Cape Henlopen School District

ACCOUNTING MANUAL

Updated August 2026

The Cape Henlopen School District is an equal opportunity employer and does not discriminate on the basis of race, color, creed, religion, gender (including pregnancy, childbirth and related medical conditions), national origin, citizenship or ancestry, age, disability, marital status, veteran status, genetic information, sexual orientation, or gender identity, against victims of domestic violence, sexual offenses, or stalking, or upon any other categories protected by federal, state, or local law. (El Distrito Escolar Cape Henlopen ofrece oportunidades iguales de empleo y sin discriminación de raza, color, credo, religión, género (incluyendo embarazo, parto y sus condiciones médicas), nacionalidad, ciudadania o ascendencia, edad, discapacidad, estado civil, servicio military(veterano), información genética, orientación sexual, o identidad de género, en contra de víctimas de violencia doméstica, ofensas sexuales, acecho, o bajo cualquier otra categoria protegida por la ley local, estatal, y federal.) Ned Gladfelter, Employee/Student Compliance Officer: OCR/Title IX Office of Human Resources; Amanda Archambault, Student 504 Compliance Officer, 1270 Kings Highway, Lewes, DE 19958.

PREFACE

These internal accounting procedures have been established for the administration and management of all District Funds (regardless of the source). Its purpose is to ensure that assets are safeguarded, that financial statements and documentation are in conformity with generally accepted accounting principles, and that finances are managed with responsible stewardship and provides a high level of financial transparency.

All personnel with a role in the management of the Cape Henlopen School District's financial operations and/or special purpose funds are expected to uphold the policies and procedures of the State of Delaware Budget & Accounting Manual, as well as the policies and procedures of the Cape Henlopen School District. It is the intention of the Finance unit that this accounting procedure will serve as our commitment to proper documentation, accurate financial management, as well as adequate disclosure and reporting.

It is imperative that all employees read, understand, and abide by these guidelines, procedures, rules, and regulations. Violation of these rules may lead to suspension of privileges to handle district funds and/or disciplinary action, up to and including termination.

This document is intended to serve as an ongoing guide, it may be necessary at times to update the included material. To facilitate this process, related correspondence will be provided via memorandum, as deemed necessary.

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SECTION I: GENERAL INFORMATION

DEFINITION

Internal funds consist of all special purpose funds other than federal, state and local funds. Internal funds may include, but are not limited to, receipts from student activities (i.e., clubs, performing arts, yearbook, private grants and donations, etc.) and shall be handled in accordance with the rules and regulations of the State of Delaware and the Cape Henlopen School District.

The following types of collections must be deposited into a district internal account:

1) Money received from the fundraising activities of student organizations.

2) Donations received from community organizations or individuals in support of a specific student organization/activity.

3) Money collected from students to offset the costs of a student organization activity or for payment of student obligations (ex: field trips).

4) Private Grants from non-federal organizations

PayPAMS or GOFan, our authorized electronic system should be used as a payment option for field trips, student debts, prom, homecoming events, school dances, and yearbook sales.

The Cape Henlopen School District has specific policies in place that govern the management of these funds, copies of which may be found in the appropriate section of this manual. As policies are revised, updates will be posted to the online manual.

The majority of funds in the internal account come from students, parents, citizens, community organizations, etc. All expenditures from the internal account must be for services and/or goods that will directly benefit students and/or meet the guidance related to the approved fundraising or donation activity. Schools may have an administration discretionary sub account that is used to hold funds from vending machines, picture company commissions, etc.; however, this sub account may not contain funds from students, parents, citizens, community organizations, etc. with the exception administrative fees for returned checks.

The building administrator is accountable for the appropriate use of all building funds, the responsibility for recordkeeping and maintaining the account may be delegated to an administrative assistant.

NOTE: All individuals responsible for administering/managing these accounts must review and abide by the current policies and regulations.

INTERNAL STRUCTURE

All Cape Henlopen Schools have an internal account maintained in the First State Financials (FSF) accounting system. These accounts are administered at the district level; but are tracked and reconciled at the building level. These accounts are:

- Cape Henlopen High School Internal Account
- Cape Henlopen High School Athletic Internal Account
- Beacon Middle School Internal Account
- Frederick D. Thomas Middle School Internal Account
- H O Brittingham Elementary School Internal Account
- Lewes Elementary School Internal Account
- Little Vikings Early Childhood Program Internal Account
- Love Creek Elementary School Internal Account
- Mariner Middle School Internal Account
- Milton Elementary School Internal Account
- Rehoboth Elementary School Internal Account
- Sussex Consortium Internal Account

These accounts will have sub-accounts that are maintained at the building level for specific groups or activities.

GENERAL PROCEDURES

This procedure is established for the handling of internal funds and incorporates a system of checks and balances.

1) The person collecting the funds shall be different from the person serving as bookkeeper.

2) Signatures (electronic where applicable) are required for all transactions. One of which must be a building administrator and the administrative assistant in charge of financial reconciliations.

3) Returned checks will be assessed a fee of $25. Returned check fees will be credited to the school administrative sub account. Any returned checks above $50 that have not been settled within 30 days will be turned over to the State Police for collection.

4) The ledger of accounts shall be established, kept up-to-date and reconciled between QuickBooks, Data Service Center, and First State Financials (FSF) at all times, and shall follow standard bookkeeping practices.

5) All fundraising activities and collection of monies within the school district shall receive the prior approval of the building administrator, appropriate District Office Supervisor and the Director of Finance via the fundraising process in Section II of this manual.
6) All obligations on these accounts (including personal reimbursements) shall receive prior approval as specified by the building administrator (via the District Purchase

Requisition form) and in accordance with the rules and regulations stated herein and pursuant to the State of Delaware Budget and Accounting Manual.

7) Records for internal accounts are to be maintained in an adequate filing system so that they are readily accessible. The file will include a record indicating the subaccount name, its purpose/function, and the individual authorized as the subaccount custodian.

8) All purchases are subject to the purchasing laws and requirements as specified in the Delaware Code, State of Delaware Budget and Accounting Manual, and policies of the Board of Education. State agencies (the District) are only required to use the formal bidding procedures when a purchase is made in an amount that exceeds the threshold limit.

9) All professional service contracts must be reviewed and approved prior to the initiation of services, by a district-office level administrator, the Director of Finance and Superintendent (or designee). A fully executed professional service contract is required to be on file, with the business office, 30 days prior to commencement of the service. The District Contract format can be found on the website. The District may opt to use a vendor provided contract, where feasible and with the approval of the Director of Finance.

10) A professional service contract is required for any group/individual that provide a service to the district. This includes, but is not limited to, DJ's, photo booth operators, guest performers/speakers, musical groups, etc. Contact the Business Office contract liaison for assistance.

11) State Contract Thresholds

Material and Non-Professional Services*
Less than $50,000 – Open Market Purchase
$50,000-99,999.99 – 3 Written Quotes
$100,000 and over – Formal Bid
Public Works
Less than $150,000 – Open Market Purchase
$150,000 - $249,999.99 – 3 Letter Bids
$250,000 and over – Formal Bid
Professional Services
Less than $100,000 – Open Market
$100,000 - $149,999.99 – 3 Letter Bids
$150,000 and over – Formal RFP (Request for Proposal) Process

12) All senior class internal sub accounts must be expended upon graduation of the respective senior class. By April 30th of the respective year, the senior class advisor must obtain a decision from the senior class officers to either:
    i) Designate how the remaining funds are to be spent to benefit the high school through expenditures no later than June 30 of the graduating year. Funds must

either be donated or used in one or more of the following manners:

a. Used to serve the senior class as a whole.
b. Used to support a school project (i.e., a "legacy project").
c. Up to $1,500 may be reserved for the planning and implementation of a 10-year class reunion. Any funds over and above the $1,500 must be used for items a. or b. Any funds not used within the 10-year period shall be forfeited.

ii) Make a general donation to the High School allowing the principal to decide and expend the funds for the direct benefit of the remaining student body. If the class officers do not make the specific designation described in the previous paragraph, the general donation will be required and transacted. Any funds not used by the principal within a year of this designation shall be forfeited.

13) All monies collected by the school must be deposited, through the Business Office, in the State bank account that is governed by these rules and regulations. No money may be held outside of this internal fund system. Funds collected and controlled by a district-approved affiliated organization are the only funds exempt from this regulation.

SPECIFIC PROCEDURES:

1. **ALL** checks received must be made out to the Cape Henlopen School District with a notation in the memo section regarding the specific group or purpose of the payment.

2. A receipt must be issued for all cash and checks received. When school personnel are involved in the exchange of funds, these activities must be documented per Board Policy #608. Receipt books must be pre-numbered and should be carbonized.

3. There may be instances when providing a receipt may not be feasible (e.g., collecting change as a fundraising activity). Administrative assistants must get prior written approval from the District Business Office, on a case-by-case basis, for exemption from this requirement. A copy of the written approval must be submitted as supporting documentation with all associated transactions.

4. Funds should be sent to the Business Office via the established courier schedule.

5. Funds may only be kept overnight by an account holder (sponsor, teacher, etc.) when funds are collected after normal school hours. In this instance, the funds must be turned in to the administrative assistant or designee at the beginning of the next business day. All funds must include a properly completed Request for Deposit form.

6. Under no circumstances shall money ever be deposited into a personal bank account.

7. All receipts are to be posted to the respective account by the Business Office within five business days of receipt of a Request for Deposit form (where feasible).

8. Funds collected by account holder must be counted and documented.
    i) Post-dated checks are not acceptable.
    ii) Checks must be copied.
    iii) A Request for Deposit form must be completed (except for the funding line) and signed by the account holder.
    iv) Copies of checks must be attached to the Request for Deposit form.
    v) Receipt numbers or sequence of receipt numbers issued related to the deposit are to be entered in the proper space on the Request for Deposit form.
    vi) If the deposit is for a fundraiser, a copy of the approved fundraiser request and approved use of facilities form, if applicable, must be attached to each Request for Deposit Form.
    vii) If the deposit is for a field trip, a copy of the approved field trip request must be attached to each Request for Deposit Form.
    viii) The Request for Deposit form and funds must be taken to the administrative assistant; and the account holder must wait for the administrative assistant to complete Item #9 below.

9. The administrative assistant will verify amounts are correct and will insert the appropriate Revenue Account and Student Account Category (QuickBooks Sub Account) in the funding line at the top of the Request for Deposit form. The administrative assistant will sign the Request for Deposit form, certifying the amounts are reconciled and correct. The administrative assistant will provide a copy of the reconciled Request for Deposit form to the sponsor; this will serve as the receipt for the transfer of funds.

10. The administrative assistant will complete a deposit slip and keep the yellow copy, as well as the yellow copy of the Request for Deposit form for school records. Citizens Bank requires that each deposit contain no more than 100 checks. If there are more than 100 checks, the deposit will need to be split to comply with this requirement.

11. The administrative assistant will verify that all necessary backup documentation is attached (i.e., copies of checks, approved field trip or fundraiser form, etc.). Copies of receipts are not to be attached or submitted to the Business Office but are to be maintained in the building.

12. The administrative assistant has the option to batch multiple Requests for Deposit Forms on one bank deposit slip to submit as a single deposit.

13. The administrative assistant will place the deposit(s), deposit slip(s), and the original Request for Deposit form(s) with all supporting documentation in the deposit bag and lock the bag. Funds will not be accepted for deposit by the Business Office without a properly completed Request for Deposit form.

14. The administrative assistant shall ensure the bag is locked in the school safe. The bag shall remain in the school safe until the transfer of the deposit to the District Business Office courier is completed using the Deposit Pick-Up Log.

15. Each school and the athletics department will have at least three (3) locking deposit bags. One key for each bag will be kept by the administrative assistant and one key for each bag will be kept by the Business Office.

16. Any day that a building has a deposit for pickup, the administrative assistant is to email chsdaccounting@cape.k12.de.us by 10:30 daily so the courier can be advised to stop at that building during the scheduled courier run. Funds are not to be sent directly through district mail or just dropped off at the District Office. All deposits must go through the administrative assistant following these procedures.

17. The designated District Business Office courier must sign for pickup of the deposits on the Deposit Pick-Up Log in each building and deliver bags to the Business Office where deposits will be logged in by one of the Business Office administrative assistants using the Deposit Delivery Log.

18. The Business Office administrative assistant/school liaison will verify the deposit amount for the third time and verify that all necessary documentation has been provided. Any discrepancies must be reported immediately to the Director of Finance and the FSF Coordinator and will be returned to the school for resolution before the deposit is made. After successful verification and signature, the deposit will then be given to the FSF Coordinator (or other Business Office administrative assistant) to be taken to the bank.

19. Supporting documentation of the financial transaction, including a copy of the deposit receipt from the bank and a copy of the final completed Request for Deposit form will be scanned and emailed to the administrative assistant as verification of the deposit. All supporting documentation will be scanned and maintained on the Business Office shared drive.

20. The Billing Address for all purchases must be:
    Cape Henlopen School District
    1270 Kings Hwy.
    Lewes, DE 19958
    Attn: Business Office
    The shipping address should be the specific location of the school or department.

21. All disbursements are to be made by FSF payment. The payment may be drawn upon respective accounts upon meeting these requirements:

    i) Sufficient unencumbered balance in respective account.
    ii) Properly completed FSF Payment Request form.
    iii) The FSF Payment Request form shall contain the following information, or it will be returned and not processed.
        (1) Vendor's name
        (2) Vendor's State of Delaware FSF Vendor ID number
            (a) If a vendor does not have a State of Delaware Vendor ID number, the administrative assistant will provide the link to the ESupplier website for registration purposes.

(b) No payments can be made without having a valid State of Delaware Vendor ID number.

(3) Attached original detailed vendor invoice containing:
(a) Vendor's remittance address
(b) Items purchased
(c) Prices

iv) If the invoice is for a fundraiser, a copy of the approved fundraiser request and approved use of facilities form, if applicable, must be attached to each Request for Payment Form.

v) If the invoice is for a field trip, a copy of the approved field trip request must be attached to each Request for Payment Form.

vi) Any attachments to the FSF Payment Request form (receipts, etc.) must be full sheets. If it is not a full sheet, it must be taped (not stapled) to a single side of a full sheet of 8.5 x 11 paper for scanning purposes. Only one staple should be used to attach all necessary documentation to the form. Any documents submitted for processing not meeting these requirements will be returned and will need to be resubmitted with proper attachment(s).

22. All School-level purchases must have an approved purchase requisition. District-Office level purchases **must** have a purchase requisition, except for the following exclusions:
a) Major Capital Projects
b) Minor Capital Projects
c) Child Nutrition Food and Consumable Goods
d) Approved Professional Services Contracts
e) Mileage Reimbursements for work-related travel
f) Approved Cell Phone reimbursements
g) Approved Licensure and Certifications
h) Tuition Reimbursement Requests
i) DOT Physical Reimbursement Requests for the Transportation Department
j) Facilities Management Custodial and Maintenance Supplies
k) Fundraising-related purchases (approved form serves as the approval for related purchases)
l) Field Trip-related purchases (approved form serves as the approval for related purchases)
m) Professional Development-related purchases (approved form serves as the approval for related purchases)

n) All purchases for the District Office operating unit (99910010) must be reviewed and approved by the Director of Finance or the Superintendent. Purchases of $10,000.00 or more must have an approved Purchase Order (PO) prior to making the purchase, when using state funds (Fund 100 or 300). Federal purchases do not require a Purchase Order. Purchases will be direct claimed whenever allowable and feasible using the appropriate Budget and Accounting Manual (BAM) exception.
i) All technology-related purchases (including software and mobile apps) require district-office level review and approval from the Supervisor of

Information Technology prior to acquisition.

ii) All curriculum-related purchases (including software and mobile apps) require district-office level review and approval from the district curriculum supervisors prior to acquisition.

iii) All facility-related purchases that will alter/modify a district facility or modify/install a structure on district property require district-office level review and approval from the Supervisor of Buildings and Grounds prior to acquisition.

iv) All special education related purchases funded by the district office and/or federal funds require the review and approval from the Supervisor of Inclusive Education prior to acquisition.

v) All purchases utilizing federal funds must be reviewed and approved by the grant program administrator prior to acquisition.

23. All items purchased (regardless of funding source) that meet the district's property control standard must be listed on building property inventory reports and designated in FSF for asset management purposes. All technology related purchases (i.e., hardware, software, digital cameras and other electronic devices) must be reviewed prior to purchase, coordinated and inventoried by the district technology office.

24. All contracts and/or professional services using federal funds must be reviewed by the Business Office to ensure that the intended vendor is not debarred from receiving federal funding or contracts. The contract coordinator receiving the contract and/or purchase order will conduct a search in the federal database https://sam.gov/search/ and attach a copy of the results to the purchase order, contract or invoice; and bring any/all debarments to the attention of the Director of Finance. Debarments can be found at the GSA, system for awards management website. If a vendor is determined to be ineligible, they will receive written notification from the Director of Finance.

25. All private grant and donation applications/requests must be reviewed and receive prior approval for submission from the Director of Operations and Information Technology Supervisor, if the request includes any technology related items.

26. All private grant and donation applications/requests must be reviewed and receive prior approval for submission from the appropriate district office supervisor (early childhood/elementary/secondary/inclusive education), if the request includes any curriculum related items.

27. Record keeping and documentation for all transactions shall be the responsibility of the administrative assistant responsible for reconciling the budget or internal accounts.

28. All payments to district employees for district-related work shall be paid through the State of Delaware Payroll (PHRST) System. Payments for non-district related work will be made to employees through FSF.

29. All Personal Reimbursement requests must be supported with itemized receipts. Tips and gratuities shall not exceed 20% of the total bill. **No receipts, no reimbursement, no exceptions. Employees are responsible for ensuring that merchants have not included a gratuity and/or related service charge, prior to adding a gratuity.**

30. Mileage reimbursement requests for work-related activities **MUST** exclude the employees' daily commute to/from home to the primary work location; and, be supported with the district mileage log and any other required documentation.

31. Donations to annual fund drives, political activities, or candidates are prohibited. Exceptions may be considered on a case-by-case basis and must have prior written approval by the Director of Finance and the Superintendent.

32. Purchase of food, gift cards, gratuities, uniforms, clothing, flowers, etc. for District employees is prohibited except under very limited circumstances. The District pre-approval form must be fully executed before making any purchase of these items. Employees receiving any of these items must be made aware that acceptance of these items **MAY** be considered a non-wage taxable benefit and subject to taxes per IRS and state rules and regulations.

33. Any gift deemed to be a cash-equivalent (e.g., gift cards or gift certificates) are always a taxable benefit to the employee. Prior written approval by the Director of Finance must be granted for such purchases. Each gift card must be tracked and each recipient, including their PHRST Employee ID, must be reported to the Business Office upon employee's receipt of the gift to ensure compliance with the State of Delaware Payroll Compliance Group guidelines. The prior written approval must be submitted with all related transactions.

34. All items determined to be a non-wage taxable benefit must be reported per state rules and regulations. If a purchase is deemed a non-wage taxable benefit, the employee will be taxed during the pay period that the gift is distributed to them. Details will be shown on the employee's check advice in the State of Delaware ePay system.

35. Purchase of food for students and/or student-related activities also requires prior review and approval by the Director of Finance. The fully executed pre-approval form must be submitted with all related transactions. Curriculum and/or IEP-related food purchases do not require prior approval.
36. Purchase of gift cards for students must have prior written approval by the Director of Finance. All disbursements of gift cards must be tracked and signed for by the student. The amount of the card and the student ID# must always be included when distributing a gift card to a student. There are no exceptions to this requirement. The prior written approval must be submitted with all related transactions.

37. All financial transactions must go through FSF. **The District does not issue Petty**

Cash checks.

38. Each school is required to have the building leadership team or account advisor review budget and internal account transactions. Reviews and/or audits are essential to the transparency and integrity of District financial operations.

REPORTING REQUIREMENTS

At the end of each month, the account ledger is to be totaled and balanced by the administrative assistant and included in the monthly reconciliation report submitted to chsdaccounting@cape.k12.de.us by the 15th of the following month.

A quarterly report listing the beginning balance, total receipts, total expenditures, and ending balance for each sub-account is to be provided by the administrative assistant to the account holder for verification. The account holder is to sign and date the report verifying agreement with balance, deposits, and expenditures. This report is to be submitted electronically to chsdaccounting@cape.k12.de.us by no later than the end of the month following the end of the quarter (i.e., October 31 for quarter ending September 30).

At the end of the fiscal/school year (June 30), an annual report listing the beginning balance, total receipts, total expenditures, and ending balance for each sub-account is to be compiled by the administrative assistant and submitted to chsdaccounting@cape.k12.de.us by July 15.

Reconciliation of Grants, Accounts Receivables, Accounts Payables, Purchase Orders and the District Liability Accounts will be performed using the appropriate combination of Data Service Transaction reports and FSF transaction reports. Reconciliations should be done on a monthly basis, but no later than on a quarterly basis. The FSF Coordinator will assist in and/or perform the various reconciliations. The District liability account will also be monitored to ensure it does not go into a negative balance status.

LEGAL CONSTRAINTS/EXPECTATIONS

The financial operations of the Cape Henlopen School District are regulated by the State of Delaware State Treasurer Office and local Board Policy. Generally, the established expectations are authoritative, and deviations are not permitted. Thus, it becomes imperative to contact the Business Office before any deviations are made to established financial policies and procedures. Familiarity with local Board Policy is also essential. Applicable policies may be found in the Cape Henlopen School District Board Policy Manual located on the website.

SEGREGATION OF DUTIES

The building administrator must establish sound internal accounting controls. No single employee should be permitted to complete a transaction from start to finish, without the approval of the Director of Finance.

SECTION II: RESPONSIBILITIES OF STUDENT ORGANIZATION SPONSORS/OFFICERS

All money received must be recorded and accounted for along with an explanation as to the intended use of the funds. The district is accountable to the public for all actions. Thus, if a student pays for a field trip, district records must reflect that money was received from the specific student and for what activity. The same requirement is applicable to those funds collected by student organizations**.**

FUNDRAISING AND MONEY COLLECTION ACTIVITIES - Staff is strongly urged to utilize the authorized electronic payment platforms (PayPAMS or GOFan) as the collection method (when feasible) for these activities. This will minimize the amount of cash that has to be handled and save time and effort for everyone involved in the process.

Fundraising and all money collection activities are defined as any activity where funds are collected from students, parents, or the community, whether or not profit is expected to be realized. This includes the collection of funds for payment of student items.

All Fundraising activities **(including online fundraising activities)** must have prior approval from the building administrator, appropriate District Office Administrator and the Director of Finance prior to the date of the activity. Details of the activity intended use of the funds, an accounting plan for the funds collected, and anticipated expenses must be included with the request. All fundraising requests must be submitted via the current fundraising form. A copy of any media must be submitted with the form for approval. No advertisement of an activity may occur without all the requisite approvals. Only the Director of Finance is authorized to grant a waiver to this requirement. Any waiver request must be submitted in writing to the Director of Finance for approval. All buildings must retain copies of all documentation concerning fundraising requests.

1. All funds collected must be reconciled and deposited with the appropriate administrative assistant according to the procedures in Section I of these guidelines.

2. When funds are raised in support of outside organizations whose services support the student activity program, the FSF Payment Request form must be accompanied by a letter explaining and documenting the disbursement of funds. The building administrator must approve this request.

3. Below are basic guidelines to follow for certain types of fundraisers/activities that include the sale of tickets for the event (ex: school dances).
    a. The administrative assistant responsible for record keeping for these funds must provide start-up funds. These funds must be returned to the administrative assistant as soon as possible and the receipt will be shredded at that time.

b. Tickets should be numbered and a log with a corresponding list of names of each attendee should be kept.

c. Money collected from ticket sales should be turned in to the administrative assistant daily for deposit in that class or club's internal account.

d. All unsold tickets should be turned in to the administrative assistant at the end of the ticket sales.

e. The list of names of those students who purchased tickets to attend the event should be compiled and used to verify students who actually do attend the night of the function.

f. Any student who attends the function, and is excused from paying, (complimentary conditions) should be issued a ticket and listed as an attendee on the list. A receipt should be issued to indicate the student was not required to pay. A building administrator should approve requests for the use of complimentary tickets prior to issuing tickets.

g. Disbursements for all expenses incurred for the event should be paid through the FSF system in accordance with the procedures in Section I of these guidelines.

4. Upon request of the Director of Finance, fundraising sponsors must submit relevant portions of any/all records of the organization/group which disclose the amount(s) of funds raised and/or the actual use of the money received, at a minimum biannually to the Director of Finance (or designee).

5. Employees cannot use school facilities to conduct fundraisers for personal gain. If a district facility is required for a fundraiser that is for personal gain, a facilities use form must be completed in accordance with Board Policy 707.

SCHOOL TRIPS - Staff is required to utilize the authorized electronic payment platforms (PayPAMS or GOFan) (when feasible) for these activities. This will minimize the amount of cash that has to be handled and save time and effort for everyone involved in the process.

Each school has an internal account designated specifically for field trips. Funds received from students for trips are deposited into this account, the purpose of which is to pay for the students' costs (i.e., transportation, entrance fee, etc.). The money collected is to be expended for the specific trip, with a minimal or zero balance remaining after all related costs have been paid. The trip coordinator is responsible for ascertaining all costs associated with the trip in order to collect the appropriate amount from each student to cover expenses.

No student is to be denied participation in activities sponsored by the school district due to an inability to pay. Students unable to pay should be identified to a building administrator for determination of other funding sources.

The trip coordinator must:

1. Have approval according to district policy.
2. Maintain a written record of those students who have paid and those who have not. This will be done by using the class roster. **A numbered receipt must be provided to every individual who pays for the trip.**
3. Deposit all collected funds with the school administrative assistant responsible for student accounts according to the procedures outlined in Section I of these guidelines.
4. **At least** ten (10) business days prior to the trip date, submit to the school administrative assistant any expenses that must be paid in advance by preparing and signing an FSF Payment Request form, and attaching all appropriate documentation (e.g., Prior approved Field Trip form, completed registration form, invoices, advance deposit paperwork, entrance fee, ticket, or admission price paperwork, receipts, etc.)
5. Trip coordinators must obtain a quote for transportation needs from the District Transportation Office at least four (4) weeks prior to the trip. The quote will be the amount charged plus any miscellaneous fees (e.g., tolls, parking, etc.) to the group. Invoices must be sent to the Business Office. Upon receipt, the invoice will be sent to the administrative assistant for review, approval and funding confirmation by the trip coordinator. Transportation provided by the district will be billed to the appropriate school/department by the transportation department.
6. Trip coordinator must submit to the administrative assistant FSF Payment Request forms for any remaining bills that need to be paid from the student activity trip account. Always attach appropriate documentation as described in paragraph 4 above.
7. The following refund language **MUST** be included on all field trip announcements and permission slips. **Refunds will only be issued to parents for extreme circumstances (medical issues or death in the family).** All refund requests must be made in writing to the Director of Finance for review and approval.

STUDENT SCHOLARSHIPS AND AWARDS

1. **Cash Receipt Procedures for Student Scholarships:** The high school or Business Office operations will receive all incoming checks for student scholarships from Parent Teacher Organizations, sport booster organization(s), administrative scholarship donations, as well as corporate and private contributions, etc. All funds received for scholarships must be deposited into the appropriate internal account according to the Cape Henlopen School District Accounting Manual.

2. **Allocation of Student Scholarship Awards:** The respective student recipient of a school or affiliate account sponsored scholarship will be notified of their scholarship award and a formal presentation may be provided at the school or district's annual awards event. The school administration or guidance office staff must collaborate with the administrative assistant to ensure awareness of the student recipients, institutions attending, etc.

DONATIONS FROM OUTSIDE ORGANIZATIONS/INDIVIDUALS

Individuals and outside organizations may wish to contribute money to a specific student organization or student activity function. These donations must be used to directly benefit the students or as directed by the donor. A letter of intent should be requested from, provided by the donor, and kept on file related to any donations. **ALL** donation funds received must be made out to the Cape Henlopen School District with a notation in the memo section regarding the purpose of the donation. Donation requests made through online platforms **MUST** have prior approval, this includes requests for non-monetary items.

The individual who receives the donation must:

1. Deposit all the funds received with the administrative assistant responsible for internal accounts per the procedures in Section I of these guidelines. The letter of intent from the donor must be included as part of the supporting documentation for the deposit.

2. Write a "thank you letter" to the donor acknowledging receipt of the funds. Sometimes donations are tax deductible. If a donor intends to use the donation as a tax write-off, a donation verification form must be initiated by the administrative assistant and approved by the building administrator and Director of Finance. A donation verification form must be completed for all monetary donations over one thousand dollars ($1,000).

3. Amazon Wish List request must be submitted via a Fundraising Request form for review and approval.

4. Use of the DonorsChoose platforms is strictly prohibited.

PRIVATE GRANTS

All private grant applications must be submitted at least 10 days prior to the due date to a district office level administrator for review and approval. The application will then be submitted to the Teaching and Learning department for a final review approval before the application can be submitted to the grantor. Grants will be reviewed to ensure that requested items/activities are consistent with district goals, objectives and priorities.
All private grant award notifications and funds must be sent to the Business Office. A copy of the grant must accompany the check and Request for Deposit form. **ALL** grant funds received must be made out to the Cape Henlopen School District with a notation in

the memo section naming the grant recipient. A copy of the grant award or letter stating the expected use of grant funds must be provided to the Business Office with the deposit request. The Business Office will deposit the funds in the appropriate account and notify/provide the administrative assistant with the appropriate supporting documentation. The administrative assistant is responsible for notifying the grant recipient that the funds have been received and are available for expenditure according to the provisions of the grant and district policy and procedures.

SECTION III: STATE ISSUED VISA CARD (PCARD)

- State rules and regulations for use of the PCard are found in Chapter 12 of the Delaware Division of Accounting Budget and Accounting Manual.
- District policy and procedures are detailed in the PCard Internal Control plan contained in the next few pages of this manual.

PCARD INTERNAL CONTROL PLAN

General Overview

The State of Delaware has contracted with JPMorgan Chase Bank (JPMC) to provide the State of Delaware with a VISA card program for purchases and/or travel. The State of Delaware is liable under **Delaware Code, Chapter 29, § 6505 (c) (1)** for the use of the PCard, therefore allowing any State employee, with appropriate approvals, to obtain a credit card without a personal credit history check. It is important to note that the use of the credit card is for State approved purchases only and not for personal expenses. Any employee who uses the credit card for personal or unauthorized purchases will be disciplined up to and including termination of employment in accordance with the State of Delaware Merit Rules and/or **Delaware Code, Chapter 29, § 6505 (c)(1)**. Furthermore, the employee is personally liable to reimburse the State for the full amount, including any interest or penalty, for any personal or unauthorized purchases.

Cardholder Responsibilities

Each cardholder must review and abide by the PCard Program Policy and Procedure, located on the PCard Enrollment Agreement (Form PO002) in Section VI., Cardholder Agreement and is responsible to read, understand, and abide by the State Budget and Accounting Manual, Chapter 12: PCard. Each cardholder is required to acknowledge and confirm they understand all requirements, rights, and responsibilities pertaining to the use of the PCard by submitting a signed PCard Enrollment Agreement (Form PO002).

The cardholder is solely responsible for the safety and security of the PCard and should treat the card as personal property. When not in use, the card should be safeguarded from theft or misuse and retained in a secure location. The cardholder should periodically confirm possession of the card and report a lost or stolen card immediately.

Documentation of the purchase (original invoice/itemized receipts) must be retained by the cardholder and submitted to the PCard Reconciler by the 10th of the month. In

accordance with the State Budget and Accounting Manual, a Purchase Order must accompany any single purchase exceeding $10,000, and funds must be encumbered. Additionally, the cardholder is responsible to know and adhere to the purchase limits and restrictions of the card, to ensure the card is used for legitimate business purposes and is held responsible for all charges to the card. A cardholder who intentionally makes unauthorized purchases or carelessly uses the PCard is liable for the total dollar amount of such unauthorized or personal purchase(s). Unauthorized use of the card may result in the withdrawal of the card, disciplinary action, criminal action, and/or termination from employment. If the cardholder has any disputed charges in question, they are to resolve them with the merchant directly. The cardholder must notify the Organization PaymentNet Coordinator to report any discrepancy and contact the merchant immediately to resolve the dispute. If the dispute is not resolved with the merchant within 30 days from the end of the billing cycle, a PCard Change Request Form (PO003) must be submitted to DOA via email to p.card@delaware.gov. The disputed item(s) must be entered into the PaymentNet immediately, reported to the FSF PCard Team and noted in the description field in FSF under the billing tab within 30 days from the end of the billing cycle on which the dispute appeared. If a transaction appears on the JPMC monthly billing statement that is not recognized, it is considered fraud.

Cardholders must immediately report any fraudulent charges or activity to JPMorgan Chase at **1-800-316-6056.** Cardholders should not attempt to contact the merchant directly to resolve fraudulent charges or activity. Additionally, the cardholder must notify the Organization PaymentNet Coordinator to report the fraudulent charges or activity.

In the event the PCard is lost or stolen, the cardholder must immediately contact JPMorgan Chase Bank at **1-800-316-6056** and advise the representative that the call pertains to a State of Delaware Visa PCard. Bank Representatives are available 24 hours a day, 7 days a week. JPMC will immediately deactivate the card and issue a new card, which is delivered to DOA within seven to ten business days. After contacting JPMorgan Chase Bank, the cardholder must notify the Organization Payment Net Coordinator or the Organization Back-up Payment Net Coordinator immediately during business hours or as soon as practical during non-business hours. The Organization Payment Net Coordinator or the Organization Back-up Payment Net Coordinator must notify the Division of Accounting for any loss or theft of a card or any indication of fraud, misuse, or negligence. Such indicators must result in the appropriate disciplinary action.

Upon termination, separation, or transfer to another state agency, the cardholder must surrender the receipts and an approved purchase requisition or district professional development form which lists the purchases made and corresponding itemized receipts (attached to a completed PCard payment form) for any expenditure incurred to date, not previously reconciled, to the building PCard Reconciler, prior to the last day of employment. The card must be forwarded via the daily courier in the secured banking bag from the building administrative assistant to the PCard Coordinator for destruction.

The following job roles are associated with the administration of the PCard program and are held by the individuals as listed:

REQUIRED:

Organization Payment Net Roles	Employee Name	Employee Title
Payment Net Coordinator	Tamara Hazzard	Coordinator of Finance
Back-up Payment Net Coordinator	Kristina Wyatt	Administrative Assistant II

Organization FSF Roles	Employee Name	Employee Title
FSF PCard Coordinator	Tamara Hazzard	Coordinator of Finance
FSF PCard Approver	Oliver Gumbs	Director of Finance
FSF AP Business Manager	Oliver Gumbs	Director of Finance
FSF Reconcilers	Lisa Kerrigan, Theresa Slusser, Judy Smyk, Kristina Wyatt	Administrative Assistant II
List any additional backups below:		

Organization PCard Manager Report	Employee Name(s)	Employee Title
PCard Manager Report Designee *Runs the Transaction Detail by Hierarchy Report in Payment Net each month (Employee must have access to Payment Net)*	Tamara Hazzard	Coordinator of Finance
PCard Manager Report Reviewer *Reviews the Transaction Detail by Hierarchy Report each month*	Tamara Hazzard	Coordinator of Finance

The Payment Net Roles' duties and responsibilities are defined in the First State Financials, PaymentNet Roles, Duties and Responsibilities located on the Division of Accounting Extranet website:
https://extranet.fsf.state.de.us/documents/training/job-role-handbook.pdf

The FSF Roles' duties and responsibilities are defined in the First State Financials, Job Role Handbook located on the Division of Accounting Extranet website. https://extranet.fsf.state.de.us/documents/training/job-role-handbook.pdf

Note: Segregation of duties is important and must be adhered to when assigning job roles. The roles are not intended to reflect job titles for those individuals that hold the position and must be assigned to individuals within the Organization.

It is the Organization's responsibility to run the Transaction Detail by Hierarchy report in Payment Net and review it on a monthly basis. Manager Report Roles are the PCard Manager Report Designee and PCard Manager Report Reviewer. The approval signature on this form PO012 confirms your Organization's understanding of this requirement and change in procedure.

Specific Cape Henlopen School District PCard Internal Control Policies & Procedures

The Cape Henlopen School District has the following procedures in place regarding the use of the state issued PCard:

1. The Cape Henlopen School District will only consider obtaining such cards for Directors, Supervisors, Principals, Administrative Assistants or buyers for Directors, Supervisors, and Principals, District Financial, and limited other staff (teachers) specifically for necessary travel with students.
2. Any other requests for PCard for other staff will be considered on a case-by-case basis to determine need and must be approved by the Director of Finance.
3. By utilizing the PCard, district expenses are incurred within the First State Financial (FSF) system; which requires the cardholder to forward receipts and PCard Payment form for ALL purchases to the Business Office by the 10th of the month; the statement is emailed from the PCard Coordinator by month-end.
4. Use of the PCard is authorized for district approved purchases and travel only! The PCard is NEVER to be used for personal expenses, even if the intent is to repay the State/District.
5. For purchase transactions, the following conditions MUST be met:
    a. Must have an approved purchase requisition or district-level administrator written approval;
    b. Verbal or written price quotes are obtained;
    c. Prior approval for all federal grant expenditures must be obtained from the administrator of the program. Use of the PCard is prohibited for any federal expenditure that will be made within 30 days of the obligation date;
    d. State Contracts are utilized where possible; and
    e. Fragmentation of purchases is illegal and NOT permitted.
    f. Food purchases must be for district-approved activities and require detailed supporting documentation.
        i. Student Activities – names of students, purpose of activity, itemized receipts, copy of activity announcement, and approved field trip form (if applicable).

ii. Professional Development – activity announcement, list of attendees, program agenda/itinerary, off-site location, itemized receipts, and approved professional development form (if applicable).
iii. Employee Recognition – activity announcement, list of staff attendees, list of persons being recognized, location and itemized receipts.

Request for Application:

Request for PCard should be submitted to the Director of Finance for his/her approval. After the Director of Finance approves the request, the FSF PCard Coordinator will complete the PCard Enrollment Request (Form PO002) to be signed by the employee, the Director of Finance, and the FSF PCard Coordinator.

Once an application is processed through the Division of Accounting and JPMorgan Chase Bank, the credit card will be issued in the employee's name and shall ONLY be used by that employee. No other person is authorized to use the PCard and the employee is held responsible for his/her card. Any fraudulent use of the PCard is grounds for discipline up to and including termination of employment.

PCard Purchases and Responsibilities:

The FSF PCard Coordinator provides the employee with the Cape Henlopen School District PCard Internal Control Policy and Chapter 12 of the Budget and Accounting Manual, which the employee is required to read and sign a certification form declaring that they have read and understand all required rules and regulations regarding use of the card. Once the new card is received, the employee must activate and sign the card the day it is received. PCards should be stored in a fireproof safe/lockbox when not in use. Employees are responsible for ensuring the safety of the PCard at all times. The Director of Finance verifies possession of all PCards monthly. The FSF PCard Coordinator is also responsible for completing the PCard Change Request (Form PO003) when an employee's employment is terminated, retrieving, and destroying the PCard. The FSF PCard Coordinator maintains a file containing applications, change requests, signed affidavits, and policies and procedures.

Travel:

The Cape Henlopen School District Travel Policy (Board Policy 613) governs all employee-related travel. The PCard is intended to eliminate the need for travel cash advances. The PCard should be used for all expenditures required in advance of the scheduled trip, including registration, transportation, lodging, and rental cars. Meals and other travel-related expenses should be purchased using the PCard during travel (where feasible). Under no circumstances is the PCard to be used for the purchase of alcoholic beverages or personal expenses. The PCard may not be used for any expense that pertains to family members who may be accompanying the employee on business. Individuals requiring a PCard for travel purposes must make a formal request at least 2 months prior to the date needed to allow for the appropriate review, approval, and receipt of the card. If a PCard request is denied, employees may request reimbursement from the building and appropriate district administrators, for prior approved expenses. **Additional guidance will be provided for student-related travel.**

Any transaction that is not supported by itemized receipts is prohibited (credit card slips ARE NOT sufficient). The FSF PCard Reconciler will review the documentation for completeness and verify the accuracy of the funding prior to creating the payment entry in FSF. Once the payment entry is made in FSF, the documentation is forwarded to the FSF PCard Approver for approval. The FSF PCard Approver reviews the information again for completeness and accuracy before approving payment in FSF. Vouchers are kept in a separate folder with a copy of the credit card statement.

The FSF PCard Reconciler will verify that all purchases on the statement have been submitted for payment/reconciliation and processed by the business office by the end of the month following the purchase. The FSF PCard Reconciler will also run the DEU_AP_VCHR_DTL_STATUS_PAYMTDT query on a daily basis to ensure all vouchers have been processed and approved, and to obtain the voucher number to be entered on the PCard payment form.

1. The FSF Reconciler may/will change coding based on the chart string information provided on the PCard Payment Form when reconciling the charge in FSF, depending on the availability of funds. The Business Office will review, reconcile, and approve all transactions in FSF on a monthly basis. Additional supporting documentation will be requested for items deemed to be questionable. All Supporting documentation for PCard transactions must be scanned and attached to the PCard voucher in FSF.

2. Use of the PCard is prohibited from May 15th through June 1st due to state year-end closeout.

3. The PCard Coordinator will run the DEU_PO_PCARD_TRANS_PROCSSD query on a monthly basis; and include any unreconciled PCard transactions that are older than 30 days in the FSF Reconciliation Certification report.

4. The Director of Finance and PCard Coordinator will perform an annual review of the active PCards' usage, frequency, and credit limits. The Director of Finance may cancel, and/or modify restrictions of the PCard when deemed appropriate if policies are not followed. The Director of Finance and the PCard Coordinator shall keep written documentation of the review for audit purposes.

SECTION IV: END OF YEAR CLOSEOUT

The school fiscal year is July 1 through June 30. During the month of June, it is critical that deposits be made daily and disbursements made promptly. Ideally, all bills received prior to June 30 should be paid on or before the end of the year deadlines issued by the State of Delaware Division of Accounting. Every effort should be made to clear out the current year's obligations prior to the startup of the new fiscal year.

The June 30 reconciliation and the student debts report are due into the district office no later than July 10th.

SECTION V: ACCOUNTING OF STUDENT DEBTS

- Board Policy 230
- Delaware Code; Title 14, Chapter 17, Section 1722
- Student Debt Reporting and Collection Procedure
- Annual Debt Report Form

CAPE HENLOPEN SCHOOL DISTRICT BOARD POLICY

230 Student Debts – See District Website for current policy.

Delaware Code, Title 14 Education, Free Public Schools

CHAPTER 17. STATE APPROPRIATIONS
§ 1722. Accounting for textbooks, subject matter materials and other school property entrusted to individual students.

See the State of Delaware Website for current Policy.

Student Debt Reporting and Collection Procedure - Staff is required to utilize the applicable electronic payment platform as the collection method (when feasible) for these activities. This will minimize the amount of cash that has to be handled and save time and effort for everyone involved in the process.

This procedure is to establish a standard/consistent way of reporting and collecting student debts per Board Policy 230. Please follow these steps:

1. All student debts should be captured and entered into the Incident IQ database.
2. All student debts are to remain in an "active" status while the student is attending school within the Cape Henlopen School District. Debt will follow the student throughout their enrollment period in the district.
3. If a student leaves the district, an effort should be made to collect the funds via letter by the school in which the debt was incurred, for up to 1 year.
    a. All collected funds (excluding IT Debts) shall be deposited into the appropriate District account, as deemed appropriate by the Director of Finance.
    b. All collected funds for IT Debts will be deposited into the technology reserve account.
    c. The Director of Finance may continue the collection effort by sending a certified letter to the parent/guardian; and may commence additional collection efforts, if deemed appropriate.
4. All supporting documentation must be provided to the recipient school when a debt is transferred between schools.
5. Staff shall complete the district-approved debt notification form; provide a copy to the student and/or parent/guardian and to the appropriate administrative assistant for documentation within the Incident IQ database.
6. Building administrators shall make every attempt to collect outstanding debts when meeting with a parent/guardian (payment arrangements are acceptable, when feasible). The building administrator (or designee) shall send district-approved debt letters on a monthly basis for the remainder of the school year.
7. All library debts shall continue to be managed by the school library manager in the Follett library database. All library debts as of May 31st shall be forwarded to the administrative assistant for recording in the Incident IQ database.
8. Per Board Policy #230, debts incurred by students in grades 6-12 may result in the denial of access to some social events to be determined by each school. Additionally, driving privileges of students at Cape Henlopen High School may be revoked if debts remain unsatisfied.
9. In addition, Cape Henlopen High School students who have been approved as a "driver" to/from school will have these privileges revoked if this matter has not been resolved within five (5) business days. When this occurs, the district is/will not be responsible for providing transportation for the student.
10. If the debt has not been resolved, a summary of the debt collection efforts must be provided to the Director of Finance with a request for a district-level certified letter to be sent.

11. The Director will review and take appropriate action to assist in the collection of the debt(s).
12. Child Nutrition debts will be managed by the Child Nutrition Services office in accordance with the outstanding debt collection policy listed in Section VIII.
13. GAAP Reporting includes the status of all school debts. As such, a current Debt report through June 30th annually must be submitted to the Director of Finance by July 10th annually.
14. Allowance for Doubtful Accounts/Write-offs - The district will conduct an annual review of inactive debts and follow the State of Delaware policy regarding write-offs of those debts. Delinquent property taxes will be collected at the point of the sale / transfer of the property by the Sussex County Government. Any request for a reduction/elimination of prior year property taxes owed, will be reviewed and approved by the Director of Finance and the Superintendent.

15. The following refund language MUST be included in all debt letters and/or receipts. "Refunds will only be issued when requested in writing to the Director of Finance for review and approval. The request must provide details on why the refund is being requested. **No refunds will be granted for library books.**"

SECTION VI: AUTHORIZED ELECTRONIC PAYMENT PLATFORMS

When payments are made on an authorized platform for an event by a parent or student, the Department of Finance is notified by the State of Delaware Treasury Department of an electronic deposit.

1. **PayPAMS and GOFan are the only authorized electronic payment platforms for the collection of funds for district activities. Any other platform must have prior approval from the Director of Finance.**

2. **It is Mandatory that an event be established as a payment option for the following:**
    a. Field Trips
    b. Student Debts
    c. Prom
    d. Homecoming Events
    e. School Dances
    f. Yearbooks

    All fliers and/or related solicitations must include language advising parents and/or students to download the approved app to make payments. These items shall not be approved without the completion and establishment of the event within the authorized system.

3. The school administrative assistant must ensure that the proper event form is established and attached to the related activities (such as Field Trip Request, Fundraiser Request, Homecoming, Prom, School Dance and related activities).
    a. ***Do not*** send the above-mentioned forms, Request for Deposit or the bank deposit form to the Business Office for these electronic deposits.
    b. Reports are available in the approved platforms for each event.
    c. The school administrative assistant will run the transaction reports for financial reconciliation and for staff to verify payments.
    d. The school administrative assistant must shut down all events during the End of the Month (EOM) Close-out to avoid reconciliation issues.
4. All schools are required to have an ongoing annual event in PayPAMS for student debts.
    a. The school administrative assistant is responsible for Incident IQ being accurate and all debts/payments recorded.
    b. iPad debt **MUST** be entered as a separate event from other school debts. All iPad debts will be coded directly to the Technology Reserve Account.
5. The Business Office is responsible for running a report from the approved platform to verify the payment(s).
    a. Each report contains the date of the payment, transaction number, department (i.e., school), amount, student name, and the event title.
    b. These deposits can be a single payment or combined payments. Each list all the above information separately.
6. The Business Office reconciles each payment with the report and the actual deposit amount.
    a. The notification and payment report will be given to the appropriate Business Office Liaison for coding of the cash receipt in FSF.
    b. Once both the cash receipt is completed and an accounting journal done to credit the school's Internal Student Account, the liaison will send the copy of the cash receipt along with the applicable electronic payment platform report to the school for their records.

This procedure follows the State of Delaware Division of Accounting acceptable accounting practices for separation of duties as well as needed backup for cash receipts.

SECTION VII: CHILD NUTRITION CODE OF CONDUCT

Regulations: 2 CFR Part 200.318, formerly 7 CFR Part 3016.36(b)(3), State Procurement Code and Regulations, and the Cape Henlopen School District.

Procedures: The Cape Henlopen School District seeks to conduct all procurement procedures:

- In compliance with stated regulations; and
- To prohibit conflicts of interest and actions of employees engaged in the selection, award and administration of contracts.

No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a Federal, State, or local award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract.

The officers, employees, and agents of the non-Federal entity may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, non-Federal entities may set standards for situations in which the financial interest is not substantial, or the gift is an unsolicited item of nominal value.

The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the non-Federal entity. Based on the severity of the infraction, the penalties could include a written reprimand to their personnel file, a suspension with or without pay, or termination.

For questions and concerns regarding procurement solicitations, contract evaluation, and award contact:

Purchasing Contacts:	Director of Finance	302-645-6686
	Supervisor of Child Nutrition Services	302-645-1442

SECTION VIII: CHILD NUTRITION PAYMENT HANDLING PROCEDURES

The following are steps taken in every Cape Henlopen School cafeteria for collecting, counting, and recording money transactions.

1. Customer enters line, selects meal, and proceeds to cashier.
2. Customer inputs their personal PIN number on the POS System.
3. Customer's account is accessed; payments (if any) are recorded at the register.
4. At the end of service:
    i) Each cashier counts their register drawer.
    ii) Completes a "day-end" record with total and denomination via the POS day end screen.

Office Reconciliation

5. Two staff members verify and recount each drawer's total against the day-end record.
6. All checks are input into the POS day end screen by the cashier and recorded accordingly.
7. Cash, checks, and deposit slips (with two authorized signatures) are placed in a bank bag.

8. Deposit amounts are entered into the POS system, which records all payments and meals served.
9. System totals must match physical counts. A margin of error of ±$5.00 is tolerated; discrepancies beyond this require correction before the system will close.
10. Deposits must match POS records and are verified against the bank deposit slip.
11. Deposit information and daily records are transmitted to: Child Nutrition Office
12. Business Office (receives a copy of deposit slip)

SECTION IX: CHILD NUTRITION DEPOSIT/FSF FUNDS TRANSFER PROCEDURES

1. All school nutrition funds are deposited in the local M & T bank branches daily.
2. Deposits are recorded in ledger daily.
3. After monthly reconciliation
    a. A check is written from the Child Nutrition M&T account.
    b. Deposited into Child Nutrition's FSF account via Citizen's Bank, to transfer the balance.

Child Nutrition Daily Receipts
Deposit Slip Report

Date: _____ School: _____

Operator Name: _____

Bills	X	Quantity	Value
$100	X		
$50	X		
$20	X		
$10	X		
$5	X		
$2	X		
$1	X		

Coins	X	Quantity	Value
$1.00	X		
$0.50	X		
$0.25	X		
$0.10	X		
$0.05	X		
$0.01	X		

Total Cash: _____

Total Checks: _____

Total Deposit: _____

Operator Signature: _____

SECTION X: CHILD NUTRITION OUTSTANDING DEBTS

Meal Service Assurance

- No student shall be denied a meal for **any reason**, including insufficient funds or unpaid balances.
- All students are entitled to receive **a complete, nutritionally balanced meal** under the National School Lunch and Breakfast Program guidelines.

Meal Charging Policy

- One free complete meal is provided per student per meal service.
- **Second meals and à la carte items** may be purchased **only** if funds are available.
- Charging for **à la carte items is not permitted**.

Handling of Unpaid Meal Charges

- Repayment of unpaid meals ("bad debt") is **unallowable** under federal Child Nutrition funding.
- Restoration of funds may be made through:
    - Individual school budgets
    - District local discretionary funds
    - Local grants or donations (e.g., PTO)

Family Communication

- Charge policies are communicated at the start of each school year via:
    - Printed materials
    - Website notifications
- Certified letters may be sent for up to one year following a student's departure from the district.

Payment Methods

Payments for school meals can be made via:

- **Cash or check** (payable to [School District] Child Nutrition)
- **Credit card** via the district's online payment platform: www.payschoolscentral.com
- Cash/checks may be submitted:
    - During mealtimes
    - At the school front desk
    - At the Child Nutrition Office during school hours

SECTION XI: FLEET SERVICES

Every employee needing to travel using a district or state vehicle must:

1. Read and understand Board Policy #706 related to the use of District and/or State Fleet vehicles.
2. Read and agree to abide by the rules and regulations set forth in the state Fleet Services Handbook.
3. Submit a "Fleet Services Authorized Driver Designation Application" to the Operations Department for approval and forwarding to the Office of Fleet Services. **Do not send form directly to the State Fleet Services Office**
4. **An approved purchase requisition is required for all Fleet reservations. Employees must submit a printed Fleet Reservation Confirmation to the administrative assistant.** With approval signature of administrator and funding information, the administrative assistant will send the documentation to the Business Office for billing purposes prior to the actual date of use.

If you are a contractual employee, intern, or volunteer seeking to use a District of State Vehicle to conduct District business, you must abide by these rules; but you must also complete and submit the Insurance Coverage Office Contractual Driver Questionnaire.

SECTION XII: CAPITAL ASSETS

PURPOSE: To establish procedures for fixed asset tracking and recording.

PROCEDURE: The State of Delaware Budget and Accounting Policy Manual is the definitive resource for identifying and reporting capital assets in Cape Henlopen School District. Asset classes, capitalization thresholds, capital asset criteria, and procedures are described in detail in that document (Chapter 13, "Asset Management").

INTERNAL CONTROLS: The Cape Henlopen School District maintains separation of duties between those who order/receive capital assets, those who utilize the capital assets, those who inventory and those who maintain entries in FSF. In addition, for all other assets, similar separation of duties is maintained with the addition of disposal of assets.

RESPONSIBILITIES/DUTIES: For all classes of capital assets except vehicles, furniture, and equipment

1. Board of Education authorizes capital acquisition/renovation of land or buildings.
2. The Coordinator of Capital Projects is responsible for the oversight/management of all land and/or facilities.
3. District Administrators must review and approve all capital asset acquisitions.
4. Director of Finance and/or Superintendent give final authorization to purchase all capital assets and approve payment in the FSF Accounting System.
5. District administrative assistants review all related purchase orders, payment requests, processing of payments and the entering of capital assets into the FSF Accounting system.
6. District Operating Units are responsible for inventorying capital assets that meet the State of Delaware threshold requirements and/or District designated items of value.

7. Administrative assistant for Construction and/or Facilities is responsible for the classification and tracking of assets for GAAP reporting requirements (CWIP - Construction Work in Progress).
8. Director of Finance and/or designee reviews and submits CWIP information to the Division of Accounting.
9. Business Office liaison for capital asset tracking is responsible for coordination of all capital asset information and reporting.
10. Delaware Division of Accounting: prepare submission of assets information to CAM team (Central Asset Management) at the State of Delaware
11. CAM Team: Records assets.

Timeliness:

CWIP, Land, Buildings: The Capital Projects Office will keep a running log of capital purchases eligible to be added to CWIP or transfer from CWIP to capital assets. This will aid in the timely processing of information needed for GAAP. The FSF entry will be done by the CAM team after submission by Finance Services Department and review by the Division of Accounting. Assets eligible to be capitalized immediately on acquisition will be submitted to the Division of Accounting and the CAM team at the time of acquisition.

All other fixed assets: Assets eligible to be capitalized will be submitted to the CAM Team for recording in FSF at the time of acquisition by Finance.

Management Review and Reconciliation:

The Director of Finance or designee will review fixed asset amounts and descriptions as they are entered or modified in FSF and will review all entries in FSF at least annually. Management will reconcile the CWIP spreadsheet kept internally with annual expenditures at least twice annually in preparation for the fiscal year close and GAAP package. The first reconciliation will be late in the fiscal year but in time to make FSF entries. The final reconciliation will be after all capitalizable expenses in the fiscal year have been made.

Source Documents: All financial documents are maintained in the FSF Accounting systems and/or the operating unit responsible for the asset. In addition, the Capital Projects Office maintains extensive, detailed backup of all construction transactions. Schools and departments maintain inventory of minor equipment and other items of appeal.

Safeguarding and physically accounting for general capital assets, annual verification: Cape Henlopen's Facilities Management Office is charged with the safeguarding of building and land capital assets as part of its preventive maintenance program. The respective operating unit managers as part of the reconciliation of assets listed on FSF completes an annual physical accounting of all capital assets. Business Office staff perform the review and reconciliation. Business Office staff prepares and forwards the certification of fixed assets inventory to the Division of Accounting NLT the last working day of May of each year. As necessary, supporting documentation is maintained in the Business Office and/or the respective operating unit.

Inventory control of non-capital assets: Each school or department location maintains its own inventory of items as needed. Textbook and library book inventory is maintained on a district determined inventory system. Items of public appeal for Cape Henlopen generally include computers and other technology items. Information Technology Office keeps technology items on electronic inventory. Other items are tracked by the school or department and are locked up where practical.

1. All assets of value (e.g., tools, hardware, instructional equipment, not including consumables), must be inventoried and asset tagged if the value of the item is over $250.

2. Assets should be monitored for wear and tear; and, properly disposed of when at the end of its' useful life.

Disposition of Assets: The State Surplus procedures are used when capital assets are disposed of. The Business Office will assist schools/departments with the procedure if needed. The disposing school/department is responsible for maintaining Surplus authorization documentation. **All dispositions of a capital asset must be reviewed and approved by the Director of Finance.**

FEDERAL PROGRAM INTERNAL CONTROLS

General Information

For all federal grant awards, the Cape Henlopen School District is a sub-recipient of the grant given to another agency. The State of Delaware Department of Education (DOE) is prime recipient for all district federal awards except for any direct federal grants applied for and awarded to the District.

The State DOE has program managers for each of the federal fund categories. Similarly, the district has assigned responsibility for each of the federal funds to employees on a program-by-program basis. For each of the federal programs listed below, the following are Program Managers/Directors responsible for each program:

Program	**Person**
Title I	Supervisor of Early Learning and Elementary Education
Improving Teacher Quality	Supervisor of Early Learning and Elementary and/or Supervisor of Secondary Education
Program	**Person**
Special Education; IDEA	Supervisor of Inclusive Education
Child Nutrition	Supervisor of Child Nutrition

Carl Perkins	Supervisor of Secondary Education
All Other Federal Programs	Director of Teaching and Learning
General oversight of all programs	Director of Teaching and Learning
Financial Oversight	Director of Finance

The Cape Henlopen School District follows the guidelines and procedures outlined in the district's internal accounting manual. The following information is provided as a supplement. Information is listed by program.

All Federal Programs have the following information provided dealing with Payroll, Procurement Suspension and Debarment, Allowable and Unallowed Activities and Common Areas.

1. Non-payroll transactions (including intrastate):
2. Allowable program expenditures are coded to applicable account codes in FSF based on the budget approved by the Department of Education.
3. General Oversight Program Managers review and approve all purchase requisitions, orders and invoices for allowability in accordance with OMB A-87 and for correct account allocation to each specific program. In addition, requests for expenditures of Federal Funds follow the district approval process.
4. As part of their review of the purchase requisition, orders and invoices, it is the responsibility of the Oversight Program Managers for ensuring that the federal funds are spent within the period of availability and spent in accordance with federal and state procurement guidelines.
5. The Division of Accounting maintains the files that determine and block payments to vendors in the event of potential suspension and debarment in accordance with federal guidelines.
6. After being reviewed and approved by the Program Managers, the purchases and invoices go to the Business Office for processing. Authorizing signatures are obtained as determined by the District defined approval process.
7. General Oversight Program Managers get monthly reports or other information to review the status of the program on an ongoing basis because of small size of district and level of funding. In addition, these managers have access to daily expenditure report balances.
8. The District submits to DOE the required financial reports during and at the conclusion of grant year. Actual expenses and comparison of grant to budget are reported to DOE on mid-year report and final report; spending is through the state's financial system, FSF and is transparent to DOE at all times.
9. When there are changes in federal requirements, including the allowability of expenses, the process to inform the district begins with the Department of

Education. DOE Federal Funds Associate informs district Business Manager about changes; Business Manager informs district staff. Concurrently the program specialists at DOE for each of the grants are in contact with program persons in the district. This provides the district with redundant notification.

10. All assets purchased with federal funds must be asset tagged and tracked based on the source of funding. All federal items must be used in accordance with the guidance of the governing grant.

SECTION XIII: MAINTENANCE OF RECORDS

All financial records must be maintained in accordance with Delaware Public Archive Record Retention Schedule: http://archives.delaware.gov.

Records can be disposed of only after authorization to do so has been requested and approved by the Business Office and Delaware Public Archives. The retention of account records must be in accordance with the Records Retention Schedule, which is formulated by the State of Delaware, Division of Public Archives.

SECTION XIV: DISTRICT POLICIES

Please see current Board Policies on the District Website.

SECTION XV: AFFILIATED ORGANIZATIONS

This policy governs all affiliated organizations under the jurisdiction of the Board of Education and serves as recommended guidelines and procedures for all affiliated organizations. Affiliated organizations are defined as any Parent Booster, Parent Teacher Organization (PTO) or Student Group whose purpose is supportive of a student organization, activity or program.

REQUIREMENTS

All affiliated organizations are required to have a federal employer identification number (EIN) and financial record keeping provided by an organization treasurer. All organizations under this section shall operate as their own entity for tax purposes; and are responsible for adhering to all Federal and State requirements; and, subject to audit by the State Auditor of Accounts.

1. Affiliated organizations must be reviewed and approved by the Building Administrator/Athletic Director (whichever is appropriate) and Director of Finance on an annual basis. Any organization not meeting the approval criteria set forth in Board Policy 908 will not be authorized to conduct fundraising on behalf of the Cape Henlopen School District, including the use of district logo, name, facilities and/or students in unauthorized activities.

2. Affiliated organizations must provide the following items to the Building Administrator/Athletic Director and the Director of Finance on an annual basis:
    a. Proof of 501 C (3) status.
    b. Name, position and contact information for all officers (name, address, email and telephone number).
    c. Copy of the By-Laws, highlighting any changes from the prior year and signed by all officers of the organization.
    d. An annual financial plan.
    e. Year-end summary of fundraising activities, including a breakdown of revenue and expenditures.
    f. Copy of the most recently filed Federal IRS Form 990.

3. Fundraising Activities (including online fundraising activities) must have prior approval from the Building Administrator/Athletic Director, Director of Finance, and the Superintendent prior to the date of the activity; and comply with the following:
    a. Provide details of the activity, intended use of the funds and an accounting plan for the funds collected, and anticipated expenses. All fundraising requests must be submitted via the current fundraising form.
    b. Any fundraising activities, which could be construed as gambling (such as raffles and lotteries), must also adhere to existing legal requirements and may not be advertised in school nor involve students.
    c. A copy of any media must be submitted with the form for approval. No advertisement of an activity may occur without all the requisite prior approvals. Only the Superintendent may grant a waiver to this requirement. Any waiver request must be submitted in writing to the Superintendent for approval.
    d. All buildings must retain copies of all documentation concerning fundraising requests.

4. Professional Services Contracts:
    All professional service contracts for services such as, but not limited to DJ's, performing arts, speakers, student activities, etc., must be reviewed and approved by the Director of Finance, if the service is going to be held/provided on district property. Contact the Business Office for further guidance.

5. Internal Controls:
    a. All checks must be made payable to the affiliated organization/fundraising activity. No checks should be made payable to an individual (e.g., officer, teacher, volunteer, etc.). Any monies raised shall be for the benefit of the students, student organizations and/or the school activity stated on the approved fundraising request form.
    b. Any time cash is collected, two people must count the cash together and both sign a deposit slip indicating how much was collected and how it was collected (i.e., car wash, bake sale, etc.) Signed deposit tickets must also be stapled to the bank statement where they are reflected.

c. Depositing of funds (checks or cash) into a personal checking account is prohibited. All affiliated organizations must deposit funds within two business days of receipt of the funds. All funds received should be deposited intact (i.e., no split deposits or withdrawals from the deposit).
d. Original receipts must be attached to a copy of all the checks that are written and maintained in an organized folder. Once the bank statement has been reconciled with the checkbook, a copy of the check and supporting receipts must be stapled to the reconciliation and the bank statement.
e. **Copies of the bank statement, transaction report, completed reconciliation and monthly meeting minutes must be kept for audit purposes and made available upon request.**
f. Appropriate approvals must also be submitted to initiate payment. Disbursement (payments) should be made by checks only – **NEVER PAY WITH CASH.**
g. The elected treasurer should write all checks. All checks must have two signers. No stamped signatures or pre-signing of checks is allowed. Under no circumstances should a check be written to "cash."

6. In the event that a person is working in two separate booster clubs, booster funds must not be commingled and must be maintained in separate accounts and have separate accounting records.

7. Transferring of funds raised by the affiliated organization for a specific purpose and/or activity to another account is prohibited.

8. All Officers must sign an annual certification that these rules will be followed. Failure to provide such certification may lead to the affiliated organization being banned from fundraising activities on behalf of the Cape Henlopen School District.

9. The Director of Finance will provide an annual training/review of these guidelines.

SECTION XVI: AUDITS

INTERNAL (Performed by Business Office)

The internal audit process will involve a review of accounting records, file maintenance, and reporting documents to verify compliance with the guidelines set forth in this manual. Expenditures and deposits will be randomly sampled using FSF reports, Data Service Center reports, transaction reports, and reconciliations to identify specific transactions for

review.

EXTERNAL (Performed by State designated auditors)

All District finances are subject to audit by the State Auditor of Accounts and shall adhere to all policies of the State of Delaware and the Cape Henlopen School District.

The State Auditor of Accounts (AOA) or a CPA firm they designate can audit any district school account at any time and with or without prior notice. Typically, the AOA performs annual audits of the district. These annual audits usually include a randomly selected number of schools and student accounts for audit.