

# CHARLES CITY COUNTY PUBLIC SCHOOLS

## INTERNAL PROCEDURE FOR SCHOOL ACTIVITY FUNDS

### Introduction

The procedures and guidelines set forth in this manual were developed in compliance with existing Virginia Statutes, U.S. Department of Education Activity Fund Guidelines and Regulations of the School Board of Charles City County, Virginia. These procedures are to be used by the principals, faculty, and bookkeepers in establishing and maintaining internal controls over internal accounts.

### Table of Contents

	Page #
<b>Statutes, Rules, and School Board Policy</b>	
Virginia Statute	2
School Board Responsibilities	2
School Board Policies and Administrative Regulations <i>(Includes Fund Use, Responsibilities, Organizations, and Fund Raising)</i>	3
<b>Internal Controls and Accounting Procedures</b>	
Accounting System	5
Chart of Accounts	5
Bank Accounts	5
Collection and Verification of Monies (Non-Athletic or Concessions)	6
Collection and Verification of Monies (Athletic, Concession, Donations)	7
Deposits and Returned Checks	7
Vending Machine Sales	8
Purchase Orders	8
Cash Disbursements, Authority to Pay, and Check Requests	9
Unclaimed Property	10
Student Refunds	10
Petty Cash	10
Change Funds	10
Sales Tax	10
IRS Requirements	10
Raffles	10
Reimbursement for Extra Duty	10
Travel	11
<b>Financial Reporting and Process</b>	
Financial Close and Reporting Process	11
Record Retention	12
<b>Appendix A: Sample of forms referred to in this manual.</b>	
A-Collection Voucher	13
B-Expenditure/Check Request Voucher	14
C-Ticket Sales/Concessions Voucher	15
D-Requisition/Purchase Order	16
E-Fundraiser Accountability Form	17
<b>Appendix B   EMPLOYEE ACCEPTANCE AND AGREEMENT</b>	18

# CHARLES CITY COUNTY PUBLIC SCHOOLS

## INTERNAL PROCEDURE FOR SCHOOL ACTIVITY FUNDS

*(Statutes, Rules and Policies)*

### 1) VIRGINIA STATUTES

#### a) 8VAC20-240-10. Classification; responsibility for administration of regulations, exclusion of specific funds.

- i) All funds derived from extracurricular school activities, such as entertainment, athletic contest, cafeteria, club dues, etc., and from any and all activities of the school involving personnel, students, or property are by this chapter classified as school activity funds (internal accounts). The local school boards shall be responsible for the administration of this chapter in the schools under their control and may determine which funds in any school may be excluded from those subject to this chapter. (Funds defined by law as public funds are not subject to this chapter and are to be handled as provided by law.)

#### b) 8VAC20-240-20. Records, school finance officer, bonds.

- i) Each school shall keep an accurate record of all receipts and disbursements so that a clear and concise statement of the condition of each fund may be determined at all times. It shall be the duty of each principal to see that such records are maintained in accordance with this chapter and rules promulgated by the local school board. The principal or person designated by him shall perform the duties of school finance officer or central treasurer. The school finance officer shall be bonded, or be insured through the school fidelity insurance, and the local school board shall prescribe rules for employees who are responsible for these funds.

### 2) School Board Responsible for Internal Funds

#### a) The school board shall be responsible for the administration and control of the internal funds of the district school system, and in connection therewith shall:

- i) Adopt written policies governing the receipt and disbursement of all internal funds.
- ii) Provide for an annual audit of internal funds by a certified public accountant. The auditor shall submit a signed, written report to the school board covering internal funds which shall include any notations of any failure to comply with requirements of Virginia Statutes, State Board of Education regulations and policies of the school board, and commentary as to financial management and irregularities. Such audit shall be presented to the school board while in session and filed as a part of the public record.

#### iii) Purchases from Internal Funds

- (1) Pursuant to regulations of the State Board of Education the requirements pertaining to purchases and securing bids on purchases made from public tax funds by the school board shall be observed when purchases are made from internal funds, except that approval by school board of internal account vouchers for payment is not required unless otherwise specifically provided for by school board regulation. The board may delegate by regulation to such individuals as it may deem appropriate the making of such purchases from internal funds and the securing of quotations and awarding of contracts.

# CHARLES CITY COUNTY PUBLIC SCHOOLS

## INTERNAL PROCEDURE FOR SCHOOL ACTIVITY FUNDS

### 3) School Policies DGC, DM, and Administrative Regulations of the School District of Charles City County Virginia

#### a) Internal Accounts.

- i) **Internal Funds.** Internal funds shall be composed of monies collected and expended within a school other than lunchroom monies. Funds generated solely by parent-teacher organizations, booster organizations, or faculty groups may remain separate from internal funds; however, contributions from such organizations shall become internal funds. Funds voluntarily placed in the internal accounts shall be subject to all internal account policies and procedures.
- ii) **Administrative Responsibility.** The principal shall be responsible for internal accounting in the school and all internal accounts shall be audited annually. The school board shall provide for the insurance coverage of school employees who handle school monies.
- iii) **Fund Use.** Funds derived from the student body as a whole shall be expended to benefit the student body as a whole rather than a specific group of students or an organization. Funds collected shall, insofar as is practicable, be spent to benefit those students currently in school from whom the funds were collected and for the purpose collected. All fund-raising projects and activities by the school, or by any group within, or in the name of the school, shall not be in conflict with the overall instructional program. Such projects shall have the prior approval of the principal. Accountability must be provided for all items purchased for resale in such fund-raising projects. Raffles or other games of chance involving prizes of significant value shall not be authorized.
- iv) **Cooperative Agreements.** Prior to a cooperative activity involving an external organization, there shall be written agreement between the school and the outside organization. This agreement should include the responsibilities to be shared in the activity and the financial obligations of both parties.
- v) **Future Liabilities.** The School Board of Charles City County is the only authority which can obligate public funds beyond a fiscal year. No principal, or any other employee, is authorized to sign promissory notes, lease-purchase agreements, or any contracts containing commitments for payments in future school years.
- vi) **Safekeeping of Monies.** All monies received shall be secured by a school administrator, or school bookkeeper, to prevent theft, and then be recorded, deposited and reconciled to the proper accounts.
- vii) **Commercial Competition.** Student body functions shall be conducted in such a manner so as to offer a minimum of competition to commercial firms, while still benefiting the student body.
- viii) **Expenditures.** All expenditures from internal funds shall be made by check. Invoices or other approved substantiating evidence shall be required for all payments from internal funds. All checks are to be signed by two (2) persons, the principal and the designee.
- ix) **Purchases.** Purchases from internal accounts which do not exceed \$5,000 are not required to be approved through the central district office. Purchases that exceed \$5,000 shall be submitted for approval to the central district office. Purchases involving alterations of permanent structures or sites, safety, or significant usage of utilities, shall be referred to the appropriate school district administrator for approval.

# CHARLES CITY COUNTY PUBLIC SCHOOLS

## INTERNAL PROCEDURE FOR SCHOOL ACTIVITY FUNDS

- x) **Administrative Office.** No item of equipment or furniture, such as draperies, sofas, desks, rugs, chairs or ornamental items may be purchased for the school's administrative offices from general student funds unless prior written approval has been received from the superintendent or designee.
- xi) **Property.** All purchases from internal funds, other than tokens of appreciation, shall remain the property of the Charles City County School Board.
- xii) **Credit Cards.** No school shall enter into a contractual arrangement for credit cards.
- xiii) **Employee Pay.** Base salary and supplemental salary shall not be paid to employees out of internal funds. All such payments must be processed through the District Payroll Department.
- xiv) **Loans.** Internal funds shall not be used to grant personal loans to individuals.
- xv) **Tickets.** Pre-numbered tickets shall be used at school functions where an admission price is charged and all tickets acquired must be accounted for by perpetual inventory records.
- xvi) **Faculty Funds.** Faculty funds or staff funds shall be accumulated by activities that exclude student participation. Such funds shall not be over-expended except by written approval of the superintendent or his designated representative.
- xvii) **Faculty Expenses.** General student funds shall not be used to pay expenses of faculty members to attend professional meetings or conventions.
- xviii) **Travel.** Travel expenditures shall be governed by the following principles:
  - (a) avoidance of unnecessary travel;
  - (b) joint travel in a single vehicle whenever feasible;
  - (c) limitation of expenditures for reimbursements from all sources to the maximum amounts currently authorized by the Board.
  - (d) Cash advance for travel is not permitted. All receipts and excess advance shall be remitted to the bookkeeper upon date of return to school.
- xix) **Gifts.** Each school must comply with School Board Policy #GBI.
- xx) **Transfers of Funds.** Transfer of funds from one student activity account to another student activity account must be accompanied by written authorization from the sponsor of both activity accounts and the principal.
- xxi) **Inactive Accounts.** Any balance on deposit by an inactive class, club, or organization, not committed to a specific project, shall be transferred to the general internal fund when inactive status has been clearly determined by the principal.
- xxii) **Loss/Theft.** Any loss or suspected theft must be reported to the Superintendent at the earliest detection of occurrence.
- xxiii) **Quarterly and Annual Financial Report.** The school bookkeeper shall file a quarterly and annual financial report with the Director of Finance within fifteen (15) business days following the end of the period.
- xxiv) **Accounting Procedures.** The methods, procedures, and guidelines for internal accounting shall be outlined in below in item numbers 4 through 23.
- xxv) **Audit Response.** Within five (5) workdays after receipt of the annual internal accounts audit, the principal shall submit a written reply to the auditor. The reply shall give explanations and/or actions taken, or to be taken, for any deficiencies cited in the audit.

# CHARLES CITY COUNTY PUBLIC SCHOOLS

## INTERNAL PROCEDURE FOR SCHOOL ACTIVITY FUNDS

### b) Parent/Booster/Foundation Organizations

#### i) Definitions

- (1) A direct-support organization (*a separately incorporated organization that operates exclusively to provide the School with supplemental resources*) is excluded from this section.
- (2) School-sponsored activities are defined to be those activities utilizing students directly in the solicitation of funds.

#### ii) Fund Raising.

- (1) Fund raisers conducted by employees, parent-teacher organizations, booster clubs and other related organizations shall first be approved by the school administrator using the Fundraiser Accountability Form.
- (2) Collections: refer to the collections section for detailed steps.
- (3) Such activities requiring funds to be deposited in internal.

### *(Internal Controls and Internal Accounts Procedures)*

#### 4) Accounting System

- a) Charles City County Public Schools uses an automated accounting system to maintain the financial transactions of the school activity funds. Training is provided.

#### 5) Chart of Accounts

- a) The chart of accounts is based on the broad categories that are listed in the audited financial report. General ledger accounts are tailored to the need of the individual school.

#### 6) Bank Accounts

- a) A checking account will be established at a qualified school depository. Interest-bearing checking accounts with no monthly service charges are available at most banks.
- b) Only one checking account is to be maintained by each school. All receipts and disbursements are to be handled through this account. The total amount on deposit should not exceed the federally insured maximum. Two signatures are required to be affixed to all pre-numbered checks drawn from internal accounts. It is required that at least three responsible persons in a school have signature authorization over the checking account, one of which 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.
- c) When a person who is authorized to sign checks leaves the employ of the school, the bookkeeper/finance manager 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.
- d) Any excess funds not required for daily operations should be invested at an optimum rate.
- e) All monies deposited in a savings account are to be transferred from the checking account. All withdrawals from savings are to be deposited in the checking account. Payments are not to be made directly from savings. Two signatures are required for withdrawals from savings accounts.

# CHARLES CITY COUNTY PUBLIC SCHOOLS

## INTERNAL PROCEDURE FOR SCHOOL ACTIVITY FUNDS

### 7) Collections and Verification of Monies (Aside from Athletics and Concessions):

- a) At the beginning of the year, the bookkeeper maintains a log of all pre-numbered receipt books, which identifies the employee that the book is issued to. (The receipt books are distributed at the beginning of the school year and then collected at the end of the school year).
- b) For audit purposes, to ensure that there is a separation of responsibilities, a person other than the bookkeeper is responsible for the initial collection of monies.
- c) School employee/teacher's responsibilities include:
  - i) The teacher must obtain advanced written permission from the principal for any fundraisers, with the completed form being given to the bookkeeper before the fundraiser begins and before money is collected. Note that all order forms must be kept by the teacher organizing the fundraiser and a copy of the order form is provided to the bookkeeper before any product is ordered.
  - ii) The teacher or school employee collecting monies (athletics, concessions, and certain donations are addressed in a separate section) must ensure that:
    - (1) Under no circumstances are monies to be:
      - (a) left in the school overnight or at any time in an unsupervised area (classroom, office, etc.), or,
      - (b) taken out of the building for any reason (home, car, etc.).
    - iii) Monies are collected, either by cash or check, for an activity authorized by the school principal. If payment is by check, the check must be made payable to either Charles City Elementary School or Charles City High School.
    - iv) Upon receiving monies from a student/parent/other, for any reason, the employee writes and issues a receipt:
      - (1) The white copy of the receipt goes to the student/parent,
      - (2) The yellow and pink receipts stay in the receipt book.
    - v) All money must be counted by the teacher or club representative *prior* to depositing it with the bookkeeper. All collections of any amount must be turned in to the bookkeeper, or school administrator, if the bookkeeper is not available, before 4:00 p.m. each day.
      - (1) All currency must be turned in with denominations grouped together, and checks separated. Employee's personal checks are not to be substituted for cash collected from students.
      - (2) Coins must be wrapped when there is enough for a full roll (no partial rolls). Please ask the school bookkeeper for coin wrappers, if needed.
      - (3) Once counted, the money and accompanying documentation and receipts must be given to the school bookkeeper or building administrator.
      - (4) To ensure checks and balances, a list of all students participating in a club/activity will be given to the bookkeeper to ensure that duplicate payments are not made. If any new student is added, please notify the bookkeeper.
  - d) The school bookkeeper will:
    - i) Verify the amount remitted, and a receipt will be stapled to the pink copy in the receipt book.
    - ii) Place the money bag in the employee's mailbox. Should there be a discrepancy, the school bookkeeper will notify the employee and money will not be deposited until a recount is made by the depositor and the bookkeeper.

# CHARLES CITY COUNTY PUBLIC SCHOOLS

## INTERNAL PROCEDURE FOR SCHOOL ACTIVITY FUNDS

### 8) Collections and Verification of Monies for Athletics, Concessions, and certain Donations:

#### i) Athletics and Concessions process:

- (1) Prior to the event, employees verify the amount of start-up money that is in the start-up/cash box and complete the Athletic and Concessions Collection and Ticket Voucher form.
- (2) Admission Tickets:
  - (a) At all school sponsored events where an admission price is charged, sale of tickets is required for cash control.
  - (b) One person is to be custodian of admission tickets. The person having custody of the tickets is to take appropriate measures to safeguard the tickets. A detailed record is to be maintained 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 serial number. Resale of previously used tickets is prohibited.
  - (c) All tickets acquired must be pre-numbered, pre-priced 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, tickets may be made up on campus. Approval for this exception should be done through the Principal.
  - (d) Tickets are to be issued to the sponsor of the event. The sale of tickets by the bookkeeper is strictly 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.
  - (e) A ticket sales report for each event must be executed and presented to the school bookkeeper for filing as a part of the audit records. Ticket inventory records and remaining tickets must also be on hand for audits. The loss or theft of tickets is to be reported to the internal auditor as soon after the occurrence as possible.
  - (f) All monies generated by the event are to be deposited with the school bookkeeper intact. The school bookkeeper computes the number of tickets sold times the admission price, and reconciles the amount to the deposit. No expenditures are to be made from receipts.
- (3) After the event, cash boxes will be counted back to the original start-up amount, and the Athletic and Concessions Collection and Ticket Voucher form will be filled out in its entirety.
- (4) Monies collected are recorded on the Report of Ticket Sales, referencing starting and ending ticket numbers, and the form and money is given to the school bookkeeper or school administrator.

#### ii) Donations:

- (1) When donations are received, a signed letter or official minutes should be secured from the individual or organization to establish the purpose of the funds, even if the funds are to be used at the principal's discretion.

### 9) Deposits of Receipts

- i) Deposits are to be made daily, unless the cash on hand is not of an amount to warrant deposit (less than \$50), it should be placed in the school safe. At a minimum, it is recommended that cash receipts less than \$50 be deposited within two 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.

# CHARLES CITY COUNTY PUBLIC SCHOOLS

## INTERNAL PROCEDURE FOR SCHOOL ACTIVITY FUNDS

- ii) Each day's receipts are to be deposited intact, that is in the same form as they were collected. 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 to be validated by the bank at the time of the deposit for school files. Night deposits are to be reconciled the following business day.
- iii) The deposit should be recorded into the accounting system within one business day of the deposit.

### 10) Returned Checks

- i) Those checks deposited by the school that are returned for non-sufficient funds (NSF) or for other reasons are to be handled as follows:
  - (1) When the bookkeeper receives a returned check from the bank, credit the checking account and debit the activity account for the amount of the returned check.
  - (2) Contact the person from whom the check was received and inform him or her that the check has been returned and for what reason. Every effort must be exerted to obtain payment of NSF checks.
  - (3) If the check maker so desires, re-deposit the check. At this time, debit the checking account and credit the activity account. Prepare a separate deposit slip and mark prominently on the face of the deposit slip "RE-DEPOSIT." Do not include re-deposits in the day's receipts totals.
  - (4) The school bookkeeper is responsible for seeking reimbursement for any unpaid check returned by the bank. A check can be declared uncollectible and written off the books only by action of the school principal. This action will be taken only after every legal and reasonable effort at collection by the principal has been exhausted. The school principal may require payment for school obligations in cash, money order, or other form of guaranteed payment if it is deemed necessary.
  - (5) Worthless check procedure: The school bookkeeper contacts the check issuer and collects funds for the NSF check fee. NOTE: All checks not collected by June 30th, must be written off as outlined above before closing the books. Although a check has been written-off, efforts should continue to be made for a sufficient period of time to collect the amount owed.

### 11) Vending Machine Sales

- i) The commissions from vending machines that have student access are to be accounted for in the school's internal accounts. The vendor sends the funds directly to the school bookkeeper.

### 12) Purchase Orders

- i) Tangible items of significant value (greater than \$25), which the school should receive and verify prior to payment of vendor, should be ordered by purchase order. The purchase order system follows:
  - (1) *The employee receives approval from the school administrator using the Expenditure voucher form. Once the form has been approved by the school administrator, it is given to the school bookkeeper with associated support.*
  - (2) *The school bookkeeper creates a Purchase order and submits to the vendor upon placing the order.*



# CHARLES CITY COUNTY PUBLIC SCHOOLS

## INTERNAL PROCEDURE FOR SCHOOL ACTIVITY FUNDS

### 13) CASH DISBURSEMENTS

- a) 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.
- b) *Prohibited* expenditures include:
  - i) Issuing a check without first securing an itemized invoice or receipt (except for advances for field trips or travel).
  - ii) Using a statement as the basis for payment.
  - iii) Signing a blank check or a check made out to "cash."
  - iv) Using a personal check copy as support when the check has not been canceled.
  - v) Loans to employees.
  - vi) Salaries to employees.
  - vii) Payment of personal membership or subscriptions.
  - viii) Payment of items relating to repair and maintenance of school board equipment, as well as supplies, travel, or professional development related to curricular activity.
- c) 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. It is suggested that any required forms for this process be obtained from your bank. The Principal must initial the form prior to the stop payment being processed, and the accounting system must be updated to reflect the cancellation of the payment.
- d) **Authority to Pay Vendor**- *A typical invoice presented for payment should have both a packing slip and a purchase order attached. The purchase order indicates the account to be charged, and the packing slip confirms receipt of product and is initialed and dated by the receiver.*
  - i) *If the invoice does not have the required underlying documents (purchase order and packing slip), then a check request form must be used. Refer to section on Check Request Forms.*
  - ii) *In all instances, the bookkeeper is responsible to confirm the accuracy of the payment, and document the receipt and authorization by the sponsor.*
  - iii) 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.
  - iv) The bookkeeper is to be responsible for the issuance of the purchase orders and will maintain control over those that are outstanding.
- e) **Same Day Purchases Authorized by Principal**
  - i) Small purchases that do not require that the product is ordered in advance can be expedited with approval by the school principal, provided that The Expenditure Voucher form is completed, signed by the principal given to the bookkeeper for processing. The check request must be sufficiently documented before the check is drawn by attaching the following:
    - (1) Invoice from vendor indicating:
      - (a) Date of purchase or service
      - (b) Unit price if applicable
      - (c) Detail of purchase or service
      - (d) Total amount due
      - (e) Account to be charged
      - (f) Signature of person certifying receipt of goods/service.
      - (g) Disbursement support records should be filed in check number order within the fund file.

# CHARLES CITY COUNTY PUBLIC SCHOOLS

## INTERNAL PROCEDURE FOR SCHOOL ACTIVITY FUNDS

### 14) Unclaimed Property

- i) Virginia law (reference 55-210-9) requires that unclaimed property be reported and submitted to the Department of the Treasury for checks that have been issued, are rightfully due to the vendor, and have been outstanding for more than a year. The process is as follows:
  - (1) Research the item to confirm that it is not outstanding due to a clerical error.
    - (a) If the outstanding check is not rightfully due to the vendor, or is showing as outstanding due to a clerical error, document the circumstances and process the void.
    - (b) If the outstanding check is rightfully due to the vendor, send a letter to the vendor. Based on the vendor's response, void and reissue the check as requested. If you do not receive a response, or cannot locate the vendor through other means, this item needs to be reported as unclaimed property under the school's federal ID#.
    - (c) The report would include all amounts as of June 30<sup>th</sup> and prior that are over one year old. The report must be filed by November 1<sup>st</sup> of each year.
      - (i) Forms and instructions are available at [www.trsvirginia.gov/Ucp/ucpforms.aspx](http://www.trsvirginia.gov/Ucp/ucpforms.aspx)

### 15) Student Refunds

- a) Whenever refunds are to be made, the refund must be in the form of a check, made payable to the parent or legal guardian.

### 16) Petty Cash

- a) Charles City County Public Schools does not allow for a petty cash fund.

### 17) Change Funds

- a) 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.
- b) 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.
- c) 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 Receipt of Monies Collected form prominently marked "RETURN OF CHANGE FUND."

### 18) Sales Tax

- a) 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.

### 19) Internal Revenue Service Requirements

- a) Periodically, schools engage the services of individuals for various activities. Where services are deemed to be independent, the bookkeeper obtains a completed W-9 form and a subcontractor agreement (standard template available at the district office). The school bookkeeper sets the vendor up in the computer system as being flagged as a subcontractor, enters in the associated federal identification number. The vendor information will be consolidated by the District office, and a 1099 will be issued for the division as a whole.

### 20) Raffles

- a) Raffles or other games of chance involving prizes of significant value shall not be authorized.

### 21) Reimbursement for Extra Duty

- a) Staff district employees performing extra duty will be paid by the district through payroll, rather than an internal account check.

# CHARLES CITY COUNTY PUBLIC SCHOOLS

## INTERNAL PROCEDURE FOR SCHOOL ACTIVITY FUNDS

- b) 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.

### 22) Travel

- a) The following practices are required for travel payments from internal accounts:
  - i) Staff related travel expenditures are to be processed by district office, in accordance with district guidelines.

### *(Financial Reports and Forms)*

### 23) FINANCIAL REPORTING PROCESS

#### a) **Monthly Bank Reconciliation**

- i) Upon receipt of the monthly bank account statements, the statement balances are reconciled to the ending cash balance on the monthly report. Bookkeepers should use the reconciliation feature included with their automated accounting system. The school bookkeeper:
  - ii) Enters the ending bank balance into the computer system.
  - iii) Records and flags as cleared any checks and deposits from the bank statement into the accounting system.
  - iv) Records and flags as cleared any interest income or charges from the bank statement into the accounting system.
  - v) Confirms that the ending general ledger amount on the bank reconciliation agrees to the cash figure on the balance sheet and profit and loss (fund balance) report.
  - vi) All items returned by the bank or savings and loan association should be filed with the checking account statement on which they appear.

#### b) **Inter-fund Transfers**

- i) Inter-fund transfers are made to transfer funds from one account to another. The transfer is a receipt of the fund to which the money is transferred and a disbursement to the account from which it is transferred. It is not, however, considered a receipt or expenditure of the activity fund of the school.
- ii) Inter-fund transfers are to be handled by means of a journal entry. All journal entries should be supported by signatures of the principal, the teacher/sponsor and the treasurer of the club/department from which the monies are transferred. Inter-fund transfers should be reported separately on the principal's monthly financial report and the quarterly/annual financial reports.
- iii) All Inter-fund transfers/journal entries should be sequentially numbered beginning with No.1 for each fiscal year.

#### c) **Principal's Monthly Financial Report**

- i) A monthly financial report is to be generated by the school bookkeeper for review and approval by the principal. This report should include activity account balances which have been reconciled to the cash control account. This report should be submitted to the principal along with the monthly bank account reconciliation.

#### d) **Quarterly/Annual Financial Reports**

- i) Quarterly reports (bank reconciliation/s, balance sheet, and fund statement) are due to the District office by the 15<sup>th</sup> business day following period-end.

# CHARLES CITY COUNTY PUBLIC SCHOOLS

## INTERNAL PROCEDURE FOR SCHOOL ACTIVITY FUNDS

### e) **Audit Reports and Responses**

- i) Board policy authorizes 5 business days to respond to audit comments. The following are guidelines for such responses.
  - (1) Discuss any disagreement at the time when the auditor reviews concerns with the bookkeeper or at the time the exit conference takes place. If the auditor agrees with the new information or understanding, the preliminary audit report will be revised accordingly.
  - (2) Take down notes in the exit conference and handle the response immediately following the audit exit while it is fresh in your mind.
  - (3) When there are many comments that require a response, number each audit comment and refer to the statement to which you are responding.
  - (4) Give explanations and/or actions taken, or to be taken, for any deficiencies cited.
  - (5) Follow-up on audit comments should be assigned to personnel who will have input on improvement.
  - (6) Documentation supporting the audit response may be attached, but will not be placed in the Board agenda packet. NOTE: Audit work papers are treated the same.
  - (7) The audit response should be on school letterhead and must be signed by the principal.
  - (8) If the auditors find an audit response inaccurate according to their work papers, they may so note and initial the response.

## 24) RECORDS RETENTION AND DISPOSITION

### a) **Records Retention Schedule for Public School Records**

- i) The Library of Virginia establishes retention schedules for all public records, including public schools. The following links should be used for reference when determining retention.
  - (1) For public school records:  
[http://www.lva.lib.va.us/whatwedo/records/sched\\_local/gs-21.pdf](http://www.lva.lib.va.us/whatwedo/records/sched_local/gs-21.pdf)
  - (2) For fiscal records:  
[http://www.lva.virginia.gov/agencies/records/sched\\_local/gs-02.pdf](http://www.lva.virginia.gov/agencies/records/sched_local/gs-02.pdf)  
*(Audit and budget are permanent retention, general ledger is 10 year retention, and all else is 3 – 5 year retention)*
  - (3) For human resources/personnel records:  
[http://www.lva.virginia.gov/agencies/records/sched\\_local/GS-03.pdf](http://www.lva.virginia.gov/agencies/records/sched_local/GS-03.pdf)
  - (4) For administrative records:  
[http://www.lva.virginia.gov/agencies/records/sched\\_local/GS-19.pdf](http://www.lva.virginia.gov/agencies/records/sched_local/GS-19.pdf)

# CHARLES CITY COUNTY PUBLIC SCHOOLS

## INTERNAL PROCEDURE FOR SCHOOL ACTIVITY FUNDS

### APPENDIX A – SAMPLE FORMS

#### A. Collection Voucher



**SAMPLE**

### CHARLES CITY HIGH SCHOOL MONEY COLLECTED VOUCHER

TEACHER/SPONSOR NAME:

**Davis**

DATE:

**02/06/19**

DEPARTMENT ACTIVITY:

**FBLA (list club or account)**

AMOUNT TURNED IN:

**100.00\***

**\*PLEASE ATTACH YELLOW COPY OF THE RECEIPT TO THIS VOUCHER\***

**TEACHER'S SIGNATURE**

Teacher/Sponsor Signature

\_\_\_\_\_  
School Bookkeeper Signature

\_\_\_\_\_  
Date

Note: Please sign the form verifying that all money is correct.

# CHARLES CITY COUNTY PUBLIC SCHOOLS

## INTERNAL PROCEDURE FOR SCHOOL ACTIVITY FUNDS

### B. Expenditure/Check Request Voucher



# SAMPLE

NO. \_\_\_\_\_

#### EXPENDITURE VOUCHER

\_\_\_\_\_  
 CHARLES CITY HIGH SCHOOL  
NAME OF SCHOOL

Check Payable To SAMS CLUB  
 \_\_\_\_\_

Date of Check 02/06/19

Date of Purchase \_\_\_\_\_ P.O. \_\_\_\_\_  
 Order \_\_\_\_\_ Number \_\_\_\_\_

QUANTITY	ARTICLE AND DESCRIPTION	UNIT	UNIT PRICE	AMOUNT
	WELCOME BACK BREAKFAST RECEPTION			100.00

FUND TO BE

CHARGED Name of fund to be charged AMOUNT 100.00

APPROVED TEACHER'S SIGNATURE  
TEACHER/SPONSOR

DATE OF PAYMENT \_\_\_\_\_ CHECK # \_\_\_\_\_

POSTED \_\_\_\_\_ BY \_\_\_\_\_

APPROVED  
 FOR PAYMENT \_\_\_\_\_  
PRINCIPAL

# CHARLES CITY COUNTY PUBLIC SCHOOLS

## INTERNAL PROCEDURE FOR SCHOOL ACTIVITY FUNDS

### C. Ticket Sales/Concessions Voucher



**List amount of start-up money Example: \$200.00**

### CHARLES CITY HIGH SCHOOL MONEY COLLECTED VOUCHER

TEACHER/SPONSOR NAME:

**Salg/Davis**

DATE:

**02/06/19**

DEPARTMENT ACTIVITY:

**ATHLETICS**

AMOUNT TURNED IN:

**100.00\***

\*this amount should not include  
the start-up the start-

up money

**Person #1 Signature**

Person #2 Signature

Teacher/Sponsor Signature

\_\_\_\_\_  
School Bookkeeper Signature

\_\_\_\_\_  
Date

Note: Please sign the form verifying that all money is correct.

# CHARLES CITY COUNTY PUBLIC SCHOOLS

## INTERNAL PROCEDURE FOR SCHOOL ACTIVITY FUNDS

### D. Requisition/Purchase Order



**Charles City County Public Schools  
Purchase Requisition**

**NOTE: Purchase Order Must Be Issued by Central Office - Give Vendor PO# When Placing Order**

		<b>Date</b>	2/25/2019
<b>Vendor Name</b>	<input style="width: 90%;" type="text"/>		
<b>If New, Complete:</b>	<small>If Credit, enter BBT/Vendor Name)</small>		
<b>Address1</b>	<input style="width: 90%;" type="text"/>	<b>Ship To:</b>	<input style="width: 90%;" type="text"/>
<b>Address2</b>	<input style="width: 90%;" type="text"/>		
<b>City/State/Zip</b>	<input style="width: 90%;" type="text"/>		
<b>Comments/Special Instructions:</b>			
<input style="width: 99%; height: 20px;" type="text"/>			

**NOTE: Attach vendor quote if applicable, and enter only one line for total below, with Quote#**

**Department / Program / Area to Be Charged:**

**If Grant provide pertinent detail (ex. date of service, location of service or school, # of participants, type of participants (pupil, consultant, employee/position, as well as purpose of expenditure as aligns to grant):**

---



---



---

Item#	Description	Unit Cost	Qty	Extended Cost
				#VALUE!
				-
				-
				-
				-
				-
				-
				-
				-
				-
				-
				-
				-
				-
<b>Procurement Notes (check all applicable):</b>				<b>Subtotal</b>
Attach quotes from 4 vendors if greater than \$5,000 _____				<b>Shipping</b>
Indicate if sole source, or if pricing is under cooperative agreement:				<b>Total</b>
Sole source _____ Cooperative agreement _____				<b>#VALUE!</b>
Additional Pages Attached?				<b>No</b>

<b>Prepared By:</b>	<b>Approved By (Principal or Dept. Head):</b>
<b>Name</b> <input style="width: 90%;" type="text"/>	<b>Name</b> <input style="width: 90%;" type="text"/>
<b>Signature</b> <input style="width: 90%;" type="text"/>	<b>Signature</b> <input style="width: 90%;" type="text"/>



# CHARLES CITY COUNTY PUBLIC SCHOOLS

## INTERNAL PROCEDURE FOR SCHOOL ACTIVITY FUNDS

### E. Fundraiser Accountability Form



#### Fund Raising Accountability Procedure (Compliance with School Board Policy JL: Fundraising and Solicitation)

Name of Fund Raiser: \_\_\_\_\_

School/Grade Level: \_\_\_\_\_

Fundraiser Sponsor Name: \_\_\_\_\_

Signature/Approval Date by Principal: \_\_\_\_\_

Date of Fund Raiser: Start Date \_\_\_\_\_ End Date \_\_\_\_\_

Fundraiser reported to Superintendent by principal: Date \_\_\_\_\_

Brief Description of Fundraiser (Please include; grade level/group of students involved, what is being sold, what is the educational benefit of the fundraiser)

---

---

---

---

---

---

---

---

#### Requirements:

1. Fund raiser may not begin before written approval by principal
2. Sponsor is not to keep money in their classrooms, on their person or in their homes.
3. Sponsor is to submit documentation of any monies given to the bookkeeper (orders, receipts, etc.) daily preferred weekly required.
4. Elementary students may not participate in door-to-door solicitation.
5. Students may not be excused from instructional time to participate in fundraising activity
6. No grade will be affected by a student's participation, or lack of participation in any fundraising activity.
7. A final written report reviewed by bookkeeper and signed off by principal to include:
  - List of individual orders
  - Monies collected
  - Receipts provide to customers
  - Total sales (itemized by customer)

# CHARLES CITY COUNTY PUBLIC SCHOOLS

## INTERNAL PROCEDURE FOR SCHOOL ACTIVITY FUNDS

### APPENDIX B – EMPLOYEE ACCEPTANCE AND AGREEMENT

I, \_\_\_\_\_, hereby acknowledge receipt of the Internal Procedure for School  
*(Employee Name)*  
Activity Funds. I have read and understand the requirements, in its entirety, and agree to follow the  
procedures, as outlined. I understand that failure to comply with these procedures will result in  
disciplinary actions and may result in termination of my employment.

**SIGNED ACCEPTANCE:**

\_\_\_\_\_  
Employee (Legal Signature) / Date

**ATTEST:**

\_\_\_\_\_  
Principal (Legal Signature) / Date

\_\_\_\_\_  
School Bookkeeper (Legal Signature)/ Date