



# Baldwin County Board of Education Local School Finance Manual

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THIS DOCUMENT CONTAINS HYPERLINKS. ALL FORMS AND DOCUMENTS MAY ALSO BE DOWNLOADED FROM THE BCBE WEBSITE UNDER:

## DEPARTMENTS – BUSINESS & FINANCE – DOCUMENTS AND FORMS

ALL ITEMS **TYPED IN RED AND UNDERSCORED** PERTAIN TO THE NEXTGEN BUDGETARY ACCOUNTING SOFTWARE. OPERATING INSTRUCTIONS FOR THE SOFTWARE CAN BE FOUND IN THE NEXTGEN PRINTSCREEN MANUAL. CONTACT LSA STAFF TO OBTAIN A COPY OF THIS MANUAL, IT IS NOT AVAILABLE ON THE BCBE WEBSITE.

Baldwin County Board of Education  
Local School Finance Manual

**Foreword**

This Local School Finance Manual was developed to provide uniform written accounting policies and procedures for schools in the Baldwin County School System. Each principal and bookkeeper is expected to become familiar with the contents of this manual and to implement the approved procedures. The responsibility for school accounting ultimately rests with the principal. We hope this manual will assist you in carrying out this task. The Manual is a work in progress and will be updated as new policies are implemented. The Manual is available on the web site for download. Any revisions and/or additions in the future will be distributed to each school. All of the Business and Finance Division staff contributed to the development of this Manual.

# **Introduction**

**Basis of Accounting  
Accounting Components  
Financial Policies & Procedures**

## **BASIS OF ACCOUNTING**

The basis of accounting refers to the point of time when revenues, expenditures, and the related assets and liabilities are recognized in the accounts and reported in the financial statements. Local schools will use the Modified Accrual Basis Accounting method as explained below:

1. CASH-BASIS ACCOUNTING recognizes transactions when cash is received or disbursed. The greatest weakness of the cash basis of accounting is that it does not recognize accounts receivable, accounts payable and other accrued items. It therefore does not match resources used to resources provided.
2. MODIFIED ACCRUAL-BASIS ACCOUNTING recognizes transactions when they become both measurable and available for use or collection within the reporting fiscal period.
3. ACCRUAL-BASIS ACCOUNTING recognizes transactions when they occur, regardless of the timing of the related cash transaction.

It is recommended that modified-accrual or accrual-basis accounting be used to the fullest extent practicable. The use of these methods allows the school system to determine its financial position and results of operations by measuring financial resources and obligations at the earliest possible date and provides for comparable period-to-period reports. (SDE Accounting Manual)

## **ACCOUNTING SYSTEM COMPONENTS**

The system component structure is designed to serve as a flexible tool to meet the needs of all school systems in the State of Alabama. It creates a common means of communication to be used in planning, recording, accumulating, controlling, and reporting the financial activities of the school systems. All school systems should uniformly utilize this component structure in order to provide comparability between school systems. The Activity component should be uniform within each system.

1	2	3	4	5	6	7	8	9	10
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### **GENERAL LEDGER & SPECIAL REPORTING CODES**

1. **ACTIVITY**
2. **FUND**
3. **CLASS**
4. **ACCOUNT CODE**
5. **OBJECT**
6. **COST CENTER**
7. **FUND SOURCE**
8. **APPROPRIATION YEAR**
9. **PROGRAM**
10. **SPECIAL USE**

## DEFINITION OF COMPONENTS

### 1. **ACTIVITY**-----

Identifies earmarked funds at the local school level. This component is not uploaded to Central Office or the State. Numbers are assigned by LSA Staff.

Description of Activity Number Ranges:

1000 – Class Fees	5000 – Accommodations
2000 – General	6000 – Athletics
3000 – Clubs	7000 – Student Activities
4000 – Classes	8000 – Other

### 2. **FUND**-----

There are two fund types for local schools. The fund is used to record all related financial transactions.     Public (12)   Non-public (32)

### 3. **CLASS**-----

This one (1) digit component is used to designate the five (5) major account types used in an automated accounting system.

1 – Asset	(Cash)
2 – Liabilities	(Accounts Payables)
3 – Fund Equity	(Beginning Fund Balances – Adjust Beginning Funds)
4 – Revenues	
5 - Expenditures	

### 4. **ACCOUNT CODE**-----

Identifies revenue and identifies “function” of expenditure code.  
Tells you WHAT you are doing. Emphasis on “function” that is being performed.

### 5. **OBJECT**-----

The object of expenditure component is used to identify the service or commodity obtained as a result of the expenditure. Think of the object code as telling you WHAT you are receiving.

### 6. **COST CENTER**-----

Schools and each department in the district is identified by a cost center. A cost center is critical so that the district can properly identify and distribute costs.

### 7. **FUND SOURCE**-----

Identifies revenue sources – the component that truly is used to maintain “Fund” accounting.  
Two codes are used at the Local School Level:  
Fund Source (7101) Fund (12) P –Fund Source (7501) Fund (32) NP  
Fund source tells you WHERE you are getting the funds to finance an expenditure.

### 8. **APPROPRIATION YEAR**-----

- 0- Current Year Funds
- 1- Carryover Funds for certain Federal Funds and a few State funds. (ex. Title)

**9. PROGRAM-----**

Allows the charging of expenditures directly to the benefiting programs. The Program Code tells you WHO or WHAT you provided the service or good to:

Examples: 1200 – Elementary 1500 – High School 4500 - Athletics

Program pools can be used when specific programs are not possible. (Ex. 8100)

**10. SPECIAL USE-----**

Used when additional detail is needed to track or identify cost.

Example: Tracking funds issued from central office to local schools – CIS 0001



## **ACCOUNTING PROGRAM - NEXTGEN**

NEXTGEN is the windows based financial accounting software from McAleer Computer Associates, Inc. (MCAI) used in Baldwin County Public Schools. NEXTGEN will be used to post invoice expenditures, reconcile the bank statement, post cash receipts, and purchase orders. Monthly reports, budget reports, calendar year end and fiscal year end reports will be generated using the accounting software. Checks shall be issued using the accounting software, which saves time and duplication of steps. Activity balances are easily accessible using the NEXTGEN software.

Hands-on training and support will be provided from Local School Accounting Support personnel for the operation of NEXTGEN. This manual provides written instructions to assist in the operation of the software and basic bookkeeping procedures specific to our school system.

We currently have all Baldwin County Public schools converted to the new software program. We currently have a print screen manual available to assist the bookkeeper with posting specific transactions in Nextgen. Central office staff has also been trained on the NEXTGEN software in order to assist local school bookkeepers. The following pages will serve as a guide through various daily, monthly, and annual procedures.

# LOCAL SCHOOL ACCOUNTING AND REPORTING FINANCIAL POLICIES & PROCEDURES

## Summary of Principal's Duties

- The principal is responsible for the proper handling of all business affairs in the school. This includes the establishment of a bank depository account, savings accounts, receipt and disbursement of funds, budgeting and financial records and reports. For more information see: [Depositing Funds](#)
- The principal is the only person authorized to incur indebtedness on behalf of or in the name of the school; however, the School Board must first approve any indebtedness. All loans and capital leases must be approved by the Superintendent and the Board. See [Loans](#).
- The principal may authorize, in writing, the transfer of funds from one subsidiary account to another, by borrowing or otherwise. The form entitled Fund Transfer Form should be used as documentation for the transfer. See [Transfers](#).
- All school instructional fees, charges, contributions, and deposits shall be collected only as authorized by the principal and NOT contrary to the established policies of the Board. See [Receipt School Funds](#)
- The principal is responsible for investing any excess cash balance (end of year) in the school's checking account into a savings or short-term investment account such as certificates of deposit. See [Funds](#).
- Local school purchase orders, approved by the principal, shall be issued for all purchases. See [Purchases](#).
- Principal must ensure that funds are available prior to authorizing purchase orders or other expenditures.
- All payments shall be made by check. The principal shall be personally responsible for any funds unaccounted for that is not deposited on a daily basis. All checks shall be signed personally or countersigned by the principal or, when approved, by the assistant principal. See [Checks](#).
- No signature stamp may be used in place of the Principal's signature on the check or purchase orders. The Principal is responsible for the security of signature plates if used in place of manual signatures on other school documents.
- The principal shall enforce the "No Check Cashing Policy". The school office is not a bank; therefore, the bookkeeper is not to cash checks under any circumstances. See [Check Cashing](#).

## • **Summary of Bookkeeper's Duties**

- The bookkeeper is responsible to the Principal with oversight from the Business and Finance Division, and shall receive and account for all school funds only in accordance with procedures prescribed by this manual.
- All receipt books or receipt pages issued to teachers/coaches/sponsors should be documented. The bookkeeper shall maintain a log to record each receipt book/sheet issued and document when the book/sheet is completed and returned. See [Teacher Receipt Book](#)
- All money received in the name of the school should be deposited daily in one bank account unless otherwise authorized by the Superintendent. If it is not convenient to make deposits during the day, night depository procedures shall be followed.
- The bookkeeper will prepare a master receipt for all monies received in the school office. The original copy of the master receipt will be attached to the individual teacher's receipt book at the time monies are turned in to the school office.
- Deposit slips must indicate the master receipt number covered by the deposit. Such master receipts will be dated and totaled at the time of the deposit.
- All local school funds shall be deposited in one central bank account. All Child Nutrition Funds shall also be deposited in one central bank account.
- All purchases shall be documented by a purchase order. **Payments must be made from an original invoice when at all possible.** A faxed or emailed copy of an invoice will be acceptable *only* when original is unattainable. The bookkeeper will be responsible if payment is made twice.
- All paid invoices shall be filed by check number order, in the month of payment with a copy of the purchase order attached. Supporting documents will consist of a check copy or check stub, approved local school purchase order, and original invoice with applicable signatures. See [Invoices](#).
- When purchases are initiated by the bookkeeper, the bookkeeper should have another staff member verify all items purchased and sign the invoice/receipt along with the bookkeeper. This internal control process creates a separation of duties.
- Each bookkeeper shall balance the bank account monthly and review end of month reports for accuracy. After review and Principal's approval the data should be exported to Central Office. See [Month End](#).
- Monthly activity balances shall be provided to the principal, coaches, sponsors, and teachers as necessary to report updated balances.
- Bookkeeper must seek assistance from principal or Business & Finance regarding proper procedures and compliance with state and local guidelines.
- Bookkeeper must report irregularities or non-compliance to Business & Finance.

## Summary of Other Duties and Procedures

- All money collected by school personnel from students on school premises and all money collected at school-sponsored activities, on or off premises, shall be accounted for through the school accounting system; however, school-related organizations may have an outside account wherein a formal agreement must be completed with all pertinent information relating to the guidelines on file at the school and/or Central Office.
- Receipts and expenditures shall be classified in accordance with state and local policies.
- A blanket bond carried by the Board shall cover all persons employed by the School System, who handle money.
- All funds collected in the school shall be spent for the purposes for which they were collected.
- When the total amount of monies collected by a teacher/sponsor reaches \$25.00, said funds should be submitted to office personnel no later than 2:00 P.M. daily. Teachers/ sponsors shall not keep any funds in their possession overnight.
- Local school funds shall not be expended for individual memberships in a professional organization, personal long distance telephone calls, personal loans, or for any other purpose other than a direct benefit of the school.
- Travel expenses paid from local school funds shall be in accordance with State and Board policies. This applies to all local school personnel. An approved requisition for reimbursement must be on file to document the expenditure. See [Travel](#).
- Payments to school personnel shall not be paid directly from local school funds. These payments must be documented with an Agreement for Additional Work and shall be submitted on special payroll to the Central Office Payroll Department. The school will reimburse the Board for the salary and applicable employment taxes. Any such payments must not be in violation of the State Ethics Law.
- Equipment with a per unit value of \$5000 or more, including electrical equipment, shall be added to the school's Fixed Assets Inventory. The school inventory control number shall be permanently placed on all inventory items for identification purposes. A Supplemental Inventory listing shall be kept for items between \$500 and \$4999.
- Local school financial records shall not be destroyed except as provided for in the Local Boards of Education Records Disposition Authority. The Local Government Records Destruction Notice must be signed by the Superintendent and sent to the Department of Archives and History for approval before any financial records can be destroyed.
- The State Bid Law shall be complied with when purchasing goods and services. It has been ruled by the Attorney General that a school principal cannot sign a note, enter into a contract, or in any other fiscal manner obligate the Board or School system.

- The Superintendent or designee must approve all computer applications in advance.
- Each school is required to report to the Central Office all payments made to any individual or unincorporated entity, identified as a 1099 vendor, for payment of goods or services. The Central Office shall issue IRS Form 1099 to individuals paid a total of \$600 or more as reported by the schools. See page 90 for information regarding [1099 Vendors](#).

# Compliance Issues

Amendment 558 (Public Funds)

Audit of Local Schools

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Public Funds

Non-Public Funds

Regulations Concerning Public & Non-Public

Further Clarifications Regarding Food Purchases w/ Public Funds

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## AMENDMENT 558 RATIFIED

### Amendment of Section 94

#### SECTION 94

Political subdivisions not to grant public money or lend credit to individuals or corporations; alienation of recreational facilities and housing projects by political subdivisions and public bodies; expenditures by local school boards of education for recognition of contributions to public education.

(a) The Legislature shall not have power to authorize any county, city, town, or other subdivision of this state to lend its credit, or to grant public money or thing of value in aid of, or to any individual, association, or corporation whatsoever, or to become a stockholder in any corporation, association, or company, by issuing bonds or otherwise. The Legislature may enact general, special, or local laws authorizing political subdivisions and public bodies to alienate, with or without a valuable consideration, public parks and playgrounds, or other public recreational facilities and public housing projects, conditional upon the approval of a majority of the duly qualified electors of the county, city, town, or other subdivision affected thereby, voting at an election held for that purposes.

(b) Notwithstanding the provisions of subsection (a), **local school boards of education may expend public funds for the recognition of significant contributions to education in Alabama and to promote educational excellence by students, faculty, staff, and the public. Recognitions shall be in the form of trophies, plaques, academic banquets, and other honors that promote academic excellence in the public schools of Alabama and recognize special deeds that strengthen public education in Alabama.**

## **Audit of Local Schools**

Annual Local School Audits are performed to ensure compliance with State and local policies and procedures. The policies and procedures outlined in this manual will be used by State and local auditors as a reference resource. Audits may also be requested by school administrators or may be performed when financial concerns arise. Local School audits will be conducted by an experienced contracted auditor, as well as, Business & Finance staff.

When the auditor arrives, they will need a private area to work if available. The auditor will request the following records for a designated period of months; however, additional files or reports may be requested as needed.

- Paid Invoice Files
- Master Receipts (Bank Recap reports and updated journal entries)
- Bank Statements
- Deposit Books (Validated Deposit Slips/Bank Deposit Receipts)
- Void Check and Receipts
- PO Master Summary Report\*
- Bank Reconciliation Report \*
- Verification Report\* (“VERIFY ACTIVITY BALANCES WITH ASSETS AND LIABILITIES”)
- Principals Reports\*
  - \* Copies of the above reports will be retained by the auditor.
- All Teacher Receipt Sheets/Books (for specified period)
- Receipt Sheet/Book Log
- Field Trip Files/Reports
- Fundraiser Files/Reports
- All Concessions Accountability (student, faculty, athletics, etc...)
- All Reports of Ticket Sales
- AP-Vendor Dollar Report – 1099 Vendors Only (Pg. 309 of NextGen Print Screen Manual)
- Invoice by Account Number Report for the following object Codes:
  - Object code 319 – Field Trip Admissions
  - Object codes 381-383 – Travel
  - Object Code 478 – Items for Resale
  - Object codes 623 & 629 – Registration, Dues & Fees
- Report of Past Due Payments

In addition to Local School Audits, State Examiners will review the above mentioned records on an approximate five year rotation. State Examiners normally arrive during the month of October and work thru December. A random selection of checks may also be requested from schools based on information provided in the Local School Information Form. The Local School Information Form will be sent to all schools for completion when the State Examiners arrive. Other information requested from all schools by State Examiners will include:

- Copy of September Bank Statement.
- Copy of signed September Bank Reconciliation Report.
- Copy of SAFE letter provided by bank.
- Copies of any leases or loans in which your school may be obligated.
- Copies of any certificates of deposit or savings account statements.



## **Audit Findings**

Some common audit findings and recommendations are listed below:

**Discrepancy:** Purchase order system not being executed properly. Purchase order issued after the invoice date or no purchase order issued for expenditures.

**Recommendation:** A pre-approved purchase order must be issued before the actual purchase with applicable signatures.

**Discrepancy:** Inadequate documentation for issuing checks.

**Recommendation:** Every check issued must have copy of check or check stub, approved purchase order, original invoice with signature of person placing order, and vendor statements if provided by vendor.

**Discrepancy:** No accountability reports for fundraisers were on file.

**Recommendation:** All fundraisers must have an accountability report completed with all pertinent documents relating to the fundraiser(s), i.e. invoices, receipts, etc. on file for audit purposes to ensure that a profit is realized for future planning of fiscal management.

**Discrepancy:** Canteen accountability reports with multiple calculation errors or showing expected/actual receipts over/under by more than the allowable 1% in a given month.

**Recommendation:** The custodian of canteen funds must ensure accurate records. The canteen forms are now available on BCBE website in Excel format with embedded formulas to eliminate calculation errors.

**Discrepancy:** Money not deposited on the date it was received.

**Recommendation:** All funds should be deposited on a daily basis.

## Avoid Violating Ethics Law

### Top Ten List of Ways to Avoid Violating the Alabama Ethics Law

by Jim Sumner

1. Don't take anything from anybody in exchange for official action. (Section 36-25-7, Code of Alabama 1975)
2. File your Statement of Economic Interests with the Ethics Commission by April 30<sup>th</sup> each year. (Section 36-25-14)
3. Don't use your position for your personal gain or to benefit a member of your family or a business with which you are associated. (Section 36-25-5(a))
4. Don't use public equipment, facilities, time, materials, human labor, or other public property for your personal gain or to benefit a member of your family or your business. (Section 36-25-5(c))
5. File copies of any contract you may have or enter into with a public entity (at any level of government) with the Ethics Commission within ten (10) days of the contract being entered into. Remember that all contracts, except those for professional services must be competitively bid. (Section 36-25-11)
6. Be sure you know what is an allowed gift under the law. (Section 36-25-1(31)(b)(2))
7. Understand what can be provided for you and your family in terms of hospitality, transportation, lodging, food and beverages, tickets to sporting and entertainment events as part of a social occasion, educational or informational program, etc. (Section 36-25-1(31)(b)(3-5))
8. Realize that honorariums are forbidden by the Ethics Law. (Section 36-25-1(31)(a))
9. Understand that contributions to your campaign fund or your inaugural or transitional fund may not be converted to personal use. (Section 36-25-6)
10. Know that you cannot solicit any thing for any purpose or any entity from a lobbyist, except a campaign contribution (Section 36-25-23(b))

**The Alabama Ethics Law and All Advisory Opinions  
of the Ethics Commission can be viewed at our Web Site:  
[www.ethics.alalinc.net](http://www.ethics.alalinc.net)**

## **RECAP OF ETHICS GUIDANCE RELATED TO EMPLOYEES SELLING GOODS OR SERVICES TO SCHOOLS OR ANY DEPARTMENT OF THE BCBOE.**

The Alabama Ethics Law, Code of Alabama 1975, Section 36-25-5(a) states:

“(a) No public official or public employee shall use or cause to be used his or her official position or office to obtain personal gain for himself or herself, or family member of the public employee or family member of the public official, or any business with which the person is associated unless the use and gain are otherwise specifically authorized by law. Personal gain is achieved when the public official, public employee, or a family member thereof receives, obtains, exerts control over, or otherwise converts to personal use the object constituting such personal gain.”

Section 36-25-5 (c) states:

“(c) No public official or public employee shall use or cause to be used equipment, facilities, time, materials, human labor, or other public property under his or her discretion or control for the private benefit or business benefit of the public official, public employee, any other person, or principal campaign committee as defined in Section 17-22A-2, which would materially affect his or her financial interest, except as otherwise provided by law or as provided pursuant to a lawful employment agreement regulated by agency policy.”

Mr. Hugh R. Evan, III, General Counsel for the Ethics Commission confirmed the following guidelines that pertain to the issue of employees or their relatives involved with business transactions with schools, students or the Board:

1. An employee or their family member could be involved in a business transaction with a school or the Board if the services or goods were competitively bid and the bid was independently awarded by officials other than the involved employee.
2. This business transaction could occur if the employee was simply reimbursed for goods and no profit was involved. (In this circumstance, Mr. Evans, recommended that we obtain documentation from other similar businesses in the area of what the true costs of the product(s) are.) He recommended that we would be responsible to provide proof in our paperwork that a profit did not occur.
3. Mr. Evans stated that it doesn't matter whether public or non-public funds are involved. If the transaction goes through the school or board books and involves an employee, then the above guidelines apply.

There are numerous Ethics Advisory Opinions that apply and the above guidance is a summary of some of those Opinions.

Questions regarding legal use of local school or central office funds should be directed to the Business and Finance Division and specifically to the Internal Auditor or to the Director of Business and Finance.

## **PUBLIC FUNDS (12)**

The funds maintained at the local schools can generally be divided into two major categories: **Public (Fund 12, Source 7101) and Non-Public (Fund 32, Source 7501)**. Various factors must be considered in determining the proper classification, which affects the degree of expenditure restriction.

### **Public (12)**

Public Funds are restricted to the same legal requirements as Board funds.

- Money generated school-wide
- Money can be used for all students
- Money controlled primarily by the principal

Examples of public fund usage:

**General Fund** generally consists of appropriations from the Board, grants, local contributions, checking account interest, vending machine proceeds, commissions from pay telephones, restricted donations, proceeds from public fundraisers and other miscellaneous revenues. It primarily accounts for school bills and is totally controlled by the Principal.

**Library** funds collected for late charges on returned library books and lost/damaged textbooks.

**Athletic/Gate Receipts** gate receipts are considered public. If non-public monies are co-mingled with gate receipts, all funds become public.

**Concessions** funds collected from the resale of supplies from the canteen/school store and/or concessions operated at athletic and other events. Athletic Concessions should not be commingled with School Canteen Concessions. If the school purchases the supplies and retains the proceeds, it is considered public. (If the booster clubs buys the concession supplies and retain the proceeds, then it is considered non-public).

**NOTE:** Any school-related organization may contract with an affiliated local school to keep a percentage of profits obtained from concessions or pay the school for the use of the facility in order to keep proceeds in an outside account.

**Appropriations** funds received from school board or other governmental agencies from tax sources, usually a particular project.

**Donations** funds received from outside donors such as parents, local businesses, civic organizations, field trips, etc.

**Dues / Fees** school imposed dues for certain non-required courses. These funds should be used to cover the costs associated with that class.

### **Fee Restrictions**

- No fees charged in an unaccredited school
- No fees charged in the first six grades of school
- No fees for State required courses
- No fees for workbooks/supplementary reading materials

## **NON-PUBLIC FUNDS (32)**

Funds are restricted only to the intent and authorization of the appropriate sponsors/ officers. If an organization or parent group raises or collects funds and determines how they will be expended, the funds are non-public.

- Money generated for a group
- Money used for the group
- Money controlled by the sponsor/students and/or parental organization

Examples:

**Clubs and Classes** These funds normally consist of self-imposed fees and not school-required fees. In other words, the participants usually set their own fees to participate in these clubs and classes. Most common are FHA, Senior Class, SGA, Science Club, Spanish Club, cheerleader, band or band booster, athletic (if it consists only of non-public fundraiser activity), and concession (if the band booster or any other club buys the supplies and retains the proceeds).

**Faculty Vending** The Principal is allowed to designate two machines (one drink and one snack, which are located in a staff area of the school) per building as non-public. All purchases of items for resale in these machines must be charged against their receipts. Any excess may then be used as non-public funds; however, the school must be in compliance with the guidelines regarding the management of these machines by the applicable Employee Association and payment must be made to the Board to cover the machines' utility costs.

**Donated Unrestricted** If the donor makes contributions with no restrictions, they may be placed in any non-public activity. Documentation stating there are no restrictions on the use of funds should be received from the donor.

### **Unallowable Uses with Public Funds:**

- Gift items for staff birthdays
- Flowers for staff and/or families
- T-shirts for office staff
- Staff Christmas parties/Christmas gifts/Christmas cards
- Donations to various organizations
- Dues to private clubs
- Meals for spouses
- Food items/coffee and cups for teachers' lounge
- After-school staff meeting
- Pizza parties for a classroom
- Rewards for students (Food rewards must comply with Wellness Policy)
- Staff meeting day before school starts/end of year

\*\*\*All of the above are allowable with Non-public funds \*\*\*

**Allowable - Public**

- Please see the Food & Refreshments Policy regarding allowable food purchases with public funds.
- Athletic receipts can be expended for pre-game meals for the athletic participants and coaches (Principal, and parents not included).
- Banquets honoring persons making significant contributions to the school system.
- Transportation to events related to a student's school sport, if related to a school sponsored activity.

**Recommended:**

Documentation of club meetings (minutes) should be kept and attached to check documentation.

If a donation is received, request a letter from the donor to reflect how the donation is to be used.

Check with your Custodian of Funds if you are in doubt about classifying an activity and/or expenditure.

Do not transfer Public money to Non-Public accounts.

If food items are purchased for students, it must be related to the instructional program.

**Note: Trophies and banquets related to athletics are *not* currently viewed as an allowable expenditure of public funds.** However, trophies and all other expenditures relating to an athletic tournament may be paid from tournament entry fees. Entry fee money for these events are to be put in a public athletic tournament activity set up to handle all tournament income and expenses. If two tournaments are running consecutively, it is suggested that two activities be set up for accountability purposes. After each tournament when all expenditures are paid, any money left in these activities must be transferred to the appropriate public athletic activity.

**IMPORTANT:** If all funds are maintained in one bank account and separate accurate bookkeeping is not maintained for each activity, then the non-public funds would be commingled with public funds and have to be considered as public funds.

## Regulations Concerning Public / Non-Public Funds

1. Public funds cannot be transferred to non-public accounts. If funds are transferred from public to non-public, those funds are considered commingled and the non-public account becomes a public account.
2. Non-public funds can be transferred into a public account. However, once transferred, they become public funds incurring all the legal restrictions.
3. Gift cards may not be purchased with public funds. This is allowable only with non-public funds, i.e. teacher sunshine fund may be used to purchase gift card for teachers in lieu of flowers in the event of illness, death, etc. (Memo dated October 25, 2006)
4. Public funds may be expended for membership dues for the state athletic association preferably from an athletic activity fund. (Memo dated October 25, 2006)
5. Public funds may NOT be expended for a personal membership to an organization.

4/15/04

## Clarifications from training regarding Public vs. Non-Public Funds

An important factor is to properly identify the source of funds as **public or non-public** and then ensure that you deposit those funds into the proper public or non-public account.

Most distinctions between the two types of funds are clear except in the area of Fundraisers. A school can have a public and/or a non-public fundraiser.

Public fundraisers are typically considered school-wide, can be used for all students and the money is primarily controlled by the principal. All proceeds from school-wide fundraisers, such as picture sales and coupon books, must be deposited in a public fund. However, proceeds from nonpublic fundraisers, such as candy, gift wrap, or donuts sold by club members, band students, etc., in the community after school hours can be deposited in the appropriate **non-public** activity, provided that the goods being sold were purchased from that same non-public activity. ***Non-public activity fundraisers (such as cheerleaders, boosters, PTA) can be held on school premises with the approval of the Principal, but must occur after school hours.***

**Basic rule is: During school hours, on school grounds, sold to school students = PUBLIC.**

A question also came up regarding purchasing food for students from public funds. There is guidance that reflects that public funds may be used for the recognition of educational excellence. As verified with SDE, public funds may be used to purchase food for students as an “academic” reward or achievement or if related to the instructional program. This provision is compared to the unallowable use of public funds for a pizza party that is not tied to academic success or reward.

## **FURTHER CLARIFICATIONS OF PUBLIC FUNDS REGARDING FOOD AND REFRESHMENTS**

Effective January 1, 2006, the following guidelines must be followed when purchasing food, nonalcoholic beverages and other refreshment items with public funds. Public funds include all state and federal funds as well as public local funds. *(Non-public local funds may be used for purchases of food and nonalcoholic beverages. Also, food/beverages used as instructional materials/supplies are allowable uses of public funds, and there are specific state/federal grant programs that permit some limited food/beverage purchases for students.)* These guidelines are based upon guidance provided by the Examiners of Public Accounts as well as certain Attorney General Opinions regarding this matter.

- Food, refreshments and nonalcoholic beverages may be provided at a public meeting during which official business is conducted and/or a public benefit or purpose is served. These meetings may include various types of board meetings, open houses at schools and other meetings at which the public, the community or parents/students are invited.
- The Board may provide food and nonalcoholic refreshments at receptions attended by members of the city or county government, legislators and members of the community if the Board determines that such expenditures serve a public purpose.
- Public funds may be expended for food, refreshments and nonalcoholic beverages at meetings or banquets for the recognition of significant contributions to education and special deeds that strengthen public education in Alabama and to promote educational excellence by students, faculty, staff and the public.
- Athletic receipts can be expended for pre-game meals for the athletic participants and coaches (Principal and parents not included).
- Public funds may be expended for food, refreshments and nonalcoholic beverages at training or meetings that meet the following criteria:
  - The training lasts all day;
  - The audience for the training is available for only a limited period of time, and it is necessary to extend into the lunch period;
  - The consultants involved are available for a limited amount of time.

Please be aware of the following restrictions regarding the above procedures:

- The Board may not expend public funds to provide food or refreshments for Board employees at a break during a meeting or training session that does not extend through lunch or a mealtime.
- Miscellaneous food and refreshment items that are not allowable with public funds include staff holiday parties, food and coffee items and paper goods for employee and teacher lounges, after-school staff meetings, pizza parties for classrooms, candy rewards for students, staff meetings at the beginning or end of school term.

**Central Office Requisitions:** If food and refreshment items are reflected on a requisition, please identify pertinent information in the comment section of the requisition that will reflect compliance with above criteria. Identify the facts regarding any meeting including if the meeting is public or for training purposes; the beginning and ending times of the meeting; the main agenda items; and summary of who attendees will be. If food is for students, please provide sufficient explanation to reflect compliance with above criteria. When the invoice and other documents are submitted for payment and the purchase was for a meeting, include a copy of the agenda and list of attendees along with paperwork for payment.

For purchase orders prepared at the local school level, the above justification and description information must be included on the purchase orders prior to approval by the principal. When paying the invoice, the agenda of the meeting (if applicable) must be attached along with the payment documents.



### #305 LOCAL PURCHASING

All purchases made for and in the name of the individual schools shall be approved by the principal and shall be handled in conformity, with prescribed policies and procedures as approved by the board.

### #307 LOCAL SCHOOL PURCHASES OF ITEMS OF VALUE FOR SELECT EMPLOYEES

Local schools support extra curricular functions and programs through fundraising events and other local school revenues. There may be situations in which a principal determines that a particular position overseeing an extracurricular activity requires certain items in order to more efficiently perform that function, oversee student safety, coordinate activities, etc. Such items may include cell phones, PDA's and other small equipment. Items identified by the principal as necessary in order to properly perform a job may be considered allowable uses of school funds for these activities. In the event that the school does not have sufficient local revenue in the extra curricular activity to provide these items, a support organization, booster club, PTO, PTA or other outside organization may make a contribution to the school in order to fund these expenditures. The principal must ensure that the provision of any items of value are purchased in the name of the school, become the property of the school and that the provision of such items comply with all applicable laws and regulations include matters that relate to Title IX, Civil Rights, etc. Principals must obtain further authorization from Business and Finance for the provision of these additional items should the individual value of an item purchased exceeds \$1, 000.

*(Board Approved: August 16, 2007)*

Board Policy #308

## **GUIDELINES FOR THE FINANCIAL OPERATION OF SCHOOL RELATED ORGANIZATIONS**

### **Student Organizations**

Student clubs and classes are usually recognized as school activities. The student officers and faculty sponsor operate the organization while the school principal acts in a fiduciary capacity over the organization's funds. The school's accounting records contain a separate account to record the financial operations of each student organization. Income from the student organization is recorded by receipts and deposited in the school bank account. The school principal approves the purchase orders, signs the checks, and maintains the supporting documents for the expenditures. Some organizations consisting of students from the school may not be school activities. Some students belong to social organizations that operate off-campus. Community recreation leagues may consist solely of the school's students and operate under other entities that are not under the control of the school. Although the activities of these organizations may benefit the school's students, these organizations have a separate employer identification number (EIN), a separate mailing address, and maintain their own records and accounts.

### **Athletics**

School athletics are extra-curricular activities that must be under the control of the principal. Coaches and other school employees cannot maintain a separate bank account that supports, or benefits from, a school extra-curricular activity. Funds received to support an athletic activity at a school from sponsors, vendors, or other sources must be included in the school's financial records under the fiduciary control of the school principal. Funds from gate receipts and other sources may be recorded in one or more separate accounts for a particular sport in the school's financial records. However, a separate account for each sport is not required. When athletic events are held on locations other than school property, the school principal's control over the financial operations of the event including ticket sales, concessions, and parking fees, will be determined by agreement with the entity in control of the event location.

## **Parent Organizations**

Parent and parent/teacher organizations provide a vital role in the education of students. In Alabama public schools, the PTA and the PTO are the most common parent organizations. Many parent organizations join a national organization that serves the individual school organizations. Each of the national organizations publishes guidance for the financial operations of the individual school organizations. These organizations must have a separate employer identification number (EIN) and a separate mailing address in order to maintain their own records and accounts outside the control of the school. However, these organizations will become school activities if:

- a) Both parties mutually assent to the fiduciary control of the principal.*
- b) A school employee serves/holds a leadership position in the organization, or,*
- c) A school employee is involved with fund-raising or maintains the accounting records for the organization.*

## **Booster Organizations**

All school sponsored extra-curricular activities must be under control of the school. However, booster organizations are often formed to support the operations of these activities in a variety of ways. While providing additional financial support for a particular extra-curricular activity, the volunteers in the booster organizations also enhance community support that often extends to benefit all of the students at a school. Because some of the activities of a booster organization may be intertwined with the extra-curricular activity it supports, some of the organization's activities may be under the control of the school principal while other functions of the same booster organization are not school activities. The determination that a particular booster organization is a school activity must be made on a case-by-case basis according to the actual facts and circumstances of the organization's operations at a school. These organizations must have a separate employer identification number (EIN) and a separate mailing address in order to maintain their records and accounts outside the control of the school. However, these organizations "will become school activities if:

- a) Both parties mutually assent to the fiduciary control of the principal.*
- b) A school employee serves/holds a leadership position in the organization, or,*
- c) A school employee is involved with fund-raising or maintains the accounting records for the organization.*

Specific activities of a booster organization may come under the control of the school principal if:

- a) The organization collects admissions to the school function.*
- b) The organization operates a concession operation on school property at the school function.*
- c) The organization collects parking fees for the school function.*
- d) The organization operates a training camp that includes students of the activity it supports, or*
- e) The organization operates an exhibition or competition that includes students of the activity it supports.*

### **Specific Requirements**

Parent organizations and booster organizations that maintain financial operations outside of the control of the school could create a negative image for the school by failing to maintain proper accounting controls. Accountability for the funds these organizations control includes an agreement between the school and the organization that:

- a) The organization has obtained an employer identification number from the IRS.*
- b) The organization provides a report of the annual audit of the organization to the school.*
- c) The organization makes its financial records available to the schools auditors and authorized school employees upon request*

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- d) The organization provides required financial reports.*
- e) The organization provides proof of a fidelity bond for the treasurer.*
- j) The organization will not provide any payment or benefit to a school employee (or family member of a school employee) in violation of the State Ethics Law.*

**Handling of Funds and Property**

All organizations which raise funds for the support of activities conducted by the Baldwin County Public Schools should follow sound fiscal policies in the handling of funds and property which are contributed by patrons for the support of school programs and activities.

Business and Financial Services Division will issue administrative procedures and guidelines to address the detailed requirements and guidelines for proper fiscal management and for reporting of revenues and expenditures to each school and/or the central office. The attached agreement must be signed by applicable personnel and filed at the school for audit purposes. The Agreement and other required compliance must be in place by July 1, 2008. The guidelines will serve as fiscal procedures and must be adhered to. Any organization which fails to comply with this policy will not be permitted to use school property or to associate itself as being affiliated with the Baldwin County Public School System.

## Financial Operations of School-Related Organizations Agreement

Name of School: \_\_\_\_\_

Name of Organization: \_\_\_\_\_

Purpose of Organization: \_\_\_\_\_

Anticipated sources of income for this organization are:

\_\_\_\_\_

Anticipated uses of funds are:

\_\_\_\_\_

Employer Identification No: \_\_\_\_\_

The above-named organization agrees to conduct its activities and operations in compliance with the Alabama Department of Education's Guidelines for Financial Operations of School-Related Organizations including the following specific requirements:

- a) *The organization will comply with Internal Revenue Service requirements necessary for maintaining an Employer Identification Number.*
- b) *The organization will provide the audit reports of its financial operations on at least an annual basis.*
- c) *The organization will make its financial records available to the school's auditors or authorized school employees upon request.*
- d) *The organization will provide financial reports as requested by school officials.*
- e) *The organization will provide proof of a current fidelity bond for the treasurer.*
- f) *The organization will not allow an employee of the above-named school to lead a fund-raising activity or maintain accounting records or bank accounts for the organization.*
- g) *The organization will not provide any payment or benefit to an employee or officer or family member of the above-named school system in violation of State Ethics Law.*

\_\_\_\_\_  
Name of Organization's Officer

\_\_\_\_\_  
Position

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name of School Official

\_\_\_\_\_  
Position

\_\_\_\_\_  
Date

(Board Approved: June 19, 2008)

## Clarification on Questions from Outside Organizations

Detailed guidance related to Parent Support Organization operational procedures can be found on the BCBE website in the [Parent Support Organizations - Guideline and Procedures 2016](#) handbook.

A [Checklist of Requirements](#) to operate as an Outside Organization is also available on the website.

There were many discussions concerning the new guidelines for school-related organizations and many questions arose concerning the Ethics Law. These organizations were told that clarification would be sought from the State Ethics Commission, State Department of Education, and/or the State Examiners Office. Excerpts were taken from the State Ethics Law to address the applicable questions from members of the PTO, PTA, athletic boosters, and other parent organizations. Please be advised that the Baldwin County Public Schools staff members are not responsible for any official opinions or interpretations of the Ethics Law. The Ethics Commission is the final authority. The information herein is simply to provide reference to the applicable section of the Law or other guidelines that may answer certain questions.

Most of the concerns voiced and questions asked related to outside organizations providing any type of compensation or items of value to employees. The Ethics Law and applicable Opinions provide guidance that address any compensation, payments or items of value provided to a Board employee by an outside organization. Hopefully the information below will be helpful.

**Compliance with the Ethics Laws is personal. It is the responsibility of each public employee, officer and elected official to comply with the Ethics Law. It is the responsibility of the administration of Baldwin County Public Schools to provide the information and guidance to employees and provide an environment that permits and encourages adherence to the Law. It is the responsibility of the individual to comply.**

**QUESTION: May any outside organization provide a payment, compensation, or thing of value to an employee or coach?**

**ANSWER:** The Guidelines for Financial Operations of School-Related Organizations prohibit a payment or compensation directly to a Board employee that is in violation of the Ethics Law. There is an Advisory Opinion No. 96-121 that addresses this matter and states that any such payments or compensation must **NOT** be “in addition to salary and supplements paid by the Board of Education, except as otherwise provided by law or as provided pursuant to a lawful employment agreement regulated by agency policy”.

It appears that any such payments provided by the outside organization would be in compliance with the Ethics Law if they are routed through the school to the Central Office, paid through the Payroll Department and in accordance with the Board approved salary schedule for supplements. A payment directly from the organization to a Board employee does appear to violate the Ethics Law:

Section 36-25-2(a)(3) states:

*"(a) The Legislature hereby finds and declares:*

*(3) No public office should be used for private gain other than the remuneration provided by law."*

Section 36-25-5(a) states:

*"(a) No public official or public employee shall use or cause to be used his or her official position or office to obtain personal gain for himself or herself, or family member of the public employee or family member of the public official, or any business with which the person is associated unless the use and gain are otherwise specifically authorized by law. Personal gain is achieved when the public official, public employee, or a family member thereof receives, obtains, exerts control over, or otherwise converts to personal use the object constituting such personal gain."*

Based on the above law and the facts as presented, a coach employed by a Board of Education, may not receive a salary supplement in the form of cash or anything else of value from a Booster Club or other organization, in addition to their normal remuneration from the Board of Education.

*[Above information is excerpt from Advisory Opinion No. 96-121.]*

**QUESTION: May booster clubs or other outside organizations provide funds to pay for such items as cell phones, PDA's and other small equipment?**

**ANSWER:** Yes

The Board approved to disseminate Policy Number 307 that allows a support organization to make a contribution to the school in order to fund these expenditures. See Exhibit B.

**QUESTION: Who will be held responsible for violating the State Ethics Law?**

**ANSWER:**

The individual public employee, officer or elected official would be responsible for their own personal violation.

**A public employee is defined as:**

"Any person employed at the state, county, or municipal level of government or their instrumentalities, including governmental corporations and authorities, but excluding employees of hospitals or other health care corporations including contract employees of those hospitals or other health care corporations, who is paid in whole or in part from state, county or municipal funds. For purposes of this chapter, a public employee does not include a person employed on a part-time basis whose employment is limited to providing professional services other than lobbying, the compensation for which constitutes less than 50 percent of the part-time employee's income."  
Section (36-25-1(23))



**QUESTION: What is a thing of value?**

**ANSWER:** The definition of “thing of value” (Section 36-25-1) was substantially rewritten in 2010 and these changes were at the heart of the legislative intent to “strengthen” the law. These changes have led to much confusion about proper practices between public officials/employees and persons or entities with whom business is transacted. However, the major changes in the new law are as follows:

- Limits “gifts” to those of “de minimus value”
- Eliminates ability to provide tickets to events except those of “de minimus” value
- Limits hospitality to situations which are an integral part of an educational or economic development function, work session, or widely attended event
- Limits meals provided by lobbyists to \$25 a meal with a total of \$150 per year per person

**QUESTION: What is “de minimus” value?**

**ANSWER:** Act No. 2012-433 defines “de minimus” as, “A value \$25 or less per occasion and an aggregate of \$50 or less in a calendar year from any single provider, or such other amounts as may be prescribed by the Ethics Commission from time to time by rule pursuant to [APA] or adjusted each four years . . . to reflect any increase in the cost of living as indicated by the [CPI].

**QUESTION: Is it allowable for an employee to receive a gift card or other gift of appreciation from any outside organization?**

**ANSWER:**

**According to the State Ethics Law, it is allowable but restricted to:** “A gift of “de minimus” value; \$25 or less per occasion and an aggregate of \$50 or less in a calendar year from any single provider.”

**QUESTION: What are the penalties for violation of the Ethics law?**

**ANSWER:** Section 36-25-14(6) states:

" (e) A person who intentionally violates any financial disclosure filing requirement of this chapter shall be subject to administrative fines imposed by the commission, or shall, upon conviction, be guilty of a Class A misdemeanor, or both.

Any person who unintentionally neglects to include any information relating to the financial disclosure filing requirements of this chapter shall have 90 days to file an amended statement of economic interests without penalty."

**QUESTION: Who is charged with enforcing the Ethics law?**

**ANSWER:** Section 36-25-27 states:

"(c) The enforcement of this chapter shall be vested in the commission; provided however, nothing in this chapter shall be deemed to limit or otherwise prohibit the Attorney General or the District Attorney for the appropriate jurisdiction from enforcing any provision of this chapter as they deem appropriate."

**QUESTION: If a public employee files a complaint with the Ethics Commission against a public official or employer in the public sector, are there any measures to safeguard the employee making the complaint?**

**ANSWER:** Yes.

Section 36-25-24 states:

"(a) A supervisor shall not discharge, demote, transfer, or otherwise discriminate against a public employee regarding such employee's compensation, terms, conditions, or privileges of employment based on the employee's reporting a violation, or what he or she believe in good faith to be a violation, of this chapter or giving truthful statements or truthful testimony concerning an alleged ethics violation."

**QUESTION: What is the responsibility of the Superintendent?**

**ANSWER:** Section 36-25-17 Reports of violations; cooperation of agency heads.

(a) Every governmental agency head shall within 10 days file reports with the commission on any matters that come to his or her attention in his or her official capacity which constitute a violation of this chapter.

**QUESTION: What type of audit is required of school-related organizations?**

**ANSWER:**

- a. An individual designated by the organization to review the disbursements of the organization evaluating the supporting documentation for those disbursements and submitting a report indicating the results of the procedures performed would be sufficient.
- b. An audit by an audit committee of members independent of the president, treasurer or fund-raising leader would provide some assurance that the funds are handled properly. The audit committee must consist of three members and a school employee.

Further questions may be directed to the State of Alabama Ethics Commission in Montgomery:

**Phone:** 334.242.2997

**Fax:** 334.242.0248

**E-Mail:** [info@ethics.alabama.gov](mailto:info@ethics.alabama.gov)

**Webpage:** <http://www.ethics.alabama.gov/faq.aspx>

## **Solicitation**

It has come to the attention of the Superintendent's Office that solicitors may have been allowed on school campuses without a letter of introduction.

Please be reminded that authorization in the form of a current letter of introduction from this office is required before solicitation from businesses, outside organizations or individuals can take place on school campuses per Board Policy #954-Soliciting Funds.

Even though the individual may have a letter of introduction, it is still the discretion of the principal whether to allow these individuals time on campus. Be sure to review this information with your faculty and staff, especially front office staff/volunteers, who may not be aware of this requirement.

# **MISCELLANEOUS**

**SDE Classroom Instructional Support Funds-Guidelines**

**Budget Committee Checklist**

**Coding Guidance – State Funds**

**ClassWallet**

**Activity Reports**

**Allocation Tracking**

**Allotments**

**Change Cash**

**Coding Issues**

**Lost or Damaged Chromebooks - Coding**

**Gift Cards**

**Grants**

**Inventory Controls**

**Loans**

**Memberships**

**Request for Assistance-County Commission**

**Records Disposal**

**Use of Facilities**

**Wellness Policy Miscellaneous Items**

**BALDWIN COUNTY BOARD OF EDUCATION**  
**GUIDELINES FOR CLASSROOM INSTRUCTIONAL SUPPORT – FY2017**

(a) For purposes of this section, classroom instructional support means all elements of classroom instructional support as provided in the Foundation Program, with the exception of textbook funds, as specified in Sections 16-6B-10 and 16-13-231, including, but not limited to, library enhancement, student materials, professional development, technology, and other classroom instructional support approved by the State Board of Education. All funds allocated in the Foundation Program for library enhancement, student materials, technology, and professional development shall be spent only for the purpose for which they were allocated. Library media specialists shall be consulted in budgeting all library enhancement funds.

(b) The procedures for ordering, and the regulations applying to, classroom instructional support shall be as follows:

(1) **BUDGET COMMITTEE.** Each school shall have a budget committee. The committee shall be comprised of five members consisting of four teachers and the school's principal, or the principal's designee. The teachers on the committee shall be elected annually by secret ballot by majority vote of the teachers voting at each school. The budget committee shall propose a budget for classroom instructional support, excluding student materials (CIS). The proposed budget shall be consistent with the latest plans for professional development and technology developed at the local school level by the principal and faculty and submitted by the local board of education to the State Superintendent of Education pursuant to Section 16-13-231(b)(1)e. The proposed budget shall outline common purchases and shall specify the common items which may be purchased. The proposed budget shall also specify the amount to be allotted for each teacher, if applicable. Any funds allocated by the Legislature for student materials (CIS) shall be given directly to each teacher as specified in the allocation for use directly in his or her classroom as determined exclusively by the teacher. The committee shall elect a chairperson from among its membership. The committee shall also elect a secretary from its membership who shall be responsible for keeping minutes of the meetings of the budget committee and actions taken to approve the budget during the secret balloting process. The committee may form advisory subcommittees from teachers at the various grade or department levels, or both levels.

(2) **APPROVAL BY TEACHERS.** The proposed budget from the budget committee shall be submitted to the teachers at an annual meeting. Before any part of any proposed budget is implemented, the teachers at the school, through a majority vote of those voting, shall approve the proposed budget utilizing a secret balloting process. Teachers shall have at least two work days to review the proposed budget before a vote is taken. Any proposed budget which does not receive approval shall be returned to the budget committee for reformulation, taking into consideration the teachers' recommendations offered at the school's annual meeting at the beginning of the school year or at a spring meeting at the end of the scholastic year, or both. If the proposed budget is not approved, the budget committee shall submit another proposed budget for review and consideration by the teachers, and this procedure shall continue until such time as the teachers approve a budget utilizing the procedures of this section. A report on the budget which is approved by a majority vote of the teachers voting shall be transmitted to the local superintendent on uniform forms provided by the State Department of Education.

(3) **DUTIES OF LOCAL SUPERINTENDENT.** The local superintendent shall submit a notarized affidavit to the State Superintendent of Education. The affidavit shall certify that all funds allocated for classroom instructional support have been properly spent and that all legal requirements have been properly observed and implemented. On the affidavit, the superintendent shall certify the amount of monies expended at each school, delineating the amounts spent for collective purchases and the amounts received by the teachers at each school. The local superintendent shall take care to insure that each teacher employed is able to order and receive his or her allocation of classroom instructional support during each year as provided in this section.

(4) **TIMELINESS.** Any or all of the funds for classroom instructional support shall be made available to each teacher before December 1. The teacher may order, in whole or in part, his or her allocation anytime during the applicable fiscal year. It is the intent of the Legislature that teachers should have their full allocation of classroom instructional support as soon in the school year as possible in order to promote learning.

(5) **PERMISSIBLE EXPENDITURES.** Monies allocated for classroom instructional support may be spent for classroom instructional support purposes only, to be used either by classroom teachers or students in each teacher's respective classes. It shall be permissible to expend these monies on instructional equipment and electrical equipment which is actually utilized with students in the teacher's classroom. Funds provided per school for common purchases shall be expended according to the decisions of the local school budget committee. All monies allocated and expended shall be consistent with the latest plans for professional development and technology developed at the local school level by the principal and the faculty and submitted by the local board of education to the State Superintendent of Education pursuant to Section 16-13-231(b)(1)e.

(6) **COMPETITIVE BIDS AND VOUCHERS.** Each local board of education may purchase classroom instructional support in bulk pursuant to the state competitive bid law. The board may also authorize each school or individual teachers to purchase materials and supplies, instructional equipment, and electrical equipment for classroom instruction by the voucher system, with no one item exceeding the sum of fifteen thousand dollars (\$15,000). The local board shall establish and require proper accounting procedures and safeguards for purchases by the voucher system.

(7) **POLICIES AND PROCEDURES.** Policies and procedures shall be developed and implemented to insure that each teacher receives his or her full allocated amount for classroom instructional support in conjunction with the approved budget in a timely manner after each order is placed. Procedures and policies utilized and adopted to implement this section shall be established and determined prior to the beginning of the school year by each local board with recommendations from the organization representing the majority of employees as provided in Section 16-1-30.

(8) **UNSPENT FUNDS.** Any funds appropriated for classroom instructional support but not expended according to this section by the end of each fiscal year shall revert to the Education Trust Fund.

(9) **PRORATION.** In the event proration of the Education Trust Fund is declared by the Governor, each local school system shall nevertheless insure that at least 80 percent of its allocation per teacher for classroom instructional support shall be expended according to this section. No portion of a teacher's classroom instructional support money shall be withheld until and unless the Governor officially declares proration of the Education Trust Fund.

(10) **TRANSFER WITH TEACHER DISALLOWED.** Classroom instructional support monies are to be expended on behalf of students at a specific school and are not transportable with the teacher if the teacher is transferred to another school.

(11) **EXAMINERS OF PUBLIC ACCOUNTS.** All expenditures for classroom instructional support and related documents by each county and city board of education shall be subject to audit by the Examiners of Public Accounts.

(Acts 1997, No. 97-934, p. 498, §2; Act 99-389, p. 625, §1; Act 2005-198, p. 394, §1.)

**Budget forms and additional guidance can be located on the SDE website: [www.alsde.edu](http://www.alsde.edu)**

## **State Teacher Allocation – Budget Committee - Checklist**

The below checklist should be used to ensure the appropriate Budget Committee records are maintained in the local school for audit purposes. Contact LSA Staff to receive a copy of this form.



### **BALDWIN COUNTY PUBLIC SCHOOLS State Teacher Allocations-Budget Committee Checklist of Requirements for School File**

School Name:

School Year:

Committee Election Faculty Meeting: Date Held

  


Sign-In Sheet

Secret Ballots

Budget Committee Meeting: Date Held

  
  


Sign-In Sheet

Minutes of the Meeting

Budget Proposals

Budget Approval Faculty Meeting: Date Held

  
  
  
  


Sign-In Sheet

Minutes of Meeting

Secret Ballots

Voter Signature Sheet

Completed and Signed Budget Forms

Additional Meeting:

  
  
  
  


Sign-In Sheet

Minutes of Meeting

Secret Ballots – If Applicable

Voter Signature Sheet – If Applicable

Completed and Signed Budget Forms – If Applicable

Notes/Additional Documentation for File:

- ❖ v - Indicates items have been received and are on file with local school.
- ❖ Enter Date if items have been requested.

## **Coding Guidance – State Classroom Instructional Support Funds**

The expenditures of State Allocated funds at the local school level are identified and tracked by the Activity number and Special Use code. These Activity numbers and Special Use codes should be used for all purchases related to the specified funds.

A sample list of the most common expenditure codes related to these funds is listed below:

### **Classroom Instructional Supplies:**

FY2018 - Teachers access all CIS funds through the ClassWallet platform.

Prior to FY2018 the following activity and coding guidance was applicable:

2130 12-5-1100-411-CCTR-7101-0-PROG-0001

- *Restricted to 1100-411*
- *Use appropriate Program Code 1100-1500 / 2200-2800*

### **Technology:**

- 2160 12-5-1100-414-CCTR-7101-0-PROG-0003 Computer Software, Non-Cap  
 12-5-1100-494-CCTR-7101-0-PROG-0003 Audio/Video, Non-Capitalized  
 12-5-1100-495-CCTR-7101-0-PROG-0003 Computer Hardware, Non-Cap  
 • *Use appropriate Program Code 1200 or 1500*

### **Professional Development:**

- 2170 12-5-2215-381/383-CCTR-7101-0-8220-0004 Travel  
 12-5-2215-623-CCTR-7101-0-8220-0004 Registration  
 12-5-9910-923-CCTR-7101-0-9700-0004 Substitutes-Payment to BCBE

### **Library Enhancement:**

- 2075 12-5-2220-422-CCTR-7101-0-8220-0005 Library/Media Books  
 12-5-2220-491-CCTR-7101-0-8220-0005 Equipment, Non-Capitalized



## **ClassWallet**

During the March 16, 2017 meeting, the Board approved a recommendation to contract with the company, ClassWallet, for managing allocated school funds. ClassWallet is an educational financial management platform based on a digital wallet combined with an online marketplace featuring dozens of merchants and brands including Amazon, Office Depot, School Specialty and local vendors. The use of this service will eliminate paperwork and streamline fund allocations for teachers!

Basic “How it Works”:

- The State allocated Classroom Instructional Supply Funds will be sent directly to ClassWallet, not the local school.
- ClassWallet will setup a user ID and account for each teacher in our school system (by cost center) and provide training on how to utilize allocated funds.
- Teachers will have access to shop online, **purchase orders not needed!**
- Bookkeepers will review the online shopping cart and approve orders.
- The orders will be placed and shipped to the school!
- The amount of the order will be deducted from the teacher account balance.
- Teachers, bookkeepers and administrators will have access to review account balances online
- Schools will have access to make pooled online purchases to utilize all funds allocated.

## **ClassWallet Customer Support Contact Information**

- For immediate assistance please visit our [knowledge base](#).
- On-demand videos – Watch our user training videos [here](#).
- If you would like to reach us via phone, please call us at (877) 969-5536. We are available Monday through Friday 8:00 am to 5:00 pm EST.
- If you prefer email, please contact us at [help@classwallet.com](mailto:help@classwallet.com).
- Several help topic articles and videos can be found on the website <https://app.classwallet.com>.

## **Process for the Approval/Rejection of questionable ClassWallet order requests -**

- If an item submitted for approval is easily identified as unallowable (non-instructional), the Bookkeeper should reject those items and provide a comment (in ClassWallet) to the teacher as to why it was rejected.
- For any requests that are questionable:
  - The Bookkeeper should print the order requests and any correspondence such as lesson plans.
  - The Principal should sign off on the hard copy to approve or note reason if rejected.
  - The hard copy should be kept on file for audit purposes.
  - The bookkeeper will Approve/Reject based on the decision of the Principal.

NOTE: For any items that a State examiner deems as not allowable, the teacher or school may be required to reimburse the Board for the purchase.

PERMISSIBLE EXPENDITURES. Monies allocated for classroom instructional support may be spent for classroom instructional support purposes only, to be used either by classroom teachers or students in each teacher's respective classes. It shall be permissible to expend these monies on **instructional** equipment and electrical equipment which is actually utilized with students in the teacher's classroom.

Additional guidance related to allowable uses of teacher CIS funds can be found on the [SDE website](#) or by clicking the following link: [Q & A for CIS](#)

**Activity Reports** should be made available to school staff upon request. Staff may request a copy of their activity balance via email to the bookkeeper and the bookkeeper shall provide the report to the staff member within a reasonable time frame. Staff members should be kept abreast of their activity balances as this affect their spending capabilities.

- **New activity numbers are assigned by the LSA staff at Central Office.** An activity log is kept on file at Central Office to maintain uniformity within the county system in regards to activity numbers used at all local schools. Please email Local School Accounting Staff or call for assistance with activity numbers.
- Click **Setup An Activity** for instructions on how to add a new activity.

**Allocation Tracking** is used to track balances for any funding source, i.e. state funding, grants, etc. where individual amounts are allocated to certificated staff members and balances must be maintained throughout the fiscal year.

**Allotments:** High schools and middle schools receive allotments for Athletics, Band, and Choral. Please use the following codes to post receipt of funds:

**Deposit check coding as a transfer in from Central office.**

Receipt Code: **12-4-9230-000-CCTR-7101-0-0000-8114 Athletic Allotment**  
**12-4-9230-000-CCTR-7101-0-0000-8105 Choral Allotment**  
**12-4-9230-000-CCTR-7101-0-0000-8104 Band Allotment**

**Allotment funds may be expensed for the specified program with any valid account codes.**

**Change Cash:** When change cash is needed for an event or activity at the school, the check must be charged (debited) to the Change Cash account, which is 12-1-0115-000-CCTR-7101-0-0000-0000. The Principal must designate the individuals to whom the change cash checks can be written (the "payee"). Only the payee can go to the bank and cash the check. Change Cash checks should not be written to or endorsed by the bookkeeper.

Do not use an expenditure account; this is only start up money. If you get a message "This is not an expense account. Do you want to re-enter?" Answer NO. This is not expenditure. This is simply "reclassifying" an asset from "cash" to "change cash."

When change cash is re-deposited after the event in the Cash/Checking account, it should be receipted (credited) to the Change Cash account using the Journal Entry Program with a C/R journal code. (Attach a copy of the updated journal entry to the original check issued for change cash). This should eliminate the balance in the Change Cash account. A balance in a Change Cash account indicates cash that has not been returned to the checking account after an event. The change cash should be re-deposited as soon as possible to eliminate the occurrence of theft and the possibility of the money being deposited into the wrong account.

**FOOTBALL GAMES:** After the football game when the money is counted, a deposit should be made for admissions and a separate deposit should be made for the change cash. When completing the Ticket Sales Report Summary, never include the change cash with the total dollars collected.

**OTHER EVENTS:** If the sport events are numerous where many games are played in a week, for example: baseball, basketball, volleyball etc. the change cash should be placed in a locked box in the office safe after every game. It will be the responsibility of the designated individual cashing the Change Cash check to replace any money that is stolen

## Coding Issues

Refer to the [Local School Chart of Accounts](#) for guidance related to the coding of revenues and expenditures. Try to standardize and simplify your codes.

- The default code for **Professional Services** is “399”.
  - Professional services codes are required for services provided by **NON-EMPLOYEES**.

This object code includes costs for services in which their nature can be performed only by the persons or firms with specialized skills and knowledge; or services performed by persons **other than school employees** to operate, repair, and maintain property owned or used by the school system. While a product may or may not result from the transaction, the primary reason for the purchase is the service provided.

- **Travel and Training Codes:**
  - 381 Local – mileage in Baldwin County, etc...
  - 382 In-State Travel
  - 383 Out-of-State Travel
  - 623 Registration Fees

The above travel and training codes include travel related to instruction, professional development, and administrative. You should be able to identify everything by the above travel codes or by the registration code.

- **Materials and Supplies:** Object codes such as:
  - 410 Instructional Material & Supplies
  - 411 Classroom Instructional Material & Supplies (CIS)
  - 415 Athletic & Physical Education Supplies

This group of object codes includes costs for items that are consumed, worn out, or deteriorated through use; or items that lose their identity through fabrication or incorporation into different or more complex units or substances. (Example a classroom printer costing \$100 may be coded as 1100-410).

**We have determined that any item that costs less than \$500 and is normally replaced rather than repaired may be classified using material and supply codes.**

- **Non-Capitalized Equipment:** More than \$500 but less than \$5000 and meets the following criteria.  
Use object codes such as:
  - 491 Non-Capitalized Instructional Equipment
  - 492 Furniture & Fixtures
  - 495 Computer Hardware

Note: Criteria of Equipment:

1. Retains its original shape and appearance with use.
2. Under normal conditions is expected to serve its intended purpose for longer than one year.
3. Is non-expendable; that is, if the is damaged or some of its parts are worn out, it is more feasible to repair the item than to replace it with a new unit.

**Coding of Expenditures:**

Please make every effort to code all expenditures with the appropriate function, object, and program codes as applicable, i.e., do not use a supply code if equipment is being purchased. If there is any doubt as to the proper code to use, please call the LSA support office for clarification.

Function Code	Object Code	Program Code
<b>1100</b> -Instruction Regular K-12	Any code directly associated with classroom instruction or dealing directly with <b>the interaction between teachers and students</b>	1100,1200,1500,1700,1810,1890,4300, 4400, 4500, 2200-2900 (Sp Ed), 3700-3800 (Vocational) Pool Program: 8100
<b>2110-2190</b> Instruction Support Student Support	Any code directly associated with those services or activities providing <b>support for students</b> and to enhance instruction	1100,1200,1500-1700,4300, 4400, 4500, 1810, 2200-2900, 3800,3500- <i>Use only with function code 2120</i> <i>Program Pool: 8210-8219</i>
<b>2210-2290</b> Instruction Support Staff Support	Any code directly associated with those services or activities providing <b>support for instructional staff</b> and to enhance instruction	1100,1200,1500,1700,1810, 2200-2900 (Sp Ed) 3700-3800 (Vocational) Program Pool: 8220-8229
<b>2310-2390</b> <u>School Administrative Services</u> Principal/Assistant/Office Operation Services	Any code directly associated with activities concerned with <b>directing and managing the operations of a particular school office</b>	1100,1200,1500,1700,1810, 2200-2900 (Sp Ed) 3600 (Vocational) Program Pool: 8230-8239
<b>3100-3900</b> <u>Security,</u> <u>Operation &amp; Maintenance</u> Services	Any code directly associated with keeping the <b>grounds and buildings</b> open and <u>safe</u> and <b>equipment</b> working	1100,1200,1500,1700,1810,4400,4500 2200-2900 (Sp Ed) 3800 (Vocational) Program Pool: 8300
<b>4110-4190</b> Auxiliary Services Extra /Co-curricular Transportation	Any code directly associated with conveying students on trips to <b>athletic events, field trips</b> , and other “extra” school activities	1100,1200,1500-1700, 1810, 3800, 4400, 4500, <u>2200-2900 (Sp Ed) 4130</u> <u>Function 3800 (Voc) 4140 Function</u> Program Pool: 8410
<b>7100-7900</b> Capital Outlay-Real Property \$50,000 or Greater Only	510-519 and 324 Use only these object codes	9100 Use only this program code
<b>9110-9190</b> Continuing Education: (Extended Day/Tutoring) or Outside of K-12 students (Adult/Preschool)	Any code directly associated with providing “extra” remediation/guidance/tutoring or services for Preschool or <u>Outside</u> of Regular School Day	2200-2900 (Sp Ed) 3800 (Vocational) 4110-5900 <b>Important:</b> <b>4300,4600,4711,4712,4800,5100</b>
<b>9310-9390</b> Community Services	Any code directly associated with providing <b>community or civic services</b>	Non-Instructional Programs 9510-9540
<b>9800</b> Other expenditures Not associated with instruction	478-Items for Resale 699-Accommodations Exp 399-Rarely used. Only if associated with “Resale”	Please use only these program codes: 9600, 4400, 4500

## **Checks Issued between Schools**

When schools participate in shared field trips or other expenses, the following guidelines should be followed:

- Refund requests should be made after all expenses are realized.
- Copies of completed supporting documentation should be provided to the school to whom the refund is being requested (e.g. copy of Field Trip Request Form, Travel Reimbursement Form, Hotel invoice, etc...)

When reimbursements between schools involve **special payroll or bus mileage** the following coding procedures should be followed to ensure transfers and bus mileage expenses to Central Office remain in balance:

**School Issuing Check:** Actv Fd-5-9910-923-Cctr-SFnd-0-9700-7000

**School Receiving Check:** Actv Fd-5-9230-000-Cctr-SFnd-0-0000-7000

**All other reimbursements** between schools should be coded as actual expenses or reductions of those actual expenses.

## **LOST OR DAMAGED CHROMEBOOKS - CODING**

### **Accidental Damages**

- If a student's Chromebook or power adapter needs repair and the damage was accidental, there is no charge to the student for the repair.

### **Intentional/Malicious Damages**

- If a student's Chromebook or power adapter needs repair, and the damage is determined by the Principal to have been intentional or malicious, the Help Desk will open a ticket requesting the repair, and issue the student a replacement device. The student/parent will then be issued a repair bill based on the actual cost of repair.

### **Lost Chromebook or Power Adapter**

- The student should be issued a bill for \$200, and issued a new Chromebook. If the lost Chromebook is found, then the bill can be forgiven.
- If a student reports a Power Adapter as lost or stolen, the student should be issued a bill for \$31.50. If the lost Power Adapter is later found, then the bill can be forgiven.

### **Stolen Chromebook**

- If a student reports a Chromebook as stolen, the Help Desk should open a ticket reporting the unit as stolen. A copy of the Police Report should be attached to the SchoolDude ticket. The Chromebook will be "disabled" remotely. The student should be issued a new Chromebook. If the stolen Chromebook is recovered later, it can be easily re-enabled and added back into

## **Chromebook- Assessed Damages/Replacement Costs**

**GL Code: 2230 12-4-7260-000-CCtr-7101-0-0000-0000 – Replacement & Damages**

- Lost Power Adapter \$ 31.50
- Lost Chromebook \$ 200.00
- Assessed Damages – Costs to be assessed on site due to severity of damages.

The above category and list of items should be added to the eSchool webpage for each applicable school. All fees collected should be posted to **activity #2230**. Please contact a member of the Local School Accounting Staff if assistance is needed in adding these items your eSchool webpage.

**Gift Cards:** It appears that the use of gift cards throughout the system has increased in the last year. The purchase of a gift card will not be allowed as this is a direct conflict with the use of the warrant system that requires pre-approval of every purchase made with public school funds. The purchase order should have a detailed listing of items being requested for purchase. With a gift card purchase, this opens an entire gamut of purchasing possibilities with no internal control. Gift cards will be allowable if purchased out of a non-public activity; however, the recipient should sign for the card acknowledging receipt of the card and documentation should be included as to the purpose, i.e., club award for student achievement, teacher appreciation, etc.

**Grants:** All grant applications/budgets or other grant documents must be approved by the appropriate supervisor or administrator/principal and submitted to the Director of Instructional Services for review and approval.

The Director of Instructional Support will approve and forward the grant documents to Business and Finance for budget and funding approval.

The Director of Business and Finance will approve, if applicable, and forward the grant documents to the Superintendent for his approval and signature

Upon approval by the Superintendent, the grant application/documents will be returned to the submitting Division/Department/School for appropriate submission and distribution.

Grant awards must be made payable to the Baldwin County Board of Education for recording in our system-wide accounting records. If applicable, the funds will be transferred to the designated school.

A [Grant Application Routing Slip](#) is used when submitting grant applications. These instructions and routing slip are available on the Business and Finance web pages that can be accessed by clicking the above link.

#### **Grants/Funding From Baldwin County Commission:**

We are thankful and grateful whenever individual schools are eligible to receive grants or services from the Baldwin County Commission. We are required to handle these grants in much the same manner as we handle various state and federal funding.

The Superintendent of Education must approve all requests for grants or services to the Baldwin County Commission. You must submit a letter to this office identifying the specific details of your request. If approved, I will submit a letter to the Baldwin County Commission. Upon receipt of any grant funds, the Business and Finance Division will transfer these funds to each school and notify you accordingly. We will maintain a file on these grants for audit purposes.

**All grants must be submitted to the Department Head and Division Superintendent for approval at the program level. Upon approval by the Division Superintendent, the grant application must be submitted to the Business and Finance Division for budget and funding approval. Once approved by Business & Finance, the grant application must be submitted to the Superintendent for his approval and signature. After Superintendent approves the grant, the application will be returned to the submitting division for appropriate distribution. Once the grant has been approved by the awarding agency, a copy must be submitted to the Business and Finance Division for accounting and auditing purposes.**



## **Inventory Controls**

### **POLICY CONCERNING INVENTORY CONTROLS**

#325 of Policy Manual States:

The primary responsibility for inventory control shall rest with the Business Division and shall be regulated in accordance with standard accounting procedures and practices.

The principal of the local school shall assume the responsibility for reporting any changes in inventory to the Business Division, Materials Management Office. The principal shall be accountable for inventories at the local school level. If for any reason a principal does not provide alterations, additions to or deletions from the school's inventory, the principal shall be held accountable for any unreported losses. The principal shall have the prerogative to hold the individual teacher in the assigned classroom areas responsible. For losses of equipment should said losses not be reported to the principal as they occur.

A physical inventory of all fixed assets and equipment will be made on an annual basis. Other physical inventory of supplies may be made at the discretion of staff personnel.

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### **Fixed Asset Inventory**

Investment in general fixed assets (property, plant, and equipment) comprises a substantial portion of the total assets of a school system. It is, therefore, important to properly record and account for the initial acquisitions, transfers, additions, and deletions. As a result of maintaining a complete system of fixed asset controls and records, the system benefits through (1) protection of the assets, (2) documentation for insurance purposes (in case of fire or loss), (3) maximum utilization of fixed assets, especially movable equipment, (4) more effective planning through the availability of historical data, and (5) verification of "General Fixed Asset Account Group" balance in the financial statement of the Baldwin County Board of Education.

In September of each year, all schools in Baldwin County will be required to verify that their updated inventory is complete. The closing date for inventory updates will be September 30 of each year, and the new fiscal year will begin October 1. This is necessary in order to comply with state auditing procedures.

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## **Loans**

All loans must be pre-approved by the Board of Education. The Board is not liable for any indebtedness in the form of loans/notes or capital leases negotiated by the principal without proper authorization.

### **Bank Loans**

Once a loan has been approved by the Board, the principal may proceed with securing the loan on behalf of the school. A copy of the loan agreement and terms must be on file in the Internal Audit Department at Central Office for audit purposes.

### **Long Term Notes Payable (more than one year w/ amortization schedule):**

#### **Receipt of Funds>**

Loan Proceeds ACTV-12-4-9150-000-CCTR-7101-0-0000-0000

#### **Payments>**

Principal ACTV-12-5-8200-931-CCTR-7101-0-9200-0000

Interest ACTV-12-5-8200-932-CCTR-7101-0-9200-0000

### **Short Term Loans Payable (one year or less):**

#### **Receipt of Funds>**

Loans Payable ACTV-12-2-0263-000-CCTR-7101-0-0000-0000

#### **Payments>**

Payable ACTV-12-2-0263-000-CCTR-7101-0-0000-0000

Interest ACTV-12-5-6910-613-CCTR-7101-0-8690-0000

### **Interfund Payables**

The Principal may request a loan from Central Office to a local school. If approved by the Superintendent, the loan must be booked as interfund payable in the school's books. The principal must include the following in writing:

- Purpose of loan
- Amount of loan
- Payment schedule (explain funding source for re-payment)

#### **Receipted>**

Interfund Payable ACTV-12-2-0261-000-CCTR-7101-0-0000-0000

#### **Payments>**

ACTV-12-2-0261-000-CCTR-7101-0-0000-0000

The money received for an inter fund payable loan will not be reflected in the activity balance. Therefore, the activity will have a <-> debit balance until enough revenues are generated to absorb the debit balance. The loan balance may be found on the balance sheet in the liability section. To determine the true activity balance, subtract the <-> debit activity balance from the loan balance, or add the credit activity balance to the loan balance.



**Capital Lease:** All capital leases must first be submitted to the Business Manager who will process for approved by the Board of Education. Please contact the Business Services Division for more information and direction in regards to capital leases. A copy of all lease agreements must be on file in the Internal Audit Department at the Central Office.

**Membership to AHSAA:** After researching the Attorney General's opinion concerning the payment of coaches' memberships to the state athletic association, it has been determined that this is an allowable expenditure with public funds as it is a requirement for them to coach in the state of Alabama.

**Requests for Assistance - Baldwin County Commission:** Baldwin County Public Schools and Baldwin County Commission are implementing an initiative to form an effective partnership in order to better serve our students and parents in the county. One of these cooperative efforts addresses the issue of requesting financial assistance from the County Commission for certain local school projects. The County Commission often receives requests for assistance directly from principals, teachers, parent-teacher organizations, booster clubs and foundations. We have a responsibility to provide sufficient information to the County such that the Commissioners can make informed decisions regarding funding for these types of projects. The guidelines and form can be found in the "Business & Finance" section of our website under "[Grant Procedures](#)" The following procedure will be followed in requesting assistance:

**Procedures for Submission of Request to Superintendent's Office**

1. All requests must flow through the principal's office to the Superintendent's office.
2. Teachers, coaches, and all supporting organizations must route requests through the principal's office for submission to the Superintendent's office.
3. The requests must be adequately described and the need clearly justified.
4. The school must reflect all funding that is committed by the local school level.
5. The Superintendent and his staff will evaluate the request and determine if appropriate to co-sponsor the request with the County.
6. The Superintendent will indicate on the Request Form the amount pledged by his office prior to submission to the County.
7. The Superintendent's office will then submit cover letter and form to the County requesting the County partner with BCBOE in funding an approved project.
8. Any additional explanations or issues relating to the partnered projects will be explained in the cover memo from the Superintendent's office.
9. The Superintendent will submit to the County Commission.
10. Upon receipt of funding from the County Commission or notice of award, the Superintendent's office will in turn initiate the funding of the project.

**Records Disposal:** All records must be disposed in accordance with the Local Boards of Education [Records Disposition Authority](#). This link is located on the BCBE website under Business and Finance/ Purchasing and Procurement. The disposition schedule must be consulted as to the applicable timetable for destroying records. Certain records are considered permanent and may not be destroyed. A [Records Destruction Notice](#) is also available on the BCBE website and must be completed and signed by the principal. After principal's approval, the form must be sent to Central Office for superintendent's approval, and mailed to the Alabama Department of Archives and History for final approval.

**Use of School Facilities:** Baldwin County Board of Education outlines basic guidelines regarding use of school facilities in Board Policy No. 525. A Contract for Use of School Facilities can be found on the BCBE website under Documents & Forms. A contract should be completed for anyone using BCBOE's facilities.

The Baldwin County Board of Education as the owner of lands and buildings located thereon utilized for school purposes ("facilities") is of the opinion that such facilities should be made available to non-student groups and organizations or individuals but only for the following purposes:

1. Civic, social, recreational, or community meetings, functions and gatherings open to the general public which promote the welfare of the community and which do not interfere with the principal use of said facilities;
2. Events, functions or meetings sponsored by professional educational organizations and associations.
3. Instruction in any branch of education, learning of the arts, or for the delivery of community education programs.
4. Events sponsored by educational, civic or charitable organizations or groups for which admissions fees are charged, if the fees are to be applied to educational or charitable purposes;
5. The conducting of elections and political meetings;
6. Recreation, athletics, exercise and physical training.

Use of said facilities for such permitted purposes shall be in accordance with and subject to the following criteria and conditions:

1. Use of the facilities shall be restricted to times when school is not in session and when not in use for school purposes; and such as shall not interfere with the use of the facilities for school purposes either before or after such use.
2. Any user of the facilities shall be required to pay a fee or charge for the use of the facilities to assure that all expenses associated with such use (i.e. utilities, janitorial services, security, maintenance, and supervision) are recovered.
3. Any such group, organization or individual desiring to use school facilities shall be required to sign a Contract for Use of Facilities (15) days prior to the date or dates desired for such use. Upon approval by the principal, the contract shall be submitted by the principal to the superintendent's office for approval for disapproval by the superintendent or his designee.

Said contract shall embody, in addition to other provisions required by the superintendent, an agreement by the applicant:

1. Acknowledging that the proposed use is not sponsored by or endorsed by the Board of Education, the principal, the executive school patrons, the school or any official or employee of the board;
2. To “hold harmless” the board, its members, the superintendent, the principal, the local executive school patrons and all agents or employees of the board from any liability, including attorney’s fees (1) for negligence or any other wrongful acts or the user of the facilities or their agents, servants or employees, and/or (2) for permitting the use of such facilities;
3. To take out and carry liability insurance in an amount to be determined by the superintendent naming the board, its members, the superintendent, the principal, the executive school patrons and all agents or employees of the board as an additional insured; and to provide to the superintendent, as appropriate, a certificate verifying the purchase of such insurance at the time the written application is submitted.
4. To assume all responsibility for damages and/or extraordinary expenses associated with or resulting from the use of the facilities; and
5. That the facilities will not be used for any purpose not permitted by this policy.

A request for use of school property or facilities pursuant to this policy which is consistent with the permissible purposes set out herein, and which would otherwise be granted, shall not be denied on the basis that presentation of or comment on the relevant subject matter is to be made from a particular viewpoint or perspective, including, but not limited to, a religious viewpoint or perspective.

Should this policy include any statement contrary to a policy adopted hereafter by the State Board of Education, the state policy will prevail.

## CONTRACT FOR USE OF BALDWIN COUNTY PUBLIC SCHOOL FACILITIES

School/Facility: \_\_\_\_\_ Date of Use: \_\_\_\_\_  
 Name of Organization: \_\_\_\_\_ Time of Use: \_\_\_\_\_  
 Purpose of Use: \_\_\_\_\_

☐ Will BCBE Employee be paid for services? (Extra Work Agreement Completed?)

A school employee must be assigned the responsibility to open and close the facility being used if applicable. The group, organization, or individual desiring to hold an event is responsible for ensuring the facility is cleaned after the event.

1. Adult sponsor (person procuring facility) will be present for the duration of the use of the building. Failure to do so will result in no further use of the facility.
2. Children not participating in the activity are not allowed in the facility unless accompanied by a parent who is not participating in the activity.
3. Restrooms: Use of restrooms will be restricted to those restrooms in closest proximity.
4. No one is allowed to walk/roam through building unless accompanied by the adult sponsor.
5. No food is allowed in the facility.
6. Those who have activities logged on the school calendar will have priority in use and any school function takes highest priority in scheduling.
7. The adult sponsor (person procuring facility) will assume responsibility for damages and/or extraordinary expenses associated with or resulting from the use of the building and will repair or replace damaged items (including light bulbs) to their original condition.
8. The proposed use is not sponsored by or endorsed by the Board of Education, the principal, the local school trustees, the school or any official or employee of the board.
9. To "hold harmless" the board, its members, the superintendent, the principal, the local trustees and all agents or employees of the board from any liability, including attorney's fees (1) for negligence or any other wrongful acts of the user of the facilities or their agents, servants or employees, and/or (2) for permitting the use of such facilities.
10. To take out and carry liability insurance in the amount to be determined by the superintendent naming the board, its members, the superintendent, the principal, the local trustees and all agents or employees of the board as additional insured's: and to provide to the superintendent, as appropriate, a certificate verifying the purchase of such insurance at the time the written application is submitted.
11. That the facilities will not be used for any purpose not permitted by this policy.

I understand that by signing this agreement, I assume full responsibility for damages and cleanliness to any part of the facility until the principal/designee inspects the facility. I also affirm that appropriate liability insurance is in place.

### A fee may be charged for the use of facilities – cafeteria, gym, or library.

Full Day- \$250

4 Hours or less- \$100

Excess of 1 Week (Cost to be negotiated based on use)

City, Education Foundation, Government Entity

\_\_\_\_\_  
 Organization President and/or Chairperson

\_\_\_\_\_  
 Principal Signature

Cell/Home Phone: \_\_\_\_\_

\_\_\_\_\_  
 Superintendent/Designee Signature

Work Phone: \_\_\_\_\_

Amount Paid: \_\_\_\_\_ CK #: \_\_\_\_\_

**Wellness Policy #966**—Found in BCBOE Policy Manual located on the BCBE website and under the **Child Nutrition Program** directory.

### **Fundraising**

Foods and beverages that meet or exceed the USDA Smart Snacks in Schools nutrition standards may be sold through fundraisers on the school campus\* during the school day\*.

Schools should aim to have non-food fundraisers, and encourage those promoting physical activity (such as walk-a-thons, jump rope for heart, fun runs, etc.).

§ Fundraising outside school hours (evenings) may sell foods and beverage items that do not meet the Smart Snacks nutrition standards. This may include but is not limited to, donation nights at restaurants, cookie dough, candy sales, etc.

### **Exempt Fundraiser Definition**

An exempt food fundraiser is defined as the sale of food items that do not meet the USDA Smart Snacks in Schools standards and are sold during the school day. A school may sponsor up to and not exceed **30** exempt fundraisers per year, for no more than one (1) day each in length. Exempt fundraiser food is prohibited from being sold as a la carte item, in vending machines or school stores, or before school on school campus.

Foods sold as part of exempt fundraisers may not be sold one (1) hour before or after meal periods. Example: If lunch ends at 12:30 pm, then the fundraiser could not start until 1:30 pm.

### **Exempt Fundraiser Procedure:**

- School Principal:
  1. Complete Alabama's Implementation of USDA Smart Snacks in School and Exempt Fundraisers Form.
  2. Provide copy to CNP Coordinator
  3. Provide documentation of approval upon request by Alabama State Department of Education (ALSDE) for audit review.
- Superintendent:
  1. Complete and sign the Attestation of Compliance with Alabama Implementation of USDA Smart Snacks in School and Fundraising Activities
  2. Provide to CNP Coordinator to support the annual online application renewal.
- CNP Coordinator:
  1. Place a copy of the Alabama's Implementation of USDA Smart Snacks in School Exempt Fundraisers Form (signed by school principal) in the wellness plan file.
  2. Provide documentation of approval upon request by ALSDE.

## Alabama's Implementation of USDA Smart Snacks in School and Exempt Fundraisers Form

School Food Authority (SFA) \_\_\_\_\_

School Name \_\_\_\_\_

Please check one: ☐ July 1 ☐ January 1

Form should be completed and signed by the principal before the fundraisers commence.

	Sponsoring Organization	Item Sold	Date of Sale
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			

Principal Signature \_\_\_\_\_ Date \_\_\_\_\_

Original: Principal File At School    Copy: SFA CNP Wellness File

Developed: May 2015

# Receipting

Bank Accounts  
Changing Banks  
Depositing  
Funds from Central Office  
Receipting School Funds  
Receipts Issued to Students  
Receipting Non-Cash Donations  
Master Receipts-Receipt Module  
Teacher Receipts  
Receipt Instruction Sheet  
Refunds  
Reimbursements  
Returned Check Policy  
Tuition and Fees

## DEPOSITING FUNDS

### Bank Accounts

The Principal has complete control and responsibility for establishing the accounts. It is the responsibility of the principal to notify Business Services if funds in local school bank account exceed FDIC standard coverage of \$250,000. Collateral is then necessary and required by audit.

It is recommended that school principal secures an interest-bearing checking account with the greatest possible return to the local school. This is sound fiscal management of school funds.

**There is to be only one checking account for the school**, although there can be more than one type of savings account. Steps for reconciling the bank account are covered under **BANK RECONCILIATION** in the NextGen Print Screen Manual.

**\*\*\*Before changing banks, please call LSA support personnel for instructions on handling the transfer of funds between banks.**

A new Bank Mail Release Authorization form, available in the LSA Dept. at Central Office, must be completed when changing banks to report new banking information to Envision.

### Changing Banks - Guidance

Make sure the Bank is a Qualified Public Depository and all disclosures regarding fees and interest earned are made clear prior to opening the account. Each school should have a considerable cash balance. Seek out banks that do not charge fees and do pay interest.

There should be two signors on the account, the Principal and his designee. The second signor is usually a Vice-Principal. The bookkeeper will need to contact the check collection agency, Envision, to complete a new bank release form so all NSF checks will be routed for collection.

A check should be issued to the new bank to create a beginning balance. The amount of the check really depends on the current available balance in the “old” bank account. Make sure enough funds remain in the “old” account to cover all outstanding checks and to cover any checks that need to be issued upon receiving the new checks in the mail.

Issue a PO to the new bank and code the PO to public cash 0000-12-1-0111-000-CCtr-7101-0-0000-0000. Do not “receipt” the check as a deposit; the cash account will wash when the check is issued. You can use the validated deposit slip or bank receipt as supporting documentation with your PO.

Checks and deposit slips should be ordered for the new account. Make sure they are compatible with our accounting software. Also, do **not** begin with 1000. The beginning check number should remain in the same range of checks that are currently being used. If the last check number issued in the old account was 5550, the beginning check number for the new account should begin with 5600.



Any “duplicate” checks between the two accounts may be shredded as long as it is documented properly. Make a copy of the first and last checks **prior** to shredding.

In order to shred a large range of checks, create a document that states the following information:

- School Name and Date
- Name of bank checks are drawn on.
- Range of checks to be shredded (**first** to **last**)
- Signature of Principal
- Signature of person shredding checks (Usually Bookkeeper)
- Witness ( Total of three signatures)
- Make a copy of the **first** and **last** checks **prior** to shredding

Until all checks have cleared the old account, both bank statements will be needed to balance. Add the ending balances from each statement and post this amount as the “Ending Balance” in NextGen Check Reconciliation.

After all checks have cleared the “old” account the principal will need to go to the bank and close the account.

**Notify all automatic depositors of new bank information:**

- BCBE – Accounting Supervisor/Business & Finance - Central Office
- University of South Alabama – AMSTI
- Coca-Cola

## **Prompt Deposits**

- Funds are to be deposited daily.
- The deposit slip should be prepared in duplicate and both copies should be taken to the bank for validation.
- The bookkeeper should check the accuracy of the bank’s validation before leaving the bank.
- If the deposit is late, the deposit is locked in a night deposit bag and dropped into the night depository at the banking institution.
- The duplicate validated deposit slip should be retained at the school and kept on file for audit purposes.
- The total daily receipts should match the total of the deposit slip.
- All checks received should be endorsed “For Deposit Only” and the name of the school account and the account number.
- The bank deposit slip should show the numbers of the master receipts covered by the deposit. There should be no erasures or other alterations to the deposit slip.

## QUALIFIED PUBLIC DEPOSITORY

School Funds must be maintained in a Qualified Public Depository (QPD). A QPD is an Alabama banking institution that provides protection for school funds under the **Security for Alabama Funds Enhancement Program (SAFE)**, administered by the Alabama State Treasurer's office. **The school should obtain a certificate from their banking institution at year-end to confirm membership in the SAFE Program and state the balance as of September 30.**

A school should have no more than one checking account, preferably an interest-bearing account. Funds not needed for current operations, whether invested in CD's, money market accounts, or savings accounts, must be recorded in the school's accounting records and included in the school's financial statements.

The following banks are confirmed members of the SAFE Program:

First National Bank  
Citizens Bank  
Centennial Bank

The First Bank  
United Bank  
First Community Bank

Regions  
Wells Fargo  
Bryant Bank

## Funds Received from Central Office

Fund received from Central Office are coded in a specific manner. Instructions on how to post funds received will be sent to the bookkeeper via email from LSA staff. If an ACH payment or check is received without a corresponding email on how to post, please call the LSA staff for posting instructions. See sample form letter below:

Your school will be receiving a check from Central Office. Please receipt and code as indicated below:

	Amount
_____ Title or Other Reimbursement:	
Credit LSA original exp code used to pay for item(s)	\$
_____ Transfer-In: (Allotments, Extended Day, Grants, etc.)	
Credit ACT#-12-4-9230-000-CCTR-7101-0-0000- <b><u>0000</u></b>	\$
_____ ****Transfer-In: (NBPTS, State Funds, AYP, etc.)	
Credit ACT# -12-4-9230-000-CCTR-7101-0-0000- <b><u>7102</u></b>	\$
****Expenses utilizing these funds will be coded as follows to reduce revenue:	
ACT#-12-4-9230-000-CCTR-7101-0-0000- <b><u>7102</u></b>	
_____ Refund of special payroll, subs, field trips, etc: ***mark this	\$
only in the event that 4-9230 has been debited in C/O books	
Credit ACT#-FD-5-9910-923-CCTR-SFND-0-9700-0000	
_____ Other Code: _____	\$

\*\*\*\*\*

\_\_\_\_\_ New Activity Number assigned by Central Office LSA staff

\*\*\*\*\*

Please call LSA staff at Central Office at 580-1668 or 239-4334 with any questions.

## **RECEIPTING SCHOOL FUNDS**

All monies received from any source in or about the schools by any employee or group are regarded as School Funds. **The accounting cycle is as follows:**

1. Monies received must be counted by bookkeeper or other designee to ensure that funds balance back to the teacher's daily receipts or canteen manager's [Currency Count Sheet](#) (Canteen Form RA-K) showing total collected for the day.
2. If the amount paid by students is \$5.00 or less each, the teacher may use the [Student Receipt Sheet/ \\$5.00 or less](#) to list the individual students and amount being paid. A receipt must be written for the total amount collected and the specific purpose indicated on the receipt in which the funds are collected, i.e. talent show.
3. A master receipt must be issued and attached to the applicable teacher receipt. Bookkeeper must ensure that receipt is issued and posted to the appropriate activity/general ledger account.
4. Receipt books are then returned to the teacher via teacher mailboxes.
5. The canteen manager should attach the master receipt to a copy of the [Currency Count Sheet](#) for his/her files.
6. After all money has been turned in for the day, a deposit slip is written and deposited at the school's banking institution. The deposit slip should balance to the Cash Drawer Balance in Receipt Module. This is done on a daily basis. (Under approved circumstances, funds under \$25.00 may be secured overnight in a locked file or safe and receipted/deposited the next day with that day's receipts.)
7. The bookkeeper or other designee is responsible for making daily deposits.

## **Receipts issued to Students**

Each teacher/sponsor will be issued an individual "Receipt Book" as described above to record all funds collected from students in his/her class and/or activity. A teacher/sponsor is not to have more than one receipt record at a time, unless approved by the Principal. The receipt record must be pre-numbered. The receipts must be written in the following manner:

1. Date – The date on which monies are received.
2. Received From – Name of student from which monies are received. (Receipts must always be written to student. A teacher must never write a receipt to his/herself.)
3. Activity Number – the activity to which the monies are to be applied.
4. For – The specific purpose for receiving monies.
5. CA – Should be checked if the money received is in the form of cash.
6. CK – Should be checked if the money received is in the form of a check.
7. Amount – The dollar amount written in numerals.
8. Received By – Initialed by the teacher/sponsor receiving monies.
9. Actual Receipt number must be shown on duplicate copy.

A permanent record must be kept of each Receipt Book issued. If a receipt book is lost, the person to whom the book is issued should submit a written explanation to the Principal. This explanation should be initialed by the Principal and filed in numerical order with returned receipt books. A copy of the explanation should be sent to the Local School Accounting Supervisor at Central Office.

Each teacher has the option of waiving the requirement to write a receipt to each student in a class when the amount being collected from each person does not exceed five dollars (\$5.00). Anything (such as field trips, school store supplies, etc.) may be receipted on the [Student Receipt Sheet /\\$5.00 or less](#).

**This form should be used if the amount collected from students is \$5.00 or less. The completed form should be turned in to the office daily with the money collected.**

Fundraisers will need to be receipted using individual student receipts **or** Student Receipt Sheet \$5.00 or less. This form may be reproduced on two-part NCR paper so that the teacher/sponsor will have a copy for his/her files. All funds collected must be turned in for deposit daily. The listing of Student Receipt Books Issued and/or the Receipt Sheets of \$5.00 or less should be filed with Fundraiser Accountability forms for audit purposes. Only one method of receipting should be used per event to simplify the records.

Funds should be remitted to the Principal's office no more than once a day. However, a teacher is never to hold funds in excess of 24 hours beyond the date of collection.

The bookkeeper must check for the following discrepancies when receiving money to ensure money has not been held:

- Check date should be current.
- Receipt date should be within 24 hours.

The bookkeeper must issue a receipt from the Master Receipt/Receipt Module to each teacher/sponsor for all funds brought into the office. Teachers should take money and their student receipt books to the office **personally**. No monies should be accepted from teachers without a relating student receipt book.

## **Receipting Non-cash Donations**

Non-cash donations also need supporting records. For individual non-cash gifts above \$250, that proof must include written confirmation. The written statement must contain the following information:

1. School name and address
2. Name and address of Organization making non-cash contribution
3. Description (but not the value) of non-cash contribution
4. Statement that no goods or services were provided by the organization in return for the contribution, if that was the case.

## **Master Receipts - Receipt Module**

The school Bookkeeper uses NextGen Budgetary Accounting software to access the Receipt Module when issuing master receipts to record all funds that are turned in to the school office. **All funds received must be receipted and deposited on the same day received.** All funds should be turned in no later than 2:00 P.M. daily.

The principal is directly responsible for setting and reviewing the procedures for the handling of receipting, receipt books and/or monies received. The principal must also establish procedures for safeguarding funds that cannot be deposited in a timely manner.

The following fields are to be filled when posting in NextGen Receipt Module and should appear on the printed master receipt:

- **Cost Center** – Should default in software
- **Receipt Number** – Tab through, the software will auto assign the next receipt number which will print on the receipt.
- **Receipt Date** – Should default to current date
- **Payer ID** – Enter the range of student receipt numbers issued from the teacher receipt book
- **Payer Name** – Enter the **name of the person/business submitting funds** for deposit (Teacher name, Business Name, or Parent/Student (if money is handed directly to the bookkeeper from parent/student and not receipted in teacher receipt book) name.
- **Revenue Type Code** – Click in the “Received” column to select the Revenue Code that is to be credited.
- **Amount** – Post in the “Received” Column – Enter amount to be deposited in school books, less any change that is due back to “Payer”.
- **Comment** – Detailed Description of funds receipted (Battleship Field Trip, Banner Sales, etc...)
- **Amount Tendered** – Enter total amount of Cash and/or Checks submitted with teacher receipt book in each specified field
- **Check Number** – If multiple checks submitted, enter the number of checks. If a single check, enter the check number.

If computer generated (automated) master receipting is not an option due to computer issues, electrical failure, or absence of the bookkeeper; a manual master receipt book may be used. Only pre-numbered receipt books may be used as master receipt books. (The Receipt Module in Nextgen is considered the automated form of the master receipt book.)

- If an error is made in preparation of the manually written receipt, do not erase. Draw a line through the incorrect information and insert the correct information above it. The person making the correction should initial the correction.

### **All master receipts must contain the following:**

Receipts **MUST** state the source of funds.

Receipts **MUST** show activity and revenue code for posting.

Receipts **MUST** always be written to a person.

Receipts must **NEVER** be written to such things as “Picture Sales”, “Coke Machine”, “Candy Sales”, etc.

A master receipt must not be issued in the office for funds collected by the teacher or others, unless the teacher receipt book is submitted to the office at the same time the money is turned into the office.

The person receipting the money must never write a receipt to himself or herself.

Receipts issued for donations must be receipted and coded as such and never commingled with sales, fundraisers, etc...

Master receipts must include the following:

- Date collected
- Range of teacher receipts
- Name of payer
- Amount received (indicating “cash” and/or “check”)
- Specific purpose of funds (Exploreum field trip, lost textbook, donation, etc.)
- Source of funds (BOE, canteen, M. Smith, student’s name, etc.)
- Station ID or signature of person receipting the funds.

The original copy of the master receipt must be detached and given to the person turning in the monies, or, if being receipted from a teacher receipt book, stapled to the last receipt written or to the back of receipt page.

The master receipt must show the numbers (inclusive) of the teacher receipts from the teacher’s receipt book that covers the total amount collected and submitted or the receipt book log number.

Should it be necessary to void a master receipt, mark the receipt “VOID” and file with Bank Recap Report/Updated J/E’s which is considered the Master Receipt Book. The reason(s) for voiding should be written on the receipt being voided.

## Receipting (Teacher Receipt Books)

The bookkeeper will issue each teacher an individual receipt book to record all funds collected in his/her class. A teacher is not to have more than one receipt book at a time, unless the teacher sponsors other activities, which would require its own book. The receipts must be written in the same manner as described in the instructions previously given under [Master Receipts](#), including the procedures for voiding receipts when necessary.

A permanent record (receipt book log) must be maintained by the Bookkeeper to record each numbered receipt book issued. This record should be retained in the school office for audit. The receipt book log should contain the following information:

- Date Issued– Date receipt book/page issued to teacher
- Name – The name of the person receiving the receipt book/page
- Receipt Book Number – Pre-printed identification number found on each book/page. If receipt book/page does not contain a receipt book identification number, the range of student receipt numbers contained in book should be logged.
- Description – Reason receipt book is issued to teacher/staff
- Date Returned – Date completed receipt book/page is returned

The loss of a receipt book is a serious problem and a written statement, signed by the teacher and the principal, must be filed with the Central Office. The auditor should keep a copy of the statement in the school's file for subsequent review.

Monies should be remitted to the office daily. **No money should be left in classrooms overnight.** The Principal may set exact turn-in procedures. Generally, teachers are allowed up to three days to turn in receipted monies for **weekend events** if needed. However, this should not take the place of the sound practice of turning in receipted monies daily.

**Teachers/office personnel must not cash personal checks out of the funds they have receipted under no circumstances.**

The bookkeeper must issue a master receipt to each teacher for all money brought into the office. Teachers should take money and their receipt book to the office personally, unless the Principal has approved an acceptable procedure. The original of the master receipt is stapled to the top of the last receipt used in the teacher receipt book.

Teacher receipt books should be issued to the treasurer of each booster organization if that organization receives money from individuals (i.e., students, and patrons). All rules and regulations apply to booster organizations. Please see Board Policy #308 regarding School-Related Organizations.



## TEACHER RECEIPTING INSTRUCTION SHEET

### GENERAL RULES

1. The receipt book is the original link in an audit trail of all funds handled by the school system.
2. All funds collected must be receipted.
3. Care must be taken to safeguard any and all receipt books that have been issued. If a book is lost or misplaced, report it to the Principal immediately. A written explanation should be provided.
4. Completely fill out each receipt, including name, date, amount, receipt number, description and signature.
5. Indicate whether payment is CASH (CA) or CHECK (CK).
6. **Always** write the receipt to a person, not an activity.
7. **Never** write a receipt to yourself.
8. When receipting an individual for various items, clear documentation on the receipt must identify actual items receipted. (Example: Cookie dough sales total \$15.00 and parent writes check for \$50.00 which includes a \$35.00 donation. Receipt should be issued to reflect \$15 cookie dough fundraiser - \$35 donation.) Never commingle donations with other funds on receipts.
9. If a mistake is made, write “**VOID**” across the receipt and leave both copies in the book. If the original copy has been torn out, staple it to the duplicate copy. **Never** tear out the duplicate copy.
10. At year-end, if receipt book has unused receipts, bookkeeper may staple used receipts together. Remaining receipts may be utilized the next year. **Never** remove used receipts from bound receipt book.
11. **Always** detach the original (white copy) and give it to the student (person).
12. No funds will be accepted in the office from a teacher without their receipt book.
13. **Never** cash a personal check out of the funds collected.
14. Any teacher noting a shortage of monies shall report it immediately to the principal who in turn shall report it to the Chief Financial Officer or their designee.
15. The teacher, canteen manager, sponsor, etc. must send the applicable receipt book with the funds collected. It is imperative that teacher/substitute, etc. write a receipt for all funds received. If the amount being collected for specific activity/event is \$5.00 or less, the teacher may use a Receipt Sheet AKA [Student Receipt Sheet/\\$5.00 or less](#) that lists child’s name and amount paid to support the receipt written.
16. Care should be taken to ensure proper receipting guidelines and policies are followed.
17. Post-dated checks must not be accepted or held for deposit. All checks received will be deposited on the date received.

## **eSchool Payments - <https://baldwincoal.csiepay.com/>**

With Harris eSchool Payments, the school can offer parents the convenience of paying fees online while dramatically increasing operational efficiency. eSchool Payments solution automates the receipt process, reduces cash and check collections by the bookkeeper, and provides a user-friendly tool for parents to pay fees or other school expenses anywhere with an internet connection.

### District Benefits:

- Reduce the number of hand-written receipts.
- Update payments to your general ledger and cash accounts via import.
- Collect fees throughout the year: Registration fees, field trips, yearbooks, and extracurricular activities.
- Process private and secure credit card transactions without storing credit card information.
- Customize and update page for each school site.

### Parent Benefits:

- Access the system anytime/anywhere to make payments.
- Save time for the parent by not having to come to the school during registration
- Eliminate the need for students to bring cash or checks to school.
- Provide electronic receipts for the parents to keep for their records.

## **Creating a Desktop Shortcut & Login Instructions**

Right click on the following hyperlink: <https://baldwincoal.csiepay.com/>

- Choose “Copy Hyperlink” in the drop-down menu
- Go to your computer desktop and right-click in an open area on the screen  
Click NEW  
Then SHORTCUT  
Right-click in the field titled “Type the location of the item” and click PASTE  
Click NEXT  
Then type “ESCHOOL PAYMENTS” and click FINISH

Your shortcut should have been created on your desktop. Click on your shortcut icon to be sure it is set up correctly.

Once you are in the eSchool Payments main login screen, **click on the yellow padlock** to bring up the Admin Login screen. You should have received an email from Harris School Solutions requesting that you register your user name and password. Once this is set up, you will be able to access the administrative page to edit, run reports, and reconcile orders.



**NOTE: Reconcile Orders option should be performed every month prior to exporting the monthly online payments.**

## **Refunds (issuing)**

Refunds in this context relate to cash received and circumstances dictate the need to return funds to a student, parent, teacher, etc. A bookkeeper may not issue cash back to a student out of daily receipts as a refund. All receipts must be deposited and any refunds must be issued with a school check with all pertinent documentation explaining the purpose of the refund.

### **Example:**

A fee for a lost textbook was paid by the student, receipted, and posted in the accounting software as ACTV-12-4-7260-000-CCTR-7101-0-0000-0000 (dues & fees). The textbook was recovered and turned in by the student. **A check must be issued to the student/parent using the same revenue account code- ACTV-12-4-7260-000-CCTR-7101-0-0000-0000 used in posting the receipt.** This reduces the revenue and prevents an overstatement of revenue in the school's books.

Required documentation needed for issuing a refund check includes:

- **Copy of student receipt** (copy of receipt book will suffice).
- **Principal's approval** – written documentation describing the purpose of the refund approved by the principal. Principal may sign the copy of the receipt.
  - A Purchase Order is not required for refunds, but may be issued.
  - A written request from the individual to be refunded is not required. However, the request may aid in the parent receiving and cashing the refund check. Request could include:
    - Date – Amount & Reason for refund – Name – Mailing address if check will be mailed - Signature.

## **Reimbursement (receiving)**

Check received – Enter check in receipt module. Select the “Other” revenue type code. Enter Payer Name, amount and detailed information in the comment field. When receipts are imported at the end of the day, select the expense account (12-5-????) to reduce the original expense.

Bank draft (ACH) – Journal entry should be made using the C/R journal code. A debit is posted to the cash account (12-1-0111) to increase cash, and a credit is posted to the expense account (12-5-????) to reduce the expense.

**If a reimbursement is received for an expense in prior year (before Sept 30), the refund/reimbursement must be coded as revenue: ACTV-12-4-9910-000-CCTR-7101-0-0000-0000**

## Returned Check Policy and Procedures

In an effort to reduce time trying to collect worthless checks, we have adopted a system wide policy in the processing/collection of worthless checks presented to all locations of the Board of Education. This process should allow us to collect the majority of all future checks with a minimum amount of effort. Our policy involves your bank submitting bad checks directly to Envision Payment Solutions. The school will not receive the check. The maker of the check will not have an opportunity to pay the school after the worthless check has hit the school bank account. They will be assessed a service charge by Envision. These procedures should also meet the minimum record keeping requirements from the State Department of Education. The **effective date** for these new procedures was **August 1, 2003**.

The following procedures are to be used in setting up and processing worthless checks written to any program/school of the Baldwin County Board of Education:

CNP, After School Child Care Program and each school must complete a Bank Mail Release Authorization. **Contact Envision or the Local School Accounting Staff at Central Office for the Authorization Form.**

All accounts that receive deposits should be listed. When changing banks, this form should be completed and given to the bank. A copy of the form should be sent via fax to Envision and to LSA Staff.

Envision will guarantee payment of checks up to \$500.00 that meet specified qualifications. (1) Checks must be received by Envision within 20 days of the date of the check. (2) Check contains maker's name (3) Returned with following bank codes: (a) Insufficient Funds (b) Account Closed (c) Uncollected Funds.

**\*\*Any check received that is less than \$75.00 will be guaranteed regardless of the Bank Code.\*\***

Each account that has received a worthless check meeting the above criteria will automatically receive payment the following month. Envision will make disbursements on the 1<sup>st</sup> and 15<sup>th</sup> of each month. Therefore, all bad checks received should not be outstanding over two months.

Caution should be exercised when accepting checks over \$500.00 for goods or services. Receivers should realize that they would be responsible for securing non-public funds to cover any checks over \$500.00. All checks should contain at least the following information:

**Maker's Name**

**Residence Address**

**Home Telephone or Cell Number**

All unpaid checks will have to be shown as outstanding deposits – due from Envision on each month's bank reconciliation. These items should not be adjusted on your books during the fiscal year. As you get paid for these items, you should redeposit them on a separate deposit ticket. Do not record the check from Envision in your books (this would count the revenue twice). At fiscal year end closing you must record any unpaid bad checks by crediting cash (taking from) and debiting (setting up) returned checks receivable (1-0137) from Envision. In the next fiscal year this receivable must be reduced (credited) and cash debited (increased) as the payments come in from Envision. **You must maintain a detailed list to back up the receivable at September 30<sup>th</sup>.**

**Do NOT accept payment from parents/customers attempting to pay for returned checks at your school.** This must be resolved with Envision. If the maker can prove there was an error by the bank, this should be documented by the bank and communicated to Envision. Because each situation is unique, the bookkeeper should contact Envision to inquire as to how the issue will be resolved.

**We must not accept more than two bad checks from any maker.** To acquire the maker names on returned deposit items, log on to the Envision website [www.envisionpayments.com](http://www.envisionpayments.com). Each school bookkeeper should have a User Name and Password to access the website (Contact LSA Staff if this information was not provided to you.) A list of repeat bad check offenders should be maintained and updated to individuals who are receiving checks. This list should not be displayed publicly. This list is one of the minimum requirements from the State Department of Ed.

Notification of check collection procedures should be communicated to all parents and employees. They should be aware that there would be a service fee and potential processing fee for each bad check written. We do not have the authority to waive any of these fees. This notification should be included in student packets or any other communications you have with parents and employees at the beginning of the next school year. Please include the notification in your student/parent handbooks.

An Envision Payment Solutions decal must be displayed at each location checks are received. This will include the school office, cafeteria and extended day rooms. Contact Envision to acquire additional decals as needed.

## **Tuition and Fees**

1. Fees for Courses. Taken from Code of Alabama Section 16-13-13
2. **No fees shall be collected in the future in courses required for graduation.**
3. **In courses not required for graduation, local school boards may set reasonable fees for courses requiring laboratory and shop materials and equipment,** provided, however, that such fee shall be waived for students who cannot afford to pay the fee.
4. **Any funds collected in fees shall be spent on the course for which the fee was levied.** This section shall not be construed to prohibit community groups or clubs from fundraising activities, provided, however, that a student shall not be required to participate in such fundraising activities.

*(Acts 1983, No. 83-617, p. 956, § 2; Acts 1989, No. 89-689, p. 1356, § 2; Acts 1995, No. 95-314, p. 634, &sect;18.)*

1. No school fee of any kind may be charged in the first six grades. Code of Alabama 16-10-6
2. Donations may be accepted from parents for special school purposes.
3. Maintenance fees for lockers may be collected.
4. No fee may be charged in connection with any required subject.
5. A graduation diploma may be withheld if fees are outstanding from non-required courses, textbooks, library resources damaged or lost and supporting waivers indicating inability to pay by parents are not filed with the principal and approved by the Division Superintendent and Curriculum and Instruction.

# **PURCHASES**

Requisition/Purchase Orders  
Purchasing Copy Paper  
Central Office Requisitions/Purchase Orders  
Goods & Services Bid Process  
Bid Process Alternatives

## Purchases

Act No. 742 – (Appendix X) requires the use of Purchase Orders by schools as schools are tax-exempt from Alabama sales tax.

**School employees may not use the school's sales tax exemption for personal purchases.**

### **Requisition/Purchase Orders for Goods/Services**

**All purchases made for and in the name of the individual schools shall be approved by the principal and shall be handled in conformity with prescribed policies and procedures as approved by the board. A completed, pre-numbered purchase order should be approved by the Principal before the purchase of materials, supplies, or equipment.**

The [LSA Requisition Form](#) is available on the board's web site for download. This form may be used by teachers as a **requisition** to receive a purchase order. The form is available as an Excel spreadsheet may be customized to reflect each school's individual name, address, etc...

The requisition form should contain the following information:

- Vendor Name & Address
- School Name
- Date
- Quantity and detailed item description
- Unit cost and total
- Activity expense is to be paid from
- Teacher name/signature

A detailed explanation should be given for questionable allowable purchases. Example: Describe why food items are being purchased with public funds – “Meal for field trip” or “Food for cooking class”. A copy of the lesson plan or field trip request could be attached for further explanation.

An Itemized listing with description (not item numbers alone) and amounts should be on requisition. Avoid use of "per attached list" except for things like a list of books for the scholastic book fair that may be prepared by a salesman at the time he visits the school campus.

If a new vendor is being used, the teacher/staff should request a W-9 from the perspective new vendor to obtain information needed for setup in NextGen. All active school/BCBE vendors should have a W-9 on file with the county or school.

Upon receipt of the completed teacher requisition, the bookkeeper should generate a summary purchase order in Nextgen. The following process should be followed when creating a summary PO:

- **Activity balance must be verified to ensure that the availability of funds** in the applicable activity **prior to** creating the purchase order.
- **Proper** coding should be determined by referring to the [LSA Chart of Accounts](#)
- Principal must approve purchase order prior to being issued to staff.

### **IMPORTANT NOTE:**

- When the purchase order is being requested by the Principal or bookkeeper, **a requisition or detailed purchase order must provide an itemized listing, with description,** of items being purchased.
- **ALL purchase orders that have been requested must be posted in NextGen to acquire a PO number.** This ensures an accurate activity balance for staff members to view and shows all encumbrances against the activity at a glance on the Principal's Report. Schools should no longer manually assign purchase order numbers.

A purchase order must be generated and distributed as follows: original copy to vendor, copy of purchase order attached to requisition for bookkeepers file (supporting documentation consisting of check copy/stub, original invoice, PO). An additional copy of PO and requisition can be given to the teacher if requested.

**Purchase orders must be issued for all expenditures of goods and services.** EXCEPTION: Blanket purchase orders may be used for monthly bills, i.e. copier maintenance, travel reimbursements, utilities, payments to BCBE, etc.

**Reimbursements should not be made to any teacher/sponsor who purchases goods in the school's name without prior approval in the form of a purchase order. Only in an emergency-type situation should this be allowed.** Under normal circumstances, a purchase order must first be approved before an expense is incurred on behalf of the school.

**It is the bookkeeper's responsibility to check open purchase orders monthly.** An **Open Purchase Order Report** can be generated in Nextgen (instructions on how to access report can be found in the NextGen Print Screen Manual pg. 378) to identify all open purchase orders. Prior to month-end close, the bookkeeper should research all open purchase orders. Request a status update from the person who requested the purchase order. A copy of the open PO may be placed in the teacher's box requesting status information. The bookkeeper may use a stamp to expedite the correct response:

**Example only:**

Please advise as to the status of this open purchase order:

\_\_\_\_\_ order has not been placed

\_\_\_\_\_ order not complete

### **Purchase of Computer Applications using iTunes Cards**

With the integration of laptops in the classroom, certain applications may need to be purchased for instructional purposes. While the purchase of iTunes Cards for **gifting** is unallowable using public funds, with proper documentation, it may be allowable to purchase these cards for instructional purposes. The following procedures must be followed for this to be an allowable purchase using public local school funds:

- An approved purchase order must be obtained prior to the purchase. A copy of the lesson plan should be included to show the instructional purpose of the app.
- iTunes card can be purchased from vendor – signed copy of receipt must be returned to bookkeeper.
- Teacher sets up an Apple Account and **must** receive emailed receipts of purchase



- Teacher makes online purchase of instructional apps – prints a copy of emailed receipt – gives to bookkeeper.
- Apple receipt must total receipt of iTunes card purchase. Apple receipt, receipt for purchase of card along with purchase order and lesson plan will be considered check documentation.
- **IT IS NOT ALLOWABLE TO USE STATE CIS FUNDS TO PURCHASE CARDS**

## Procedures for Ordering Copy Paper

All schools and central offices will need to complete a P.O. and order copy paper directly from the state bid. Information and instructions for ordering copy paper are as follows:

### State of Alabama Department of Finance Division of Purchasing

Cut Paper and Continuous Forms Contract

<http://www.purchasing.alabama.gov/contracts>

Contract Number.....: T103

Period.....: 8/18/2016 TO 8/17/2017

Click above link to verify current pricing information

The first two selections of this contract are items most commonly use. There are also other items available under this contract such as color paper and continuous forms. **Include the commodity number for each item on all orders. The commodity number for each item should be included on each PO.**

#### Commodity Number

645-36-035542 - 8-1/2 X 11 20# copy paper

645-36-035543 -8-1/2 X 14 20# copy paper

A minimum of five cases per order is suggested. Allow a delivery time of five days.

IT IS THE RESPONSIBILITY OF THE ORDERING AGENCY TO MAKE SURE THAT ALL OF THE INFORMATION SUBMITTED ON THEIR REQUISITION IS CORRECT. ALWAYS BE SURE TO RECHECK YOUR COMMODITY NUMBERS. AS SOON AS YOUR PURCHASE ORDER ARRIVES, CHECK IT FOR ACCURACY. IF THERE ARE ANY DISCREPANCIES, PLEASE NOTIFY THE VENDOR FIRST, THEN CONTACT THE BUYER LISTED ON THE FRONT OF THIS CONTRACT AS SOON AS POSSIBLE. IN MOST INSTANCES, PROBLEMS CAN BE CORRECTED.

COMPLAINTS MUST BE DOCUMENTED & SUBMITTED TO THE BUYER IN WRITING.

DIVISION OF PURCHASING

CONTRACT NOTICE OF AWARD

TERMS AND CONDITIONS

#### DELIVERY:

ALL DELIVERIES MUST BE INSIDE - DOCK DELIVERIES ARE NOT ACCEPTABLE, UNLESS AGREED TO BY THE AGENCY OR PRINTING VENDOR PRIOR TO DELIVERY.

SOME STATE BUILDINGS MAY HAVE LIMITED SPACE FOR TRUCKS TO PULL INTO THE LOADING DOCK, SO VENDORS MUST MAKE DELIVERIES IN A TRUCK WHICH CAN FIT INTO SUCH SPACE.

SOME AGENCIES MAY HAVE LIMITED HOURS FOR DELIVERIES TO BE ACCEPTED. IF DELIVERY HOURS ARE LIMITED, THE AGENCY WILL STATE SO ON THE PO. OTHERWISE, DELIVERIES MAY BE MADE BETWEEN 8:00 AM AND 5:00 PM.

Each school will be issued an account once first purchase order is faxed to Strickland Paper Co. Fax number is 251-473-1738. Phone number 251-479-3000. Please be sure to include all pertinent information required for delivery.

### **Contract for Professional/Consultant/Presenter Services (Non Board Employee)**

If contracting a service from an individual, the contract is in lieu of a purchase order and serves as approval for expenditure if signed by the principal. A [W-9](#) form should be requested from all vendors to verify mailing address and EIN/SSN.

#### **Contract for Non- Employee**

### **Employees/Agreement for Additional Work**

Board employees who perform a type of service for the school must complete the “Agreement for Additional Work” and payments made through Special Payroll processed through the Payroll Department. (Schools must never issue school checks directly to BCBE employees for payment of services.)

#### **Agreement for Additional Work Contract**

### **Part-Time Work**

[Procedures for Hourly/Daily Work](#) provide consistent handling of filling certain vacancies. The appropriate form must be completed in Citrix and approved by the Human Resources Department

## **CENTRAL OFFICE REQUISITIONS & PURCHASE ORDERS**

A requisition is used to initiate a central office purchase (i.e. a request for a PO). Once the requisition is budget checked and all required approvals obtained, including that of Purchasing, a purchase order will be generated.

1. The Board's official purchase requisition must be completed, approved and then submitted to the Purchasing Department **in advance** of all commitments of expenditures.
2. All purchases of goods and services including Independent Contractual services must be authorized by an official purchase order, signed by the Business Manager or designee, **prior** to delivery of goods and services.
3. Each department should **determine the source and availability of funds** prior to any initiation and submission of a purchase requisition.
4. The following information must be included on all purchase requisitions:
  - Department name, contact person, telephone extension, email
  - Department account number or type of fund to be charged
  - Suggested vendor's name, address, telephone, fax, email
  - **Itemized description** of the goods and services (manufacturer, model, color, dimensions, scope of work, quantity, etc...)
  - Estimated cost of goods and services
  - Attach vendor quotes where applicable
  - Estimated shipping charges and delivery specifications or instructions
  - Attach all necessary and pertinent documents
  - Signature of the department signatory
5. The purchase order represents a guarantee of payments for goods or services received and completed. **Vendors are prohibited** from delivering goods and services without an approved and signed purchase order from the Purchasing Department.
6. Please allow **24 hours** for processing purchase requisition requests.
7. Do not break up purchases into smaller transactions in order to avoid purchasing requirements.
8. **Sole/Single Source Procurement:** If a purchase is not competitive, indicate this when doing the requisition and give ample documentation to justify the procurement decision.
9. **Awarded Bid:** If you are submitting a requisition as a result of an invitation to bid, please include the bid number on the requisition.
10. **Purchasing Cooperative:** If you are utilizing a purchasing cooperative in lieu of the competitive bid process, please note the name of the purchasing cooperative on your requisition.

## **GOODS & SERVICES BID PROCESS**

The Purchasing staff is responsible for the purchasing process and that they are in accordance with District, State and Federal guidelines. The staff provides information, specifications, quotations, preparing formal and informal bid packages, preparing bid tabulations and awarding contracts as related to the purchasing process.

Funds that are considered to be subject to bid law are funds received from sources such as taxation, state or county appropriations, and some grants. With the exception of contracts for public works whose competitive bidding requirements are governed exclusively by, Title 39, Code of Alabama (1975) all contracts of whatever nature for labor, services, work, or for the purchase or lease of materials, equipment, supplies, other personal property or other nonprofessional services, involving fifteen thousand dollars **(\$15,000) or more**, made by or on behalf of any state department, board, bureau, commission, committee, institution, corporation, authority, or office shall, be let by free and open competitive bidding, on sealed bids, to the lowest responsible bidder.

### **Ethics**

To foster fair, ethical and legal trade practices, the purchasing department adheres to the ethical standards of the Purchasing profession. These standards call for granting all suppliers equal consideration insofar as State, Federal, and District policies permit. No gratuities shall be accepted. These standards and civil statutes bind all district employees. It assures the purchasing of quality goods and services in a fair competitive environment.

### **Written Specifications**

It is important for the requesting department to write specifications that correctly fulfill their needs. Specifications are the basis by which vendors prepare their bids. Specifications should be functional describing performance and design. Care should be taken not to intentionally or needlessly specify features or functions that may mislead a vendor or limit the purchase to one vendor. Departments are urged to contact purchasing when in need of assistance.

### **RFP'S**

If goods or services do not have standardized specifications or have complex requirements, use the Request for Proposal (RFP) competitive sourcing process. A Request for Proposal (RFP) is an invitation to vendors to submit a written offer to supply services. The RFP will require the vendor to define the specific financial and/or service commitments that comprise the offer. Purchasing makes the RFP available to multiple vendors to review and respond with a proposal. Evaluation of competing proposals is based on various criteria, one of which is price.

### **Awards**

The purpose of bidding is to purchase goods and services through fair competition. Awards are made to the bidder(s) whose bid complies with specifications, terms, conditions and any other requirements stipulated in the bid and are the best value to the District. These awards are limited to a contract period of 3 years.

## **BID PROCESS ALTERNATIVES**

### **Sole Source Procurement:**

Sole source procurement refers to those purchases where there's only one supplier that provides the product. Usually these are unique products that you cannot find anywhere but only thru one supplier/manufacturer. With proper documentation, sole source purchases are exempt from bid law requirements.

### **Purchasing Cooperatives:**

Purchasing Cooperatives are a type of cooperative arrangement to agree to aggregate demand to get lower prices from selected suppliers. It is often used by government agencies to reduce costs of procurement. Purchasing Cooperatives are used most frequently by governmental entities, since they are required to follow laws requiring competitive bidding above certain thresholds. Counties, municipalities, schools, colleges and universities in the majority of states can sign an inter-local agreement or contract that allows them to legally use a contract that was procured by another governmental entity.

The following are some approved purchasing cooperatives:

#### *Joined:*

U.S. Communities  
TCPN Cooperative  
National IPA Cooperative  
NJPA Cooperative  
1GPA

#### *Available:*

H-GAC Cooperatives  
Public Sourcing Solutions (PSS)

Please contact the purchasing department for more information regarding purchasing cooperatives.

## **CONTRACTS**

The following should be **reviewed** by the Board's Business & Purchasing Manager, Tom Waters:

- Contracts (various: including formal, short form, and annual contracts)—Drafting, Evaluation, Negotiation and Execution
- Non-Disclosure Agreements, Sales / Purchasing Agreements, Sub-contracts, Consulting Agreements, Licensing Agreements, Master Agreements
- Distribution Agreements (resellers, agents, joint marketing etc.)
- Commercial and Public (Federal, State and Local Municipalities) Contracting

**Approval** of, but not limited to, the items above applies to all schools and Board of Education departments.

# **EXPENDITURES**

**Checks**  
**Invoices**  
**Travel**

## Checks

1. All obligations of the school are to be paid by official school check or Board approved electronic funds transfer.
2. Only authorized school expenses are to be paid from this account.
3. The bookkeeper should make every effort to print checks using the NextGen Accounting Software. Manual, “handwritten checks”, may be issued in emergencies such as power failure and posted as offline checks. Blank checks should never be given to employees/staff to complete.
4. A check is never to be destroyed when an error is made. The check should be marked VOID and filed in numerical order with either current month checks or a separate folder labeled as SPOILED/VOIDED for audit purposes.
5. Do not make checks out to “Cash”.
6. Do not sign checks that do not contain the recipient’s name and amount of check.
7. Do not pay for items in advance.
8. Checks must be secured at all times.
9. Checks must be issued in numerical order and filed in the same manner by month.
10. Checks outstanding for more than 60 days should be researched and appropriate action taken.
11. The Principal should sign all checks. No signature stamp may be used in place of the Principal’s signature on the check.
12. There should be two signors on the account bank account, the Principal and his designee. The Principal is authorized to sign checks; however, the designee should sign checks in the event the Principal is incapacitated. The second signor is usually a Vice-Principal. Contact the Director of Business and Finance, if the school does not have a second signor available.
13. A valid invoice and Purchase Order must be secured to serve as a basis for issuing any check; *statements are insufficient.*
14. ***The proper handling of the School Bank Account is the primary responsibility of the Principal.*** The Principal does not have the authority to issue a check unless proper documentation is secured beforehand. Gifts, prizes, or other merchandise obtained from the purchase of school items are the property of the Board. School employees are prohibited from purchasing personal items through the school. School personnel will neither solicit nor accept funds or gifts from vendors



## Invoices

**Payments must be made from an original invoice when at all possible.** A faxed or emailed copy of an invoice will be acceptable *only* when original is unattainable. There is a risk of duplicate payment when paying from a copy of an invoice. The bookkeeper will be responsible for any duplicate payments. Some vendors provide statements on a monthly basis to show all business transactions associated with the local school's account including credits, late charges, etc. The statement should be utilized in such a way that insures that all payments and credits have been accounted for by the bookkeeper. This is accomplished by ticking off each invoice represented on the statement.

### **Supporting documents are:**

1. Check stub
2. Approved local school purchase order
3. Original invoice with the signature of the person who ordered the merchandise or service to indicate that the merchandise or service has been received or that the order was accurate and ready for payment
4. Statement when provided by vendor
5. Canceled check

**\*\*Note: Supporting documents for checks issued to organizations for charitable contributions may include, Club meeting minutes, Fund raiser documentation, Detailed activity report indicating total funds collected, and the receipt from the organization indicating funds were received.**

- All paid invoices shall be filed by check number order, in the month of payment with a copy of the purchase order attached.
- Payment of an invoice should never be made before all merchandise is received.
- Invoice must be attached to applicable requisition/purchase order and filed in "Ready to Pay" file for processing.
- The vendor invoice should include the date, purchase order number, the pre-printed name and address of the vendor, a description of the purchase, an itemized listing of items purchased and item price, shipping and handling charges, and the total amount of the purchase.
- Vendor must be paid on a timely basis.
- Invoice should be marked PAID after check has been signed by principal.
- Once invoice is received, signature of the person ordering items must be on the original invoice to indicate goods/items have been received and order is complete. The bookkeeper should never sign in place of another staff member. This internal control process creates a separation of duties. A stamp may be used as follows to acknowledge receipt of items:

MATERIALS ON THIS INVOICE HAVE BEEN  
RECEIVED IN GOOD CONDITION AND IN THE  
QUANTITIES INDICATED

SIGNED BY: \_\_\_\_\_

DATE RECEIVED: \_\_\_\_\_

Please return to bookkeeper for payment

**Example only:**

**It is recommended that when purchases are initiated by the bookkeeper, the bookkeeper should have another staff member verify all items purchased and sign the invoice/receipt along with the bookkeeper.**

March, 2017

## **BALDWIN COUNTY BOARD OF EDUCATION EMPLOYEE TRAVEL PROCEDURES**

### **OVERVIEW**

The Baldwin County Board of Education allows travel expenses incurred by school personnel to be reimbursed or paid via BCBE-approved Purchasing Cards for applicable staff. Proper approvals must be obtained prior to travel and must relate to employee's duties and responsibilities for BCBE. ACH is available and encouraged for all travel reimbursement claims. Sign up forms are available on BCBE website. Please note the overall general guidelines for travel:

- ❖ All travel must be pre-approved by the department head or principal on the BCBE Leave Request Form. (Appendix A)
- ❖ All travel claims are due to the paying entity, whether that be the Accounts Payable Department or the local school bookkeeper, by the 15<sup>th</sup> of each month for processing.
- ❖ For mileage expenses, personnel will be reimbursed at the established rate set forth by the State of Alabama for use of personal vehicle.
- ❖ No reimbursement shall be authorized for travel between the employee's residence and assigned work place (commute mileage).
- ❖ Limits may be established on the amount of authorized travel.
- ❖ Official travel for a pre-approved conference or meeting includes a maximum of one travel day at the beginning and one travel day at the end of the trip.
- ❖ Local Travel: Reimbursement for hotel costs and food/meal allowance are not allowed for the performance of routine job responsibilities within Baldwin County and surrounding areas within 100 miles one way.
- ❖ Overnight trips of less than 100 miles one way traveling distance are not permitted.  
NOTE: Overnight trips of less than 100 miles for two or more nights are permitted IF based on the judgment of the Assistant Superintendent/Division Director/Principal, returning home each night is unreasonable. Under these circumstances, the Assistant Superintendent / Division Director / Principal must submit justification and any pertinent documentation to the Superintendent for approval PRIOR to the actual travel. A once-a-year exception per employee may be submitted. This provision may be subject to restrictions based upon cost containment measures as directed by Superintendent.
- ❖ Points of Travel: Travel related to the performance of routine job responsibilities is to be reported on the Local Travel Report. Employees who report to various locations in one day must subtract commuting mileage from the total mileage claimed for reimbursement on that day. Each Principal/Supervisor will be responsible for determining commuting mileage for all employees within their school/department/division.
- ❖ Non-allowable travel expenditures placed on an approved BCBE purchasing card must be refunded by the employee per the signed Purchasing Card Agreement.

March, 2017

## BALDWIN COUNTY BOARD OF EDUCATION EMPLOYEE TRAVEL PROCEDURES

### PROCEDURES

**Registration:** Registration fees are the sole travel expenditure that may be paid in advance via purchase order or paid with a BCBE pre-approved P-Card. Request for payment/reimbursement must have agenda indicating meeting place, dates and must be accompanied with receipt. The Board does not pay personal membership fees or dues. Also, a copy of the approved Leave Request must accompany the documentation submitted for advance payment of registration fees.

**Hotel/Motel:** Personnel may be reimbursed OR use BCBE issued P-Card to pay hotel/motel expense at the single room rate up to \$150 per night plus applicable taxes or the conference-room hotel rate if higher. Itemized receipts are required. Parking and taxes may be also reimbursed. Movie rentals, alcoholic beverages and other personal expenses are not allowable expenditures. If P-card is being utilized, rooms should not be reserved if a minimum payment is required prior to travel and/or must not be booked through third-party vendors, i.e. Travelocity, Priceline, Orbitz, etc. as these require payment prior to travel.

**Airfare:** Personnel attending professional development conferences/workshops requiring airfare will be paid via reimbursement process only. Itemized receipts are required. Most airlines have initiated fees for checked baggage. The Board will reimburse the employee for one baggage charge each way if ticket is submitted. The employee is responsible for any excess weight charges or for any charges for two or more checked baggage items.

**Food/M meal Allowance:** A paid receipt is not required for this allowance. The Board has adopted the Meal and Incidental Expense per diem rates set by the United States General Services Administration (GSA) for out of state travel. (*The GSA food/M meal allowance is only allowable for out of state trips that are 6 hours or more and 100 miles or more one way.*) Personnel will be reimbursed \$45 per day for approved in-state travel for 100 miles or more one way.

**Car Rental:** Rental cars must be pre-approved on Leave Request Form and must serve a legitimate business purpose. Personnel requiring a rental car will be paid via reimbursement process only and must include rental and gas. If additional insurance is purchased, it will be the responsibility of the employee. Itemized receipts are required.

**Other/Miscellaneous:** Other necessary travel expenses such as cabs, subways, parking, toll charges, etc., are allowable if necessary, reasonable and documented with receipts/tickets via reimbursement only.

### LEAVE REQUEST

The Leave Request form is the initial documentation to support travel reimbursement claims and/or payment of travel-related expenditures with BCBE-approved P-Cards. A Leave Request must be completed and submitted to the applicable department head when it has been determined that the reason for the leave falls into one of the categories listed below:

March, 2017

## BALDWIN COUNTY BOARD OF EDUCATION EMPLOYEE TRAVEL PROCEDURES

- ❖ Accompanying students on school approved activities.
- ❖ Attendance at any professional development activity or workshop for which costs are incurred for substitutes, registration, etc.
- ❖ Visitation to observe other instructional techniques or programs.
- ❖ Legal Leave (Short term leave supported by subpoena or juror notification.)  
(Plaintiffs or defendants are NOT eligible for paid leave.)
- ❖ Special permission is/was granted by the Board of Education.

### Procedures for Processing and Approval of Leave Request

- ❖ Leave Request should be submitted and approved PRIOR to the event/activity at least 1 to 2 weeks in advance.
- ❖ Travel expenses will be reimbursed ONLY for those days approved on the Leave Request.
- ❖ The meeting agenda must be attached to the Leave Request for all trips. If no formal agenda exists, submit proper documentation in lieu of formal agenda.
- ❖ Failure to obtain Leave Request approval preceding an event/activity may result in request being denied and no travel expenses reimbursed. IF changes in travel arrangements are necessary, an amended Leave Request may be submitted for approval to allow for reimbursements.
- ❖ Check applicable box and the appropriate funding source if a substitute is required. If a system-paid category is selected, the school MUST SUBMIT THE LEAVE REQUEST TO THE SUPERINTENDENT'S OFFICE TO THE ATTENTION OF [lcoe@bcbe.org](mailto:lcoe@bcbe.org) with a copy to [sjanes@bcbe.org](mailto:sjanes@bcbe.org). The Superintendent's office will affix a protected signature for the Superintendent and return to the school via email. PLEASE NOTE: IF A SCHOOL PROCESSES REMOTE LEAVE USING SYSTEM PAID SUBS FOR AN UNAUTHORIZED/UNAPPROVED EVENT, THE SCHOOL WILL BE CHARGED FOR THE SUB UPON REVIEW OR AUDIT OF LEAVE RECORDS.

All [travel forms](#) are available under Documents and Forms of the Business & Finance Department on the website: [www.bcbe.org](http://www.bcbe.org).

When completing the Local Travel Form, please use the sample format below:

#### SAMPLE LOCAL TRAVEL FORM

DATE	DESCRIPTION OF TRAVEL ( ) Indicate miles between points rounded to the nearest mile	ACTUAL MILES	HOME/BASE/ HOME MILES	REIMBURSE- MENT MILES
28-Jun	Home (36) FLYH (2) FLYE/FLYM (10) ELBM (20) CBMS (24) CO	92	5	87
				0

**All travel claims must be requested and paid within the current year for all school staff. No travel reimbursements will be paid for travel claims in a prior year.**

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## BALDWIN COUNTY BOARD OF EDUCATION EMPLOYEE TRAVEL PROCEDURES

### LOCAL SCHOOL / STUDENT TRAVEL

With the principal's approval, school personnel may opt to claim actual expenses in the course of a trip as a cost-saving measure for their respective locally funded programs/activities instead of the allowable travel per diem. (Actual expenses must be for the lesser amount!) A check box is available on the BCBE Travel Form that should be selected to indicate that the allowable per diem is being waived. Itemized receipts are required in these instances.

School sponsored extra-curricular activities may require travel for athletic and/or academic programs. Below are the general guidelines for travel involving students:

- ❖ An approved Field Trip Request Form will serve as the initial approval process to incur expenses for student travel.
- ❖ Travel-related expenses may be paid via school check OR with a Region's Purchasing Card that may be obtained from the school bookkeeper for those schools participating in the P-Card Program.
- ❖ A signed Purchasing Card Agreement must be on file prior to issuing a P-Card for any cardholder.
- ❖ All applicable field trip policies/procedures must be followed per BCBE Board Policy #765.
- ❖ School bookkeeper must ensure the availability of funds prior to travel as with any expenditure.
- ❖ Transportation by bus (county or charter) or rental vehicle (if approved) will be reserved and paid via school check only. P-Card may not be used for transportation.
- ❖ Registration fees may be paid by school check or P-Card with proper approvals and adequate documentation regarding nature of travel.
- ❖ Listing of students in the traveling party must be provided including siblings of students, chaperones, etc.
- ❖ Itemized receipts with applicable personnel signatures must be submitted upon return to school bookkeeper.
- ❖ Personnel may be held accountable/responsible for expenditures without itemized receipts at the principal's discretion
- ❖ Tips/gratuities must be documented and included as part of check or P-Card documentation.

**Example: DO** > bookkeeper issues check to coach for \$200 for student meals, coach returns from event with receipts totaling \$169.50 with \$30.50 in cash. Remaining funds (cash) must be receipted with a C/R journal code and posted against the expense where original check was issued. This is acceptable.

**Example: DON'T** > bookkeeper issues check to coach for \$200 for student meals, coach returns from event with receipts totaling \$130 with \$25 in cash. Coach explains that other items were purchased but no receipt was given for items. The coach may have to reimburse school for \$45 due to lack of accountability. For audit purposes, there must be documentation on file explaining circumstances.

# **Annual Procedures**

**Budgeting**

**Budget Checklist**

**Calendar Year-End (1099 Processing)**

**Fiscal Year-End**

## Local School Budgeting Procedures

The State Department of Education requires each school system to submit local school budgets. Due to the way in which a school operates, schools are not required to maintain revenues and expenditures within those budgeted amounts. However, the process is required to provide the State with an estimate of projected revenues, expenditures and beginning fund balances, which allows them to calculate future funding for each district.

To simplify the budgeting process, the Business and Finance Department, at times will use the process of *initializing* each school's budget with the following criteria:

- No change to budget dollars (same as previous year)
- Increase by a percentage (1%, 5%, etc.)
- Decrease by a percentage

This means that the current year's budgeted accounts may be budgeted for exactly the same amounts or increased/decreased by a percentage. A budget worksheet would be completed by each school as to how their budget should be reported.

The Principal is ultimately responsible for the completion of the budget process at each school. However, the Principal should meet with teachers, athletic directors, band directors and other staff that may have input as to upcoming fundraisers, equipment purchases, or building projects that may significantly change the budget dollars that were reported in a previous year. Other changes that may affect the previous year budget may include an increase or decrease in student population, changes in concession pricing, changes in instructional or extra-curricular programs.

Upon determining the changes that may affect the previous year budget, the Principal will work with the bookkeeper to ensure the budget worksheet is completed and submitted to Business and Finance for processing. Business and Finance will initialize the budget, according to the worksheet and post additional changes to revenues and expenditures as disclosed, in NextGen Budget Input.

Once the Local School Budget Input is complete, a notification email will be sent to schools. Business and Finance will upload completed budget data to the State Department of Education.

The following page contains a sample copy of the Budget Worksheet described above.

## BUDGET WORKSHEET

SCHOOL: \_\_\_\_\_ CCTR: \_\_\_\_\_

## SECTION I

Select Option: ☒  
(A, B, or C).

Enter percentage when selecting B or C.

- A.  No Change to Budget Dollars (Copy from FY2017)
- B.  Increase Budget Dollars By  Percent
- C.  Decrease Budget Dollars By  Percent

## SECTION II

Complete this section if special projects such as fundraisers, construction, or equipment purchases are planned.

\*Expenditure Types: Instructional = I, Non-Instruct = NI, Administrative = A

Fundraisers	Revenues	Expenditures		
Activity Number	Amount	Amount	Type*	Comments

Equipment	Revenues	Expenditures		
Activity Number	Amount	Amount	Type*	Comments

Software	Revenues	Expenditures		
Activity Number	Amount	Amount	Type*	Comments

Construction	Revenues	Expenditures		
Activity Number	Amount	Amount	Type*	Comments

Other	Revenues	Expenditures		
Activity Number	Amount	Amount	Type*	Comments



## Local School Budgeting Procedures (Continued)

### Next Year Budget Checklist

The process of initializing the budget is used during years of little or no change in the structure of a school system. However, initializing year after year can eventually lead to incorrect data if not reviewed for accuracy. The following procedures will be followed when it is determined the process of initializing is not an option. Some of the processes may be used along with the initialize budget process. For example the Next Year Budget Worksheet can be printed to review amounts currently budgeted.

The procedures for creating, entering, printing, extracting and submitting your site's NEXT YEAR'S BUDGET are presented in the following checklist. The checklist below is provided as a guide to help assure that you complete each step of the [Nextgen Budget Procedures](#)

- \_\_\_\_ 1. Print Next Year Budget Worksheet in [Budget Analysis Report](#)
- \_\_\_\_ 2. Input Budget Data using [BUDGET INPUT](#).
- \_\_\_\_ 3. Print [Next Year Budget Worksheet](#) to verify data entry.
- \_\_\_\_ 4. Correct data entry errors using "[Fast Input Program](#)".
- \_\_\_\_ 5. [PRINT BUDGET EXHIBIT B-I-A REPORT](#)

Once all budget data has been posted and verified, email the LSA staff at Central Office. Staff will review budgets and extract data for all schools.

### \*\*\*\*\* BUDGETING REMINDERS \*\*\*\*\*

***Beginning Fund Balances (3-0350) must be budgeted.*** Review the Current MTD Balance less Encumbrances of a current month Principal's report to estimate the beginning balance for each activity.

***Do not budget to internal transfers.*** It is *not necessary* to budget to your internal transfers, because internal transfers-out **absolutely must balance** with internal transfers-in and visa versa.

**Do not budget to 5-9910-923 (Transfer-Out to C.O.).**

**Pay special attention to invalid code combinations.** IF you are not sure about some of the expense codes, please call LSA Staff.

**Do not budget to object codes 431-439.** These codes are no longer valid object codes and should be deleted or marked "INACTIVE".

**Watch the dollar amounts for capitalized and non-capitalized equipment.** For example, *do not budget* \$5000 to account codes with object 491-499, which is for equipment less than \$5000. Please make sure the account code you are budgeting to is consistent with the dollar amount.

**Pay close attention to the 9800 function codes.** Use only 478 & 699 object codes with this function.

**The MTAB/Thru fields of the Fast Input Program should read Oct/Oct to apportion over one month.**

**Do not budget to the following object codes with 1100 function: 461 & 392**

**Do NOT budget to 389 (Other Travel and Training).**

**Use Object code 623 for Registration Fees in lieu of 389.**

## Calendar Year-End (1099 Processing)

### CHECKLIST TO COMPLETE BEFORE PROCESSING 1099 REPORTS:

- \_\_\_\_\_ 1. **Complete** all December invoice entry.
- \_\_\_\_\_ 2. **Record** all December Off-line checks, and
- \_\_\_\_\_ 3. **Print** all of December's system-generated checks

### Steps for 1099 Processing:

Print a Missing/Invalid TIN Report for vendors with missing or invalid social security numbers. The vendor data will have to be modified in the **Vendor Maintenance** transaction.

- 2. Print **REBUILD VENDOR AMOUNTS**
- 3. Print **VENDOR DOLLAR REPORT**

Once 1099 vendors have been verified with correct data, notify LSA staff that data is ready to be exported. The 1099 data will be exported by LSA staff and 1099s will be issued from Central Office.

### **\*\*Note\*\***

A 1099 vendor is defined as: A Non-Board employee who provides a good or service to the BCBE/School, submitting a W-9 that references an individual Social Security Number. District wide non-employee compensation paid to an individual/business totaling \$600 or more is reportable to the IRS.

**A W-9 Form** should be requested from all vendors providing a good or service. A blank form can be found on the BCBE website and downloaded by clicking the above link.

See page 27 of the NextGen Print Screen Manual for directions regarding adding a **1099 Vendor.**

## FISCAL YEAR-END CLOSE

### THINGS YOU CAN DO EARLY TO GET READY

1. Run Missing Checks Report. Account for all checks. **MISSING CHECKS REPORT**
2. Run activity reports for all activities and distribute to each sponsor so that any questions may be addressed before fiscal year-end close. **ACTIVITY REPORT (DETAIL)**
3. Run an **INVOICE QUERY** to check for open invoices.
4. **Outstanding checks** at year end should be reviewed. Any checks outstanding for a period greater than 3 months should be voided if you have made an effort to contact the payee.
5. **Outstanding NSF checks at September 30th** will need to be set up as checks receivables. When funds are expected from the check collection agency for NSF checks that have not yet been received by the fiscal year-end closing date, a journal entry will need to be posted in the Create a Journal Entry transaction and the checks should be marked as cleared in the Check Reconciliation transaction.

*The following entries are for fiscal year end only:*

Make a Journal Entry using **A/R** code:

- Debit 2010 12-1-0137-000-CCTR-7101-0-0000-0000
- Credit 0000 12-1-0111-000-CCTR-7101-0-0000-0000

\*\*\*\*Keep a copy of the entry for audit purposes\*\*\*\*

### When check is received from Envision:

Post in Receipt Module:

- Payer Name = Envision
- Select “Other” revenue type code – Enter amount
- Enter detailed description in Comment field (Name of person, check #, debit date)

At import, the item will kick out in the Process Receipts screen.

- Enter **2010 12-1-0137-000-CCTR-7101-0-0000-0000** in the account number field and click assign account.

## Fiscal Year-End (Continued)

### ENDING BALANCES

**Activities should not end the fiscal year with a negative balance.**

Make necessary transfers between activities before close of fiscal year using the [Fund Transfer Form](#):

**Non-Public activities cannot end the fiscal year with a negative balance.** If this occurs, public funds are being utilized to offset non-public expense. This MUST be corrected before fiscal year end close procedures are performed.

### How to set up ACCOUNTS PAYABLE BATCH if needed

1. Outstanding Invoice(s) dated prior to October 1, for which goods have been received should be posted to an A/P batch with an **October due date**. Create a September invoice batch and **Merge your batch with September 30 posting date**. This sets up your Accounts Payable.

2. When you issue your first October batch of checks: (a) if you use computer generated checks: Go to Cash Disbursements Menu and pull invoices to pay. (b) If you write checks by hand: pay through Off-line Check Procedure because the invoice has already been entered in the computer (Do Not use Offline Batch).

\*\*\*\*\*REMEMBER: The September Accounts Payable invoices will be available to select for payment when you create your first October check batch \*\*\*\*\*

### How to set up ACCOUNTS RECEIVABLE if needed

Have you requested reimbursement from Central Office for any items and have not yet received those reimbursements? IF so, set up Accounts Receivables using instructions provided:

Make a Journal Entry using A/R code:

Debit: **0000-12-1-0131-000-CCTR-7101-0-0000-0000**

Credit: (Original expense code where invoice was paid or Actv 12-4-9230 Internal Transfer-in from Central Office). Code should be provided in an email communication from LSA Staff.

### When bank transfer is received in new fiscal year:

Make a Journal Entry using A/R code.

Credit **0000 12-1-0131-000-CCTR-7101-0-0000-0000 A/R**

Debit **0000 12-1-0111-000-CCTR-7101-0-0000-0000 CASH**

### If check is received from outside source:

Post in Receipt Module:

- Enter Payer Name
- Select "Other" revenue type code – Enter amount
- Enter detailed description in Comment field

At import, the item will kick out in the Process Receipts screen.

Enter 2010 12-1-0137-000-CCTR-7101-0-0000-0000 in the account number field and click assign account.

## CHANGE CASH AT YEAR-END

As per instructions from the State Department of Education, an entry to change cash (1-0115) should be made to close out the account(s) to regular cash account (1-0111) before fiscal year-end closing.

When change cash is re-deposited, you may post in the receipt module to the proper revenue type code (ACTV-0115). It is also allowable to use cash receipts entry to credit the change cash account in the “Create a Journal Entry” transaction. If you get message “This is not a revenue account”, use anyway. Answer Yes. You will need to receipt the money using a September 30 posting date and deposit with daily funds.

If the change cash is needed for October 1, an October dated check will need to be issued. If you are still issuing checks for outstanding September invoices, estimate how many checks you will need to complete your invoices for September, then cut an offline October check to acquire the change cash. There can be no September dated checks issued after the first October dated check is printed. The check numbers must remain in correct check number sequence with the date/fiscal year.

## VENDOR INFORMATION

To research vendor information in regards to unpaid invoices, run report: **INVOICE BY VENDOR REPORT** or **INVOICE QUERY**.

## Year-End Reports

**All entries should be posted and up to date through September 30, as soon as possible. Reports are due in Central Office no later than October 10.** This deadline may require that you contact your bank to receive September’s bank statement earlier than usual.

The following Fiscal Year-end Close Procedures Checklist is an excerpt provided by Harris School Solutions for your convenience:

\_\_\_\_\_ Verify that your books are in balance as of August 31. (It is helpful to begin balancing before the last fiscal period). Print a Trial Balance by Class (1-5) and verify that all credit type codes have credit balances and all debit type codes have debit balances. Balance all of your bank statements through August 31. **IF YOU CAN BALANCE YOUR BOOKS THROUGH AUGUST, SEPTEMBER WILL BE A WALK IN THE PARK!!!**

\_\_\_\_\_ Complete all processing for the 12<sup>th</sup> period **before** performing Fiscal Year-end Close procedures. This includes: entering purchase orders, invoices, checks, and journal entries; balancing bank statements; and exporting Local School Accounting. **Do not close the books until all processing for the current fiscal year is completed.**

\_\_\_\_\_ **(SEPTEMBER’S WALK IN THE PARK)** Verify that your books are in balance as of September 30. Print a Trial Balance by Fund and verify that each fund is in balance. Print Trial Balance by Source of Funds and verify that each source of funds in which balance sheet accounts are used is in balance. (Local schools will print a Trial Balance for Fund 12 and Fund 32. Local schools will also print a Trial Balance for Source of Funds 7101 and 7501. It is imperative that your books are in balance before Central Office can begin Fiscal Year End Close procedures.

**\*\*\*DO NOT CLICK THE RECON BUTTON FOR SEPTEMBER \*\*\* until you receive confirmation from the Central Office that Year End Close Procedures have been completed.**

The following for September should be received in Central Office no later than October 10:

1. **Copy of bank statement received from your bank for September.** Auditors will need a copy of October bank statement as soon as you receive from your bank.
2. Make sure there are no NSF checks showing in “Other Reconciliation Items”.
3. **List of investments**
4. **Make sure there are no negative balances** for each activity number. Cannot close for year-end with a negative balance.
5. **Check for any invalid codes** that may have a balance and ‘Active’ in your chart of accounts. Be sure to make corrections as needed.
6. **Send information on any EQUIPMENT LEASES only, NOT rentals.**
7. **Send copies of all loans/notes payables and ensure that entries have been posted to applicable principal and interest accounts.**
8. School Funds must be maintained in a Qualified Public Depository (QPD). A QPD is an Alabama banking institution that provides protection for school funds under the **Security for Alabama Funds Enhancement Program (SAFE)**, administered by the Alabama State Treasurer’s office. The school should obtain a certificate from their banking institution at year-end to confirm membership in the SAFE Program and state the balance as of September 30.

Contact LSA staff if you will be setting up a Payable to BCBE to carry invoices over to October from September.

**Actual Year End Close Procedures will be performed by Central Office Staff.** After you have balanced the September bank statement, printed monthly reports and completed all of the steps mentioned above, Export as usual and contact LSA Staff by email.

**No need to wait until FY Close is complete to begin October.**

You may close the month of September for the ending fiscal year and open the month of October for the upcoming fiscal year and begin processing on October 1<sup>st</sup>. As always, be aware of the current month you are processing in and keep only one month open at a time to avoid posting errors. You will continue using the designated pre-fix for your school and your purchase order numbers will continue in sequence from prior fiscal year.

- Close all Periods in Ending Fiscal Year – Go to Period Maintenance and close all periods in Actual and Encumbrance Dollars for the Ending Fiscal Year.
- Open the Upcoming Fiscal Year – Go to Period Maintenance and open the period of October in Actual and Encumbrance Dollars for the upcoming Fiscal Year.
- Receipts – You may begin receipting using an October posting date.
- Purchase Order – You may issue new purchase orders using an October posting date.
- Checks – you may issue checks using an October posting date.

**DO NOT – VOID, DELETE, or MAINTENANCE any checks, invoices or purchase orders in the month of October until year end close has been completed. Contact LSA Staff if you have any questions regarding these maintenance type needs.**

# **Monthly Procedures**

**Bank Reconciliation**

**Journal Entries**

**Monthly Reports**

**Transfers**



## Monthly Close Procedures

**Month-End reports are due in Central Office by the 10<sup>th</sup> day of the following month. The bookkeeper is responsible for monthly close procedures of the financial books.**

After all posting is completed for current month the bookkeeper should reconcile the bank statement in the LSA Bank Reconciliation Menu. The bank should provide a monthly bank statement that ends on the last day of every month. The statement should also include front and back copies of all checks.

Print **Bank Reconciliation Accounts Payable Bank Reconciliation Report** *with Journal Entries*.  
Principal must review and sign this report along with Bank Statement.

- **Import all e-School Payments for the month.**
- **Post outstanding deposits**, returned checks (handled by Envision), and bank errors in “Other Reconcilable Items” or “ORI”. Complete description field for each item.
- **Returned checks should remain in ORI until the money is received** from Envision. The maker’s name should be listed in the description field. The item will be marked “Cleared” in ORI once the funds have been collected and deposited.

**Journal Entries** using a J/E journal code are made for the purpose of **correcting posting errors** and **posting ACH transfers/deposits**.

**\*\*\*It is not recommended to use the J/E program to move funds from one activity to another because this process requires an entry to cash IF the entry is made between public and non-public. If an entry to cash is not made, this will cause an out of balance condition between public and non-public cash.**

## Monthly Reports to Review/Print after balancing Bank Reconciliation:

**PRINT – VERIFICATION REPORT ‘Detail’** (Verify that each section is ‘In Balance’)

**Note: Purchase order document date and posting date should be in the same month.** This ensures an accurate activity balance for staff members to view and shows all encumbrances against the activity at a glance on the Principal’s Report. Variances in the “document” and “posting” date fields lead to encumbrance balance errors. Incorrect posting will create “Incorrect” result on the Verification Report.

**REVIEW – TRIAL BALANCE -** Ensure that Type D accounts have balances in the Debit column only and Type C accounts have balances in the Credit column only. Verify Change Cash on hand balances back to total shown in Cash Accounts (1-0115).

**REVIEW – MISSING CHECKS REPORT -** (All checks must be accounted for in the accounting software.)\*\*\*Research any checks that show up on this report before proceeding with month end close.

**REVIEW – ACCOUNTS PAYABLE REGISTER -** (This should say ‘No Data to Report’ if there are no invoices awaiting payment)

**PRINT – PRINCIPALS REPORT -** Check activities for deficit balances before proceeding to next month. Print two copies of this report. The Principal should sign one copy and return to the bookkeeper. The other copy is to be retained by the Principal.

**REVIEW/PRINT – PO MASTER REPORT Summary** – Review Approved, In-Process, and Reencumbered purchase orders to date and follow-up on status of orders. Report can also be printed to show all purchase orders issued for a specified month for use as a PO Log.

**EXPORT – BUDGET/FINANCIAL DATA** - Export monthly data to Central Office server  
No need to review or print the report that is generated.

- E-mail Local School Accounting Staff after all month-end close procedures have been completed.
- A [Month-End Reports Checklist](#) may be used to assist bookkeepers with the above process. This checklist is available on the BCBE website, click the link to access the checklist
- **IMPORTANT - Do not reset (RECON) until beginning the next month's reconciliation process.**

**Transfers** should be made with the journal code (TRN)

The transfer (TRN) journal code should be used to move funds between activities.

**Do NOT transfer public to non-public.** If funds are transferred from public to non-public, then funds are considered commingled and the non-public account becomes public. You may, however, transfer non-public funds to public.

The **Fund Transfer Form** is used to document transfers and provides appropriate **documentation** for the bookkeeper as the form requires signatures of school personnel including principal. Transfers should be made upon request of the teacher/ sponsor with the principal's approval. The form is located on the BCBE website which can be accessed by clicking the above link.

**Corrections** should be posted in the "Create a Journal Entry" transaction using a J/E code. A transfer of funds should not be posted to correct posting errors. Please contact LSA Staff with any questions.

# ACCOUNTABILITY

Canteen  
Commissions  
Vending Machines  
Field Trips  
Fundraisers  
Ticket Sales  
Live Work Projects

# Guidelines for Operation of School Canteens and Stores

## Introduction

The “Guidelines for Operation of School Canteens and Stores” sets out procedures for individual schools to use for the operation of canteens and/or school stores. This is being done in an effort to standardize accounting procedures for local schools. This is also being done in an effort to have more accountability, efficiency and management tools for analysis.

All of the forms used in this process may not apply to some operations within a school. Some forms will not be needed for every reporting period. If there is an entry in a column on form RA-1 (Retail Accountability Control Report), then there should be a supplemental sheet to support that entry.

All retail accountability forms (RA) were designed for end of the month reporting, but can also be used for any time period if the need should occur (i.e. suspected theft, sales analysis, etc.). One thing to keep in mind is that all supplemental forms (RA-alfa) should be completed for the same time period. Regardless of the time period(s) used, a **monthly report will be due** for review by the Board and the Examiners of Public Accounts. Shortened months for whatever reason should be completed through the last day of work for that month.

There may be situations that the format presented in this document will not fit. If you cannot adapt the forms for your own needs and still maintain accountability, please contact internal auditing and discuss any problems.

- **Athletic Concessions should not be commingled with School Canteen Concessions**
  - Separate accountability forms must be maintained
  - Expenses for the purchase of athletic concessions should not be paid from the Canteen activity

The following forms should be used to account for any type of retail sales:

### *Summary Control Report*

RA-1 – Retail Accountability Control Report

### *Supplemental Forms*

RA-A - Inventory Items Received by Workers

RA-B - Other Inventory Deductions

RA-C - Principal Approval for Inventory Transfers

RA-D - Inventory Received

RA-E - Summary of Receipts

RA-F - Physical Inventory Count Sheet(s)

RA-G - Bulk Inventory Tracking Schedule

RA-H - Tally Sheet for Reward Program Discounts

RA-J - Summary of Tickets/Tokens Submitted for Discounts

RA-K - Currency Count

All forms are available for download at [www.bcbe.org](http://www.bcbe.org) under Business and Finance/Documents and Forms – [Canteen Accountability Forms](#).

## Financial Responsibility of Staff Regarding Canteen

### Principals and Bookkeepers

Principals are ultimately responsible for both the educational and financial operations at their school. Principals should use sound management decisions as to how school canteens/stores are set up and how many and what type workers are appropriate under the circumstances. Fewer people involved in the process usually mean better efficiency and controls. The more efficient these operations are, the more discretionary income they bring to the school.

Principals and bookkeepers need to be aware of the accounting process involved with retail sales. Understanding the flow of information will help identify problem areas when reviewing accountability reports. Knowing where to look and what signs to look for are key elements to determine what is not operating properly or could be improved. Large quantities in any of the deduction columns on form RA-1 should be investigated further before signing the form. The principal should be aware of amounts over and under on form RA-1. The difference between expected receipts and actual receipts should be less than 1 %. Amounts under are **subject to be charged back** by the Examiners of Public Accounts or the Board of Education.

A memo from the principal to the custodian should be written (copy should be maintained in the office) stating limits allowed any workers each day for their services. Also, if someone other than the principal is going to be held accountable for any shortages, then they will need to have a secure location for all inventories under their control. If numerous people have access to the room/building where inventory is stored, then the custodian can not be held responsible for inventory stocks.

Principals should approve any transaction that is out of the ordinary procedures of the activity. For instance, approval should be given before any inventory items are given to any other activity such as athletics, clubs, etc. Principals should occasionally spot check some items at the end of the month on form RA-F (inventory count sheets) to test the accuracy of inventory counts. Errors in counts should be followed up on and resolved.

### Custodian

Any person who is responsible for money and/or inventory is considered a custodian. Custodians should realize that they have a responsibility to account for inventory and any money due to be collected. Custodians should realize the need to have a secure location in which to store inventory if they are going to be held responsible by the principal. The custodian should discuss any concerns of this nature with their principal.

### Inventory

A detailed inventory should be taken at the beginning of the school year before receiving anything from vendors on form(s) RA-F. Items should be listed individually based on their selling price. If more than one sheet is needed for a particular price category, then additional sheets should be used. Subtotals from other same price category sheets should be brought forward to the 1<sup>st</sup> sheet in that category and all of those sheets stapled together. Total quantity for each price category should be taken to the “Retail Accountability Control Report” (Form RA-1).

Items purchased in bulk that are not “ready for consumption” should also be inventoried at the beginning of the school year (i.e., boxes of cups, cases of popcorn, etc.) on form RA-G. As these items are moved or “readied for sale” they should be added to inventory on Form RA-1.

**Inventory counts should be done on the last working day of the month after closing or the beginning of the next working day following the end of the month. It is essential to have accurate counts of inventory items. Regarding bulk items, use the delivery system rather than the product for things like nachos, pickles, popcorn, etc. It is impossible to accurately count the number of chips/cheese sold, count the trays the chips are served in.**

## **Individual Canteen Form Instructions:**

### **Retail Accountability Control Report (RA-1)**

This form is a compilation of all applicable canteen forms. The form compares net due collected with actual receipts per deposits and indicates an over/under total. The report should be completed at the end of each month following inventory. The form is to be completed by the canteen custodian. The canteen custodian should sign the form upon completion, the Principal should review and approve by signing the form as well.

### **Inventory Items to Workers (Form RA-A)**

This form is used to account for all items given to workers as payment for their services. These items should be within the limits/day established by the principal.

Items received by workers should be recorded each day under the item column on that date. At the end of the month (period), the number of each separate item received should be totaled and then combined with all other items in the same price category. This combined total should be recorded in the summary area of the form. These totals are then transferred to RA-1, column D. Should additional sheets be needed, they should be stapled together with the summary on the first sheet only.

### **Other Inventory Deductions (Form RA-B)**

This form is used to account for spoiled, damaged, and returned to vendor items. Any items shown on this form should have a written explanation as to the reason for the deduction. Large quantities of damaged or spoiled goods should be witnessed and initialed by the principal beside the explanation. All items should be totaled by price category and recorded in the summary area of the form. These totals (by price category) should be carried to Form RA-1 column E at the end of the period.

### **Principal Approval for Inventory Transfers (Form RA-C)**

This form is used to account for items that the principal approves to be donated to athletic functions, school functions, etc. If the item(s) being transferred is a bulk inventory item (for example: a sleeve of unopened cups not already in “ready for sell” inventory), the word “bulk” should be written in the “price category” column of form RA-C. Also on form RA-G (Bulk Inventory Tracking Schedule) under the “items produced” column at the bottom of the form enter “transfer”. The quantity transferred should be shown in the “used on” column at the top of the form and the “quantity made” column at the bottom of the form. No bulk items with “transfer” entered under the items produced heading on form RA-G should be included in totals taken to RA-1.

Principals should sign the “inventory transfer form(s) if any deductions are shown on the “Retail Accountability Control Report” (Form RA-1). Principal's signature is approval for the transfers by the custodian. For the custodian's protection, if they are directed by the principal to make a large inventory transfer, they should make the entry(s) on form RA-C and have the principal initial to the left of the date of transfer.

### **Inventory Received (Form RA-D)**

This form is used to account for all items received during the period. Each invoice should be listed separately. Quantities of items of the same selling price should be added together for each invoice and the total quantity for each price category entered under the appropriate price category. Any other items (items not immediately ready for sale) should be added together and the total price entered under the bulk column. Quantities for individual bulk items should be entered on the “Bulk Inventory Tracking Schedule” (Form RA-G).

At the end of the month, total quantities by price category should be carried forward to the form RA-1 column C. The total invoice column is used as a means to tract all expenditures from the canteen account.

Copies of original invoices should be maintained with this form and the originals should go to the school office to be filed with the check documentation. Custodians should check all quantities of items received for accuracy and then sign the invoice/receiving report as acknowledgement of verification.

### **Summary of Receipts (Form RA-E)**

This form is used to track all money received. All money collected should be counted, recorded and turned in to the school office at a minimum daily. The school bookkeeper should verify the cash amount and then issue an official school receipt to the custodian. If school bookkeeper’s receipt differs from amount counted by custodian the difference should be resolved immediately. This receipt should then be recorded on form RA-E and filed with that month’s other support documentation.

At the end of the month all receipts should be added and the total carried to the “Retail Accountability Control Report” (Form RA-1).

### **Physical Inventory Count Sheet (Form RA-F)**

This form is used to count all inventories (except bulk) at the end of the month. For future inventory counts, descriptions of all items that are going to be sold should be entered on the appropriate price category sheet (be as legible as possible). Some thought should be given to the order that they are written (for the way inventory is laid out or stored in the room) to facilitate inventory counts in the future. After all items have been written in, copies of all sheets should be made (without quantities) and kept on hand for future counts.

After all items have been counted under each price category, total quantities should be carried to form RA-1 column H. If additional sheets are needed for a particular price category, then the subtotals of additional sheets should be brought forward to the first sheet and all sheets for that price category should be stapled together.

### **Bulk Inventory Tracking Schedule (Form RA-G)**

This form is used to account for bulk items that are not “ready for sale” or otherwise included in normal inventory stocks. Bulk inventory might include items purchased by the pound, loaves of bread, sleeves of cups that are unopened (when opened, would be counted by cup as additions to a price category in regular inventory). At any given time, amounts of bulk items due to be on hand should be able to be determined.

### **Tally Sheet for Reward Program Discounts (Form RA-H)**

Some schools offer discounts and/or free items from the canteen/store as part of a reward program for good behavior, scholastic excellence, or excellent attendance. Principals should review these reward programs to determine if some alternative reward system might be used instead of monetary discounts. Non-monetary rewards require less accountability documentation and provide increased income to the school.

For those schools that do offer discounts through the canteen/store, form RA-H is used to account for programs which offer a discount based on presentation of a card to receive a discount (for example: gold and silver cards which are presented for a 25 cents discount). Because this process has no physical piece of paper to document the transaction, a tally sheet of discounts issued must be kept by the day on form(s) RA-H. There are two versions of form RA-H. One version is used when the number of discounts is below 150 per day. The second version is for when the number of discounts is greater than 150 and less than 500. For amounts over 500, please contact internal auditing for a review of procedures.

### **Summary of Tickets Submitted for Discounts (Form RA-J)**

This form is used to account for reward programs in which some type of paper slip or token is given to the student. For the student to receive the discounts/items, they have to turn the slip or token into the canteen/store. These are then counted daily and entered on form RA-J on that date. These tickets should be bound together (rubber bands, stapled, paper clipped) and retained for audit. At the end of the month, the total value of tickets received should be carried to the bottom of form RA-1 as a credit against the amounts due to be collected.

### **Currency Count (Form RA-K)**

This form is used to record the denomination of coin and currency submitted to the bookkeeper for deposit. The form is completed and signed by the canteen clerk. The bookkeeper should verify total cash balances to the total submitted on the RA-K form when issuing the master receipt. The master receipt should be stapled to the RA-K form and returned to the canteen clerk for audit records.



## **Commissions**

Many local schools contract with vendors for school pictures, class rings, yearbooks, book fairs, and vending machines. Although some local school boards have system-wide contracts for all of the schools, the Baldwin County Board of Education leaves this to the discretion of the Principal of each school. However, all contracts must be approved by the Purchasing Manager in the Business and Finance Department. The contract with the vendor allows the school to be paid by check for the activity and avoids the collecting, receipting, and depositing of cash and personal checks by the school. The contract should be written to provide the school with substantially the same net income as if the school handled all of the activity. A vending contract should require the vending company to furnish statements that identify the count of items stocked in the machines with each delivery. A school employee will verify the stocked items. The use of the statement of stocked items to calculate the expected profit from the machines will determine if the school is receiving the expected income from the vending company. A suggested profit of at least 30% should be received in commissions.

*Foods of minimal nutritional value may not be sold to students during the school day.*

## **Vending Machines**

Some schools service some or all of the vending machines in the schools. Some vending machines are fully serviced by school employees who stock the machines and collect the funds from the machines. Another method of servicing vending machines has the vending company stock the machine while school employees collect the funds from the machines. Controls should be established to document the products stocked in each machine and the income from each machine. Tracking the profits from each vending machine assists the Principal to insure that:

- a) A malfunctioning machine is quickly identified.
- b) Students and others are not manipulating a machine to take money or receive products without paying.
- c) The product price is set above the product cost to obtain a reasonable profit.
- d) Products are not pilfered from storage or when stocking the machine.
- e) All funds from the sale of the vending items are receipted.

The same school employees who remove the funds from a machine should also stock or supervise the stocking of the vending machine. A Master Receipt should be made to the individual for the funds collected from each machine.

A school may have an area set aside for school employees that has one or more vending machines that are not assessable by students or the public. Because the vending machines are on public property using electricity paid with public funds, as well with the principal (a public official) directing the use of the vending machine proceeds, the profits are considered public funds. However, an Attorney General Opinion established conditions that would allow the vending machine proceeds to be non-public funds. The use of the non-public funds would have to be under the control of an employee organization (not under the direct control of the principal) and all expenses for the vending machines, including vending items, electricity, and rent would have to be paid from the vending machine proceeds.

## Field Trip Guidelines and Procedures

### Teacher/Coach/Sponsor

1. The [Field Trip Request form](#) is located on the BCBE website under Transportation – Documents and Forms. Complete and submit by e-mail to the School Secretary and Principal 2 weeks prior to trip.
  - a. Trip requests that require Superintendent and/or Overnight Approval (Over 100 Miles) must be submitted 3 weeks prior to trip along with backup documentation.
2. After approved, the form will be returned to the Teacher/Coach/Sponsor.
3. A receipt book should be requested from the bookkeeper if funds are to be collected from students.
4. Obtain parental/guardian approval for all participants. [Parental Permission Forms](#) are located on the BCBE website under Transportation – Documents & Forms
5. Collect money (if applicable) and submit to School Secretary **daily** with teacher receipt book.
6. The Field Trip Request form will serve as the purchase order when completed properly. To ensure a check for the correct amount is printed prior to the payment due date, the teacher should provide the bookkeeper the following information:
  - a. A copy of the admissions quote from the venue
  - b. The exact attendance numbers
  - c. Cost per person (students, chaperones, and teachers if applicable)
  - d. The total amount of payment due to venue.
  - e. If admission is to be pre-paid, a deposit check may be issued to reserve seating; however, the balance should not be paid until all funds have been collected.
  - f. If a check is needed the day of the trip, the above information should be provide to the bookkeeper **(1) week** prior to the trip.
7. Day of trip:
  - a. Teacher/Coach/Sponsor will give approved Field Trip Request form to the Bus Driver to record actual miles driven and time away.
  - b. Teacher/Coach/Sponsor will prepare a [Bus Manifest Form listing](#) students on trip.
    - i. A copy of the Bus Manifest Form is to be given to office staff upon departure.
8. Bus Driver will sign and complete trip information and return it to the Teacher/Coach/Sponsor.
9. Completed form must be returned to School Secretary to submit bus driver payroll and mileage reimbursement to the county.

### Secretary/Bookkeeper

1. After Principal has reviewed and approved the Field Trip request, e-mail the form to the [Transportation Department Secretary](#).
  - i. If the trip requires Superintendent Approval e-mail all required documentation to the [Superintendent's Administrative Assistant](#) (3) weeks prior to trip.
2. After all approvals have been obtained the form will be returned to the Principal and the School Secretary via e-mail.
  - a. Provide a copy to the Teacher/Coach/Sponsor as notification the trip has been approved.
  - b. Print the approved Field Trip request form to serve as the “purchase order approval” for admissions and meal disbursement checks to be issued to the venue or restaurants.
3. Proper documentation (noted in item 6. Teacher/Coach/Sponsor section) must be obtained from the teacher prior to issuing checks to venues and restaurants for the trip expenses.

4. Bus mileage expenses for athletic and academic trips must be submitted on the [Bus Mileage Reimbursement](#) Form by the 15<sup>th</sup> of each month to Business & Finance and Transportation along with a copy of the approved Field Trip form. Funds will be transferred to central office via Electronic Funds Transfer for the total submitted. See [Bus Mileage Reimbursement Process](#) on the BCBE website for detailed guidance.
5. Bus driver payroll must be posted in Input Pay and submitted on the [Monthly Payroll Transmittal](#) Form by the 5<sup>th</sup> of each month.
6. Overnight trips will require travel reimbursement to driver. Driver will complete [Travel Expense](#) Form and return to the bookkeeper for processing. Travel reimbursements should be paid in accordance with the [Travel Procedures](#) as approved by the Board and located on the BCBE website.
7. A detailed Field Trip activity report should be printed from NextGen and reviewed after all expenses are paid for each field trip. This will serve as a reconciliation of the trip. A copy of this report should be filed in a folder with each Field Trip Request Form for audit purposes.

## Field Trip Document Usage

Several documents regarding field trips can be found on the BCBE website under [Business & Finance – Documents and Forms – Field Trip Forms and Procedures](#). The forms and guidance are available to aid the teacher and bookkeeper in organizing and managing the complete process. Upon approval of each trip, copies of these forms are to be retained by the bookkeeper. The forms can be filed in a folder labeled for the field trip (example: Kindergarten – Alabama Gulf Coast Zoo – March 2017).

### [Field Trip Request Form](#)

Document Purpose: This document is the initial request for the approval of student travel from the teacher/coach/sponsor to the Principal.

Document Usage: The form provides detailed information of the trip, a section that will calculate the cost of travel per student, Venue and Vendor information that serves as the approval for issuing checks, trip notifications to other relevant school staff, Bus Mileage information required for reimbursement, and Bus Driver salary calculations for payroll submission.

### [Field Trip Procedures-Teacher Guidance](#)

Document Purpose: This document was created as an initial layout of procedures, accountability, and planning of a field trip.

Document Usage: This document is to be provided to each teacher planning a field trip.

### [Field Trip Reconciliation Sheet](#)

Document Purpose: To itemize all revenues and expenses incurred in a specific field trip for accountability and audit purposes. Not required if separate grade level field trip activities are maintained.

Document Usage: It serves as an accountability of the total cost of a field trip. Figures can be compared to field trip activities as a “checks and balances” measure to insure correct posting of revenues and expenditures. Copies can be given to teachers to keep them informed on the cost of their trips. A copy of this form can be placed in the folder labeled for the field trip along with copies of receipts, and checks issued to vendors for accountability and audit purposes.

### [Field Trip Register](#)

Document Purpose: The Field Trip Register is an accountability sheet for recording field trip information.

Document Usage: This form can be used in place of the Field Trip Reconciliation Sheet when detailed information is not required. This document can be used as a reference regarding cost of previous trips and can be printed for audit review and can be used to track expenses as they are paid.

### [Passenger Manifest Release Form](#)

Document Purpose: To release the liability of the local school and Board of Education for children checked out to their parents/guardians during a field trip. This form also serves as accountability as to who the child was released to.

Document Usage: This form is to be included in the field trip packet given to the teacher. The parent/guardian is to sign this form when checking a student out during a field trip away from school. The form is to be returned to the bookkeeper. The bookkeeper is to keep a copy of this form with the Passenger Manifest.

### [Student Receipt Sheet \\$5.00 or Less](#)

Document Purpose: To serve as accountability for the collection of funds from students \$5.00 or less.

Document Usage: This document can be included in the field trip packet. The teacher is to turn this form in daily with money collected from students. After all funds are collected, it can be filed in the folder labeled for the field trip for audit purposes.

## FUNDRAISING

### Fundraiser Accountability Reports must be completed for all fundraisers.

**Participation in any fund raising or charity drive sponsored by the school or outside agency shall be entirely voluntary as far as each student is concerned.**

Fund raising activities sponsored by the school must receive the approval of the principal and be under the control of the principal. Fund raising activities and charity drives sponsored by outside agencies must receive the approval of the principal and superintendent.

Shown below are additional guidelines that are a restatement of guidance issued by Baldwin County Board of Education in 1985:

1. Any funds that are raised using school resources and/or school personnel shall be deposited in the local school account and regular purchasing and accounting procedures will be followed.
2. Purchase orders shall state the items to be purchased, the quantity, the price and the vendor.
3. If any of these requisites are not known prior to purchase, a purchase order describing approximate or reasonable limits will be issued subject to the users due diligence and care in exercising his/her authority to purchase.
4. Any funds raised in Item 1 shall be earmarked for the said organization and no transaction will take place without the duly authorized signature of the designated representatives of said organization.
5. Funds collected by an organization without the use of school resources or school personnel may be deposited in an account outside the school accounting system. These funds may be used at the discretion of the organization. See Board Policy regarding [School Related Organizations](#).
6. If funds identified in Item 5 are used to purchase items for the school, a check must be presented to the school, a receipt issued to the organization by the principal and normal accounting procedures must be followed. All purchase orders shall be numerically controlled and addressed in accordance with generally accepted accounting principles.
7. For clarification purposes, resources of the school are defined as those facilities or personnel used as a primary factor in fundraising activities.

An important factor is to properly identify the source of funds as **public or non-public** and then ensure that funds are deposited into the proper public or non-public account.

Most distinctions between the two types of funds are clear except in the area of Fundraisers. A school can have a public and/or a non-public fundraiser.

Public fundraisers are typically considered school-wide, can be used for all students and the money is primarily controlled by the principal. Separate activities should be maintained for school wide fundraisers and only receipts/expenditures related to the event processed through the activity. All proceeds from school-wide fundraisers, such as picture sales and coupon books, must be deposited in a public fund. However, proceeds from nonpublic fundraisers, such as candy, gift wrap, or donuts sold by club members, band students, etc., in the community after school hours can be deposited in the appropriate **non-public** activity, provided that the goods being sold were purchased from that same non-public activity.

**Basic rule is: During school hours, on school grounds, sold to school students = PUBLIC.**

#### NOTE:

- *Non-public activity fundraisers held by STUDENT (such as NHS, Prom, and FBLA Club) organizations may be held on campus during school hours.*

- *Non-public activity fundraisers held by school related organizations (such as PTA, Athletic & Band Boosters) can be held on school premises with the approval of the Principal, but must occur after school hours.*

## **FUNDRAISING WITH DONATED ITEMS**

The need for further clarification on fundraising in conjunction with donated items, i.e. raffles, has recently come to our attention. In the event a vendor, who is being paid from public funds, i.e. Coca Cola, donates items (Coke products) to be used for a raffle or any other type of fundraising activity, the proceeds must be considered public and the funds deposited into the school's public account. If an individual donates an item to the school with specific documentation that the item is to be used for a particular group within the school, i.e. cheerleaders, and the consensus is to use the item in conjunction with fundraising, then the proceeds may be deemed non-public, assuming it is off campus or after school hours with the permission of the principal. Also, any tickets purchased for the non-public fundraiser must be expensed from a non-public activity. If tickets are purchased from a public activity and used for non-public fundraising, the proceeds become co-mingled and would have to be considered public funds.

## **RAFFLES**

The following conclusion regarding raffles has been provided by the Office of the Attorney General of the State of Alabama, February 10, 1989:

Under Article IV, Section 65 of the Constitution of Alabama of 1901, a school board is prohibited from selling tickets to a raffle in which a prize is awarded by chance.

A School Board may sell tickets for the chance to participate in a game of skill, with winner of game awarded substantial prize, so long as the outcome of the game does not depend in a material degree upon an element of chance.

The question of whether the outcome of such a game depends in a material degree upon element of chance must be decided on a case-by-case basis.

## **CROWDFUNDING**

Crowd (Online) Fundraising involves funding a project by raising donations of money from a large number of people, typically via the internet. School personnel are encouraged to seek traditional fund raising opportunities before turning to crowdfunding as an avenue for raising funds. If a crowdfunding platform is chosen, school personnel are expected to adhere to the guidelines and procedures as provided by the Business and Finance Department. These guidelines can be found on the BCBE website under – [Business & Finance – Documents & Forms – Crowdfunding Guidelines and Procedures.](#)

- [Crowdfunding Guidelines](#) – Provide guidance and site information.
- [Crowdfunding Request/Approval Form](#) – Must be completed and approved by the Principal prior to entering an agreement with any platform.

## **FUND-RAISING PROCEDURES**

When fund-raising activities are held, the school should establish and maintain accountability for these activities. Teachers sponsoring fund-raising activities should obtain proper approval prior to advertising or collecting funds. Receipting guidelines must be followed and retail accountability records that include receipts and copies of vendor invoices for all merchandise recorded on accountability forms must be maintained. Items for resale should be expensed from the same activity number the sales receipts are deposited to.

Revenues generated from fund-raising activities should benefit the school, the sponsored student group, or student activity area as a whole, not individuals. Therefore, individual accounts that credit individuals for their fund-raising efforts should not be used. Any excess profits from fund raising activities that are not spent for the purpose in which they were raised, cannot be returned directly to students or their families.

Written approval is required by the Principal prior to every event. [The Fundraiser Permission Form](#) should be completed by the teacher/sponsor and approved by the Principal. A copy of the approved form should be given to the bookkeeper to communicate funds will be collected and proper receipting forms acquired.

Care should be taken to ensure proper receipting guidelines and policies are followed. If funds over and above the actual selling price are accepted from an individual as a donation, separate receipts/codes should be used to identify actual sales and donations. (Example: Cookie dough sales total \$15.00 and parent writes check for \$50.00 which includes a \$35.00 donation. Receipt should reflect \$15 cookie dough fundraiser - \$35 donation.)

Retail accountability forms should include a detail of merchandise received, ending inventory, merchandise sold, expected and actual receipts. All recorded figures and calculations should be checked for accuracy. Any difference between actual and expected receipts should be explained. A statement outlining the planned disposal and/or storage of any merchandise that remains in inventory at the end of the sale should be attached to the records.

The teacher should obtain fund-raising forms, receipt books, purchase orders and approval for the fundraiser prior to the activity. These materials may be included in a fund raising packet. The teacher should complete the forms in the packet and turn the completed packet into the bookkeeper as soon as the activity is finished. Teachers should avoid fund raising activities that overlap more than one fiscal year or more than one school year.

The [Fund-Raising Retail Accountability](#) form is included in this workbook. Information on the form is as follows:

1. ITEM refers to the item offered for sale
2. BEGIN INVENTORY – merchandise on hand prior to the beginning of the sale. In most cases this number will be zero (0).
3. UNITS RECEIVED – number of items received in each bracket. If all items are selling for the same price then only one line of this form will be used.
4. TOTAL MERCHANDISE = BEGIN INVENTORY + UNITS RECEIVED.
5. ENDING INVENTORY – actual count of items still available at the end of the sale. Remember to identify the planned disposal and/or storage of any ending inventory.
6. UNITS SOLD = TOTAL MERCHANDISE – ENDING INVENTORY
7. SELLING PRICE – amount received for one item
8. EXPECTED RECEIPTS = UNITS SOLD x SELLING PRICE
9. ACTUAL MASTER RECEIPTS refer to the date, receipt numbers and amounts listed on the master receipts from the office when money is turned into the office each day of the sale.



Additional forms for ACTUAL MASTER RECEIPTS and EXPECTED RECEIPTS are included on worksheets 2 and 3.

If there is a difference between the total EXPECTED RECEIPTS and the total ACTUAL MASTER RECEIPTS, it should be explained. It may include money not yet received from students, damaged merchandise, or donations, etc.

Any fund producing activity, which is carried on by a member of the school's staff, should be accompanied by this or some other approved form of accountability.

## **Ticket Sales**

1. Pre-numbered tickets shall be used for admission to all athletic contests as well as other events, such as beauty walks, plays, talent shows, etc.
2. The following forms should be given to each seller to whom tickets are given:
  - a. Ticket Report:
    - i. [Athletic Gate Receipts/Ticket Report](#) (Athletics)
    - ii. [Ticket Sales Report/Summary](#) (All other events)
  - b. Ticket Sale [Currency Count Form CC](#)

These reports are available for download at [www.bcbe.org](http://www.bcbe.org) under Business and Finance/Forms and Documents.
3. The bookkeeper should complete the top portion of each form and fill in the beginning ticket numbers issued on the Ticket Report. Tickets and forms should be given to the designated person(s). The bookkeeper should keep a copy of the Ticket Report to record ticket numbers issued, should the original be misplaced.
4. When the event requiring tickets is over, the report should be completed and signed by ticket seller. The money should be counted by the sponsor/coach and the amount collected recorded on the Ticket Sale Currency Count form and attached to the money with rubber band or other method for safekeeping. The unused tickets and Report on Sale of Tickets should be turned in to the bookkeeper with the money if during school hours. If event is held after school hours, the sponsor/coach should drop the funds by the bank in a 'Hold for Pick-Up – Not for Deposit' bank bag. The bookkeeper should pick up the money the following morning, prepare the deposit and complete the reconciliation of the tickets.
5. The Bookkeeper shall verify:
  - a. The accuracy of the Report on Sale of Tickets form(s) and reconcile any difference
  - b. The accuracy of the Ticket Sale Currency Count Form and ensure it balances to cash submitted for deposit
6. A copy of the Report on Sale of Tickets and Currency Count forms shall be filed at the school and be available for review immediately following each event.
7. Upon completion of the ticket reconciliation, the bookkeeper should sign the Report on Sale of Tickets and then forward it to the Principal for his/her signature. A copy of the approved Report on



Sale of Tickets, a copy of the athletic event schedule for the season, and all unused tickets must be kept at the local school office for auditing purposes.

8. Admission prices for athletic events are voted on and approved by the Board. The local school should never change an admission price set by the Board.

## **Live Work Projects**

### **CAREER/TECHNICAL EDUCATION LIVE WORK POLICY**

#### **Definition**

Live work is done by students as a part of their career/technical education program. Such work can be done either in school or on a job location and includes service, repair, or production jobs of any and all kinds. The purpose of live work is to provide realistic experiences for students. Relationship to Career/Technical Education Program Live work will be conducted when it is identified by the career/technical education instructor and administrator as part of the student's career/technical education program. The instructor will assign live work to individual or groups of students.

#### **Administration of Live Work Projects**

Administration and control of live work projects in accordance with local Board of Education policies are the responsibilities of the director/administrator of each school. All live work performed must be approved by the local administration. A work order/request will be completed for each live work project. The instructor shall be responsible for the determination and collection of all charges and maintain appropriate records including work orders. All funds collected by the instructor shall be receipted and turned into the local school office. The instructor will have the responsibility for securing parts/materials for live work projects during school hours.

#### **Live Work Project Priority**

Live work will be performed on specific projects for specific individuals and organizations. The scope and intent of each project will be well defined and documented before acceptance. Live work projects brought into the career/technical programs will be done in the following priority:

- (1) Students enrolled in the career/technical education program
- (2) Faculty and schools
- (3) Public

All work will be performed by students and may not leave the school until cost of all parts and supplies are paid. No work will be performed for the general public unless the instructor deems it necessary for instructional purposes and is approved by the administrator.

Live work may also be conducted on items donated to the career/technical education programs for this purpose (example: vehicles donated to the automotive technology program).

#### **Release of School Liability**

The person, program, institution, or organization for which live work is done shall:

- (1) Assume responsibility for the results of the work being done by students.
- (2) Bear all actual cost of materials and parts involved.
- (3) Recognize that the school is not responsible for loss or damage to articles brought to the school for service.
- (4) A service charge according to the schedule will be charged and established by the director/administrator of the school to cover indirect expenses.
- (5) Sign a form agreeing to the above conditions and specifically stipulating the work to be done.

#### **Service Charge for Live Work Projects**

The total charges (cost plus a service charge) for a live work project will be as follows:

- (1) Actual cost plus 20% for indirect cost
- (2) A service charge not to exceed \$5.00

In exceptional cases, such as the construction of a public building, a reduced charge for the indirect expenses of live work projects may be used provided the director/administrator concurs in writing. The school must recover all costs. Students will not be charged the indirect cost and service charge while working on their own personal property (example: Automobiles in automotive technology).

### **Construction Projects**

All construction projects must be approved by the director/administrator of the school.

Restriction on Live Work Projects to avoid competition with private enterprise, live work projects are restricted as follows:

- (1) Live work will be done only when it is needed for training and necessary for the acquisition of occupational skills leading to employment.
- (2) Live work will be done only when the activity falls within the scope and sequence of the career/technical education curriculum. The instructor shall have the responsibility for accepting or rejecting live work according to his/her teaching outline.
- (3) No person shall use career/technical education programs for personal gain or profit.

### **Work Orders**

All live work projects must be documented with a signed liability waiver, authorization for work, and schedule of estimated costs for each customer. The liability waiver must be signed by the customer (the individual for whom the work is performed or an authorized representative of the program or organization for which the work is done) before the work begins. Customer approval of significant increases in estimated costs must be documented. At the conclusion of the work, the customer must be provided an itemized statement of charges. A receipt must be provided to the customer when payment is made. The required documents may be separate forms or combined in the form of a work order. A work order should contain the following information:

1. Work order number.
2. Supervising instructor's name.
3. Customer name and contact information.
4. Liability waiver.
5. Customer's signature and date signed.
6. Student(s) assigned to the work project.
7. Instructions for the work to be performed.
8. Date work begins.
9. Date work completed.
10. Detailed description of materials and parts purchased for the work.
11. Detailed calculation of amount due from customer.
12. Receipt number.

### **Proceeds From Live Work Projects**

Live work project proceeds are school funds subject to the same financial requirements as other school funds, including receipts, daily deposits, purchase orders, and invoices. Live work projects must be included in the school budget and are recorded in the school's accounting records with a separate activity for each instructor. (An instructor may have additional separate activities as needed to account for individual classes.) The income from live work projects and the expenditures from live work accounts are public funds and cannot be co-mingled with club and class funds. The administrator must approve all expenditures from live work funds. Funds from live work accounts may be transferred to other public fund accounts upon approval of the administrator. The local school superintendent may require the transfer of funds from live work accounts to reimburse the school board for expenditures related to the live work projects.

## **School-Based Enterprises**

### **Career/Technical Education**

#### **Definition**

A school-based enterprise is a simulated or actual business usually conducted on the school site as component of a CTE course. Students create and operate an economically viable venture that replicates a specific business or industry and generates revenue for the CTSO or school. School-based enterprises are activities through which students produce or provide goods or services for sale or for use by people other than themselves. This experience may be supervised by any CTE certified teacher.

#### **Purpose/Objective**

The purpose is to assist students in acquiring work experience related to their chosen career pathway. School-based enterprises are often provided in communities without a sufficient number of businesses or industry to provide student employment experiences.

#### **Wages**

School-based enterprises are nonpaid work-based experiences.

#### **Proceeds Raised**

Proceeds raised from school-based enterprises are school funds subject to the same financial requirements as other school funds, including receipts, daily deposits, purchase orders, and invoices and accountability. School-based enterprises must be included in the school budget and are recorded in the school's accounting records with a separate activity for each instructor. (An instructor may have additional separate activities as needed to account for individual classes.) The income from school-based enterprises and the expenditures from school-based enterprise activities are public funds and cannot be co-mingled with club and class funds. The administrator must approve all expenditures. Funds may be transferred to other public fund activities upon approval of the administrator. The local school superintendent may require the transfer of funds from school-based enterprise accounts to reimburse the school board for expenditures related to the activity.

THIS DOCUMENT CONTAINS HYPERLINKS. ALL FORMS AND DOCUMENTS MAY ALSO BE DOWNLOADED FROM THE BCBE WEBSITE UNDER:

[DEPARTMENTS – BUSINESS & FINANCE – DOCUMENTS AND FORMS](#)

ALL ITEMS TYPED IN RED AND UNDERSCORED PERTAIN TO THE NEXTGEN BUDGETARY ACCOUNTING SOFTWARE. OPERATING INSTRUCTIONS FOR THE SOFTWARE CAN BE FOUND IN THE NEXTGEN PRINTSCREEN MANUAL. CONTACT LSA STAFF TO OBTAIN A COPY OF THIS MANUAL, IT IS NOT AVAILABLE ON THE BCBE WEBSITE.

# End of Baldwin County LSA Finance Manual