



Duplin County Schools

School Bookkeeper's Manual

Fiscal Year

2026-2027

Revised June 2026

Table of Contents

Introduction	3
Duties and Responsibilities	4
Duties and Responsibilities of the Principal	4
Duties and Responsibilities of the Treasurer.....	4
Office of the State Controller-Code of Professional Ethics	6
State Laws	8
Internal Controls	9
Bank Accounts and Signature Cards	9
Changing Staff	10
Recommended Filing System	11
Accounting for Receipts	12
School Staff with Receipt Responsibilities	12
Additional Procedures for Treasurers	13
Accounting for Disbursements	14
Disbursements	14
Vendor Set-up.....	14
Staff Reimbursements.....	15
Drivers' Education Fee.....	15
Athletic Student Insurance.....	15
Transcript Fees	15
Payments for Personal Services to Employees.....	15
Refunds.....	15
Tipping	15
Invoices.....	16
Signatures	16
Receiving Documentation.....	16
Checks	16
Blank Checks	17
Cashing Checks	17

Past Dues	17
Printing/Writing Checks	17
Paid Invoices	17
Voiding Checks	17
Lost Check/Reissuing	17
Over Expenditure of Funds	18
Returned Checks	18
Sales and Use Tax	18
Admission and Ticket Sales	20
Athletic Officials Pay	21
Fundraising	22
Month End Closing Procedures	23
Year End Closing Procedures	24

Introduction

The purpose of this manual is to serve as a reference tool for Principals, school Treasurers and other employees dealing with financial issues at the individual school level. The following information is an overview that explains what procedures or tasks are involved in different financial situations. The Principal at each school is responsible for “school funds” maintained at the school level. School funds are not budgeted funds.

According to *North Carolina General Statute 115C-448* - entitled “*Special Funds of Individual Schools*”, the Superintendent nominates a Treasurer for each individual school. The Treasurer accounts for those funds on a daily basis. The Duplin County Board of Education will approve these Treasurers nominations.

The Principal and the Treasurer are accountable for maintaining the financial records of the school funds as prescribed by the Chief Officer for School Finance. Duties and responsibilities are detailed on the following page. By law, the Chief Officer for School Finance is responsible for assisting the Treasurers in carrying out their duties. The Chief Officer for School Finance is also responsible for ensuring periodic reviews of school records are done to determine that Board procedures are being followed.

School Treasurers are also assigned the responsibility of reconciling budgeted funds allocated to the school and assigned payroll duties. The procedures associated with these functions are not included in this manual.

Duties and Responsibilities

Duties and Responsibilities of the Principal

1. The Principal is responsible for all special funds deposited into his/her individual school accounts. No special funds may be expended without the knowledge and consent of the Principal. No obligations may be incurred which cannot be liquidated by the end of the fiscal year 6/30/XXXX (except as recommended by the Superintendent and approved by the Board).
2. The Principal is, in effect, a trustee of these funds and is charged with the responsibility of managing and expending these funds for their intended use.
3. Review invoice(s) in addition to supporting documentation prior to printing and signing checks.
4. Review budget codes for appropriate use of funding for invoice(s).
5. Review the following monthly reports from SchoolFunds:
 - a. Statement of Receipts and Disbursements
 - b. Outstanding Check List
 - c. Bank Reconciliation
6. Review monthly budget reports printed from LINQ.

Duties and Responsibilities of the Treasurer

In addition to co-signing all checks on school accounts, the Treasurer appointed by the Board of Education shall keep a complete record of all monies deposited into school accounts. The Treasurer, subject to the approval of the Principal, shall prepare monthly reports and submit to the Finance department concerning the status of each account maintained by the individual school.

The *Section 115C-448* of the School Budget and Fiscal Control Act states that the school Treasurer “shall keep a complete record of all monies in his charge in such form and detail as may be prescribed by the Chief Officer for School Finance of the administrative unit and shall make such reports to the Superintendent and Chief Officer for School Finance of the administrative unit as they or the board of education may prescribe”.

1. Receive all monies.
2. Write receipts.
3. Prepare deposits.

4. Prepare all accounting forms.
5. Inventory the Teacher's receipt books.
6. Make deposits in the bank.
7. Travel to the bank and post office.
8. Participate in changing the signature(s) on bank accounts and checks (when banking responsibility is changed from one person to another or a person transfers schools).
9. Process invoices for payment.
10. Write checks.
11. Keep all books and accounting records required.
12. Reconcile bank statements.
13. Complete end-of-month procedures.
14. Prepare and reconcile ticket sales report.
15. Close out all accounting records as of June 30 year-end including year-end schedules and reports as required.
16. Any and all other accounting responsibilities required by the Chief Officer for School Finance.
17. Any and all other accounting responsibilities required by the Principal.

Office of the State Controller-Code of Professional Ethics

All government accounting professionals (employees and contractors working for the State of North Carolina) are required to adhere to legal, moral and professional standards of conduct in the fulfillment of their professional responsibilities. Standards of professional conduct as set forth in this code are promulgated in order to enhance the performance of all persons engaged in public accounting.

1. Personal Standards

Government accounting professionals shall 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 of the public.

- They shall devote their time, skills and energies to their office both independently and in cooperation with other professionals.
- They shall abide by approved professional practices and recommended standards.

2. Responsibility as Public Officials

Government accounting professionals shall recognize and be accountable for their responsibilities as accounting professionals in the public sector.

- They shall be sensitive and responsive to the rights of the public and its changing needs.
- They shall strive to provide the highest quality of performance and counsel.
- They shall exercise prudence and integrity in the management of funds in their custody and in all financial transactions.
- They shall uphold both the letter and the spirit of the constitutions of the United States of America and the State of North Carolina, legislation and regulations governing their actions and report violations of the law to the appropriate authorities.

3. Professional Development

Government accounting professionals shall be responsible for maintaining their own competence, for enhancing the competence of their colleagues, and for providing encouragement to those seeking to enter the field of government accounting. Government accounting professionals shall promote excellence in the public service.

4. Professional Integrity-Information

Government accounting professionals shall demonstrate professional integrity in the issuance and management of information.

- They shall not knowingly sign, subscribe to, or permit the issuance of any statement or report which contains any misstatement or which omits any material fact.

- They shall prepare and present statements and financial information pursuant to applicable law and generally accepted practices and guidelines.
- They shall respect and protect privileged information to which they have access by virtue of their office.
- They shall be sensitive and responsive to inquiries from the public and the media, within the framework of federal, state, or local government policy.

5. Professional Integrity-Relationships

Government accounting professionals shall act with honor, integrity and virtue in all professional relationships.

- They shall exhibit loyalty and trust in the affairs and interests of the government they serve, within the confines of this Code of Ethics.
- They shall not knowingly be a party to or condone any illegal or improper activity.
- They shall respect the rights, responsibilities and integrity of their colleagues and other public officials with whom they work and associate.
- They shall manage all matters of personnel within the scope of their authority so that fairness and impartiality govern their decisions.
- They shall promote equal employment opportunities, and in doing so, oppose any discrimination, harassment or other unfair practices.

6. Conflict of Interest

Government accounting professionals shall actively avoid the appearance of or the fact of conflicting interests.

- They shall discharge their duties without favor and shall 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 official duties.
- They shall not use public property or resources for personal or political gain.

Adapted from the Government Finance Officers Association – Code of Professional Ethics

State Laws

North Carolina General Statue 115C provides general provisions for elementary and secondary education. The following sections are from Article 31, "The School Budget and Fiscal Control Act" of this General Statue:

- § 115C-442 Fidelity bonds
- § 115C-443 Investment of idle cash
- § 115C-444 Selection of depository; deposits to be secured
- § 115C-445 Daily deposits
- § 115C-446 Semi-annual reports on status of deposits and investments
- § 115C-447 Annual independent audit
- § 115C-448 Special funds of individual schools

Guidance from these sections along with Duplin County Schools procedures were used to create this manual.

Internal Controls

From the Local Government Commission three components of internal controls are:

1. Safeguarding its resources against waste, fraud, and inefficiency.
2. Promoting accuracy and reliability in accounting and operating data.
3. Encouraging and measuring compliance with board policy.

Internal Controls for School Treasurers might include:

1. All blank checks, blank receipts, and check registers should always be kept in a locked facility such as a file cabinet or desk.
2. When the Treasurer receives cash or checks these items should be counted, recorded and locked in a secure facility.
3. All tickets to games or school events should be kept in a locked facility.
4. All spare keys should be kept in a locked facility.
5. It is recommended that Treasurer establish a cutoff time, during the workday, when the employees need to turn in the money they collected. This will aid the Treasurer in making the bank deposit.
6. It is recommended that Treasurer establish a day of the week to write checks or pay invoices. This would create a more efficient process for writing checks on a regular basis.
7. Someone in the office should be assigned as the backup person for the Treasurer. This person is to take and count money from the employees of the school in the absence of the Treasurer. This person cannot have check writing authority, but may receipt money and make bank deposits.

Bank Accounts and Signature Cards

1. The Principal and Treasurer are responsible for making sure the signature card at the bank is updated with the current Principal, Treasurer, and Chief Officer for School Finance's signature. A current copy of the signature should be kept on file at each school and a copy should be sent to the Finance Department for filing.
2. The Board of Education's Chief Officer for School Finance shall designate the official depository bank to be used by each school. Check with the Chief Officer for School Finance before opening a bank account.
3. Two signatures are required to make a withdrawal from the bank account. Normally the Principal and Treasurer sign the check. In the event that one of these people is not available the Chief Officer for School Finance can sign. If the Chief Officer for School Finance signs the check's supporting documentation must accompany the check.

Changing Staff

1. New Principal or New Treasurer - A new signature card should be obtained from your bank. The account should be opened as "Duplin County Schools, Board of Education", (the name and address of the school). The tax id number to be used is 56-6001020. The name should read this way so that the name and the tax identification number match. The new Principal, the Treasurer and Chief Officer for School Finance should sign the card. Call the Finance Department before coming to have the card signed. Due to scheduling, the Chief Officer for School Finance may be out of the office. You may choose to send the signature card through the courier.
2. The outgoing Treasurer should balance the SchoolFunds reports to the most recent bank statement before they leave the school system or transfer to a new position (month end reports and the bank statement).
3. The Principal and the outgoing Treasurer should discuss the following before the Treasurer leaves:
 - Outstanding bills/check requests - 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.
 - Deposits - The Principal should make sure the outgoing Treasurer has deposited all items received.
 - Security of items - All receipt books, check books, blank receipt books, blank 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.
 - Reports - The Principal should become familiar with the location of the School Funds reports for prior years.
4. The Principal and new Treasurer should verify that the SchoolFunds reports and the bank statement are reconciled. The Principal and the new Treasurer should then initial the reports and the bank statement if they are in balance. At this point the Principal and the new Treasurer are accountable for the money in the SchoolFunds account.
5. A regular audit will be performed during the upcoming fiscal year.
6. The new Treasurer will need to be enrolled in the next SchoolFunds training class. Contact the Accounting Specialist/Internal Auditor in the Finance Department for more information. Training will be paid for by Central Office.

Recommended Filing System

In order to maintain the school funds records appropriately, Treasurers should maintain their files in the following order. Maintain files in chronological date order by month.

Records to be kept on a monthly basis in files labeled with the appropriate month and year:

1. **School Funds Reports** - School Funds reports should be filed either in binders, expanding file pockets or file folders. Each should contain the following information:
 - a. Bank Statement
 - b. Bank Reconciliation
 - c. Statement of Receipts and Disbursements
 - d. Check Registers
 - e. No Tax Payment
 - f. Deposits in Transit
 - g. Outstanding Checks
 - h. Trial Balance
 - i. Receipt Registers
 - j. Journal Entries
2. **Check Request and Invoices** - Check request and invoices should be filed by date and/or check number order. All supporting documentation should be filed in the month it was paid. A Check Register should be printed for the month and placed in each monthly file. The monthly file should also include check copies with invoices and any other relevant supporting documentation attached.
3. **Receipts** – Copies of Treasurer receipts should be kept in receipt number order. A Deposit Analysis report will need to be printed. The Treasurer's receipt should be stapled to the Deposit Analysis report. A Receipt Register report should be printed each month and placed in each monthly folder.
4. **Bank Statements** – Cancelled checks or copies of cancelled checks returned by the bank should be filed with the corresponding bank statement for the month. Copies of debit or credit advises, charges for bank fees, or any other correspondence affecting the bank balance, should be filed with the bank statement with which it was received.
5. **Bank Deposit Slips** – Bank deposit slips should be kept in date order. Each deposit slip total must match a Receipt Register. The deposit slip can be stapled to the Receipt Register.
6. **Receipt Book Register** – This register should be maintained at the school and as additional receipt books are assigned the Internal Auditor should be notified. Register is required to be submitted to Finance during the year end close out.
7. **Returned Checks** - A folder should be maintained that tracks the collection process of returned checks. School will notify individual or company after the 2nd bad check that if

another check is returned the school will no longer be able to accept checks. This communication must be documented and maintained in a file for future reference.

8. **Outstanding Checks** – A folder should be maintained that tracks the efforts to contact the person who has a check listed on the outstanding check report.
9. **Journal Entry** - A folder should be maintained for all journal entries made in School Funds. This can be maintained in your monthly folder or a separate folder. A monthly journal entry register should be printed and kept with the adjustments.

Record Retention

School Funds records should be maintained for 7 years. After this period the records should be destroyed by shredding or incineration.

Accounting for Receipts

Internal Controls are built into the receipting process. The student/parent receives a receipt from the Teacher. The Teacher receives a receipt from the Treasurer. This process will provide good internal controls with a separation of duties.

School Staff with Receipt Responsibilities

- a. Annually all school staff (Teachers, club advisors...) should be made aware of receipt procedures.
- b. All school staff receiving money from students, fundraising projects or club activities should have pre-numbered receipt books. A receipt must be written for all funds received, whether from Teachers, students or other individuals. Receipts should be made out to the individual or organization. The original is given to the individual submitting money and the individual receiving money keeps the copy. Receipts should be used in sequential order.
- c. Receipts must include:
 - The payer, the date, the amount, list of the method of payment (cash or check), the purpose of the receipt, and the employee's signature.
- d. The school staff should never pre-sign receipts. Remember that the staff member to whom the receipt book has been assigned is individually responsible for all funds recorded in their receipt books.

- e. The school staff should deliver the money (cash or check) daily. The receipts should be totaled. The total from the receipts must equal the total amount of cash and checks collected.
- g. When collecting small amount of money (4.99 or less at a time), a log can be maintained instead of individual receipts. A receipt for the day should be made and attached to the log. The receipt can state "See Attached". The log should contain the name of project, date, Teacher name, the students name and the amount collected. (See Log for Collecting Small Receipts)

Date	Students Name	Amount
2-5-14	N. Braswell	.05
2-5-14	Sue Smith	.10
	Total	.15 (a receipt should be made out for .15 and turned into the Treasurer)

- h. Do not alter or write over carbon copies of receipts. If an error is made, write VOID on the receipt and write another one.
 - The voided original must be attached to the receipt carbon for internal control purposes. This will help prevent giving a refund to a person whose receipt has been voided.

Additional Procedures for Treasurers

- a. For receipts received from a Teacher or a club advisor, a reference to those receipt numbers should be included on the Treasurer receipt.
- b. All money received by the Treasurer will equal all money deposited to the bank. Only one bank deposit ticket is required per day.
- c. Checks should be promptly endorsed with a restrictive endorsement stamp (the school name with "For Deposit Only") when they are received. This will prevent the checks from being fraudulently endorsed.
- d. All receipt books should be issued and collected on an annual basis. This information should be recorded on the "Receipt Book Register" which is available on the Finance website.
 - The receipt books should be accounted for by date, name and by receipt numbers and number of books issued. For instance, if the Treasurer issues Mr. Jones a book of pre-numbered receipts, a record should be made of the date, his name and the beginning receipt number.

- This information should be maintained at the school until year-end and as additional receipt books are assigned notify the Accounting Specialist/Internal Auditor.
- e. As a cost saving method, Treasurers shall tear out the receipts that have been used and file these with the other receipts for that school year. The remaining receipts in the receipt book will be reissued.
- f. When receipts are entered into School Funds, a Deposit Analysis should be printed after each batch is posted. The cash should be counted and compared with this total before the bank deposit is made.
- g. Deposits should be made daily. Deposits on the last day of the month should be made before the bank's cutoff time so funds will be posted that day to the school's account(s). A deposit packet should be prepared that includes:
 - **Deposit Analysis**-A deposit analysis report should be printed each time a batch of receipts is posted. The total(s) must equal the deposit.
 - **Treasurer receipts**-The office copy of the Treasurer's receipts should be stapled to the Deposit Analysis report. This provides the detail for the deposit.
 - **Receipt Register**-Receipt Register by receipt number should be printed for each bank deposit.
 - **Bank Deposit Slip**-A bank deposit slip should be completed for the full amount of the deposit. The bank deposit slip should equal the School Funds Receipt Register. The deposit slip should either list the checks or an adding machine tape can be attached with the individual check amounts.
- h. If a receipt is voided include an explanation as to why and reference the replacement (new) receipt number.

Accounting for Disbursements

All purchases made on behalf of Duplin County Schools must meet specified qualifications according to State Law. The following disbursement procedures comply with these guidelines.

Disbursements

All disbursements must be approved by the Principal. The Principal's approval must be documented. A best practices recommendation is to have the Principal sign either a request form, purchase order in School Funds, or quote which indicates the purchase is authorized prior to order being placed.

Vendor Set-up

All payees must be set up in the vendor file before a check is written. Refer to the School Funds Online Users Guide to explain vendor set up.

Staff Reimbursements

School staff may be reimbursed for expenditures of personal funds on behalf of the school at the discretion of the Principal.

Drivers' Education Fee

Treasurer sends check to Accounting Specialist/Internal Auditor for Drivers' Education Fees that have been collected at the end of December and the end of June. (account code 5110.012.00)

Athletic Student Insurance

Treasurer sends check to Accounting Specialist/Internal Auditor for Athletic Student Insurance that has been collected at the end of December and the end of June. (account code 5500.239.00)

Transcript Fees

As long as a student is enrolled in Duplin County School, they are not charged a fee for birth certificates, immunizations, school records or transcripts.

If a student is no longer enrolled with Duplin County Schools and requests a copy of any of their records, a fee of \$3.00 is charged for their records plus \$3.00 convenience fee. The \$3.00 convenience fee is per order. For example, if they order 6 transcripts at one time, they owe \$18.00 (\$3.00 for each transcript) and a \$3.00 convenience fee. The total would be \$21.00.

The guidance counselor will receipt the money or whoever collects it at the school level. The money is deposited into "General Fund".

Payments for Personal Services to Employees

Normally, all compensation for any school personnel shall be made through the Central Office Payroll if employee is performing same type duties as regular job. If funded by school funds, the procedures for "General Fund Payroll Reimbursements" should be followed. Additional information regarding these procedures is located in the "Payroll Manual". Contact Finance if you need assistance in determining if the pay is related to employee's regular job.

Refunds

When a refund is given, the original receipt should be obtained and attached to the documentation with Principal's approval (request form, PO, quote, etc). In addition, refunds when applicable should be written to the parent with the students' ID# referenced.

Tipping

When a tip is paid it should be noted on the receipt. Generally a tip should not exceed 20% of the receipt.

Invoices

A vendor invoice or a school prepared invoice must accompany every check written. If invoice is prepared by school Treasurer it must contain sufficient data to support the disbursement.

Information that should be on the school prepared invoice is:

- a. Name and address of who the check is remitted to
- b. Purpose of the check- e.g., names of participants, number of registrants.
- c. Amount
- d. Who requested the check
- e. Account code
- f. Principal's signature
- g. Check Date
- h. Check #

Signatures

After the checks are prepared and signed by the Treasurer, they are given to the Principal, with the supporting invoices and any other appropriate documentation attached, for the Principal's signature. The Principal and Treasurer have the authority to sign checks except when the check is made directly to the Principal or Treasurer. When Principal or Treasurer is absent or if check is paid directly to them the checks shall be signed by the Chief Officer for School Finance, Superintendent or Assistant Principal (if on signature card).

Receiving Documentation

The employee receiving the merchandise should verify the accuracy of the packing slip (quantity, description, etc.) to the merchandise received. The merchandise should be counted and compared to the packing slip or other documentation. This is to verify the correct merchandise and correct quantity has been received. Any discrepancies should be noted. The person verifying this information should initial and date the packing slip and submit to the Treasurer. All purchases are to be used for school related purposes. The Treasurer should match the receiving documentation with the invoice before paying the bill.

The receiving information should include:

- a. Date Received
- b. Merchandise received by
- c. Discrepancies

Checks

A check must be issued for school related purposes and must be charged to the proper account number. Cash may not be used to pay a bill.

Blank Checks

Blank checks are to be secured when not in use. A locked facility should be available to Treasurer and Principal only.

Cashing Checks

Personal checks are not to be cashed from school funds.

Past Dues

All invoices, bills and tax payments are to be paid by the due date.

Printing/Writing Checks

Once Treasurer has confirmed all purchases have been approved by the Principal, the checks may be prepared. Pre-numbered checks that require two signatures and a description including the invoice number or other pertinent information should be used. Always use checks in sequential order.

Paid Invoices

Original invoices or other supporting documentation must have "Office Check Copy" attached (stapled) to indicate the bill has been paid.

Voiding Checks

If a check needs to be voided, the Treasurer should write VOID across the face of the check and remove (tear off or cut out) the signatures. Schools should attach the voided checks to the SchoolFunds "Voided Check Register". To make adjustments to SchoolFunds, refer to the SchoolFunds Online Users Guide under "voided checks". It is very important to put the "void" date not the "original check date" in when voiding a check. This will enable the SchoolFunds reports to be correct. If a check form is misprinted and cannot be used please see SchoolFunds manual for entering a zero void check so there will not be a break in numbers on the check register. (For voiding checks in a prior year – Refer to the SchoolFunds Online Users Guide.)

Lost Check/Reissuing

If a check is over 60 days old, contact the vendor/employee to determine why the check has not been cashed. If check has been lost the following steps should be taken in order as noted below:

- Write a new check referencing the old check number.
- Void the original check in SFO referencing the new check number.

- Ask them to sign Replacement Check Request form prior to releasing the new check. The form located on Finance website under Forms & Documents in General Finance section.

Over Expenditure of Funds

School staff may not obligate an account for more than the amount of current cash less all liabilities and other obligations of the fund. Therefore, none of the accounts should carry a negative balance.

Returned Checks

Occasionally checks that have been deposited in the school bank account will be returned due to insufficient funds, bank account closed, unauthorized signature, etc. These are called returned checks.

- a. **Notification** - School is notified by bank of returned checks.
 - b. **Letter** - A letter will need to be sent to the person who wrote the "returned check". Some reasons for a returned check are insufficient funds to cover the check and account closed. SchoolFunds Online "Returned Check" letter may be used.
 - c. **Redeposit** - Another way to collect the funds is to "redeposit" the returned check back to the bank. Check with the bank to see if there is a redeposit fee. Only checks that are returned for insufficient funds should be considered for redeposit. For a redeposit, a separate bank deposit slip should be prepared for the returned check(s) and mark it "redeposit". (See SchoolFunds Online User Guide under Return Checks Repayment)
1. **Unable to collect** - If a returned check has not been collected within 60 days, and a letter has been sent or have tried to redeposit, then person should be contacted by phone and/or another letter should be written from the Principal.
 2. **File** - A returned check file should be kept which contains all records of attempts to contact the person. This would include the advisory from the bank and the letter sent to the person requesting reimbursement.

Sales and Use Tax

Sales Tax

The North Carolina Department of Revenue requires that taxes be paid on products that are sold. North Carolina schools and school organizations are not tax exempt. The school Treasurer is responsible for writing a check for the taxes to the Department of Revenue monthly and submitting check to Finance.

Allowable Expenditures for Sales Tax Refund

In SchoolFunds the sales tax “county” is based on point of possession. Most vendors will be set up with the “county” as Duplin County. All out of state vendors that charge NC tax will be set up with the “county” as Duplin County. Any out of state vendor that should charge tax and does not will be set up with the county code as No Tax. One example of when the county would not be Duplin County is if you purchased an item from a company in Burgaw and **went** to Burgaw to pick up the item. That would be the point of possession and the county would be Pender.

To ensure your school will receive a sales tax refund, when writing a check to the NC Department of Revenue the sales tax amount should be entered in the sales tax box.

However, when paying out of state vendors that did not charge sales tax, the sales tax will need to be calculated using the current sales tax rate and entered in the sales tax box.

Non-allowable Expenditures for Sales Tax Refund

There are also some exceptions where the school cannot file for a refund.

- a. Taxes paid on motor vehicles
- b. Scrap tire disposal
- c. White goods disposal tax
- d. Field Trips
- e. Food
- f. Hotels
- g. Gift certificates
- h. Rye Grass
- i. Fertilizer
- j. Clay
- k. Pine straw

The exceptions that will probably apply to individual schools are related to employee reimbursements and utility expenditures. To clarify the above exceptions; the school cannot claim a refund on taxes paid on electricity, piped natural gas, and local intrastate telephone services, intrastate toll telecommunications services and on cellular phone usage. The school is also unable to claim a refund for employee reimbursements for travel expenses. This includes grocery store, prepared food and beverages (restaurants), lodging, occupancy taxes and travel. This is odd but the law states this is “a personal contract between the employee and the provider”. When the school reimburses the employee, “we have chosen to reimburse a personal expense to an employee”. This also applies to items purchased by an employee with their personal money and then the school reimburses them for this amount. The school cannot claim a refund for these purchases.

Admission and Ticket Sales

When charging admission and selling tickets to an event, internal controls must be established for the issuing of tickets and receipting the money. Examples may include school dances or band concerts.

1. Tickets

- a. **Inventory** – Prior to the first event that will require ticket sales the Treasurer completes the “Tickets” form, which is located on Finance website. This form requires the school to list the first ticket number for each roll of tickets and is signed by Principal and Treasurer. The form is then sent to the Accounting Specialist/Internal Auditor before the first event takes place. The form is updated after each event.

Someone should store the tickets other than the person who will be selling the tickets. For example, if the Teacher is in charge of selling the tickets, the athletic director could be the one to store the inventory of the tickets until the tickets are ready to be sold.

- b. **Issuing** - A record should be kept of all tickets that are issued to the Teacher or club advisor. When the event is over the Teacher or club advisor will count and return any unused tickets. A Ticket Sellers’ Sheet (located on Finance website) will need to be completed and turned into the Treasurer.

Whenever the last ticket is sold on a roll, a note should be written beside the number on the Ticket Sellers’ Sheet “end of roll”.

- c. If a game is transferred to another location or postponed, write note on Ticket Sellers’ Sheet and send to Accounting Specialist/Internal Auditor.

2. Receipting the money

- a. The Teacher or club advisor should count the money. A Ticket Sellers’ Sheet should be completed by the Teacher or club advisor and turned into the Treasurer with the money.
- b. General Statute 115C-445 requires money to be turned in daily or the next business day to the Treasurer. Gate receipts are required to be dropped in the night depository.
- c. The ticket sales and the money collected should equal.
- d. Gate & Concessions should be listed separately in the Receipt Book and School Funds. In addition, the School Concession form should be completed and included in the overnight depository.
- e. Use school abbreviations for games: BFG, BES, CES, ED, JK, KES, ND, RHM, WALE, WARE, and WRH. For example BFG VB 9/29/xx Gate and BFG VB 9/29/xx Concessions.

- f. Use sport abbreviations for games when entering receipts in SchoolFunds due to limited space. Abbreviations such as: FB-football, VB-volleyball, SOC-soccer, BKB-basketball and BaseB-baseball.
 - g. Ticket Sellers' Sheet, Official Payment Voucher and School Concession form if applicable must be emailed to the Accounting Specialist/Internal Auditor within 3 days following each game.
3. **Proceeds from the sale** - Payments to officials, ticket takers and others may not be made from cash proceeds from the event. The school Treasurer will verify that the information on the Ticket Sellers' Sheet corresponds to the amount of money that is collected and will issue a receipt to the person turning in the money. This amount will be recorded to the appropriate club/event account. The Teacher/club advisor will then submit a request to Treasurer for any payments that need to be made so that a school check can be issued.

Athletic Officials Pay

School Athletic Game Officials are paid using Dragon Fly. The Booking Agent (assigner) for DCS assigns officials to games. This information is recorded in the Dragon Fly system. Prior to games the school Treasurer prints the Official Payment Voucher report which shows the names of officials working the game. This report is given to the Athletic Director/designee who obtains the signatures of officials working the game to ensure proper individuals are paid. The Official Payment Voucher report with signatures is submitted to the school Treasurer the following morning to document officials to be paid. School Treasurer logs into Dragonfly, finds the game and checks the box next to each officials' name to authorize payment.

Dragon Fly Athletics LLC vendor in SchoolFunds is used to submit payment to Dragon Fly which is then used to pay the school's Athletic Game Officials. Checks to Dragon Fly must have the school's Dragon Fly account number in the memo line and in the remit to address on the attention line to ensure funds are posted to the correct account. It is recommended that the schools' athletic calendar be used to determine the amount of money to send to Dragon Fly. Dragon Fly charges a small fee for each official per each game. Funds will be posted to school's account in Dragon Fly 5-7 days after receipt of check. School Treasurers must periodically check the balance in their account with Dragon Fly to ensure school balance is sufficient to pay officials for the remaining games in the year.

Dragon Fly mails 1099 to Athletic Game Officials.

Fundraising

Approval

Schools must submit the “Annual Fundraiser Request” form to the Director of K-5 Curriculum for grades K-5, the Director of 6-8 Curriculum for grades 6-8 or Director of 9-13 Curriculum for grades 9-12)

Best Practices recommends using the “Event Code” feature in SchoolFunds to capture and report profit or loss of a particular school or event. For further guidance on how to set up see SchoolFunds User’s Guide. This will allow schools after each event to evaluate the event and determine if it should be continued in the future.

Internal Controls

Internal controls must be established and followed when holding a fundraiser. Inventory should be considered to be “cash” and secured and counted. Cash should be controlled and accountable at all times. Internal controls not only insure the safety and security of cash and inventory, but also assist the employee from being placed in precarious situations for the mishandling of these assets.

- a. All money that is collected is to be counted and turned in to the Treasurer of the school. Best practices recommends including a sales log which will match cash collections.
- b. Before the money (cash and checks) is turned in to the Treasurer, the employee who collects the money is fully responsible for the safe keeping of the money.
- c. Start up change for Ballgames: A check should be written to Petty Cash before the first game of the year and re-deposited after the final game of the year. Treasurers have a choice: to keep the start up money after each game in the drop box at the bank, then pick it up before the next game starts or place in locked location at the school. Keys should be held by Treasurer and Principal.

Yearbook/Pictures - If the school maintains the yearbook/picture inventory, inventory procedures must be followed. Most schools have an arrangement with the yearbook/picture company where the school does not maintain the inventory, the student pays the company directly and the school receives a commission from the sales.

Month End Closing Procedures

1. When the bank statement is received, any necessary adjustments such as interest, service charges, or returned checks should be posted with the date indicated on the bank statement or the last day of the month you are reconciling.
2. Perform the Month-End Closing Procedures as outlined in the "SchoolFunds" Users' Manual.

Bank Reconciliation Best Practice

Schools are no longer required to turn in a monthly Balance Sheet, however, if a difference is identified on the Bank Reconciliation the following is a good method to locate the difference.

- Add all the handwritten amounts the teacher wrote in and compare to the SFO receipts stapled into the Receipt Book. These should equal.
 - Compare each Receipt Book total with the Teachers total on the Receiptee Listing.
 - Compare grand total of Receipt Books, SFO Deposit Summary and Bank Statement deposits which should all agree.
3. Each school will submit monthly reports to the Finance Department. These reports should arrive in the Finance Department no later than the seventeenth of each month following the reported month so the Finance Department can prepare their reports. All schools must close out their books each month and submit the following reports:
 - a. The Statement of Receipts and Disbursements (must be signed by the Principal and Treasurer)
 - b. The Bank Reconciliation (must be signed by the Principal and Treasurer)
 - c. A copy of all pages of the Bank Statement (must be signed by the Principal and Treasurer)
 - d. A copy of the Check Register (must be signed by the Principal and Treasurer)
 4. Finance will review "Check Register" for each school and contact schools to make any corrections. An email will be sent requiring schools to submit a "No Tax Payments" report and if applicable print a check for NC Dept of Revenue. This information should be sent to the Finance department.

5. Print Receipt Listing in SFO after final deposit on last day of the month. This report should be maintained at the school. This report can be compare to the Receipt Book totals to identify deposit differences.
6. Print "School Report" in LINQ accounting system and give copy to Principal.
7. Submit monthly mileage reimbursement request by the 10th of the following month.
8. Print Outstanding Purchase Orders/Requisitions in LINQ.

Year End Closing Procedures

June 30, XXXX

1. The Finance Department will send the procedures for closing the year in School Funds and also send a list of what reports need to be run before June 30th each year. However, the following procedures should be done as soon as the June bank statement is received.
2. When you receive your June bank statement complete all June transactions for receipts, disbursements and adjustments, including your bank charges and interest.
3. Reconcile your bank account for June and print the reconciliation, the outstanding checklist, deposits in transit report and outstanding deposits listing.
4. Print a DETAILED statement of Receipts and Disbursements report after transfers have been made and make sure it is in balance and agrees to the bank reconciliation. When in balance, complete year-end SchoolFunds processing steps sent out by the Finance Department.
5. The reports listed below should be sent to the Finance Department no later than "Date of Check Out" or when Bankers Box are due:
 - a) A copy of your Statement of Receipts & Disbursements for June. This report should be run after you have done your transfers and before you do the year-end closing.
 - b) A copy of all pages of your bank statement, bank reconciliation and outstanding checklist.
 - c) A copy of the July Receipts and Disbursements Report showing balances from the end of the year are now the new balances for the beginning of the new fiscal year.
 - d) Sales Tax Report for the fiscal year.
6. Banker Box Organization for External Audit
 - a) Place each **labeled month's** SFO files in a file folder or expanding file pocket.
 - Bank Statement
 - Bank Reconciliation
 - Receipts & Disbursement Report
 - Check Register
 - No Tax Payment
 - Deposits in Transit (if applicable)
 - Outstanding Check Register
 - Trial Balance

- Daily Deposit, Proof Listing of Deposits, Deposit Analysis all stapled together in numerical order.
 - Check Stub Office Copy, Invoice, PO (if applicable) all stapled together in # order
 - Journal Entries
- b) End-Of-Year Reports (See SFO "Preparing for Year-End at Your School"). Create a "End of Year" folder for all year-end reports and place behind the June folder.
 - c) If applicable revised game schedule for sports and all unused tickets.
 - d) Account History report with game deposits highlighted
 - e) Parking Passes Form
 - f) Receipt Book Register
 - g) Receipt Books (completed and torn out pages stapled per teacher if not complete book)