

Financial Procedures For The City of Madison Board of Education



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INTRODUCTION

I. INTRODUCTION

MADISON CITY BOARD OF EDUCATION ACCOUNTING REGULATIONS FOR SCHOOLS

The purpose of this manual is to assist the local board of education in establishing financial policies and procedures for financial operations. The local school board has a variety of requirements for overseeing the financial activity of the Madison City School System subject to the following requirements:

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

The following are some general rules regarding the financial affairs of the schools. These rules, as well as the accompanying procedures and policies, will be subject to continual audit, by the Accounting Department and CPA Firm.

- (1) **Principal's Responsibility.** The position of Principal carries with it the full responsibility for all financial matters relating to the school. It is imperative that the Principal gives his/her personal attention to the collection, expending, reporting, and overall supervision of financial activity. The Principal has ultimate responsibility for:
 - a Collecting and disbursing all monies in a manner approved by the Board of Education and in accordance with generally accepted accounting principles and procedures and these rules.
 - b Being familiar with all local school financial policies so that he or she will not permit practices contrary to the policies.
 - c Assuring that school employees engaged in financial functions or reporting are adequately trained and supervised to assure compliance with Board and school policy.
 - d Handling of monies received at the school and making up shortages resulting from the failure to follow, or to require others to follow, the financial procedures for the handling of school monies.**
 - e Working with members of the central administration staff who have general supervision of particular functions.
 - f Signing purchase orders properly issued in accordance with these rules.
 - g Reviewing and approving monthly financial statements.
- (2) **Receipts and Deposits:** All money collected at the school for any purpose must be receipted and deposited in the school account on a timely basis. (Exceptions may be made for some fundraising activities conducted by Parent-Teacher organizations.)

- (3) **Purchase Order and Invoice Documentation:** All expenditures must be paid by check /credit card and supported by valid documentation/invoice based on a purchase order issued and signed by the Principal prior to the purchase being made. All purchases must conform to the policies of the Board of Education including federal procurement policies and the State Bid Law, when applicable.
- (4) **Bank Reconciliation.** Bank statements must be reconciled monthly.
- (5) **Monthly financial reports.** Monthly financial reports reflecting accurate balances and activities of the accounts of the school must be reviewed and approved by the Principal.
- (6) **School Loan Approval.** Any school entering into a loan must obtain pre-approval by the Accounting Department and Board of Education approval.
- (7) **Conform to Board Policy.** Schools must conform to all Board policies concerning local school funds and activities.

The Accounting Department or the Chief School Financial Officer should be consulted if accounting problems are encountered. The Alabama Department of Education and the State Examiners of Public Accounts retain the authority to require the Board to modify forms and procedures for local school financial operations.

LEGAL COMPLIANCE GUIDELINES

II. LEGAL COMPLIANCE GUIDELINES

The funds maintained at the local schools can generally be divided into two major categories:

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

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

A. Public Funds – Restricted to the same legal requirements as Board funds:

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

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

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

Examples of public funds:

- General Fund – may consist of vending machine commissions, proceeds from school fundraisers (school pictures, coupon books, etc.), student parking, appropriations from the Board, interest income, and other miscellaneous revenues. Its primary purpose is to pay for the general operations for the school and is totally controlled by the Principal subject to Board policy and these procedures.
- Library – accounts for late charges on returned library books, funds collected for lost library books, and expenditures incurred for purchasing library books.
- Athletic – may consist of income from gate receipts, parking at athletic events, advertising commissions, game program sales, and donation from athletic Booster clubs. Separate accounts may be established for individual sports, if desired. Expenditures include athletic uniforms, equipment, and supplies; membership dues to athletic organizations; registration fees for coaching clinics; travel and transportation; game officials, and expenditures related to athletic events, including expenses for practicing and preparing for athletic competitions and exhibitions.
- Concession and Student Vending – may consist of concessions operated by the school at athletic events and vending machines or concessions for students operated at the school **during the school day**.
- Fees – school imposed course fees for certain non-required academic courses, field trips, workbooks, and supplemental instructional materials. These funds are used to cover the costs associated with the course or purpose for which the funds are collected.

- Locker Fees – funds collected from students that are used to cover the costs associated with maintaining the student lockers.
- Faculty Vending – consists of funds collected and used for items sold in faculty lounge areas that, although not assessable to students for the public, are totally controlled by the Principal subject to Board policy and these procedures. (see Commissions and Vending)
- Appropriations – funds such as maintenance, school allocation, helping school tag revenues, legislator’s donations, and other fees that are sent to the local schools to pay for expenditures incurred at the local school level.
- Expanded Day Enrichment Program – reflects revenues generated from the collection of dues, and expenditures that are directly related to the operation of the Expanded Day Enrichment Program.

Allowable expenditures from public funds include:

1. Professional development training.
2. Refreshments expended for an open house at a school where the public attend.
3. Pre-game meals for student athletes and coaches.
4. Academic incentives for students.
5. Athletic and band uniforms for students to participate in school activities, due to the apparel type, baseball uniforms for coaches may be purchased from public funds. Other coaches uniforms must be purchased from non-public funds.
6. Memberships in professional organizations. (Membership dues for the local athletic association must be paid from an athletic account.)
7. School landscaping, maintenance, furnishings, and decorations.

B. Non-Public Funds – restricted for expenditures subject to the intent and authorization of the organization’s Sponsors and Officers and not used for general operations of the school. The Principal does not direct the use of these funds but does have the authority to prohibit inappropriate expenditures.

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

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

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

Examples of non-public funds are:

- Clubs and Classes – Student organizations may have self-imposed fees but not academic course fees. The participants often impose their own fees for participation in these clubs and classes. These student organizations often conduct fund raising events. Clubs and classes include FBLA, Senior Class, Student Government, Spanish Club, Cheerleaders, Band, Show Choir, Beta Club, National Honor Society, Key

Club, etc. Student organizations are self-governed by officers elected by the participants.

- Courtesy (Faculty) – Money collected from faculty/staff to purchase flowers or gifts.
- Other School-Related Organizations – Parent or Parent/Teacher organizations can have the organization's funds in the school accounts. These organizations are governed by officers elected by its members. PTO, PTA, Band Boosters, and various Athletic Booster support groups are considered school related organizations (See Guidelines for School Related Organizations)

C. Public and Non-Public Funding

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

- (1) 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.
- (2) Non-public funds can be transferred to a public account. However, once transferred, they become public funds incurring all the legal restrictions.
- (3) Some expenditures not allowable for purchases from public funds but may be allowable expenditures from non-public funds include:
 1. Food for social gatherings
 2. Class prom entertainment
 3. T-Shirts for club members or faculty
 4. Donations to various organizations
 5. Transfers to other non-public accounts
 6. Travel expenses to club events
 7. Championship rings
 8. Faculty appreciation gifts
 9. Scholarships
 10. Flowers for funerals/Courtesy Fund

(4) If in doubt, consider it PUBLIC FUNDS.

RECEIPTING MONEY

III. RECEIPTING MONEY

A. Deposit Policy

- **One** deposit slip should be prepared in duplicate, listing each check separately, or providing backup, recording the issuer of the check and the amount.
- The original and the duplicate slip should accompany the deposit to the bank to be validated. If only the original deposit slip accompanies the deposit, the bank mailed validation slip should be kept on file.
- When a check is deposited via check reader, either a copy of the check or the original must be kept with the deposit for documentation.
- The Bookkeeper should check the accuracy of the bank's validation upon receiving the duplicate of the deposit slip or the validation slip.
- The duplicate deposit slip or validation slip should be returned 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.
- All money is to be deposited in a bank to the credit of one account.
- Making a copy of each check while creating the daily deposit is recommended.
- The Principal, or designee, is responsible for taking the deposit to the bank.
- **Do not cash checks with school funds. Deposit funds intact.**
- At the end of each day all cash and checks on hand should be placed in the school safe.
- All deposits must be made within 2 business days of receipt.

BANK ACCOUNT

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

A school should have no more than one checking account. Establishing separate bank accounts is not necessary to avoid co-mingling of public and non-public funds. Funds not needed for current operations, whether invested in CD's, money market accounts, or savings accounts, must be recorded in the school's accounting records and included in the school's financial statements.

School funds must be maintained in a Qualified Public Depository (QPD). A QPD is an Alabama banking institution that provides protection for school funds under the Security for Alabama Funds Enhancement Program (SAFE), administered by the Alabama State Treasurer's office. At the end of each fiscal year, the bank should be required to provide a letter confirming that all school funds are listed on the bank's records as SAFE Program Accounts.

B. Acceptance of Checks

All checks issued to the school should have adequate information on the checks before being accepted in the school. This information is necessary should an insufficient funds check be issued to the school and need to be turned over to the District Attorney for collection.

- Name, address, and phone number of issuer should appear on the front.
- The check should display a 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 should 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.
- The person accepting the check should initial the check and write the activity number the money is being deposited into.
- 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.
- A driver's license number should be written on the check.

C. Cash Receipts

On a daily basis all, monies received must be receipted in the NextGen Accounting Software Receipt Module with a pre-numbered receipt returned to the Teacher/Sponsor. Both the teacher/sponsor and bookkeeper must verify and sign the receipted funds. In the absence of the Bookkeeper, their designee should reconcile cash and checks received on the "daily cash log."

All funds should be deposited on the day in which they are received according to the deposit policy. Funds **must** be receipted when received; however, if the daily deposit has already been made, funds may be kept in a locked safe at the school and deposited on the following day.

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. If time does not permit proper receipting, money should not be accepted.

When monies are received, a cash receipt should be prepared and the original is to be given to the person making the payment. The teacher/sponsor making the payment should wait for a master receipt to be prepared and verify the information on the master receipt before leaving the office. The person receipting the money must **never** write a receipt his/herself. (Note: The only exception is when the office Bookkeeper/Secretary uses a student receipt record.)

If a teacher or sponsor holds funds overnight, a statement from the teacher or sponsor acknowledging this as a violation of Madison City financial procedure must accompany the receipts and funds. The statement must be kept with the deposit that contains those funds.

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.

D. Remote Receipting

On a daily basis, all monies received by a teacher should be entered in the NextGen Accounting Web Receipt Module at a designated station. This will generate a cash receipt with an auto assigned number that can be emailed or printed for an individual. After entering all cash receipts for the day, the receipt recap report will need to be reviewed. This report should be equal to all of the monies collected in a given day and the teacher should close out. The bookkeeper will review the deposit listing report which contains all deposits from each stations. If the amounts do not match, the bookkeeper must notify the teacher/principal immediately to correct the issue. If the total amount of monies collected matches the close our reports from each station, the bookkeeper can post the receipts and print out the receipt summary/detail report. This information should be kept as backup for each deposit.

All funds should be deposited within 2 business days after they are receipted according to the deposit policy. Funds **must** be receipted when received; however, if the daily deposit has already been made, funds may be kept in a locked safe at the school and deposited on the following day.

Receipts are never to be deleted or changed. If a mistake is made, **VOID** the cash receipt. Receipts are only to be issued when money is received. Under no circumstances are receipts to be issued in advance. If time does not permit proper receipting, money should not be accepted.

When monies are received, a cash receipt should be either printed or emailed and given to the person making the payment. The person receipting the money must **never** create a receipt his/herself. (Note: The only exception is when the office Bookkeeper/Secretary uses a student receipt record.)

If a teacher or sponsor holds funds overnight, a statement from the teacher or sponsor acknowledging this as a violation of Madison City financial procedure must accompany the receipts and funds. The statement must be kept with the deposit that contains those funds.

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

E. Teacher Receipts

The Bookkeeper will provide a pre-numbered duplicate receipt book or record to teachers and other individuals who collect school funds (other than CNP funds). Receipt

books/sheets should be secured and a log should be maintained to track the receipt books by receipt numbers to the individual responsible for issuing the receipts.

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

The following procedures are recommended:

- a. A Teacher Receipt should be issued after counting or verifying the amount of the receipt at the time the funds are actually received.
- b. A manually prepared Teacher Receipt should contain the following information:
 1. The name of the individual delivering the funds.
 2. The amount of the funds received.
 3. Identify the purpose or activity for the funds received.
 4. The date the funds are received.
 5. Indicate if the funds are cash or check.
 6. The original signature of the individual receiving the funds and issuing the receipt.
- c. The original Teacher Receipt should be handed to the individual delivering the funds.
- d. Voided receipts must be retained with the receipt book.
- e. Do not use correcting fluid or erasures for mistakes.
- f. The funds received must be secured.
- g. Do not cash checks with the funds received.
- h. No money should be left in the classroom overnight. The Teacher is responsible for all monies collected until turned in to the office and meeting the cut off deadline.
- i. If a teacher or sponsor holds funds overnight, a statement from the teacher or sponsor acknowledging this as a violation of Madison City financial procedure must accompany the receipts and funds. The statement must be kept with the deposit that contains those funds.
- j. The Teacher Receipt book or record and the funds collected should be taken to the office on a daily basis. Students should not take funds to the office unless other compensating controls have been established by the Principal.
- k. The Teacher should wait for a Master Receipt to be prepared and verify the information on the Master Receipt before leaving the office.
- l. **The Teacher receipt should be verified and signed by both the Bookkeeper and the Teacher/Sponsor.**

- m. The Teacher should retain a copy of the master receipt generated by the NextGen Software receipt module.
- n. 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.
- o. Teacher Receipt books containing the receipt copies and unused receipts should be returned to the Bookkeeper at the end of the school year or earlier.
- p. If a receipt card is lost, the person to whom the card is issued should submit a written explanation to the Principal. This explanation should be initialed by the Principal and filed in numerical order with the other student receipt records.

F. Refunds

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

- **Receipting the Refund:**

The refund should be receipted in the NextGen Receipt Module to "other".

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

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

- **Issuing Refunds:**

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

All fees that are raised in the name of the school are nonrefundable. Fees that are paid and not raised will be considered for refund based on unforeseen circumstances that are out of the control of the athlete, such as moving out of the school district and health reasons. Spirit packs will not be refunded and are property of the athlete. If an athlete quits or is removed from a team, all paid fees will be forfeited.

G. Child Nutrition Program Deposit

The Child Nutrition Bookkeeper is responsible for verifying the lunchroom deposit and each school's lunchroom manager is responsible for taking the deposit to the bank. The following steps will ensure a correct lunchroom deposit:

- (1) Break apart and recount all money.
- (2) Run a tape totaling all checks.

- (3) Denomination of bills and coins should match the deposit summary.
- (4) Deposit slip should be checked for complete and accurate information.
- (5) The validated deposit slip should be checked for accuracy.

H. Child Nutrition Program Refunds

1. Refunds of up to \$10.00 shall be issued in cash to a parent or guardian at the school the student attends. Cash refunds require a Withdrawal Form with the parent or guardian's signature. This form is to be filed with the daily financial documents at the school. Cash refunds shall not be mailed nor be given to a student.
2. Requested refunds greater than \$10.00 will be directed to the CNP Bookkeeper via a check request form and will be issued by check from Central Office.
3. Refunds may be issued by check from the Central Office only if the family is relocating outside of Madison County or if the refund amount exceeds \$10.00. The school staff shall make every effort to issue a refund in cash before the family re-locates. To request a refund check, the parent can contact the CNP Bookkeeper directly or a withdrawal form can be submitted through the student's school. The request will be approved by the CNP Supervisor before a check is issued.
4. Cash refunds shall not be issued for student transfers within the system, including alternative school transfers. Account balances shall be moved between schools via the SCMP system.
5. Graduating seniors that have funds remaining in their account that do not submit a request for refund a request for transfer of funds will be researched to locate a sibling in the system. If a sibling is located and found active in the Madison City School district, those funds will be transferred to their account. In the event that there is no sibling or a specific transfer request, the funds will be moved to the CNP general account; one year after the senior has graduated.
6. When a student withdraws without requesting a refund or if a sibling is not found, their account shall be closed and the balance left on account. The balance will be moved to the CNP general account after the account has been closed for at least one year.

I. Returned Checks

Madison City Schools has an agreement with Envision for the recovery of all returned checks. The following information must be included on every check:

FULL NAME
CURRENT STREET ADDRESS
HOME PHONE NUMBER
DRIVER'S LICENSE NUMBER

If your bank returns your check unpaid the bank will automatically forward the returned item to Envision for electronic re-presentment. These checks are not returned to the school. Once these checks are debited from the account the school cannot accept payment for them. Envision will notify you in order to recover the face value of the check plus a state authorized service charge. If you can prove the check was returned due to a bank error, documentation from your bank should be obtained and forwarded to Envision within 30 days of receipt of notifications.

For checks that are written to the school and returned by Envision as uncollectible please contact the Central Office Accounting Office for guidance.

An individual that issues two unresolved insufficient funds checks in a given year should be placed on a risk list and dealt with on a cash only basis for the remainder of the school year.

J. 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 Form" should be completed and turned in to the Bookkeeper for processing. The Bookkeeper should check the balance in the activity that monies are being transferred from, to ensure funds are available.

When entering a transfer in the computer, cash will be moved between public and non-public 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 Allocations, Helping School Tags, Maintenance, Instructional Fees, Fee Replacement, Library Enhancement, and Professional Development & Technology.

Transfers from the local school to Central Office are remittances for day care salaries, extracurricular bus driver pay, substitute pay, instructional fees, and lost and damaged textbooks. The Central Office transfer out journal number, ACTV 12 or 32 -5-9910-923-CCTR-7101 or 7501-0-9700-0000, should be used when issuing the check to Central Office. **All** checks issued to the Madison City Board of Education should be sent to the local school accounting office and should be accompanied by a copy of the invoice with the supporting documentation.

K. Journal Entries

Journal Entries are used to correct posting entries and to post the monthly checking account interest. Journal Entries may be processed at the local school using the 'Journal Entry' form with the Principal's approval.

If a journal entry is made between public and non-public funds it is necessary to move the cash between the funds as well.

It is not necessary to receive permission from Central Office to process a Journal Entry. However, if you are uncertain or uncomfortable with the process please contact the local school accounting office for assistance.

L. School Income

1. Student Fees

State laws and administrative rules of the State Board of Education restrict the collection of fees from students:

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

Alabama Code §16-6B-2 Core Curriculum: (a) The following words and phrases used in this section shall, in the absence of a clear implication otherwise, be given the following respective interpretations: (1) **REQUIRED COURSES:** Courses which are required to be taken by every student enrolled in public schools in the State of Alabama.

Alabama Code §16-10-6 Incidental fees in elementary schools: No fees of any kind shall be collected from children attending any of the **first six grades (K-5)** during the school term supported by public taxation; provided, that any county or city board of education shall be authorized to permit any school subject to its supervision to solicit and receive from such children or their parents or guardians voluntary contributions to be used for school purposes by the school where such children are attending; provided further, that the provision of this section shall in no way affect or restrict the right or power of a school board to fix and collect tuition fees or charges from pupils attending schools under the jurisdiction of school board but who live outside the territory over which such board has jurisdiction.

AAR 290-3-1-.02 Driver Education: (a) No fee shall be charged any child whose family is unable to pay the fee. (b) Thirty dollars (\$30) per student, per semester, is the maximum driver education fee to be charged by local boards of education without approval from the State Superintendent of Education. (c) The State Superintendent of Education may approve a higher fee upon the request of a local superintendent approved by the local board of education with sufficient documentation of actual costs in excess of the maximum. (d) Each board of education shall establish criteria by which the ability of families to pay the fee may be determined and submit same to the State Superintendent of Education for approval. (e) Local boards of education shall take reasonable steps to insure that students for whom no fee is required shall not be identified.

Under the referenced state law and administrative code provisions, academic fees during the regular school term (excluding driver education) may only be charged for materials and equipment used in instructional courses, and fees collected may only be used in the course for which the fee was collected. **Actions against a non-paying student, such as withholding grades, report cards, transcripts, academic recognitions, and graduation activities, are prohibited. However, state laws governing textbooks may require the withholding of additional textbooks for a student due to unpaid lost or damaged textbook fines. (Alabama Code §16-36-69)**

- **Procedures for Waiver of Fee or Reduced Fee:** This is based on the eligibility determination of the free and reduced lunch program.
- **Parking Fees:** Students will be charged a non-refundable fee per year for student parking. If the permit is lost, stolen, or otherwise needs to be replaced an additional fee may be charged.

Due to student safety issues with bumper and window stickers, hang tags are suggested. The costs of the hang tags will come from fees collected from the students. Proceeds collected from parking can only be used to maintain school parking lots.

Parking fees cannot be reduced or waived with a fee waiver. Parking is a privilege and may be revoked at any time. The board is not responsible for loss, damage, or theft to student vehicles during the school day or during extra-curricular activities.

2. Donations and Voluntary Contributions

Wish Lists

Voluntary contributions may be requested for various items purchased by the school that are used by students in academic courses and classes including workbooks, science lab materials, supplemental instructional materials, lockers, sheet music, and other academic purposes. Donations may also be requested for specific school purchases, including janitorial products, cleaning supplies, paper products, copier expenses, software maintenance, and other school purposes. All items donated to school may be recognized through Gift in Kind form through the Development Office. No school employee or volunteer may assign a value to the gift. The donor must assign the monetary value.

The voluntary nature of the contribution must be clearly stated in the request for the contributions. Non-Payment of requested contributions cannot be used against a student and the student must be provided the same instructional items as if payment was made on behalf of the student.

The Principal or the Local Superintendent should approve requests to collect school fees, contributions and donations.

Actions taken against a student for non-payment of student fees, contributions, or donations including the withholding of grades, report cards, transcripts, diplomas, honor rolls, participation in graduation events and student recognition events, membership in honors organizations, and other actions that would subject the student to embarrassment or ridicule, are prohibited.

Alabama Ethics Law

Madison City Board Employees have **NO AUTHORITY** to solicit, request or accept student fees, contributions, or donations for their personal use or benefit.

The Principal and other employees should adhere to the Alabama Ethics Law, particularly **Ala. Code §36-25-5**, which provides that “no public official or employees shall use an official position or office to obtain direct personal financial gain for himself/herself, or his/her family, or any business with which he/she or a member of his/her family is associated unless such use or gain is specifically authorized by law.” Additionally, Ala. Code §36-25-7 as amended in 2010, prohibits any public employee from soliciting, or **receiving anything for himself or herself or for any member of their family** “for the purpose of influencing official action”. However, provided that the employee is not using their office for personal financial gain and the purpose of the gift or the solicitation is not for influencing official action, acceptance of items donated to the school such as pens, pencils and note pads would not appear to violate the Ethics Law if the items are used by the school or in the classroom and are considered to be the property of the school. **Solicitation by any Madison City Schools employee of gifts, money or other items for themselves or members of their families is a violation of the Alabama Ethics Law and, as to teachers, the Alabama Educator’s Code of Ethics. Violators will be reported to the Alabama Ethics Commission and will be subject to dismissal.**

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

3. Fundraisers

The Principal and Superintendent, or his designee, 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 as stated in the Madison City Board of Education policy manual.

Fundraisers involving the sale of foods during the school day are required to meet the USDA SmartSnack Guidelines.

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.

VOLUNTEER OPT OUT

Fundraisers are often run by volunteers. A VOLUNTEER OPT OUT option is approved if you have volunteers that are interested. In lieu of volunteer shifts, the volunteer can pay \$50.00. This will cover the cost of the staff that will have to be hired to run the volunteer shift, so the program will not lose money.

1. Parents cannot be required to pay this or a child may not be penalized in any way should their shift not be covered or they do not pay or volunteer their shift.
2. The OPT OUT is \$50.00 across the board and a typical shift is 3-4 hrs. (That is typically the amount of time you would pay a gate worker, etc)

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.
- 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. Volunteers, Students, and Employees should not accept donations through a personal Ecommerce accounts, for example, Venmo, GoFundMe.
- e. The Board of Education approves the organizations in which we may crowd fund. The Development Office will provide a list to the principal each year.
- f. Fundraisers may not offer exclusive rights to any food vendor who selling items on school property and is donating a portion of proceeds back to school.
- g. All items donated or purchased through wish list are property of the school and should not be moved with employee, unless employee is moving within the district and has principal approval.
- h. 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.

Best Value for Items Purchased or sold

The Madison City 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 and Superintendent, or his/her designee, through the Development Office, at least 30 days **prior** to the activity. Fundraisers may be approved less than 30 days in advance in the event of extenuating circumstances on a case by case basis as long as there is nothing conflicting on the district fundraising calendar and approval is received in writing through the Development Office. A post fundraiser reconciliation or activity report must be completed at the conclusion of the activity and filed for audit purposes. If assistance is needed with documentation, an activity report form can be provided.

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.

The following **are not** considered School wide Fundraisers:

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

Guidelines for specific Grade Groups

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

Elementary, Intermediate Schools, K-8 and Middle Schools

Two (2) school-wide fundraisers per school year

Clubs, Organizations, Library, etc., follow same guidelines as high schools

High School Classes and Organizations

Four (4) fundraisers per school year

Any additional fundraisers may be approved by the Principal and Superintendent or designee.

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

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

Each fundraiser/sale should be organized as follows:

1. One person should be designated to be in charge of the fundraiser/sale.
2. A separate “Teacher Control Sheet” will be maintained by each individual Teacher to account for the items to be sold by the students. Upon receipt of the fundraiser/sale items to be sold, the student will sign the “Student/Parent Participation Agreement” to acknowledge acceptance of the responsibility to return either the dollar value of the items issued to him/her or any unsold merchandise.
3. As money is submitted by the students to the Teacher, all receipting procedures as outlined under “Receipting Money” must be followed. These receipts must also be recorded on the Teacher’s control sheet, along with any unsold merchandise returned to the designee in charge of the sale. The designee must reconcile the total money collected and merchandise returned to the total number of merchandise originally issued.
4. The school should work with the vendor and request the vendor to provide the rewards for the students. The school is not allowed to give **CASH** prizes from public or non-public funds. When planning the fundraiser the Principal may approve additional incentives from school funds such as gift cards, electronics, limo/lunch excursions, etc.

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

5. Profits received from all fundraisers in the form of Gift Cards should be treated as CASH and classified as Public Funds.
6. The sale of raffle tickets is illegal according to the Madison County District

Attorney's Office because it is considered a form of gambling. If reported, the District Attorney's office can prosecute any school involved. Examples of raffles are: scratch cards, cow patty drops, and any game of chance.

7. Prior to holding a bingo game the local school must obtain a license from the License Commissioner's Office and receive approval each time from the County Commission.
8. Athletic Camps held as a fundraiser on school campus must be classified as Public Funds.
9. With the consent of the Superintendent, a claim may be filed in Small Claims

Court for collection of money and/or merchandise for which no proper accounting has been made by the responsible student. The following items are needed to present to small claims court:

- a. Completed "Statement of Claim"
- b. A Check for the filing fee
- c. Service by certified letter, return receipt requested, to the verified current address of the defendant.

It is very important to stay in contact with the small claims court. When necessary, the Satisfaction of Judgment and the Notice of Dismissal may need to be filed.

There must be accountability for the total number of items purchased. Details for amounts not collected, spoiled, or stolen must be maintained.

All fees that are raised in the name of the school are nonrefundable. Fees that are paid and not raised will be considered for refund based on unforeseen circumstances that are out of the control of the athlete, such as moving out of the school district and health reasons. Spirit packs will not be refunded and are property of the athlete. If an athlete quits or is removed from a team, all paid fees will be forfeited.

4. Commissions and Vending

The local school may receive proposals for contracts with vendors which provide for payment of a commission to the local school by the vendor representing the local school's share of profits from a particular activity. All such contracts must be approved by the Board before they are signed or work toward the contracted activity is allowed to begin. These type agreements do not require issuance of a purchase order or payment to the vendor, nor does the bookkeeper receipt monies collected at the local school. For these reasons it is important that the local school properly account for the commissions provided and assure that the commission is in accordance with the contract based on services provided.

Examples of commission contracts are:

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

The check stub or copy of the check issued for commissions should be kept on file at the local school for audit purposes along with records of sales on which those commissions are based.

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

A vending contract should require the vending company to furnish statements that identify the count of items stocked in the machine with each delivery. A school employee will verify the stocked items. The use of the statement of stocked items to calculate the expected profit from the machines will determine if the school is receiving the expected income from the vending company.

Because the vending machines are on public property using electricity paid with public funds, as well with the Principal (a public employee) directing the use of the vending machine proceeds, the profits are considered Public Funds.

5. Concessions

Concessions include event concessions, school concessions, and school stores. Because all concessions involve cash, and neither cash receipts nor tickets are used to control the exchange of money, proper accounting for the sale products and income is essential.

Ideally, a cash register would be used to account for the cash collected. The purchaser would receive a cash register receipt and the cash register would generate a record of sales. It is recognized, however, that cash registers are not always available for event or school concessions and that receipting for all concession sales by cash register is not always practical. The following procedures for all concession sales, including those for which cash registers are not employed, are strongly recommended:

- An inventory of items purchased, items sold by sales price, and items unsold should reconcile to the cash collected.
- Checks should not be cashed with concession funds. Deposit funds intact.
- Payments for inventory, services, etc. should not be made from cash collected. All payments must be made by check.
- Funds should be collected on a timely basis.
- A Master Receipt should be issued in a timely fashion after counting or verifying the amount of funds received.
- The person presenting the funds for receipt should wait for a Master Receipt to be prepared and verify the information on the Master Receipt before leaving the office.
- Supporting documentation of items sold should accompany the funds collected.

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

Internal Control Procedures

The following procedures must be followed when establishing a school store and/or operating concessions or vending machines at a school or any athletic event. The following items should be implemented to assure that proper controls are in place for cash receipts and inventory.

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

OR

- A separate School Store or Concessions activity may be set up to quickly compare expenses against revenues to determine if a profit is made.
- Also a profit analysis should be prepared on a regular basis, at least quarterly. Costs vs. Sales (less any overhead). Usually the concessions are run by Teachers or Aides and no overhead is calculated.

Foods of minimal nutritional value may not be sold during the school day. Any foods sold during the day must meet the Smart Snack Guidelines.

6. Admissions/Ticket Sales

Tickets should be sold **at all events where admission is charged**. Admission events include football, basketball, baseball, softball, volleyball, soccer, wrestling, swimming, track, and other athletic events, as well as beauty pageants, dances, theatrical performances, talent shows, carnivals, festivals, and other school-related events. **Proms and other events are excluded when advance admission payments are received on a teacher receipt sheet and no admission is collected at the door.** The use of the

tickets for admission events, when properly managed, assures that entrants to events paid the admission fee and that admission charges are deposited in the school's bank account. Pre-numbered tickets may be printed for a specific event or may be sold from a roll of generic tickets. If generic tickets are sold for seasonal events, such as football or basketball games, ticket colors should be alternated. Security practices, such as having a ticket collector tear tickets in half, may be necessary at some events to avoid the re-use of tickets by entrants to the event. **The ticket collector should not be the ticket seller.**

When tickets for athletic events are issued, a 'Report on Sale of Tickets' should be prepared for each seller to whom tickets are issued. The Bookkeeper should complete the ticket issued sections. Tickets and a copy of the forms should be given to the designated person(s).

When the event is over, the tickets returned section should be completed and the report on Sale of Tickets should be signed. The money should be counted and recorded. The unused tickets, Report on Sale of Tickets, and the money collected should be turned in to the Administrator in charge to be placed in the schools safe. The Bookkeeper should pick up the money the following morning, prepare the deposit and complete the reconciliation of the tickets. All cash collected must be deposited intact. Do not use cash collected or change cash to cash any checks including school checks issued for officiating security, ticket sellers, or ticket collectors.

Upon completion of the ticket reconciliation, the Bookkeeper should sign the Report on Sales of Tickets and receipt in the NextGen receipting module. All unused tickets must be kept in the schools safe until the following event.

Complimentary tickets may be issued to other schools **outside the district** but limited to twenty-five (25) tickets. The Principal or person receiving the tickets must sign for them in order to comply with accounting procedures.

The sale of tickets should be reported on a separate Report for Sale of Tickets. The face value of the ticket for each game is to be recorded as admission.

Receipts from admission to athletic events are considered public funds.

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

The parking charge for varsity football games is approved by the Board. **Parking charges for varsity football games are considered to be public funds which must be properly receipted.**

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

Participation Fees are not required to participate in athletics; however, athletic events such as swimming, golf, etc. that do not charge admissions may collect a participation fee from students to cover event expenses.

7. Acceptance of credit card payments via Square & GoFan

Square devices are being used to accept credit card payments for gate admissions and concessions in the secondary schools. The money received for each item sold less the Square fee will be held in the Madison City School's central office PayPal account and deposited directly into the bank account of the school that is using the device. The Square sales for gate admissions will be receipted into NexGen for the corresponding public gate admissions activity account. The concessions revenue will be receipted into NexGen for the corresponding activity responsible for selling concessions. Central Office is responsible for the transfer of funds from PayPal to the local school's bank account. The transfer can take up to three days to be available in the school's bank account. Monthly reconcilements are required for each school using the Square payment method. The bank statement or bank summary will show the amount of the deposit. The Square summary reports for the tickets and concessions less the fee must equal the amount deposited into the bank account. Sales collected through GoFan, will be directly deposited into schools bank account. The customer assumes the processing fee. A monthly reconciliation report will be provided to the school.

PURCHASES

IV. PURCHASES

A. Requisitions and Purchase Orders

Purchase of goods and/or services should follow these procedures:

- (1) A “Requisition” should be completed by the Teacher/Sponsor specifically identifying items to be purchased, the price of each item, and the vendor information from which the purchase is to be made. Do not order by item number alone.
- (2) A verification of the activity should be completed to ensure fund availability prior to the purchase order being issued.
- (3) The requisition must be submitted to the Principal or Director for his/her signature **prior** to a purchase order being issued.
- (4) A computer-generated purchase order that flows sequentially in numeric order should be completed for each purchase. **All purchase orders must be signed by the Principal/Purchasing Agent prior to the purchase being made.**
- (5) When the invoice is received by the Bookkeeper, it should display the signature of the purchaser verifying that the merchandise was received and the order is complete.
- (6) The invoice should be matched with the related purchase order and placed in a file for payment processing.
- (7) **A purchase order MUST be issued for all goods and services.** Exceptions such as recurring monthly bills do not require a purchase order (i.e., telephone bills, copier bills, laundry bills, official checks, change case, student refunds, travel reimbursements, etc.)
- (8) **No employee should have authorization to purchase or order goods or services without proper approval from the Principal/Purchasing Agent in the form of a purchase order. Reimbursements should not be made to any**

Teacher/Sponsor who purchases goods in the school's name without a purchase order.

- Schools that make numerous purchases with a given vendor during the month will be permitted to issue the vendor a purchase order at the beginning of the month, with a specified dollar limit that is to be used during the month. This arrangement is to be used on a **very** limited basis. **Example:** A school purchases many small items at a hardware store where obtaining a purchase order would delay the work of the custodian or others. The hardware store should write a sales ticket (invoice) with all the items listed in legible form with prices included. The school employee picking up the items must sign the invoice, which must all have the purchase order number recorded on it. The Principal must approve such purchases. Students should never be allowed to purchase items on such purchase orders.
- It is the responsibility of the Bookkeeper to check on open purchase orders monthly. If a purchase order remains open after a reasonable period of time has passed, the Bookkeeper should make a copy of the purchase order and give it to the person that requested the purchase order.

B. Bid Law

The Alabama Competitive Bid Law requires that all purchases and/or contracts for labor, services, materials, equipment, and supplies for such amounts as set by the State of Alabama, shall, *except as otherwise provided in the law*, be let by free and open competitive bidding, or sealed bids, to the lowest responsible bidder. Competitive, sealed bids shall be requested by the Purchasing Department. The City of Madison Board of Education is authorized to use all State of Alabama contracts when they are advantageous to the Board. All purchases and/or contracts, not utilizing federal funds, between \$20,000 and \$39,999 require 3 quotes. Federal purchases and/or contracts between \$10,000 and \$249,000 require 3 quotes. The quotes must accompany the requisition in order to make the purchase.

The Alabama Bid Law does not apply to purchases made by individual schools of the county or municipal public school systems from moneys other than those raised by taxation or received through appropriations from the state or county sources. See Ala. Code §41-16-51(b) (2).

Contracts entered into by local schools, however, including service contracts, must have the approval of the Superintendent and the Board.

EXPENDITURES

V. EXPENDITURES

A. Check Procedures

All obligations of the school are to be paid by a computer generated check. (Off-line checks are prohibited unless authorized by the Central Office.) Only authorized school expenses are to be paid in this manner. **Checks should be properly safeguarded when not in use (stored and locked in a secure place).** All checks written (including VOID checks) should be kept on file in numerical order. A check should never be destroyed when an error is made; the check should be marked “VOID” and the signature portion of the check should be cut out. **All checks should require two signatures, that of the Principal and the Bookkeeper. One additional signature of an Assistant Principal should be approved by the Principal to be used in emergency situations and on file at the bank.** The proper handling of the school bank account is the primary responsibility of the Principal. No signature stamp may be used in place of the Principal’s signature on the check. Compliance with the following additional procedures is expected:

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

B. Checks issued to Central Office

When payment is made to Central Office, the proper description needs to be included on the stub of the check. The stub should note exactly what expense the payment will cover. If payment is being made for an invoice for which Central Office billed a school, include the description on the check stub. A copy of the invoice should also be attached to any payment that is made to Central Office and forwarded to the local school accounting office.

****NOTE**** A separate check should be issued for all Child Nutrition Program (CNP) related monies.

C. Invoices

An invoice must be obtained for each purchase order before payment is made. An **original, faxed or emailed** invoice must be secured to serve as a basis for issuing any check; **statements are insufficient documentation from which to pay an invoice.** (Payments are not to be made on the basis of a statement in order to prevent duplicate payment and to ensure accurate accounting records). 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 to be made. The school should not allow partial orders of merchandise nor should back orders be allowed. **Payment of an invoice should never be made BEFORE all of the merchandise is received.** The invoice should be matched with the applicable purchase order before payment is made.

If the vendor does not have an invoice, the Bookkeeper may create an invoice for the vendor. For example, if the school contracts with John Doe to paint the school flagpole for \$50.00 and Mr. Doe does not have an invoice to submit, the school will need to create an invoice for the services provided. This invoice should include the purchase order number, name and address of the vendor, a description of the work performed, the date, and must be signed by the vendor who is to receive the check.

An IRS Form W-9 should be completed and maintained on file for each individual or vendor for IRS Form 1099 reporting.

Please be advised that city school boards are exempt from the payment of Alabama Sales Tax. However, the local school may pay rental tax if it is written in the contract.

The Principal must approve all invoices before payment is made. **Cash expenditures are prohibited.**

The supporting documentation should include a document copy of the check, check stub, or must be stamped "paid". If a stamp is used, the invoices must be "paid" and the check number along with the check date must be included.

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 and the City of Madison Board of Education. School employees are prohibited from purchasing personal items through the school. School personnel will neither solicit nor accept funds or gifts from vendors.

D. Reimbursements

The City of Madison Board of Education employees may seek reimbursements for travel expenses and will adhere to the City of Madison Board of Education travel procedures located on the website. Employees may not seek reimbursement of items/services purchased unless extenuating circumstances appear and is pre-approved by the administrator with a purchase order. The employee must provide the original detailed receipt of purchase prior along with other documentation prior to reimbursement.

E. Vendor change of payment method procedures

The Madison City School's business office offers three methods of payments to vendors: check, ach (direct deposit), or credit card. When new vendors are enrolled in the accounting system they will receive a check unless otherwise specified. If a vendor requests a payment method change, personnel in the business office is required to complete a multi-step verification process and document the findings prior to making the change.

The local schools offer two methods of payments to vendors: check and credit card. When a vendor requests a change of address the bookkeeper is required to complete a multi-step verification process and document the findings prior to making the change.

MISCELLANEOUS ITEMS

VI. MISCELLANEOUS ITEMS

A. Field Trips/Activity Runs

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

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

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

The central office can provide guidance on student meals, transportation, and approval procedures. School board policies may place limitations and restrictions on school field trips and should be consulted when planning any field trip.

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

- During the school day – Field Trip
- After school hours at Night or on Weekends – Extra-Curricular Activity

A 'Field Trip Request' should be completed and forwarded to the instruction department so they may submit for Board approval. Transportation should be arranged via droplet and prior to the deadline set by the transportation department.

1. Each school will be billed for that specific trip by the 10th of the following month.
2. Any bus driver that performs a trip that is in excess of 6 hours and less than 8 hours, in a single day, will be entitled to a \$25.00 per diem reimbursable by

- the school in which the activity was performed.
3. Any bus driver that performs a trip that is in excess of 8 hours, in a single day, will be entitled to a \$50.00 per diem reimbursable by the school in which the activity was performed.
 4. These per diem reimbursements should be sent to the transportation department.

B. Academic Incentives for Students

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

Academic incentives, whether purchased with school funds or donated by other entities or private sources, should be secured until provided to the incentive recipients. The student receiving the incentive should sign a form documenting the student's receipt of the academic incentive, excluding those items of insignificant value. The school official that is giving the incentive to the student, along with a witness should also sign and date the form.

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

C. Guidelines for School Related Organizations

1. Student Organizations

Student clubs and classes are recognized as school activities. The student officers and Faculty Sponsor operate the organization while the school Principal acts in a fiduciary capacity over the organization's funds. The school's accounting records contain a separate account to record the financial operations of each student organization. Income from the student organization is recorded by receipts and deposited in the school bank account. The school Principal approves the purchase orders, signs the checks and maintains the supporting documents for the expenditures.

Some organizations consisting of students from the school may not be school activities. Some students belong to social organizations that operate off campus. Community recreation leagues may consist solely of the school's students and operate under other entities that are not under the control of the school. Although the activities of these organizations may benefit the school's students, these organization have a separate employer identification number (EIN), a separate mailing address, and maintain their own records and accounts.

2. Athletics

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

3. Parent Organizations (PTA/PTO)

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

- a. Both parties mutually assent to the fiduciary control of the Principal.
- b. A school employee leads the fund-raising or maintains the accounting records for the organization.

Specific Requirements for Parent Organizations Maintaining Financial Operations Outside the Control of the School.

Parent organizations (PTA/PTO) that maintain financial operations outside the control of the school could create a negative image for the school by failing to maintain proper accounting controls. Any parent organization that chooses to maintain financial operations outside the control of the school must provide adequate accountability for the funds the organizations controls through an agreement between the school and the organization providing that:

- a. The organization has obtained an employer identification number from the IRS.

The organization will provide an annual audit report of the organization to the school.

- b. The organization must make its financial records available to the school's auditors and authorized school employees up request.
- c. The organization will provide required financial reports.
- d. The organization will provide proof of a fidelity bond for its treasurer.**
- e. The organization will not provide any payment or benefit to a school employee (or a family member of a school employee) in violation of the State Ethics Law.

4. Booster Organizations

All school-sponsored extra-curricular activities must be under control of the school. However, booster organizations are often formed to support the operations of these activities in a variety of ways. While providing additional financial support for a particular extra-curricular activity, volunteers in Booster organizations also enhance community support that often extends to benefit all of the students at a school. Generally, funds generated from activities of Booster organizations are considered non-public funds. However, funds of these organizations will become **public school funds** if:

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

D. Loans

(1) Inter-Fund Payable Loan

An inter-fund payable loan is a loan from Central Office to a local school. The Principal must submit his/her loan request for such a loan to the Superintendent in writing and including the following information:

- (1) Purpose of loan
- (2) Loan amount
- (3) Requested term of the loan
- (4) Payment schedule (including dates, amounts and first payment)

To issue a check for an inter-fund loan payment; the following journal number is used to expense the check:

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

No inter-fund loan may be made without approval of the Board.

(2) Bank Loan

- a. Only the Board, upon the recommendation of the Superintendent can borrow money on behalf of a school or approve a bank loan. No principal or other Madison City Schools employee is authorized to borrow money on behalf of any school and Madison City Schools shall not be liable for any such unauthorized loan.
- b. School loans will be considered for approval by the Board on a case by case basis. The Superintendent will consider projects/facility needs and funding sources for each request before a recommendation is made to the Board.
- c. Amendment No. 558 of Section 94 of the Constitution of Alabama prohibits county, city, or other subdivision of the state from lending credit or granting public money to any individual, association, or corporation. Therefore, loans for booster clubs and other school affiliated organizations cannot be submitted to the Board for approval or authorized by the Principal.
- d. This procedure shall not be construed to prohibit booster organization from obtaining bank loans on their own credit or based on the credit of non-school guarantors to be paid from non-public school activity funding sources.

E. Month End Close

Monthly reports are due in the Central Office according to the monthly calendar.

The Bookkeeper at each school is responsible for month-end close procedures of school financial records. Upon receipt of the bank statement (or a print out), the Bookkeeper should reconcile the book balance to the bank balance. After balancing, monthly reports should be run for each school. The “Monthly Reports Checklist” should be attached to the reports and forwarded to the Central Office for verification.

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

F. Disposition of Records

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

Local schools have the responsibility for administering policies and procedures of the City of Madison Board of Education and the State Department of Education. This includes the responsibility of adhering to the minimum retention period for records created or maintained by local schools. **Local schools should forward their “Local Government Records Destruction Notice” to the central office. The central office will bear responsibility for approval of the notice and for forwarding the notice to the Alabama Department of Archives and History,**

Records Analysis and Appraisal Division. Any records involved in litigation should be retained until the case is resolved.

Uniform Accounting System for Local Schools Financial Records

Financial records of local schools are created to document adherence to requirements made by the Board as well as to provide a sound record keeping system for each school year. **All financial transactions of the school system should be retained until after the release of three audit reports and settlement of any claims due.**

G. Fixed Assets

A fixed asset or capital asset is defined as one having a useful life of one year or more and acquired at a specified dollar amount greater than \$5,000.00. **(Personal property with a value of \$1,000.00 to \$5,000.00 and computers shall be identified and tagged for control purposes even though not included within the definition of a fixed or capital asset.)**

Purchases made by the local school (including items purchased with club, class, or PTA funds) and donated items must be properly accounted for. When new purchases are made and the item is classified as a fixed asset, the information must be added to the NextGen fixed asset system.

H. Guidelines for Inventory Management

Capital assets/equipment inventory records will be maintained via incidentIQ for all assets, whether acquired in whole or in part with Federal Program funds, as follows:

- (1) Description of the property
- (2) Serial number or other identification number
- (3) The source of funding for the property
- (4) Device owner
- (5) Acquisition date and cost of the property
- (6) Percentage of Federal participation in the project costs for the Federal award under which the property was acquired
- (7) Location
- (8) Use and condition of the property
- (9) Disposition data including the date of disposal and sale price of the property

A physical inventory of the property will be taken on an annual basis and the results reconciled with the property records.

All computer and computer hardware related assets are tagged and maintained by the technology department. All other assets are tagged and maintained by the federal programs bookkeeper. Any loss, damage, or theft must be reported. If an inventory item is stolen, the owner is supposed to file a police report and provide a copy to the technology department. The City of Madison Board of Education will lock missing devices, which makes them unusable and includes a message regarding returning the devices. Also see Disposition of Fixed Assets.

Consumables should be purchased on an “as needed” basis. See Section IV. Purchases, (A) Requisition and Purchase Orders. When supplies are purchased in bulk, supply closets will be maintained and items issued to departments, local school classrooms, or students upon request as needed.

Fees cannot be charged for the use or recovery of lost devices purchased in whole or in part with federal funds.

I. Disposition of Fixed Assets

The Madison City School System may at times have property that is obsolete and no longer used or needed. Before the property is disposed as surplus, the City of Madison Board of Education and the Superintendent should determine whether it may be utilized by another school or department. No fixed assets of the school system may be disposed of without board approval. Personal property (equipment) is disposed of by submitting a written request that includes the following:

- (1) Reason for removing item from fixed assets
- (2) Description of item
- (3) Decal number
- (4) Serial number

Acceptable reasons for removing items from fixed assets:

- (1) When any fixed asset reaches a point where it is no longer usable, or when it is broken beyond repair, the Principal may ask permission to “scrap” the item or dispose of it under procedures for disposing of surplus assets (see below).
- (2) When any fixed asset is stolen, the theft must be reported to Central Office. Unless there is evidence of forced entry (visible signs of a break-in) a fixed asset cannot be classified as being disposed of by theft. Any break-in should be reported to the local law enforcement agency, and a copy of their report sent to the Central Office. State property insurance requires a copy of the investigation report.
- (3) Any fixed asset damaged or destroyed by lightning must be reported to Central Office using the “Lightning Affidavit”.

J. Procedures for Surplus Designation

When a school or department determines that property is no longer usable, procedures should be followed to have the property designated as surplus or obsolete, removed from the property records, and disposed of according to policy and these procedures.

- (1) The school should submit a request to remove the property detailing the property to receive designation, to the office of the Chief School Financial Officer.
- (2) The Chief School Financial Officer shall prepare a report of all requests for disposals and submit the report to the Board of Education during the Board’s meeting in the following month.

(3) If the Board of Education votes to declare the asset surplus, the property shall be disposed of in a manner as provided below, unless the Board specifically declares that the asset declared surplus has no value and may be scrapped.

K. Method of Disposal

The Accounting Supervisor shall be responsible for the sale of surplus and obsolete property. Sales may take place in one of the following manners:

- (1) Sealed bids
- (2) Sale to another local unit of government for a fair market price
- (3) Gov Deals

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

The City of Madison School Board has the right to reject any or all bids for school surplus or obsolete property, subject to the following:

- (a) Fair market value
- (b) Retention cost
- (c) Dynamics of the marketplace

L. Live Work

Live Work Projects for Students

Live work projects consist of work done by career tech students as part of their training program. Work can be done either in school or on a job location and includes service, repair, or production jobs of all types, excluding work done by cooperative education students. Live work will be conducted when, in the opinion of the instructor and school administrator, the training program requires the work for acquisition of occupational skills leading to employment. The instructor, as part of the student's training program, will assign live work to individual students or groups of students. Administration and control of live work in accordance with local school board policies are the responsibilities of the school administrator. All live work performed must be approved by the administrator who shall be responsible for the determination and collection of all charges and maintenance of appropriate records.

Live work can only be performed when tasks are directly related to the knowledge acquired and skills currently being taught in the program as part of the course of study or to reinforce acquired knowledge and skills previously taught. Live work will be performed in specific projects for specific individuals and organizations. No persons regardless of connections shall use Career/Tech facilities for personal gain or profit. The scope and extent of each project will be well defined and documented before acceptance. Live work projects can be conducted for:

1. Students currently enrolled in the Career/Tech Program.
2. Public employees
3. Tax supported programs and institutions
4. Charitable organizations that are supported by donations
5. Other individuals and organizations if:
 - a. The live work project is not in competition with private enterprise.
 - b. The circumstances involved are unusual and justify the acceptance of the live work project.
 - c. The instructor and the school administrator do not have a family or business relationship with the client.
 - d. The instructor justifies in writing why the live work is necessary for the training program and files a signed copy with the school administrator.

Liability Waivers

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

1. Assume responsibility for the results of the work being done by students.
2. Accept responsibility for the total costs of materials and parts involved.
3. Pay a service charge according to the schedule established by the administrator of the school to cover indirect expenses.
4. Execute a liability waiver in favor of the school and its personnel acceptable to Madison City Schools.
5. Sign a form agreeing to the above conditions and specifically stipulating the work to be performed.

Service Charge for Live Work Projects

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

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

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

In exceptional cases such as the construction of a public building, a reduced charge for the live work project may be used upon approval of the administrator or his representative.

Work Orders

All live work projects must be documented with a signed liability waiver, authorized for work, and schedule of estimated costs for each customer. The liability waiver must be signed by the customer

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

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

Proceeds from Live Work Projects

Live work projects proceeds are school funds subject to the same financial requirements as other school funds, including receipts, daily deposits, purchase orders, and invoices. Live work projects must be included in the school budget and are recorded in the school's accounting records with a separate account for each instructor. (An instructor may have additional separate accounts as needed to account for individual classes.) **The income from live work projects and the**

expenditures from live work accounts are public funds and cannot be co-mingled with club and class funds. The administrator must approve all expenditures from live work funds. Funds from live work accounts may be transferred to other public fund accounts upon approval of the administrator. The Superintendent may require the transfer of funds from live work accounts to reimburse the school board for expenditures related to the live work projects.

M. Cash Management for Federal Funds

The Board will minimize the time between the receipt of federal funds from the United States Treasury, the Alabama Department of Education, or other pass-through entity, and the disbursement of those federal funds. Federal funds will only be requested to meet immediate cash needs for reimbursement not covered by prior receipts and anticipated disbursements that are generally fixed, such as monthly program salaries and benefits. Disbursements will be made within twenty business days after receipt of funds.

The Chief School Financial Officer will maintain financial records that account for the receipt, obligation, and expenditure of each federal program fund. Cash balances for each federal program fund and for the aggregate of all federal program funds will be monitored daily for the

Chief School Financial Officer or designee.

Board procedures to minimize the cash balances in federal program funds are expected to prevent the aggregate cash balances of federal program funds from earning \$500 or more for the fiscal year if maintained in interest-bearing accounts. The federal program funds, with the exception of Child Nutrition Program funds, will not be maintained in an interest-bearing bank account if the Chief School Financial Officer determines that banking requirements for minimum or average balances are so high that an interest-bearing account would not be feasible. Federal program funds will be maintained in insured checking accounts that are subject to state requirements for public deposits under the SAFE program.

N. Federal Time Distribution Procedures

If federal funds are used for salaries, then time accounting records are required. Any Madison City Schools employee paid in whole or in part with federal funds must maintain documentation showing that their time is allocable to a federal program. Allocable means the item or person's time benefits the federal grant in proportion to the percentage that the federal grant pays for the item or person's time.

Time & Effort must include the following:

- Full time and part-time employees
- Federal stipends that are considered salary expenses
- Substitute teachers (if employees), etc.

The following three components must be met for acceptable use of federal funds:

- Necessary
- Reasonable
- Allocable (time proves allocability)

a. 100% Staff Certifications

District staff who are fully funded (100%) from a Federal grant source or who are paid additional hours from a Federal funding source other than the funding sources they are typically compensated from will be included in a semiannual certification for time distribution. This process will include a list of all employees 100% funded from each federal source with the federal programs coordinator certifying the time distribution. Employees who are paid additional hours from a Federal funding source other than the funding sources they are typically compensated from will be required to complete and sign a monthly timesheet documenting their spent 100% of their time on the corresponding federally funded activity.

b. Time and Effort Certification for Multi-funded Positions

District staff who are funded from multiple sources including federal and other sources of funding will complete a monthly time and effort report. The time and effort report must represent, in percentages totaling the agreed upon contractual amounts, the total activity for

which each employee is compensated. Where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by time and effort documentation. The time and effort documentation must include:

- Employer's Name
- Employee's Name and Position
- Federal Program/ Cost Objective
- Reporting Period, including the date and month
- Number of Hours Worked per month
- Total number of hours worked on each cost objective
- Percent allocation spent on each cost objective
- Month percent allocation
- Effort Statement of 100% of Work Activities
- Employee's and direct supervisor's signature

In order to know who is paid from federal funds (in part or 100%), a payroll report will be generated from the Madison City Schools finance office to confirm the list of employees. The list will be given to each department so that they may complete their required certifications.

O. Facility Use Requests

The City of Madison Board of Education Policy 4.4.3 allows the use of Board owned facilities to be made available for use to outside individuals and organizations as long as the request meets the appropriate terms and conditions and is approved by the Board. Organizations cannot disrupt school operations or be inconsistent with the purpose and mission of the school system. Anyone seeking to use one of the Board owned facilities must first communicate with the principal or administrator ("Building Supervisor") of the facility they are requesting to use. A request for facility use agreement (via Droplet) must be completed by the building supervisor to include the appropriate rates based on the facilities being rented. These rates are contained in the request for facility use agreement. If the facility being requested does not fall within the listed categories, the administrator needs to seek prior approval from the Director of Finance before submitting the request. Once the building supervisor submits the request, it will be routed to the renter so they can upload proof of liability insurance with the City of Madison Board of Education as an additional named insured. They will then approve the form and it will be routed to the Director of Finance to present for Board approval at the next available Board meeting. The Director of Finance has the right to reject a facility use request if the conditions of the policy are not met and/or pricing does not meet the guidelines. Once the Board of Education approves the request, a copy will be directed to the building supervisor and the requestor. The timing of payments must be worked out between the building supervisor and the requestor. The rental funds that are collected will remain at the school and be used for routine maintenance of the facilities that are being used.

P. Contracting Outside Services

There are certain services in which schools need to contract with individuals or organizations outside of the Madison City School system. These contracts can be handled by issuance of a school purchase order or Board approved contract, depending on the service that is to be performed.

If the outside organization or individual is performing a service in which their job will require them to be directly involved with coaching or instructing students they must complete the service contract process via personnel and droplet. Part of this process includes having a background check performed on any individual that will be in contact with students.

If the outside organization is requiring a signature on their company contract this must first be reviewed by the Board attorney (contact personnel coordinator to begin this process). Once the Board attorney has finished reviewing, it will then be sent to the Board of Education for approval followed by the signature of the Superintendent (if Board approved). After the authorization process is complete, a purchase order is still required to be issued for the amount of the contract.

If the service does not involve direct contact or instruction of students and there is not a required organization contract to be signed; the school can issue a purchase order for the services as long as a quote for services and a w-9 is provided. In the event the amount exceeds \$15,000 three quotes will be required prior to a purchase order being issued. These quotes need to accompany the requisition.

Q. Compensatory Time Procedures

The Madison City Board of Education policy 3.12.6 explains that a non-exempt employee that works more than forty (40) hours in a workweek will be paid overtime in the form of compensatory time. It also explains that procedures and forms may be developed in order to implement this policy. Employees must seek their administrator's approval before compensatory time can be earned. A request for comp time approval form can be found on the Madison City Schools website under the business/finance section. This form must be completed and signed by both the employee and administrator and given to the school bookkeeper. Administrators may require an employee to use any earned compensatory time before the end of the quarter. Any unused compensatory balance will be paid quarterly. The schools will be billed for the compensatory balance with their monthly accounting invoice from the Central Office.

An annual evaluation will be done by the finance and human resources departments for any employees consistently exceeding sixty (60) hours of compensatory time per quarter to determine if additional employees are needed in order to reduce compensatory time.

**PROCEDURES
FOR
EXPENDITURES
OF STATE
INSTRUCTIONAL
SUPPORT FUNDS**

VII. PROCEDURES FOR EXPENDITURES OF STATE INSTRUCTIONAL SUPPORT FUNDS

A. Budgeting Requirements

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

Budget Committee

- Composed of five members-consisting of four Teachers and Principal (or Principal's designee)
- Teachers on committee shall be elected annually by secret ballot by majority vote of the teachers voting at each school
- Committee must elect Chairperson and Secretary
- Minutes must be kept of the meetings
- Budget committee shall propose budget for classroom instructional support
- Budget for technology and professional development shall be consistent with latest plan developed at local school level and submitted by the Board to the State Superintendent of Education
- Media specialist must be consulted in budgeting library enhancement funds

Budget

- Must outline common purchases and must specify the common items which may be purchased
- Must specify the amount to be allocated for each Teacher
- "Proposed Budget" submitted to Teachers at annual meeting
- Majority of the Board must vote for "Budget Approval"
- Must have at least two works days to review proposed budget before vote
- Any budget not approved by majority of the Board must return to the budget committee for revision

Reports

- Report on approved Proposed Budget must be submitted to the Superintendent
- The Superintendent shall submit a notarized affidavit to the State Department of Education

Note: Transfer with Teacher Disallowed (Item 10)

(See Ala. Code §16-1-8.1)

B. Student Materials Purchases

Apart from the allotment for Classroom Materials and Supplies that has to be voted on (see VII-A) the Alabama State Legislature may designate an appropriation to be given directly to each certified staff position for the purpose of direct expenses related to classroom instruction. These funds are not subject to a vote by the budget committee. The City of Madison Board of Education has contracted with ClassWallet to account for expenditures made with classroom instructional support-student material funds. Purchases made for classroom instructional support with the ClassWallet system are limited to items costing \$15,000 or less per item. Certified staff are the only employees entitled to these funds. At the beginning of each school year, the Madison City School's business office will load each qualified certified staff member with the upcoming budget

year State allocation for student materials. Every certified staff member will receive an e-mail link to create an account for ClassWallet. In order to begin utilizing ClassWallet certified staff must agree to the affidavit located in ClassWallet. Certified staff will have the option to either shop in the ClassWallet marketplace or make their own purchases outside of the marketplace and complete the reimbursement process through ClassWallet. If a staff member decides to make purchases outside of the ClassWallet marketplace, they will make purchases using their personal funds and submit a detailed receipt to ClassWallet for reimbursement. When purchases are made outside of ClassWallet it is the responsibility of the purchaser to ensure sales tax is excluded from the purchase. Any sales tax charged on a purchase will not be reimbursed. The local school bookkeeper or central office approver will be responsible for reviewing all submitted requests and ensuring all purchases are allowable prior to approving the purchases. Questionable purchases may require an upload of the lesson plan to ClassWallet along with a detailed description of items purchased if the receipt descriptions are unclear. The bookkeeper can place a hold on the ClassWallet account in question until this documentation is received. Certified staff will have until their last day of work for the budgeted school year to spend the funds in ClassWallet. If any funds are unspent at the end of the school year, the certified staff member with the remaining balance can make purchases through the purchase order process at the local school level or request a transfer of their remaining funds be made to the Principal's ClassWallet account. The local school can bill Central Office once a month until August 31 for the purchases made at the local school level.

- 1. Additional copier count purchases** At the beginning of each school year certified staff may request to purchase additional copies with their student materials funds. The certified staff member must submit in writing to the local school bookkeeper how much they are requesting for copies. The local school bookkeeper will then submit the list to the Madison City School's business office. The business office will then reduce the amount of funds available in ClassWallet for each certified staff member. A check will be sent from the business office to the local school for the total amount of copies. Certified staff members will have the opportunity to purchase additional copies at the beginning of each semester.

EXPANDED DAY PROGRAM

VIII. EXPANDED DAY ENRICHMENT PROGRAM

The Expanded Day Enrichment Program is a service provided by the local school. This program is also an additional way to generate revenue for the school. Emphasis and attention are directed towards providing a safe, educational, and psychological environment for the children.

Any school interested in providing this program must submit a written request to the Superintendent of the City of Madison Board of Education for approval.

A staff including a director is responsible for the daily operations of the Expanded Day Enrichment Program. The responsibility of the director is to supervise the employees, coordinate the activities for the children, purchase supplies and materials needed for the program, and provide the necessary information to the appropriate parties. It is the responsibility of the director to maintain accurate time sheets for all daycare employees and to return the time sheets to the local school Bookkeeper. All employees of the Expanded Day program are employees of Madison City Schools and are subject to all applicable personnel policies and procedures thereof.

The “Policy and Procedure Manual”, “Registration Form”, and “Parent Signature” should be issued to each child. “The Registration Form”, “Parent Signature”, and proof of insurance should be kept on file for each child participating in the Expanded Day Enrichment Program. An additional insurance policy is available through an independent company and detailed information regarding this policy can be obtained through the school office.

Monies received should be turned in on a designated day of the week and should be receipted in the NextGen Software receipt module.

Each Expanded Day Enrichment Program employee should complete the “Expanded Day Payroll Timesheet”. The monthly payroll should be processed by the local school Bookkeeper. The Expanded Day payroll should be cut off on the last working day of the month and promptly sent to payroll for processing.

Currently Expanded Day Programs are strongly encouraged to utilize Pro-Care as a separate accounting system in order to maintain an orderly set of records for invoicing, fees collected, amounts owed and a total of calendar year payments made by guardians.

The Principal is responsible and accountable for all funds received and expensed regarding the Expanded Day Enrichment Program. All funds regarding the Expanded Day Enrichment Program are **public funds** and fall under the guidelines and restrictions for public fund usage given by the Madison City Board of Education.

Schools in Madison City are authorized to operate Expanded Day and Full Day Care Programs according to the following provisions:

1. Each Principal will designate a local school administrator in charge of the program’s operation as a part of that administrator’s regular job responsibilities during his/her regular contract period. During the summer periods when no other administrator is available, the

Principal is in charge of the program.

2. Students are subject to the same rules and regulations that apply to the regular day, to include abiding by all provisions of the Madison City Code of Conduct.
3. Field Trips are not allowed in Expanded Day programs or during intercessions. Field Trips are allowed during the summer.

All employees of the Expanded Day program will be paid according to the Madison City School's salary schedule for Expanded Day. Salaries are not to be changed except for Board raises. Workers will be paid from timesheets submitted by the Principal to the Payroll Department.

Applicants will apply directly with the Principal. Workers will be selected by the Principal, employed by the Board upon the recommendation of the Superintendent, and supervised by the Principal and administrator in charge of the program.

All workers will undergo criminal background checks. Workers under 18 yrs. of age will not work alone with students. Workers will work no more than 19 hrs/week. Use of classified employees of Madison City Schools in the Expanded Day program in a manner that exposes the Board to responsibility for overtime pay will not be allowed unless approved in writing by the Superintendent.

OFFICE OF CIVIL RIGHTS STATEMENT

The Madison City Board of Education does not discriminate on the basis of race, color, national origin, sex, disability, religion, or age in its programs and activities, and provides equal access to the Boy Scouts and other designated youth groups. The following person(s) have been designated to handle inquiries regarding non-discrimination policies:

Coordinator of Personnel

211CelticDrive.Madison.AL35758

[256-464-8370](tel:256-464-8370) Ext. 10231