

SCHOOL BOARD OF BROWARD COUNTY, FL
INTERNAL FUNDS ACCOUNTING

STANDARD PRACTICE BULLETIN
AUGUST 1, 2000

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FUNDRAISING ACTIVITIES

TOPICS IN BULLETIN:

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- IV. STATEMENT OF REVENUE AND EXPENDITURES

EXHIBITS REFERENCED:

- 1 Project Approval Form
- 2 Fund Raising Financial Report Form
- 3 School Activity Purchase Order
- 4 Merchandise Distribution Sheet
- 5 Statement of Revenue and Expenditures

GENERAL INFORMATION

School Board Policy 6206 Money Raising Activities states "From time to time, it may be necessary and desirable for students to engage in fundraising activities in connection with a special project. Money raising activities **SHALL** have the prior approval of the Principal and conform to such rules and regulations as the Board may establish."

All sales of merchandise are to be approved using the Application for Project Approval Form (Exhibit 1) or a school designed facsimile. Additionally, **ALL** merchandise sales (except continuous operations such as school stores) require the completion of a Fundraising Financial Report (Exhibit 2).

I. FUNDRAISING ACTIVITIES LIMITATIONS

A. SCHOOL BOARD POLICY 6206

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1. Organized school groups **SHALL NOT** sponsor or engage in any form of games of chance (i.e. raffles, lotteries, etc.).
2. Students representing the Broward County school system in any manner **SHALL** be prohibited from participating in "panhandling" activities.
3. Additionally, Elementary and Middle School students **SHALL** be prohibited from door-to-door fundraising activities sponsored by the school or by a school related organization. High school students **SHALL** be limited to one school wide project per year. Any deviation must have prior approval of the Superintendent or Designee.

B. SCHOOL BOARD POLICY 3.2

"In secondary schools, school organizations approved by the School Board **MAY** sell food and beverage items to students in competition with the School Food Service Program **ONLY** one (1) hour following the close of the last lunch period.

II. FUNDRAISING ACTIVITY PROCEDURES

All sales of merchandise should be approved only on the condition that an accurate and complete accounting be made for all units purchased.

In order to assure an accurate and complete accounting of items purchased for resale, it is strongly recommended a sale deadline date be assigned.

II. FUNDRAISING ACTIVITY PROCEDURES (Continued)

A copy of the approved Project Approval Form (Exhibit 1) should be furnished to the School Bookkeeper to enable follow up on collections and reporting.

A. SPONSOR INFORMATION

1. All fundraising activities should be requested and approved on a Project Approval Form (Exhibit 1).
2. **NO** merchandise for resale should be obtained (purchased, arrangements made for purchase) until the Project Approval Form has been approved.

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3. All items purchased for resale should be ordered on a school activity purchase order (Exhibit 3) which may be obtained from the School Bookkeeper.
4. Upon receiving the units or items to be sold, the sponsor **MUST** perform a physical count of items to be sold and verify the number ordered and received.
5. Because **ALL** units or items purchased for resale must be accounted for in some manner, a Merchandise Distribution Sheet (Exhibit 4) **MUST** be maintained by the sponsor when merchandise is to be sold by a number of student salespeople.
6. The Sponsor should request a Monies Collection Envelope from the School Bookkeeper to consolidate the fundraising monies collection for depositing to the bookkeeper.

II. FUNDRAISING ACTIVITY PROCEDURES (Continued)

7. Monies are to be turned in daily if over \$200, and at least within three days, **ALWAYS** on Friday and before any breaks. (See I-302 Cash Collections)
8. The School Bookkeeper will issue an official receipt each time fundraising monies are turned in with the Monies Collection Envelope.
9. Sponsors **MUST** retain the receipts issued by the School Bookkeeper. The receipts can be used in completing the Fundraising Financial Report (Exhibit 2) or Statement of Revenue and Expenditures (Exhibit 5).
10. **Ten days** after the conclusion of the sale, the Fundraising Financial Report must be completed by the sponsor and verified by the School Bookkeeper and retained by the School Bookkeeper for auditing purposes.
11. **ALL** merchandise sold by a school or school organization is **TAXABLE** unless specifically exempt. Some exempt items are:
 - a. Yearbooks/Memory books

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- b. Textbooks/Workbooks
- c. Newspapers
- d. School or student publications (i.e. Literary magazines)
- e. School lunches
- f. Nursery stock (Products raised by a school nursery 90 days or longer)

III. FUNDRAISING FINANCIAL REPORT

The Fundraising Financial Report is required to be completed at the end of a sale where units or items are sold **as a one time sale**. Using the receipts issued by the School Bookkeeper for monies deposited and identified as fundraising monies is very useful in completing the report.

A. COMPLETING THE FUNDRAISING FINANCIAL REPORT

- 1. Complete the top portion of the Financial Report completely.
- 2. The second portion of the form **MUST** be completed in its entirety. This section of the report is based on **TOTAL NUMBER OF UNITS (ITEMS) AVAILABLE FOR SALE** information taken from Vendor's Invoice.
- 3. It is **VERY IMPORTANT** all units (items) **must** be accounted for either as sales, returns, damaged, remaining in inventory, etc.
- 4. The Fundraising Financial Report is to be signed by the Sponsor, and returned to the School Bookkeeper (who will verify the figures with the organization's fund account information.)
- 5. The Principal is required to sign the Fundraising Financial Report.
- 6. School Bookkeeper will retain the Fundraising Financial Report for audit along with any applicable information.

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III. FUNDRAISING FINANCIAL REPORT (Continued)

7. Any items not returned by a student salesperson **MUST** be documented with a student obligation.
8. Any items given away must be documented with a signed sheet indicating description of item, printed name of receiver and signature of receiver.

IV. STATEMENT OF REVENUE AND EXPENDITURES

The Statement of Revenue and Expenditures is required to be completed at year-end for all continuous merchandising activities. **A continuous merchandising activity is an activity that is conducted throughout the school year (i.e. concession or school store).** In addition, this form can be used to summarize activities when it is not possible to obtain an exact accounting of the number of items available for sale (i.e. popcorn sales when the popcorn product is purchased and then bagged in smaller portions). This form is a profit and loss statement for the activity.

Any adjustments to inventory purchases; sales (sold product for less or gave product away); purchase adjustments (bought product at a cheaper price) **MUST** be reflected on the Statement of Revenue and Expenditures.

A. COMPLETING THE STATEMENT OF REVENUE AND EXPENDITURES

1. The form is located on the Bookkeeper's computer in the year-end internal account reports folder.
2. Enter sales information for the year.
3. Enter beginning inventory (this was last year's ending inventory).

IV. STATEMENT OF REVENUE AND EXPENDITURES
(Continued)

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4. Enter any adjustments (i.e. obsolete so given away or destroyed). All adjustments must be clearly documented as to quantity disposed of, description of item as shown on inventory, date and reason for disposal and two signatures (person destroying and one witness) or if given away printed and signed name of recipient.

5. Enter ending inventory.

6. Enter purchases.

**B. STATEMENT OF REVENUE AND EXPENDITURES-
SUPPORTING DOCUMENTATION**

1. Sales will be supported by Monies Collection Envelopes and/or BC-40P receipt books.

2. Inventory adjustments will be supported by the method shown in IV. A. 4. above.

3. Purchases and returns by vendor invoice(s) or credit memo(s). All invoices or receipts **must** include the quantity. If the quantity is not specific (i.e. box), the sponsor must write in the quantity contained in a box. Also, the sponsor should be sure the invoice item description is easily associated with the sponsor's inventory price list. If necessary write the item name on the invoice as it appears in inventory.

4. Ending inventory will be supported by EXHIBIT A.

IV. STATEMENT OF REVENUE AND EXPENDITURES
(Continued)

5. An inventory price list for **each school year** **must** be maintained and available for audit. The price list must show each item sold and the price at which it was sold. Any deviation from this price list must be documented (specific item discounted,

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discounted price and quantity discounted). The item description
used on the year-end inventory **must** match the item description on the
inventory price list.