

ACCOUNTING PROCEDURES MANUAL



DEKALB COUNTY
SCHOOLS



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INTRODUCTION

DEKALB COUNTY BOARD OF EDUCATION ACCOUNTING REGULATIONS FOR SCHOOLS

The position of principal carries with it the full responsibility for all financial matters relating to the school. It is imperative that the principal gives his/her personal attention to the collection, spending, reporting, and overall supervision of financial activities. The principal has the responsibility of collecting and disbursing all monies in a matter approved by the Board and in accordance with generally accepted accounting principles and procedures.

The purpose of this manual is to assist the DeKalb County Board of Education (hereafter referred to as “the Board”) in establishing financial policies and procedures for financial operations. The Board has a variety of requirements for overseeing the financial activity of the DeKalb County School system, subject to the following:

- Generally accepted accounting principles will not be diminished.
- Compliance with state and federal law will be maintained.
- Internal accounting controls to allow the tracking of financial transactions to the responsible individual.

Some general rules regarding the financial affairs of the schools are provided below. These rules, as well as the accompanying procedures and policies, will be subject to the continual audit by the Board and the State Examiners of Public Accounts.

1. All money collected at the school level for any purpose must be receipted and deposited in a timely manner. (Exceptions may be allowed for certain fund-raising activities conducted by parent-teacher organizations.)
2. All expenditures must be paid by check and supported by a valid invoice based on a purchase order, issued and signed by the principal, PRIOR to the purchase being made. All purchases must conform to the policies of the Board and the state bid law, if applicable.
3. Bank statements must be reconciled monthly.
4. Monthly financial reports reflecting accurate activities and balances of the school’s accounts must be reviewed and approved by the principal.
5. Any school entering into a loan must obtain the written approval of the superintendent and the Board.
6. Schools must conform to all policies set by the Board concerning local school funds and activities.

The principal must be familiar with all local school financial policies so that he or she will not permit any practice contrary to those policies. The principal is directly responsible for the handling of monies received at the school. It is the ultimate responsibility of the

principal for any shortages resulting from the failure to follow, or to require others to follow, the financial procedures for handling school monies.

The principal should work with the staff of the central administration office for general supervision of particular functions. The accounting department or chief school financial officer should be consulted if accounting problems are encountered.

The Alabama Department of Education and the State Examiners of Public Accounts retain the authority to require local boards of education to modify forms and procedures for local school financial operations.

DEKALB COUNTY BOARD OF EDUCATION

Overview of Accounting Procedures

MEMO TO: Principals and Bookkeepers

FROM: Anthony Cooper, Chief School Financial Officer

The following guidelines and regulations pertain to the handling of financial records for schools under the supervision of the DeKalb County Board of Education.

The computerized accounting system is designed to record the receipts and disbursements of each school and to establish control measures over cash and other assets. The local school practices the “Modified Accrual Basis” method of accounting.

- All monies received from any source in or about the school, by any employee or group is regarded as school funds.
- Funds are received, receipted, recorded in the system at the school, and deposited on a daily basis.
- Expenditures are incurred only under the authorization of the principal. These authorized expenses are paid by checks disbursed at the local school level.
- The activity at the local school is summarized at the end of every month and compiled into monthly financial statements. The financial statements report on transactions that affect accounts throughout the month. These monthly financial statements are submitted to the Central Office by the 15th of the following month.

The monthly financial reports serve as the source of information necessary for the principals to properly manage the schools. Because records are the basis of monthly financial reports, it is essential that school records are accurate, current and exhibit the true financial position of the school’s funds.

LEGAL COMPLIANCE GUIDELINES

II. LEGAL COMPLIANCE GUIDELINES

The funds maintained at the local school, can be generally be divided into two main categories:

1. Public Funds (referred to as Fund 12)
2. Non-Public Funds (referred to as Fund 32)

Various factors must be considered in determining the proper classification, which affects the degree of expenditure restriction.

A. Public Funds- Restricted with the same legal requirements as board funds:

Funds received from public (tax) sources or used for public purposes, are considered public funds and are subject to the control of the school principal.

Funds are generally classified as public funds when the following criteria are met:

- Money generated school wide
- Money that can be used for all students
- Money controlled by the principal or another school employee

Examples of public funds:

- General Funds- may consist of vending machine commissions, proceeds from school fundraisers (pictures, coupon books, etc.), student parking, appropriations from the Board, interest income, or other miscellaneous revenues. Its primary purpose is to pay for the general operations of the school, and it is totally controlled by the principal.
- Library- accounts for late charges on returned library books, funds collected for lost library books and expenditures incurred for the purchase of library books.
- Athletic- may consist of income from gate receipts, parking at athletic events, advertising commissions, game program sales, and donations from athletic booster clubs. Separate accounts may be established for individual sports, if desired. Expenditures include athletic uniforms, equipment, supplies, membership dues to athletic organizations, registration fees for coaching clinics, travel and transportation, game officials, and other expenditures related to athletic events (including expenses for practicing and preparing for athletic competitions and exhibitions).
- Concession and Student Vending- may consist of concessions operated by the school at athletic events and vending machines or concessions for students operated at the school during the day.

- Fees- school imposed course fees for certain non-required academic courses, field trips, workbooks, and supplemental instructional materials. These funds are used to cover the cost associated with the course or purpose for which the funds are collected.
- Locker Fees- funds collected from students that are used to cover the cost associated with maintaining the student lockers.
- Faculty Vending- consists of funds collected and used for items sold in faculty lounge area, that although not assessable to students or the public, are totally controlled by the principal.
- Appropriations- funds such as maintenance, school allocation, helping schools tag revenues, legislator's donations, and other fees that are sent to the local schools to pay for expenditures incurred at the local school level.
- Extended Day Program- reflects revenues generated from the collection of dues, and expenditures that are directly related to the operation of the program.

Allowable expenditures from public funds include:

1. Professional development training.
2. Refreshments expense for an open house at a school, where the public would be invited and attend.
3. Pregame meals for student athletes and coaches.
4. Academic incentives for students.
5. Athletic and band uniforms for students to participate in school activities. Due to the apparel type, baseball uniforms for coaches may be purchased from public funds. Other coaches' uniforms must be purchased from non-public funds.
6. Membership in professional organizations (not including dues for the local athletic association, which must be paid from an athletic account).
7. School landscaping, maintenance, furnishings, and decorations.

B. Non-Public Funds- restricted for expenditures subject to the intent and authorization of the organization sponsors and officers and not used for the general operations of the school. The principal does not direct the use of these funds but does have the authority to prohibit inappropriate expenditures.

Non-public funds can become subject to the same expenditure restrictions as public funds, if separate accounting records are not maintained for each of the non-public funds.

Funds are generally classified non-public when the following criteria are met:

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

Examples of non-public funds are:

- Clubs and Classes- may consist of self-imposed fees for student organizations participation, not related to academic courses. These student organizations often conduct fund raising events. Clubs and classes include FBLA, Senior Class, Student Government, Cheerleaders, Band, Choir, Beta Club, etc. Student organizations are governed by officers elected by its group members.
- Courtesy (Faculty) - Money collected from faculty/staff voluntarily, used to purchase flowers or gifts.
- Other School Related Organizations- Parent or parent/teacher organizations can have their funds in the school's accounts. These organizations are governed by officers elected by its members. PTO, PTA, Band Boosters, Athletic Boosters, etc. are considered school related organizations (see Guidelines for School Related Organizations).

C. Public and Non-Public Funding

Regulations concerning public and non-public funds are as follows:

- Public funds cannot be transferred to non-public accounts. If funds are transferred from public to a non-public account, then funds are considered comingled and the non-public account becomes a public account.
- Non-public funds can be transferred to a public account; however, once transferred, they become public funds incurring all applicable legal restrictions.

Some non-allowable expenditures from public funds may be allowable expenditures from non-public funds. They may include:

- Prizes or awards in the form of gift cards or food items for individuals
- Food for social gatherings
- Class prom entertainment
- T-shirts for club members or faculty
- Donations to various organizations
- Transfers to other non-public accounts

- Travel expenses to club events
- *Championship rings
- Faculty appreciation gifts
- Scholarships
- Flowers for funerals/courtesy fund

*If money is given from legislature specifically for the purchase of championship rings, then purchase CAN BE paid from public funds. There must be a memo or letter attached to the check and kept on file stating that the money was donated specifically for this purpose (this would also apply to any other non-public fund that may receive appropriations).

When in doubt, always consider funds as PUBLIC FUNDS.

D. Fund Balance Policy in Accordance with GASB Statement No. 54

In order to address the implications of Governmental Accounting Standards Board (GASB) Statement No. 54, the following governmental fund definitions and fund balance reporting guidelines will be used:

- **The General Fund** is used to account for and report all financial resources not accounted for and reported in another fund.
- **Special Revenue Funds** are used to account for and report financial resources that are restricted or committed to expenditure for a specified purpose, other than debt service or capital projects.
- **Debt Service Funds** are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest, even if it is being accumulated for future years' payments. Debt Service Funds should be used to report resources if legally mandated.
- **Capital Projects Funds** are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or constructions of capital facilities and other capital assets.

The Board may or may not report all fund types in any given reporting period, based on actual circumstances and activity.

Fund balances will be reported in governmental funds in one of the following five categories (using the definitions provided by GASB Statement No. 54):

- **Non-spendable fund balances** include amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Examples of non-spendable fund balance reserves for which fund balance shall not be available for financing general operating expenditures include: inventories, prepaid items, and long-term receivables.
- **Restricted fund balances** consist of amounts that are subject to externally enforceable legal restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments; or through constitutional provision or enabling legislations. An example of a restricted fund balance would be restricted grants.
- **Committed fund balances** consist of amounts that are subject to a purpose constraint imposed by formal action of the Board before the end of the fiscal year and that require the same level of formal action to remove the constraint.
- **Assigned fund balances** consist of amounts that are intended to be used by the school system for specific purposes. The Board authorized the superintendent or chief school finance officer to make a determination of the assigned amounts of fund balance. Such assignments may not exceed the available (spendable, unrestricted, uncommitted) fund balance in any particular fund. Assigned fund balances require the same level of authority to remove the constraint.
- **Unassigned fund balances** include all spendable amounts not contained in the other classifications. This portion of the total fund balance in the general fund is available to finance operating expenditures.

When expenditure is incurred for purposed for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, it shall be the policy of the Board to consider restricted amounts to have been reduced first. When expenditure is incurred for the purposes for which amounts in any of the unrestricted fund balance classifications could be used, it shall be the policy of the Board that committed amounts would be reduced first, followed by assigned amounts and then unassigned amounts.

The DeKalb County Board of Education, along with the superintendent and chief school finance officer will periodically review all restricted, committed and assigned fund balances. A report will be prepared and submitted annually of all restricted, committed and assigned funds for the DeKalb County Board of Education.

RECEIPTING MONEY

III. RECEIPTING MONEY

A. Deposit Policy

- All funds collected should be deposited daily, whenever possible.
- One deposit slip should be prepared in duplicate, listing each check separately, by recording the issue of the check and the amount.
- The original and the duplicate should accompany the deposit to the bank for validation.
- The bookkeeper should check the accuracy of the bank validation before leaving the bank.
- The duplicate deposit slip should be returned to the school and used to verify the entry in Receipt Module.
- Daily receipts should be totaled and should match the total on the deposit slip.
- All money is to be deposited in a bank to the credit of one account.
- Do not cash checks with school funds. Deposit all funds intact.
- The principal (or another school administrator) is responsible for taking the general fund and lunchroom money to the bank daily. Mileage is reimbursable and should be submitted in a timely fashion on a reimbursement claim form.

Bank Account

Alabama banking institutions often accommodate local schools by waiving fees and providing banking features not normally available to individual customers. In some cases, an interest-bearing account has additional fees and charges that negate the interest income. Fortunately, some banks will waive all fees and charges upon request.

A school should only have one checking account. Establishing separate bank accounts is not necessary to avoid the comingling of public and non-public funds. 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.

School funds must be maintained in a QPD (Qualified Public Depository). This 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 Treasury office. At the end of each fiscal year, the bank should be required to provide a letter confirming that all school funds are listed in the bank's records as SAFE accounts.

B. Acceptance of Checks

- All checks issued to the school should provide adequate information, before the check is accepted by the school. The following information is necessary should an insufficient funds check be issued that would need to be turned over the district attorney's office for collection.
- Name, address, and phone number of issuer should be shown on the front of the check.
- The check should display a current date (no postdated checks).
- The check should be made payable only to the school. A two-party check should never be accepted.
- The check must be signed.
- If the check is in a company or business name, an owner's name should be noted.
- Whenever possible, a driver's license number should be written on the check.
- The person accepting the check should initial the check and write the activity number that the money is being deposited into.
- The back of the check should be properly endorsed or stamped prior to deposit.
- The handwritten dollar amount should be used to determine the check amount, and not the numeric written figure.
- The school or lunchroom should never cash a check.

C. Cash Receipts

On a daily basis, all monies received must be receipted into Receipt Module and a receipt given to the teacher/sponsor. In the absence of the bookkeeper, a cash receipt journal should be used with pre-numbered cash receipt tickets.

All funds must be deposited according to the deposit policy, on the day in which they are received. Schools should establish a daily cut off time, after which funds will not be received and receipted until the next business day.

Receipts should never be destroyed or changed. Do not use correcting fluid or erasing to correct a mistake. If a mistake was made, print the receipt and write VOID on it, reenter correctly and print the correct receipt. Receipts are only required when money is received. Under no circumstance should a receipt be issued in advance. If time does not permit receipting, or the cut off time has passed, NO MONEY should be accepted.

When monies are received, a receipt should be prepared, with the original being given to the person making the payment. The person receipting the money must never write himself/herself a receipt. (The only exception might be when the bookkeeper/secretary uses a student receipt record.)

The check stub or copy of the check received from a business must be retained for audit purposes.

The principal is directly responsible for all monies received. It is the ultimate responsibility of the principal for any shortages that result from error or mishandling of school funds.

D. Teacher Receipts

The bookkeeper will provide a pre-numbered duplicate receipt book or record to teachers and other individuals who collect school funds (other than CNP funds). Receipt books should be secured, and a log should be maintained to track the receipt books by receipt number to the individual responsible for issuing the receipts.

Each principal has the option of waiving the option of writing a receipt to each individual student in a class, when the amount being collected from each person does not exceed ten dollars (\$10). Anything can be receipted in the log: field trips, school store supplies, etc. Fundraisers will still need to be receipted on the student receipt records even if they are less than \$10. The teacher should complete the "Receipt Log of Less Than \$10" and submit to the office. This form may be reproduced on two-part NCR paper so that the teacher or sponsor will have a copy for his/her files. The listing of "Student Receipt Records" and the "Receipt Log of Less Than \$10" should be filed together for audit purposes.

Teacher receipts should be completed and issued in numerical order at the time funds are received. All pre-numbered receipts in a receipt book or record should be issued before another receipt book or record is put into use. Teacher receipts cannot be pre-signed and must contain an original signature of the person receiving the funds. A signature stamp is not acceptable.

The following procedures are recommended:

1. A teacher receipt should be issued after counting or verifying the amount of the receipt at the time the funds are actually received.
2. The manually prepared teacher receipt should contain the following information:
 - a. The name of the individual delivering the funds
 - b. The amount received
 - c. The date received
 - d. The purpose or activity for the funds received
 - e. Indicate if the funds are check or cash
 - f. An original signature of the individual(s) receiving the funds and issuing receipt
3. The original teacher receipt should be handed to the individual delivering the funds.
4. Voided receipts must be retained with the receipt book.
5. No correcting fluid or erasures for mistakes.
6. The funds received must be secured.
7. Do not cash checks with the funds received.
8. No money should be left in the classroom overnight. The teacher is responsible for all money collected until it is turned in to the office.
9. The teacher receipt book or record and the funds collected should be taken to the office on a daily basis. Students should not take funds to the office unless other compensating controls have been established by the principal.
10. The teacher should wait for a master receipt to be prepared and verify accuracy of the information on the receipt before leaving the office.
11. The teacher should retain the original master receipt.
12. Do not hold funds until all funds for an activity, fund raiser, etc. have been collected. The school is required to make timely deposits according to school board policy.
13. Teacher receipt books containing the receipt copies and unused receipts should be turned in to the principal at the end of the school year or earlier.
14. If a receipt card is lost, the person to whom it was issued should submit a written explanation to the principal. This explanation should be initialed by the principal and filed in numerical order with the other student receipt records.

E. Reimbursements

The Board may authorize personnel to receive reimbursement for travel expenses within the county. No reimbursement shall be authorized for travel between the employee's residence and usual workplace. Limits may be placed on the amount of authorized travel reimbursement. The Board may also authorize certain personnel to receive reimbursement for travel outside the county while on business. Reimbursement will be in accordance with the following:

Mileage:

Personnel will be reimbursed at the established state rate that is in place at the time travel occurs.

Accommodations:

Personnel will be reimbursed at the single room rate and/or conference rate. Valid receipts must be submitted in order to be reimbursed. Parking and taxes may be reimbursed when included with the hotel charges.

Meals:

Personnel will be reimbursed for actual meal cost, not to exceed the daily meal allowance that is in place at the time. Actual itemized meal receipts must be submitted for reimbursement. Meal taxes are reimbursable. Gratuities are reimbursable at up to 15% of meal total. No meal reimbursement is allowed for meals inside the school district, unless outside of normal work hours.

Payments are made on a reimbursement basis only and any travel reimbursement must be requested on an approved travel reimbursement claim form. All reimbursements must be based on a statement from the employee that includes the date of travel, the points of travel, the number of miles traveled, and the purpose of the travel. Receipts for conference registrations must be submitted as a miscellaneous expense along with the reimbursement claim form. ALL items for reimbursement must be supported by paid receipts. Entertainment expenses (including alcohol) are not eligible for reimbursement.

F. Refunds

The term refund as used here refers specifically to money returned from vendors and/or refunds for expenditures made or to be made on the school's books. It is imperative that a refund received by the school be handled properly, to avoid inflating an expenditure or revenue.

- Receipting the Refund

The refund should be receipted in Receipt Module as "miscellaneous".

When issuing a check for a refund, the journal code that was used to record the revenue should be used as the journal code when issuing a check.

NOTE: If the refund is received for an expense that occurred in a previous fiscal period, the refund should be coded as other revenue and handled in the normal fashion.

- Issuing Refunds

To meet banking regulations, refunds may be made to the parent rather than the student, to whom it is due. However, proper supporting documentation should accompany the request for refund. The check should be signed for by a parent or guardian, or mailed. Checks should not be given directly to students.

G. Returned Checks

The DeKalb County Board of Education has an agreement with Checkredi (formerly NexCheck) for the recovery of all returned checks. The following information should be included on each check:

FULL NAME
CURRENT STREET ADDRESS
HOME PHONE# (including area code)
WORK PHONE# (including area code)
DRIVERS LICENSE # AND STATE OF ISSUE

If your bank returns a check as UNPAID they will automatically forward the returned item to Checkredi for collection. You will not receive the actual check from the bank but a notice from the bank that the item was UNPAID.

If collection is not made within the same month that the check was returned then you will list the check on your reconciliation report under OTHER RECONCILIABLE ITEMS as a receipt with a description of NSF-xxxxxxxxxx(name)

You can set up an online account with Checkredi to keep track of collection progress.

If you want to collect from the payer directly you can contact Checkredi by email or telephone and have them send you the original check. If you collect from the payer, the school can keep any service charges associated with the check. The District Attorney's office is willing to help with collection if you have a check that is under 1 year old. Contact their office for further instructions.

When Checkredi sends you notice that collection has been made and it shows the amount deposited into the bank account then you will check the item off as cleared.

Please contact the Central Office for any guidance on returned checks or the collection process.

H. Transfers

Public funds cannot be transferred to non-public accounts. If funds are transferred from a public to a non-public account, then funds are considered commingles and the non-public account becomes a public account.

- **Between Activities**

Transfer made between activities at the local school should be made only with the permission of the teacher/sponsor and with the approval of the principal. Transfers of this nature should be processed only if the money is to be moved permanently and not as a loan. A transfer voucher should be completed and turned in to the bookkeeper for processing. The bookkeeper should check the balance in the activity that monies are being transferred from, to ensure that funds are available.

- **Between Local School and Central Office**

Transfers received from the Central Office should be receipted in the cash receipts journal using journal number:

ACTV 12-4-0230-000-CCTR-7101-0-0000-(0000,0001,0003,0004,0005)

Examples of transfers from the Central Office are school allocations, helping school tags, maintenance, instructional fees, fee replacement, library enhancement, professional development and technology.

Transfers from the local school to the Central Office are remittances for day care salaries, substitute pay, instructional fees, and lost or damaged textbooks. The Central Office journal number ACTV 12/32-5-9910-923-CCTR-7101/7501-0-9700-0000 for transfers out should be used when issuing checks to the Central Office. All checks issued to the DeKalb County Board of Education should be sent to the local school accounting office.

I. Journal Entries

Journal entries are used to correct posting entries and to post the monthly checking account interest. Journal entries may be processed at the local school level when approved by the principal.

A separate form, “Change Cash Deposit Journal Entry” should be used when depositing the change cash from an athletic event. Proper completion of this form will ensure that the change cash is debited and credited to the correct fund and activity. If a journal entry is made between public and non-public funds, it is necessary to move the cash between the funds as well.

You may contact the local school accounting office at the Central Office for assistance at any time if you are uncertain or uncomfortable with the journal entry process.

J. School Income

1. Student Fees

State law and administrative rules of the Alabama State Board of Education restrict the collection of fees from students.

Alabama Code 16-13-13 Fees for Courses

It is the intent of the Legislature that no fees shall be collected in the future in courses required for graduation. When courses are not required for graduation, local school boards may set reasonable fees for laboratory and shop materials and equipment, provided, however, that such fees will be waived for students who cannot afford to pay the fee. Any funds collected in fees shall be spent on the course for which they are levied. This section shall not be construed to prohibit community groups or clubs from fundraising activities, provided, however, those students shall not be required to participate in such fundraising activities.

Alabama Code 16-6B-2 Core Curriculum

(a) The following words and phrases used in this section shall, in the absence of a clear implication otherwise, be given the following respective interpretations: 1. REQUIRED COURSES-Courses which are required to be taken by every student enrolled in public schools in the State of Alabama.

Alabama Code 16-10-6 Incidental fees in elementary schools

No fee of any kind shall be collected from children attending any of the first six grades (K-5) during the school term supported by public taxation; provided, that any county or city board of education shall be authorized to permit any school subject to its supervision to solicit and receive from such children or their parents or guardians voluntary contributions to be used for school purposed by the school where such children are attending; provided further, that the provision of this section shall in no way affect or restrict the right or power of a school board to fix and collect tuition fees or charges from pupils attending schools under the jurisdiction of school board but who live outside the territory over which such board has jurisdiction.

AAR 290-1-.02 Driver Education

(a) No fee shall be charged any child whose family is unable to pay the fee. (b) Thirty dollars (\$30) per student, per semester, is the maximum driver education fee to be charged by local boards of education without approval from the State Superintendent of Education. (c) The State Superintendent of Education may approve a higher fee upon the request of a local superintendent approved by the local board of education with sufficient documentation of actual costs in excess of the maximum. (d) Each board of education shall

establish criteria by which the ability of families to pay the fee may be determined and submit same to the State Superintendent of Education for approval. (e) Local boards of education shall take reasonable steps to ensure that students for whom no fee is required shall not be identified.

The DeKalb County Board of Education has received approval to currently charge \$40 Per Semester for the Driver's Education Program.

In reading the guidance above, it can be noted that academic fees during the regular school term (excluding driver education) may only be charge for materials and equipment used in instructional courses, and that the fees collected may only be used in the course for which the fee was collected. Actions against a non-paying student, such as withholding grades, report cards, transcripts, academic recognitions, and graduation activities are prohibited. However, state laws governing textbooks may require the withholding of additional textbooks for a student due to unpaid lost or damaged textbook fines.

(Alabama Code 16-36-69)

- Procedures for Waiver of Fee or Reduced Fee

Applications for waiver of fees or reduced fees are available for your use. The application should be completed, signed by the principal, and then forwarded to the Fee Waiver Committee for approval.

- Parking Fees

Students will be charged a non-refundable fee for student parking. This fee is set by each school principal. If the permit is lost or stolen, or otherwise needs to be replaced, an additional fee may be charged.

2. Donations and Voluntary Contributions

Wish Lists

Voluntary contributions may be requested for various items purchased by the school that are used by students in academic courses and classes including workbooks, science lab materials, supplemental instruction materials, lockers, sheet music, and other academic purposed. Donations may also be requested for specific school purchase, including janitorial supplies, cleaning supplies, paper products, copier expenses, software maintenance, and other school purposes. **The voluntary nature of these contributions must be clearly stated in the request for contributions.** Non-Payment of requested contributions cannot be used against a student and the student must be provided the same instructional items as if payment was made on behalf of the student.

The principal or the superintendent should approve requests to collect school fees, contributions and donations.

Actions taken against a student for non-payment of student fees, contributions or donations, including the withholding of grades, report cards, transcripts, diplomas, honor

rolls, participation in graduation events, student recognition events, membership in honors organizations, and any other action that would subject the student to embarrassment or ridicule are strictly prohibited.

State Ethics ACT

Employees of the DeKalb County Board of Education have NO AUTHORITY to request or accept student fees, contributions, or donations.

The principal and other employees should adhere to the State Ethics Act, particularly **Code of Alabama (1975), Section 36-25-5**, which provides that "no public official or employees shall use an official position or office to obtain direct personal financial gain for him/herself, or his/her family, or any business with which he/she or a member of his/her family is associated unless such use or gain is specifically authorized by law." Section 36-25-5 provides that "expense associated with social occasions afforded public officials and employees shall not be deemed a thing of value within the meaning of this section or prohibited thereby." There is general agreement that the acceptance of items donated to the school such as pens, pencils and note pads, which are distributed for advertising purposes, would not violate the Ethics Act as long as such items are used by the school and are considered to be the property of the school. This section has been generally interpreted to mean that public officials or employees should not solicit or accept a thing of value that would influence their official actions.

The local school board office can provide guidance on collections from students for meals, snacks, and refreshments; library fines; student parking; charges for participating in extra-curricular activities; summer school; day care; weekend, before school and after school programs; dual enrollment programs; tutoring; and requests for donations from school vendors.

3. Fundraisers

The Board approves the guidelines for local school fundraising at the beginning of each school year.

The principal must approve each school fund raising activity conducted by students, teachers, school employees, or school related organizations. The local school board may exempt school related organizations from this requirement if the activity of the organization is not under the control of the principal.

The bookkeeper should maintain a file of fundraisers for each school year. Each fundraiser requires a permission form signed by its sponsor and by the principal. Once the fundraiser is completed, the sponsor must submit the accountability form showing its profit/loss. It should be attached to the original permission form. The file will be audited at the end of each year by the Central Office.

Before approving a fundraising activity, a principal should consider the safety of students involved in the activity. Standing on roadways at Stop signs and other traffic signals is not permissible because it is a safety hazard for students. Also, students must not be involved in any door-to door solicitations or sales.

Fundraisers may not involve the sale of foods of minimal nutritional value during the school day.

The potential profitability for the efforts expended on a fundraising activity should also be considered. Students will not be allowed to sell items or products during instructional time. Selling by students that is a required component of a specific class or organization and/or part of the educational process will be permitted with the approval of the principal.

Approved fundraising activities must comply with financial procedures for school funds, including:

- a. All funds collected must be delivered to the principal's office to be receipted. Do not cash checks from collections.
- b. Income from fundraisers must be deposited on a timely basis. Teachers and sponsors of fundraisers should be reminded not to hold fund raiser income until the fundraising project is complete.
- c. All fundraising expenses, including sales awards to students, must be presented to the principal for payment by check.
- d. A school employee cannot receive a gift or gratuity from the fundraising vendor.

Any funds raised by a group associated in any way with the school should be under the control of the school principal and be an integral part of the school's accounting system with the same constraints and requirements of other accounts of the school.

Fundraisers considered to be “Crowdfunding” in nature must be approved in advance, first by the school principal, and then by the Central Office. All supporting documentation from fundraising site and school paperwork should accompany request for approval.

Crowdfunding is an online type of fundraising where small amounts of money are donated individually, but by a very large number of people through networking. DonorChoose, GoFundMe, and FanAngel are just a few examples. No fundraising may begin until approved by the Central Office. If approved, all regular fundraising procedures apply.

Best Value for Items Purchased or Sold

The DeKalb County School system will make use of a selection process when choosing items for purchase or sale in order to ensure the best product value to students, parents, and the public. The school principal and other board employees shall be able to support decisions made regarding items purchased or sold at individual schools.

Procedures for Fundraisers

A “Fundraiser Authorization Form” must be completed and approved by the principal prior to the activity. A “Report of Fundraising Activity” must be completed at the conclusion of the activity and filed for audit purposes.

A school wide fundraiser is defined as a fundraiser that covers all grades with the proceeds, benefitting general purposes and/or teacher activities.

Proceeds from school sponsored fundraisers are for school purposes only.

The following **are not** considered school wide fund raisers:

- Yearbook Sales
- Fall and Spring Pictures
- Charitable Organizations (MDA, MS, Jump Rope for Heat, etc.)

Guidelines for Specific Grade Groups

Fundraisers will follow the school year and not the fiscal year. Fundraisers that are conducted during the summer months will count toward the next school year.

A variety of fundraiser/sales occur during the school year; however, each is essentially handled in the same manner. A listing of common fundraisers/sales conducted by the local schools is:

- Discount Cards
- Magazine Sales
- Fruit Sales
- Wrapping Paper/Candy Sales

Each fundraiser should be organized as follows:

1. One person should be designated to be in charge of the fundraiser.
2. A separate “Teacher Control Sheet” will be maintained by each individual teacher to account for the items to be sold by the students. Upon receipt of the fundraiser/sale items to be sold, the student will sign the “Student/Parent Participation Agreement” to acknowledge acceptance of the responsibility to return either the dollar value of the items issued to him/her or any unsold merchandise.
3. As money is submitted by the students to the teacher, all receipting procedures must be followed. These receipts must also be recorded on the “Teacher Control Sheet”, along with any unsold merchandise returned to the designee in charge of the sale. The designee must reconcile the total money collected and merchandise returned to the total number of items originally issued.

4. The school should work with the vendor and request the vendor to provide the rewards for the students. The school is not allowed to give cash prizes from public or non-public funds. When planning the fundraiser, the principal may approve additional incentive from the school funds such as gift cards, electronics, lunch excursion, etc.

NOTE

If an individual pays an entry fee/admission fee (golf tournament, etc.) the school may award cash prizes. The cash for these prizes may be held out of the entry/admission fee if the winner signs a document detailing the event and the dollar amount received.

5. Profits or awards received from all fundraisers in the form of gift cards should be treated as CASH and classified as public funds.
6. The sale of raffle tickets is illegal according the Alabama Attorney General's Office. It is considered to be a form of gambling. Examples of raffles are scratch off cards, cow patty drops and any other game of chance. Donations, however; are allowable even when the possibility of a winning a prize is included. The tickets must be sold as a donation and must be marked clearly as such.
7. Prior to holding a bingo game, the local school must obtain a license from the and receive approval from the County Commission.
8. Athletic Camps held as fundraisers on a local school campus must be classified as public funds.
9. Small claims court should be used for students whose money and or merchandise were not collected. A certified letter, return receipt requested, should be mailed to the verified current address. The following items must be presented at small claims court:
 - Completed "statement of claim"
 - Check for the filing fee

It is very important to stay in contact with the small claims court. When necessary, the "satisfaction of judgment" and the "notice of dismissal" may need to be filed.

4. Commissions and VendingF

The local school may enter into contracts with vendors in which the vendor will issue the local school a check representing profits from a particular activity. The bookkeeper does not issue a purchase order or a check to the vendor, nor does the bookkeeper receipt the monies collected at the local school level. For these reasons, it is in the best interest of the school to contract with vendors on a commission basis.

Examples of commissions are:

- School Pictures (mandatory)
- Vending Machines (mandatory)
- Yearbook Sales
- Class Rings
- Magazine Sales

The check stub or copy of the check issued for commissions should be kept on file at the local school office for audit purposes.

All vending machines must be full service. The vendor is responsible for extracting the money from the machines and issuing the local school a commission check.

A vending contract should require the vending company to furnish statements that identify the count of items stocked in the machine 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.

Because the vending machines are on public property, using electricity paid with public funds, as well with the principal (a public employee) direction the use of the vending machine proceeds, the profits are considered **public funds**.

5. Concessions

Concessions include event concessions, school concessions, and school stores. Because all concessions involve cash, and neither cash receipts nor tickets are used to control the exchange of money, proper accounting for the sale products and income is essential. Ideally, a cash register would be used to account for the cash collected. The purchaser would receive a cash register receipt and the cash register would generate a record of sales. An inventory of items purchases, items sold by price, and items unsold should reconcile to the cash collected.

The following procedures are recommended:

- Do not cash checks with concession funds. Deposit funds intact.
- Do not make payments from cash collected. Payments must be made by check.
- Funds should be collected on a timely basis.
- A master receipt should be issued after verifying the amount of the receipt at the time the funds are actually received.
- The person presenting the funds for receipt should wait for a master receipt to be prepared and verify the information on it, before leaving the office.
- Supporting documentation of items sold should accompany the funds collected.

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

Internal Control Procedures

The following procedures need to be followed when established a school store and/or operating concessions or vending machines at a school or athletic event. All areas should be covered as far as putting proper controls in place for cash receipts and inventory.

- Two people should count the cash collected each day before it is turned in to the bookkeeper (then reconciled with bookkeeper).
- If cash registers are used, the register tape should be reconciled to receipts and deposits and attached to them.
- Deposits should be made on a daily basis.
- A separate activity code for school vending (concessions) should be used to track receipts and disbursements (separate from school supplies). Receipts and disbursements should be compared on a regular basis.
- A beginning inventory should be taken for whatever month selected to begin. Purchases for the month should be added to the beginning inventory, and at the end of the month, another inventory should be taken and subtracted to have an idea of the number of items that were sold for the month. Take projected items sold and multiply by the price (easier when one price for every item sold, or one price for drinks and once price for all other items). Take this total to determine the amount of revenues/receipts you should have for that month. Compare to actual revenues/receipts for the month. If difference is a material amount, the difference should be investigated.

OR

A separate school store or concessions activity may be set up to quickly compare expenses against revenues to determine if a profit is made.

Also, a profit analysis should be prepared on a regular basis, at least quarterly.

Costs vs. Sales (less any overhead) Concession are usually run by teachers or aides and no overhead is calculated.

6. Admissions/Ticket Sales

Tickets should be sold at all events where admission is charged. Admission events include football, basketball, baseball, softball, volleyball, soccer, wrestling, swimming, track, or any other athletic event, as well as beauty pageants, dances, theatrical performances, talent shows, carnivals, festivals, or any other school related event. Proms and other such events

are excluded when advance admission payments are receipted on a teacher receipt sheet and admissions is not charged at the door. The use of tickets for admission events, when properly managed, assures that entrants to events paid the admission fee and that all admission charges are deposited in the school's bank account. Pre-numbered tickets may be printed for a specific event or may be sold from a roll of generic tickets. If generic tickets are sold for seasonal events, ticket colors should be alternated. Security practices, such as having a ticket collector tear tickets in half may be necessary at some events to avoid the reuse of tickets by entrants to the event. The ticket collector should not be the ticket seller.

When tickets for athletic events are issued, a "Report on Sale of Tickets" form should be prepared for each seller to whom tickets are issued. The bookkeeper should complete the top portion of both forms; the tickets issued section and the complimentary section on the "Report on Sale of Tickets". Tickets and a copy of the form should be given to the designated person(s).

When the event is over, the tickets returned section should be completed and signed by the seller. The money should be counted and verified, then signed by the principal. The unused tickets and report should be turned in to the bookkeeper. The money should be dropped at the bank in a "hold for pick up-not deposit" bank bag. The bookkeeper should pick up the money the following business day, prepare the deposit and complete the reconciliation of tickets. All cash collected must be deposited intact. Do not use cash collected or change cash to cash any checks, including school checks issued for officiating security, ticket sellers, or ticket collectors.

Upon completion of the ticket reconciliation, the bookkeeper should sign the "Report on Sale of Tickets" form and then forward it to the principal for his/her signature. A copy of the report and any unused tickets must be forwarded to the local school accounting office as soon as possible.

Complimentary tickets may be issued to other schools outside the district but limited to 25 tickets. The principal or person receiving the tickets must sign for them in order to comply with accounting procedures.

The sale of season tickets should be reported on a separate "Report on Sale of Tickets" form. The face value of the ticket for each game is to be recorded as admission. Admission to athletic events is considered public money.

Admission prices for athletic events are voted on and approved by the Board. The local school should not change an admission price set by the Board.

The parking charge for varsity football games is approved by the Board. Since the football game and the parking is on school property, the parking charge is considered public money and must be receipted into a public activity.

Through written agreement, booster clubs and organizations may sell season passes for games and parking. The actual cost as approved by the Board of the ticket and parking fee must be paid to the school. Any amounts over paid to the booster organization for the collection of gate receipts/parking should be handled as a separate transaction and at a reasonable percentage.

Participation fees are not allowed for athletics; however, athletic events such as swimming, golf, etc. that do not charge admission, may collect a participation fee from students to cover event expenses.

PURCHASES

IV. PURCHASES

A. Requisitions and Purchase Orders

A requisition, in the form of a purchase order, is required for the purchase of goods and/or services by any employee of the DeKalb County Board of Education. Any purchase of goods and/or services that financially obligates the DeKalb BOE or any local school in our district must follow these procedures:

1. A “requisition”, in the form of a “purchase order”, should be completed by the employee specifically identifying items to be purchased. There are two types of requisitions available:
 - a. A “local school” requisition/purchase order obligates the local school’s funds and is processed by the school’s bookkeeper.
 - b. A “county” requisition/purchase order is used when a purchase is to be made with funds overseen by the Central Office and is processed at by the Central Office bookkeeper.
2. A purchase order must include the complete description, item number(s), the price(s), shipping address, and the vendor contact information from which the purchase is to be made. Purchase orders cannot say “see attached”. Do not order by item numbers alone.
3. A verification of the activity should be completed to ensure fund availability prior to the purchase order being issued.
4. The requisition is then submitted to the principal to be signed **prior** to a purchase order number being issued. The DeKalb County BOE and/or the local school will not accept financial obligation for any goods/services that are received by any employee before the purchase order has been approved.
5. A purchase order that flows sequentially in numeric order should be completed in a minimum of triplicate form for each purchase. All purchase orders must be signed by the principal before a purchase can be made. The superintendent’s signature is also required for any purchase with funds overseen by the Central Office.
6. Copies of the purchase order should be distributed as follows:
 - a. Copy 1 (White) is the vendor copy and is used to place the order.
 - b. Copy 2 (Yellow) is the bookkeeper’s copy.
 - c. Copy 3 (Pink) is to be signed and returned to the Central Office upon complete receipt of the order for all county purchases.
 - d. Copy 4 (Gold) is to be kept by the school or department requesting the purchase order, for their records.

7. An invoice from the vendor and a signed material receipt are required for each purchase before the purchase order is considered complete. If a local school receives an invoice for a county purchase order, it must be forwarded to the Central Office along with the material receipt.
8. The invoice and signed material receipt should be attached to the related, original purchase order and placed in a file for payment processing.
9. A purchase order must be issued for all goods and services. Recurring monthly bills do not require a purchase order (telephone bills, change cash, student refunds, etc.)
10. No employee should have authorization to purchase or order goods or services without proper approval from the principal in the form of a purchase order. Reimbursement should not be made to any teacher/sponsor who purchases goods in the school's name without a purchase order.
 - Schools that make numerous purchases with a given vendor during the month will be permitted to issue the vendor a purchase order at the beginning of the month, with a specified dollar limit for that month. This arrangement should be used on a very limited basis. The principal must approve these purchases and all proper signatures and documentation must be provided. A student should never be allowed to purchase items on such purchase orders.
 - It is the responsibility of the bookkeeper to check open purchase orders monthly. If a purchase order remains open after a reasonable period of time has passed, the bookkeeper should make a copy and give it to the person that requested the purchase order for follow up.

B. Bid Law

The Alabama Competitive Bid law requires that all purchases and/or contracts for labor, services, materials, equipment, and supplies in an amount set by the State of Alabama (currently \$15,000 or greater), shall, except as otherwise provided in the law, be let by free and competitive bidding, or sealed bids, to the lowest responsible bidder. Competitive, sealed bids shall be requested by the purchasing department. The DeKalb County Board of Education is authorized to use all State of Alabama contracts when they are advantageous to the Board.

The Board also follows state laws for the procurement of property and services. Procurement transactions that are not subject to state procurement laws, but exceed the federal micro-purchase threshold, will be obtained by price or rate quotes from two or more sources.

A purchase order is required, and proper procedures must be followed for any purchase that results from a bid.

The State of Alabama Bid Laws do not apply to purchases made by individual schools of the county or municipal school system from monies other than those raised by taxation or received through appropriations from state or county sources.

Contracts, including service contracts, must have the approval of the superintendent except for routine services such as school pictures, yearbooks, copiers, class rings, senior supplies, etc.

The Board encourages the purchase of all materials, equipment, and supplies through the quotation process, even though the amount may not be required by the bid law, in order to obtain the best possible price for school money. These purchases are required to follow proper purchase order procedures.

EXPENDITURES

V. EXPENDITURES

A. Check Procedures

All obligations of the school are to be paid by a computer-generated check (offline checks are prohibited, unless authorized by the Central Office). Only authorized school expenses are to be paid in this manner. Checks should be properly safeguarded when not in use (stored in a locked and secure place). All checks written (including VOID checks) should be kept on file in numerical order. A check should never be destroyed when an error is made; the check should be “VOIDED”, and the signature portion of the check cut or marked out. There should be one additional signature (other than the principal) approved and on file at the bank to be allowed in the event of emergency situations. The proper handling of the school bank account is the primary responsibility of the principal. No signature stamp should be used in place of the principal’s original signature on a check. Following are the recommended check procedures:

1. Do not write checks to “CASH”.
2. Do not sign checks that are not fully completed.
3. Do not pay for items in advance of receipt of said items.
4. Invoices and supporting documentation should be provided with the check to be signed.
5. Invoices should be marked “PAID” once the check is issued.
6. Vendors should be paid on a timely basis. Late charges, penalties, and interest should always be avoided by making payments on or before the due date.
7. Checks should always be used in numerical order.
8. Checks must be properly secured at all times.
9. Voided checks must be retained for audit purposes.
10. Sales tax should not be paid of purchases from in-state vendors, unless the items purchased do not qualify for tax exempt status (school pictures, class rings, etc.).
11. School employees may not use the school’s sales tax exemption for personal purchases.
12. Checks that have been outstanding for over sixty (60) days should be investigated and handled in the appropriate manner.

B. Checks Issued to the Central Office

When payments are made to the Central Office, the proper documentation should be included on the check stub. The stub should note exactly what expense the payment is to cover. If payment is being made for an invoice that the Central Office billed to the school, the invoice number should be provided on the check stub. The “Checks Issued to Central Office” form should be attached to any payment submitted to the Central Office.

NOTE

Any payment issued to the Child Nutrition Program, should be made on a separate check.

C. Invoices

An invoice must be obtained for each purchase order before payment is made. An original, faxed, or emailed invoice must be secured to serve as basis for issuing any check; statements are insufficient documentation from which to pay an invoice. Payments are not to be made from a statement in order to prevent a duplicate payment or overpayment, and to ensure accurate accounting records. The invoice must include the name and address of the vendor, a full description of the items purchased and an itemized listing of the prices, and the total amount to be paid. The person, for whom the purchase was made, must sign off on the invoice or COPY 3 (Pink) of the purchase order, before payment can be made. The school should not allow partial orders of merchandise and should not allow backorders. Payment of an invoice should never be made, until the order is complete, and all merchandise has been received. The invoice should be matched with the applicable purchase order before payment is made.

If the vendor does not have an invoice, the bookkeeper may furnish an invoice to the vendor. For example, if the school contracts with John Doe to paint the school flagpole for \$50.00, and Mr. Doe does not have an invoice to submit, the school will need to use an invoice form provided by the bookkeeper. The invoice should include the purchase order number, name and address of the vendor, a description of service, the date and must be signed by the vendor who is requesting or receiving payment.

An IRS W-9 form should be completed and maintained on file for each individual or vendor as required by the IRS for 1099 reporting purposes.

Please be advised that the county school boards are exempt from the payment of Alabama Sales Tax; however, the local school may pay rental tax if it is written into the contract.

The principal must approve all invoices before payment is made. Cash expenditures are expressly prohibited.

The corresponding supporting documentation and the invoice should be marked "PAID". The check stub or copy should be attached to the top of invoice. If a check stub or copy is not available, the check number and date should be written or stamped on the invoice. Paid invoices should be filed in numerical order by check number each month.

If for any reason a check is outstanding for sixty (60) days, efforts should be made to ascertain that the check reached the proper party. A letter should be sent to the vendor to verify the status of the check before the check is voided. School checks should be printed with the statement "void after 90 days".

Gifts, prizes, or other merchandise obtained from the purchase of school items are the property of the school and the DeKalb County Board of Education. School employees are prohibited from purchasing personal items through the school. School personnel will neither solicit nor accept funds or gifts from vendors.

PAYROLL

VI. PAYROL PROCEDURES

A. Payroll Procedures

- The Board delegates payroll preparation for the payment of employee salaries to the superintendent or his designee. All personnel shall be paid according to a definite Board approved salary schedule, with equitable treatment with regards to qualifications, experience and duties. Copies of the current salary schedule are available at the superintendent's office.
- The Board authorizes the payment of all employee salaries of the school district on the **first day of each month**. Payroll direct deposit is required for ALL employees.
- No regular or regular part-time employee shall be paid on any payroll unless approved by the Board. Contracts will reflect Board action as to placement on a salary schedule. Principals shall certify and submit a payroll each month containing the names of all employees, days worked and absences.
- All employees, including substitutes, must provide a copy of their social security card, along with all required forms (withholdings, etc.).
- Each new employee must furnish a satisfactorily completed I-9 within the first three days of employment, in keeping with federal regulations.
- Substitute bus drivers must be licensed, trained and medically fit as required by transportation policies. Substitute lunchroom and custodial workers must provide a medical statement and be approved by the principal.
- Substitute teachers must have a valid substitute certificate or teaching certificate on file.
- All employees (full-time, part-time, or substitute) must be fingerprinted and have clearance from the Alabama State Department of Education before beginning any assigned duties.

- No employee is to be paid a salary that does not appear on the Board approved salary schedule.
- No changes in salary, title, or hours/days worked shall be made without first advertising and obtaining recommendations of the superintendent and approval of the Board.
- Unless schools are in session, Saturday hours or extended hours cannot take the place of a regular workday. Any exception must have prior approval as stated in “policies”.
- Payrolls must reflect an accurate report of days/hours worked during the month. All leave/vacation time or other absences must be documented.
- Employees are encouraged to report any discrepancies in salary or deductions at the earliest possible time, whether overpaid or underpaid, so that corrections may be made. Overpayments shall be deducted from monthly salary.
- Principals will submit a payroll each month of the school year (including summer months) to verify that employees have completed all contract days.
- All regular and regular part-time employees will be paid in 12 monthly payments, regardless of whether they work 9, 10, 11, or 12 months.
- Reductions in Salary (Cuts): If an employee uses all accumulated leave time, or it is necessary to reduce salary due to termination or other reasons, the cut(s) will be calculated based on the number of days involved multiplied by the daily rate of pay.
- The daily rate for all employees is calculated by dividing the annual salary by the number of contracted days. These scholastic workdays are exclusive of holidays.
- Contract or payroll checks issued in error may be corrected by law, and by Board policy, whether the error is an overpayment or underpayment of gross pay, or a deduction error.
- Supervisors, Administrators, and Central Office employees work from 8 a.m. to 4 p.m., with time out for lunch, unless the Superintendent gives approval to a different time schedule. Placement on the Salary Schedule is set at time of employment by the Superintendent or his designee.
- Salary supplements will be considered by the Board at the same time as all other salary increases. The Board is not responsible for commitments made by other individuals, groups, or organizations.

- Regular bus driver's pay for extra trips/field trips will be paid by the school and sent to the Central Office for disbursement.
- Substitute bus drivers (not REGULAR drivers) who must drive an excessive distance to get to their bus for the day, shall be paid mileage at the current approved rate, for every mile over 12 (each way) to and from the bus. It is the responsibility of the substitute driver to complete a mileage claim form, in order to be reimbursed.
- Salary increase for a new, higher rank of certificate or degree will be paid upon certification by the Alabama State Department of Education.
- The approved SNA Certification bonus will be paid on a yearly basis in November of each year. Completed certification certificates will be turned in to the Central Office no later than October 31st to receive payment for the year.
- Maintenance and Transportation certifications should be completed, and applicable paperwork submitted to the payroll department by December 1st of the current year in order for payment to be issued on the monthly bonus payroll. Paperwork for certifications received after the first working Friday in January will be issued in December of that calendar year. Employees hired during the course of the calendar year may have an exemption to this timeline upon submission of certification from their supervisor to the Chief School Finance Officer.
- All payroll information is confidential. No employee is to divulge the pay status or any other private information of another employee to another person.

B. Salary Deductions

- The Board maintains that salary deductions which are statutory (federal and state income tax, social security, retirement, etc.) or legislation or approved the Board, will be deducted in accordance with applicable laws and regulations.
- The Board shall only be responsible for making approved salary deductions as requested by an employee of the Board. Under no circumstances can special arrangements be made as to the commencement or transaction of salary deductions.
- No new deductions will be approved (except those legislated or mandated by the State Board of Education, or by another state or federal regulatory agency) unless a minimum of 10% of employees make application.
- Payroll errors are to be reported and corrected as soon as possible.

- The Board will be responsible for and abide by legal requirements and guidelines regarding payroll errors that involve federal or state income taxes. However, the Board shall not be liable for any damages over and above the actual cost of the error.
- The payroll department shall not assist in preparation of an employee's withholding forms, except to offer general information. It is the sole responsibility of the employee to determine the number of exemptions to be claimed.
- When insurance or tax-sheltered annuity amounts have been correctly deducted and remitted by the Board; said Board shall bear no further responsibility or liability for subsequent transactions.
- A Cafeteria (fringe benefit) Plan will be available to all employees and subject to their review and approval of changes on an annual basis.
- Requests for payroll deductions or cancellation of payroll deductions, other than those required by law, should be submitted to the payroll office in writing.

MISCELLANEOUS ITEMS

VII. MISCELLANEOUS ITEMS

A. Field Trips/Activity Runs

Teachers often request approval to take students off campus during the school day as enhancement of academic content in fulfilling course curriculum. Voluntary contributions may be requested to pay the cost of transportation, meals or admission charges. The voluntary nature of the contributions must be clearly stated in the request for the field trip costs. Non-payment of requested contributions cannot be used against a student and the student must be provided the same participation as if payment was made on his/her behalf.

Field trips during the school day cannot generate a profit but may establish a per student amount that exceeds the individual student costs to provide the funds for the non-paying students, if the costs for the non-paying students are not paid for by private sources or non-public school funds. Additional costs should be considered in establishing the per student field trip amount to accommodate for special needs students.

Documents providing information about the field trip to parents and guardians should include information on the disposition of excess field trip funds paid for the students, including the cancellation or postponement of the field trip; a student's inability to participate in the field trip due to absence, illness or disciplinary action; and, requirements to receive a refund for the field trip payment.

The local school board office can provide guidance on student meals, transportation, and approval procedures. School board policies may place limitations and restrictions on school field trips.

Student trips that extend overnight, are held outside of school hours, or are held on a day that school is not in sessions are considered extra-curricular activities. Generally, extra-curricular activities are not subject to the requirements to provide participation for non-paying students.

- Field Trip – during the school day
- Extra-Curricular Activity – after school hours at night or weekends

A “Field Trip Request” form should be completed and submitted to the elementary, middle or secondary education director for approval **prior** to the date of the activity. An “Activity Transportation Form” should be completed and approved by the Transportation Department two weeks prior to the date of the activity.

1. The person requesting the bus should complete the *Request* section, except for the name of the driver, bus number, and principal signature, and forward to the lead bus driver.

2. The lead bus driver should assign bus number and driver, obtain principal's signature and forward all copies to the Transportation Department.
3. The driver of the bus should complete the *bus driver* section and turn it in to the bookkeeper upon completion of the activity.
4. The bookkeeper will complete the *Report* section and obtain the principal's signature.
5. The hours for field trips/activity runs are reported on the "Extra-Curricular Activity Report". An asterisk (*) should be placed beside the name of the lead driver. The original should then be signed by the principal and forwarded to the Transportation Department. The copy should be retained by the local school.
6. Transportation may be provided by the school system for field trips, depending upon fund availability. This will be determined on an annual basis.

A monthly invoice will be issued to the school for reimbursement of the activity trips that are to be paid for by the school.

If a bus driver is absent from driving because he/she is on an activity run, the leave code should be entered as "Q". A morning *or* afternoon run is ½ - morning *and* afternoon is 1. The payroll department will deduct one hour's pay from the bus driver that is on the activity run for each session. The bookkeeper should report the activity run for the full amount of time on the "Bus Driver Extra Pay Report".

B. Academic Incentives for Students

Amendment 558 of the Alabama Constitution permits the use of public funds to promote educational excellence by students. Students may receive food items (but not foods of minimal nutritional value), school supplies, admissions, T-shirts publicizing school academic accomplishments and other tangible incentives for attendance, honor rolls, test scores, etc. Academic excellence may also be recognized with plaques, trophies, and award banquets. Academic incentives with a significant monetary value may be provide to a group of students or by selecting individual recipients. Scholarships and tuition for programs outside of the schools' academic program are not permitted unless non-public funds are used. If public funds are used, procedures for providing academic incentives to students should be established at the beginning of the school year and a copy sent to the Central Office to include:

1. Action required for student to receive incentive
2. Relationship of the required action to education excellence.
3. Description of the planned incentives (gift card, tablet, etc.). NO CASH.
4. Process for determining the incentive recipients.

Academic incentives, whether purchased with school funds or donated by other entities or private sources, should be secured until provided to the incentive recipient. The student receiving the incentive should sign a form documenting their receipt of the incentive,

excluding items of insignificant value. The school official that is presenting the incentive to the student, along with a witness, should also sign and date the form.

Amendment 558 of the Alabama Constitution also permits the use of public funds to recognize significant contributions to education by faculty, staff, and the public, in the form of trophies, plaques, or academic banquets.

C. Guidelines for School Related Organizations

1. Student Organizations

Student clubs and classes are recognized as school activities. The student officers and faculty sponsor operate the organization, while the principal acts in a fiduciary capacity over the organization's funds. The school 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 into the school account. The principal approves the purchase orders, signs the checks and maintains the supporting documents for expenditures.

Some organizations consisting of students from a school, may not be considered as school activities. Some students belong to social organizations that operate off campus. Community recreation leagues may consist solely of students from the school and operate under other entities that are not under the control of the school. Although the activities 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.

2. 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 principal. Funds from gate receipts and other sources may be recorded in one or more separate account for a particular sport in the school's financial records. A separate account is not required for each sport.

When athletic events are held on locations other than school property, the 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.

3. Parent Organizations (PTA/PTO)

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 organization. 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 leads the fund raising or maintains accounting records for the organization.

Specific Requirements:

Parent organizations (PTA/PTO) that maintain financial operations outside 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 EIN from the IRS.
- b. The organization provides a report of the annual audit of the organization to the school.

4. 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 various 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. Generally, the activities for booster organizations are considered non-public funds. However, these organizations will become public school funds if:

- a. A school employee serves/holds a leadership position in the organization.
- b. A school employee is involved with fund raising or maintains the accounting records of the organization.

D. Bank Loans

- a. The Board is not liable for unauthorized loans negotiated by a school principal. Only the Board can approve and borrow money for a school.

- b. School loans will be considered for approval by the Board on a case by case basis. The superintendent will consider projects/facility needs and funding sources for each request before a recommendation is made to the Board.
- c. Amendment No. 558 of Section 94 of the Constitution of Alabama prohibits county, city or any other division of the state, to lend credit or grant public money to any individual, association, or corporation.
Therefore, loans for booster clubs and other school affiliated organizations cannot be authorized by the principal and submitted to the Board for approval.
- d. These organizations may obtain a bank loan to be paid from non-public school activity funding sources.

E. Month End Close

Monthly reports are due in the Central Office by the 15th of the following month.

The bookkeeper at each school is responsible for the month end closing procedures of the books. Upon receipt of the bank statement, the bookkeeper should reconcile the book balance to the bank balance. After balancing, monthly reports should be run for each school. The “Monthly Reports Checklist” should be attached to the reports and forwarded to the Central Office for verification.

The financial records of the local school are public records and should be made available to any person(s) upon request. Monthly activity reports should be distributed to all teachers/sponsors.

F. Disposition of Records

Public records must be kept in the office where created or in a depository approved by the state or local records commission.

Local schools have the responsibility to administer the policies of the local board of education and the State Department of Education. This includes the responsibility of adhering to the minimum retention period for records created or maintained by the local schools. Local schools should forward their “Local Government Records Destruction Notice” to the local board of education for approval and then the notice should be forwarded to the Alabama Department of Archives and History, Records Analysis and Appraisal Division. Any records involved in litigation should be retained until the case is resolved.

Uniform Accounting System for Local Schools Financial Records

The local schools’ financial records are created to document adherence to requirements made by the Board as well as to provide a sound record keeping system for each school

year. All financial transactions of the school system should be retained upon the release of three audit reports and settlement of any claims due before being destroyed.

G. Fixed Assets

Fixed asset accounting is an important part of the stewardship responsibility of the school system. The DeKalb County Board of Education will record all equipment classified as fixed assets, defined as a unit cost of \$5000 or more, owned or possessed by the Board as required by GASB Statement No. 34.

Equipment is tangible personal property. It will retain its appearance with use, serve that purpose for more than one year and is normally repaired, instead of replaced, when damaged or not working. It is also portable (moveable) and **is not attached** to, or a part of real property. This will make equipment inventory easy to distinguish from items such as HVAC systems, stadium bleachers, CCTV systems etc. While these are equipment items individually, once they are attached to real property and cannot be moved, they become either a building or land improvement.

The Central Office asset clerk, under the direction of the CSFO, is responsible for keeping a record of capital assets for audit purposes. Equipment items with an initial cost of \$1000 or more that are not classified as fixed assets are controlled through a supplemental inventory. The principal is responsible for the inventory at his/her school. When an item is purchased (or donated) at the local school level, the Central Office should be notified. Donated items will be recorded at “fair market value”.

H. Disposition of Fixed Assets

Equipment may be removed from fixed assets inventory for the following acceptable reasons:

1. The item is no longer usable (damaged, destroyed or obsolete)
2. The item was stolen

A request for removal should be submitted for any item being removed from active inventory. Remember that any asset damaged or destroyed by an insurance covered loss must be reported in a timely manner and appropriate paperwork completed.

No fixed asset should be disposed of without approval.

I. Method of Disposal

The purchasing department is responsible for the sale of surplus and obsolete property. Sales may take place in one of the following manners:

1. Sealed bids
2. Public auction
3. Sale to another local unit of government for a fair market price
4. GovDeals (<https://www.govdeals.com>)

Criteria for determining the manner of disposal shall include the location of the property, quantity, quality, availability of clientele, and time limit in which property must be moved.

The DeKalb County School Board of Education has the right to reject any or all bids for school surplus or obsolete property.

J. Budget Input

The development of the system wide budget and the local school budgets shall be conducted in accordance with all pertinent local, state, and federal laws and timelines. Principals will seek input from their respective school's faculty, staff, parents, and committees, as applicable, when preparing the local school budget. Faculties and staff shall have the opportunity to vote by secret ballot on specific portions of the local school budget as required by existing state law.

Each school year, the superintendent will have the annual system wide operating budget prepared and presented to the public at two open public meetings, prior to September 15, submitted for adoption by the Board, and forwarded to the State Superintendent of Education.

K. Live Work

Live Work Projects

Live work projects consist of work done by career tech students as part of their training program. Work can be done either in school or on a job location and includes service, repair, or production jobs of all types, excluding work done by cooperative education students. Live work will be conducted when, in the opinion of the instructor and school administrator, the training program requires the work for the acquisition of occupational skills leading to employment. The instructor, as part of the student's training program, will assign live work to individual students or groups of students.

Live work can only be performed when tasks are directly related to the knowledge acquired and skills currently being taught in the program as part of the course of study or to reinforce acquired knowledge and skills previously taught. Live work will be performed in specific projects for specific individuals and organizations. The scope and extent of each project will be well defined and documented before acceptance. Live work projects can be conducted for:

1. Students
2. Public employees
3. Tax supported programs and institutions
4. Charitable organizations that are supported by donations
5. Other individuals and organizations if:
 - a. The live work project is not in competition with private enterprise.
 - b. The circumstances involved are unusual and justify the acceptance of the live work project.
 - c. The instructor and the school administrator do not have a family or business relationship with the client.

Liability Waivers

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. Accept responsibility for the total costs of materials and parts involved.
3. Pay a service charge according to the schedule established by the administrator of the school to cover indirect expenses.
4. Sign a form agreeing to the above conditions and specifically stipulating the work to be performed.

Service Charge for Live Work Projects

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

1. Actual cost of parts and materials, plus at least 20% for the service charge.
2. Live work projects that do not include parts and materials provided by the school will be assessed a reasonable service charge according to a schedule or pricing sheet approved by the administrator.
3. A training program leading to a license, such as cosmetology or barbering may charge for services under a pricing schedule approved by the administrator.

Because state laws do not allow a school to extend credit, all charges must be collected at the conclusion of the live work project. Deposits and advance payments should be considered, if appropriate.

In exceptional cases, such as the construction of a public building, a reduced charge for the live work project may be used provided the administrator and local school superintendent concur in writing and the school recovers all costs expended on the project. However, all construction projects must be approved by the local school superintendent and other public agencies when applicable.

Work Orders

All live work projects must be documented with a signed liability waiver, authorized 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 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 signature and date signed
6. Student(s) assigned to the work project
7. Instructions for 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 account for each instructor (instructor may have additional separate accounts 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 comingled 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.

PROCEDURES FOR EXPENDITURES OF STATE INSTRUCTIONAL SUPPORT FUNDS

VIII. PROCEDURES FOR EXPENDITURES OF STATE INSTRUCTIONAL SUPPORT FUNDS

A. Budgeting Requirements

Classroom instructional support may be defined as library enhancement, classroom/student materials, professional development, technology, and other classroom instructional support approved by the State Board of Education.

If the State Board of Education approves funding for common funds, library enhancement, and/or technology then the following guidelines are to be followed.

Budget Committee

- Composed of five members: four teachers and a principal (or designee)
- Teachers of committee shall be elected annually by secret ballot, majority vote of the teachers voting at each school
- Committee must elect a chairperson and secretary
- Minutes must be kept of meeting
- Budget committee shall propose budget for classroom instructional support
- Budget for technology and professional development shall be consistent with the latest plan developed at local school level and submitted by the local board to the State Superintendent of Education
- Media specialist must be consulted in the budgeting of library enhancement funds

Budget

- Must outline common purchases and must specify the common items which may be purchased
- Must specify the amount to be allocated for each teacher
- Proposed budget submitted to teachers at annual meeting
- Majority must approve budget
- Must have at least two workdays to review proposed budget before vote
- Any budget not approved by majority must be returned to budget committee for revision

Reports

- Report on approved proposed budget must be submitted to local superintendent
- Local superintendent shall submit a notarized affidavit to the State Superintendent of Education

Transfer with teacher is 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. (Section 16-1-8.1 Code of Alabama and HB215 found in section XII Attorney General Opinions)

B. Purchasing Card Program

NOTE: The following purchasing card program information is only in effect when/if the Board elects to use purchasing cards for any fiscal year. The decision to use purchasing cards is made on a year by year basis. When the purchasing card program is not in effect, refer to the purchase order process listed in Section IV: PURCHASING.

The Board has developed a policy for the use of purchasing (debit) cards, to be used by all teachers as provided by state law (Purchasing Card Procedures in Board Policy).

Purchasing Card Procedures include, but are not limited to:

- The cardholder agrees to use the card exclusively for classroom instructional support.
- The cardholder agrees to obtain a legible receipt with an itemized listing for each purchase made with the card.
- The cardholder agrees to inform the merchant that purchases with the debit card are exempt from Alabama sales tax.
- The cardholder agrees to reimburse the Board or to obtain other funds for the expenditure for purchases that are determined to be an unallowable expenditure, purchases that do not have a legible or itemized receipt, Alabama sales tax added to the purchase or purchases that exceed the limit of the allocated funds.
- The cardholder agrees to turn in the card and receipts by April 1.

Schools shall submit purchase orders as necessary, preferably during the first semester, for joint purchases or when using special funds, and in a timely manner for all funds allocated for the year.

The use of purchasing cards requires the DeKalb County Board of Education to utilize a voucher system to account for expenditures for classroom instructional support. Alabama Code 16-1-1.1 (as amended by Act No. 99-389) offers the voucher system as an alternative to purchasing classroom instruction support under the Alabama Competitive Bid law. Purchases made for classroom instructional support under the voucher system are limited to items costing \$15,000.00 or less per item.

If the DeKalb County Board of Education elects to use purchasing cards for any current fiscal year, then it is required that all local schools participate in the purchasing card program, thereby giving each certified employee the opportunity to utilize the purchasing

card. Certified employees wishing to use the card will receive the “Purchasing Card Agreement”. The employee should read and sign the agreement and return a signed copy to the local school bookkeeper. The bookkeeper should have each employee sign in and out upon receipt and return of the purchasing card.

All purchasing card receipts, credit memos and credit receipts should be entered on the “receipt log” by the cardholder. The receipts and the receipt logs should be kept with the same security protection as cash receipts. The receipt log serves as documentation that items have been received and as an audit trail for receipts. Receipts (and any supporting documentation) should be turned in to the Central Office bookkeeper within five days of the receipt of the monthly billing statement. Supporting documentation can include itemization of purchases that could appear questionable. To help reconcile the monthly statement, the reference number from the receipt log should be written on the receipt before attaching the receipt to the relevant teacher’s receipt log. The local school may find a receipt folder for each cardholder to be beneficial.

The local school will receive a detailed monthly statement. The bookkeeper should reconcile the monthly statement to the receipt logs and the receipts. The bookkeeper should indicate the month a receipt is submitted for payment in the “statement month” column on the receipt log. A copy should be made of each page of the receipt log used in that month’s reconciliation, signed and dated by the principal. A reference number should be completed as an audit trail.

A receipt may need to be distributed to more than one journal number. The journal number breakdown total should match the monthly statement total.

A monthly report detailing purchases made should be given to each cardholder. The report should provide a current available balance not including any open purchase orders. The report may be handwritten, or computer generated.

An employee may elect to waive the remaining balance of his/her individual fee replacement to be used at the principal’s discretion by signing a “fee replacement waiver”.