meet the requirements outlined in LCSB Policy 5830 – Student Fund-Raising and LCSB Policy 8550 – Competitive Food Sales.

Food and/or beverage items to be sold between midnight and thirty (30) minutes after the last lunch period must meet the USDA Smart Snacks in Schools Rules. The principal shall maintain the required documentation when exemptions (exempting the types of food sold) to these regulations are granted, as permitted under F.A.C 5P-1.003. School approved fundraisers selling items meeting the USDA Smart Snacks in Schools Rules may not begin until 30 minutes after the last lunch period. Food sold in vending machines, school store, and concession stands are not subject to the “30 minutes after lunch” time restriction. If the food items meet USDA Smart Snacks requirements, they may be sold all day.

Community based fundraisers not involving student solicitation, such as the Target Commission Checks or Share Nights can be posted to the Principal’s Discretionary account.

For complete guidance related school nutritional standards, please visit USDA School Meal Nutritional Standards.

A sample Activity Request Form can be found in the Appendix.

DONATIONS

Gifts or donations shall be properly receipted when accepted. When a donation is received, the donor must provide a donation letter establishing the purpose and intended use of the donation. The SFA is to maintain this documentation as a part of the school's internal accounts records. When the purpose of the donation has been accomplished or becomes inoperative, any unused portion of the donation shall be returned to the donor, if practicable. Donors may also designate an alternative purpose for any unused portions. In instances where an anonymous donation is received or if it is impossible to obtain a donation letter, funds should be deposited in to the General Student account to be used for the general welfare of the entire student body.

VENDING MACHINES

The commissions from all vending machines are to be accounted for in the school's internal accounts. Generally, the commissions are to be expended for the student body as a whole.

Funds derived from vending machines used by students in schools shall be accounted for in the general account. The commissions from the machines located in the teachers' lounge may be used for the benefit of the teachers. Commissions from vending machine sales should be listed on the ROMC.

CONCESSION SALES

Concession sales at all student activities shall be approved by the principal. They may be operated by student groups, faculty groups, or by outside groups authorized by the principal.

An analysis of each item sold by the school must take place yearly. The teacher/sponsor should complete a sales report when inventory items are sold. A new beginning inventory and sales report must be completed by the teacher/sponsor when the price of an item changes.

Inventory Reports must be completed when inventory is purchased for resale using internal funds. The Inventory Report should include type and quantity of items purchased, actual costs, sales price, and profit information. The report should also indicate the status of any unsold inventory (spoiled, salvaged, donated, retained for future sale, etc.). The Inventory Report should accompany the ROMC and funds when

turned into the SFA. The teacher/sponsor should witness the SFA verify the collection and issue the Official Receipt.

INTEREST EARNED

Interest earned on internal accounts interest bearing checking, savings, money market or CD accounts should be recorded during month end closeout procedures. The interest should be recorded via journal entries and posted to the designated cash account and the general student account.

STUDENT FEES

All student fees accumulated for the fiscal year must be collected for a specific purpose and spent for that purpose, on the students whom generated the funds. All fee accounts must have a zero balance at the end of each fiscal year. Some of the most common fees include, but are not limited to:

- Locker/Lock Fees
- Parking Fees
- Senior Fees
- Lab Fees
- Field Trip Fees
- Athletic Fees
- Rental Fees

Student fees shall be assessed in accordance with the requirements outlined in LCSB Policy 6152 – Student Fees, Fines, and Charges.

STUDENT FINES

Fines maybe assessed when school property, equipment, or supplies are damaged, lost, or taken by a student. Some of the most common fines include, but are not limited to:

- Lost or Damaged Textbooks
- Media Fines
- Vandalism Fines

Fines shall be assessed in accordance with the requirements outlined in LCSB Policy 6152 – Student Fees, Fines, and Charges.

CHAPTER 8 – CASH DISBURSEMENTS TOPICS

GENERAL PROVISIONS

All disbursements from internal accounts must be processed in accordance with the guidelines outlined in Chapter 5 of this manual. While Chapter 5 provides overall guidance, this chapter details requirements relevant to specific types of disbursements.

RESTRICTED EXPENDITURES

Chapter 8, Section 3.5 of The Red Book provides a list of expenditures that cannot be made from internal funds as follows:

- a. Professional books and magazines, except school professional libraries and personal memberships in professional organizations when purchased through trust funds to which employees contribute.
- b. Articles or services for personal use of Board employees or other persons.
- c. Equipment, supplies, and services for rooms and areas not used primarily for student body benefit, unless raised specifically through employees or other persons or authorized by a student organization.
- d. Wages or supplements to any persons engaged in regular part-time or temporary employment except as provided by the Board.
- e. Loans, credits, or accommodations to Board employees or other persons, including students except as provided in Policy 6550 - Travel and Per Diem.

PROHIBITED PRACTICES

The school is not responsible for an expenditure made by a student, parent or employee who has not first received an approval from the principal.

General guidelines concerning expenditures are explicitly provided in Board policies. Prohibited practices include:

1. Issuing a check without first securing an itemized invoice or receipt (except for advances for field trips or travel).
2. Using a statement as the basis for payment.

3. Signing a blank check or a check made out to "cash."
4. Using a personal check copy as support when the check has not been canceled.

TRUST ACCOUNTS

Funds collected for a specific, restricted purpose shall be accounted for in a trust account. When the purpose of the trust fund has been accomplished or becomes inoperative, unused trust funds shall be returned to the person(s) from whom collected, if practicable. Donors may designate an alternative purpose. Donation letters must be maintained as documentation of the donors intended use of funds.

PETTY CASH FUNDS

Schools may establish petty cash funds not to exceed \$200 for making expenditures for certain low cost items and services. The principal is authorized to establish a petty cash fund for use at the school site. The petty cash fund shall be the responsibility of the principal or principal's designee. The fund must be kept in the school safe.

Petty cash funds and all accumulated receipts and invoices on hand must always match the ending balance on the Principal's Monthly Report. Petty cash cannot be used as a means to by-pass or circumvent the use of check requisitions, purchase orders or other financial controls. No checks are to be cashed with petty cash funds, nor is it to be used as a change fund.

Sales tax paid on invoices paid through petty cash cannot be reimbursed. Any cash purchase by an individual in the name of the school is taxable.

Establishing the Petty Cash Fund

Document the establishment of the petty cash with a check requisition. Create an account "Advance for Petty Cash" in the cash category (0000 series of the chart of accounts) by issuing a check to the individual responsible for the fund. The petty cash activity account is to record only the initial advance; advances to increase the fund, if any; return of advances to decrease or to close the account.

Encumber the amount of petty cash from the related activity account. The activity account balance should never be allowed to fall below the amount of the petty cash fund. When the fund is near depletion, the holder should prepare a check requisition and attach supporting documents for expenditures and present to the SFA for replenishment. The reimbursement is to be charged to the activity account liable for the expenditures. Do not enter the transaction in the petty cash account.

All petty cash funds must be returned and cleared out at the end of the school year. The holder is to turn in the amount of the fund in cash and/or paid receipts. Deposit the cash returned into the petty cash internal account using a separate ROMC to document the transaction.

CHANGE FUND

Change funds are funds established so that operating activities will be able to make change for their customers. The change fund should not be confused with a petty cash fund. Petty purchases cannot be made from a change fund.

All change funds should be issued in a reasonable amount considering the anticipated event sales. Create the change fund by issuing a check to the person responsible for the activity. Establish an account "Change Fund" in the cash category, and charge the initial issuance to this account. Document the transaction with a check requisition.

The change fund is to be returned in full when the activity for which the fund was created is over and always at the end of the school year. Deposit the return in the internal account and prepare a separate ROMC prominently marked "RETURN OF CHANGE FUND." If the change fund is required for an activity lasting longer than 24 hours, the change fund should be checked out and re-deposited on a daily basis.

TIPPING

Internal accounts funds may be used to provide tips for services when tips would be expected as a part of the customary payment. Tips may be provided to bus drivers, food delivery drivers, and wait staff or servers at restaurants. Tips should be reasonable and should not exceed the standard rates. Funds for tips may be collected as a part of the fees collected from students when field trip fees are assessed.

Documentation, such as signed invoices or statements, should be obtained to evidence payment.

ITEMS PURCHASED FOR RESALE

The District's tax exemption status only applies to items that will be purchased and used or consumed by the School District. Sales tax must be collected for all items purchased for resale. The items would include inventory purchased for fundraisers, items purchased for sale to students or employees, except were expressly exempt.

The Florida Department of Revenue provides to options for collection of sales tax for resale items as follows:

1. Sales tax can be paid to the vendor at initial purchase of the items that will ultimately be available for resale, or
2. Sales tax can be assessed and collected on each item sold during the resale process.

Whenever feasible, the District recommends the use of option one.

Option one doesn't require the District or school organization to remit taxes to the Florida Department of Revenue. The District or school organizations must pay taxes on the invoice at the time of initial purchase of any resale items.

Option two will require the District or the school organization to register with the Florida Department of Revenue and remit the taxes collected.

Inventory reports must be maintained whenever items are purchased for resale. A sample Inventory Report can be found in the Appendix.

REFUNDS

Refunds may be issued from internal accounts using one of the following two approved methods:

1. When an individual refund is necessary, the SFA should issue a check payable to the individual who initially paid the funds. A copy of the original receipt from the teacher receipt book evidencing initial payment should be attached to the check requisition as supporting documentation for the disbursement.
2. If a trip or activity is cancelled and multiple refunds are necessary, it is permissible to prepare one check payable to the person responsible for the activity for which the refund is approved. This person should cash the check and make the refunds in cash. Funds should be re-deposited in accordance with District policy.

REIMBURSEMENTS

Reimbursements from internal accounts to employees are prohibited with the exception of gas and travel reimbursements. All internal accounts purchases should be processed using a school check or the Internal Accounts P-Card. Staff should make every effort to plan in advance for their school-specific expenditures.

CAPITALIZED TANGIBLE PERSONAL PROPERTY

District-owned tangible personal property shall mean any tangible personal property, of a non-consumable nature, with a life expectancy of one (1) year or more which has a capitalized value equal to or greater than \$750.00.

If internal accounts funds are used to purchase tangible personal property, the item(s) must be added to the District's Inventory immediately. Upon receipt of the tangible personal property, the principal and the SFA or principal's designee are to complete the Report of Property Received form, sign, and forward two (2) copies of the form to the Property Management Department. The Property Management Department will issue a property control number for the tangible personal property and affix a property control number tag to the item(s).

CHAPTER 9 – GENERAL PROCESSING PROCEDURES

NSF CHECKS

The principal is responsible for seeking reimbursement for any unpaid checks returned by the bank. A check can be declared uncollectible and written off the books only by action of the school board or designated officer. This action will be taken only after every legal and reasonable effort at collection by the principal has been exhausted. The principal may require payment for school obligations in cash, money order, or other form of guaranteed payment if it is deemed necessary.

Posting NSF Checks in Skyward

When the SFA receives a returned check from the bank, credit the checking account and debit the activity account for the amount of the returned check. A journal entry should be entered for all checks to accurately reflect account balances.

When payment is received, a separate deposit slip should be prepared and marked prominently on the face of the deposit slip. The initial journal entry documenting the receipt of the NSF check should be reversed to reflect receipt of the funds. A new teacher receipt and official receipt **should not** be issued upon payment of the NSF check.

Collection Efforts

The principal may opt to collect returned checks as follows:

1. utilize the District approved check collection agency (Payliance) or
2. collect the checks at the school level with the assistance of the SFA

Check Collection Utilizing Payliance

When utilizing Payliance no check collection activities are allowed by the school. If the remitter attempts to make a payment at the school site, they should be directed to Payliance. Payliance will remit payment to the school and pursue all necessary collection activities. Payliance guarantees the first returned check payable by an individual with a face value less than \$50, if the check included the name, address, and contact information of the check writer.

Check Collection at the School Site

The principal or SFA should contact the person from whom the check was received and inform him or her that the check has been returned and request payment of the check and applicable bank fees. Payment should be remitted by cash, cashier's check, or money order. Every effort must be exerted to obtain payment of NSF checks.

Notification

The SFA shall notify the teacher/sponsor of the activity or event of the returned check. The teacher/sponsor should no longer accept checks from the remitter of an NSF check.

STALE DATED CHECKS

Any internal accounts checks that are still outstanding after one year from the reporting date are considered abandoned.

Outstanding checks are listed on the school's Bank Reconciliation Report. The SFA shall begin researching checks that are at least 60 days old. The payee should be contacted in writing or via telephone. The following questions should be asked and documented:

1. Does the payee intend to cash the check soon? Suggest issuing a replacement check for checks over 90 days old.
2. Is a replacement check needed?

The SFA shall also review the Bank Reconciliation Report for any checks that may need to be reported as unclaimed. Prior to April 10th, the SFA shall complete an *Unclaimed Property Report* and forward to the Finance Department.

Do not reissue checks that have been reported as unclaimed property. The payee must make a claim with the Department of Financial Services, Bureau of Unclaimed Property State of Florida after April 30th. Refer payee to the following website: www.fltreasurehunt.org.

BANK FEES

Bank fees may be assessed by your financial institution for many reason including NSF chargebacks, deposit correction fees, and excess transaction fees. The principal and SFA should work closely with bank staff to minimize or eliminate fees assessed.

In instances were fees cannot be avoided (i.e. NSF checks), fees should be transferred to the individual responsible for generating the fee. When bank fees cannot be recovered from the responsible party, fee should be charged off using discretionary funds. When discretionary funds are not available, they may be charged off to the general fund.

JOURNAL ENTRIES

Journal entries are necessary to post corrections or make adjustments to transactions in the SBAA module of the Skyward Accounting Software. All journal entries should include a description indicating the reason for the entry. At month end close out, the SFA should

obtain the principal's signature on the journal entry report to evidence his/her review and understanding of all adjustments posted during the month.

Typical reasons for posting journal entries include, but are not limited to, posting interest earned, correcting posting errors with cash receipt and cash disbursements, recording bank fees and posting the receipt and collection of NSF checks.

The signed Journal Entry Report should be maintained as a part of the school's internal accounts records.

STOP PAYMENTS

If it is necessary to issue a stop payment on a check issued out of internal funds, the stop payment should be completed and issued promptly using standard banking practices for the bank holding the school's accounts. Any required forms for this process should be obtained from your bank.

VOIDED CHECKS

Checks can be voided for numerous reasons. Two of the most common reasons are:
1) The check was lost or stolen or 2) the check was issued for the wrong amount.

If the check was lost or stolen and the check amount was minimal, The SFA should create a journal entry crediting the account on which the check was issued. The SFA should then send a letter to the check recipient requesting that the letter be signed, notarized, and returned. The letter should contain the check information and indicate that the recipient will not cash the original check if found and that the check will be returned to the school if found. Once the SFA receives the notarized letter back, a replacement check may be issued. The SFA should maintain all supporting documentation in the school's internal accounts records.

If the original check amount is substantial, the SFA should contact the bank and request a stop payment on the check. The SFA should reduce the check amount by the amount of the stop payment fee. The SFA should reissue the check minus the stop payment fee.

Additionally, voided checks may result from damage to blank check stock, and printer misfeeds or malfunctions. All voided check stock should be maintained as a part of the school's internal accounts records.

Voided checks should have the word "VOID" prominently displayed on the face of the check. The signature lines should be removed and destroyed.

1099s

Periodically, schools engage the services of independent contractors. Internal Revenue Service requires a Form 1099- Miscellaneous Income be prepared for independent contractors paid in excess of \$600 for a calendar year. Since internal funds are resident at the individual school, it then is incumbent upon the school to track information relating to this requirement. To ensure proper capture and reporting of information, coordinate with the District Finance staff when necessary. Vendors meeting requirements for receipt of 1099s should be properly noted in Skyward Accounting Software.

CHAPTER 10 – ATHLETICS

GENERAL PROVISIONS

All funds generated from athletic business transacted at the school level shall be deposited in the school's internal accounts. These funds may include gate receipts, proceeds from athletic fundraisers, student athletic fees, etc.

Additional guidance related to Athletics can be found in the Middle School Student Activities Handbook or the High School Student Activities Handbook.

GATE RECEIPTS & TICKET SALES

A properly completed Ticket Seller Report should be prepared for all tickets sold – including gate receipts at athletic events. This report should be completed by the person who actually sold the tickets. The properly completed Ticket Seller report should accompany the properly completed ROMC and gate receipts when funds from athletic events are being remitted for deposit into the school's internal account.

A change fund may be issued to facilitate gate receipts and ticket sales in accordance with the guidelines in Chapter 8 of this manual.

Ticket sales should be handled in accordance with the requirements outlined in Chapter 7 – Cash Receipts Topics of this manual.

A sample Ticket Seller Report can be found in the Appendix.

LOG OF COMPLIMENTARY ATHLETIC PURCHASES

The Log of Complimentary Athletic Purchases should be maintained for any gratis or complimentary items purchased using athletic funds. The log should include the type of item purchased, the check number used for payment, and the signature and date of the individual receiving the item.

The Log of Complimentary Athletic Purchases should be developed at each school site to reflect the above information at minimum.

ATHLETIC FEES

All revenue, fees, ticket sales and/or guarantees received as a result of activity programs shall be credited to the school's internal account fund. Any exceptions to this shall be approved by the School Board of Leon County.

ATHLETIC CAMPS

Funds generated through District sponsored or private athletic camps should not be posted to an internal account. These funds will be deposited on a District level using a District project. Sponsors should contact the District's Finance Department to set up the project(s) associated with offering athletics camps on District property and ensure that the camp operates in accordance with the requirements outlined in LCSB Policy 7510 – Use of Facilities. Proceeds from athletic camps should be remitted to the District and never deposited directly into the school's internal accounts.

[Click here for additional guidance related to establishing an athletic camp within the Leon County School District.](#)

ATHLETICS TRAVEL

All travel for District staff, including Athletics travel, must be processed in accordance with the requirements outlined in LCSB Policy 6550 – Travel Guidelines. Costs associated with a student's travel (meals, admissions, transportation, lodging) may be paid using athletics funds collected for that purpose or via fundraisers with the same pre-approved purpose.

CHAPTER 11 – TRAVEL

GENERAL PROVISIONS

The following practices are required for travel payments from internal accounts:

1. District travel vouchers must be completed for each adult who is paid for travel expenses. District employees must attach an authorized leave form.
2. District travel vouchers do not have to be completed for each student or group of students.
3. Cash advances will be allowed only for Leon County employees and students on student trips. Cash advances for travel shall not exceed the estimated per diem or lodging and meals, mileage, common carrier and registration expenses. Any prepayments are not to be included in the advance cash payment. The basis of the advance will be computed on the check requisition which is signed by the traveler and the principal. All receipts, excess advance funds and a completed district out-of-county travel form must be remitted to the SFA within three days of return to school.
4. *Class C travel* - Travel for short or day trips where the traveler is not away from his or her official headquarters overnight. A traveler shall not be reimbursed on a per diem basis for Class C travel, but shall receive subsistence, which allowance for meals shall be based on the following schedule:

Breakfast- travel begins before 6 a.m. and extends beyond 8 a.m. (\$6)

Lunch- travel begins before 12 noon and extends beyond 2 p.m. (\$11)

Dinner- travel begins before 6 p.m. and extends beyond 8 p.m., or when travel occurs during nighttime hours due to special assignment. (\$19)

5. No allowance shall be made for meals when travel is confined to the city or town of the official headquarters or immediate vicinity; except assignments of official business outside the traveler's regular place of employment if travel expenses are approved. The Chief Financial Officer shall establish a schedule for processing Class C travel subsistence payments at least on a monthly basis.

All travel payments are to be processed in accordance with the requirements outlined in LCSB Policy 6550 – Travel Guidelines.

OUT-OF-COUNTY/STATE TRAVEL

When out-of-county travel by students is necessary in the pursuance of an approved student activity, advance travel arrangements shall be made if possible. Advance arrangements shall include transportation, meals, registration or entrance fees, and lodging.

1. Checks may be prepared in advance for the exact amount and made payable to the corporation or proprietor providing the service. The faculty sponsor, accompanying the students, shall be the temporary custodian of the checks and responsible for obtaining an invoice for the exact amount of the check from the corporation or proprietor upon presentation of the check.
2. When advance arrangements for meals or lodging are impractical because service to be rendered is en route, or student group is of such number as to make prior knowledge of the exact number impossible, advancements may be made to the faculty sponsor for distribution to the student. Each student shall sign a signature sheet certifying that he/she received the meal or lodging allowance.
3. Disbursement support must include the names of all persons covered by payment to motel, restaurant, amusement park or other organization.
4. The cost of meals and/or lodging in registration fees shall be deducted from the per diem or meal allowance.
5. When payment cannot be made on the basis of per diem, actual costs may be paid to the employee for receipts which represent clear verification from the person or company paid. An example of this requirement follows:

Lodging (Not a Confirmation Notice)
All charges and payment
Dates of stay
Name of motel

6. Travel payment for the use of private or employee vehicle may be made on the basis of the district per mileage rate or on the basis of gas receipts. When gas receipts are the basis for payment, the receipts must have date of purchase, name and location of station and the amounts paid.

All travel payments are to be processed in accordance with the requirements outlined in LCSB Policy 6550 – Travel Guidelines.

SCOUTING TRIPS

Scouting payments must be supported by one of the following:

Copy of game program cover (preferable)
Meal receipt verifying location of game
Gas receipt verifying location of game

CHAPTER 12 – PTOS/ PTAS/ BOOSTER GROUPS

GENERAL PROVISIONS

Support organizations exist on campus at the principal's discretion and must operate in accordance with the requirements outlined in LCSB 9211 – Parent Organizations, Booster Clubs, and Other Fund-Raising Activities.

As noted in District Policy:

1. Only groups with 501C3 status may keep funds in a separate checking account.
2. Booster or other support groups using students in solicitations must deposit all funds generated from the event(s) into the school's internal account.
 - a. All external groups should have a corresponding internal account for posting and reconciliation of these funds.
3. Support groups must provide periodic financial reports to the principal at least annually.
4. Support groups must provide their budget, a list of officers, and the fundraising plan annually. The budget and fundraising plan must be approved by the principal.
5. The budget (including anticipated fundraisers and expenditures), officers, and financial reports must be maintained as a part of the school's internal accounts records.
6. Booster groups may operate only at the high school level.

CHAPTER 13– MISCELLANEOUS

PTSA

The Professional and Technical Services Agreement (PTSA) is required for services provided to the District or a school site by an independent contractor. The agreement should be executed in accordance with the requirements outlined in LCSB Administrative Procedure 6320.01 – Professional /Technical Service Agreement (PTSA).

The PTSA template can be found in the Appendix. School sites may seek additional guidance regarding PTSAs from the District Purchasing Department.

YEARBOOKS

The Yearbook Report and Year book Ads Sold report should be completed whenever yearbooks or ads are sold at a school. The Yearbook Report details the number of books printed versus the number of books distributed and any variance between the two. The Yearbook sponsor should ensure that all yearbooks are accounted for on the year book report.

The Yearbook Ads Sold Report tracks the types and amounts of yearbook ads sold during the school year. Year book Ads cannot be sold as a fundraiser. Year book ads are only to be sold as a means of lowering the overall yearbook price – making the yearbook more affordable for every person who seeks to purchase a yearbook.

SALES TAX

All items for resale sold by a public school or a school organization including items where fees were collected are taxable unless specifically exempt. Some exempt items are:

1. Admissions to an event if all talent is drawn from the students or school personnel.
2. Sale of schoolbooks, including textbooks, workbooks, yearbooks, magazines, directories, bulletins, papers, and similar publications to the students.
3. Subscriptions to magazines entered as second class mail sold for an annual or longer period of time.
4. Groceries, including the following, are exempt: bakery products, berries, bread, butter, canned food, cereal and cereal products, cocoa, coffee, condiments, desserts, eggs, fish and fish products, flour, fruit juices, fruit, grits, jams, jellies,

meal, meat, melons, milk, nuts, oleomargarine, poultry, relishes, salt, seafood, etc. Such decorative, reusable containers as a cheese crock are taxable.

5. Band uniforms, athletic uniforms and equipment, caps and gowns and other items of clothing bought and paid for by a school with ownership and title remaining in the school are exempt. (The sale, lease or rental of these items is taxable.)

SALES TAX EXEMPTIONS

Organizations whose accounting records are outside the school internal accounts may not use district or school sales tax exemption numbers. Generally, PTO's/PTA's have their own sales tax exemption number. Schools, grades K-12, and their respective PTA's have been granted the privilege of paying tax to their suppliers on school materials and supplies that they purchase for resale to students, and the tax is passed on to the student as part of the selling price. School organizations which sell candy to raise money for their various activities should pay tax to their suppliers on the cost of the candy. The distinct advantages of this method are:

1. Sales tax applied to the wholesale price results in lesser tax and
2. It relieves the school of the obligation to report sales tax to the State for this fundraiser.

FACILITIES RENTAL AGREEMENTS

Facilities Rental Agreements should be processed in accordance with the requirements outlined in LCSB Policy 7510 – Use of District Facilities and LCSB Administrative Procedure 7510A – Use of District Facilities.

Facilities rental fees should be made payable to Leon County School Board and remitted to the District's Finance office within 10 days of the activity. Fifty-Five percent (55%) of the fees collected will be returned to the school for deposit into a discretionary internal account. Forty-Five percent (45%) of the fees collected will be maintained at the District level for overhead costs (utilities, wear & tear, etc.).

A form to request use of facilities is included in the Appendix.

GIFT CARDS

The school should maintain sufficient evidence to support the distribution and receipt of all gift cards purchased. A log should be maintained that includes the names and signatures of individuals receiving gift cards.

Cash or cash equivalent items provided by the employer are never excludable from income. An exception applies for occasional meal money or transportation fare to allow

an employee to work beyond normal hours. Gift certificates that are redeemable for general merchandise or have a cash equivalent value are not de Minimis benefits and are taxable.

<http://www.irs.gov/Government-Entities/Federal,-State-&-Local-Governments/De->

Minimis-Fringe-Benefits

If they are taxable, they should be included in wages on Form W-2 and subject to income tax withholding. If the employees are covered for social security and Medicare, the value of the benefits are also subject to withholding for these taxes. You may optionally report any information in box 14 of Form W-2.

GIFT OR HONORIAMS

Gifts or honorariums may be provided for services rendered above and below normal expectations or requirements. Gifts or honorariums cannot exceed \$100 per person, per year.

SCHOOL SPONSORED CAMPS

School sponsored camps should be set up and run through a district project. Camp employees should be compensated at the appropriate hourly rate through the LCS payroll department.

SCHOOL STORE

All food and beverage items sold in the school store must meet USDA School Meal Nutrition Standards. Food and/or beverage items to be sold between midnight and thirty (30) minutes after the last lunch period shall comply with the current USDA School Meal Nutrition Standards and the USDA Smart Snacks in Schools regulations.

Proceeds from school store sales may be used as a fundraiser to benefit the entire student body with prior approval from the principal. An activity request form should be completed indicating this purpose in advance.

Properly completed Inventory reports should be prepared daily to reconcile school store sales. A copy of the inventory report should be attached to the ROMC when funds are remitted to the SFA for deposit.

NON-CAPITALIZED TECHNOLOGY PURCHASED

The principal and SFA are responsible for maintaining an inventory of non-capitalized technology purchases. The SFA shall work with teachers and sponsors to ensure that new

technology purchases are recorded and added to the school's inventory and that an annual inventory is conducted for all technology. The teacher/sponsor, school financial accountant, and SFA shall sign off on the annual inventories evidencing the accuracy of the report. The school's inventory report shall be maintained as a part of the school's internal accounts records.

EXTRA DUTY PAYROLL

Regular district employees performing extra duty such as ticket-taking will be paid by district warrant and **never** from internal accounts funds.

The calculation that includes employer's benefits will change periodically. The District's Payroll Department should be consulted for the current factor to be used in making calculations for extra-duty.

APPENDIX

SKYWARD TRAINING MANUAL

INTERNAL ACCOUNTS ACCOUNT CLASSIFICATIONS

FORMS

This section contains forms for use in an internal accounts accounting system. These forms may be freely reproduced on an as needed basis.

Report of Monies Collected

Check Requisition Forms

P-Card Policy Acknowledgement Log

P-Card Requisition Form

P-Card Sign-In/Sign-Out Log

Teacher Receipt Book Log

Year Book Report

Year Book Ads Sold Report

Donation Letter (sample)

Activity Request Form (sample)

Sales/Inventory Report

Ticket Seller Report

PTSAs

Purchase Order Log

Facilities Use Form

Plant Security Report

Cash Count Form

Records Disposition Document