

Cabarrus County Schools  
Policies and Procedures Manual

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Cabarrus  
County Schools

*Engaging minds. Shaping futures.*

# Cabarrus County Schools Policies and Procedures Manual

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### 1.0 Accounting

#### 1.1 Standards of Professional Conduct – Board Policy Code: 7205

The Board believes all employees should adhere to certain basic standards of professional conduct. The purpose of this policy and the rules contained herein is to define, establish and uphold generally accepted standards of professional conduct for teachers and all other employees, both licensed and classified. These rules shall be binding on all teachers, school administrators and all other employees.

Teachers, school administrators and all other employees shall adhere to the standards of professional conduct contained within this Policy. Failure to follow the standards in this Policy shall subject the teacher or other employee to investigation and possible disciplinary action by the Board and or State Board of Education. The willful breach of the standards in this Policy shall subject a teacher or licensed employee to license suspension or revocation.

You may review the complete Board Policy by accessing the Cabarrus County Schools (CCS) website at [www.ccsweb.cabarrus.k12.nc.us](http://www.ccsweb.cabarrus.k12.nc.us).

#### 1.2 Expectation of Professional Ethics

##### 1.2.1 Personal Standards

Employees of CCS are expected to demonstrate and be dedicated to the highest ideals of honor and integrity in all public and personal relationships to merit the respect, trust and confidence of governing officials, other public officials, employees and the public. They are expected to devote their time, skills and energies to their office both independently and in cooperation with other professionals. They are expected to abide by approved professional practices and recommended standards.

##### 1.2.2 Responsibility as Public Employees

Employees of CCS are expected to recognize and be accountable for their responsibilities as professionals in the public sector. They are expected to be sensitive and responsive to the rights of the public and its changing needs.

They are expected to strive to provide the highest quality of performance and counsel.

They are expected to exercise prudence and integrity in the management of funds in their custody and in all financial transactions.

##### 1.2.3 Professional Integrity – Relationships

Employees of CCS are expected to act with honor, integrity and virtue in all professional relationships.

They are expected to exhibit loyalty and trust in the affairs and interests of the government they serve.

They shall not knowingly be a party to or condone any illegal or improper activity.

They are expected to respect the rights, responsibilities and integrity of their colleagues and other public officials with whom they work and associate.

They are expected to manage all matters of personnel within the scope of their authority so that fairness and impartiality govern their decisions.

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### 1.2.4 Conflict of Interest

Employees of CCS are expected to actively avoid the appearance of or the fact of conflicting interests.

They are expected to discharge their duties without favor and are expected to refrain from engaging in any outside matters of financial or personal interest incompatible with the impartial and objective performance of their duties.

They shall not, directly or indirectly, seek or accept personal gain which would influence, or appear to influence, the conduct of their duties.

They shall not use public property or resources for personal gain.

(Please refer to Board Policy # 7730 for further guidance)

### 1.3 Chief Financial Officer and Department Responsibilities - Policy Code: 8510 Selection Evaluation

The Superintendent will select and the Board will approve a Chief Finance Officer. The Finance Officer will serve at the pleasure of the Superintendent. The Superintendent will evaluate the Finance Officer to help ensure that all duties as required by law, board policy or the superintendent are met.

#### Duties

The Chief Finance Officer provides critical services for the effective planning and use of fiscal resources. The Chief Finance Officer will be responsible to the Superintendent for:

- Keeping the accounts of the school district in accordance with generally accepted principles of governmental accounting, board policy, the rules and regulations of the State Board of Education, and the rules and regulation of the Local Government Commission;
- Giving the pre-audit certificate required by G.S. 115C-441 and establishing procedures to assure compliance;
- Signing and issuing all checks, drafts, and state warrants by the school district;
- Investing the cash balance of any funds, subject to board policy 8110, Budget Resolution;
- Receiving and depositing all monies accruing to the school district;
- Preparing and filing a statement of the financial condition of the school district as often as requested by the Superintendent;
- Preparing and filing a statement of the financial condition of the school district when requested by the Board of Education or the Board of County Commissioners, but only if such requests are in writing and copied to the Superintendent;
- Performing such other duties as may be assigned by law, by the Superintendent, or by rules and regulations of the State Board of Education and the Local Government Commission;
- Submitting reports to the Secretary of the Local Government Commission as required by law;
- Receiving and accounting for all clear proceeds of fines, penalties and forfeitures and notifying the Superintendent and Board of such funds;
- Reviewing school improvement plans which provide for the transfer of funds between funding allotments or lease purchase contracts;

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- Evaluating all continuing contracts, including principal and interest to be paid and making recommendations to the Superintendent and reports to the Superintendent and Board as provided in Board policy 6425, Continuing Contracts;
- Assisting the Superintendent in the development of the budget;
- Prescribing the form and detail of records maintained by the school treasurer;
- Making salary deductions as provided in policy 7620, Payroll deductions;
- Maintaining custody of the facsimile signature device as provided in policy 8330, Facsimile Signatures
- Maintaining custody of insurance policy and programs as provided in policy 8340, Insurance.

### Fidelity Bond

The Finance Officer will carry a true accounting and faithful performance bond as provided in board policy 8530, Fidelity Bonds.

Legal References: G.S. 115C-105.25, -435, -436, -441, -445, -446, -452, -528

Cross References: Continuing Contracts (policy 6425), Payroll Deductions (policy 7620), Budget Resolution (policy 8110), Facsimile Signatures (policy 8330), Insurance (policy 8340), Fidelity Bonds (policy 8530)

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### 1.4 Finance Department Contacts

#### 1.4.1 Staff Directory

<b>Kelly H. Kluttz, CPA</b> Chief Finance Officer	<a href="mailto:Kelly.kluttz@cabarrus.k12.nc.us">Kelly.kluttz@cabarrus.k12.nc.us</a>	704-260-5705
<b>Ed Emery, CPA</b> Assistant Finance Officer	<a href="mailto:Edward.emery@cabarrus.k12.nc.us">Edward.emery@cabarrus.k12.nc.us</a>	704-260-5703
<b>Carrie Cox</b> Accountant	<a href="mailto:Carrie.cox@cabarrus.k12.nc.us">Carrie.cox@cabarrus.k12.nc.us</a>	704-260-5708
<b>Marsha Frick</b> Accountant	<a href="mailto:Marsha.frick@cabarrus.k12.nc.us">Marsha.frick@cabarrus.k12.nc.us</a>	704-260-5707
<b>Kimberly Aldridge</b> Accountant	<a href="mailto:Kimberly.aldrige@cabarrus.k12.nc.us">Kimberly.aldrige@cabarrus.k12.nc.us</a>	704-260-5701
<b>Katelyn Huneycutt</b> Accounting Technician	<a href="mailto:Katelyn.huneycutt@cabarrus.k12.nc.us">Katelyn.huneycutt@cabarrus.k12.nc.us</a>	704-260-5704
<b>Carlotta Suggs</b> Accounting Technician	<a href="mailto:Carlotta.suggs@cabarrus.k12.nc.us">Carlotta.suggs@cabarrus.k12.nc.us</a>	704-260-5709
<b>Lisa Mundale</b> Junior Accountant	<a href="mailto:Lisa.mundale@cabarrus.k12.nc.us">Lisa.mundale@cabarrus.k12.nc.us</a>	704-260-5710
<b>Kimber Hurlocker</b> Accounts Payable Specialist	<a href="mailto:kimberly.hurlocker@cabarrus.k12.nc.us">kimberly.hurlocker@cabarrus.k12.nc.us</a>	704-260-5706
<b>Carol Strickland (Gardner)</b> Accounts Payable Specialist	<a href="mailto:Carol.gardner@cabarrus.k12.nc.us">Carol.gardner@cabarrus.k12.nc.us</a>	704-260-5702
<b>Steven Winecoff</b> Accounts Payable Specialist	<a href="mailto:Steven.winecoff@cabarrus.k12.nc.us">Steven.winecoff@cabarrus.k12.nc.us</a>	704-260-5711
<b>Karen Oliver</b> Lead Payroll Specialist Certified	<a href="mailto:Karen.oliver@cabarrus.k12.nc.us">Karen.oliver@cabarrus.k12.nc.us</a>	704-260-5715
<b>Tammy Ford</b> Lead Payroll Specialist Non-Certified	<a href="mailto:Tammy.ford@cabarrus.k12.nc.us">Tammy.ford@cabarrus.k12.nc.us</a>	704-260-5712
<b>Katherine Goodnight</b> Payroll Specialist	<a href="mailto:katherine.goodnight@cabarrus.k12.nc.us">katherine.goodnight@cabarrus.k12.nc.us</a>	704-260-5713
<b>Rene Caldwell</b> Payroll Specialist	<a href="mailto:Constance.caldwell@cabarrus.k12.nc.us">Constance.caldwell@cabarrus.k12.nc.us</a>	704-260-5714

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## 1.4.2 Who to Contact

### General Accounting

<p>Budget</p> <p>Audit &amp; Compliance</p> <p>Financial Policy &amp; Procedures</p> <p>Board Inquiries</p> <p>Public Information Requests</p>	<p><b>Kelly Kluttz, CPA</b></p> <p><a href="mailto:Kelly.kluttz@cabarrus.k12.nc.us">Kelly.kluttz@cabarrus.k12.nc.us</a></p>	<p>704-260-5705</p>
<p>Clerical/Custodial Allotments</p> <p>Instructional Supply Allotments</p> <p>Federal Programs</p> <p>Budget</p> <p>Audit &amp; Compliance</p> <p>Purchase Order Approval</p>	<p><b>Ed Emery, CPA</b></p> <p><a href="mailto:Edward.emery@cabarrus.k12.nc.us">Edward.emery@cabarrus.k12.nc.us</a></p>	<p>704-260-5703</p>
<p>School Finance Policy &amp; Procedures</p> <p>School Internal Audits – High &amp; Depts</p> <p>Treasurer Support – High &amp; Depts</p> <p>Department Support</p> <p>899 Billing</p> <p>Webpage</p> <p>Clerical/Custodial Allotments</p>	<p><b>Marsha Frick</b></p> <p><a href="mailto:Marsha.frick@cabarrus.k12.nc.us">Marsha.frick@cabarrus.k12.nc.us</a></p>	<p>704-260-5707</p>
<p>Banking (ACH, Deposits, Voids)</p> <p>Budget Amendments</p> <p>1099s</p> <p>Quarterly Reports (DMA, I3)</p> <p>LGC Reporting (Semi &amp; Annual)</p> <p>Contract Approval</p> <p>Escheats</p> <p>School Internal Audits – Middle</p> <p>Treasurer Support – Middle</p> <p>School Finance Policy &amp; Procedures</p>	<p><b>Kimberly Aldridge</b></p> <p><a href="mailto:Kimberly.aldrige@cabarrus.k12.nc.us">Kimberly.aldrige@cabarrus.k12.nc.us</a></p>	<p>704-260-5701</p>



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<p>Purchase order, invoice, &amp; check processing for Construction Projects</p> <p>Fixed Assets</p> <p>TA Allotments</p> <p>Elementary Treasurer Support</p> <p>School Internal Audits – Elementary</p> <p>School Finance Policy &amp; Procedures</p>	<p><b>Katelyn Huneycutt</b></p> <p><a href="mailto:Katelyn.huneycutt@cabarrus.k12.nc.us">Katelyn.huneycutt@cabarrus.k12.nc.us</a></p>	<p>704-260-5704</p>
<p>Wage/Employment Verification</p> <p>Facility Use</p> <p>Liability &amp; Property Insurance</p> <p>Cash Receipts</p>	<p><b>Carlotta Suggs</b></p> <p><a href="mailto:Carlotta.suggs@cabarrus.k12.nc.us">Carlotta.suggs@cabarrus.k12.nc.us</a></p>	<p>704-260-5709</p>

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## Accounts Payable/Purchasing

<p>Employee Reimbursements- verify &amp; approve</p> <p>Prepaid Vouchers – verify &amp; approve</p> <p>W9s – Vendor Setup</p> <p>Purchase Order Approval</p> <p>Process AP, Payroll, &amp; ACH</p> <p>Review checks and vendor statements</p> <p>Capital Outlay</p> <p>Construction Projects</p>	<p><b>Lisa Mundale</b></p> <p><a href="mailto:Lisa.mundale@cabarrus.k12.nc.us">Lisa.mundale@cabarrus.k12.nc.us</a></p>	<p>704-260-5710</p>
<p>Purchase order, invoice, &amp; check processing for:</p> <p>Elementary</p> <p>Bus Garage</p> <p>HR Dept.</p> <p>Accountability</p> <p>Health &amp; Safety</p> <p>Technology</p> <p>Kids Plus</p> <p>Admin</p> <p>Process invoices and checks for all school utilities</p>	<p><b>Carol Strickland (Gardner)</b></p> <p><a href="mailto:Carol.gardner@cabarrus.k12.nc.us">Carol.gardner@cabarrus.k12.nc.us</a></p>	<p>704-260-5702</p>
<p>Purchase order, invoice, &amp; check processing for:</p> <p>Middle</p> <p>High</p> <p>C&amp;I</p> <p>EC</p> <p>Mary Frances Wall</p> <p>Head Start</p> <p>Long Preschool</p> <p>Finance</p>	<p><b>Steven Winecoff</b></p> <p><a href="mailto:Steven.winecoff@cabarrus.k12.nc.us">Steven.winecoff@cabarrus.k12.nc.us</a></p>	<p>704-260-5711</p>
<p>Employee Reimbursements- verify</p> <p>Prepaid Vouchers – verify</p> <p>Requisition Approval (level 3)</p>	<p><b>Kimber Hurlocker</b></p> <p><a href="mailto:kimberly.hurlocker@cabarrus.k12.nc.us">kimberly.hurlocker@cabarrus.k12.nc.us</a></p>	<p>704-260-5706</p>

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## Payroll

Payroll Tax Reporting Unemployment Tax Reporting Pay Tables	<b>Carrie Cox</b> <a href="mailto:Carrie.cox@cabarrus.k12.nc.us">Carrie.cox@cabarrus.k12.nc.us</a>	704-260-5708
Certified Staff Leave of Absence/Elementary Supplements	<b>Karen Oliver</b> <a href="mailto:Karen.oliver@cabarrus.k12.nc.us">Karen.oliver@cabarrus.k12.nc.us</a>	704-260-5715
Teacher Assistants- (TA, BMT, EC, JC & INTERP) Custodial Staff Clerical Staff Maintenance Staff Transportation Staff Kids Plus Staff	<b>Tammy Ford</b> <a href="mailto:Tammy.ford@cabarrus.k12.nc.us">Tammy.ford@cabarrus.k12.nc.us</a>	704-260-5712
Certified Staff Leave of Absence/Middle & High Contract Payments Stipends AESOP Pull	<b>Rene Caldwell</b> <a href="mailto:Constance.caldwell@cabarrus.k12.nc.us">Constance.caldwell@cabarrus.k12.nc.us</a>	704-260-5714
Bus Drivers School Nutrition Staff State Employee Credit Union Longevity 403B, 401k, 457	<b>Katherine Goodnight</b> <a href="mailto:katherine.goodnight@cabarrus.k12.nc.us">katherine.goodnight@cabarrus.k12.nc.us</a>	704-260-5713
Pay Schedules State Installments Substitutes W2, W4, NC-4 Direct Deposit Garnishments	<b>Payroll Department and the first available member will assist</b>	

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## 1.5 General Accounting

### 1.5.1 Tax Information for Cabarrus County Schools

#### a. W9 – Request for Tax Payer ID Number and Certification

All CCS agreements for services, whether they are contracts or purchase orders, require a completed electronic application along with a W-9.

This can be accessed by going to <http://www.cabarrus.k12.nc.us/Pge/46962>

Vendors will complete and submit an electronic vendor application and W-9 form; these are emailed directly to accounts payable. The W-9 requires a signature so it must be printed and signed. The vendor may fax or email a scanned copy to accounts payable.

The W9 form is our source document for the correct name, address, identification number, and type of entity the school/department is entering into the agreement with. Departments/schools are responsible for obtaining this information from their vendors. Forms should be forwarded to Accounts Payable and a copy kept at school level.

W9's should be requested from employees who own a business. If the business is incorporated, **we are unable to purchase from their company**. If the business is not incorporated **we are unable to purchase from their company**. This is considered a conflict of interest. We cannot issue a 1099 and a W2 to the same person in the same year.

Under certain circumstances, vendors may request a W9 from CCS. CCS tax identification number and W9 information must be **requested** from Finance in writing. All requests will be reviewed for merit, a written approval or denial will be sent to the requestor.

<p><b>W-9</b> Form (Rev. December 31, 2011) Department of the Treasury Internal Revenue Service</p>	<p><b>Request for Taxpayer Identification Number and Certification</b></p>	<p>Give Form to the requester. Do not send to the IRS.</p>																																								
<p>Name (as shown on your income tax return)</p>																																										
<p>Business name (disregarded entity name, if different from above)</p>																																										
<p>Check appropriate box for federal tax classification:</p> <p><input type="checkbox"/> Individual sole proprietor    <input type="checkbox"/> C Corporation    <input type="checkbox"/> S Corporation    <input type="checkbox"/> Partnership    <input type="checkbox"/> Trust/estate</p> <p><input type="checkbox"/> Limited liability company. Enter the tax classification (C-C corporation, S-S corporation, P-partnership) ▶</p> <p><input type="checkbox"/> Other (see instructions) ▶</p>																																										
<p>Address (number, street, and apt. or suite no.)</p> <p>City, state, and ZIP code</p> <p>List account number(s) here (optional)</p>																																										
<p>Requester's name and address (optional)</p>																																										
<p><b>Part I Taxpayer Identification Number (TIN)</b></p> <p>Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see <i>How to get a TIN</i> on page 3.</p> <p><b>Note.</b> If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.</p>																																										
<p><b>Part II Certification</b></p> <p>Under penalties of perjury, I certify that:</p> <ol style="list-style-type: none"> <li>The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and</li> <li>I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and</li> <li>I am a U.S. citizen or other U.S. person (defined below).</li> </ol> <p><b>Certification instructions.</b> You must check out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 4.</p>		<p>Social security number</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 5%;"> </td> <td style="width: 5%;"> </td> <td style="width: 5%;"> </td> <td style="width: 5%;"> </td> <td style="width: 5%;"> </td> <td style="width: 5%;"> </td> <td style="width: 5%;"> </td> <td style="width: 5%;"> </td> <td style="width: 5%;"> </td> <td style="width: 5%;"> </td> </tr> <tr> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> </table> <p>Employer identification number</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 5%;"> </td> <td style="width: 5%;"> </td> <td style="width: 5%;"> </td> <td style="width: 5%;"> </td> <td style="width: 5%;"> </td> <td style="width: 5%;"> </td> <td style="width: 5%;"> </td> <td style="width: 5%;"> </td> <td style="width: 5%;"> </td> <td style="width: 5%;"> </td> </tr> <tr> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> </table>											-	-	-	-	-	-	-	-	-	-											-	-	-	-	-	-	-	-	-	-
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<p><b>Sign Here</b>    <b>Signature of U.S. person</b>    <b>Date</b> ▶</p>																																										
<p><b>General Instructions</b></p> <p>Section references are to the Internal Revenue Code unless otherwise noted.</p> <p><b>Purpose of Form</b></p> <p>A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.</p> <p>Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester), and, where applicable, to:</p> <ol style="list-style-type: none"> <li>Certify that the TIN you are giving is correct (or you are waiting for a number to be issued).</li> <li>Certify that you are not subject to backup withholding, or</li> <li>Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.</li> </ol> <p><b>Note.</b> If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.</p> <p><b>Definition of a U.S. person.</b> For federal tax purposes, you are considered a U.S. person if you are:</p> <ul style="list-style-type: none"> <li>An individual who is a U.S. citizen or U.S. resident alien,</li> <li>A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,</li> <li>An estate (other than a foreign estate), or</li> <li>A domestic trust (as defined in Regulations section 301.7701-7).</li> </ul> <p><b>Special rules for partnerships.</b> Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.</p>																																										
<p>Cat. No. 102011X    Form <b>W-9</b> (Rev. 12-2011)</p>																																										

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## b. 1099 – Miscellaneous Income

Form 1099 Miscellaneous income reports various types of income. Including non-employee compensation of at least \$600 in services (including parts and materials), this form is submitted by the Finance department to the IRS.

The image shows a blank Form 1099-MISC for the year 2013. The form is titled 'Miscellaneous Income' and includes various sections for reporting different types of income and taxes. Key sections include:
 

- 1 Rents**: \$
- 2 Royalties**: \$
- 3 Other income**: \$
- 4 Federal income tax withheld**: \$
- 5 Fishing boat proceeds**: \$
- 6 Medical and health care payments**: \$
- 7 Nonemployee compensation**: \$
- 8 Substitute payments in lieu of dividends or interest**: \$
- 9 Payer made direct sales of \$5,000 or more of consumer products to a buyer (recipient) for resale**:  \$
- 10 Crop insurance proceeds**: \$
- 11 Foreign tax paid**: \$
- 12 Foreign country or U.S. possession**: \$
- 13 Excess golden parachute payments**: \$
- 14 Gross proceeds paid to an attorney**: \$
- 15a Section 409A deferrals**: \$
- 15b Section 409A income**: \$
- 16 State tax withheld**: \$
- 17 State/Payer's state no.**: \$
- 18 State income**: \$

 The form also includes fields for Payer and Recipient information, such as name, address, and identification numbers. It is marked with '9595', 'VOID', and 'CORRECTED' checkboxes at the top.

## c. Federal Reporting Status – not 503(c)

Cabarrus County Schools is not a non-profit organization; CCS is a public school system. Cabarrus County School’s tax id number provides evidence of our federal reporting status.

Please send a written request to Finance if this number is needed. This information should not be provided without written approval from Finance.

### 1.5.2 Indirect Cost/Rates

Indirect costs are incurred for the benefit of multiple programs, functions, or other cost objectives and therefore cannot be identified readily and specifically with a particular program or other cost objective. They typically support administrative overhead functions such as human resources, accounting, payroll, purchasing, facilities management, utilities, etc.

#### Examples of Typical Direct and Indirect Costs

##### Direct Costs

- Wages & salaries
- Cost of purchased items
- Program specific supplies
- Media/promotional materials relating to the program
- Capital expenditures (e.g., food service equipment purchases)

##### Indirect Costs

- Payroll Services
- Human Resources
- Worker’s Compensation
- Procurement
- Gas, Electricity, Sewer, Water, Trash
- Superintendent’s Office

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The indirect cost rates for CCS is calculated by the Department of Public Instruction and are listed below:

	Restricted	Unrestricted
FY-18	3.6740%	14.967%
FY-17	3.2240%	17.114%
FY-16	2.6380%	15.594%
FY-15	2.5310%	13.660%

The restricted rate can be applied against all grants operating with “supplement but not supplant” restrictions in the regulations. The unrestricted rate can be applied to all other programs. The CFO exercises discretion and works with the individual departments when charging Kids’ Plus and SNP indirect costs.

Indirect Cost Plan (Expenses coded here are categorized as “indirect cost”)

#### 5850 Safety and Security Support Services

Costs of activities concerned with the security and safety of the students, staff, buildings and grounds. Included in this area are expenses related to school resource officers, traffic directors, crossing guards, security at athletic events, security officials, and security systems.

#### 6400 Technology Support Services

Costs of central based activities associated with implementing, supporting and maintaining the computer hardware, software, peripherals, technical infrastructure which provide technology system services to the LEA as a whole. Also included is the development and implementation of technological systems; and technology user support services for the LEA.

#### 6520 Printing and Copying Services

Costs of activities, like printing and publishing publications such as annual reports, school directories, and manuals. Also included are the lease/purchase of copier equipment for the school system, as well as centralized services for printing and publishing school materials and instruments such as school bulletins, newsletters, notices, teaching materials, and other items used by the LEA and their individual schools.

#### 6530 Public Utility and Energy Services

Costs of activities concerned with public utility and energy product consumption.

#### 6540 Custodial/Housekeeping Services

Costs of activities concerned with housekeeping duties necessary for the clean and healthy environment of the building structures of a school or other buildings of the LEA.

#### 6560 Warehouse and Delivery Services

Costs of activities concerned with the receiving, storing, and distributing of supplies, furniture, equipment, materials, and mail.

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### 6580 Maintenance Services

Costs of activities concerned with the repair and upkeep of the building structures, mechanical equipment, underground utility lines and equipment, and surrounding grounds of a school or other buildings of the LEA.

### 6610 Financial Services

Costs of activities concerned with the financial operations of the LEA. These operations include budgeting, receiving and disbursing of funds, financial and property accounting, payroll, purchasing, risk management, inventory control, and managing funds as required in the School Budget and Fiscal Control Act.

### 6620 Human Resource Services

Costs of activities concerned with maintaining an efficient, effective staff for the LEA including such activities as recruitment, retention, placement, and development of human resources for the LEA.

### 6720 Planning, Research Development and Program Evaluation

Costs of activities to provide the planning, research development and program evaluation costs of the school system.

### 6920 Legal Services

Cost of activities concerned with providing legal advice and counsel to the Board of Education and/or school system.

### 6930 Audit Services

Cost of activities concerned with the annual independent financial audit as well as the internal audit functions in a school system.

### 6940 Leadership Services

Costs of activities performed by the superintendent and such assistants as deputy, associate, assistant superintendents, and other system-wide leadership positions generally directing and managing all affairs of the LEA. These include all personnel and materials in the office of the chief executive officer.

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## Account Codes to be Included in Indirect Cost Calculation for SNP

Director/Supervisor	5-7200-035-113	Employer's Life Insurance Cost	5-7200-035-235
Office Support	5-7200-035-151	Other Insurance Cost	5-7200-035-239
Technician	5-7200-035-152	Workshop Expenses/Allowable Travel	5-7200-035-312
Administrative Specialist (Central Support)	5-7200-035-153	Travel	5-7200-035-332
Substitute-Non Teaching	5-7200-035-165	Supplies and Materials	5-7200-035-411
Driver	5-7200-035-171	Employer's Dental Insurance Cost	5-7200-035-234
Cafeteria Worker	5-7200-035-174	Employer's Unemployment Ins. Cost	5-7200-035-233
Managers	5-7200-035-176	Employer's Worker's Comp. Ins. Cost	5-7200-035-232
Work Study Students	5-7200-035-177	Employer's Health Insurance Cost	5-7200-035-231
Supplementary Pay	5-7200-035-181	Employer's Retirement Cost-Regular	5-7200-035-221
Bonus Pay	5-7200-035-183	Employer's Retirement Cost-Installment Accrual	5-7200-035-220
Longevity	5-7200-035-184	Employer's Social Security Cost-Regular	5-7200-035-211
Bonus Leave Payoff	5-7200-035-185	Employer's Social Security Cost-Installment Accrual	5-7200-035-210
Annual Leave Payoff	5-7200-035-188	Overtime Pay	5-7200-035-199
Payments for Short Term Disability-First Six Months	5-7200-035-189	Staff Development Participant Pay	5-7200-035-196



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### 1.5.3 Receipting Funds

Guidelines for non-school collections (departments excluding Kid's Plus and SNP)

- All funds received by an employee whether from an outside agency, student, parent, etc. are to be receipted in a CCS receipt book which is provided by the Finance Department.
- The Finance Department will keep a "Issued Receipt Books Log"
- All funds received must be receipted and turned in to the Finance Department the same day they are received.
- All funds receipted in the employee receipt book are the responsibility of the employee until turned in to the Finance Department
- No money is to be left in an employee's office overnight.
- No money is to be taken home with an employee. (This is considered co-mingling of funds which is prohibited).
- All employee receipt books should be kept in a safe place.
- It is the employee's responsibility if the receipt book issued to them is lost or stolen.
- Sharing a receipt book is not allowed.
- When new receipt books are issued employees will be given guidelines and procedures. The employee must sign "Financial Responsibilities Funds Received Certification"

### 1.5.4 Journal Entries

#### 1.5.4.1 Adjusting Journal Entries (AJE's)

Adjusting Journal entries are made for transactions that are not recorded by either a cash receipt (recorded as a deposit) or a cash disbursement (recorded by a check).

AJE's are necessary to record the following types of entries:

1. Interest earned
2. Correcting posting errors
3. Recording or re-classing expenses (purchases or salaries).

Forms should be submitted to Finance for approval 3 days before needing the entry to be posted to the general ledger.

Please include an explanation of why the AJE is needed.

An AJE form (which can be found on the Finance web site) must be printed, signed by the appropriate personnel, approved and keyed by the Finance department and are maintained on file in Finance.

#### 1.5.4.2 Budget Journal Entries (BJE's)

Proper planning ensures that budget amounts are set appropriately at the beginning of the year and will prevent the need for BJE's.

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Budget journal entries are used to set up budgets or transfer funds between accounts and should rarely be used.

BJE's **cannot cross funds or PRC's**, and only whole dollars can be moved (**no cents**). Please include an explanation as to why the funds need to be moved. BJE's will not be processed without an explanation.

Original budget journal entry forms should be sent to your cabinet member prior to the BJE submission deadline. Cabinet members hold and sign all original BJE'S received then they are sent to Finance on the BJE submission deadline. Once original BJE's are received they are signed by the Finance Officer then they are inputted into LINQ.

**Do NOT enter a requisition until the budget amendment has been processed.**

A BJE form (can be found on the finance website).

### 1.5.5 Inventory for School Nutrition, Transportation, and Maintenance

Verification of inventories will be required via a physical count at the end of each fiscal year. The count will take place on the last working day of the year closest to June 30th. The purpose of this inventory is to determine accurate counts and values as reported on CCS financial statements. After inventorying and investigating any discrepancies, corrections to the report must be made and the corrected copy of the report sent to the Finance Department.

**NOTE: Fixed Asset inventory is addressed in Section 6: Fixed Assets**

### 1.5.6 NC Escheat Policy

The North Carolina Department of State Treasurer is charged with the administration of the Escheat and Abandoned Property Program. Some of the objectives are:

1. To collect unclaimed and abandoned property such as un-cashed checks, and
2. To insure that any unclaimed property remitted to the Treasurer's Office is returned to the rightful owner.

Per the Escheat Act, property is assumed to be abandoned if it has not been claimed within one year after becoming payable.

Once property is identified as potential unclaimed property, it is required that for amounts due to owners of \$50 or greater, a good faith effort shall be made to locate the owner AND a certified letter shall be sent to the payee.

Amounts under \$50.00 must be reported but a notice to the payee is not required.

If no response is received from the payee within 30 days of the date of the letter, the Finance Department, as well as individual schools within the district, will annually, at the end of the school year, escheat all checks that are over a year old that have not been cashed.

### 1.5.7 Records Retention

[http://archives.ncdcr.gov/Portals/26/PDF/schedules/schedules\\_revised/GS\\_2015\\_05\\_01\\_fin\\_al.pdf](http://archives.ncdcr.gov/Portals/26/PDF/schedules/schedules_revised/GS_2015_05_01_fin_al.pdf)

The state of North Carolina gives us guidelines to go by when holding and destroying records. Please reference the above link for any questions about record retention.

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### 1.5.8 Internal Controls

Internal controls are rules, procedures and policies put into place to ensure the integrity of financial reporting, operations and compliance within an organization. Internal Controls are an integral part of any organization's financial and business policies and procedures. Internal controls consists of all the measures taken by the organization for the purpose of; (1) protecting its resources against waste, fraud, and inefficiency; (2) ensuring accuracy and reliability in accounting and operating data; (3) securing compliance with the policies of the organization; and (4) evaluating the level of performance in all organizational units of the organization. Internal controls are simply good business practices.

Control activities are the policies and procedures that help ensure management directives are carried out. They help ensure that necessary actions are taken to address risks that prevent the achievement of Cabarrus County School objectives. Control activities occur throughout the organization, at all levels, and in all functions. They include a range of activities as diverse as approvals, authorizations, verifications, reconciliations, reviews of operating performance, security of assets and segregation of duties.

### 1.5.9 Theft

In the event money is stolen at the school or department level, the principal or supervisor must be notified immediately in writing, then Finance and Human Resources Department should also be notified immediately in writing as well as a police report filed. The principal/director and the Finance Department will decide whether the theft could have been avoided if all local accounting procedures had been followed.

If procedures were not followed and the theft was a result of this negligence, then the negligent person will be held responsible for repaying the missing funds. If financial policy and procedures were followed, and all necessary precautions were taken to safeguard the funds, then the incident will be deemed "unavoidable". The principal/director should consult Finance as to what steps can be taken to avoid a recurrence.

### 1.5.10 Lost Checks

If a CCS issued check has been written and released, then is deemed lost or stolen the check will be voided in system and a new check can be issued. For CCS issued checks, a stop payment is not needed because of the implementation of the positive pay system.

### 1.5.11 Accounts Receivable

Payments to the Cabarrus County Board of Education should be sent directly to the Finance department. Each payment should be accompanied by supporting documentation, including the budget code in which the funds should be posted. Unless otherwise specified, payments are due upon receipt of an invoice, an activity / event has taken place (i.e. facility rental, driver education classes), or a reimbursable expense is incurred.

Cash and checks are recorded on a cash receipts log and deposited daily.

### 1.5.12 Chart of Accounts

In 1975 the General Assembly enacted a law requiring a uniform accounting system for all local school administrative units effective July 1, 1976. The minimum requirements for the account code structure consists of four dimensions.

The dimensions are: 1) fund, 2) function, 3) program report, and 4) object.

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Cabarrus County Schools has adopted a budget coding scheme which incorporates the uniform chart of accounts of the state board of education with additional dimensions- school, location, and trailing digits.

The purpose of such detail is to enable management at the school and system levels to make informed decisions regarding the utilization of limited resources, to provide the most effective educational programs for students, and to do so as efficiently as possible. The account code structure is described thoroughly in the next paragraph.

There are seven dimensions in the account coding scheme that are used in the budget: fund, purpose, program report code (PRC), object, school, department location, and trailing digits.

The seven dimensions occur in a fixed sequence.

Account Code: 1-5110-061-411-304-000-00 (School Based Account Code)

The first four dimensions classify expenditures and revenues into groups so that meaningful analyses can be made. No single dimension used alone would provide enough information for accountability and responsible management. By relating a specific expenditure to all dimensions, complete accountability is realized, and more information is available to management.

### **Fund Codes (where the money comes from)**

A fund is an independent fiscal and accounting entity consisting of cash and other resources together with all related liabilities, obligations, reserves, and equities which are segregated by appropriate accounting techniques for the purpose of carrying on specific activities or obtaining certain objectives in accordance with established legal regulations, restrictions or limitations.

#### *Fund 1 - State Public School Fund*

This fund includes appropriations for the current operating expenses of the public school system from monies made available to the local school administrative unit by the Department of Public Instruction. Allotments are made to local school administrative units based on formulas adopted by the state board of education. There are several formulas used; i.e., ADM, number of state allotted teachers, categorical allotments for special programs or services.

#### *Fund 2 - Local Current Expense Fund*

This fund includes appropriations for the current operating expenses of the local school administrative unit other than appropriations included in the state public school fund and the federal grant fund.

This shall include, but not be limited to: revenues from fines and forfeitures, county appropriations for current expenses, supplemental taxes levied for current expenses, state allocations, and appropriated fund balances (revenues accruing to a school administrative unit in prior years but not yet expended).

#### *Fund 3 - Federal Grant Fund*

This fund includes appropriations for the expenditure of federal categorical grants made available through the Department of Public Instruction. These appropriations are categorical in nature; i.e., programs and services for children of low income families, programs and services designed to eliminate the effects of previous discriminatory practices, etc.

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### *Fund 4 - Capital Outlay Fund*

This fund includes appropriations for the acquisition of real property for school purposes, including but not limited to school sites, playgrounds, athletic fields, administrative headquarters, and garages;

1. The acquisition, construction, reconstruction, enlargement, renovation, or replacement of buildings and other structures, including, but not limited to buildings for classrooms and laboratories, physical and vocational educational purposes, libraries, auditoriums, gymnasiums, administrative offices, storage, and vehicle maintenance;

2. The acquisition or replacement of furniture and furnishings, instructional apparatus, data processing equipment, business machines, and similar items of furnishings and equipment;

3. The acquisition of all vehicles;

4. Such other objects of expenditures as may be assigned to the capital outlay fund by the uniform budget format.

These appropriations are provided by the county commissioners. Funds are provided by bond revenues, sales tax revenues, or other sources used to finance the county capital improvement program.

### *Fund 5 - School Nutrition Fund*

This fund includes all revenues and expenditures related to the school nutrition operations.

### *Fund 6 – Scholarship Fund*

This fund includes all revenues and expenditures related to scholarships administered by CCS

### *Fund 7 – Kids Plus Fund*

This fund includes all revenues and expenditures related to the Kids Plus program.

### *Fund 8 – Other Local Current Expenses*

This fund includes all revenues and expenditures related to other local current expenses.

### **Purpose Codes**

Purpose means the reason for which something exists or is used. Purpose includes the activities or actions that are performed to accomplish the objectives of a local school administrative unit.

### **Program Report Codes**

A program report code (PRC) designates a plan of activities or funding designed to accomplish a predetermined objective. This dimension of program report codes allows the unit a framework for classifying expenditures by program to determine cost.

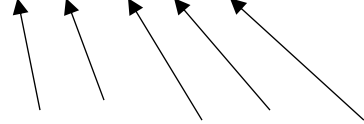
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## Object Codes

Object means the service or commodity obtained as a result of a specific expenditure.

2.5100.061.411.304.000.00



**Fund Purpose PRC Object School**

Fund = where the money comes from

- 1 - State
- 2 - Local
- 3 - Federal
- 4 - Capital
- 5 - School Nutrition
- 6 - Scholarship
- 7 - Kids Plus
- 8 - Local Special Revenue

Purpose = the reason for which something exists or is used

- 5100 - Regular Instruction
- 5200 - Special Instruction
- 9200 - Furniture & Equipment

PRC = the designated plan of activities to accomplish a predetermined objective

- 028 – Staff Development
- 050 – Title I
- 055 – Early College
- 060 – Exceptional Children
- 061 – Instructional Supply
- 897 - Technology
- 999 – Capital Outlay

Object = the service or commodity obtained as a result of the expenditure

- 121 – Teacher Salary
- 143 – Contract Services – payroll
- 162 – Substitute Pay
- 196 – Stipend
- 199 - Overtime

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311 – Contract Services – accounts payable

411 – Instructional Supplies

418 - Software

461 – Furniture & Equipment (less than \$5,000 per item)

462 – Computer Equipment (less than \$5,000 per item)

541 – Furniture & Equipment (over \$5,000 per item) – requires 3 bids

542 – Computer Equipment (over \$5,000 per item) – requires 3 bids

### **Things to remember about coding:**

**Only** object codes that are in the **100** series can be used in payroll.

Account code 2.5110.061.411.xxx.000.00 will NOT work.

You **may not** pay people from your instructional supply account.

If you are paying for a substitute, it must be paid from a 162, 163, 164 or 165 object code.

### 1.5.13 Substitute Billings/Reimbursements

When substitute reimbursement is due from an individual school or an outside organization, the substitute should be coded in LINQ to one of the following accounts, where XXX represents the 3-digit school number.

8.5110.899.143. XXX - (Tutor / Contracts)

8.5110.899.162. XXX - (Pay for Regular Absences)

8.5110.899.163. XXX - (Pay for Staff Development Absences)

8.5110.899.192. XXX - (Pay for – Other School Pay Expenses)

8.5110.899.196. XXX - (Pay for Staff Development Stipends)

When an outside organization should be billed for a substitute, provide Finance with an email detailing the following information:

- organization to be billed;
- the billing address;
- the teacher's name;
- the date substitute was employed;
- the substitute's name;
- amount paid to the substitute;
- and any other specific information the organization may request.

Schools will be billed on a monthly basis for substitutes. Finance will query any substitutes paid to the 899 PRC code and prepare a detailed invoice by school each month. The invoice will include the substitutes' name, the teacher (when appropriate), and the amount paid to each individual (including any associated F.I.C.A. and/or retirement expense).

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### 2.0 Budgets

#### 2.1 Budget Committees

Budget committees were first established in December of 2010 to prepare for major budget cuts in the 2011 – 2012 school year. Due to the success and involvement of the committee, the process of having budget committees has continued. The committee consists of approximately 25 members and represents involvement from Cabarrus; Cabarrus County Board of Education, Cabarrus County School Cabinet, Cabarrus County, Principals, Teachers, Teacher Assistants, Community, and Parents.

Members commit to two years of service on the committee. Subcommittees are first formed from departments, schools, teachers, and students to determine the needs of our district. Once needs are determined they are justified and ranked prior to presenting to the budget committee.

The Budget Committee's goal is to be good stewards of taxpayer funds by analyzing data and asking questions that result in quality recommendations to the Board of Education.

#### 2.2 Budget/Chart of Accounts

Refer to section 1.5

#### 2.3 Fund Codes

Refer to section 1.5

#### 2.4 School Allotments

Each year schools are given allotments which can be used to pay for purchases. Each allotment has a budgeted appropriation. All purchases will be pre-audited to ascertain that an unencumbered balance remains in the appropriation.

Each appropriation has an assigned budget code that must be used for all purchases that are paid from the appropriation. This budget code identifies the appropriation that can be charged for the purchase.

The state per-pupil allotments listed below are based on funding formulas provided by the Department of Public Instruction. The local and capital outlay allotments are determined by the Superintendent and the Board of Education.

**XXX** represents the 3-digit school number in the accounts listed below.

Instructional Supplies	2.5110.061.411. <b>XXX</b>
Copier & Duplicator Costs	2.5110.061.315. <b>XXX</b>
Computer Software & Supplies	2.5110.061.418. <b>XXX</b>
Furniture & Equip Inventoried	2.5110.061.461. <b>XXX</b>
Computer Equip Inventoried	2.5110.061.462. <b>XXX</b>
Furniture & Equip Capitalized	2.5110.061.541. <b>XXX</b>
Computer Hardware Capitalized	2.5110.061.542. <b>XXX</b>



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### 3.0 Accounts Payable

#### 3.1 Purchasing

- **Do not commit public school funds without getting an approved purchase order FIRST!**
- Timing is everything. An approved purchase order (not requisition) must be received before any goods are purchased or any services rendered.
- An obligation incurred in violation of this requirement is invalid and may not be enforced. The finance officer has established procedures to ensure compliance.
- Translation – If you do it wrong – you just made a financial contribution to your school from your personal funds.
- A purchase order must be prepared and approved before any order is authorized. Any order placed or services received prior to approval will be the responsibility of the individual who placed the order. This includes reimbursements to staff members.

##### 3.1.1 Prepaid Vouchers

Prepaid vouchers can **only** be used for registrations/conferences, hotel reservations, copier contract costs, subscriptions, workshops, membership fees, annual dues, utilities/telephone, postage, or/and reimbursements under \$25.00. A prepaid voucher may also be used for the required background check and finger printing needed by employees working one-on-one with PreK children.

Proper and complete backup is required, including prior approval forms, completed registration forms, hotel confirmations, contract copy, invoices, and original receipts. Postage requires original receipt to be returned to Accounts Payable after purchase.

##### 3.1.2 Purchase Orders

Requisitions are to be entered into LINQ before purchases have been made and will not be approved until proper documentation has been received.

Make sure the proper account codes are used when keying your requisition.

- A copy of the requisition and three bids are required for any item over \$5,000 or multiple items totaling \$5,000 if all components are required to complete usage of the items (example Smart Boards). Bids should be placed in the document cabinet on the requisition.
- Technology approval number is required on electronics and software purchases.
- A copy of the requisition and Prior Approval form are required before any purchase order for travel can be approved, these items should be placed in the document cabinet on the requisition.
- A copy of the requisition and list of items are required for orders over 25 items that are not individually typed on the requisition, these should be placed in the document cabinet on the requisition.
- Dell requires quote numbers to be typed on requisitions.
- All computer purchases require the following statement to be put in the comment section of the requisition, “Where compatibility and standardization are the overriding factor”.

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### 3.2 Employee Reimbursements

Staff should make every effort possible to purchase directly from vendors; however, there are certain circumstances where personal reimbursements will be necessary for these situations please have the employee read and sign the personal reimbursement request form. This form should be placed in the document cabinet of the requisition for all employee reimbursements to be paid from county office funds.

Items purchased for reimbursement must be presented for payment with valid receipts and a signed copy of the purchase order (goldenrod). Reimbursable purchases should be on separate receipts and not combined with personal purchases. Receipts should be reviewed to determine if purchase is appropriate for use of public funds.

Principal reimbursements must receive CFO approval via e-mail prior to entering the purchase order.

Payments to School Personnel other than reimbursements must be processed through payroll.

### 3.3 Travel, Mileage, and Meal Reimbursements

The Board recognizes that certain regular school district business travel occurs within the normal operation of the district. There are two types of travel (1) Sponsored Workshops/Conferences and (2) non-commuting work related travel.

Sponsored workshop and conferences is defined as staff development related workshops, training, seminars, and conferences designed to develop or improve the knowledge and skills of employees.

Some examples of CCS Sponsored Workshops/Conferences include:

- Safety Training
- Seminars
- Conventions
- Conferences

Non-commuting work related travel is defined as travel associated with the employee's positional responsibilities and involves no cost to the school system other than employee salary and/or mileage, the Finance Officer may authorize reimbursement for travel.

Non-commuting work related travel is not reimbursable except as follows:

- Regularly scheduled meetings (per meetings schedule calendar)
- Student sport teams, athletic events (if no buses are available)
- School competition or student learning activity
- Participation in the legislative process (including delivery of court documents)
- Counselors (End of the year registration)
- Daily bank deposits
- Delivery of text books
- Pick up supplies (including post office, testing materials, & misc. supplies)

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- Chinese teacher transport
- Teaching at multiple campuses
- Travel that is critical to the instructional needs of the district or furthers the efficient operation of the district
- Emergency situations
- In-county workshops

Use of a school district-owned vehicle should be the first means of transportation if assigned; this excludes vehicles designated only for on-campus school usage.

The Board encourages the use of carpooling for economic and environmental reasons. The Board will only reimburse one employee per vehicle.

An employee traveling on official district business is expected to exercise the same care in incurring expenses that a prudent person would exercise if traveling on personal business and expending personal funds. Excess cost, circuitous routes, delays or luxury accommodations and unnecessary services for personal convenience is prohibited.

All travel shall be by the most direct and economical traveled route.

In any case where a person travels by indirect route for personal convenience, the extra expense will not be paid.

In general, travel is a reimbursable expense and not a benefit. Travel by personal car will be reimbursed based upon actual miles traveled in a direct non-circuitous route. Employee reimbursements for travel should be limited to business use of employee's own vehicle at the approved IRS guideline as adopted by the Finance Officer.

### Procedures for attending Sponsored Workshop/Conferences

A prior approval form is needed for any travel outside of Cabarrus County and must be signed by the claimant, and their supervisor.

An out of state/overnight travel form is needed for any out of state/overnight travel and must be signed by the claimant, their supervisor, and the Superintendent or his designee.

Authorized travel forms must be attached to any travel requests when submitted for payment; forms should be submitted at least two weeks prior to the travel date.

Be sure to fill in the following fields:

- Name
- Employee Timekeeper #
- Where the check is to be sent
- School/Department
- Date
- From and to (even if you didn't drive, to insure the correct approval forms are attached).
- Justification for travel
- Account Number

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Meals are paid at per diem and do not require receipts. See the chart below.

	In-State	Out-of-State
Breakfast	\$8.60	\$8.60
Lunch	\$11.30	\$11.30
Dinner	\$19.50	\$22.20
Total Meals	\$39.40	\$42.10

Breakfast if traveling before 6 AM

Lunch reimbursement requires an overnight stay and applies to all days of travel

Dinner if returning after 8 PM

If receipts are submitted they will be paid for the lesser of the receipts or per diem rate.

Registration, hotel expense, parking, taxi cabs, car rental, fuel for rental cars, and airline luggage fees require receipts.

All forms including prior approval and related back up documentation should be submitted to Finance no later than the 15th day after the close of the month.

Procedures for submitting non-commuting work related travel

A prior approval form is needed for any non-commuting work related travel and must be signed by the claimant, and their supervisor.

Travel activities must be for persons traveling on official district business and have been authorized to use their personal vehicle. All expenses will be audited for accuracy, justification, reasonableness, and compared with prior approval. Any expenses submitted that are deemed inappropriate will not be reimbursed and will be submitted to their supervisor for further investigation.

The reimbursement of approved related traveling expenses shall be made by submitting a travel reimbursement expense form to Finance.

The following fields should be completed:

- Name (as viewed in payroll)
- Primary Worksite
- School/Department
- Date
- From and To (even if you didn't drive, to insure the correct approval forms are attached).
- Justification for travel
- Account Number

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Parking can be reimbursed by receipt and should be submitted to Finance on a pre-paid voucher.

Each school will be given an annual allotment for non-commuting work related travel. At the end of the year, each school will be billed for any amounts over the annual allotment.

There will not be a separate allocation for programs or departments having a separate budget. These programs and departments will be required to pay travel from their budget. The following are examples of those who do not receive an allocation but must pay travel from their budgets:

Exceptional Children	AIG	CTE
Facilities & Grounds	Transportation	Technology
SNP –School Nutrition	Kids +	Drivers Education
Special Olympics	Grants	Pre-K
More at Four	Partnership for Children	

There will not be a separate allocation for departments who have a budget account code which is consolidated in the Central Office budget. The following are examples of these departments.

Superintendent's Office	Finance	Human Resources
Public Relations	Student Services	Accountability
Curriculum & Instruction	Athletics	

A complete and executed online request for mileage reimbursement form, prior approval authorization form and any other related documentation should be submitted to Finance no later than the 15th day after the close of the month.

Only originals should be submitted to Finance; photo copies will not be accepted.

Odometer readings or google maps are required to be attached.

The employee forfeits their rights and responsibility to receive reimbursement if all documentation is not received in Finance by the 15th day after the close of the month.

There may be occasions when travel is authorized contingent upon the traveling staff member's agreement not be reimbursed for meals during the time of travel. Meals are the only exception to the CCS travel guidelines. All other policies and procedures apply.

Example: Principal agrees to allow up to 10 staff members to attend a conference. Attendance is optional and on a first come first serve basis. Due to limited funding, the Principal agrees to cover all expenses except for meals. In this case, all areas of the policy apply except for meal reimbursement.

### 3.4 Tipping Policy

The Board recognizes that some incidental expenses can be incurred during the process of handling official district business. Tips and gratuities can be paid for normal services associated with travel and food services with proper documentation.

It is expected that CCS employees exercise prudence in all financial matters. Tips should be reasonable and customary. Anything in excess of reasonable and customary will be an individual expense and will not be reimbursed by CCS.

Meals are reimbursed per our travel policy at the per diem rate. For overnight travel, this rate is inclusive of tip amounts paid. Tips should not be entered separately on the travel reimbursement request form, this should be included in the cost of the meals. Receipts are not required to claim per diem meal reimbursement.

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Non-travel related food purchases are when food is catered or delivered to a CCS event. Reasonable and customary tips are an allowable expense. Tip amounts must be included on the invoice or original receipt. For reimbursements, the payment of gratuity must be supported with proper documentation; proper documentation includes a receipt showing tip amount as a separate line and copy of credit card statement or checking account statement.

- Gratuity should not exceed 15% of the total bill for dine in meals.
- For Parties of 6 or more, the gratuity should not exceed 18% of the total bill for dine in meals.
- Gratuity should not exceed 5% of the total bill for delivered meals and catering.

Gratuity for other travel services are not permitted except for the following: baggage handling/skycaps, shuttle drivers, valets, and taxi drivers.

- Airports: Baggage handling/skycaps and shuttle drivers = no more than \$2 per bag
- Parking/Auto Related: Valets = \$2 per car
  - Taxi Drivers = no more than 15% of the fare and \$2 per bag

Gratuity for charter bus drivers is allowed provided the following requirements are met:

- The field trip form that goes home to parents must clearly state that funds collected include a \$50 tip to be given to drivers.
- The gratuity should not exceed \$50 per driver for the total trip.
- If the service provided is not satisfactory, then a tip should not be given.
- The tip should be included on the invoice.

Example:

- 7th grade class of Dean Smith High School will going to Washington D.C
- 3 charter buses are needed
- The potential tip would be \$150, \$50 per driver
- Provided the field trip form includes information about the tip and the service is satisfactory.

**Remember we are spending taxpayer money, we should always practice prudence and good financial stewardship.**

Pursuant to Section 3.3 Travel, Mileage and Meal reimbursements requests for reimbursements shall be filed within 15 days after the travel period ends for which the reimbursement is being requested. Failure to adhere to all policy and procedures expressed will render amounts ineligible for reimbursement.

### 3.5 General Fund Guidelines

Authorization for payment (goldenrod/prepaid voucher) must be received in Accounts Payable by Friday afternoon. Checks are processed mid-week and released the following Monday.

Be aware, all POs are cancelled in LINQ at year end. If the PO or invoice has not been paid in the current year, it must be paid in the next fiscal year. This will cause a loss of funds from both years, so it is the same as paying for the items twice. It is critical to order items far enough in advance to ensure the order is complete and all required documentation is received prior to yearend deadlines.

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### 3.6 Checklist for disbursing funds

- Approval obtained before purchase was made?
- Is purchase reasonable and appropriate?
- Audit trail? Does your documentation tell the story?
- Are school level checks signed by principal and treasurer?
- Are bids secured for purchases over \$5,000?

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### 4.0 Payroll

#### 4.1 Timekeeper

Timekeeper is the system wide computer software we use to track employee time. Each employee is assigned a unique username and password to access the system. Computer terminals are readily available at all CCS locations.

Salaried (Exempt) employees are only required to sign in daily, they are not required to sign out for payroll purposes.

Hourly (non-exempt) employees are required to sign in and out on a daily basis to accurately account for time worked and to ensure compliance with Fair Labor Standards.

Employees are responsible for reviewing their time records for accuracy and approving via Timekeeper no less than weekly (by the end of the day each Friday).

When discrepancies or errors are found, it is the employee's responsibility to prepare an "exception" and forward to their immediate supervisor for approval.

Administrators are responsible for reviewing employee's time for the previous week and must approve time records **every Monday by 1:00 PM**.

The treasurer will communicate new employee's timekeeper login and temporary pin number.

##### 4.1.1 Timekeeper Exceptions

- Staff must get written approval from administrator to enter **ANY** absence in AESOP (see Section 4.2); this includes sick, personal, annual leave and flex time.
- Each school will have the flexibility to determine how this process will occur for their school.
- Once the administrator has approved absence, staff may enter absence in AESOP.
- For timekeeper exceptions not entered into AESOP or manage requests in timekeeper, staff must email administrator an exception for the day, once administrator approves they will forward to treasurer for input into timekeeper.
- The exception must include date of exception, # of hours needed, and type of leave to be used.
- Treasurer **must** have written documentation from staff before making any changes in timekeeper; this protects staff member and treasurer from possible miscommunication issues.

##### 4.1.2 Administrator Timekeeper Exceptions

- Administrators must have approval from evaluator for any absence entered into AESOP **except** for sick leave.

#### 4.2 AESOP

AESOP is the substitute placement and absence management system utilized by the district. Staff can enter absences over the phone or online at any time. Once the absence is approved, AESOP starts searching for an available substitute if applicable. User ID's and Pin numbers are assigned by HR. Absences can be entered in AESOP for up to a year in advance. AESOP will continue to try and fill any unfilled absences that require substitutes up until 6:30 am of the day of the absences. Any absences not filled by then will have to be filled manually. Timekeeper imports AESOP absence information every day at 1:00 pm. Absences not entered by this deadline should be keyed directly into timekeeper by the Treasurer.



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Each school determines how the process of requesting absences are handled and entered into AESOP; the basic requirements mandate that approval is needed to enter absences in AESOP.

### 4.3 Pay Schedules

Salaried (Exempt Staff) - All certified, salaried, and exempt employees are paid monthly at the end of each month.

10 Month Certified Staff are prepaid for a portion of their wages (paid in advance of work) every month.

It is imperative to communicate with payroll and HR as quickly as you know someone is leaving the system to ensure they will not be overpaid.

Hourly (Non- Exempt Staff) - All hourly non-exempt staff are paid bi-weekly on every other Tuesday.

Daily Staff - All daily staff (generally substitute teachers) are paid monthly at the end of each month and follow the certified staff absence periods. **Teacher assistant substitutes** are paid bi-weekly following non-exempt staff absence periods.

### 4.4 Forms

Payroll forms are available on CCS website under Finance & Accounting, then click on Payroll, Payroll Help, and Links & FAQ's.

You must be signed in to view these forms

### 4.5 Time Reports on Hourly Paid Employees

The Fair Labor Standards Act (FLSA) requires that certain records must be kept for non-exempt hourly paid employees. Cabarrus County Schools is satisfying the daily and weekly hour's record keeping requirement via the Employee's Daily and Weekly Time Sheets which are maintained in our Timekeeper computer software system.

The established work week for non-exempt employees is from 12:01 am Monday morning until midnight Sunday. Timekeeper is set up to accommodate this work week delineation.

All hourly employees are paid in a bi-weekly pay schedule. For a period of 12 months, this equals 26 bi-weekly paychecks (applicable only to 12 month employees).

### 4.6 Direct Deposit

CCS requires all employees to enroll in the Direct Deposit payroll program. The Finance Department makes all payroll payments through direct deposit. All pay stubs will only be available through Timekeeper. Direct deposit includes pay for substitutes, tutors, stipends, workshop participant pay, summer school pay and extended employment agreements.

The regular direct deposit program deposits an employee's net pay automatically into their savings OR checking account via an electronic transfer of funds. Given that the service is accomplished with the Automated Clearing House (ACH), a central facility for electronic payments, the employee's financial institution must be a member of the ACH. If uncertain, employees can contact their institution and inquire about ACH membership.

To enroll in the regular direct deposit program, employees must complete the Direct Deposit Authorization Agreement for Automatic Deposits. The form must indicate that funds are to be deposited into EITHER a checking OR a savings account. Deposits may be divided between a maximum of 3 accounts or institutions. Employees must attach savings or checking account information from

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their bank to complete the direct deposit process. Complete one form per employee even if you have a joint checking or savings account with another CCS employee.

Generally, employees can access and print their pay stubs by accessing the Timekeeper system two days prior to the actual pay date.

Changing an account number or bank starts the entire process over again requiring completion of new forms. If an employee closes an account earmarked for direct deposit, the employee is responsible for notifying CCS as well as his/her respective bank.

### 4.7 Flex Time and Overtime

When a non-exempt employee works more than 40 hours in a work week, the Fair Labor Standards Act (FLSA) specifies that every hour worked in excess of 40 is subject to overtime compensation at time and a half OR compensatory time off at the rate of one and a half times the hours worked over time.

Sick leave, annual leave, bonus leave, personal leave, holiday time, or any other leave where the employee does not physically work are not to be counted as time worked for overtime computations.

It is the policy of Cabarrus County Schools to compensate for overtime hours worked in the form of wages at one and one-half times the employee's regular hourly rate. Flex time is not offered to hourly staff.

Because salaried (exempt) employees are expected to fulfill all job duties, flex time should apply only in extraordinary circumstances.

The following are flex time guidelines for **administrators**:

- Flex time for principals is recognition for duties above the normal responsibilities for a principal.
- Not related to Fair Labor Standards Act criteria for hourly employee flex time; therefore, not a strict hour for hour exchange.
- Written prior approval must be obtain from evaluator to accrue flex time.
- Written approval from evaluator must be obtained to use flex time.

Examples of **allowable** opportunities to earn flex time.

- School-sponsored weekend field trips.
- Inclement weather make-up on Saturday, if specified in inclement weather memo.
- Weekend events **required** by supervisor (excluding scheduled events: games, prom, dances, extra-curricular events part of normal school activities).

Examples of normal supervisory responsibilities expected of a principal and do not qualify for flex time.

- PTA/PTO/PTSO Meetings
- Extra-curricular Events
- IEP Meeting
- Curriculum Nights
- Open House
- Staff Meetings
- Saturday school festivals, proms, dances
- Completing emails or paperwork outside standard work hours as needed

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Expectations for assistant principals.

- Flex time accrual and use for assistant principals is approved by the principal according to the above guidelines.
- For any salaried employee, a supervisor may, on occasion, dismiss an employee early who has made significant and unusual contributions during the week (i.e., three evening events, etc.). Please contact your evaluator for approval and Human Resources for any questions.

### 4.7.2 Certified Staff

Due to the Fair Labor Standards Act (FLSA), non-exempt (hourly) employees **cannot** be awarded flex time. Exempt (salaried) employees are expected to fulfill all job duties; however, there may be circumstances where the awarding of flex time is appropriate.

- ❖ A **maximum** of 5 days of flex time can be accrued each year.
- ❖ Flex time can only be accrued outside the regular workday.
- ❖ Flex time may not be taken on student days.
- ❖ The awarding of and use of flex time must be pre-approved by the principal.
- ❖ Flex time must be tracked at each school (each school can determine the method best for them).
- ❖ Flex time must be used by August 30<sup>th</sup> of the following school year.
- ❖ All flex time balances must be zeroed out at as of September 1(flex time cannot rollover).

<b>Flex time can be awarded for the following:</b>	<b>Flex time cannot be awarded for the following:</b>
Staff development offered in the summer or a Saturday for school or system issues <b>(When a stipend is not paid).</b>	Teachers who are asked to cover other classes during planning periods.
Club and activities which improve the lives and climate of the school when a stipend or supplement is not paid. <b>(A maximum or 1 flex day per club/activity).</b>	
Teachers who come to work before teacher workdays begin to setup classrooms. <b>(A maximum of 2 flex days can be given).</b>	
Saturday functions at the school.	

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Working athletic events and after school events above and beyond the expected duties of a teacher.	
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**\*\*Written approval from the principal's evaluator must be received before taking more than 5 days of flex time\*\***

### 4.8 Overnight Field Trips

Exempt employees are expected to fulfill all their job duties; however, hourly employees are required to be paid overtime for any hours worked over 40 during a week.

Because of this, **exempt employees** are to be used for overnight field trips. In the rare occasion when there are **no** other options, non-exempt staff **may** be used. Non-exempt staff always **has** the option of declining. Non-exempt staff will only be paid for **working hours**. An on duty – off duty agreement must be created, in this agreement the principal must clearly define the work hours and off duty hours and must be agreed upon in writing prior to the trip.

\_\_Katrina\_\_, staff member, agrees to work from \_\_8-5\_\_ on \_\_May 16, 2016\_\_.

Employee will be off duty during all other times (day & night) not specifically addressed. Employee is not expected to working during non-work hours and will not be paid for non-work hours. Employee will have no responsibility for students during non-working hours.

For hourly employees, if employee is unable to clock in a time exception for actual hours worked should be sent to treasurer; **do not record a staff development absence code.**

For exempt staff, if employee is unable to clock in a time exception should be sent to treasurer to clock the employee in for those days.

### 4.9 Wherebus

This system is utilized to manage the request of school or activity buses for field trips and other school related activities. A school bus may not be used unless the trip pertains to the **instructional program** and **may only travel in Cabarrus County**; interstate travel is prohibited. Field trip requests should be made at least a week in advance to ensure availability.

- The Wherebus administrator (AP) enters a new request into WhereBus.
  - Request Description: enter Bus # and Driver name for yellow bus. This field shows up on the bill, so put important details in this field.
  - Make sure Program Code is entered.
  - Beginning Time **\*\*ESTIMATED** (if not changed later, will be billed based on estimated)
  - Ending Time **\*\* ESTIMATED**
  - Defaults to Hired Driver (invoices the school for mileage AND driver). If using an employee who would normally not be paid, select School Employee.
    - A hired driver is anyone that should receive the hourly bus rate for driving outside of their normal job.
    - A hired driver would be paid on a school check or on a blue field trip card in the past.

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- An employee driver remains on the clock and is paid under their regular job assignment
- i.e. A TA that drives their K students to the park to study butterflies on buttercups would be an employee driver.
- i.e. An off season tennis coach driving the baseball team would be a hired driver.
- Request is submitted and approved by Transportation.
- Once approved, AP should print the trip ticket. One for driver AND one for school treasurer. Treasurer also needs the following information:
  - Name of driver
  - # of buses \_\_\_\_ x mileage (round trip) \_\_\_\_ x mileage rate = \$ \_\_\_\_
  - # of drivers (not TA's) \_\_\_\_ x hourly rate \$ \_\_\_\_ x hours = \$ \_\_\_\_
  - Overestimate time and mileage. For example, make it a rule to add on an extra 25 miles and 10% extra for cost of driver. This will help prevent school PO amount from being too low.
  - The two amounts added together should be the amount of the transportation PO.
  - Double check rates on information given:
    - Hourly billing rate is \$18.55 for drivers
    - Activity bus: mileage rate is \$1.00 per mile
    - Yellow bus: mileage rate is \$1.54 per mile
- **School treasurers must be notified immediately upon reservation of a bus and BEFORE field trip takes place. Treasurers must submit a PO to cover the bus expense. Failure to do so will create a financial exception for the school.**
- On the day of the field trip, AP gives the trip ticket to the driver
  - Drivers must clock in/out on TimeKeeper; **CONTRACT – FIELD TRIP DRIVER (site 124)**. If they do not have this ID they should contact payroll via their planner. If a driver clocks in/out under their regular bus ID, they should contact the field trip AP and their bus planner immediately to have the times adjusted for the correct jobs. Planners should communicate to treasurers any changes made.
  - Driver should record start/stop mileage \*\* ACTUAL
  - Driver should record start/stop time \*\* ACTUAL
  - AP should make sure actual time and mileage are below the beginning estimated amounts and enter them on Wherebus. Give a copy of the updated ticket to the treasurer.
  - Treasurer should make sure mileage and driver time is correct, especially before payroll is submitted. Match amounts to PO and TK. TK will be updated by Zonar the day after the field trip. Treasurers should process exceptions for field trips only. Never delete time or decline Manage Requests that are not yours. Monitor Wherebus weekly.

### 4.10 Stipends

The payment of stipends is optional. Stipends refer to amounts paid to participants in structured staff development activities when the activities occur after normal working hours or scheduled outside the employees' term of employment (weekends and/or during the summer months). Stipend payments are considered salary payments and therefore are subject to withholding of federal and state income taxes, FICA and retirement.

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Payment of stipends will be funded from school or departmental dollars earmarked for staff development and are paid at a flat rate of **\$100.00** per day for **Certified** and **\$70.00** per day for **Non-certified**. Funds must be available for the gross amount of the stipends PLUS employer fringe benefit costs for FICA and retirement. The Superintendent, or his designee, is the **ONLY** individual that can require an employee to attend a staff development activity.

Additional pay for participating in staff development activities conducted during normal work hours is **not allowed**.

Stipends should be submitted in professional manner **NO** hand written documents. A basic stipend template can be found on CCS website. The following are requirements of the form:

- The form must be electronically sorted by last name.
- A valid budget code.
- The workshop date.
- Must be submitted with signatures. The signatures verify employees attended the workshop.
- Must also have principal/director's signature.

#### 4.11 Voluntary Elective Insurance Deductions

Eligible permanent employees may participate in the statutory or Board approved voluntary elective insurance plans of their choosing, by completing and submitting the appropriate enrollment forms within specified due dates.

The Human resources Department can provide additional details related to enrollment and participation.

All employees employed for less than 12 months in a fiscal year will have the annual premiums for elective insurance deducted on a 10-month basis.

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### 5.0 School Accounting

#### 5.1 Chart of Accounts

All account numbers should have the following format – XXX.XXX

Example: 200.000 Chorus

Main Acct      Sub Acct

Only the Finance Department can create main accounts; however, Treasurers can create sub accounts.

Example: 200.001 All County Chorus

Sub accounts have the same functionality as main accounts. In an effort to keep consistency among all schools, the Finance Department created preset main accounts to be used district-wide

When creating new sub accounts be sure to assign the account to one of the following account groups:

#### 001 Series- Cash Accounts

The 001 series of accounts represents funds that are in checking, savings, and investment accounts. A separate account number should be set up for each bank or investment account.

#### 1. 100 Series – Athletic Accounts

The 100 series of accounts are funds that are raised by gate receipts and other sources designated for use by certain groups of athletes or cheerleaders. Fundraisers held by sports clubs should be entered under the appropriate club account.

#### 2. 200 Series – Fine Art Accounts

The 200 series of accounts are funds that are designated for music, chorus, band, and fine art classes.

#### 3. 300 Series – Class Accounts

The 300 series of accounts are funds that are derived from classroom fees. These funds are not be confused with the club accounts that are related to the classes. (Drama Class vs. Drama Club)

#### 4. 400 Series – Club Accounts

#### 500 Series – Club Accounts

The 400 and 500 series of accounts are funds that are used for the benefit of a distinct group of students who have formed themselves into an entity with officials elected by the group. The activity is planned to occupy the attention and interest of the group concerned as opposed to the interest and concern of the entire student body. Fundraising activity by clubs should be included in these accounts.

#### 5. 600 Series – Scholarship Accounts

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The 600 series of accounts are funds raised or donated for the purpose of awarding funds for college expenses. Students must meet the qualifications of the scholarship to be eligible for funds. Scholarships are sent directly to the college and not given to the students.

### 6. 700 Series – General Accounts

The 700 series of accounts are funds that represent transactions related to miscellaneous operations of the school not specifically identifiable in series 100-600 or 900.

### 7. 900 Series – Fundraising Accounts

The 900 series of accounts represent transactions related to school-wide fundraising activities and commission revenue.

## 5.2 Cash and Investments

### 5.2.1 Bank Accounts

The Chief Finance Officer must approve of any changes in banking institution as well as any changes to the signature card. The Treasurer is to coordinate with the Internal Auditor to make sure the appropriate forms are completed and approved.

### 5.2.2 Returned Checks

Individual schools have the option of using Check Redi, a division of Money Transfer Systems, Inc., to collect checks that have been returned unpaid by the bank. Check Redi will contact the issuer of the check, collect, and deposit the money back into the individual school account. They will also collect the returned check fee if the bank charges the school account. The service is free to the schools, but a fee is charged to the user of the check.

### 5.2.3 Check Stop Payment

If a check written and released by the school is stolen, lost, not received etc., the Treasurer should notify the bank to stop payment on the check (depending on check amount). The check should also be voided in School Funds Online. All voided checks should be marked voided and the signature lines cut out.

Before a new check is issued, the Treasurer should obtain a signed and notarized “lost check affidavit” from the payee; once received a new check can be issued.

## 5.3 Cash Receipts

### 5.3.1 Teacher Receipt Books

Employees who do not adhere to this policy will be held personally responsible for replacing money that is lost or stolen.

All teacher receipt books should be kept in a safe place. They should not be left in an unlocked desk drawer or file cabinet because if they are lost or stolen, regardless of how much is receipted in the book, then the internal control over cash receipts for the school is adversely affected and the school’s audit report will reflect this. When a receipt book is issued to a school employee, it is the employee’s responsibility if the book is lost or mishandled.

When issuing a receipt, the following information should be completed:

- Date of receipt
- Name of person from whom the funds were received



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- Purpose for which the funds were received
- Signature of the person receiving the money

All funds received by a school employee whether from an outside agency, student, parent, etc. is to be receipted in a CCS receipt book which is provided by the school treasurer.

The white copy of the receipt form is given to the student as evidence of payment. The yellow copy of the receipt should be left in the receipt book and turned in to the treasurer with money collected.

Individual receipts should be written to students for any board approved fees regardless of the amount. Board approved fees are math fees, band fees, instructional/supply fees, etc.

When collecting money for field trips and non-board approved fees, the teacher may bulk receipt those funds regardless of the amount.

A bulk receipt should be written to the teacher for the amount received. Student names and the amount each student paid should be listed on the back of the yellow copy. Both the white and yellow copies should remain in the teacher's book.

If a mistake is made on the receipt, void that receipt and complete a new one. Receipts that have been altered will not be accepted.

To void a receipt, write VOID on the white and yellow copies and keep both copies in the receipt book.

Money received should be turned into the school treasurer the same day it is received.

All funds receipted in the teacher receipt book are the responsibility of the teacher until turned in to the treasurer.

All money is to be receipted and turned in to the treasurer daily.

No money is to be left in the classroom.

No money is to be taken home with an employee. This is considered co-mingling of funds and is prohibited.

Under no circumstances should students be allowed to write receipts in the teacher receipt books. Only a teacher, sponsor or advisor of clubs, etc., should issue teacher receipts.

### 5.3.2 Treasurer Receipts - Deposit Process

Under no circumstances should more than \$250.00 be maintained overnight without being deposited. All monies received are required to be deposited on Fridays and holidays regardless of the amount. Not adhering to the above is a violation of the Board of Education policy and can result in appropriate discipline being taken against violators. Any funds kept for an extended period of time or used for personal reasons by school employees, if so determined, could cause disciplinary action.

The Treasurer should not be the first person to receipt money.

- All schools must use pre-numbered receipts in the SFO accounting program.
- Receipts should be issued in strict numerical sequence

When issuing a receipt, the following information should be completed:

- Date of receipt

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- Name of person from whom the funds were received
- Purpose for which the funds were received
- Fund or account to which the funds should be recorded
- The corresponding teacher receipt number(s)
- Amount of the receipt
- Initials of Treasurer by their name.

Receipts should always be issued at the time the money is counted. No treasurer receipts should be initialed beforehand.

The treasurer should add all teacher receipts since the last time money was turned in to make sure that the receipts are in agreement with cash turned in. The treasurer should then issue a treasurer's receipt to the employee turning money in and this original treasurer's receipt should be stapled to the last receipt written in the teacher receipt book. The total of all treasurers' receipts attached in the receipt book should equal the amount of teacher receipts issued from that book.

Any discrepancies in teacher receipts should be brought to the immediate attention of the individual concerned. If the discrepancies cannot be resolved, the treasurer should inform the principal.

If a mistake is made in issuing a receipt it should be voided in the SFO program and marked "VOID" on the hard copy. Retain with the daily receipt report.

Money collected for PTO/PTA fundraisers is not receipted in the teacher receipt book. The money goes directly to the PTO/PTA and is not deposited into the school account.

### 5.3.3 School Fundraisers

School sponsored fundraisers must follow the same guidelines for the receipt of money. A purchase order must be in place before items to sell are purchased. As money is turned in, it must be receipted in the teacher receipt book. It can be bulk receipted with student names and amount turned in listed on the back of the yellow copy.

PTSO/PTA fundraisers are not part of school funds and should be handled solely by the PTSO/PTA.

### 5.3.4 Ticket Sales Procedures

These procedures are to be used for any school event that requires payment to attend the event. Hand stamps may not be used in the place of tickets.

The athletic director is responsible for gate money at athletic events. For other events (Ex: Dance), the staff member in charge of the event will be in charge of the sale of tickets and money box.

Athletic Director will prepare a cash box for each gate.

A record sheet for each box should be prepared with the following information:

- Date of event
- Amount of start-up cash (minimum required for startup)

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- Color tickets
- Beginning ticket number
- Ending ticket number
- Ticket price: adult, student, etc.

Each gate box should be maintained under dual control.

At the end of ticket sales, money should be counted by the two people at the gate and reconciled back to the number of tickets sold.

All variances must be documented.

Any variances \$5 or greater must be approved by the Principal.

Cash box is turned back in to the Athletic Director.

Athletic Director will verify that each cash box is counted and reconciled.

Receipt is prepared for total money collected and turned in to Treasurer with Financial Recap of sales.

### 5.3.5 Change Fund/ Start-up Cash

If a change fund/ start-up cash is needed for an event:

- A purchase order must first be approved and signed by Principal.
- The purchase order and check should be made payable to the athletic director, club advisor, or Treasurer.
- The check should be charged to the appropriate fund
- After the event, the change fund/start-up cash should be separated from the proceeds of the event and deposited separately.
- The bank deposit ticket should be marked "Redeposit of Change Fund".
- The proceeds from the event should be receipted in a teacher receipt book and deposited separately from the change fund redeposit.

### 5.3.6 Raffles

Are not authorized per CCS policy due to severe limitations on usage per North Carolina statutes (GS 14-309.15).

### 5.3.7 Parking Passes

All monies received from the sale of parking passes should be receipted individually by the teacher or designated staff member in a separate receipt book and parking pass issued. These funds should be turned into Treasurer according to normal receipting guidelines.

In addition to these procedures, a registration form should be filled out indicating the following:

- Student's Name
- Vehicle Tag Number
- Parking Space #

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- Parking Pass #
- Amount Paid
- Date Paid

Also, the Treasurer must reconcile parking pass log to monies received to ensure all funds have been receipted and properly recorded in SFO.

### 5.3.8 Counterfeit Money

Treasurer should verify the validity of all currency \$20 or greater by using the counterfeit pen prior to depositing funds.

#### **If the currency is counterfeit, please follow the process below:**

- Determine which employee/teacher turned in the currency then try to determine who turned in the funds to the employee/teacher by reviewing receipts.
- Notify the Principal and Chief Finance Officer.
- Give a copy of the receipt and counterfeit money to the school resource officer.
- Void the employee/teacher receipt then issue treasurer receipt for amount minus counterfeit currency.

DO NOT disclose this to the employee/teacher. The school resource officer will speak with the involved parties.

#### **Procedures for Handling Counterfeit Money that has been taken to the Bank**

If a bill makes it to the bank and the teller advises you that the money is counterfeit, please follow the process below:

- Have the teller mark the deposit slip with the new amount of deposited funds.
- Notify the Principal and the Chief Finance Officer.
- Upon returning to school, contact the school's resource officer and let them know of your findings. Work directly with your school's resource officer providing them with any information needed to assist them in their investigation. (transaction history, payments on accounts...)

#### **Procedure for Recovery of Counterfeit Money**

If the funds are recovered, please follow the process below:

- Deposit money on the day of recovery.
- Make detailed notes on receipt paperwork.
- Contact the Principal and Chief Finance Officer and let them know the funds were recovered.

## 5.4 Cash Disbursements

### 5.4.1 Purchase Orders

Purchase orders should be specific to the purpose, amounts, and subsequent accounts to be charged. No purchase orders should be open longer than 30 days past delivery of merchandise or event. Purchase orders must be approved by the Principal. All purchase orders must be signed by the Principal and the Treasurer. In the event of an emergency and the principal is out for an extended period of time, the Treasurer may also sign and approve.

### 5.4.2 Bids

Bids are required for purchase of items or services over \$5,000 that are NOT on state contract.

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If an item can be purchased under state contract:

- Bids are not required
- State contract number must be referenced on the requisition (under each line item for EP vendors)
- Technology acquisition numbers are required for technology items

For items NOT on state contract

- 3 bids ARE required
- Bids MUST be submitted with the requisition—they will NOT be approved without a complete audit package in accounts payable.
- Technology acquisition numbers are required for technology items at the school level
- If bids are obtained by a department (facilities, technology, etc.) it is your responsibility to obtain copies to attach to your purchase order.

### 5.4.3 Disbursement Processing

Individual schools should use the SFO accounting program for the disbursement of funds handled by the school. All checks should be pre-numbered. The checks should be printed with the exact name and address of the school, the account number, and two signature lines.

Checks should be written only when supported by documents indicating evidence of receipt of goods and the principal's approval (purchase order).

No school funds should be disbursed in cash. No check should be issued in payment of any item for which an invoice would normally be furnished, until the invoice has been furnished to support the issuance of the check.

When issuing the check, the following items should be filled in:

- Date
- Payee
- Amount
- Fund to be charged

Proper signatures exactly as they are on file with the bank

All checks should be written in ink. No check should ever be written in pencil. The amount, payee, and signature should not be erased or altered in any way. All checks should be printed by the SFO software. On some rare occasions you may have to prepare a check by hand due to computer or printer problems. If so, the check should be typed or written in ink. The amount, payee and signature should not be erased or altered in any way.

In case an error is made in writing a check, it should be marked "VOID" and the signature line removed. No attempt should be made to correct a check written with an error.

When checks are presented to the principal for signature, they should be completely filled in and the supporting documents should accompany the checks. Checks should never be signed in advance or blank.

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In cases of emergencies, schools should have a third person authorized to sign when the principal or treasurer is unavailable to sign checks. Checks should not be signed by two people of the same job “area” (Ex: principal and assistant principal, should not sign together nor should treasurer and clerical assistant. Signature should be an administrator and treasurer or administrator and clerical assistant).

Checks must not be made payable to “CASH”. An individual or company name should always be recorded in the space provided for the payee.

Cancelled checks should be retained with the appropriate monthly bank statement.

Disbursement checks are to be supported by appropriate documentation. Each check will have a purchase order, evidence of receipt, an invoice or substitute invoice prepared to fully explain the nature of the expenditure. Vendor invoices or sales receipts should be attached for the purchase of goods or services. Vendor statements of account balances are not adequate documentation unless supported by the invoices that make up the balance due.

### 5.4.4 Field Trips

#### 5.4.4.1 Prior Approvals

All in state travel must have the approval of the school principal. A prior approval form must be signed at least one week in advance.

All out of state and overnight travel must have the approval of the school principal and the superintendent or his designee. A prior approval form must be submitted at least one week in advance.

No expenses will be pre-paid or reimbursed without this approval.

### 5.4.5 Purchases/Reimbursement for Staff

A purchase order must be prepared and approved before any order is authorized. Any order placed or services received prior to approval will be the responsibility of the individual who placed the order. This includes reimbursements to staff members. The principal and the treasurer are the only ones who can approve a purchase order. Treasurers are allowed to sign in the absence of the principal.

The acceptable 10% overage for purchase orders **does not apply to reimbursements**; reimbursements should not exceed the amount of the original purchase order.

Items on state contract are required to be purchased from the state contract vendor unless they are available at a lower price from another vendor. In that case, documentation must be attached to the purchase order showing proof of the prices from both vendors and the savings obtained. A purchase made by a staff member to be reimbursed in order to circumvent policy is unacceptable. Staff members making that purchase will be responsible for payment.

Items purchased for reimbursement must be presented for payment with valid receipts. Purchases should be on separate receipts and not combined with personal purchases.

Reimbursements to employees should only occur in cases where the vendor does not accept a school purchase order; no check should be issued in payment of any item for which an invoice would normally be furnished.

Mileage should be submitted for reimbursement on the CCS mileage form. Payment is made at a set amount per mile. Payment for a tank of gas is not acceptable.

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### 5.4.5.1 Travel

See Section 3.3 Travel, Mileage and Meal Reimbursements

### 5.4.6 Technological Purchases

Acquisitions must be approved prior to any technology purchase orders being entered.

This includes computers, printers, software, projectors, monitors, tablets, scanners, wireless devices, servers, document cameras, technology hardware, etc.

Avoidance of the acquisition process by using an incorrect code will delay the purchasing process.

PO's will not be approved unless an acquisition approval # is given. Technology purchases made without approval will not be attached to CCS server or device and will not be supported by Technology.

### 5.4.7 Escheating Checks

The North Carolina Department of State Treasurer is charged with the administration of the Escheat and Abandoned Property Program. Some of the objectives are:

- Collect unclaimed and abandoned property such as uncashed checks
- Insure that any unclaimed property remitted to the Treasurer's Office is returned to the rightful owner.

Per the Escheat Act, property is assumed to be abandoned if it has not been claimed within one year after becoming payable.

Once property is identified as potential unclaimed property, it is required that for amounts due to owners of \$50 or greater, a good faith effort shall be made to locate the owner AND a certified letter shall be sent.

Amounts under \$50.00 must be reported but a notice to the owner is not required.

Individual schools with escheatable checks (outstanding checks over one year old) will be responsible for sending this information to the Internal Auditor so this information can be reported and sent to the state.

## 5.5 Sales Tax

Every person engaged in business in NC is required to collect and pay sales or use tax on retail sales or leases of tangible personal property and certain digital property not specifically exempt by law. Some services are also taxable. Tangible personal property is defined as personal property that may be seen, weighed, measured, felt or touched.

Eligible purchases are those made directly from a retailer for supplies, parts, materials or any other tangible items. Some examples include: books, supplies admission tickets, prepared food, bottled beverages, and digital property.

There are no clear cut answers, our best line of defense is to ask questions of the vendor and our staff. They could have vital information that will affect how sales tax is handled. Contact vendors to determine why sales tax has not been charged and document any exemption claims by the vendor for tax reporting purchases.

### Recommended Best Practices

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Use PTO/PTA and booster clubs when possible. These organizations can file to be tax-exempt and can avoid the difficulties with reporting sales tax.

Are you recouping expenses or generating profit? Recouping an expense is not a taxable transaction. Generating a profit is. For example: A field trip to XYZ Nature Preserve will cost \$500, we collect money from students to cover the cost of the trip \$500 no profit was generated. These receipts would not be taxable.

Increase your charge for admission and give away pizza rather than selling pizza. Admission is not taxable but if sold separately, the revenue from the pizza sale is taxable.

Teachers and staff must talk with the school treasurer before committing to a fundraiser to determine requirement to pay sales tax. Unexpected payment of sales tax can change the project from a fund raiser to a fund LOSS.

Consider changing your vending machines to a commission based.

For all vendors who do not charge sales tax on applicable purchases, please track and record on the E-500.

### 5.5.1 Admission Sales

Defined by §105-164.4G as gross receipts derived from the right to attend an entertainment activity. An entertainment activity is defined as the following:

A live performance or other live event of any kind, the purpose of which is for entertainment

A movie, motion picture, or film

A museum, a cultural site, a garden, an exhibit, a show, or similar attraction

A guided tour at any of the activities listed above

The exceptions includes sporting activities, agriculture fairs, state attraction or festival, tuition, educational/instruction workshops, conferences, and training, amounts paid solely for transportation, donations that are deductible as charitable contributions, charges for amenities if these are stated separately.

### 5.5.2 Food Sales

Taxable for the following: prepared food, soft drinks and candy, this includes catering. Events catered by SNP are excluded if events takes places on a school day during school hours.

Prepared food are items that are sold in a heated stated or it is heated by the retailer, it consists of two or more foods mixed or combined by the retailer, and it is sold with eating utensils provided by the retailer.

### 5.5.3 Digital Property

Defined as audio work, audiovisual work, book, magazine, newspaper, newsletter, report, other publication, photograph, or greeting card that is sold at retail, delivered or accessed electronically.

Delivered or accessed electronically means delivered to, received by or obtained by the purchaser by means other than tangible storage media.

### 5.5.4 Vending Machine Sales

Commission based sales are one in which the school receives a commission from the sales of vending machine products, the school does not purchase any inventory.



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If you are not commission based, it is recommended that this is changed.

Non commission based sales. It is suggested that a profit/loss statement is ran to determine any potential loss of revenue.

Resale of merchandise is purchases of vending items directly from vendor, restock merchandise, and collect all sale proceeds, a E-595 will have to be filled out and given to the vendor (this exempts the school from paying sales tax on the items when purchased).

Per NC Department of Revenue, 50% of vending machine sales are tax exempt. When these items are sold and the receipts are recorded separate out exempt sales from non-exempt tax sales. In SFO, one line will be taxable and the "taxable" box will have to be checked and the other line is tax exempt DO NOT check the "taxable" box. The "taxable" receipts will be reported monthly or quarterly on the E-500 form (Sales and Use Tax Return).

### 5.5.5 Concession Sales

Concession stands ran by the school, you will fill out an E-595 give it to the vendor (this exempts you from paying sales tax on the items purchased). When these items are sold or you record the receipts you will check the "taxable" box. These receipts will have to be listed separately from any other gate receipts. These receipts will be reported monthly or quarterly on your E-500 form. See attachment "Example E595 for concession sales".

The North Carolina Department of Revenue allows sales to be made as "sales tax included", but you must notify/advertise to buyers.

Review price structure to determine if tax can be covered by existing sales price or if tax should be added.

For example: The current sales price of soda is \$1.00 and it is advertised "sales tax included" you are effectively charging .94 for the soda and .06 in sales tax.

### 5.5.6 Fundraiser Sales

The sale of coupon books and car washes are not taxable because these are services.

The sale of merchandise such as candles, wrapping paper, newspapers, cookie dough, etc., are all taxable purchases if they are not setup as commission sales.

For the following rules to apply the fundraiser has to be sponsored by a club within the school:

- School sponsored clubs can have 1 tax exempt fundraiser per school year.
  1. Examples include: Math club, Band, Chorus, English club
- Nationally chartered clubs can have 6 tax exempt fundraisers per school year
  1. Examples include: Honors Society, Beta Club, HOSA

Each fundraiser must start and end within 60 days to claim sales tax exemption status. The same club cannot have 2 tax exempt fundraisers going on at the same time.

For the tax exempt fundraisers, fill out an E-595 form this exempts you from paying sales tax on the items when purchased

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When these items are sold and you record the receipts you will NOT check the “taxable” box if this is the “1” tax exempt fundraiser for school sponsored club or “1 or 6” for the nationally chartered club.

**A school** cannot have a tax exempt fundraiser. Fundraisers have to be tied to a club.

**Per North Carolina Department of Revenue**, the following sales are always taxable: yearbook, pictures, book fairs, and concession sales.

### 5.5.7 Yearbooks (Jostens)

There is a standard contract but each school can make different elections, so you will need to determine how your school is setup.

Jostens collects and remits the sales tax directly to the state of NC for online sales, phone orders, and mail-ins.

You will be responsible for collecting and remitting the sales tax on any sales collected at the school. This should be reported on the E-500 form.

### 5.5.8 Pictures

Strawbridge - Good News! We do not have any tax issues with this vendor due to the specific wording of their contract, “The photographer will be responsible for collecting all monies and making change. No employees or volunteers associated with Cabarrus County Schools will be used to collect money for pictures”.

Life Touch – Good News! The individual school level contracts are setup on a commission basis; therefore, sales tax is not applicable.

### 5.5.9 Food Purchases

Reimbursement for prepared food can be requested but must be tracked separately.

Reimbursement for non-prepared foods should not be requested.

It is CCS’s opinion, the potential revenue/reimbursement on 2% non-prepared food purchases is immaterial; therefore, each school can track if they choose to apply for reimbursement but it is not a requirement.

### 5.5.10 Admission Charges

An event which is sponsored by an elementary or secondary school is exempt from sales tax. This includes: dances, movie night, athletic events, band concerts, prom, etc.

Charging an admission fee which includes a slice of pizza and a drink is not taxable.

Purchasing pizza for movie night and reselling to students is a taxable transaction and should be reported on the E-500.

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### 5.6 Miscellaneous Topics

#### 5.6.1 School Treasurer Hiring Process

The Principal and the outgoing Treasurer should discuss the following before the Treasurer leaves:

- The outgoing Treasurer should pay all items (with proper documentation) before they leave. The Principal should then discuss with the outgoing Treasurer if any bills are remaining.
- The Principal should make sure the outgoing Treasurer has deposited all items received.
- All receipt books, check books, blank receipt books, blank treasurer receipts, blank checks need to be placed in a locked facility with limited access. The Principal should be the only one with keys and access until the new Treasurer arrives.
- The Principal should become familiar with the location of the financial reports for current and prior years.
- In the case of an internal transfer, Principals/Directors should work together to cover the vacancy until a replacement is hired. Shared coverage, such as the old Treasurer working part time in both locations should be the standard. It is imperative that job responsibilities are covered. Neither location should be left in a position that the school or department cannot function and that payroll cannot be processed.
- The Finance Department should be kept abreast of the agreed upon arrangements.

#### 5.6.2 Interview Process

- The Principal will notify Human Resources of upcoming vacancy.
- Human Resources will send a copy of the job posting to the Principal and Internal Auditor for review. After obtaining approvals, Human Resources will post the position.
- The Principal will review and select applicants to take Finance Department computer test. The name of the selected applicants should be sent to the Accounting Technician in the Finance Department.
- The Accounting Technician will schedule the selected applicants for testing. The Accounting Technician will notify the Principal of the passing applicants.
- Only those applicants who pass the computer test will be interviewed. The Finance Officer will not approve the hiring of any applicant who has not passed the computer test. Applicants must have passed the excel skills test within the last three years to be considered for hire.
- The Principal will schedule interviews with the applicant and interview team. The interview team must include the Internal Auditor to provide a financial prospective; to avoid scheduling conflicts the Principal should give the interview team at least a 48 hour notice. Second round interviews may be conducted if needed.
- The interview team will choose the new Treasurer. The Principal will check the selected candidate's references; if acceptable the applicant will be offered the position.

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- All necessary forms and background checks must be completed and approved by Human Resources before the applicant can start.
- The Internal Auditor will schedule training of the new Treasurer; the training will include a review of Cabarrus County Schools Policy and Procedures, Timekeeper, Payroll, LINQ, and School Funds Online.
- School personnel are responsible for training the Treasurer on school specific policy and procedures.

The Internal Auditor will help obtain the bank signature card for you. After school personnel have signed, it should be returned to Finance for the signature of the Chief Finance Officer. The Internal Auditor will return the card to the bank.

Any questions should be directed to the Internal Auditor or Chief Finance Officer. Failure to follow procedures may result in interviews being cancelled or job hiring to be postponed.

### 5.6.3 Credit Cards

- A purchase order must be issued prior to any purchase being made on a store account.
- One purchase per purchase order.
- Purchase order must be paid immediately—no interest is to be accrued or paid.
- Make payment when the receipt is returned, do no wait on the statement.
- Cards are to remain in the possession of the principal or treasurer at all times.
- When the purchase order is issued, the card is signed out.
- Cards are to be returned within 24 hours.
- Credit limit on cards are not to exceed \$1,000.00
- A list of credit cards is to be submitted to the Finance Office with the monthly financial reports.

### 5.6.4 Financial Reporting

On or near the last day of the month, after all transactions for the month have been posted to School Funds Online (all checks, deposits and journal entries), the following steps should be done:

1. Reconcile bank statement: All transactions for the month must be posted this includes bank interest, bank charges, and K12 payments
2. Print month-end reports
  - a. Bank Reconciliation Cover Sheet
  - b. Bank Reconciliation from SFO
  - c. Receipts and Disbursements Report
  - d. Complete bank statements for all accounts
  - e. Copies of Cancelled Checks
  - f. List of outstanding Checks

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- g. Open PO Report
- h. Summary of credit cards (if none, send summary with none written in)
- i. Donation Tracking Form

The bank reconciliation printed from SFO should be signed and dated by the Principal and Treasurer.

The Treasurer must also sign the Bank Reconciliation Cover report, indicating the date the report was sent to Finance.

The financial reports **should be emailed** to the Finance department by the tenth of the following month.

Cancelled checks should **be emailed by 15th** due to timing issues.

### 5.6.5 School Contracts

Use contract flowchart to determine appropriate course of action. Flowchart can be found on CCS website under finance department.

### 5.6.6 Fund Transfers

When an amount is subtracted from one account and added to another account, a “transfer” has occurred.

All fund transfers must be approved by the Principal.

Fund Transfers do not involve a cash transaction. Part of the fund balance in one detail account is being “moved” to another account to be disbursed there. Transfers neither increase nor decrease total cash.

Reasons for a Transfer:

The following are examples of possible transfer reasons (the examples are not intended to be all-inclusive).

Certain accounts have overspent in the past and the principal authorized transfers from the general Fund to eliminate the deficits in the accounts.

If a coding error in receipts has been made, the transfer will have to be made from the incorrect fund to the correct fund to fix this error.

### 5.6.7 Allowable Expenditures from General Fund

Purchases from the school general fund should be specific to the operation of the school and for the instructional needs of the students.

Some examples of appropriate purchases are, but not limited to the following:

- Student materials and supplies
- Teacher needs (file folders, markers, pens, study guides, maps, etc.)
- School Improvement
- Nextel bills
- Gas mileage for field trips (not athletics)
- Mileage reimbursement for school related travel

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- Hotel and workshop expenses for staff development

Purchases not appropriate for use of the general fund are, but not limited to the following:

- Staff parties
- Rental of musical equipment for holiday parties
- Staff gifts
- Staff t-shirts
- Retirement gifts and celebrations
- Biscuits for staff incentive
- Greeting cards

### 5.6.8 Allowable Expenditures from School Support Fund

This fund is made up of profit from non-instructional areas (vending machines, picture profit, yearbook profit, etc.).

Some examples of appropriate purchases are:

- Food during a staff development activity
- Staff shirts if the shirts are purchases for school activities
- Retirement celebrations
- Appreciation of bus drivers, counselors, etc.—lunch if during a staff development activity or a token of appreciation that is a useful educational tool.
- Greeting cards if used for student correspondence

Staff Meals/Refreshments served before, during, or after a staff development activity should have prior notice, sign-in sheet/list of attendees and a formal agenda reflecting staff development activity.

Staff appreciation/incentive gifts are limited to items that can be used in the classroom or in the performance of the employee's job.

Purchases not appropriate for use of the school support fund are:

- Staff parties
- Rental of musical equipment for holiday parties
- Gifts
- Foods without staff development activity
- Greeting cards for staff members

### 5.6.9 Allowable Expenditures from Faculty Fund

- Staff parties
- Gifts
- Food
- Greeting cards for staff members

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- Flowers for staff members
- Appreciation gifts for volunteers and PTO/PTA

### 5.6.10 Allowable Expenditures from Average Daily Membership (ADM)

These funds can be utilized for instructional activities, supplies and development.

Some examples would be:

- Supplies & materials directly related to student instruction
- Copy paper
- Furniture- student desks
- Student field trips
- Computers/Laptops

### 5.6.11 Restrictions on Use of School Funds

No employee shall charge personal items to any school account with intentions of refunding the school when the items are received. School funds may not be obligated for personal purposes.

Personal checks should not be cashed from school funds.

Personal loans are prohibited from school funds.

Compensation paid to regular school personnel for any work must be made through the Central Office Payroll Department, because such salary and contract payments are subject to Federal reporting requirements. A check should be issued to CCS including FICA and retirement. Payroll will in turn pay the employee and will submit all necessary IRS and tax reports. With this method of monitoring, CCS strives to ensure excessive payments are not made to employees for additional duties.

### 5.6.12 Conflict of Interest

Employees are expected to avoid engaging in any conduct that creates, or gives the appearance to the public of creating a conflict of interest with job responsibilities with the school system. While there may be other conflicts of interests, employees must follow board directives in the following areas.

An employee will not engage in selling goods or services to the board and will not engage in or have a financial interest, directly or indirectly, in any activity that conflicts with duties and responsibilities in the school system.

#### 1. Contracts with the Board

An employee shall not do any of the following:

- a. Obtain a direct benefit from a contract that he/she is involved in making or administering on behalf of the board, unless an exception is allowed pursuant to G.S. 14-234 or other law;
- b. Influence or attempt to influence anyone who is involved in making or administering a contract on behalf of the board; or

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c. Solicit or receive any gift, favor, reward, service or promise of reward, including a promise of future employment, in exchange for recommending, influencing or attempting to influence that award of a contract by the board.

An employee is involved in administering a contract if he/she oversees the performance of the contract or has authority to interpret or make decisions regarding the contract. An employee is involved in making a contract if he/she participates in the development of specifications or terms of the contract or participates in the preparation or award of the contract. An employee derives a direct benefit from a contract if the employee or his/her spouse does any of the following: (1) has more than 10 percent ownership or other interest in an entity that is a party to the contract; (2) derives any income or commission directly from the contract; or (3) acquires property under the contract.

### 2. Non-School Employment

The board recognizes that some employees may, on their own time, pursue additional compensation. Any such employee will not engage in the following:

- a. Non-school employment that adversely affects the employee's availability or effectiveness in fulfilling job responsibilities;
- b. Work of any type where the sources of information concerning customer, client or employer originate from any information obtained through the school system;
- c. Work of any type that materially and negatively affects the educational program of the school system;
- d. Any type of private business using system facilities, equipment or material, unless proper approval is provided by the superintendent; or
- e. Any type of private business during school time or on school property.

The superintendent may grant prior approval for work performed under subsections d and e above if such work enhances the employee's professional ability or professional growth school-related work. The superintendent may establish reporting procedures to require employees to notify the school system of any non-school employment.

### 3. RECEIPT OF GIFTS

No school employee may accept gifts from any person or group desiring or doing business with the school system unless such gifts are instructional products or advertising items or nominal value that are widely distributed. No school employee may solicit or accept any gifts from any potential provider of E-rate services or products in violation of federal gifting rules.

#### 5.6.13 Accounting Duties of the Treasurer

General Statute 115C-448(a) of the School Budget and Fiscal Control Act states that the school treasurer "shall keep a complete record of all monies in his/her charge in such form and detail as may be prescribed by the Finance Officer of the administrative unit, and shall make such reports to the Superintendent and the Finance Officer of the administrative unit as they are the Board of Education may be prescribe."



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### Duties:

- Receive all monies
- Write receipts
- Prepare deposits
- Make deposits in the bank timely
- Travel to the bank and post office
- Process purchase orders
- Process invoices for payment
- Write checks
- Keep all books and accounting records
- Reconcile bank statements
- Close out all accounting records as of June 30th year-end, including year-end schedules and reports as required
- Any and all other accounting responsibilities prescribed by the principal
- Any all other accounting responsibilities prescriber by the Finance Officer

#### 5.6.14 Accounting Duties of the Principal

The principal is the fiscal manager of the school. It is essential for you to follow the law and accepted practices. The principal is held accountable for expenditures of funds allocated to the school. It is the principal's responsibility to establish sound bookkeeping and business practices for all receipts and expenditures regardless of the source of funds. This includes proper accounting of funds by organizations sponsored by the school. Administering funds will require the principal to make decisions regarding which programs and activities are the most important.

The principal should assume the responsibility for financial planning as well as protecting school funds. The principal should develop a school budget to be used during the school year. Also, the principal should appropriate funds for various need throughout the year.

Last, you must be knowledgeable about the laws regarding the handling of school funds. Almost all principals would not intentionally misuse school funds. However, ignorance of the law is no excuse if illegal acts are committed.

#### 5.6.15 Backup Treasurer Procedures

Each Treasurer is required to identify a back-up person for Payroll and SFO Accounting. It is up to the Treasurer and Principal's discretion to select this individual or individuals.

Designated individuals must be appropriate and capable of handling sensitive information. Schools should notify the Internal Auditor of selected back-ups and any changes.

In the event of treasurer absences, the treasurer or school should notify their back up and Internal Auditor. The Internal Auditor will be able to provide the back-up with temporary access to School Funds Online. User name and passwords should not be shared as it weakens established internal control policies and procedures.

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### 5.6.16 SNP Statement Procedures

School Nutrition Statements should be reviewed when received by the Treasurer and approved by the Principal

This statement should be reviewed for accuracy, reasonableness, and repetitive student charges. The school should investigate these charges to determine the reason for nonpayment and document the action taken regarding the outstanding charges. Once a student has reached a balance greater than \$8.00, they should be given an alternate meal until the outstanding balance has been paid. It is the school's responsibility to monitor these charges to prevent the accumulation of excessive charges. It is also the school's responsibility to collect any outstanding charges.

Every effort should be made to collect these charges or determine if the student qualifies for free or reduced lunch or other alternative remedies. There may be rare extreme situations where charges may accumulate prior to qualifying for free or reduced lunch but this should be the exception to the rule and these charges should be minimal. All charges must be cleared by the end of the school year either by the student or the school.

### 5.6.17 Individual Schools Retention of Records

The following procedure will be used as a guide for the retention of outdated financial records for the school activity and athletic funds.

The following items must be retained for 3 years plus current:

- Bank Statements
- Cancelled Checks
- Invoices
- Purchase Requisitions
- Pre-numbered Receipt Books
- Deposit Slips

### 5.6.18 Audit of Books and Records

In addition to filing monthly financial reports, annually each individual school will be audited by the Internal Auditor.

Per Policy Code 8410, individual school accounts are subject to audit any time by the Superintendent or Chief Finance Officer.

# Cabarrus County Schools

## Policies and Procedures Manual

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### 6 Fixed Assets

Capital assets are defined as tangible assets used in operations with useful lives longer than one year and minimum cost based on approved capitalization levels.

The Cabarrus County Board of Education's capital assets are recorded at original cost, with donated assets listed at their estimated fair market value on the date of donation.

This policy defines the capitalization levels and useful lives of the capital assets of Cabarrus County Schools.

Asset control is the responsibility of individual schools and departments and financial reporting and depreciation are the responsibility of the Finance Department.

Asset control for items with a cost below the capitalization levels is also the responsibility of individual schools and departments. An annual inventory shall be taken of all capital assets. Depreciation shall be calculated based on the straight-line method and the useful lives shown in the chart below.

<b>Item</b>	<b>Capitalization Level</b>	<b>Useful Lives</b>
Land	All land and easements Regardless of cash value	Land is not depreciated
Land Improvements	\$10,000	20 years
Buildings	\$20,000	50 years
Building Improvements	\$20,000	25 years
Furniture & Equipment	\$5,000	5-20 years
Vehicles(automobiles, vans, trucks)	All	8 years
Buses	All	8 years
Cafeteria Equipment	\$5,000	12 years
Computer equipment & software	\$5,000	5 years

Improvements should be capitalized if they add value or capacity to an asset. Repairs and maintenance should not be capitalized.