FINANCIAL PROCEDURES MANUAL

ACCOUNTING, BOOKKEEPING AND PAYROLL

DEPARTMENTS

CENTRAL OFFICE

AND

LOCAL SCHOOL ACCOUNTING

ENTERPRISE BOARD OF EDUCATION

FINANCIAL PROCEDURES MANUAL

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Overview:

Authorization: This manual is authorized by the Enterprise City Board of Education under Board Policy 3.4.

Purpose:

The purpose of this manual is to assist the Enterprise City Board of Education staff in establishing financial policy and procedures for the Central Office, local school accounting, and finance related activities. This manual is intended to enhance and in no way diminish the following of Generally Accepted Accounting Principles, and compliance with Federal, State, and Local Laws.

Structure:

The structure of this manual is to cross seamlessly between the Enterprise City Board Policy Manual, The Alabama Department of Education Financial Procedures for Local Schools, the Employee Handbook and the Financial Procedures Manual. Each section should have specific authority granted by the Board's Policy Manual and should be referenced as such.

Click Link for : Board Policy Manual
The Alabama Department of Education Financial Procedures for Local Schools (Referenced throughout this document as ALSDE FP)
https://www.alabamaachieves.org/wp-content/uploads/2021/07/Local-School-Financial-Procedures.pdf
Enterprise City Schools Employee Handbook - Located at enterpriseschools.net

TABLE OF CONTENTS

Section I

Governing Principles

Section II

School Board Operations

1. Recordkeeping and Retention of Board Records (Board Policy 2.8)

Section III.

Fiscal Management

1. Inventories (Board Policy 3.7)
2. Purchasing and Competitive Bid Law (Board Policy 3.8 and 3.9.4)
3. Receipting of Funds (ALSDE FP Section 2 and 4)
4. Deposit and Expenditure of Funds (Board Policy 3.9)
5. Expense Reimbursement (Board Policy 3.12)
6. Fees, Payments, and Rentals (Board Policy 3.13)
7. School Accounts (Board Policy 3.14)
8. Authority to Execute Contracts (Board Policy 3.15)
9. Affiliated Organizations (Board Policy 3.16)
10. Fundraising (Board Policy 3.17)
11. Employee Fundraising and Crowdfunding (Board Policy 3.17)
12. Worthless Checks (Board Policy 3.19)
13. Classroom Instructional Support “Teacher Fee Money” (Board Policy 3.20)
14. Bank Statement Reconciliation
15. Purchasing Card Procedures
16. Local School Monthly Deadlines and Procedures
17. LEA Procurement Procedures

Section IV.

General Administration

1. Use of Board Property (Board Policy 4.4)

2. Loans and Entering into Lease-Purchase Agreements by Schools
3. Payments for Non-Employee Services Contract Labor
4. Obligations of Board and Local Schools
5. Theft of School Funds
6. Scholarship Guidelines

Section V.

Personnel

1. ID Badges
2. Salary Supplements-Gifts (Board Policy 5.7)
3. Contents of Personnel Files (Board Policy 5.9.1)
4. Family Medical Leave Act (FMLA Board Policy 5.11)
5. Sick Leave Bank (Board Policy 5.12)
6. Basic Payroll Procedures

Section VI.

Students

1. Student Fees, Fines, and Charges (Board Policy 6.3)

Section I.
Governing Principles

The procedures set out in this manual are to be approved by the Enterprise City Board of Education, hereafter the ("Board"). The procedures in this manual are to coincide with the Board's Policy Manual and not be contrary to in any way. Procedures are to be followed completely and will be subject to continual audit by the Superintendent of Education, Chief School Finance Officer (CSFO), and the Board's audit firm. All updates and revisions to this manual will be approved annually in July by the Board.

The Superintendent of Education or the CSFO should be consulted if accounting problems are encountered that cannot be resolved by procedures outlined in this manual. All departures from the Finance Manual must be approved in writing by the Superintendent of Education and the CSFO.

Section II.

School Board Operations

1. Recordkeeping and Retention of Board Records (Board Policy 2.8)

- The Board will follow the most current retention schedules provided by the Alabama Department of Archives and History. Current Local Boards of Education Retention Schedules can be found at the following website:

https://www.sos.alabama.gov/government-records/records-disposition-authority

Enterprise City Schools LEA Record Retention Procedures

Purpose: Enterprise City Schools (ECS) is committed to maintaining accurate financial and programmatic records in compliance with federal, state, and local regulations. These procedures outline the retention and management of records to ensure transparency, accountability, and adherence to applicable laws.

Scope: This procedure applies to all departments, schools, and personnel responsible for maintaining financial and programmatic records within Enterprise City Schools.

Retention Period: ECS will maintain financial and programmatic records for a minimum of **five (5) years** from the end of the fiscal year in which the records were created. If records are involved in audits, legal actions, or compliance reviews, they must be retained until the issue is resolved, even if it exceeds the five-year requirement.

Types of Records Maintained:

- **Financial Records:**
  Budget reports
  General ledgers
  Purchase orders and invoices
  Payroll records
  Grant financial reports
  Bank statements and reconciliations
  Audit reports

Storage and Security:

- Records will be stored in secure physical or electronic formats that prevent unauthorized access, alteration, or destruction.
- Digital records will be backed up regularly and stored in a secure database. Confidential records will be maintained with appropriate access restrictions.

Disposal of Records:

- Upon reaching the retention period, records will be reviewed for destruction.
- Paper records will be shredded, and electronic records will be permanently deleted following best practices.
- Records involved in ongoing investigations, audits, or legal cases will not be destroyed until official resolution is documented.

Compliance and Oversight:

- The ECS Finance and Administration Departments are responsible for overseeing record retention compliance.
- School administrators and department heads must ensure proper documentation and secure storage of records.
- ECS personnel will receive training on record retention policies as needed.

For questions regarding record retention, staff should contact the ECS Finance and Administration Departments.

Section III.
Fiscal Management

1. Inventories (Board Policy 3.7)

Non-Capitalized

a. An annual inventory of non-capitalized tangible property is to be conducted during the summer months. A completed inventory should be made available by the Asset Manager to the CSFO no later than September 30th.

b. Inventory of non-capitalized tangible property will be managed through the Board's asset management software. This software will generate the necessary information (forms) to comply with Board Policy.

c. Inventory threshold for non-capitalized tangible property is $500, unless purchased with federal funds which will be $200. Federally funded, non-capitalized tangible property under $200 may need to be inventoried and will be up to the CSFO's discretion as to whether to include or not.

Capitalized (Fixed Assets)

a. The Asset Manager will complete an annual inventory of all capitalized assets.

b. Inventory of capitalized assets will be managed through the accounting software of the Board. This software will generate the necessary information (forms) to comply with Board Policy.

c. All items that are not consumable with an acquisition cost of $10,000.00 or more must be recorded as capitalized fixed assets; effective October 1, 2026.

d. The removal of worn out, obsolete or lost inventory will be disposed of in the asset management system and for fixed assets in the Boards accounting software. As assets are disposed, the Asset Manager will print a disposal report for the CSFO and Superintendent to review and sign. Inventory will not be physically disposed of until the disposal report has been signed and returned to the Asset Manager.

e. A copy of the police report for stolen inventory must be turned into the Asset Manager. The Asset Manager will scan and attach reports to inventoried assets in the asset management system. The CSFO and Superintendent will review all police reports.

2. Purchasing (Board Policy 3.8) (ALSDE FP Section 5 Purchasing) Employee Handbook (Purchase Order and Sales Tax page 34) and Competitive Bid Law (Board Policy 3.9.4)

a. All purchases that exceed $40,000 are subject to the Alabama Competitive Bid Law. See Board Policy 3.9.4 and link below

https://examiners.alabama.gov/pdf/publications/Al_Bid_Law_2020.pdf

b. Federal funds spent in the range of $15,000-$39,999 in a single transaction must have more than one quotation unless purchased from an approved cooperative.

c. **Central Office** – All purchases from the central office will have the approval of the Superintendent and the Chief School Finance Officer. All purchases will require a pre-numbered requisition/purchase order signed (manual or electronic) by the Superintendent and CSFO prior to the purchase being made. Purchase orders may be excluded for utility expenses, payments or fees required by law, or other routine transactions that have prior Board approval. (Examples include but are not limited to: debt service payments, bid items, annual renewals, inspection fees) Under circumstances that would cause undue inconvenience to the Board, the CSFO can issue a manual check without requisition purchase order. Checks must be approved by the Superintendent prior to issuing. Alabama Sales Tax should not be paid on Board purchases.

d. **Local Schools** – The Principal should approve all expenditures that will be paid from school funds. All purchases will require a pre-numbered requisition/purchase order signed (manual or electronic) by the Principal prior to purchase being made. A purchase order may be excluded for utility expenses, payments or fees required by law, or other routine transactions that have prior Board approval. (Examples include but are not limited to: debt service payments, bid items, annual renewals, inspection fees) Alabama Sales Tax should not be paid on School purchases.

e. The Purchase Order should adequately describe the items to be purchased. Do not order by item number alone—identify items. Avoid using "per attached list". If this method must be used in unusual situations, a quote or a shopping cart list with an official quote or cart number should be displayed on the purchase order.

f. The invoice received for a given purchase order must be compared to the items listed on the purchase order. Items received must be checked off with notes made for items canceled, no longer available or not received as well as notations regarding items received that were damaged.

g. A packing slip will be used as a materials receipt and attached to the completed purchase order. In the event that a packing slip is not received, a materials receipt form should be

completed and attached to the invoice documentation.(**Document F-1**) Financial Procedures Manual Forms

h. Blanket Purchase Orders - Numerous purchases at one or more given vendors during a month will be permitted to issue that vendor a purchase order number not to exceed one fiscal year. These "Blanket Purchase Orders" must be on a very limited basis. An example of this use would be when a school purchases many small items at a hardware store at which obtaining a purchase order would delay the work of the custodian and others. The amount of the purchase order must be a reasonable estimate of the amount expected to be spent during the year. The hardware store must provide a sales ticket (invoice), which must have the purchase order number recorded on it. Great care should be given to vendors where there is more than one account related to the school system.

i. Change Cash Purchase Orders - Change needed for athletic gates and school stores will follow the purchase order procedure. The purchase order and check will be made out to the Principal or Assistant Principal.

j. School store change should be obtained at the beginning of each school year. After daily deposits are made, cash in the money box should equal the original change cash amount. Money boxes, when not in use, must be in a secured (locked) location. School store change will be deposited back into the appropriate activity at the end of each school year. Athletic gate change will be secured prior to the first home game in the fall. As each season ends, change amounts will be reduced as needed for the next sport. (For example: less change is needed for basketball than for football, etc.) These amounts will be incrementally deposited back into the appropriate activity until all gate change has been deposited to the original account by the end of all sports for the school year.

3. Receipting of Funds (ALSDE FP Section 2 and 4)

Receipt of Funds in General

a. All receipts are to be kept in accordance with Local Board of Education retention Schedules.

b. All manual receipts are to be kept in accordance with The Alabama Department of Education Financial Procedures for Local Schools.

c. All local school receipts are the responsibility of the Principal. Any received funds not properly deposited is the individual responsibility of the Principal. In some cases, employees can use an alternative receipt log/roster for small denominations. The approved alternative receipt amount will be $15 or less.

d. Monies collected from pupils for Field Trips must be receipted, deposited and expended through the school's Financial Records. FIELD TRIPS ARE NOT TO BE CONDUCTED FOR A PROFIT. Local schools should have procedures for field trips in place.

e. All district receipts are the responsibility of the CSFO. All checks will be logged by the Central Office Secretary. Checks can be manually deposited or scan deposited by the CSFO. All cash received at the Central Office will be manually deposited by the CSFO or the CSFO's designee.

f. The Central office and Local Schools have the ability to use NextGen's Receipt module. All Department of Education Financial Procedures still must be followed.

Report of Sales of Tickets

a. All ticket sales are to be kept in accordance with The Alabama Department of Education Financial Procedures for Local Schools.

b. Report of Ticket Sales (**Document F-2**) Financial Procedures Manual Forms

c. The Enterprise City Board of Education will allow local schools to sell athletic tickets on the website, Go Fan. Event Summary Reports should be retained in place of the Report of Ticket Sales Form. Weekly Payment Statements should be retained and used to reconcile direct deposits to the school's bank account.

d. The Enterprise City Board of Education will allow local schools to sell other school merchandise on websites approved by the CSFO.

4. Deposit and Expenditure of Funds (Board Policy 3.9)

A. Deposits (Board Policy 3.9.1 and 3.14) (ALSDE FP Section 3 Banking)

All Central Office and Local School Accounts

a. **No bank account will be opened without the consent of the Superintendent, CSFO, and the approval of the Board.**

b. All bank accounts will be Qualified Public Depositories that provide protection under the Security for Alabama Funds Enhancement Program (SAFE).

c. Deposits into accounts should be timely and intact. (DO NOT CASH CHECKS OR MAKE CHANGE WITH SCHOOL FUNDS)

d. All deposits should be received through a master receipt book or the Board's accounting software receipt module.

e. Deposit tickets and/or master receipt information should not have correcting fluid or erasure marks for corrections. All corrections should be line stricken and a notation for the adjustment.

B. Investments (Board Policy 3.9.2)

a. All funds not needed for current operations can be invested in Certificates of Deposit, money market, savings accounts, or treasury securities.

C. Expenditures (Board Policy 3.9.3 and 3.9.4 and 3.9.5) (ALSDE FP Section 6 Expenditures) Employee Handbook - Sales Tax Page 34

a. **Cash refunds -** will be allowed to students for unspent funds under the following guidelines:
   - The refund is less than $100
   - The money is picked up and signed for by the parent or guardian.
   - The refund should have written approval by the Principal.
   - In the event of a cash refund in excess of $100 is needed, the CSFO must approve in writing before the refund is issued.

b. The Principal and Bookkeeper should manually sign all checks. In the event of a short-term absence, the CSFO will sign in place of the bookkeeper or Principal. (NO SIGNATURE STAMPS) The CSFO's and Superintendent's signatures will be laser printed or manually signed on all central office checks. **Prior approval**

must be obtained from the CSFO and Superintendent before a bank account signature is changed.

c. Do not write checks to "CASH" or the banking institution. All change cash checks should be made out to the Principal or Assistant Principal.

d. ACH payments and wire transfers are permissible. The CSFO will approve all ACH and Wire transactions.

e. Transfers between Enterprise Board to Enterprise Board, Enterprise Board to Local School, Local School to Enterprise Board, or Local School to Local School, shall be done at the CSFO's discretion. No transfers should be made outside of Enterprise School Board accounts without CSFO approval.

f. Central Office offline and manual checks will be used at the CSFO's discretion and will be signed by the CSFO and approved by the Superintendent.

g. A check is never to be destroyed. When an error is made, mark the check VOID and file it in the voided check file. Stop Payments on a check will be determined by and to the discretion of the CSFO.

h. If for any reason a check is outstanding for six months, efforts must be made to ascertain that the check reached the proper party. After one year, checks should be voided and reissued for amounts over $25. Outstanding checks 1 year old and under $25 should be voided and not reissued.

i. Although the school bookkeeper is maintaining the accounting of school funds, the proper handling of the School Bank Account is the primary responsibility of the Principal. The Principal does not have the authority to issue a check unless an itemized purchase order is secured beforehand, completed and invoiced.

j. **Invoices -** An original invoice must be obtained for each purchase order before payment is made. Payments should never be made from a statement unless the statement also lists the items purchased with a price for each and NO invoice is available. The invoices must include the name and address of the vendor, quantity and description of the items purchased, unit price, extensions and the total. Every effort should be taken to obtain an invoice if the original is misplaced or lost. If a vendor provides services or materials but does not have an invoice, the school may furnish an invoice template to the vendor to be completed.(**Document F-3**) Financial Procedures Manual Forms

k. Attach the duplicate copy of a computerized check or ACH statement to the appropriate purchase order and invoice. All documentation may be kept manually or in electronic format. Each month's paid invoices must be put in

numerical order by check number and filed in "check batch order" in the file folder plainly marked with Batch#, Sequence#, Check Batch #, and Date.

l. **Sales Tax** - Principals are required to follow the Alabama Department of Revenue's Sales and Use Tax Rules (Code of Alabama 1975, Sections 40-23-4(a)(11) and 40-23-62(13)) The CSFO will renew State Sale Tax Exemption Certificate on an annual basis.

m. Schools are not required to pay sales tax on purchases or collect sales tax on sales at the school with the exception of student purchases through a third party company.

5. Expense Reimbursement (Board Policy 3.12) Employee Handbook - Travel Reimbursement Page 33-34

A. All expenditure reimbursement requests should be submitted for approval and processed within 60 days of the date the expense was incurred. All documentation should be submitted through Etrieve on a travel reimbursement form.

a. The Board will reimburse 100% of reasonable lodging expenses for official school related travel outside of the Enterprise City School Zone. Room service does not constitute lodging and is subject to the $60 daily meal allowance.

b. The Board will reimburse up to $60 per day of reasonable meal expense for official school related travel outside of Enterprise City School Zone. (Alcohol and Tobacco products are prohibited and will not be reimbursed). Snacks (chewing gum, candy bars, soda, etc.) will not be reimbursed. The $60 allowance can be averaged over multiple day travel for full days of travel. Half day travel (4 hours or less) or travel days will be reimbursed $30 per day unless out of state. Tips are reimbursable up to 20% of the meal total. Meals will not be reimbursed inside city limits of Enterprise. All travel reimbursement requests must have an itinerary or meeting agenda and an approved PD form attached. See school bookkeeper if you did not retain a copy of approved PD approval. Home address should be included in the personal information section.

c. The superintendent reserves the right but is not required to waive the $60 limit for out of state travel; pre-approval in writing must be obtained and attached to the travel reimbursement request. The CSFO will use the Federal per diem rates when out of state adjustments are approved.

d. All travel days will be considered a half day travel rate unless pre-approved by the superintendent.

https://www.gsa.gov/travel/plan-book/per-diem-rates

e. To check the status of a reimbursement request, go to the Activity Tab in Etrieve.

6. Fees, Payments, and Rentals (Board Policy 3.13)

A. Facility Use Fees (Board Policy 3.13.1)

Facility Use Fee Schedule:

a. Municipal-Sanctioned Usage: Authorization may be granted upon the submission of a formal, written request by a duly recognized municipal official for a city-sanctioned event or practice session, subject to the following binding conditions:

1. **Execution of Documentation:** A standardized Facility Usage Form must be executed in full by the designated individual exercising primary oversight of the event or practice.
2. **Administrative Consent:** Authorization must be granted by the school administration prior to the commencement of the requested usage.
3. **Mandatory Administrative Presence:** A designated representative of the school administration must maintain a continuous physical presence on the premises for the full duration of the event or practice.
4. **Fee Waiver:** All applicable facility usage fees shall be waived.
5. **Insurance Waiver:** The requirement for the provision of independent liability insurance by the requesting party shall be explicitly waived.

b. Independent or Non-Municipal Usage In the absence of a formal, written request submitted by a municipal official pursuant to Article I, authorization for facility usage may solely be granted subject to the following mandatory conditions:

1. **Execution of Documentation:** A standardized Facility Usage Form must be executed in full by the designated individual exercising primary oversight of the event or practice.
2. **Administrative Consent:** Authorization must be granted by the school administration prior to the commencement of the requested usage.
3. **Mandatory Administrative Presence:** A designated representative of the school administration must maintain a continuous physical presence on the premises for the full duration of the event or practice.
4. **Usage Fees:** A facility usage fee shall be assessed. Such fee schedule shall be applied uniformly and without prejudice to all requests processed under this provision.
5. **Liability Insurance Requirement:** The requesting organization or individual shall be required to furnish proof of adequate liability insurance, naming the school as an additionally insured party, prior to the approved usage.

a. The Superintendent has authorized the Principal of each school to have authority to negotiate fees of the rental of their campus facilities. All rentals must be approved by the Superintendent. The Performing Arts Center will abide by the procedures set forth in the Enterprise High School Performing Arts Center Procedures and Application for Use of Facilities. (**Document F-4**) - Financial Procedures Manual Forms

b. Any individual, group, or organizations that use Board property for non- school related events must fill out a Facility Use Agreement Form, provide proof of liability insurance coverage, and pay fees designated by the Administrator of the campus being used. Questions about Facility Fees should be directed to CSFO. Facility Use Agreement forms should be submitted to the Superintendent for review and approval. The Superintendent has the authority to waive fees and/or deny use of a facility for any reason.

c. Facility Use Agreement Form (**Document F-5**) Financial Procedures Manual Forms

B. Public Records Request, Copying, and Other Charges (Board Policy 3.13.2)

a. The Enterprise City Superintendent has established the rate of $.25 per page for all document and records copy requests that exceed 10 pages. The Superintendent or CSFO has the authority to waive charges for any reason.
b. Enterprise City Schools will comply with Open Records Act guidance as outlined in Act 2026-592. **(Document F-22)** Financial Procedures Manual Forms

7. School Accounts (Board Policy 3.14)

a. See Finance Procedure Manual Section 4. Deposits and Expenditure of Funds

8. Authority to Execute Contracts (Board Policy 3.15)

(Section IV General Administration Part 2)

a. All purchasing contracts (including service contracts, sports contracts, landscaping, maintenance, repair, land improvements, construction, tutoring, copier leases, etc) must be approved by the Superintendent and the Board prior to being signed by the Superintendent. No contract shall extend past five years without review and signature of local counsel.

9. Affiliated Organizations (Board Policy 3.16) (ALSDE FP Section 7)

a. School Sponsored Organizations (Board Policy 3.16.1)

b. Booster Clubs, Parent-Teacher Associations, and Other Affiliated Organizations (Board Policy 3.16.2)

10. Fundraising (Board Policy 3.17) (ALSDE FP Section 4)

a. All fundraisers are to be pre approved by the Principal of each school and then forwarded to Central Office for Superintendent approval. Fundraiser/Crowdfunding (**Document F-6**) Financial Procedures Manual Forms

b. After the fundraiser is completed, the Fundraiser Completion Form should be submitted to the Principal. (**Document F-7**) Financial Procedures Manual Forms

c. All fundraisers should attempt to make a 40% profit or greater. If 40% or greater is not achieved, a written explanation is to be submitted to the Principal and forwarded to the CSFO for review.

d. Commissions and Vending Machine Proceeds are to be kept in accordance with The Alabama Department of Education Financial Procedures for Local Schools.

e. Raffles are prohibited for giveaways. However, a raffle can be used to determine participants in a game of skill.

11. Employee Fundraising and Crowdfunding

a. All **INDIVIDUAL EMPLOYEE** fundraising and crowdfunding, for any reason, must be approved by the Principal of the School, Superintendent, and CSFO. This includes posting supply lists and amazon wishlists on personal social media. A Fundraiser/Crowdfunding Approval Form should be completed. (Document F-6) Financial Procedures Manual Forms

12. Worthless Checks (Board Policy 3.19) (ALSDE FP Section 3)

a. In the event that a returned check becomes a worthless check, the worthless check will be turned over to the District Attorney's Office. Guidance from this point forward will be given from the Board's Local Counsel.

b. Returned checks – Checks accepted for payment should contain full name, current address, and current telephone number. In the event of a returned check, the collection will be turned over to a third party collector determined by the CSFO. At month's end, all returned checks should be posted to "returned checks receivable" by debiting returned checks receivable and crediting cash. All

Payments received from a third party collector for returned checks should be posted by a credit to returned checks receivable and debit to cash.

13. Classroom Instructional Support "Teacher Fee Money" (Board Policy 3.20)

a. The enclosed forms are to be used to comply with the Code of Alabama, Section 16-1-8.1 Financial Procedures Manual Forms
    a. State Department of Education's memorandum (**Document F-8**)
    b. Memorandum from CSFO (Document F-8)
    c. Other necessary forms (Document **F-9 through F-11**)

Forms will be updated annually by the CSFO when made available from the State Department of Education.

14. Bank Statement Reconciliation

a. **Bank Statement Reconciliation Procedures -** All bank accounts of the Enterprise Board of Education will be reconciled between the bank statement and the General Ledger Cash Accounts on a **monthly basis.** This reconciliation will be prepared as soon as is practicable after the end of each month. All central office bank statements including local school lunchroom accounts will be reviewed and signed by the CSFO and the Superintendent. All local school accounts will be reviewed and signed by the Principal of each school, then forwarded to the CSFO for review. Deadline to submit local school bank statements and signed bank reconciliations to the CSFO is the 15th of the following month.(January reconciliation is due February 15th).

b. **Outstanding Check Procedures** - All outstanding checks under $25 that have not cleared within 1 year of issue date should be canceled and removed from books. All outstanding checks over $25 should be voided and reissued with the vendor being contacted and payment details confirmed. Prior approval from the CSFO must be received before these checks can be cleared from the accounting records.

15. Purchasing Card Procedures

A. The Enterprise Board of Education and its Local Schools will follow the purchase card guidance outlined by the Alabama State Department of Education.

a. Purchasing Card Guidelines
https://www.alabamaachieves.org/wp-content/uploads/2021/07/Purchasing-Card-Guidelines.pdf

b. **Purchasing Card Guidelines for LEA Employees**
https://www.alabamaachieves.org/wp-content/uploads/2021/07/Purchasing-Card-Guidelines-for-LEA-Employees.pdf

c. Before purchasing cards are issued to an employee, the Purchasing Card Agreement (**Document F-17**) Financial Procedures Manual Forms must be signed by the employee as an acknowledgement of understanding.

d. Credit Card Use Flyer (**Document F-18**)

B. Purchase Card Procedures – For LSA Bookkeeper

a. Teachers will be issued a pre-loaded declining balance purchase card upon acknowledging the terms and conditions of the purchase card agreement by signature.

b. Teachers will be required to turn in all original legible itemized receipts daily to the bookkeeper. When receipts are turned in, the teacher will sign the receipt log kept by the school bookkeeper. The bookkeeper will place the log and receipts in their respective folder in the school office. Receipts and receipt logs should be kept with the same security protection as cash receipts. The receipt log serves as documentation that items have been received and as an audit trail for receipts.

c. Teachers will have five business days from the date of notification to validate all charges shown on the purchasing card statement if receipts are missing. All invalidated purchases will be subject to the terms outlined in the Teacher Fee Purchasing Card Agreement.

d. Bookkeepers will verify all purchases to ensure compliance with Board Policy and the Financial Procedures Manual. Bookkeepers will reconcile the receipts, check for unauthorized purchases, and verify that no sales tax was charged.

e. Bookkeepers will reconcile the master monthly card reconciliation to the receipt logs. (Receipt logs need to be readily available for inspection by the Chief School Finance Officer).

f. Bookkeeper will submit an AP approval through Etrieve for final payment of the purchasing card statement.

g. Each Bookkeeper will receive summaries of the school's charges and for the teacher purchases for ease of reconciling the statements.

C. Purchasing Card Procedures for Central Office

There are two Purchasing Card statements from PNC:
1) General Purchases from central office
2) Teacher Fee purchases (Classroom Instructional Support)

a. Each statement is to be reconciled with all the charges made. Each charge is to have documentation of approval through AP Approval in Etrieve. Detailed order/invoice information, receipt of product or service, professional development registration, and travel charges with agenda of professional development should be included.

b. In the event of travel, allowable documentation for meals should be an itemized restaurant receipt, not just a credit card receipt. Lodging expenses should have a receipt from the hotel of the amount paid for the entire stay. All travel expenses, including parking fees, should be accompanied by an agenda, certificate of attendance, or other documentation stating the purpose of the trip and dates.

c. Summary spreadsheets are used for allocation of charges of CIS money to the Local Schools.

d. A PNC Card Summary Statement is sent through AP Approval in Etrieve for review for approval by the Superintendent and CSFO.

e. Invoice batch(s) are pulled to one check batch per the AP procedure for credit card, and one check is printed for the total of all statements due. The payment is auto drafted from the General Bank Account. CNP's portion is transferred from CNP to the General Account. The check printed is marked 'Void' and put in the batch file.

16. Local School Monthly Deadlines and Procedures

a. Monthly financial postings and reconciliations should be completed **by the 15th of the following month.** (Example: January end of the month reports and reconciliations will be due by February 15th; February's will be due March 15th, etc.) In the event that a school cannot make this deadline, the Bookkeeper will notify the CSFO.

b. The following documentation should be completed and forwarded to the CSFO by the deadline:

1. Bank Reconciliations Report signed by Principal
2. Copy of Bank Statement signed by Principal
3. Principals Report signed by Principal
4. Checklist for Local Schools Monthly Financial Report (**Document F-19**)

Financial Procedures Manual Forms

17. LEA Procurement Procedures

a. LEA General Procurement Standards

Enterprise City Schools (ECS) shall ensure all procurement transactions are conducted in a manner providing full and open competition. ECS will comply with federal, state, and local laws, including the Uniform Guidance (2 CFR 200) for all purchases using federal funds.

b. LEA Process for Oversight of Contractors

ECS will implement a monitoring process to oversee contractor performance, ensuring services are delivered as outlined in the contract. This includes regular progress reports, site visits, and contractor evaluations.

c. LEA Competitive Procurement Procedures

- Sealed Bids: For purchases exceeding the Simplified Acquisition Threshold, ECS will use formal sealed bidding procedures. Invitations for Bids (IFBs) will be publicly advertised, and bids will be awarded to the lowest responsive and responsible bidder.

- Proposals: When conditions are not appropriate for sealed bids, ECS will use competitive proposals that will be evaluated based on predetermined criteria.

d. LEA Non-Competitive Procurement Procedures

- Micro-Purchases: For purchases under $15,000, ECS may procure items without soliciting competitive quotations, provided the costs are reasonable unless purchased with federal funds.

- Non-Competitive Procurement (Sole Source): ECS may procure items directly if:
    - The item is only available from a single source.
    - An urgent need does not permit delay.
    - Written authorization is obtained from the funding agency.

e. LEA Domestic Procurement Preference Procedures

ECS will prioritize domestic preferences for procurement when applicable. All contracts will include language encouraging suppliers to provide American-made products where possible.

f. LEA Cost Price Analysis Procedures

ECS will perform cost or price analysis for all procurements exceeding the Simplified Acquisition Threshold to ensure fair pricing. This analysis will include evaluating profit margins, market conditions, and comparable services or products.

g. LEA Formal Procurement (Sealed Bid/Proposal)

ECS will utilize sealed bidding or proposals for procurements requiring formal procedures. Bids will be publicly solicited, and awards will be made to the lowest responsive and responsible bidder.

h. LEA Contract Provision Procedures

ECS contracts will include all required provisions under federal, state, and local laws. Contracts will outline clear performance expectations, timelines, and penalty clauses for non-compliance.

i. LEA Conflict of Interest Procedures

ECS personnel engaged in procurement must adhere to strict conflict of interest guidelines. Employees may not participate in selection, award, or administration of contracts if they have a financial or personal interest in the outcome.

j. Charter School Organizational Conflict of Interest

If ECS partners with a charter school, all procurement activities will follow the same conflict of interest guidelines. ECS will maintain clear separation between decision-making and personal interests to ensure fair competition and ethical practices.

Section IV.
General Administration

1. Use of Board Property (Board Policy 4.4)

a. Equipment, Supplies, Materials, Vehicles (Board Policy 4.4.1)
See Board Policy for Guidance

b. Use of Board Facilities (Board Policy 4.4.1)
See Finance Procedures Manual Section III. 6. Fees, Payments, and Rentals

2. Loans and Entering into Lease-Purchase Agreements by School

a. The Enterprise Board of Education prohibits the Principal and/or any employee at a school from borrowing any funds from any source in the name of the school or the Board of Education without first obtaining the written approval of the Superintendent, Chief School Finance Officer and the Board of Education.
b. The principal and/or any employee at a school are prohibited from entering into any contract or lease-purchase agreement without first obtaining the written permission of the Superintendent, Chief School Finance Officer, and the Board of Education.
c. Code of Alabama, Section 41-16-57(e) states, that "contracts for the purchase of personal property or contractual services shall be let for periods of not greater than five years."

3. Payments for Non-Employee Services Contract Labor

a. Local schools must comply with the Internal Revenue Service requirements for the reporting of payments to non-employees (such as athletic officials, plumbers, electricians, etc) for services rendered. Records must be maintained to account for any payments or any service rendered by any individual or organization that is not an employee of the Board, and is not incorporated. The school shall obtain a completed and signed IRS

Form W9 from the vendor before payment is made for services rendered and shall mark the vendor with a checkmark in the “1099 Vendor" box in the Vendor Maintenance File in the Nextgen Accounting System on the Vendor tab. Also, on the 1099 tab, the W9 info should be completed to indicate the W9 has been sent, received, etc. W9 form will need to be uploaded and attached to the vendor file.

4. Obligations of Board and Local Schools Board Policy 3.15

a. All financial obligations must be paid in the current check batch following purchase and delivery if invoice is submitted within 2 days prior to checks being issued, unless a written contract is made setting forth definite time payments or invoices indicating a due date further in the future. Written contracts for time payments must be approved by the Superintendent of Education before a purchase is made. The Superintendent May execute contracts up to $35,000 without Board approval. Only the Board of Education may authorize the entering of a contract exceeding $35,000. Any contract entered into by the Principal may be canceled by the Superintendent and the Principal held personally responsible unless written permission is secured beforehand.

5. Theft of School Funds

a. If a theft or loss of school funds occurs, notify the Superintendent and the CSFO immediately. A police report should be completed and filed for any significant loss of property. The CSFO will determine the necessity of such a report.

6. Scholarship Guidelines

a. All scholarships that are on Enterprise Board of Education and/or its local schools books must have an annual award of $500 or more, written award guidelines, and be approved by the CSFO and Superintendent. Each scholarship should have its own general ledger number.

Section V.
Personnel

1. ID Badges

All employees will be issued an ID badge upon employment; each employee may request one replacement badge at no cost if the original badge is lost or damaged. The employee will be charged $5 per additional replacement request; not to include name or location changes.

2. Salary Supplements-Gifts (Board Policy 5.7)

a. No school is authorized to make supplemental payments to personnel for any services rendered in connection with the normal and customary duties associated with the employee's job description. ANY supplemental payment for extra work "above and beyond" the normal duties of a specific job must be approved by the Superintendent. All supplemental pay must be paid through payroll. Supplemental pay rates must follow the rates approved by the Board of Education.
b. Schools are prohibited from making loans to employees.
c. Gifts of money or school property to any individual or organization are prohibited unless funds were raised for the expressed purpose of donating funds to a 503C charitable organization and were raised by a non-public activity.
d. Public Funds are never to be used for gifts or donations.

3. Contents of Personnel Files (Board Policy 5.9.1)

a. Current Assignment
b. Payroll Status
c. Disciplinary information - If applicable
d. Transcripts of ALL college credits earned - If Applicable
e. Work History - Experience Statements from other systems
f. Letter of Board approval of employment
g. Board Approved Leaves of absence
h. Copy of Social Security Card
i. Copy of Valid Driver's License
j. I-9 (Determination of Eligibility for Employment) Immigration Form
k. Sick Leave Bank form

4. Family Medical Leave Act (FMLA) (Board Policy 5.11)

a. FMLA - https://www.dol.gov/agencies/whd/fmla/forms

5. Sick Leave Bank (Board Policy 5.12)

b. Sick Leave Bank Guidelines Sick Leave Bank Guidelines

c. Sick Leave Bank Documents Sick Leave Bank Documents

6. Basic Payroll Procedures

A. Day to Day Operations of Payroll -

a. The Payroll Office will make changes as needed to an employee's payroll data. All requests must be submitted via the ESS portal. Examples:

1. direct deposit information
2. W4 & A4 withholding status
3. demographic changes

b. The New-Hire Act of 1997 (Act 97-228) requires all employers to report all newly hired, rehired, or recalled employees to the State Directory of New-Hires within seven (7) days from the first day of work. All employees are to be reported to the New-Hire Program when they are newly hired, rehired or recalled to work. https://labor.alabama.gov/nh/new-hire.aspx

c. Substitutes - All substitutes with the exception of bus substitutes and maintenance substitutes are hired through Kelly Services and will meet the requirements of Kelly Services.

B. ESS (Employee Self Service)

a. ESS is the employee portal of the Enterprise Board of Education. Employees can make demographic and withholding changes as well as view HR/Payroll information through this portal. The link below provides guidance on how to set up and navigate ESS.

b. Link for ESS Guidance (**Document F-20**) Financial Procedures Manual Forms

c. Link to log into ESS https://enterprisecityal-ess.harrisschool.solutions/EmployeeSelfService/Account/Login?ReturnUrl=%2femployeeselfservice

C. Monthly Payroll Procedures

1. Local School Bookkeepers will check the time keeping system for missed punches and missing leave. All corrections will need to be made by the 10th of the month.

2. Once all information is corrected by the bookkeeper, the Payroll Office will build a Payroll Run ID for the month of Payroll being entered. All leave will be loaded into accounting software. The Payroll Office will enter any additional payroll information that was sent through and approved in Etrieve as well as any transportation leave.

3. Input Pay and Leave Edit Reports will be run and reconciled back to the Kelly leave report, request for pay forms, and transportation leave forms.

4. Once all input pay is reconciled the payroll compute process is started.

5. Pre-Compute Exceptions Report is run. Each exception is reviewed and determination is made if a change is needed. Necessary changes are made and the Input Pay & Leave Edit Reports are run again. This process is repeated until all exceptions are satisfied.

6. Compute Payroll Report is then run for final payroll input.

7. The Payroll Office will run a Prior Period Comparison Report to check the current month payroll to the previous month payroll for changes in gross pay.

8. The Prior Period Comparison report is run to check for any changes from the previous month.The difference from the previous month and current month payroll is reviewed for each deduction. Deductions are balanced with the vendor invoice that is requested for the current month.
9. Once the Payroll Office agrees that payroll is correct, the GL Pre-Post Report Only is run.

10. The Senior Accountant then transfers funds from appropriate bank accounts to the payroll bank account.

11. The Payroll office drafts the ACH file and the CSFO approves through the bank portal. This must be completed two business days prior to paydate.

12. Vendor checks are created and employee pay statements are posted to ESS.

13. The Payroll Check Register is run for payroll records.

14. GL Post and PR Check Update are both run to complete payroll.

All required monthly deductions/reporting:

a. PEEHIP
b. TRS Retirement Contributions
c. Federal Tax (Online EFTPS)
d. State Tax (MAT A1)

D. Quarterly Payroll Procedures

a. 941 Quarterly Report
b. Multi-worksite report, performed by CSFO.
c. Dept. Of Labor Unemployment Data Upload and EFT, performed by CSFO.
d. A-6

E. Annual Payroll Procedures

a. File A3 and Upload W-2 File to state after Accuwage Verification (SSA)
b. Truth in Salary
c. ACA 1094 & 1095 C
d. APPROVED PAY DATES (Scholastic Calendar)
e. TAXABLE FRINGE BENEFITS

FRINGE BENEFITS NOTE: Internal Revenue Code (IRC) Section 79 requires each employer to report benefits of group term life insurance provided directly or indirectly to employees to the extent that it exceeds $50,000.

The Pre-retirement Death benefit (PRDB) is equal to the salary on which the member made retirement contributions for the previous SCHOLASTIC year (July 1, XXXX – June 30, XXXX) on all employees who have at least one year of contributing membership service. In the event that an employee is retiring or terminating, the imputed premium must be computed prior to the issuance of the employee's final check.

Payroll Forms: Financial Procedures Manual Forms

Section VI.

Students

1. **Student Fees, Fines, and Charges** (Board Policy 6.3) (ALSDE FP Section 8)

    a. The Enterprise Board of Education will follow all guidance provided by the Alabama State Department of Education on student fees.

    b. Fines and charges will be levied in accordance with the student handbooks of each school. The Enterprise City Board of Education will approve each school's handbook annually.

    c. Each school has the ability to collect reasonable replacement costs of any lost, damaged, or stolen property of the school. Property purchased with Federal funds can only be charged back with CSFO permission.

    d. The Superintendent has the authority to waive any fees, fines, and/or charges for reasons he deems necessary.