Policy No. 6610

Policy Title: Internal Accounts

Justification:

The revised policy is being presented to the Board after review and recommendation by District staff. The purpose of these changes is to give Principals and Site Administrators the ability to delegate purchase order and expenditure approval authority to their supervisors and/or managers.

Summary of Proposed Policy:

2. Regulations Concerning Expenditures

a. Where expenditures require prior approval, the school should anticipate needs in time to permit processing and proper clearance of written authorization requests. Expenditures shall not be made until approved in writing by the principal. The principal or department head may designate their purchase order requisition approval authority to an administrator or manager under their supervision. Such designation shall not relieve the principal or department head of their fiscal responsibility for their assigned facility or facilities.

c. No school internal fund shall be obligated for any student or teacher expenditure not previously approved in writing by the principal or authorized designee. A principal shall be responsible for any expenditures made or approved by him/her which are not permissible under the laws and regulations of the State or policies of the Board

Specific Authority: 1001.43

Law Implemented, Interpreted or Made Specific:

Estimate of Economic Impact of Rule: None
6610 - INTERNAL ACCOUNTS

Internal funds are those used by a school/department which are not under the direct supervision of the District through regular county school budget sources. They are administered by each individual school/department in accordance with policies of the Board, Administrative Rules, Florida statutes, and procedures adopted by the Board.

A. Uniform Records and Accounts

Department heads and the principal of each school shall be responsible for the safe and proper handling of all monies collected and disbursed within the school and shall keep all accounts in accordance with regulations of the Board and State Board of Education and the Internal Accounts Procedures Manual. A complete and accurate record of each and every transaction and a suitable classification (chart of accounts) of all receipts and expenditures shall be kept on approved forms.

B. Receipts of Monies Collected

All funds collected within the school or department for any purpose shall be deposited with the principal, department head, or designee, together with such substantiating records as may be required.

C. Safekeeping of Monies, Certificates, and Bonds

All monies received shall be promptly deposited in a qualified public depository and provisions shall be made for the adequate safekeeping of all monies and other financial assets that may come into the possession of the school.

1. Funds shall be promptly deposited in the qualified public depository. Schools or departments shall make deposits within five (5) business days after receipt or within three (3) business days after receipt if the funds on hand exceed $200.00, excluding change and petty cash funds.

2. All funds received shall be recorded, banked, and reconciled to the proper receipts and accounts.

D. Expenditures

All expenditures from school funds shall be made by check, except that provision may be made by administrative procedures for the use of a small petty cash fund in each school.
where needed. Invoices or other approved substantiating evidence shall be required for all payments from school funds, including payments from petty cash. All checks are to be signed by two (2) persons, the principal and designee.

1. **Overspending Limitation**

   School or department expenditures from internal funds shall not exceed the cash balance of resources of that school during any fiscal year without written approval of the Superintendent or Board.

2. **Regulations Concerning Expenditures**

   a. Where expenditures require prior approval, the school should anticipate needs in time to permit processing and proper clearance of written authorization requests. Expenditures shall not be made until approved in writing by the principal. The principal or department head may designate their purchase order requisition approval authority to an administrator or manager under their supervision. Such designation shall not relieve the principal or department head of their fiscal responsibility for their assigned facility or facilities.

   b. Authorization for expenditures expire one (1) year after date of approval.

   c. No school internal fund shall be obligated for any student or teacher expenditure not previously approved in writing by the principal or authorized designee. A principal shall be responsible for any expenditures made or approved by him/her which are not permissible under the laws and regulations of the State or policies of the Board.

   d. Competitive bidding is encouraged whenever practical. However, no purchase may be made by a school amounting to over $3,000, including series or group purchases, except through obtaining three (3) or more written competitive bids based upon definite specifications in the same manner as used by the purchasing department. When advanced individual orders are taken and paid for from students, staff, or patrons, competitive bids shall not be required.

3. **Expenditures Requiring Prior Approval**

   The following is a list of expenditures requiring prior written authorization from the Superintendent or designee:

   a. All equipment which is to be attached to the buildings, or requires remodeling, including the installation of utility service other than that which presently exists in the building. Examples of such purchases are as follows: air-conditioning, ice machines, equipment which uses 220 current where only 110 service exists, those that require the installation of water or sewage lines, etc.

   b. Buildings, permanent attachments to buildings, or other structures.
c. Bleachers, pavilions, playground equipment, or equipment involving risk to users.

d. Services and purchase made for any employee of the District.

e. Membership in and contributions to any noneducational organization.

4. **Expenditures Prohibited from Internal Funds**

The following is a list of expenditures which cannot be made from internal funds.

a. Professional books and magazines, except school professional libraries and personal memberships in professional organizations when purchased through trust funds to which employees contribute.

b. Articles or services for personal use of Board employees or other persons.

c. Equipment, supplies, and services for rooms and areas not used primarily for student body benefit, unless raised specifically through employees or other persons or authorized by a student organization.

d. Wages or supplements to any persons engaged in regular part-time or temporary employment except as provided by the Board.

e. Loans, credits, or accommodations to Board employees or other persons, including students except as provided in Policy 6550 – Travel and Per Diem.

f. Expenditures shall not be made as a donation to any organization that is not directly affiliated with the District, unless said funds were collected expressly for that purpose.

5. **Cooperative Activities Permitted**

The general provisions for cooperative activities for which internal funds are permissible are as follows:

a. Outside groups. There shall be a definite written agreement between both parties.

b. Collections for the School Board of Brevard County, Florida.

c. Trust funds, drives, professional dues, etc.

d. Foundation funds (donations by outside organizations or persons for a definite
educational purpose).

e. Flower and gift funds.

6. **Promotion and Public Relations Funding**

The Superintendent or designee and principals are authorized to expend funds from a designated internal account for the purpose of promoting the school/department and for public relations.

Funds derived from auxiliary enterprises and undesignated gifts shall be disbursed in accordance with rules of the Board for such purposes as are deemed to be for the benefit of the District. Funds from auxiliary enterprises are defined as profits from enterprise type activities of the District, excluding food service activities, which may include, but are not limited to, vending machines, school stores, and other internal account fund profits not specifically designated for student or school level purposes and from funds received from other agencies making purchases from warehouse inventories in excess of the actual costs to the District.

Such funds shall be administered in accordance with procedures included in the Internal Accounts Procedures Manual.

E. **Fund Raising**

All fund-raising projects and activities promoted by the school or any group within or connected with or in the name of the school, are to contribute to the educational experience of the students and shall not be in conflict with Board policies or the overall instructional program. Each fund-raising project using students to solicit must have the approval of the principal. Student body business functions should be conducted in such a way to offer the minimum competition to commercial firms. Accountability of fund-raising projects shall be in accordance with provisions of the Internal Accounts Procedures Manual.

1. **Solicitation by Students**

Personal or house-to-house solicitation by students is forbidden in all cases except as defined below:

a. Junior or senior classes at the senior high school level are authorized to sell magazine subscriptions. Principals must furnish identification for students participating in these sales in order that persons may be assured of the students' connection with the school.

b. Admission tickets may be sold by senior high schools to concerts and plays.

c. Advertising may be sold on a once-a-year basis only for each high school annual; programs for the annual dramatic productions of the senior high schools; and the
year’s high school athletic program.

d. Advertising may be sold by senior high school newspapers to provide marketing experience in the field of journalism for students with the approval of the principal.

e. Sales by students at central points, which merely make available the merchandise to patrons who care to stop and buy, are permitted. The selection of a location for such sales shall be made with the safety of the student in mind.

f. Students may only be requested to bring money to school for parent-teacher groups which will provide one of its parent members to receive membership dues.

2. **Fund Benefits**

Funds collected for the benefit of a specific student organization shall be expended for the benefit of said organization unless otherwise designated in minutes of the organization. General fund monies collected from the student body as a whole shall be expended to benefit students directly.

3. **Commissions or Profits**

Funds from commissions such as school pictures, etc., may be credited to the general fund or some designated account. Contracts for such activities must comply with bid requirements and be approved by the principal.

4. **Contracts for Operation of Vending Machines on School Property**

Principals and department heads shall have authority to enter into contracts with commercial vending machine companies with deposits and expenditures made in internal funds. No such contract shall be in conflict with any District-wide contract for vending services.

**Commercially Owned or Leased Vending Machines**

All commercially-owned or leased vending machines located on school property shall be operated under a written contract. The contract shall be on a form approved by the Board, signed by the principal or department head, and an authorized representative of the company. The contract shall contain the legal name of the company, cancellation clause, and the percentage or amount of revenue to be received by the school or department, and provisions for restocking and collecting proceeds from the machines.

5. **Sale of Food and Beverages**

The sale of any food and beverages to students during the school day shall be conducted by the school food service program, except as provided herein.
a. For purposes of this rule, the school day begins when the first student steps on campus and ends when the last bell rings.

b. In all elementary schools, all food and beverage sales to students during the school day shall be through the food service program only.

c. In all secondary schools, competitive foods and foods classified as having minimal nutritional value as defined by the United States Department of Agriculture shall not be sold to students, apart from the school food service program, except for one (1) hour following the close of the last lunch. The proceeds from such sales may accrue to either the food service program, approved school organization, or the school’s general internal fund. All other food sales shall only be through the food service program.

d. In middle and Jr./Sr. high schools, water and 100% fruit juice may be sold one (1) hour following the close of the last lunch. Water and 100% fruit juice beverage machines inside the cafeteria or where meals are consumed may be left on all day provided that a portion of the proceeds from the sales accrue to the food service program. These machines should not include carbonated beverages.

e. In high schools, water, 100% fruit juice, and isotonic beverages may be sold during the day where meals are not consumed. Water, 100% fruit juice, and isotonic beverage machines inside the cafeteria or where meals are consumed may be left on all day provided that a portion of the proceeds from the sales accrue to the food service program. These machines should not include carbonated beverages.

6. **Profits from the Sale of Food and Beverages in Employee Work Areas**

   As a benefit to employees, principals and county-level department heads are authorized to approve the sale of food and beverages in areas accessible primarily to employees. Monies collected from these sales shall be deposited in the internal funds of schools and county-level departments. Profits from these sales may be expended for the benefit of employees or students according to procedures established in the Internal Accounts Procedures Manual.

7. **Class or Club Accounts**

   a. Authorization for all expenditures shall bear the approval of the principal.

   b. No account may be overdrawn at the end of the fiscal school year.

   c. Funds of off-campus clubs may not be processed through the school internal funds.

   d. After the class has determined the disposition of the balance any remaining balance of a graduating class shall be closed out to the general fund of that school or as clearly stated and documented in the minutes of the class meeting. Should any club become inactive, the unused balance may be closed out to the general fund after
six (6) months.

e. With the written approval of the principal, a school organization may set aside an amount for a specified future project which may materialize while members of the organization remain affiliated.

f. These reserve funds shall follow the same internal accounting procedures as any other school funds.

g. If the original purpose of the project becomes inoperative, the balance shall be transferred to the school general fund and may not be diverted to any other project.

F. Student Travel

1. Advance Arrangements

When travel by students is necessary in the pursuance of an approved student activity, advance travel arrangements shall be made when possible. Advance arrangements shall include transportation, meals, registration or entrance fees, and lodging. Checks may be prepared in advance for the exact amount and payable to the corporation or proprietor providing the service. The faculty sponsor accompanying the students shall be the temporary custodian of the checks and responsible for obtaining an invoice for the exact amount of the check from the corporation or proprietor upon presentation of the check.

2. Advance to Sponsor

When advance arrangements for meals or lodging are impractical because service to be rendered is en route, or the student group is of such number to make prior knowledge of the exact number impossible, advancement may be made to the faculty sponsor for distribution to the students. Each student shall sign a signature sheet certifying that s/he received their meal or lodging allowance. In such situations, students are to be made aware of the amount of the allowances at least twenty-four (24) hours prior to travel departure so as to permit them to make adequate financial arrangements personally or with their parents.

3. Limits

Under no circumstances may the amount paid from District or internal funds be in excess of rates established in F.S. 112.

F.S. 1001.43, 1011.18
F.A.C. 6A-1.085

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