

BASIC PRINCIPLES

The School Board of Leon County is responsible for the administration and control of all local school funds derived by any public school from activities or sources, including but not limited to, funds collected from school athletic events, gifts, and contributions made by booster clubs, civic organizations, and parent-teacher organizations. School internal account funds shall be used to finance a program of School Board approved activities which supplement those activities provided from District funds.

Basic principles and General practices shall apply to school internal account funds pursuant to LCSB Policy 6610 - Internal Accounts, Financial and Program Cost Accounting and Reporting for Florida Schools ("Redbook"), Florida Statutes, and State Board of Education Rules. A summary of these requirements are listed below:

1. The School District of Leon County has established a standard chart of accounts and sub-account numbers. The purpose for requiring uniformity is to have consistency throughout the district and to be in compliance with federal and state guidelines. The internal fund accounting system is composed of seven (7) fund types: Athletics, Music, Classes, Clubs Departments, Trusts, and General.
2. Transactions of all school organizations shall be placed in school internal funds. All organizations or individuals that represent themselves as, are connected with or operate in the school's name and obtain monies from the public shall be accountable to the school board for receipt and expenditures of those funds in a manner prescribed by the board.
3. All funds collected or handled by school board employees during normal working hours shall be included in and become part of the internal funds of the school unless accounted for in the district level accounting system.
4. The principal shall be responsible for the safe and proper handling of all monies collected and disbursed within the school and shall follow the rules governing the accounting of such funds or other assets as outlined in this manual.
5. All fundraising activities, solicited donations, purchases, or any other financial transaction must have prior written approval from the principal.
6. Funds which are collected each school year shall be expended within that school year to benefit the students, unless the funds have been collected for a specific documented purpose, which may include, but are not limited to, multi-year projects.
7. The objectives of fundraising activities by the school, by any group within, or in the name of the school, shall not conflict with programs as administered by the school board.

8. The collecting and expending of school internal account funds shall be in accordance with the Florida Constitution, Florida Statutes, State Board of Education Rules, and school board rules. Sound business practices should be observed in all transactions.
9. Each school organization should operate within a budget formulated by the organization members. The format of the budget shall be prescribed by the principal if not prescribed by school board rules.
10. Purchases from internal accounts shall not exceed the resources of the applicable student activity/project account, except for items acquired for resale or items authorized by school board rules.
11. 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 possession of the school.
12. Promissory notes shall not be executed in the name of a school or any school organization.
13. The principal shall not enter the school into any financial contract for longer than one year or in excess of \$8,000 without the prior written authorization of the superintendent (or designee).
14. The principal shall be responsible for obtaining contracts involving "funds handled in trust for individuals" (e.g. contracts for class jewelry, school annuals, cards and invitations, caps and gowns, etc.), which are not subject to the \$8,000 restriction. The actual contract must have the principal's signature at a minimum.
15. The school board shall provide for an annual audit of internal funds by a licensed public accountant(s).