



ACCOUNTING PROCEDURES MANUAL
Revised March 2020

RCS VISION 2020:
Collaborator.
Communicator.
Community Engagement.
Creative & Critical Thinker.
Goal Oriented & Resilient Individual.

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**APPLICABLE PUBLIC SCHOOL
LAWS OF NORTH CAROLINA**

§ 115c-40. Board a Body Corporate.

The board of education of each county in the State shall be a body corporate by the name and style of "The _____ County Board of Education," and the board of education of each city administrative school unit in the State shall be a body corporate by the name and style of "The _____ City Board of Education." The several boards of education, both county and city, shall hold all school property and be capable of purchasing and holding real and personal property, of building and repairing schoolhouses, of selling and transferring the same for school purposes, and of prosecuting and defending suits for or against the corporation.

Local boards of education, subject to any paramount powers vested by law in the State Board of Education or any other authorized agency shall have general control and supervision of all matters pertaining to the public schools in their respective local school administrative units; they shall execute the school laws in their units; and shall have authority to make agreements with other boards of education to transfer pupils from one local school administrative unit to another unit when the administration of the schools can be thereby more efficiently and more economically accomplished. (1955, c. 1372, art.5, s. 10; 1981, c. 423, s. 1; 1985 (Reg. Sess., 1986), c. 975, s. 24.)

§ 115C-47. Powers and Duties Generally.

In addition to the powers and duties designated in G.S. 115C-36, local boards of education shall have the power or duty:

1. To Provide the Opportunity to Receive a Sound Basic Education. - It shall be the duty of local boards of education to provide students with the opportunity to receive a sound basic education and to make all policy decisions with that objective in mind, including employment decisions, budget development, and other administrative actions, within their respective local school administrative units, as directed by law.
2. To Exercise Certain Judicial Functions and to Participate in Certain Suits and Actions. - Local boards of education shall have the power and authority to exercise certain judicial functions pursuant to the provisions of G.S. 115C-45 and to participate in certain suits and actions pursuant to the provisions of G.S. 115C-44.
3. To Divide Local School Administrative Units into Attendance Areas. - Local boards of education shall have authority to divide their various units into attendance areas without regard to district lines.
4. To Regulate Extracurricular Activities. - Local boards of education shall make all rules and regulations necessary for the conducting of extracurricular activities in the schools under their supervision, including a program of athletics, where desired, without

assuming liability therefore; provided that all interscholastic athletic activities shall be conducted in accordance with the rules and regulations prescribed by the State Board of Education.

5. To Fix Time of Opening and Closing Schools. - The time of opening and closing the public schools shall be fixed under G.S. 115C-84.2.
6. To Regulate Fees, Charges and Solicitations. - Local boards of education shall adopt rules and regulations governing solicitations of, sales to, and fund-raising activities conducted by, the students and faculty members in schools under their jurisdiction, and no fees, charges, or cost shall be collected from students and school personnel without approval of the board of education as recorded in the minutes of said board; provided this subdivision shall not apply to such textbook fees as are determined and established by the State Board of Education. All schedules of fees, charges and solicitations approved by local boards of education shall be reported to the Superintendent of Public Instruction.

§ 115C-441. Budgetary Accounting for Appropriations.

(a) Incurring Obligations. - Except as set forth below, no obligation may be incurred by a local school administrative unit unless the budget resolution includes an appropriation authorizing the obligation and an unencumbered balance remains in the appropriation sufficient to pay in the current fiscal year the sumes obligated by the transaction for the current fiscal year. Nothing in this section shall require a contract to be reduced to writing.

(b) Pre Audit Requirement. - If an obligation is reduced to a written contract or written agreement requiring the payment of money, or is evidenced by a purchase order for supplies and materials, the written contract, agreement, or purchase order shall include on its face a certificate stating that the instrument has been pre audited to ensure compliance with subsection (a) of this section. The certificate, which shall be signed by the finance officer, shall take substantially the following form:

“This instrument has been pre audited in the manner required by the School Budget and Fiscal Control Act.

Date

Signature of Finance Officer

§ 115C-445. Daily Deposits.

Except as otherwise provided by law, all monies collected or received by an officer, employee or agent of a local school administrative unit or an individual school shall be deposited in accordance with this section. Each officer, employee and agent of a local school administrative unit or individual school whose duty it is to collect or receive any taxes or other monies shall deposit his collections and receipts daily. If the board of education gives its approval, deposits shall be required only when money on hand amounts to as much as two hundred fifty dollars

(\$250.00), but in any event a deposit shall be made on the last business day of the month. All deposits shall be made with the finance officer or in an official depository. Deposits in an official depository shall be immediately reported to the finance officer or individual school treasurer by means of a duplicate deposit ticket. The finance officer may at any time audit the accounts of any officer, employee or agent collecting or receiving any taxes or other monies, and may prescribe the form and detail of these accounts. The accounts of such an officer, employee or agent shall be audited at least annually. (1975, c. 4337, s 1; 1981, c. 423, s. 1.)

§ 115C-447. Annual Independent Audit.

(a) Each local school administrative unit shall have its accounts and the accounts of individual schools therein audited as soon as possible after the close of each fiscal year by a certified public accountant or by an accountant certified by the Local Government Commission as qualified to audit local government accounts. The auditor who audits the accounts of a local school administrative unit shall also audit the accounts of its individual schools. The auditor shall be selected by and shall report directly to the board of education. The audit contract shall be in writing, shall include all its terms and conditions, and shall be submitted to the Secretary of the Local Government Commission for his approval as to form, terms and conditions. The terms and conditions of the audit contract shall include the scope of the audit, and the requirement that upon completion of the examination the auditor shall prepare a typewritten or printed report embodying financial statements and his opinion and comments relating thereto. The financial statements accompanying the auditor's report shall be prepared in conformity with generally accepted accounting principles. The auditor shall file a copy of the audit report with the Secretary of the Local Government Commission, the State Board of Education, the board of education and the board of county commissioners, and shall submit all bills or claims for audit fees and cost to the Secretary of the Local Government Commission for his approval. It shall be unlawful for any local school administrative unit to pay or permit the payment of such bills or claims without this approval. Each officer, employee and agent of the local school administrative unit having custody of public money or responsibility for keeping records of public financial or fiscal affairs shall produce all books and records requested by the auditor and shall divulge such information relating to fiscal affairs as he may request. If any member of a board of education or any other public officer, employee or agent shall conceal, falsify, or refuse to deliver or divulge any books, records or information, with an intent thereby to mislead the auditor or impede or interfere with the audit, he is guilty of a Class 1 misdemeanor.

The State Auditor shall have authority to prescribe the manner in which funds disbursed by administrative units by warrants on the State Treasurer shall be audited.

(b) When the State Board of Education finds that incidents of fraud, embezzlement, theft, or management failures in a local school administrative unit make it appropriate to review the internal control procedures of the unit, the State Board of Education shall notify the unit. If the incidents were discovered by the firm performing the audit under subsection (a) of this section, the board of the local school administrative unit shall submit the audit together with a plan for any corrective actions relative to its internal control procedures to the State Board of Education and the Local Government Commission for approval and shall implement the approved changes

prior to the next annual audit. Where the firm preparing the audit under subsection (a) of this section identifies significant problems with internal control procedures the local school administrative unit shall submit the audit together with a plan for any corrective actions relative to its internal control procedures to the State Board of Education and the Local Government Commission for approval and shall implement the approved changes prior to the next annual audit.

If the incidents were not discovered by the firm performing the audit under subsection (a) of this section, the State Board of Education and the Local Government Commission shall employ an audit firm to review the internal control procedures of that local school administrative unit. Upon completion of this review, the audit firm shall report publicly to the State Board of Education, the Local Government Commission, and the board of local school administrative units. If the State Board of Education determines that significant changes are needed in the internal control procedures of the local school administrative unit, the local board shall submit a plan of corrective actions to the State Board of Education and the Local Government Commission for approval and shall implement the approved changes prior to the next annual audit. The local school administrative unit shall pay the cost of this audit. (1975, c. 437, s. 1; 1981, C. 423, s. 1; 1983, c. 913, s. 17; 1987 (Reg. Sess., 1988), c. 1025, s. 14; 1993, c. 539, s. 891; 1994, Ex. Sess., c. 24, s. 14(c); 2005-276, s. 7.58.)

§ 115C-448. Special Funds of Individual Schools.

(a) The board of education shall appoint a treasurer for each school within the local school administrative unit that handles special funds. The treasurer shall keep a complete record of all monies in his charge in such form and detail as may be prescribed by the finance officer of the local school administrative unit as they or the board of education may prescribe. Special funds of individual schools shall be deposited in an official depository of the local school administrative unit in special accounts to the credit of the individual school, and shall be paid only on checks or drafts signed by the principal of the school and the treasurer. The board of education may, in its discretion, waive the requirements of this section for any school which handles less than three hundred dollars (\$300.00) in any school year.

(b) Nothing in this section shall prevent the board of education from requiring that all funds of individual schools be deposited with and accounted for by the school finance officer. If this is done, these monies shall be disbursed and accounted for in the same manner as other school funds except that the check or draft shall not bear the certificate of pre audit.

(c) For the purposes of this section, "special funds of individual schools: includes by the way of illustration and not limitation funds realized from gate receipts of interscholastic athletic competition, sale of school annuals and newspapers and dues of student organizations.

(d) Special funds of individual schools shall not be included as part of the local current expense fund of a local school administrative unit for the purposes of determining the per pupil share of the local current expense fund transferred to a charter school pursuant to G.S. 115C-218.105(c). (1975, c. 437, s. 1; 1981, c. 423, s. 1; 2013-355, s. 2(b); 2014-101, s. 7.)

§ 115C-264.2. Vending Machine Sales.

(a) Each school may, with the approval of the local board of education, sell to students beverages in vending machines during the school day so long as:

1. Soft drinks are not sold (i) during the breakfast and lunch periods, (ii) at elementary schools, or (iii) contrary to the requirements of the National School Lunch Program;
2. Sugared carbonated soft drinks, including mid-calorie carbonated soft drinks, are not offered for sale in middle schools;
3. Not more than fifty percent (50%) of the offerings for sale to students in high schools are sugary carbonated soft drink;
4. Diet carbonated soft drinks are not considered in the same category as sugary carbonated soft drinks;
5. Bottled water products are available in every school that has beverage vending.

(b) Nothing in subsection (a) of this section prohibits a school from adopting stricter policies with respect to beverage vending.

(c) Snack vending in all schools shall, by school year 2006-2007, meet the Proficient Level of the NC Eat Smart Nutrition Standards, such that in elementary schools, no snack vending is available to students, and in middle and high schools seventy-five percent (75%) of snack vending products have not more than 200 calories per portion or snack vending package. (2005-253, s. 2.)

APPLICABLE LOCAL BOARD OF EDUCATION POLICIES

Policy Code: 7605/8610 Payroll Procedures.

All school district personnel who have met the legal requirements for their employment and service will be paid promptly when their salaries are due, as provided by law. All salaries and supplements paid regular staff members, substitute or part-time personnel, and student workers will be paid through the finance office.

Proper payroll procedures are dependent on staff attendance accounting and on the sign-in and sign-out sheets of staff, including part-time, hourly and evening school personnel. Compensation records kept by the finance office will reflect an accurate history of the compensation and related benefits accorded each employee. The finance officer will establish any additional payroll procedures necessary to facilitate payment of employees.

The finance officer will make authorized payroll deductions pursuant to policy 7620, Payroll Deductions.

Payday Schedule:

Paychecks will be delivered to the employee's worksite on the last workday of the month unless the superintendent determines that the school calendar creates an unnecessary hardship and designates an alternate payday. Employees who have their checks deposited directly with a bank will receive an earnings and leave statement on payday.

Salary Underpayment/Overpayment:

The board of education, as a fair employer, strives to ensure that all employees are paid in accordance with approved rates of pay, including salary schedules, hourly rates, allowances, and contracted performances. In the event that errors are made in calculating and paying salaries and allowances, the board will take immediate steps to correct the overpayment or underpayment. Arrangements will be made for reimbursement of overpayment or underpayment in accordance with applicable statutes or regulations.

Legal References: G.S. 115C-47(21), -276(n), -285(c), -302.1, -303(b), -316(a), -339 to -343.
Cross References: Payroll Deductions (policy 7620) Adopted: December 3, 2001; Revised: March 12, 2007.

Policy Code: 8325 Daily Deposits.

Except otherwise provided by law, all monies collected or received by an officer, employee or agent of the school district or an individual school will be deposited in accordance with this policy. Each officer, employee and agent of the school district or individual school whose duty it is to collect or receive any taxes or other monies will deposit daily his or her collections and

receipts. However, if the amount on hand is less than \$50.00, daily deposits are encouraged, but are not required. Regardless of the amount on hand, all funds will be deposited at the end of each school week and on the last business day of each month. All deposits will be made in an official depository. Deposits in an official depository will be reported immediately to the finance officer or individual school treasurer by means of a duplicate deposit ticket.

The finance officer may at any time audit the accounts of any officer, employee or agent collecting or receiving any taxes or other monies, and may prescribe the form and detail of these accounts. The accounts of such an officer, employee or agent will be audited at least annually.

Legal References: G.S. 115C-445 Cross References: Adopted: August 13, 2001 Revised: July 9, 2007.

Policy Code: 3620 Extracurricular Activities and Student Organizations.

The Rockingham County Board of Education recognizes the value of interscholastic athletics and extracurricular activities in promoting leadership and team skills, practicing democratic principles, and encouraging the lifelong learning process. Students are encouraged to actively participate in opportunities available at the school, including interscholastic athletics and student organizations. All activities are open to all students attending that school unless a restriction is justified and has been approved by the principal or unless the student is enrolled part-time under the authority of policy 4127, Transfer of Students from Charter and Non-Public Schools. The principal will ensure that students and parents are notified of the various opportunities for participation in extracurricular activities. The principal will establish any rules necessary for school and student-sponsored activities.

(a) Types of Student Activities and Organizations

The type and number of extracurricular activities and student organizations available to students shall be determined by the school principal, subject to board approval. Such activities and organizations shall be related to the purposes of the school. The principal shall regulate student organizations and activities including, but not limited to the following:

- Clubs and societies;
- Vocational organizations;
- Student government;
- Student publications;
- Student social events;
- Student performances and competitions;
- Interscholastic and intramural athletics.

Affiliation of extracurricular groups with district, state, or national regulations established by the board or superintendent.

1. Student Clubs

a. School-Sponsored Clubs and Organizations

School-sponsored student clubs and organizations must be related to the curricular and educational goals of the board and must be authorized and approved by the principal, subject to the review of the superintendent.

School-sponsored student clubs must have a faculty supervisor appointed by the principal, and such advisor or his/her designee must be present at all meetings. Students may not be denied membership or participation on the basis of race, religion, handicap, economic status, ethnicity, sex, marital status, or any other protected class. Membership in clubs must be open to all students except where the purpose of the club requires academic or other qualifying skills, as approved by the principal and/or required for state or national affiliations. Each organization regularly shall elect officers from the membership. In addition each organization shall adopt a constitution describing its purpose(s), the duties of its officers, requirements for membership (which must be applied equally and consistently to all students), rules of procedure, and other matters deemed necessary.

b. Student-Initiated, Non Curriculum-Related Student Groups

Student-initiated, non curriculum-related student groups will be permitted to conduct voluntary meetings on school grounds during non-instructional time (before the school day begins for students and after the school days ends for students) when other non curriculum groups are permitted to meet, regardless of the size of the group or the religious, political, philosophical, or other content of speech. The meetings of such groups shall not materially and substantially interfere with the orderly conduct of the educational activities of the school. Such meetings shall be open to all students without regard to race, color, religion, handicap, ethnicity, sex, or national origin. Secret organizations and hazing are strictly prohibited. School employees or agents of the school board shall not promote, lead, or participate in the meetings of these non curricular student groups; however, a school employee may be present at the meetings to maintain order and protect the general welfare of the students involved. School employees or agents of the school board who are present at the meeting of a religious group shall not participate in the meetings and shall not influence the form or content of any prayer or any other religious activity nor require any person to participate in prayer or other religious activity. Non school persons shall not direct, conduct, control, or regularly attend the activities on non curricular student group meetings.

Students seeking to establish a voluntary non curricular student group shall seek approval from the principal. No school district funds may be expended on behalf of student groups covered by this subsection, except for the incidental cost of providing space for group meetings.

This subsection shall apply to high schools only. The superintendent shall establish guidelines for the establishment of student-initiated clubs at the middle school level. Such guidelines should be consistent with the provisions of this subsection regarding membership and participation of students without regard to race color, religion, handicap, ethnicity, sex, or national origin. Student initiated clubs are not allowed at the elementary school level.

c. Non-School and Non-Student Clubs

Clubs and organizations established and sponsored by outside agencies or groups are not considered school clubs or student-initiated clubs and shall not function on school grounds or during the school day except as permitted pursuant to policy 5030, Community Use of Facilities.

2. Student Government

Student Government organizations are encouraged to address student issues related to school governance and curriculum and to provide opportunities for students to support the community. Student government organizations shall operate under the rules and regulations established by the principal.

3. Student Publications

School-sponsored student publications are encouraged as part of the school program. Such publication shall be appropriate for students as to grade level and content of material. The principal and faculty advisor must approve all publications that are published as official school publications, with the principal and faculty advisory approving the content of such publications. Student publications shall not contain material that:

- a. Is vulgar, indecent, or obscene;
- b. Contains libelous statements, personal attacks, or abusive language such as language defaming a person's character, race, religion, ethnic origin, gender, family status, or disability;
- c. Causes or clearly threatens to cause a material and substantial disruption of normal classroom activity, any normal school function, or other school activity;
- d. Encourages the commission of unlawful acts or the violation of lawful school regulations;
- e. Encourages actions that endanger the health or safety of student; or
- f. Advertises any product or service not permitted to minors by law.

Non school sponsored student publications are addressed in policy 5210, Distribution of Non-School Material.

4. Social Events

The principal must approve all student social events and shall ensure that an adequate number of chaperons are available. All social events must be consistent with the goals and objectives of the board and school.

5. Contests and Competitions

Students may participate in local, state, and national contests or competitions provided that;

- a. Such contests or competitions are consistent with the educational development of students;

- b. Participation is approved by the principal and the superintendent;and
- c. All eligible students of the Rockingham County Schools are given the opportunity to participate.

In approving a contest or competition, the principal and superintendent shall ensure that the contest or competition is valuable to students; shall consider any recommendations about such contests or competitions; and shall refuse to approve contests or competitions designed largely for commercial and-or promotional purposes. Approved events shall be advertised to give all qualified students an opportunity to participate. However, students shall not be required to participate in any contest or competition.

6. Interscholastic Athletics

The board supports the concept of interscholastic athletics for students. Such athletic competition should provide activities, facilities, and competent staff members to help each eligible student develop his/her capacity, skill, ability, and interest. Interscholastic athletics shall be conducted in accordance with applicable rules and regulations set forth by the North Carolina Department of Public Instruction (NCDPI), the North Carolina High School Athletic Association (NCHSAA), and the Rockingham County School Board of Education.

- a. Eligibility

Students in the sixth grade are eligible to participate in all interscholastic athletics except football.

Coaches are authorized to establish appropriate team rules and eligibility criteria consistent with board policy and applicable NCDPI and NCHSAA rules. Team rules and eligibility criteria must be approved by the principal.

To determine the physical condition of each student who wishes to participate in interscholastic athletics, every candidate for a team in the interscholastic program shall have and pass a medical examination by a licensed physician before being permitted to participate. School administrators and coaches shall consider the welfare of the individual child in determining whether a student should participate in interscholastic athletics.

Attendance-A student must have been in attendance for at least 85 percent of the previous semester at their school. For a regular 90-day semester, a student may not miss more than 13 days. At the end of each semester, any participant who has failed to attend school 85 percent of the semester is immediately ineligible. A Hardship Request will not be considered unless at least 50 percent of the absences are attributable to documented medical reasons. Documentation should be gathered during the medical situation on an ongoing basis, rather than after the fact in an effort to justify the absences.

- b. Sportsmanship

Administrators in each school are responsible for setting the proper atmosphere for interscholastic competition. Coaches should emphasize sportsmanship and shall teach the basic skills of each sport to all participants. Coaches must use appropriate language at all times while working with student athletes. Coaches will not use tobacco products while in the presence of student athletes or as otherwise prohibited by policy 5026/7250, Smoking and Tobacco Products.

c. Penalties for Unsportsmanlike Conduct

Consequences for behavior by a player or coach which leads to an ejection will follow applicable NCDPI and NCHSAA rules on sportsmanship/ejection(s). In addition, any player or coach suspended from participation as a result of the NCDPI or NCHSAA rules will also be ineligible to participate with the team in any practices preceding the game or contest for which a suspension from participation may apply. Players and coaches also may be subject to other consequences for actions that violate Rockingham County board policies.

7. Intramural Athletics

Principals of middle and high schools are encouraged to provide a strong intramural athletic program for students. Principals are further encouraged to organize more intramural teams with few students on each team, thus providing each participant with the opportunity to more actively participate in each contest or game. There shall be no minimum academic requirements for participation in intramural activities. However, students must have satisfactory conduct standing.

8. Participation by students attending non-public schools

In accordance with the authority granted by policy 4127, Transfer of Students from Charter and Non-Public Schools, home school students, who are enrolled in at least two RCS courses may participate in designed extracurricular activities on the campus of the school to which they are assigned. Students attending private and charter schools are not eligible to participate in extracurricular activities offered by the Rockingham County Schools.

9. Restrictions on participation

Participation in extracurricular activities, including student organizations and interscholastic athletics, may be reserved for students in good academic standing who meet behavior expectations of the board and the school. Participation in extracurricular activities may be restricted if a student (1) is not performing at grade level as provided in board policy 3400, Evaluation of Student Progress; (2) has exceeded the number of absences allowed by this policy or board policy 4400, Attendance; (3) has violated the code of student conduct in the board policies found in the 4300 series; or (4) has violated school rules for conduct. Any school choosing to exercise its authority to restrict participation based upon any of the reasons provided in this paragraph will provide this policy and any additional rules developed by the superintendent or the principal to all parents or guardians and students. The grievance procedures, provided in policy 1740/4010 (Student and Parent Grievance Procedure), may be utilized by parents or students who believe a student has been aggrieved by a decision made pursuant to this policy.

10. Student activity fees and activities fund management

Student activity fees are regulated by the Rockingham County Board of Education and are limited to state and/or national membership dues for board-approved affiliate organizations. All funds collected shall be handled through the school treasurer.

Each student organization and club that has monetary transactions or is approved to conduct fundraising activities must establish and maintain a student activities account with the treasurer of the individual school. All funds collected by the student organization or club shall be deposited in the student organization account. The principal and advisor must approve all

payments made from the account. The board encourages organizations to collect funds for specific expenditures and to expend the funds during the year to avoid large fund balances at the end of the year. Reserves should be limited to amounts estimated as necessary for the beginning of the following year' operations. All monies collected shall be handled in accordance with policy 8325, Daily Deposits, and policy 8410, Individual School Accounts. All accounts are subject to audit at any time by the superintendent or finance officer.

11. Military Children

School administrators shall facilitate the inclusion and participation of transitioning military children in extracurricular activities, to the extent they are otherwise qualified, by:

1. Providing information about extracurricular activities to transitioning military children;and
2. Waiving application deadlines.

12. Definitions

As used in this policy, the following terms are defined as follows:

1. Obscene - means any speech or work that the average person, applying contemporary community standards (as opposed to "national" standards) would find, taken as a whole, appeals to prurient interest, or which depicts or describes, in a patently offensive way, sexual conduct specifically defined by applicable law, and which taken as a whole, lacks serious literary, artistic, political, or scientific value.
2. Libelous statement - false and unprivileged statements about a specific individual which injure that person's reputation in the community.
3. Substantial disruption - any conduct by a student, in class or out, which for any reason including inappropriateness of time, place or type of behavior, significantly interferes with school functions, classroom instruction, or the rights of other students. Examples of substantially disruptive conduct include, but are not limited to, demonstrations, destruction of property, injury to person, shouting or boisterous conduct, related or similar activities, and anything that significantly distracts other students from instruction or from pursuing their educational opportunities.

13. Attendance at extracurricular activities and events.

Attendance at athletic events and other extracurricular activities sponsored by the Rockingham County Schools is limited to students, parents, staff, visiting teams, and other persons, whose presence poses no threat to the welfare and safety of persons attending the program.

Legal References: Americans with Disabilities Act, 42 U.S.C. 12132, 28 C.F.R., Part 35; Equal Access Act, 20 U.S.C. 4071-4074; Individuals with Disabilities Education Act, 20 U.S.C. 1400 et seq., 34 C.F.R. Part 300; Rehabilitation Act of 193, 29 U.S.C. 705 (20), 794, 34 C.F.R. Part 104; G.S.115C art. 9, 115C-47(4), 390.2, 407.5; State Board of Education Policy ATHL-001; Policies Governing Services for Children with Disabilities, State Board of Education Policy

EXCP-000; N.C. High School Athletic Association Handbook; Middle/Junior High School Athletic Manual (NCDPI), available at <http://www.ncpublicschools.org/curriculum/healthfulliving/athletics>

Cross References: Parental Involvement (policy 1310/4002). Student and Parent Grievance Procedure (policy 1740/4010), Evaluation of Student Progress (policy 3400), Student Promotion and Accountability (policy 3420), School-Based Management (policy 3430), Children of Military Families (policy 4050), Transfer of Students from Charter and Non-Public Schools (policy 4127), Student Behavior Policies (4300 series). Attendance (policy 4400), Community Use of Facilities

(policy [5030](#)), Emergency Closings (policy [5050](#)), Distribution and Display of Non-School Material (policy [5210](#)), Daily Deposits (policy [8325](#)), Individual School Accounts (policy [8410](#))
Adopted: January 11, 2001

Revised: February 13, 2006: April 20, 2009: September 8, 2014: August 8, 2016: February 13, 2017: June 12, 2017 (legal references only);September 11, 2017

Policy Code: 5220 Fundraising and Solicitations

The board is committed to minimizing disruptions to instructional time and the educational environment.

1. Outside organizations or sales representatives will not solicit employees or students during working hours or the school day unless prior written approval is granted by the superintendent. Employees and students will not be required to make a contribution under any circumstances.
2. The superintendent and/or principal must approve all distributions of fliers or other materials to employees and students by any organization in connection with their fund drives (see policy [5210](#)), Distribution of Non-School Related Materials).
3. Students, school organizations, teachers or other school personnel acting on behalf of the school may not sell commercial products during the instructional school day and must obtain approval from the principal for such sales during non-instructional hours.
4. The Rockingham County Board of Education recognizes the need for fundraising activities within schools for purposes of generating revenue for specific projects. These activities, when properly planned and supervised, contribute to the building of school spirit and provide meaningful involvement for all or a large section of the student body. In order to ensure that the primary use of students' and employees' time is for instructional purposes, the board places the following limitations on fundraising projects initiated by schools and school-related programs.
 - a. No fund-raising activity which encroaches upon the duration of the instructional time will be permitted.
 - b. Neither elementary nor middle school students in Grades K-8 shall be allowed to participate in door-to-door fund-raising activities in which they would be selling items or soliciting contributions, pledges or orders.
 - c. High school clubs or organizations may conduct fund-raising activities during non-instructional hours. These projects are limited to two per year. However, with special permission of the principal, clubs or organizations with an official status may engage in one additional fund-raising project.
 - d. All monies received from fund-raising activities sponsored in the name of the school shall be deposited and dispersed through the school's account.
5. Excluded from this policy are board-approved student fees, cafeteria operations and faculty and staff projects that do not involve students and are initiated by and for the members.

Legal References: [G.S. 115C-36, -47](#)

Cross References: Distribution of Non-School Related Materials (policy [5290](#)),

Parent Organizations: (policy [5010](#))

Adopted: May 26, 1995 Revised: July 10, 2006

Regulation Code: 5220-R Collections, Solicitations, and Fundraising

1. Fundraising Activities

5220, Collections and Solicitations, state and federal law, and this regulation.

A fundraising activity that includes the use of school facilities outside of regular school hours is also subject to the provisions of policy 5030, Community Use of School Facilities, and related administrative regulations.

A. Requirements for All Fundraising Activities

1. Fundraising activities should support student achievement and not distract from the learning environment.
2. The safety of students must be a primary consideration in all fundraising activities. All student fundraising activities should be age-appropriate and adequately supervised.
3. All fundraising projects conducted in the name of or on behalf of the school system, an individual school, or any school or school-related club or organization must be approved in writing by the principal.
4. Any fundraising projects sponsored by school students, or student groups that involve the community or that will take place off school grounds must have prior approval of both the superintendent and the principal, or their designees.
5. The sale of commercial products by students, school-sponsored and school-related organizations, teachers, and other school personnel acting on behalf of the school or school system is prohibited during the instructional school day. The principal may approve such sales during non-instructional hours.
6. Fundraising activities that involve the sale of food or beverages to students on school premises are prohibited before or during the school day. Tokens of exchange for foods or beverages to be delivered later in the day also are prohibited during this time period. Any fundraising activities that involve the sale of food or beverages to students may be held only after the end of the school day, defined as 30 minutes after the dismissal bell rings. Any foods or beverages sold to students, must comply with policy 6140 Student Wellness.
 - a. Fundraising sales of food or beverages to students from the period midnight through the end of the last lunch period are prohibited by the State Board of Education policy. All such sales must be through the Child Nutrition Program and the profits must accrue to that program. In addition, federal regulations control what foods and beverages may be sold to students on campus during the school day, defined as the period from midnight through 30 minutes after the dismissal bell rings. The rules preclude the sale of foods that do not meet strict standards for nutritional value. Fundraising sales of foods and beverages to students between the end of the last lunch period and 30 minutes after the end of the school day are permissible provided they comply with the federal “smart snacks” guidelines and are consistent with the board’s annual Child Nutrition Program agreement with DPI. See policies 6140, Student Wellness, and 6230, School Meal and Competitive Foods Standards for more information.
7. Fundraising activities that involve door-to-door solicitation by students in K-8 are prohibited unless expressly approved by the superintendent.

8. Raffles must be conducted in accordance with state law. Fundraising may not involve any activity prohibited by law.
9. No student shall be compelled to participate in or meet any kind of quota in a fund-raising activity. Students choosing not to participate in a fund-raiser shall not be excluded from benefiting from the fund-raiser or otherwise penalized in any way.
10. Fundraising Activities that will result in material or financial benefit to any employee or school volunteer who is directly involved with the activity are prohibited. Direct involvement exists if the employee or volunteer suggests, recommends, selects, approves, or supervises the fundraising activity.
11. Proceeds from fundraising must be used for the purpose for which the activity was approved.
12. Capital projects supported by fundraising proceeds must be submitted to the Assistant Superintendent of Operations and Logistics for approval and the superintendent may refer such requests to the board.
13. The finance officer shall provide appropriate procedures for the collection, disbursement, and accounting of school-generated funds. Principals shall be responsible for implementing the procedures in their schools.

B. Student Fundraising Activities in Grades PreK-5

The following additional guidelines apply to fundraising activities by students in grades PreK-5.

1. Reward activities connected to a fundraiser that are scheduled to occur during the school day must be based on achieving a class, grade, or school goal, rather than an individual goal so that all students may participate in the required activities. The principal shall ensure that such activities do not interfere with meeting minimum requirements for instructional hours/days.
2. Proceeds from school-wide fundraisers will be used for purposes as designated by the principal. Any money raised through a school-wide fundraiser that is apportioned to individual classrooms will be spread equally among all classrooms, regardless of actual student participation in the fundraising activity.

C. Fundraising by School-Related Organization

1. School-related organizations composed of parents and other interested adults, such as the PTA/PTO, boosters, and other parent support groups, may conduct fundraising activities in the name of the school system or individual school with prior approval from the principal and in conformance with board policy and this regulation.
2. The fundraisers must be organized, controlled, supervised, and performed by members of the organization and not by school employees unless otherwise the activity is an approved event by the principal for both staff and members of the organization.

D. Crowdfunding by School Organizations

1. Crowdfunding (i.e., GoFundMe) campaigns or projects that use school system resources or that are affiliated with the school or school system in any capacity, including through the use of the name or logo of the school system or a likeness of any individual school, shall be prohibited.

E. Crowdfunding by School Organizations

2. Crowdfunding by any school organization is not permissible (i.e. GoFundMe) except Donors Choose. The regulations for the purpose of Donors Choose are outlined follows:

- Any school organization participating in the crowdfunding activity of Donors Choose where they use RCS, individual school names, or information regarding an individual school must secure in writing principal approval and be limited to no more than 60 days without re-approval.
- All non-monetary items obtained are the property of RCS and all inventory procedures apply including policy 8220- Gifts and bequests and 8350- Fixed Assets Inventory.
- All monetary donations should be recorded by the school treasurer, using Form M and N of the RCS Accounting Manual and are subject to policy 8410-Individual School Accounts.
- All technology devices to be requested through Donors Choose should be vetted first, through the RCS Technology Department, to ensure the device can be supported and is compatible.

Grant Writing

A. Notification of Possible Grant Opportunities

1. District Level Grants- Inform the appropriate Director or the Assistant Superintendent designee immediately when you are approached by an outside entity to partner in a grant project (e.g. a local university or trust foundation) for \$5,000 or more and provide the details of the grant.

2. Complete the following steps: a.) receive approval from the appropriate Director or the Assistant Superintendent designee to move forward, b.) design a project that is in line with current district initiatives, c.) meet with appropriate project partners, d.) create an appropriate grant budget.

B. Writing a Proposal

1. Rockingham County employees may find opportunities to apply for grants to fund the implementation of innovative projects or programs at a specific site.

2. Employees/Teachers must notify their principal, submit a copy of the proposal and receive approval by the principal before application submission.

3. For any grant-funded or donated item, the ownership is in the name of the School Board of Education of Rockingham County. The materials or equipment received will stay within the school that the grant was designated and shall not be transferred from school to school if the author of the grant moves to a different school or out of the district, unless approved by the Superintendent or designee.

4. Important Note: If grant funds purchase equipment that has a value of over \$500 or more, an SB120 Fixed Asset Acquisition Form must be submitted, and an asset decal must be issued and placed on the equipment.

C. Special Instructions for requesting Technology Equipment in Grant Projects

1. When writing a grant, all technology listed in the grant should be pre-approved prior to submission. Non-approved equipment may not be supported by the district's infrastructure, and may not be able to run district applications.
2. Any computer or laptop received will need to be upgraded to work within the District network. For example, the District's operating system image must be installed for the computers to access the RCS production network.
3. Teachers or other employees submitting grant projects that include desktop computers, laptops, or tablets should either 1.) verify with their principal that funds will be available to support this upgrade prior to submitting the project request; or 2.) include the cost in the grant budget.
4. Any applications (e.g., "apps") purchased by the school for use on the equipment, are owned by the school. Contact the Technology Department for information about purchasing apps.

Principals Responsibilities:

The principal is charged with the financial management of the school. The principal is the trustee of school funds and therefore is responsible for expending these funds for their intended use. The principal must ensure that all state and local fiscal policies are upheld, all accounting records are maintained accurately, and all financial reports are prepared and submitted in a timely manner with required signatures.

The principal must approve and sign all payments, transfers, bank reconciliations reports, and sales tax reports. The principal should also keep a log of all keys issued to employees and ensure that vault or safe combinations are changed when an employee knowing the combination leaves the school.

Introduction

The School Budget and Fiscal Control Act requires that the bookkeeper of each school “shall keep a complete record of all monies in his charge in such form and detail as may be prescribed by the finance officer of the local school administrative unit, and shall make such reports to the superintendent and finance officer of the local school administrative unit as they or the board of education may prescribe.” In accordance with this directive and in order to achieve uniformity, the following accounting procedures manual has been provided for use in maintaining the special funds of individual schools.

It is realized that the nature of financial transactions will vary from school to school. However this accounting system provides the standards that can be adapted for any school environment.

Sample forms are provided in the forms section of this manual beginning on page ????. You should remove them and make copies as needed. The forms are offered as a clear outline of the information needed for adequate accounting of school funds.

Also, reference is made to SchoolFunds Online throughout this manual. Schools are to use this software fully. Many features of SchoolFunds Online are both timesaving and helpful in maintaining accuracy. To benefit fully from this program, post transactions regularly and explore the reports and inquiries available.

Receipts

A receipt should be prepared for all monies deposited. Pre-numbered receipt books should be issued to teachers who receive or collect school funds. These receipt books are available from the Finance Department. The bookkeeper should keep a receipt book log recording the receipt book numbers of the book (s) issued to each teacher. (See Form A) This completed log will enable the bookkeeper to ascertain that all receipt books are turned in at the end of the year for audit.

Teacher responsibilities:²

Receipts should be prepared in duplicate for all money received, giving the original receipt to the person from whom the money was received. The copy is kept in the receipt book. Each receipt must include: 1) date of receipt, 2) name of person from whom money was received, 3) purpose of the funds, 4) amount received, and 5) signature of person receiving the money.

If a mistake is made when writing a receipt, mark the receipt by writing "VOID" on the top copy (white copy). You should have both copies in the receipt book when you have to void a receipt.

If collections are less than ten dollars per student, each classroom teacher may prepare a list Receipt (see Form B) noting: 1) the date, 2) the purpose, 3) each child's name, 4) the amount received, and 5) the teacher's signature. This list receipt should be attached to the teacher's receipt book. The teacher should also write a receipt to himself/herself for the total of the list receipt. The use of a list receipt is optional. Teachers may continue to write individual receipts to students instead.

All money received should be turned into the bookkeeper daily. The teacher should also complete a Collection Report (form C) to submit with the funds and receipt book or list receipt if applicable. The collection report should include: 1) date funds were received, 2) receipt numbers corresponding to the funds turned in, 3) account code/purpose of funds, 4) total collected, and 5) teacher's signature.

Note:

- Write receipts to individuals, not to clubs or groups.
- Receipts should be written in numerical order.
- Do not alter or change the date, amount, or name on individual receipts. Void the receipt and write a new one, if an error is made.
- Maintain receipt books in a safe place to ensure they will be available to confirm adequate control over cash receipts.
- Responsibility for monies collected remain with the teacher until the bookkeeper verifies the receipts and money submitted to the bookkeeper.

²Some bookkeepers have found that a handout outlining employee responsibilities specific to their school facilitates the correct handling of money received. See Appendix A for examples.

Bookkeeper responsibilities:

The bookkeeper should add undeposited receipts in the teacher's receipt book to determine that all funds were turned in. The bookkeeper should then make a note on the last used receipt stating the total, date deposited, initials and SchoolFunds Online receipt number. Also, the bookkeeper should prepare in SchoolFunds Online a pre-numbered receipt to the individual turning in the funds. This receipt number and the bookkeeper's initials should be placed on the collection report.

Also, all checks received should immediately be endorsed with a restrictive endorsement, "For Deposit only to the account of ...".

When preparing to make a deposit, the deposit slip should be completed in duplicate and numbered consecutively beginning with "1" for the first deposit of the fiscal year beginning July 1 each year. Each check deposited should be listed on the deposit slip. If there are numerous checks, two calculator tapes should be prepared, one for the bank, and the other should be attached to the duplicate deposit slip for the school's record.

The bookkeeper will report any discrepancy in receipts and funds to the principal. The principal will report any discrepancy to the Chief Financial Officer.

It is recommended that deposits be made daily. Rockingham County Schools Board of Education Policy states, "Each officer, employee and agent of the Rockingham County School System or individual school whose duty is to collect or receive any monies will deposit daily his or her collections and receipts. However, if the amount on hand is less than \$50.00, daily deposits are encouraged but not required. Regardless of the amount on hand, all funds will be deposited at the end of the school week and on the last business day of the month."³ The safety of all funds held in line with this directive should be carefully maintained. When receipts total less than \$50.00, the bookkeeper and principal may elect to hold the funds for a short time until a deposit is made. A deposit must be made on the last day of the week and the last day of each month. The undeposited receipts must be adequately safeguarded at the school.

Procedure for Verification of Funds-less than \$50.00:

- The bookkeeper must verify the total money on hand to the total of the receipts submitted.
- The Verification of Funds (Form S) must be prepared in ink with information completed as follows:
 - Date
 - Beginning and ending receipt numbers
 - Composition and total of receipts
 - Signature of bookkeeper and principal verifying total undeposited receipts will be adequately safeguarded.

³School Board Policy Code 8325-Daily Deposits, adopted 8/13/01. Legal Reference G.S. 115C-445

3. The Verification of Funds (Form S) form shall be kept on file to be attached to the Deposit of Analysis report when the funds are deposited.

- Attach the numbered, duplicate deposit slip to the SchoolFunds Deposit Analysis form, collection report, and SchoolFunds Online receipt.
- All money received should be deposited intact. No expenditures should be made or personal checks cashed from undeposited funds.

Re-Using Receipt Books

If many receipts are unused in receipt books from previous years, these books may be used in the present school year. Staple or clip past year receipts together so they will not be confused with the current year's receipts. Maintaining a receipt book log each year will facilitate locating older receipts, if necessary.

Employee Termination

Upon employee termination, the bookkeeper should check in any receipt books issued to the employee. Add all receipts to verify that all monies received has been deposited.

Donations

All donations received must be posted in SchoolFunds Online in the Donation Filter Account #901.000 upon receipt and a Donation Acceptance Form (Form I) must be completed and submitted to the Central Office. See below procedures. After receiving donation approval from the Central Office, you will transfer money into the appropriate SchoolFunds Online account.

RCS-Donation Acceptance Procedure:

For all donations received, you must complete the Donation Acceptance Form (Form I) and submit to the Central Office.

Please review Board of Education policy 8220. Below are some helpful suggestions to adhere to the requirements of the policy:

For all donations up to \$1,000:

- 1.) Provide to the superintendent's office a copy of the Donation Acceptance Form (Form I), i.e. check, receipt, etc. along with the other information required in policy 8220. The superintendent may accept donations up to \$1,000 on behalf of the board and will report the donation at the next board meeting.
- 2.) The office of the superintendent will notify the school/department of the acceptance.
- 3.) Upon notification of acceptance, if required, the school/department will submit a budget to the finance department to include in the budget to be approved by the Board of Education. The money will then be available to be spent once the budget has been approved by the Board of Education.
- 4.) If a budget is not required, upon notification of acceptance by the office of the superintendent, the money will be available to be spent by the school.

Returned Checks

When checks, which have been deposited in the school's checking account, are returned due to insufficient funds, bank account closed, unauthorized signature, etc., the bank charges (debits) the amount to the school's bank account. The Returned Check Log (Form D) is used to account for returned checks. Its purpose is to establish control over returned checks chronologically.

When checks are returned by the bank, they should be entered on the Returned Check Log (Form D) as follows:

1. Enter the date the bank charged your account.
2. Use the "Reference #" column to assign a reference number to each returned check in numerical sequence, starting with number 1 at the beginning of each fiscal year. When a returned check is redeposited, use the same reference number assigned when the check was returned. Do not record returned checks and redeposit checks on the same line.
3. Enter the name of the payer, date originally deposited, and check number in the spaces provided.
4. Enter the amount of the returned check in the debit column and add the amount to the old balance. Record the new balance in the "Balance" column.

When redepositing returned checks, use a separate deposit slip and make it as a "Re-deposit." A receipt should not be written to report the funds collected to cover these checks. This money was recorded when it was first "received." Record on the Returned Check Log (Form D) as follows:

1. Enter the date redeposited.
2. Record the reference number used when the check was returned.
3. Enter the name of the payer, date of original deposit, reason for return, and the check number or cash in the spaces provided.
4. Enter the amount of the redeposit in the credit column and subtract that amount from the old balance. Record the new balance in the "Balance" column.

When insufficient funds checks are returned from the bank, the payer should be contacted and asked to make the check good by bringing in cash or money order to replace the check. The bookkeeper can also contact the bank and inquire about the status of the customer's account. After a reasonable amount of time has passed and the payer has not repaid the check amount, a certified letter must be sent to them requesting payment within fifteen (15) days from the date of the letter. (see sample letter-Appendix B) After all collection attempts have failed, it should be written off. The principal and the chief finance officer must approve writing off check and Form V must be completed. The returned check should be retained and filed to support the write-off entry in SchoolFunds Online.

*Note: The Rockingham County Courthouse offers at no cost to the school system a **worthless check program** that will attempt to collect returned checks. You may contact the coordinator at 336-634-6072 to request a packet of information which includes instructions on how to start the process.*

Disbursements

“The purpose behind all cash disbursement systems are: (1) to determine that all bills are legitimate and should be paid before any provision for payment is actually made, (2) to document that the internal control procedures were actually performed and the necessary approvals received, and (3) to make certain that all disbursements are in fact made in a prompt manner.”⁴

State Public School Law states, “Special funds of individual schools...shall be paid only on checks or drafts signed by the principal of the school and the treasurer.” All disbursements must be made by check with two signatures. This directive clearly invalidates the use of petty cash. The principal, bookkeeper, and the finance officer (as a back-up) should have signature authority for the school’s bank account.

Checks should be written in numerical order. No checks should be made payable to “Cash”. Checks should not be signed until they are completely prepared with back-up documentation.

Before checks are written out of various club or grade level accounts, the sponsor of the club or group should give approval for the expenditure of their funds.

Checks should be prepared from original vendor invoices, never from statements. When an invoice is received, the person receiving the goods or services should verify it and sign the invoice or packing slip as having received the goods or services in satisfactory condition. The bookkeeper should check the invoice for accuracy and note any discount period offered. Any discounts for prompt payment should be utilized.

Next the principal should approve the invoice for payment. Only after the required documentation and approvals have been provided should the check be prepared and signed. When the invoice is paid, it should be stamped “Paid” with the date of payment, check number, account charged, and total paid (if not clear on the first page of documentation).

When statements are received, they should be carefully compared to the corresponding invoices. Include the statement with the check documentation. Also, when multiple invoices are paid with a single check, each invoice must be fully documented and approved.

⁴Financial Policy and Procedures Manual for Local Education Agencies, prepared by North Carolina Department of Public Instruction, Part Twelve, Section Three.

⁵G.S. 115C-448

Advance Payments

Checks should never be signed, by the bookkeeper or principal, in advance of receiving the proper back-up documentation. Check must be payable for the exact amount of the purchase, reimbursement, etc.

Student Refunds

Complete a check request form for student refunds. Attach a copy of the receipt (from the teacher's receipt book) showing expenses paid. The refund should be made payable to the student.

Technology Purchases

All computers or technological equipment must be purchased through the Technology Department and entered into Destiny for tracking purposes. This procedure is for both SchoolFunds Online and Central Office money.

Clothing Purchases

At times, the school may need to purchase clothing (rain gear/uniforms) for employees from school funds. This clothing is for the position and should be kept by the school upon employee termination.

Food/Drink Purchases

Refreshments served before, during or after a staff development or administrative faculty meeting may be paid with school funds as long as proper documentation is provided with the payment. State guidelines must be followed and expenses should not exceed these guidelines. In circumstances such as this, the date and a description of the meeting, event, or workshop should appear on the payment documentation. If meetings of staff members involve meals, the reimbursement/payment request should include documentation that the meeting was planned in advance, a sign-in sheet (list of attendees), and a formal agenda.

Change For Ticket/Concession Sales

To establish a change fund for carrying on sales of ticketed events or concessions, a check should be written to the Bank whenever possible using a check request form with the signatures of the bookkeeper and principal. Use discretion in determining the amount of change actually needed for the event. The change fund (i.e., gate change) must be returned after each event to the bookkeeper for safekeeping in the school vault/safe.

Fixed Asset Purchases

Any purchases or donations of items costing at least \$2,000 should be reported to the Finance Department for a fixed asset tag. Report fixed asset purchases or donations by submitting a copy of the paid invoice and a copy of check stub. List serial number and room location on the paid invoice copy.

Contributions To Charitable/Non Profit Organizations

Contributions to charitable or non-profit organizations should be made **only** from funds specifically raised for that purpose.

Voided Checks

When a check must be voided, clearly mark the check "**VOID**" and remove the signature lines using scissors. File the check in numerical order in that month's invoice detail folder.

Stop Payment On Checks

If a check is written and released by the school is stolen, lost, issued to the wrong payee, or for any other reason the principal does not want the check honored, the bookkeeper should notify the bank to stop payment on the check. **Note:** Due to current high charge by banks for stop payment orders, it is advisable to consider the circumstances in each case and compare the amount of the check with the bank's charge prior to a stop payment order. Checks cannot simply be "written off" the accounting records because the check could potentially clear the bank. A letter should be sent to the payee with an affidavit to be notarized to stop payment on the check. Form F may be copied onto your school letterhead for this purpose. After receiving a notarized affidavit, follow proper guidelines with the bank on how to stop payment on the check. On the office check copy, write "Stopped Payment" along with the date. In SchoolFunds Online, cancel the check by following void check procedures. Use the current date (**not the date of the check**). In the description space, enter "Stopped Payment." When it is necessary to replace a stop payment check, enter "Replaces check number _____" on the description line. Follow standard procedures for issuance of checks if being reissued.

Check Storage

Neither the principal nor bookkeeper should sign blank checks. Blank checks should be stored in a locked filing cabinet, safe, or vault. Keys to the cabinet, safe, or vault should be limited and controlled.

Corporate Card Accounts

No credit cards will be issued to the school but in the name of the principal. Since the credit card is in the name of the principal, the principal should pay the credit card company and request reimbursement from the school attaching all back-up documentation.

Deposit Of Overpayment

At times a check may be issued for more than is necessary. For instance, a check to a field trip destination may be for more students than attended. In this situation, the sponsor of the trip should procure the receipt and the change and return them to the bookkeeper. The bookkeeper will deposit the change, attach the receipt to the check request, and note the number, amount and date of the deposit on the check request.

Use Of Purchase Orders For Procurement Of Supplies, Equipment And Materials

Procurement for supplies, equipment, materials and child nutrition food supplies and materials including contracted services must have the Pre-Audit certification of the district's finance officer pursuant to Board Policy 6421.

The district's purchasing clerk may review the purchase request to ensure funds are available, and to verify the vendor is not on the State's restricted list. The finance clerical staff may enter the data to encumber funds and before the submission of the order, the purchase order must have the district's finance officer pre-audited signature. The pre-audit certification must be followed for all purchases and contracted services of the district.

For purchases encumbered by the School Food Service program, all purchase orders for food, food supplies, materials and equipment must have the finance officer's pre-audited signature before orders are submitted to the vendor or supplier. Due to the quantity of the food orders, the School Food Service staff may submit a summary report listing the individual purchase orders, date, vendor name, amount, and account code along with detailed back-up information attached to the summary report. The finance officer may sign the pre-audit certification on the summary report in lieu of signing the individual purchase orders. However, this procedure does not preclude the School Food Service from submitting the orders to vendors prior to the finance officer pre-audit signature.

Payment to Individuals

Rockingham County Schools Board of Education policy states, “All salaries and supplements paid to regular staff members, substitutes or part-time personnel, and student workers will be paid through the finance officer.”⁶

Complete a Request for Payment to Employee for Service Form (Form G) or Substitute Payroll Summary Form (Form T) when an employee drives an activity bus, sells tickets, cooks, or performs other additional services for the school. The forms include appropriate benefit amounts. Send the form with a check payable to Rockingham County Schools to the Finance Department. The employee and/or substitute will receive this payment in his/her next paycheck.

Employee Reimbursements

A purchase order must be created for employee reimbursements. An original receipt must be submitted for reimbursement and must **not** include any personal purchases.

Athletic Officials

Rockingham County Schools will no longer process checks to athletic officials. Officials will be paid using RefPay through Arbiter. All officials must register through RefPay. These payments will be done electronically, and the processing time will take 2 to 3 days for direct deposits.

RefPay will also process a 1099 record at year end.

Student Award/Incentives

As documentation for awards/incentives to students, prepare a Check Request form (Form E) stating the purpose of the check written. Attach a copy of the flyer or letter announcing the award/incentive available as verification. As proof of receipt, the student must sign Form J.

Meal Money To Students

The North Carolina High School Athletic Association provides guidelines for meal allowance for team members for certain tournament and championship games.

If meal money is to be paid to student athletes, in harmony with these guidelines, a check should be written to the Coach or Athletic Director for those participating student athletes. A Check Request Form (Form E) is used for documentation indicating the event, number of students, and amount per student to arrive at the total of the check. The Coach or Athletic Director should use Form J to list the names of student athletes receiving cash. In middle and high schools, students should sign next to their name indicating receipt of the money and provide a receipt for food purchased to the Coach or Athletic Director. This list and food receipts would then be attached to the check request form.

⁶Policy Code 7605/8610 Payroll Procedures

If any student is not present and therefore, does not receive the meal money, the Coach or Athletic Director submits these leftover funds to the bookkeeper for redeposit. Make a note on the check request form of the date and amount of the deposit to clarify why the amount of money received by the students does not match the amount of the check written.

Payments To Independent Contractors & 1099 Reporting

Payments made to independent contractors for services will be set up as 1099 vendors. Those designated as 1099 vendors include: any individual paid for labor/contracted services, security personnel, consultants, caterers, etc. These 1099 vendors must submit a W-9.

No other type of payment may be made to any employee for any other reason except for employee reimbursements and employee officiating using SchoolFunds Online.

Employee Gift Cards/Certificates

Cash and cash equivalents, such as gift cards/certificates, should not be given to school employees. This is considered part of the employee's compensation and must be reported as income for tax and benefits deductions.

Loans to Employees

Personal loans from school funds are not authorized. Any person making unauthorized loans will be held directly responsible and will be required to make immediate restitution.

Other Accounts

Only transactions for the benefit of the students and the school should go through the school's bank account.

Booster Club Accounts

Booster accounts must be established separately from the school. Under no circumstances should any transactions from this account be filtered through the SchoolFunds Online accounts. In addition , no RCS employee can be an acting officer of a Booster Club.

Hospitality and PTO/PTA Accounts

Hospitality and PTO/PTA accounts must be established separately from the school. Under no circumstances should any transactions from these accounts be filtered through the SchoolFunds Online accounts. In addition, no bookkeeper can be in charge of these accounts. A committee and/or officer(s) should be established to oversee these funds.

Transfers

Transfer is an amount subtracted from one account and added to another account.

Reasons for transfers:

1. An account has been overspent and the principal authorizes a transfer to eliminate the deficit in the account.
2. Request to transfer money from one account to an unrelated account.

Procedures:

1. The person requesting the transfer should complete the Transfer of Funds form (Form W). The person responsible for the account signs the transfer form. The principal approves the transfer by signing the form.
2. Enter the transfer into SchoolFunds. A copy of the SchoolFunds Online Transfer Journal Entry Proof Sheet must be attached to the Transfer of Funds form (Form W). Please note on the report the reason for the transfer.
3. Transfers should be numerically controlled and used in sequence as part of the Journal Entry numbering of all adjustments.

NC Escheats

Each School is subject to the Escheat and Unclaimed Property Law of North Carolina.⁷ This law requires unclaimed property, including uncashed checks, to be held in trust by the State for the owner. Consequently, no outstanding checks should be written off the books but should be escheated. Each October, the total of uncashed checks written prior to the past fiscal year will be sent to the North Carolina State Treasurer's Office. For example, checks dated prior to June 30, 2016 and still outstanding, should be remitted with the October 2017 Escheats Report.

Steps for escheating outstanding checks:

1. You should make every effort to get in touch with the owner of any outstanding checks prior to turning in a check as unclaimed property. An affidavit (Form F) may be copied to school letterhead and sent to a payee of notifying him of an uncashed check.
2. You will receive a memo each year from the Finance Department outlining the outstanding check dates to include and the deadline for sending your information to the Finance Department.
3. Escheatable Check Form (Form L) should be completed.
4. Write a check for the total of the checks to Rockingham County Schools.
5. Send this check with a list of outstanding checks and the Escheatable Check Form to the Finance Department. This information from all the schools will be compiled and sent with one check for the total to the State of North Carolina Treasurer's office.
6. In SchoolFunds, clear these old outstanding checks by voiding prior year checks.
7. In a separate file, retain copies of information on escheats permanently.

⁷GS 116B

Fundraising Activities

To ensure proper regulation of fundraising activities, Rockingham County Schools Board of Education adopted the following policy⁸:

“The Rockingham County Consolidated Board of Education recognizes the need for fundraising activities within schools for the purpose of generating revenue for specific projects. These activities, when properly planned and supervised, contribute to the building of school spirit and provide meaningful involvement for all or a large section of the student body.”

All fundraisers must be approved by the principal in advance. The Request for Fundraising Activity (Form M) must be completed for all fundraisers. Upon completion, the Summary of Fundraising Activity(Form N) will need to be completed. School clubs, teams, groups, etc. may have 2 fundraisers per year. A third one is possible upon approval from the principal. See Policy Code 5220 and Regulation Code 5220-R.

Yearbooks/Annuals

To provide accurate records for reconciliation of yearbook fundraising activity, the Yearbook Account Summary (Form U) should be kept on file along with all supporting documentation.

⁸Policy Code 5220

Athletic Events And Dramatic Performances

Admission fees to athletic events and dramatic performances are to be accounted for by the use of pre-numbered tickets. These tickets should be safeguarded as cash or receipt books. An inventory record of tickets should be maintained, adjusting it as tickets are purchased and sold. This inventory record should be verified by periodically performing a physical inventory of tickets on hand.

Separate individuals should sell and collect tickets. When tickets are collected, they should be torn in half. One half should be given to the individual, and the athletic director should retain the other half until audited.

A Ticket Reconciliation form (Form P) should be used for each event to report tickets sold and total receipts. Before selling tickets, note the beginning number of tickets being used for the event. At the conclusion of the event, the ticket reconciliation form must be completed with ending ticket numbers sold, price per ticket, the total number tickets sold, and the total charged for all tickets sold. The amount charged for all tickets sold plus the amount of change received for the event should equal the amount of money on hand. The ticket reconciliation form should note the activity and the date of the event and should be signed by the preparer, the Athletic Director/Principal, and the bookkeeper. Any discrepancies between the amount received for tickets sold and the amount on hand should be noted.

If the event is held after banking hours, the money should be put in a night depository or locked up until they can be deposited on the next business day. The bookkeeper should note the date and number of the deposit on the ticket reconciliation form.

The amount of change needed for each athletic event may be established at the beginning of each sports season and held in the vault until the last game of each sports season. The appropriate gate change for each athletic event is to be determined by the Athletic Director and issued by the bookkeeper with the principal's approval. The gate change is to be returned with each Ticket Sellers Report to the bookkeeper for reconciliation. To establish the change fund, a check should be written to the Bank whenever possible. This amount should be kept to the minimum necessary and be properly safeguarded at all times. Personal checks should not be cashed from the change fund. The amount of change on hand must equal the amount originally established at all times. All change funds must be deposited at the end of the athletic year. Gatekeepers and/or athletic officials are **NOT** to be paid out of the ticket receipts (see Form H-Athletic Officials and Form T-Paying Employees.)

Internal Control

Internal control is a system of measures implemented to:

1. Safeguard resources
2. Promote accurate reporting in accounting
3. Comply with written policies
4. Promote efficiency in all activities

The following guidelines are presented to meet these objectives.

Principals should maintain a log of all keys issued to employees. Safe combinations should be changed when an employee knowing the combination leaves the school.

In the absence of the principal or bookkeeper, the Chief Finance Officer is the only back-up to co-sign checks. When it becomes necessary for either the principal or bookkeeper to be away from school on prolonged leave, the finance office should be contacted so that arrangements can be made to handle the daily school fund accounting responsibilities.

It is suggested that there be a back-up for the bookkeeper. The following guidelines are recommended for the bookkeeper back-up:

- Daily Deposits-Each school bookkeeper should train the designated backup with the necessary procedures for completing a deposit for any money receipted and turned into the office. No funds should be held. All money should be receipted and deposited daily.
- Daily Absences-A record of staff absences should be maintained daily. This should include:

- Date of Absence
- Employee Name
- Type of Leave (i.e. Annual Leave, Sick Leave, etc.)
- ½ or Whole Day Absence
- Substitute Name (if applicable)

The daily absences can be kept by either using a calendar or creating a google spreadsheet that can be shared with the bookkeeper and designated backup. Make sure someone other than the bookkeeper gets Absence Management (formerly AESOP) notifications when a substitute job fails to fill. This will need to be taken care of immediately. If you have questions regarding Absence Management (formerly AESOP) you may contact Carolyn Dunovant at 627-2600.

In the event the bookkeeper or principal leaves the position permanently, the school finance office should be notified immediately so that the finance office can conduct an exit audit. The finance office will also schedule the proper orientation sessions for the new incoming staff members.

Audits

Rockingham County Schools Board of Education Policy notes, “The finance officer may at any time audit the accounts of any officer, employee or agent collecting or receiving any monies, and may prescribe the form and detail of the accounts.”⁹ These periodic reviews will be made of each school by the finance officer or a member of his/her staff to review internal control procedures, ensure that transactions are being posted in a timely fashion, and provide assistance where necessary.

North Carolina Public School Law mandates, “Each local school administrative unit shall have its accounts and the accounts of individual schools therein audited as soon as possible after the close of each fiscal year by a certified public accountant or by an accountant certified by the Local Government Commission as qualified to audit local government accounts.”¹⁰

A memo will be sent in May indicating what the external auditors will need at the end of the fiscal year for auditing.

⁹Policy Code 8325 Daily Deposits.

¹⁰ GS 115C-447

Records Retention Schedule

It is **recommended**, if space allows, that all bookkeeping records should be kept for **seven** years. Sales tax and escheats information should be retained **permanently**.

However, the minimum requirements according to the Records Retention and Disposition Schedule issued by the North Carolina Department of Cultural Resources, Division of Archives and History are as follows:

Record	Retention Period
Audit Report File	Permanently
Authorization Forms File (purchase orders)	3 Years
Bank Statements	3 Years
Canceled Checks	3 Years
Deposit Slips	3 Years
Bank Reconciliations	3 Years
Check Register File	3 Years
Daily Cash Reports File	Until Audited
Daily Detail Reports File (of all transactions)	6 Years
Detail Report File (transactions and balances for each period) Exception: June 30th annual report	1 Year Permanently
Financial Journals and Ledgers File	3 Years
IRS tax forms completed	4 Years
Invoices File	Until Audited
Payroll File	3 Years
Journal and Ledgers File (adjusted entries)	3 Years
Paid Checks, Paid Bills/Vouchers File	3 Years
Sales Tax File	3 Years
Contracts/Leases	3 Years after exp/termination
Fund Drive Records File	1 Year

After the appropriate retention period, records may be shredded. Call the Finance Department for any clarification necessary.

Contracts and Agreements

All contracts and agreements require the Chief Finance Officers pre-audit certificate. The pre-audit certificate statement to be typed on contracts is **“This instrument has been pre-audited in the manner required by the School Budget and Fiscal Control Act.”** After this statement, there must be a line for the Chief Finance Officer’s signature and the date. Send all contracts to the Chief Finance Officer for signature on the pre- audit certificate.

In addition, if the contract period exceeds one year, a non-appropriation statement is to be included in the body of the contract. The statement is to be: **“The Rockingham County School System is dependent upon County, State and Federal funding. Therefore, the execution of the second-and third-year service agreements is contingent upon sufficient funding by aforementioned groups.”**

School Volunteers

Pursuant to policy 5015 of the Rockingham County Board of Education, specifically:

Reasonable background inquiries and checks are required for any volunteers (to include interns, student teachers, tutors, or similar roles) who have unsupervised contact with students. Prior to the usage of any volunteer in a role which may allow unsupervised contact with students, the school principal, besides checking appropriate references, shall also submit to the Human Resources Office form 5015-E. Signed by the prospective volunteer. The signed form must include appropriate personal information to allow the district to complete an in-state criminal record check, a check of sex offender registries, and sufficiently detailed information to enable the district to investigate any out-of-state or federal arrests or convictions.

Following review, completed forms will be returned to the school with recommendations. No volunteer as defined above is to be used unless the background check has been completed and is returned with an affirmative recommendation. Continuing volunteers shall be required to submit to background checks annually for each successive fiscal/school year in which they volunteer.

Any chaperone that is responsible for unsupervised care of children other than their own will be required to complete form 5015-E and submit along with the fee payable to the individual school. This process must be initiated in time for the background check to be completed and the volunteer to be approved..

APPENDIX A

This is an example of a reminder that principals are strongly encouraged to provide at the beginning of the year outlining procedures for collecting money and writing receipts.

TO: Teachers
FROM: (Principal)
RE: Receipt Book Reminders
DATE: March 31, 2020

- ❖ Write receipts daily as money is turned in.
- ❖ Write a receipt in the student's name. Give the student white copy-leave the yellow copy in the receipt book.
- ❖ Write receipt for the amount of money collected. If you need change, it will be put in your bag when it is returned to you.
- ❖ If you make a mistake on a receipt, leave both white copy and yellow copy in the book. The bookkeeper will void. (MUST have both copies)
- ❖ After receipts are written, send receipt book, money, and completed collection report in the bag provided to the office.
- ❖ Turn money in each day by 12:00 noon-- this gives the bookkeeper time to process money for deposit. She is required to deposit money daily as it is collected.
- ❖ Your bag will be returned to your mailbox after processing.
- ❖ Keep the receipt book in a safe place. You will be using this book all year. At the end of the year, they will be collected to turn in to the auditors.

This is an example of a reminder that principals are strongly encouraged to provide at the beginning of the year outlining procedures for collecting money and writing receipts.

PROCEDURES FOR MONEY COLLECTION AND REPORTING

- ❖ Issue each teacher a receipt book, collection report forms, and bag. The teacher is responsible for the receipt book for the year. Safeguard it and the money collected.
- ❖ When the teacher collects money, the teacher writes a receipt immediately.
- ❖ The teacher gives the white copy of the receipt to the student or payer.
- ❖ The teacher leaves the yellow carbon copy in the receipt book.
- ❖ The teacher completes a collection report, adds the money amount on the receipt copies. The teacher counts the money. The money, receipts and collection report must match.
- ❖ The teacher turns in money, receipt book and collection report into the bookkeeper by 12 noon.
- ❖ The bookkeeper verifies the deposit and returns the receipt book, bag and copy of the collection reports to the teachers' mailbox.
- ❖ At the end of the year, the teacher turns in the receipt book to the bookkeeper for audit.

Date

Mr. Smith
111 Any Street
Anytown, USA 11111-1111

Dear Mr. Smith,

Please be advised that we are in possession of check # _____, dated _____, in the amount of \$ _____. The check is drawn on _____. It was returned to us due to insufficient funds.

The check was made payable to and received by _____ School for the purpose of _____.

Please bring the necessary cash or money order in the amount of \$ _____ (which includes bank charges) to the Bookkeeper at _____ School within 15 days or we will have no choice but to pursue further action including legal proceedings to collect this debt.

Thank you for your cooperation and prompt attention to this matter.

Sincerely ,

Principal