

Local School Bookkeepers Program

Daily Financial Procedures

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RECEIPTING MONEY

Should be done daily and timely

DEPOSITING FUNDS

- All funds should be deposited in tact with the bank daily.
- One deposit slip should be prepared in duplicate, listing each check separately, by recording the issuer of the check and the amount.

An option would be to attach a spreadsheet to the deposit slip listing the checks and amounts:

Check Name	Amount	Check Name	Amount	Check Name	Amount
PORTER	\$ 3.00	BRIDGES	\$ 40.00	LUNA	\$ 80.00
CAVITT	\$ 40.00	BAKER	\$ 40.00	JOHNSON	\$ 80.00
NICOLS LIVING TRUST	\$ 40.00	BEARDEN	\$ 40.00	HAMMOND	\$ 80.00
MAIJALA	\$ 40.00	CLAYTON	\$ 40.00	SIGLER	\$ 80.00
JACKSON	\$ 40.00	MCMAHAN	\$ 40.00	ASH	\$ 80.00
CLARK	\$ 40.00	CLARK	\$ 40.00	MCKEEL	\$ 120.00
FURLOUGH	\$ 40.00	WALDROP	\$ 40.00	MOODY	\$ 120.00
LASATER	\$ 40.00	KIMS AUTO REPAIR	\$ 40.00	CITIZENS	\$ 1,000.00
Column Total	\$ 283.00	Column Total	\$ 320.00	Column Total	\$ 1,640.00
		Subtotal	\$ 2,243.00		

DEPOSITING FUNDS

- The original and the duplicate deposit slip should accompany the deposit to the bank to be validated.
- The duplicated deposit slip should be authenticated at the time of deposit and returned back to the school and used to verify the entry made in the Cash Receipt Journal.
- Daily receipts should be totaled and should match the total of the deposit slip.
- The bookkeeper is responsible to assure that all monies collected are secure at all times.
- DO NOT use correction fluid for mistakes or errors.



ACCEPTANCE OF CHECKS

All checks issued to the school should have adequate information on the check before being accepted by the school.

- Name and address of issuer should appear on the front.
- The check should display current date. **(NO Postdated checks)**
- The check should be made payable to the school.
- A two-party check should never be accepted.
- The check must be signed.
- The back of the check must have the proper endorsement stamp prior to being deposited.
- The long hand written amount of the check should be used to determine the amount of the check not the numeric written figure.
- If a company's check is received, an owner's name will need to be noted on the check in case the check is returned.
- The school office or lunchroom should **never** cash a check.

RECEIPTS - CASH and CHECKS

- Receipt Module through NEXTGEN is available for all schools. If you do not use Receipt Module Pre-Numbered Receipt Books must be issued.
- All funds must be deposited on the day in which they are received according to the deposit policy. Schools may establish a daily cut-off time after which funds will not be received and receipted.
- Receipts are never to be destroyed or changed. Do not use correcting fluid or erasures for mistakes. If a mistake is made, write VOID on the receipt and staple it to the back of the receipt sheet. Receipts are only to be issued when money is received. Under no circumstances are receipts to be issued in advance.
- When monies are received, a cash receipt should be prepared and the original is to be given to the person making the payment. The person receipting the money must never write a receipt to his/herself.
- The check stub or copy of the check received from a business must be retained for audit purposes.

The Principal is directly responsible in the handling of monies received. It is the ultimate responsibility of the Principal for any shortages resulting from errors or otherwise in the handling of school monies.

WAIVING THE RECEIPT REQUIREMENT

The local board of education may give a Principal the option of waiving the requirement to write a receipt to each student in a class when the amount being collected from each person does not exceed a certain amount for example ten dollars (\$10.00).

If an individual receipt is not required the Board should develop a system wide receipt log.

Mrs. Smith 3rd Grade Class Shirt							
Date Received:	Student:	Size:	Parent:	Cash:	Check:	Total:	Initial:
5/8/23	Johnny	S	Big John	—	#549	10.00	
5/9/23	Suzy	XS	Kim	10.00	—	10.00	

Receipt Log should be taken to the office daily!

TEACHER RECEIPTS

The following procedures are recommended:

- The Teacher should retain the original Master Receipt.
- Do not hold funds until all funds for an activity, fund-raiser, or other purposes are collected. The school is required to make timely deposits according to school board policy.
- Teacher Receipt books containing the receipt copies and unused receipts should be returned to the Principal at the end of the school year or earlier.

MASTER RECEIPT

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

1. Check date should be current
2. Receipt date should be written within 24 hours

The following procedures are recommended:

- A Master Receipt should be issued after counting and verifying the amount of the receipt at the time the funds are actually received.
- The person presenting the funds for the receipt should wait for a Master Receipt to be prepared and verify the information on the Master Receipt before leaving the office.
- Funds should be counted and verified with the amounts in the teacher receipt book, alternate receipt form, or report of ticket sales.
- The original Master Receipt should be handed to the individual delivering the funds.
- Voided receipts must be obtained.
- Funds must be secured until deposited. Deposit funds daily according to your local board policy.
- A Master Receipt should be issued for each check received by mail.
- Interest earned on bank accounts does not constitute “money received” in the school office; therefore, a receipt is not necessary. The amount of interest earned must be entered into the school’s LSA Cash Receipt Journal at the end of the month.
- Follow your board guidance for issuing a receipt for a NSF check.

Establish a cutoff time to receive funds. Do not cash checks. Deposit funds intact. No money should be accepted from teachers without a relating receipt record.

The principal is directly responsible in the handling of the receipt books and/or monies received. The principal is responsible for any shortages resulting from errors in the handling of school monies.

All money collected must be remitted daily for deposit. This provides for accountability of funds and helps to ensure that the funds are being properly protected.

RETURNED CHECKS

- The person who issued the check should be notified by telephone that a check has been returned by the bank. The school should be reimbursed in cash (cash, cashier's check or money order) as soon as possible for the amount of the check and the mandatory \$30.00 returned check fee. Some systems use outside vendors for returned checks so they do not incur this expense or trouble!
- When the cash payment is received the bookkeeper should write one receipt in the cash receipts journal. The receipt should only include the return check fee amount.
- A separate deposit for the return check collection(not including the return check charge) should be filled out before depositing it with the bank. The deposit slip should be labeled "Redeposit - Return Check". The deposit slip should indicate the name of the person who issued the return check. **(NOTE: Only the returned check charge is posted in the computer.)**

REFER TO YOUR BOARD POLICY ON RETURNED CHECKS

RETURNED CHECKS

District Attorney's Office

A returned check that cannot be collected by the local school must be turned over to the District Attorney's Office for collection. The following items are needed to present to the District Attorney's Office:

1. The returned check
2. The receipt from the post office or the returned (unopened) certified letter
3. Completed 'Worthless Check Information Sheet'

It is very important to periodically contact the District Attorney's Office to receive updates regarding the returned check.

The name of the individual that issued the check should be placed on a "risk" list and dealt with on a cash only basis.

TRANSFERS

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

➤ Between Activities

Transfers made between activities at the local school should be made only with the permission of the Teacher/Sponsor and with the Principal's approval. 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 moved from, to ensure funds are available. When entering a transfer in the computer, cash will be moved between public and nonpublic funds.

➤ Between Local School and Central Office

Transfers received from Central Office should be receipted in the Cash Receipt's Journal using journal number, ACTV 12-4-9230-000-CCTR-7101-0-0000-(0000, 0001, 0003, 0004, 0005). Examples of transfers from Central Office are School Allocation, Helping School Tags, Maintenance, Instructional Fees, Fee Replacement, Library Enhancement, Professional Development & Technology.

Examples of transfers from the local school to Central Office are remittances for daycare salaries, substitute pay, instructional fees, and lost and damaged textbooks. The Central Office transfer out journal number, ACTV 12\32-5-9910-923-CCTR-7101/7501-0-9700-0000 should be used when issuing the check to Central Office. All checks issued to the Board of Education should be sent to the local school accounting office and should be accompanied by the proper documentation.

SCHOOL INCOME

FUNDRAISERS

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

The Principal, CSFO, or Superintendent must approve each school fundraising 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.

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 for a Master Receipt. 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 fundraiser income until the fundraising project is complete.
- c. All fundraising expenses, including sales awards to students, must be present to the Principal for payment by check.
- d. **A school employee cannot receive a gift or gratuity from the fundraising vendor.**

Within a reasonable time after completion of the fundraising activity, a form should be submitted to the Principal that documents the result of the activity.

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.

SCHOOL INCOME

FUNDRAISERS

Best Value for Items Purchased or Sold

The 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 benefiting general purposes and /or Teacher activities.

Proceeds from school sponsored fundraisers are for school purposes only.

EXPENDITURES

CHECK PROCEDURES

The following procedures are recommended:

- Do not write checks to “Cash”.
- Do not sign checks that do not contain the check recipient’s name and amount of check.
- Do not pay for items in advance of receipt of materials, supplies, or equipment.
- Invoices and supporting documents should be provided with the check to be signed.
- Invoices should be cancelled (marked PAID) when the check is signed.
- Vendors should be paid on a timely basis. Late charges, penalties, and interest should be avoided by making payments by the due date.
- Checks should be used in numerical order.
- Checks must be secured at all times.
- Voided checks must be retained for audit purposes.
- School employees may not use the school’s sales tax exemption for personal purchases.
- Checks outstanding more than 60 days should be investigated.

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 a basis for issuing any check; **statements are insufficient documentation from which to pay an invoice.** (In order to prevent duplicate payment and to ensure accurate accounting records, payments are not to be made from a statement).

The invoice must include the name and address of the vendor, a full description of the items purchased, an itemized listing of prices, and the total amount to be paid.

The person for whom the purchase is intended must sign off on the invoice before payment is made.

The school should not allow partial orders of merchandise nor should back orders be allowed.

Payment of an invoice should not be made BEFORE all of the merchandise is received.

The invoice should be matched with the applicable purchase order before payment is made

The Principal must approve all invoices before payment is made.

Cash expenditures are prohibited.

The Principal must initial all invoices for non-purchase order items or invoices exceeding the purchase order amount.

The corresponding supporting documentation and the invoice must be stamped paid. It is suggested that a rubber stamp be used to document payment. Once the paperwork is marked paid the check copy must be stapled on top. Each month's paid invoices must be put in numerical order, by check, number and filed together according to the month in which they are paid.

If for any reason a check is outstanding for sixty (60) days, efforts must 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. School employees are prohibited from purchasing personal items through the school. School personnel will neither solicit nor accept funds or gifts from vendors

PAID

TRAVEL EXPENSES

The Board of Education may authorize certain personnel to receive reimbursement for travel expenses.

- 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.
- Payments must be on a reimbursement basis and any travel must be requested on an Expense Statement Form. All travel reimbursement must be based on a statement from the employee that included the date of the travel, points of travel, miles traveled, and the purpose of the travel.

Refer to your Board Policy for all Travel Expense Reimbursements

You're not going to
master the rest of
your life in one day.
Just relax.

Master the day. Then
just keep doing that
every day.

QUESTIONS:

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