

## **ARTICLE III: FINANCIAL OPERATIONS & MAINTENANCE**

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**POLICY 3-3.1 CUSTODY AND DISBURSEMENT OF SCHOOL FUNDS**

All School Board funds, except money generated by school activities and classified "school activity fund (internal) accounts" (see School Board Policy 3-3.9) and accounts established for instructional support, must be deposited with the Poquoson City Treasurer, who shall be in charge of the receipts, custody and disbursement of Poquoson City School Board funds. School Board funds must be kept in an account or accounts separate and distinct from all other funds. Checks must be drawn on the School Board account by the Poquoson City Treasurer.

**Receipt/Disbursement of Funds**

The School Board shall receive monthly reports regarding the receipt of revenues and the expenditure of school funds. The School Board authorizes the Poquoson City Treasurer (discussed in "Authorized Signatures" below) to receive revenue and make payments on behalf of the School Board and under the supervision of the division superintendent or his/her designee.

**State Funds**

State funds, both categorical and general, are based upon objective formulae. The division superintendent or his/her designee shall file the reports and forms necessary to secure the amount of state funds to which the School Board is entitled.

**Federal Funds**

The receipt and use of federal funds must be approved by the School Board. The School Board may request of the Poquoson City Council an appropriation in anticipation of the receipt of federal funds for any specific project or program. The funds for such federally-funded program or project shall be maintained and accounted for in accordance with state and federal requirements.

**Authorized Signatures**

Authorized signatures for all checks for the payment of claims against the School Board shall be those of the Chairman of the School Board, Clerk of the School Board and the Poquoson City Treasurer.

**Personal Loans**

No personal loans of any kind shall be made from school funds.

**LEGAL REFERENCE:** Code of Virginia, 1950, as amended, §§ 22.1-78, 22.1-88 through 22.1-91, 22.1-115 through 22.1-124.

*Adopted: November 2002*

*Revised: June 2020*

## **POLICY 3-3.2 FINANCIAL ACCOUNTING AND REPORTING**

The division superintendent or his/her designee shall establish and be responsible for implementing an accounting system that satisfies the Virginia Department of Education's regulations regarding accounting practices and that is consistent with applicable federal, state, and local laws. The Poquoson City School Board shall receive monthly financial statements, including statements of revenues and expenditures, showing the financial condition of the school division as of the last day of the preceding month.

### **Inventories**

The division superintendent or his/her designee shall be responsible for the inventory of all fixed assets of the school division. Each school, as well as the School Board finance office shall keep a complete inventory of all equipment listing the make, source, date of purchase, model, serial number, and other identifying data.

### **School Level Accounting System**

Each school is required to maintain an accurate, up-to-date accounting system of all money collected and disbursed by the school. These funds will be deposited in accounts in the name of the school.

A record of all receipts and disbursements will be maintained in accordance with the Poquoson City Public Schools Student Activity Funds Manual (see Policy 3-3.9) as promulgated by the division superintendent or his/her designee and in accordance with regulations issued by the Virginia Board of Education.

Each principal shall prepare and forward to the division superintendent or his/her designee monthly financial statements, including a statement of revenues and expenditures and bank reconciliations showing the financial condition of the school as of the last day of the preceding month.

### **Audits**

In accordance with state and federal law, all financial records of the school division will be audited following the close of each fiscal year. Arrangements for the audit of School Board accounts by an independent Certified Public Accountant will be coordinated with the City of Poquoson.

### **Annual Report of Expenditures**

The School Board shall annually submit to the Poquoson City Council a report of all expenditures. Such report shall be made available to the public on the school division website or in hard copy in the school board office. The format of such report shall adhere to the template prescribed by the Board of Education.

**LEGAL REFERENCE:** Code of Virginia, 1950, as amended, §§ 15.2-2511, 22.1-68, 22.1-90, 22.1-115 through 22.1-122; Virginia Board of Education Regulations Governing Financial Records Retention Schedule, 8 VAC 20-260-10, et seq.; Governing Textbook Fund Management and Handling on Local Level, 8 VAC 20-270-10, et seq.; Governing School Lunch Sale of Food Items, 8 VAC 20-290-10, et seq.; Governing School Activity Funds 8-VAC 20-240-10, et seq.; and Governing the School Breakfast Programs, 8 VAC 20-580-10, et seq.

*Adopted: November 2002*

*Revised: July 2009, June 2020*

**POLICY 3-3.3 REPORTING PER PUPIL COSTS**

The division superintendent shall annually publish the estimated per pupil cost for public education in the school division for the coming year on the school division's website or in hard copy upon request. Such notification shall be made available in a form provided by the Virginia Department of Education and shall comply with § 22.1-92 (A) of the Code of Virginia.

**LEGAL REFERENCE:** Code of Virginia, 1950, as amended, § 22.1-92 (A).

*Adopted: November 2002*

*Revised: August 2011; August 2012*

**POLICY 3-3.4 PETTY CASH FUNDS**

The Poquoson City School Board may, by resolution, establish one or more petty cash funds not exceeding \$2,000 each. Each such fund shall be established and administered consistent with the provisions of Virginia Code § 22.1-123. All expenditures from petty cash funds shall be supported by receipts. Any such fund shall be handled as an imprest fund and reimbursed by check on a regular bank account so that the sum remaining in the fund and the amount expended as shown by the receipts shall remain constant at all times.

**LEGAL REFERENCE:** Code of Virginia, 1950, as amended, § 22.1-123.

*Adopted: November 2002*

**POLICY 3-3.5 PURCHASING**

The Poquoson City School Board will seek to procure high quality goods and services at reasonable costs and will ensure that all procurement procedures are conducted in a fair and impartial manner in accordance with the Virginia Public Procurement Act and the State and Local Government Conflict of Interests Act. The division superintendent and/or his/her designee shall have overall administrative responsibility for all purchasing of equipment, materials, supplies and services. The School Board expressly adopts the purchasing procedures utilized by the City of Poquoson as adopted from time to time by Poquoson City Council and as those procedures appear in the Poquoson City Purchasing Manual.

**LEGAL REFERENCE:** Code of Virginia, 1950, as amended, § 2.2-3100 through 2.2-3127, 2.2-4300 through 2.2-4377.

*Adopted: November 2002*

## **POLICY 3-3.6 VENDOR RELATIONS**

### **Generally**

No vendor, agent, or sales representative may enter Poquoson City Public Schools to advertise or sell goods or services to employees or students unless otherwise provided herein. Any person/persons found soliciting goods or services to students and employees in the public schools or on School Board property during school hours shall be subject to legal action.

Vendors will not be permitted to make appointments with individual Poquoson City School Board employees without the permission of the principal and/or the division superintendent or his/her designee. No vendor is permitted to sell, arrange demonstrations of products or services, take orders for goods or services to be used for a trial period, or take orders to be billed to the school or school division without prior authorization from the principal, division superintendent or his/her designee.

This does not prevent authorized representatives of firms regularly supplying goods and services to the school division from having access to the schools in the course of their routine business duties.

### **Sales to Students**

The sale of items to students during the school day, other than food in the cafeteria, shall be limited to those items and times approved by the division superintendent or his/her designee. The proceeds from any such sales shall be used for school-related activities.

### **Vending Machines**

Vending machines dispensing food, beverages, or personal necessities for student consumption and use are permitted in the schools, subject to state and federal school food service regulations, and approval by the division superintendent or his/her designee.

### **Sales After School Hours**

The division superintendent or his/her designee may permit school-sponsored organizations to sell food items and materials related to the school after school hours.

### **Concessions**

School-related organizations may sell food and other items to spectators at athletic events under regulations of the division superintendent or designee (see School Board Policy 3-3.9 and Poquoson City Public School's Student Activity Funds Manual). The proceeds from such sales shall be for the benefit of school-related or student activities.

### **Prohibition on Solicitation or Acceptance of Gifts**

No employee with responsibility for a procurement transaction may request, accept, or agree to accept from a bidder, offeror, contractor or subcontractor anything of more than minimal value unless consideration of substantially equal or greater value is exchanged. The School Board may recover the value of anything conveyed in violation of this policy as authorized by applicable law.

### **Disclosure of Subsequent Employment**

No employee or former employee with official responsibility for procurement transactions may accept employment with any bidder, offeror or contractor with whom the employee or former employee dealt in the official capacity concerning procurement transactions for a period of one year from the end of employment by the School Board unless the employee or former employee provides written notification to the School Board prior to commencement of employment by that bidder, offeror or contractor.

**LEGAL REFERENCE:** Code of Virginia, 1950, as amended, §§ 22.1-78, 22.1-293(B, D), 2.2-4367 through 2.2-4377.

*Adopted: November 2002*

*Revised: August 2006*



### **POLICY 3-3.7 PAYROLL PROCEDURES**

Poquoson City School Board employees shall be paid pursuant to the School Board's approved salary schedules. Funding for salaries and other payments to employees for services rendered shall be authorized as part of the annual operating budget. The payroll office will maintain records that accurately reflect the compensation and related benefits of each employee.

#### **Pay Schedule**

All salaries and supplements paid to Poquoson City School Board employees, including full-time, substitute or part-time personnel, as well as temporary workers will be paid in accordance with the payment schedule approved by the School Board. The division superintendent or his/her designee, by regulation, shall establish appropriate procedures to pay employees earned salaries in a timely and accurate manner.

#### **Salary Deductions**

Federal and state taxes will be automatically deducted from each School Board employee's paycheck based on the most recent withholding statement provided by the employee. In the absence of a withholding statement, deductions will be made based on federal and/or state tax regulations. A list of all voluntary deductions available to employees will be published annually and provided to all employees. Any additional voluntary deduction requests must be recommended by the division superintendent and approved by the School Board.

**LEGAL REFERENCE:** Code of Virginia, 1950, as amended, §§ 22.1-78, 22.1-296.

*Adopted: November 2002*

*Revised: June 2020*

## **POLICY 3-3.8 TRAVEL AND EXPENSES**

### **Generally**

The Poquoson City School Board encourages attendance and participation by school personnel at professional meetings, conferences, and other functions that contribute to professional growth and improvement. See School Board Policies 5-4.5, 5-5.6, 5-7.4 and 5-8.9. Requests for reimbursement from School Board funds for costs associated with attending such professional growth opportunities will be honored only for travel approved in advance by the building principal and the division superintendent or his/her designee and for which a statement of travel, with supporting documents, is submitted at the conclusion of the trip.

### **Expenses**

Travel expenses may be paid in advance directly to the hotel for lodging or organization for conference/meeting registration. No advances for travel expenses will be paid directly to school personnel. Requests for reimbursement for lodging, meals, parking, etc. may be provided with proper documentation, which must include an itemized receipt. All travel expenses, including requests for reimbursement, shall be examined by the appropriate supervisory employee to ensure the expenses are reasonable and necessary for the efficient and effective operation of the school division.

**LEGAL REFERENCE:** Code of Virginia, 1950, as amended, §§ 22.1-67, 22.1-78, 22.1-122, 22.1-253.13:5, 22.1-296.

*Adopted: November 2002*

*Revised: June 2020*

### **POLICY 3-3.9 SCHOOL ACTIVITY FUNDS**

All funds derived from extracurricular school activities at individual Poquoson City schools, such as entertainment, athletic contests, facility fees, club dues, materials fees and other activities of the school involving school personnel, students or property, shall be classified as internal school accounts and shall be administered in accordance with regulations of the Virginia Board of Education. School funds are intended to finance programs within the schools and must be expended in a manner to benefit the student body, staff and/or facilities.

Each school shall keep an accurate record of all receipts and disbursements of school activity funds so that a clear and concise statement of the condition of each fund may be determined at all times. It is the duty of each principal to see that such records are maintained in accordance with the regulations of the Virginia Board of Education and the School Board.

The division superintendent shall provide all Poquoson City schools a student activity fund accounting manual that provides detailed procedures for safeguarding, accounting for, and managing activity funds in accordance with Board of Education regulations.

School activity funds shall be audited at least once a year by a duly qualified accountant or accounting firm approved by the School Board. A copy of the audit report shall be filed in the superintendent's office. The cost of such an audit will be paid from the school operating fund. Monthly reports of such funds shall be prepared and filed in the principal's office and a copy provided to the superintendent or his/her designee. Annual reports shall be filed in the principal's office and provided to the School Board.

See Superintendent's Regulation 3-3.9.

**LEGAL REFERENCE:** Code of Virginia, 1950, as amended, § 22.1-89.2; Virginia Board of Education Regulations Governing School Activity Funds, 8 VAC 28-240-10, et seq.

*Adopted: November 2002*

*Revised: June 2020*

### **POLICY 3-3.10 CASH IN SCHOOL BUILDINGS**

In accordance with the Virginia Department of Education's Guidelines for School Activity Funds and Poquoson City Public Schools Student Activity Funds Manual, cash shall not be left by teachers or other school personnel unattended during the school day. All school personnel in possession of cash shall turn it over to the principal's office for safe-keeping and proper accounting in accordance with the Student Activity Funds Manual.

Any cash that remains in the school building overnight shall be turned into the principal's office and placed in the school safe. All funds must be deposited in a regular school account in a bank. The principal will immediately report any loss of funds or suspicion of lost funds to the superintendent or his/her designee.

**LEGAL REFERENCE:** Code of Virginia, 1950, as amended, §§ 22.1-68, 22.1-70, 22.1-78; Virginia Board of Education Regulations Governing School Activity Funds, 8 VAC 20-240-10, et seq.

*Adopted: November 2002*

*Revised: June 2020*

## **POLICY 3-3.11 DISPOSAL OF SURPLUS PROPERTY**

### **Equipment and Personal Property**

The Poquoson City School Board shall apply trade-in allowances on equipment to be replaced against the purchase cost of the new equipment, whenever possible. The School Board may dispose of equipment having no trade-in value by informal bid, auction or pre-priced sale and consigned for sale to an auction house or dealer as appropriate to the public. Authorization for the disposal of equipment and personal property must be obtained from the School Board for capital assets and those items identified with a fixed asset tag. Employees of the School Board and members of their immediate families may purchase surplus property from the school division only if the property is being sold at uniform prices that are available to the public. If reasonable attempts through the bidding or direct sales process to dispose of the items are unsuccessful, then the division superintendent is authorized to arrange for their disposal. Obsolete educational technology hardware and software may be donated to other school divisions, to pre-school programs, or to students in accordance with applicable state law and with guidelines developed by the Virginia Board of Education.

### **Equipment Purchased with Federal Funds**

Disposition of equipment purchased with federal funds shall be in accordance with federal and Virginia laws and regulations.

### **Real Property**

The School Board may dispose of surplus real property as provided by state law.

See Superintendent's Regulation 3-3.11.

**LEGAL REFERENCE:** Code of Virginia, 1950, as amended, §§ 2.2-3108©(2), 2.2-3109©(4), 2.2-3110(A)(6), 22.1-68, 22.1-78, 22.1-79(3), 22.1-129.

*Adopted: November 2002*

*Revised: July 2005, June 2020*

### **POLICY 3-3.12 NON-LOCALLY FUNDED PROGRAMS**

In order to provide the best educational opportunities possible for children of Poquoson City Public Schools, the Poquoson City School Board may seek as many sources of revenue as possible to supplement the funds provided through local appropriation and the basic aid offered by the state.

To ensure coordination and to avoid confusion in developing proposals and making application for specially funded programs, the division superintendent may establish standard procedures for the preparation of proposals and their review. The division superintendent shall also ensure that none of the conditions for accepting such special funds conflicts with the policies of the School Board, the objectives of the school division, or state law.

The division superintendent may submit proposals or applications for special grants prior to approval by the School Board. No such application or proposal shall be binding on the School Board without its approval.

**LEGAL REFERENCE:** Code of Virginia, 1950, as amended, §§ 22.1-78, 22.1-79, 22.1-88, 22.1-89, 22.1-122.

*Adopted: November 2002*

## **POLICY 3-3.13 FINES AND FEES**

### **Generally**

The Poquoson City School Board shall assess and collect only such fees as authorized by applicable law including regulations of the Virginia Board of Education. The School Board shall provide, free of charge, such textbooks as are required for courses of instruction for each child attending Poquoson City Public Schools. Consumable materials such as workbooks, writing books, and drawing books may be purchased by the School Board and either provided to students at no cost or sold to students at a retail price not to exceed seven percent added to the publisher's price. If sold, the School Board shall ensure that workbooks, writing books and drawing books are furnished to students who are unable to afford them at a reduced price or free of charge.

Nothing in this policy shall be construed as authorizing the School Board to charge fees to students for instructional materials, textbooks, or other materials used by a School Board employee that are not directly used by a public school student.

Those categories of fees approved by the School Board include fees for materials, P.E. uniforms, Art, Music, Chorus, Band, Technology, Business, Marketing, Family and Consumer Science, Health and Medical Science, Field Trips, Class Dues, Athletics and Parking. Fees shall be charged for the preparation and distribution of official transcripts; however, electronic copies of student transcripts shall be provided for free. Fees shall also be charged for summer school unless the classes are required for remediation as prescribed by the Standards of Quality.

Fees shall be reduced or waived for economically disadvantaged students and students whose families are undergoing economic hardships and are financially unable to pay them, as further described by the Board of Education regulations. Students shall be provided notice that a fee waiver may be requested, including directions as to how to apply for the waiver, each time a fee is charged.

The division superintendent is expected to protect the taxpayers of the City of Poquoson by making every effort to collect all bills due to the school division. Although its intention is not to jeopardize the educational opportunities of students because of the oversight or financial inability of parents, the School Board believes there are important educational values to be learned concerning the payment of obligations. Therefore, the division superintendent will take every fair and reasonable action to ensure the receipt of payment for fines, fees, damages and services.

After exhausting other approaches to the delinquent accounts of adults, the division superintendent is authorized to retain the services of the School Board's legal counsel in the effort to secure collections, advising School Board members of this action as is appropriate under the circumstances. However, no lawsuit shall be filed without the approval of the School Board in a regular or special meeting.

### **Book Fines and Fees**

All students shall be required to pay for damages to or loss of textbooks, library books and division materials and will be required to pay fees as assessed by the School Board except in cases of documented hardship. Hardship cases will be required to furnish conditions in writing before fines and fees will be waived. No pupil's scholastic report card or diploma shall be withheld nor shall any pupil be suspended or expelled because of nonpayment of any fee or charge.

### **Significant Amounts**

The division superintendent shall be authorized to utilize the following procedures for the collection of significant amounts:

1. letters requesting payment to parents and/or guardian;
2. preliminary action through the School Board's legal counsel; or
3. institute lawsuit, upon approval by School Board.

**LEGAL REFERENCE:** Code of Virginia, 1950, as amended, §§ 8.01-43, 22.1-6, 22.1-70, 22.1-78, 22.1-79(3), 22.1-251, 2.1-253; Virginia Board of Education Rules Governing Local School Boards and School Divisions, 8 VAC 20-720-80.

*Adopted: November 2002*

*Revised: June 2010, June 2013, June 2020*



**POLICY 3-3.14 GIFTS, GRANTS AND BEQUESTS**

The division superintendent or his/her designee shall be responsible for seeing that any gifts, grants, and/or bequests to any individual Poquoson City Public School or to the Poquoson City School Board shall be properly administered in compliance with Virginia law.

**LEGAL REFERENCE:** Code of Virginia, 1950, as amended, §§ 22-1-112, 22.1-126.

*Adopted: November 2002*