



School Activity Fund Manual

Revised 2012

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INTERNAL CONTROL STRUCTURE

1.1 PURPOSE OF SCHOOL ACTIVITY FUNDS

School activity funds are those monies collected by students, school personnel, parents and/or groups for school purposes, for school-related purposes, and for charitable or other approved agencies. Activity funds shall contribute to the educational experience of all students and shall not conflict with but shall contribute to the instructional program and general welfare of the school. These revenues are used for a variety of purposes ranging from miscellaneous supplies for the school to equipping and maintaining athletic teams. These funds have increased in recent years from insignificant amounts to many thousands of dollars. These monies are regulated by Louisiana Revised Statute 17:414.3 (Appendix A) and resolutions of the Livingston Parish School Board.

1.2 RESPONSIBILITY FOR SCHOOL ACTIVITY FUNDS

School principals, when they accept their appointment as the school administrator, assume ultimate responsibility for the school activity funds at their school. The supervision of the school activity funds and financial records will be provided by the Business Department. The Livingston Parish Public Schools (LPPS) holds the school principal fully accountable and **personally** liable for any shortages, deficits or mismanagement of any funds.

All school employees are required to comply with all adopted Board policies, Louisiana Revised Statutes, and the Louisiana Code of Governmental Ethics. The principal is responsible for insuring that all school personnel (administrative, instructional, and non-instructional) at their school understand the LPPS policies, principles and procedures.

The Business Department will provide assistance in training new bookkeepers and in explaining any policy, principle or procedure that any school personnel do not understand. The Business Department audits the schools to insure compliance with Board policy and state law.

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1.3 SAFEGUARDING MONEY, RECORDS AND INVENTORIES

All financial records, money and inventories shall be subject to appropriate security measures, which would protect them from theft, loss, unauthorized entry, fire, water damage, etc. When using a fire proof filing cabinet, it should be locked at all times and the keys should be restricted to an authorized few. When a safe or vault is available, the combination should be changed whenever there is a change in personnel. The combination should be restricted to an authorized few and not left available for others to read. The Business Department should be notified when a change to the combination has been made and shall keep copies of all current combinations on file for the Superintendent.

1.4 RECORD RETENTION

All accounting records should be retained for a period of five years. These records must be retained in the office for 3 years and then must be kept in storage for 2 additional years. This would include canceled checks, financial statements, invoices, receipts, deposit slips, bank statements, cash receipts journal, cash disbursements journal and other documentation identified in this manual. After five years the only documents that must be retained are the end of year re-caps. All other records may be destroyed.

The principal shall supervise the disposal of school financial records and make a record of the disposal, including a list of the items disposed of, the disposal date and the names of those observing the disposal.

As stated in section 1.3, appropriate security measures should be taken. In the event any school records are lost, the principal must submit a written explanation to the Superintendent.

1.5 THEFTS OR LOSS OF MONEY

It shall be the responsibility of the principal or other administrator in charge of any school to report promptly any loss or theft of funds by telephone to the Business Department and/or the Superintendent. The principal is also required to submit a written report to the Superintendent within 24 hours of any such incident to include a description of the loss, identification of the perpetrators, if known, and any suggested measures to prevent reoccurrence of similar incidents.

The Business Department will investigate the theft or loss of funds. The principal or other school personnel will provide cooperation and assistance. Upon

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completion of the investigation, the Business Department will give a verbal report to the Superintendent or his designee. The Superintendent will notify the local police department or the sheriff's department (if necessary) and make a report to the Board. The Business Department will also submit a written report of its findings to the Superintendent within 24 hours of the investigation.

1.6 PROHIBITED USES OF SCHOOL ACTIVITY FUNDS

The management of school activity funds should be in accordance with sound business practices, including sound budgeting, purchasing, and accounting practices. The list shown below is some of the **PROHIBITED USES** of school activity funds.

1. Lending money to faculty members, school employees or students for any reason or purpose.
2. Use of school funds for faculty luncheons, faculty banquets and retreats.
3. Use of school funds to provide coffee service for faculty and staff on a daily basis.
4. Use of school funds to purchase flowers or corsages.
5. Purchase of gifts for faculty or other school employees.
6. Payment of union dues (dues to educational organizations that benefit the faculty, staff or students are permissible).
7. Cashing personal or school checks.
8. Christmas gifts or cash gifts to students (checks written to students for fund raising prizes are allowed).
9. Ordering and paying for merchandise for personal use through the school and later reimbursing the school for the purchase.
10. Payments of local civic dues - i.e., Rotary Club, Lions Club, Chamber of Commerce, etc.
11. The purchase of alcoholic beverages.
12. Purchasing materials and/or services from a relative as stated in the Louisiana Ethics Code.
13. Contributions to charitable organizations (collections from students and faculty are permissible).

**All money generated by students (fundraisers, concessions, class fees, athletics, etc) should directly benefit the students educational needs.

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1.7 PURCHASES OR DONATION OF EQUIPMENT

All assets, as defined in the latest edition of the Fixed Asset Manual, purchased by the school or school board and all assets donated to the school are considered property of LPPS. A school does not have the authority to sell or dispose of any assets belonging to LPPS. An audit of fixed assets at each school site by the Business Department may be made anytime during the school year.

The principal is responsible for immediately notifying the fixed asset controller in the business department when the following occurs: donation of equipment in excess of \$5,000, school equipment purchased in excess of \$5,000 and theft sensitive items are purchased. The item will be tagged and the information will be recorded into the Fixed Assets Inventory by the Business Department.

All equipment with a cost over \$250 purchased with 8(g) Funds must be tagged and recorded.

1.8 RESPONSIBILITY TO REPORT VIOLATIONS

Bookkeepers, assistant principals, and employees of LPPS, having knowledge of a violation of the policies and procedures outlined in the School Activity Fund Manual, are required to notify the Business Department or the Superintendent immediately. No employee shall be discharged, demoted, suspended, threatened, harassed, or discriminated against in any manner regarding his/her employment for reporting a violation.

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ACCOUNTING, AUDITING AND REPORTING

2.1 CLASSIFYING FUNDS

In governmental accounting, and specifically school accounting, we use fund accounting. Fund accounting allows a bookkeeper to demonstrate that funds are received and expended in accordance with restrictions, if any, placed on the source of funding. Fund accounting is also required under state law, Louisiana Revised Statute 17:414.3 (Appendix A). School Activity funds should be classified in one of the following categories:

Administration/General Fund - The Administration account is used to account for all revenues and expenditures, which tend to benefit the general school population. Revenues and expenditures in the Administration account are not restricted to any specific group or activity.

Athletics - Funds received from athletic events and from students who participate in different athletic programs. Each sport should be listed and maintained in separate accounts and shown as separate accounts on the financial statement. Examples include football, basketball, baseball, etc. These funds are restricted and cannot be used for any purposes other than those intended by the group, sponsor and principal. Meals purchased are restricted to **TEAM** meals only and must have a copy of the team roster and itemized meal receipt attached.

Classes (High School) - Funds raised by the students of a class (senior class, junior class, etc.). Class accounts should be established on the basis of the graduation so that balances would automatically follow the class until graduation. Graduating class accounts should be closed at the end of the fiscal year, with the graduating class making provision for the disposition of remaining balances prior to graduation. Any inactive and unclaimed restricted balances may be transferred to the Administrative account with authorization from the principal. Otherwise, these funds are restricted and cannot be used for any purpose other than those projects and activities approved by the sponsor and students of the class.

Classes (Elementary) - Funds raised by the students of a class (1st grade, 2nd grade, etc). Class accounts may be established on the basis of the grade or by teacher. All monies collected must be disbursed on/for the students that the money was collected from. Any inactive and unclaimed restricted balances may be transferred to the Administrative account with authorization from the principal. Otherwise, these funds are restricted and cannot be used for any purpose other than those projects and activities approved by the sponsor and students of the class.

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Clubs - Funds raised by the students of a club (4H, Band, FBLA, etc.). These funds are restricted and cannot be used for any purpose other than those projects or activities approved by the sponsor and students of the club.

Grants - Funds received by the school for a specific purpose. These funds are restricted and cannot be used for any purpose that is not stated in the grant. Examples include SIP, EEF, LPPS Teacher Allotment, etc. These funds must be spent timely due to the fact that some have limits on the amount that may be carried over.

2.2 FACULTY FUNDS

These are funds consisting of voluntary contributions from faculty members (includes ALL employees) and are maintained within a separate school activity account (ex. Faculty Fund). Participating faculty members must be advised with respect to the specific purpose(s) for which the funds are to be used.

Attorney General Opinion 05-0429 states that “vending machines that are owned, operated and maintained by employees, and not leased, purchased, operated or maintained with public monies, should not be considered public funds”. Therefore, the LPPS will allow monies received from the school’s faculty vending machines to be deposited within the school’s faculty fund account.

All monies received from outside sources, with the exception of the two mentioned above, that are deposited into the school’s faculty fund account must have a contract or letter from the donator stating that the intended use of the funds are for faculty appreciation. Monies generated by students or fundraisers **CANNOT** be deposited into this account, even if a letter is provided by the vendor.

2.3 MONTHLY FINANCIAL STATEMENTS

Principals are responsible for submitting a monthly School Activity Fund Financial Statement to the Business Department. This report is to be prepared by the school bookkeeper and approved by the principal.

Monthly financial statements are prepared for internal use by the school principal, school bookkeeper, faculty sponsors, club officers and Central Office. The deadline for submitting this report is on or before the 15th day of each month following the period covered. Example: The October Financial Statement would be due on or before November 15. The monthly financial statement is to be signed by both bookkeeper and the principal.

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2.4 BANK RECONCILIATION

School bookkeepers are responsible for submitting monthly School Activity Fund Bank Reconciliations to the Business Department. This report is to be attached to the monthly financial statements along with a copy of the monthly bank statement. The variance and the out of balance amount must both be zero.

2.5 ANNUAL FINANCIAL STATEMENT

The Annual Financial Statement is to be submitted to the Business Department on or before August 1st and is a compilation of the monthly statements that began July 1 and ended June 30. The annual financial statement is to be signed by both bookkeeper and the principal.

The Annual Financial Statements of all schools are merged into the other accounts maintained by the Business Department in the production of financial statements for the entire school district and reported to the Louisiana State Department of Education, the Legislative Auditor and the Livingston Parish School Board.

2.6 JOURNAL VOUCHERS/TRANSFER OF FUNDS

School activity funds are restricted funds that cannot be transferred from one account to another account without the written approval of the sponsor and the principal. Authorized transfers must be approved by the school sponsor(s) and the principal after completing and returning the School Activity Journal Voucher/Transfer of Funds.

2.7 PETTY CASH

Petty cash is a sum of money set aside for the purpose of making change or paying small obligations for which the issuance of a formal voucher and check would be too expensive and time consuming. Petty cash disbursements are made from time to time as needed; a receipt or petty cash voucher being complete in each case. At the end of each month, or when the petty cash fund is completely or almost expended, a report with substantiating petty cash vouchers is prepared and the petty cash fund is replenished for the amount of disbursements by a check drawn on the appropriate school account. The total of petty cash on hand plus the amount of signed receipts or petty cash vouchers at any given time must equal the total amount of petty cash authorized. The amount of petty cash on hand shall NOT exceed fifty dollars (\$50.00).

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2.8 AUDIT OF SCHOOL ACTIVITY FUNDS

A school audit will be conducted at designated times by the Business Department. All school audit reports with any resulting findings or violations will be reported to the Superintendent, the school principal and the school bookkeeper. The principal is responsible for a written response to the auditor on the findings in the audit report. The principal is responsible for adhering to all audit recommendations. Any exception to audit recommendations must be explained in writing by the principal to the Superintendent. The Superintendent will then decide if further action is needed.

Audit findings could include:

- Failure to conform to established Board policies
- Poor accounting procedures
- Unauthorized indebtedness
- Failure to write receipts covering all amounts received
- Failure to enter all amounts received
- Failure to deposit funds daily
- Unauthorized purchases
- Bookkeeping errors
- Unauthorized disbursements for gifts or meals
- Unreported thefts to Business Department of money or equipment
- Shortage of funds or deficit spending by fund or account
- Significant reduction in Fund Balance
- Disbursements for loans to individuals
- An apparent shortage of funds due to incompetence
- Failure to file school financial statements timely
- Failure to follow fundraiser procedures
- Failure to follow Board Purchasing Policy
- Supporting documentation is missing for checks written
- Mismanagement of concessions, vending machines or fundraisers

2.9 FUND RAISING REPORTS

Projects for the raising of school activity funds should in general contribute to the educational experience of pupils and add to the instructional program. All school employees that wish to engage in fund raising projects are required to obtain written authorization from the principal on the Report of Fund Raising Project - (Exhibit #1) before the fund raising project begins and authorization at the completion of the fundraiser. Fund raising projects that have been unsuccessful

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or difficult in the past should be avoided.

A fund raising activity is defined as any activity involving the participation of the student body or a school recognized group undertaken for the purpose of raising funds for a school or school sponsored group. This includes athletic sponsorships.

The bookkeeper shall file and keep all "Report on Fund Raising Project" forms in one folder at the school. These forms should be numbered sequentially to identify and separate each fund raising activity, and should be filed in numerical sequence for each school year. The bookkeeper should also attach a detailed account analysis for each fundraising activity that shows the income and expenses for each project.

Fund raiser forms (1) are required when the school collects and deposits money from students in the school activity fund account, (2) are not required when the company collects the money and issues the school one check for commissions or profit. Example: (Pictures)

Schools must be aware of the gaming laws involved with raffles. Please see Exhibit #10.

2.10 SCHOOL FOOD SERVICE BILLING SYSTEM

There are three methods of paying for school lunches. One is the billing method for elementary schools, the second is by online payments, and the other is the cashier method for junior high and high schools.

1. Billing method for Elementary Schools – Students are billed monthly. Billing envelopes will be sent home with the student the first week of each month and should be returned the same week. The exact amount due is shown on the inside of the billing envelope flap. Credit for days absent will be given on the next month's billing envelope. The teacher collects the sealed envelopes and sends them to the School Food Service Department daily. The billing clerk records the payment of each child. The money is deposited in the School Food Service checking account. At the end of each month, the principal writes a check for the total amount collected and sends it to the Central Office.
2. Cashier method for Junior High and High Schools – Each student pays the cashier either on a daily basis or in advance. The cashier deposits the money in the School Food Service account daily. At the end of each month, the principal writes a check for the total amount collected and sends it to the Central Office.

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Students who are unable to pay for meals must apply for Free and Reduced meals during the first school week of a new year. No one will be approved for free meals until their application has been completed and returned to the school office. Therefore, parents are liable for payments of meals until this application is approved. The school is NOT allowed to extend credit to those students billed monthly.

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CHECKING ACCOUNT, LOANS AND INVESTMENTS

3.1 CHECKING ACCOUNT

Each school should have only one school activity fund checking account and one school food service checking account at a bank insured by the FDIC and located near the school. Signature card authorizations should be kept to a minimum and current. **Schools are not allowed to use DEBIT CARDS.**

Principals are required to select an interest bearing checking account. Interest earned shall be recorded in the Administration account only.

3.2 SIGNATURE ON CHECKS

All checks written from the school account must carry the signature of the school principal or the person he/she has designated to sign checks in their absence. Signature stamps are not acceptable. The principal's signature confirms that funds are available in the account, that the person requesting the expenditure is authorized to do so, and that the disbursement is in accordance with Board Policy.

School must notify the business department at the LPPS when signers on bank accounts have changed.

3.3 BORROWING MONEY

Individual schools are not permitted to borrow or lend money for any reason or purpose.

3.4 INVESTMENTS

If a school has excess funds (more than an amount needed for the next year's operation) in an individual school account (such as Administration), then the principal is allowed to invest these funds. Types of investments are limited to certificates of deposit, other time deposits, treasury bills and bonds. Schools have the option of purchasing investments that yield the best return, whether it is with their neighborhood bank or the system's depository bank.

Interest earned and received from these investments must be deposited into the account to which the investment belongs. Interest must be expended in accordance with the purpose of the fund into which it is deposited. All investments made must be recorded in the records of the school funds. The investment and the interest earned must be reported and accounted for in any review or reconciliation of the school funds.

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RECEIPTS, DEPOSITS AND NSF CHECKS

4.1 DEPOSITS OF SCHOOL ACTIVITY FUNDS

All checks and cash received should not be held by faculty members over several days and shall be deposited by the school bookkeeper on a daily basis whenever possible. Setting aside cash and currency to make payment for goods or services rather than depositing these monies is strictly prohibited.

Money should never be taken to an employee's home or left at the school over weekends or over holidays. All monies collected should be taken to the bank for deposit in the school activity fund checking account.

4.2 DEPOSIT SLIPS

Bank deposit slips shall be prepared in duplicate. The original deposit slip is left at the bank, and the duplicate is validated by the bank teller and is kept for the school activity accounting records. The line titled "Less cash received" on the deposit slip must be left blank.

4.3 ENDORSEMENT OF CHECKS

All checks received shall be endorsed with a facsimile stamp. The stamp shall read "For Deposit Only," and shall include the School Name and Bank Account Number.

4.4 SCHOOL EMPLOYEES WHO COLLECT MONEY

School employees who handle money should be aware of the need for maintaining accurate and systematic records of all monies collected. Money should never be left in a faculty member's desk or filing cabinet. It should be turned into the school bookkeeper immediately. Leaving it unattended in a classroom will only invite a theft or loss of monies.

School employees are asked to record collections of monies for various activities and purposes, e.g., class rings, clubs, pictures, supplies, etc. on a Cash Receipts Record - (Exhibit #2). The monies collected along with the Cash Receipts Record form should be given to the school bookkeeper daily, or more frequently when large amounts of money are received.

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School employees are encouraged to keep copies of the Cash Receipts Record form. These forms should be comparable to the receipt's record and should provide an audit trail for any questionable receipts.

4.5 RECEIPTS

The school bookkeeper is required to issue a **computer generated receipt** for the exact amount of the funds received. The receipt should indicate the type of funds received (cash, check, or both). Each receipt is required to have the name of the person who the funds are being received from and signed by the person receiving the funds. If the amounts counted by the bookkeeper differ from the amounts listed on the Cash Receipts Record, the employee will be notified immediately. Under no circumstances should the person who counted the money be the same as the person issuing the receipt. In order to assist in the auditing process, please include the account name and/or account number on the receipt.

4.6 CONTRIBUTIONS/DONATIONS FROM PRIVATE SOURCES

These are revenues from foundations, private individuals, or private organizations for which no repayment or special service to the contributor is expected. All contributions/donations should be listed on the Donations Received By School - (Exhibit #3). A copy of the check and the contract or letter from the donator stating the intended use of the funds should be attached to the above mentioned form.

All contributions/donations deposited into the school's faculty fund account must have a contract or letter from the donator stating that the intended use of the funds are for faculty appreciation.

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4.7 CHECKCARE

The contact information for CheckCare:

1-800-864-2432

225-291-8590

225-291-8594 (Fax)

CheckCare will only guarantee payment if the following requirements are met:

1. The check must include two phone numbers
2. No temporary checks
3. Must be less than 21 days from issuance
4. Checks can not be written for more than \$200
5. Checks can not be received from the same person more than three times

4.8 FUND RAISER DEPOSITS

When monies are collected by school personnel for Fund Raising Projects and submitted to the school bookkeeper for deposit, the employee is required to fill out a Cash Receipts Record (Exhibit #2).

The school bookkeeper should check to verify if a Report of Fund Raising Project (Exhibit #1) was approved by the principal. If approval was not granted or if a form is missing, the secretary shall notify the principal.

The school bookkeeper is required to list the name of the Fund Raiser along with the fund raiser number on the Receipt(s). This will provide an audit trail for the Business Department and will aid in determining if the project made a profit or a loss. The bookkeeper should also attach a detailed account analysis for each fundraising activity that shows the income and expenses for each project.

4.9 ATHLETIC AND GAME CONCESSION DEPOSITS

Monies collected from athletic games and concessions shall be counted by the school (someone other than the bookkeeper), recorded on the Game Recap Sheet for gate collections– (Exhibit #4) or the Concession Recap Sheet for concession collections (Exhibit #5), placed in a bank bag, and taken to the bank's night depository, if available. If not available it should be secured in the school office. On the next available working day the school bookkeeper shall verify the money in the bank bag and receipt the money. Supporting documentation for athletics and game concessions should include a reconciliation of all monies from ticket sales, gate change, concession sales, concession change, etc.

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4.10 CHANGE FOR ATHLETICS AND GAME CONCESSIONS

Schools needing money for athletic events or concessions should make a check payable to the assistant principal or the coach. This individual goes to the bank, obtains the money, returns to the school, and gives the money to the school bookkeeper or principal. The school bookkeeper or principal verifies the amount, separates what is for concessions and what is for athletics, and then gives it to the appropriate faculty members.

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PURCHASES, DISBURSEMENTS, AND PAYABLES

5.1 PURCHASES

School purchases may not be made without written prior approval from the principal. Purchases that are made by teachers, school employees or other persons associated with the school, without the authorization of the school principal, are the sole responsibility and obligation of the individual making such purchases.

All purchases made with School Activity Funds should utilize the policies and procedures outlined in the latest edition of the Livingston Parish Public Schools Purchasing Manual. For purchases to be paid from School Board funds (Example: district funds or funds from grants, exception Special Ed funds) a MUNIS requisition must be submitted for approval and a purchase order must be issued before items are purchased. Also, when telephone quotes or written quotes are necessary, documentation should be placed behind the invoices and the checks.

5.2 1099's TO VENDORS

Vendors that provide services to the school that do not have a business name and a federal tax ID# should be marked as a 1099 vendor. It is recommended to have all vendors complete a W-9 form. (Exhibit #5)

5.3 PUBLIC BIDDING (LA R.S. 38:2212)

All purchases of materials and supplies or equipment exceeding \$30,000 shall be advertised and awarded by contract to the lowest responsible bidder who has bid according to the contract, plans and specifications advertised.

Purchases of materials and supplies or equipment of \$10,000 but less than \$30,000 shall be made by obtaining not less than three telephone or facsimile quotations. A written confirmation of the accepted offer shall be obtained and made part of the purchase file.

There are no statutory requirements for purchases of materials and supplies or equipment costing less than \$10,000. It is recommended that three quotes be received for purchases of \$5,000 or more.

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Exceptions to the above procedures are as follows:

1. Purchases of parts and repairs for vehicles, machinery, and equipment may be made with an authorized dealer (a dealer certified to perform maintenance and repairs by manufacturer of a specific brand of equipment) or through competitive bids.
2. Purchases of the following items or types:
 - a. Federal or state government surplus property
 - b. Purchases from State (State Contract) – Items which have already been bid by the State require no additional bidding by the School Board; example office equipment, air conditioners, water coolers, etc.
 - c. Textbooks, newspapers, subscriptions or foreign publications.

5.4 VOCATIONAL PURCHASING PROCEDURES

All supplies to be purchased with parish, state or federal funds are to be requisitioned using the MUNIS Software System. State and federal allocations should be exhausted before parish funds are spent. The amount of state and federal funding changes each year and is based on formula funding. The parish allocation is calculated on a per student basis for those programs or classes that qualify. State and/or federal funds may be used to purchase either materials and supplies or equipment as determined at the time of funding notification. The equipment must either be selected from the state approved list or special approval must be obtained. Deadlines for making purchases will be determined by the Central Office. Any funds not obligated at this time will no longer be available to the teacher.

Exceptions and/or additions to the above regulations:

1. The Home Economics food items bought at local stores must be invoiced with the original invoice (ticket) attached to the requisition. (An itemized invoice is necessary.) These are to be done on a monthly basis. There will be no “charge accounts” with merchants, except for food.

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5.5 SCHOOL ALLOTMENTS

Student /General Allotment – These funds are used to purchase teaching materials and classroom equipment. The funds are sent to the school to use at its discretion and the amount allocated is calculated on a per student basis.

Office Allotment - The primary use of these funds are for telephone, stationary, copier expenses, fax expense, postage, etc. The funds are sent to the school to use at its discretion and the amount allocated is calculated on a per student basis.

Library Allotment – A designated amount is allocated each year. These funds are sent to the school to be used for miscellaneous expenditures in the school's library. The funds may be carried over from one year to the next year. However, the school is encouraged to expend the majority, if not all, of its allotment.

Science Allotment - These funds are used to purchase **consumable** supplies for use in science classes. They are allocated on a per student basis. Any unused money must stay in this account.

Employee/Teacher/Librarian/Guidance Counselor Allotment - These funds are to be used to purchase classroom teaching supplies. The funds are sent to the school to distribute to the employees as it is spent. These are reimbursable funds only. Employees should not be allowed to charge to the school credit card for their allotment.

SFS Personnel/Custodial Personnel - These funds are to be used to purchase shoes and uniforms needed for everyday job duties. The funds are sent to the school to distribute to the employees as it is spent. These are reimbursable funds only. Employees should not be allowed to charge to the school credit card for their allotment.

Band Allotment – Given to Junior High and High Schools on an alternately annual basis. Funds are used for equipment, supplies and uniforms. Funds cannot be used for trips, festivals, etc. These funds can be carried over between fiscal years.

Warehouse Allotment - Each school is allocated a warehouse allotment each year to be used to purchase paper, custodial supplies, printer cartridges, lighting and pesticides. These items are to be ordered via MUNIS requisition entry. The amount is calculated using the student count and square footage of each school. There is no carryover of unused funds.

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5.6 ADVANCES AND ALLOWANCES

Advances and allowances given to school personnel, such as advances for travel or athletic trips, must be made by check and given directly to the sponsor, coach, or traveler. Employees requesting an advance should complete and sign the Request For Check - (Exhibit #6) and submit it to the bookkeeper. If the principal approves the advance, the bookkeeper will type and deliver the check to the employee requesting the advance. Upon returning from the travels, the individual must return any unused balance, invoices, or other evidence supporting the amount of the disbursement.

5.7 STIPENDS OR SUPPLEMENTS

Supplemental pay to school employees will be allowed from local school funds **BUT** payment **MUST BE MADE** to employees by Central Office payroll check. Local schools will reimburse the Central Office by check through self-generated funds for the supplemental payment. A list of employees to be supplemented and the amounts of the supplement must be submitted to the Central Office for approval by the assigned supervisor prior to payment. Please check the bill school box on the supplemental pay form. The school will be billed from the Central Office. If an employee leaves the system before the supplemental pay period is up, he will be required to refund all unearned monies received.

5.8 TRAVEL REIMBURSEMENTS

Reimbursements to principals, faculty and staff members for travel and other related expenses may be made from school activity funds in accordance with Board Policy and the purpose of the fund. The purchase of gasoline for a personal vehicle is **not** allowed unless prior approval is obtained from the Business Manager. Reimbursement for meals to employees must follow the board policy for **ALL EMPLOYEES. NO EXCEPTIONS!!** Reimbursement will only be made from itemized receipts not exceeding the allowable amount. All persons requesting reimbursement for travel must complete and sign a LPPS Travel Expense Account - (Exhibit #7) and submit it to the school bookkeeper for payment. Reimbursement requests from principals must be approved by the Assistant Superintendent. Required documentation must be kept on file for audit purposes. The LPPS Travel Expense Form and Travel Regulations can also be found on our website, www.lpsb.org.

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5.9 CREDIT CARDS

Using credit cards is a **risk factor** that could provide opportunities for management or employees to misappropriate assets. Schools are encouraged to limit the number of credit cards to one or preferably NONE. The card should be used for emergencies only and not used for daily purchases. All credit card charges appearing on the monthly statement must have itemized/detailed receipts and other appropriate documentation. The business purpose must be clearly documented for all charges appearing on the credit card statements, including names and persons participating. A Credit Card Log – (Exhibit #8) should be used for all credit cards to track who has the card and for what purpose. The principal is responsible for exercising adequate controls over credit card usage. Use of the school credit card **MUST** have prior approval by the school principal. Credit cards should be kept on the school campus in a lock box or safe at all times. Credit card limits should not exceed \$10,000. This includes all credit accounts held by your school.

****Finance charges and late charges should never be incurred**

5.10 ITEMIZED INVOICES

All payments for goods or services made from school activity funds shall be supported by an itemized invoice or some other detailed documents from a business, including purchases made on the internet. Statements from vendors or employees may not be used to support cash disbursements. All invoices must have prior approval from the principal before payment is made. The principal should initial all invoices or check requests to show that it has been reviewed and approved.

Because supporting documents are necessary for all payments, in certain instances (stamps, officials at athletic events, etc.), it may be necessary for the school to prepare a document and have it signed by the vendor.

5.11 VERIFY BEFORE PAYMENT IS MADE

No payment should be made until there is evidence that the items have been received and that the amounts invoiced and ordered agree with the items received as to quality and quantity. The accuracy of costs and extensions should also be checked. All invoices must have prior approval from the principal before payment is made.

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5.12 SALES TAX EXEMPTION

Schools are exempt from paying sales taxes. If sales taxes are charged, the net amount of the invoice should be paid. If an employee is being reimbursed for items purchased, the sales taxes paid by the employee may be reimbursed to that employee.

5.13 REQUEST FOR PAYMENT OR CHECK

Request from school faculty for payment for all advances, travel, and invoices (excluding routine monthly invoice such as telephone, copier, maintenance, etc.) shall be accompanied by a Request for Check – (Exhibit #6). Attached to this form are the supporting documents: LPPS Travel forms or Itemized Invoices.

The school bookkeeper is required to submit the Request for Check form, all supporting documentation and a check to the principal for approval and signature. If approved and signed, the check can be mailed or given to the person requesting the check. If the check is being made to the principal it **must** be approved and signed by the principal designee or assistant.

5.14 PAYMENT & AVAILABLE FUNDS

The school should make every effort to pay its bills on a timely basis. Payments must be made with pre numbered school activity fund checks and not cash or credit cards. Checks should have original signatures. Facsimile signatures are not acceptable. Also, checks should never be signed in advance, and should never be made to a vendor, person, or company when funds are not available.

5.15 VOIDING A CHECK

A check cannot be altered, erased or destroyed. Should an error be made, mark the check "VOID" and write another check. Retain the check in the numerical file of canceled checks.

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5.16 OUTSTANDING CHECKS

If a check is outstanding for more than 60 days, send out an Outstanding Check Notice – (Exhibit #9).

If no response is received, send a second notice after two weeks. If there is still no response after 6 months, then the check should be voided in the system and a stop payment issued depending on the amount of the check. Use your best judgment when deciding whether to issue a stop payment on a check. If the amount of the check is not a significant amount, then the cost and paperwork involved would not be beneficial. The bank will sometimes waive the stop payment fee, if asked.

If a response is received stating the check was lost or never received, void the check and reissue. Again use your best judgment when deciding whether to issue a stop payment on the voided check.

5.17 CHECK RECORDS

The invoices and Request for Check - (Exhibit #6), when applicable, should be stapled to a duplicate copy (or stub) of the check, kept in a separate file and kept in numerical sequence by check number. When partial payments are made (though not recommended), the invoice should be copied and placed with each check until full payment has been made.

5.18 FOOD AND REFRESHMENTS

School Activity Funds can be used to pay for food and refreshments at banquets and meetings sponsored by various classes and clubs, such as the athletic banquet, FFA banquet, etc. Receipts must be kept and a list of all people attending **must** be attached.

Principals may use school funds for purchasing snacks, coffee or other non-alcoholic beverages for use at school faculty meetings, partial day in-services, parental/community meetings or other school related activities. Itemized receipts **must** be attached along with an agenda and a list of all people attending.

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Using school funds for faculty lunches, faculty banquets, faculty holiday parties, retreats or any other appreciation of services, etc. is **NOT ALLOWED.** (Exception is the use of faculty funds) School Funds include administration, concessions, athletics, fundraisers and donations.

Principals can use school funds to purchase meals for an **ALL DAY** in-service or workshop. **Itemized** receipts **must** be attached along with an agenda and a signed list of all people attending.

5.19 TRAVEL PAID TO CONTRACT BUS DRIVERS

Contracted bus drivers (those currently employed by the Livingston Parish School Board) who use their own buses to transport students to and from various school functions are paid \$1.50 per mile. Because this amount exceeds the federal IRS rate, the Business Department must make payment to the contracted driver and is required to report the entire amount as taxable wages. Schools **must not** pay travel reimbursement to contract bus drivers from the School Activity account.

5.20 ATHLETIC OFFICIALS

Athletic Officials must be paid with a school check and marked as a 1099 vendor. Officials are not to be paid with cash.

School fund; management, expenditure, and accounting; duties of school principal

A. The principal of every public elementary and secondary school shall maintain a school fund as provided for in this Section for the management of any money which accrues to benefit his school. The money provided by the state or the city or parish school system for support of the regular instructional program or the school facility shall not be included in the school fund provided for in this Section; such money shall be managed as directed by the agency from which it is received.

B.(1) The monies in the school fund shall be deposited in a single bank account, preferably interest-bearing, on which checks may be drawn. The bank shall be selected in the manner required by the policy or direction of the school board or, if there is no policy or direction, at the discretion of the principal.

(2) Separate records or ledgers shall be maintained by the principal, or his designee from among the school staff, for each of the following sources of deposits into the school fund account:

(a) Each club, organization, association, class, athletic team, or other organizational unit within the school, the existence of which complies with school and school board policy; the membership of which is either students, faculty, or employees of the school; and which generates money by collecting dues, conducting fundraisers, charging admission, or some other money generating activity for a purpose which the entity intends to control.

(b) Each donation made to the school by an entity outside the school, whether it be a parents club, community, business, or civic organization, or other donor, when such donation is made for a specific or restricted use or purpose.

(c) All donations made by any entity referred to in Subparagraphs (a) and (b) of this Paragraph as well as all monies raised by the school population generally which are unrestricted and which are intended for discretionary use to benefit the school, its students, faculty, employees, programs, or facilities.

(d) All monies raised in a school-wide effort for a specific use or purpose.

(e) Any other money source, temporary or permanent, which is identifiable, approved by the principal, and has a need to maintain a record or ledger.

(3)(a) No money shall be drawn on the school fund account without a request therefore; no withdrawal shall occur unless the check carries the

LOUISIANA REVISED STATUTE 17:414.3

signature of the principal, or the administrator who assumes his duties during his absence.

(b) No monies shall be drawn on the school fund account unless the request for withdrawal of funds carries two signatures, one of which shall always be the principal's.

(c) The other signature shall be:

(i) In the case of a request for withdrawal by an entity which has deposited pursuant to the status described in R.S. 17:414.3(B)(2)(a) and (e), an officer, member, or sponsor of the entity, designated by the entity.

(ii) In the case of a request for withdrawal for the pursuit of a restricted use or purpose as described in R.S. 17:414.3(B)(2)(b), another school administrator, faculty member, or employee who is approved by the donor and is familiar with the purpose of the donation.

(iii) In the case of a request for withdrawal of money deposited pursuant to R.S. 17:414.3(B)(2)(c) or (d), any other school administrator, faculty member, or employee.

(d) Withdrawals may be made for estimated amounts of anticipated need, but in such cases shall be accounted for with receipts, which accounting shall be reflected in the school fund records and which receipts shall be retained with the record until the report provided for in R.S. 17:414.3(C) is approved by the superintendent.

(e)(i) Money deposited in the school fund pursuant to R.S. 17:414.3(B)(2)(a), (b), (d), and (e) shall be used according to the purpose for which it was generated or for the purposes selected by the depositing entities, provided such expenditures are approved by the principal as indicated by his signature on checks for withdrawals.

(ii) Money deposited in the school fund pursuant to R.S. 17:414.3(B)(2)(c) may be expended at the discretion of the principal provided such expenditures are for the benefit of all or any of the school's students, faculty, staff, facility, or program and provided the ledger reflects the expenditure.

(4) Deposits in the school fund account shall be made by the principal, or his designee from among the school staff.

(5) Every deposit or withdrawal from the school fund account shall be entered in the separately maintained record as provided in Paragraph (2) of this Subsection.

(6) The records of the school fund shall be reconciled monthly with the school fund account statement of the bank regarding activity in the school fund account. Bank statements shall be signed by the principal, once reconciled with the records, and retained with the school fund record.

LOUISIANA REVISED STATUTE 17:414.3

The school fund records shall be reviewed annually by the principal and one other member of his administrative staff. Such review shall be reflected in the record by the signature of both reviewers.

(7)(a) Any amount of money in the school fund account in excess of that needed to permit the access described in this Section may be invested by the principal in accordance with R.S. 33:2955. However, balances in the school fund account shall include all monies deposited pursuant to R.S. 17:414.3(2)(a), (b), and (e) unless the depositing entity approves the investment of any portion of its deposits as provided in this Paragraph, which approval shall be in writing and maintained with the school fund record.

(b) Any investments made pursuant to this Paragraph shall be recorded in the records of the school fund, shall be reported as required in Subsection C of this Section, and shall be accounted for in any review or reconciliation of the school fund.

(c) Earnings on any investment made pursuant to this Paragraph shall be considered the same as, and may be expended as, provided in R.S. 17:413.2(B)(3)(e)(ii).

C. Each school principal shall report on his school's fund annually to the superintendent or a member of his staff designated by him, at a regular time designated by the superintendent. The report shall be sufficiently detailed to notify the superintendent of account balances, significant deposits, significant expenditures, and any unresolved errors or discrepancies. The superintendent shall approve such reports in writing to the school within two months of receiving the report or shall notify the principal of any further information needed or examination required. The superintendent shall be responsible for notifying the school board of the apparent need for further examination, supervision, or intervention. The school board may require and provide for an audit of the school fund of any school within its jurisdiction at any time.

D. No agency of state government, or any of its branches, shall supervise, regulate, or audit the school funds provided for in this Section, except upon request of a city or parish school board.

E. Nothing in this Section shall be construed to permit an expenditure that is otherwise prohibited by law.

Acts 1990, No. 1066, §1, eff. July 27, 1990.

Livingston Parish Public Schools Report of Fund Raising Activities

Exhibit #1

Top portion to be completed prior to fundraiser

Account Name and #: _____ Sponsor Name: _____

Projected Activity: _____ Date of Project : From _____ To: _____

Vendor Information : _____

Name Address Phone #

_____	_____	_____	_____
Item to be sold	Purchase Price	Selling Price	Quantity

Sponsor Signature and Date

Principal Signature and Date

Bottom portion to be completed after fundraiser is complete

Receipts:	Receipt #	Date	Amount
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
		TOTAL	_____0

Expenses:	Check#	Date	Amount
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
		TOTAL	_____0

Total Profit : (Receipts less Expenses) _____ 0 Percent of Profit: (profits divided by receipts) _____ #DIV/0!

Unsold items: _____ Method of disposal: _____

I certify that this report is correct to the best of my knowledge.

Sponsor Signature and Date

Principal Signature and Date

Livingston Parish Public Schools Cash Receipts Record

Exhibit #2

Name of Faculty Member: _____

Date Collected _____ Total Collected _____ Receipt # _____

All monies collected from faculty members for classes, clubs, athletics and other purposes are required to complete and submit this form to the school secretary. The school secretary is required to issue you a receipt and deposit these monies in the accounts designated below. If the amounts counted by the secretary differ from the amounts listed on the sheet, you will be notified immediately.

Sources of where the money came (Persons, company or activity)	Account to be credited	Amount Collected	
		Cash	Checks
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
Total Amount Collected in Cash and Checks			

Livingston Parish Public Schools Donations Received by School

Exhibit #3

Name of School: _____

School Year: _____

Please attach a copy of the check and the contract or letter from the donator stating the intended use of the donated funds.

	Date Rcvd	Donator (List the Name of the person or company)	Account credited	Receipt Number	Amount Received
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
Total Amount Received					0