

FINANCE PROCEDURE MANUAL

ACCOUNTING, BOOKKEEPING AND PAYROLL

DEPARTMENTS

CENTRAL OFFICE

AND

LOCAL SCHOOL ACCOUNTING

DALE COUNTY BOARD OF EDUCATION

FINANCE MANUAL

DALE COUNTYBOARD OF EDUCATION

Dale Sutton, Chairman

Jerald Cook, Vice- Chairman

Phillip Parker, Member

Shannon Deloney, Member

Priscilla McKnight, Member

Mr. Ben Baker
Superintendent of Education

Jesse W. James
Chief School Finance Officer

Dale County Board of Education
202 S. Hwy 123 Suite E.
Ozark, Alabama 36360
Telephone (334) 774-2355
Fax (334) 774-3503

Overview:

Authorization: This manual is authorized by the Dale County Board of Education under Board Policy 3.04.

Purpose:

The purpose of this manual is to assist the Dale County Board of Education staff in establishing finance policy and procedures for central office and for local school financial 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 be able to cross seamlessly between the Dale County Board Policy Manual, The Alabama Department of Education Financial Procedures for Local Schools and the Finance Manual. Each section should have specific authority granted by the Board's Policy Manual and should be referenced as such.

[https:Board Policy Manual](#)

The Alabama Department of Education Financial Procedures for Local Schools (Referenced throughout this document as ALSDE FP)

<https://www.alabamaachievers.org/wp-content/uploads/2021/07/Local-School-Financial-Procedures.pdf>

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Section I.

Governing Principles

The procedures set out in this manual are to be approved by the Dale County Board of Education, hereafter the (“Board”). The procedures in this manual are to coincide with the Dale County Board of Education Policy Manual and not in any way be contrary to. Procedures are to be followed completely and will be subject to continual audit by the Superintendent of Education, Chief School Finance Officer (CSFO) and State Department of Examiners of Public Accounts. All updates and revisions to this manual will be approved annually 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 2.07)
 - A. 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>
 - B. All records due to be destroyed will be destroyed annually during the summer when school is not in session.
 - C. All permanent records will be kept in paper format, or in electronic format. If in electronic format, a back-up file will also be retained.

Section III.

Fiscal Management

1. Inventories (Board Policy 3.07)

- a. An annual inventory of non-capitalized tangible property is to be conducted before the end of each school year. 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 \$100. Federal funded non-capitalized tangible property under \$100 may need to be inventoried and will be up to the CSFO's discretion as to whether to include or not.
- d. **Fixed Assets** - The Asset Manager will complete an annual inventory of all capitalized assets.
- e. 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.
- f. All items that are not consumable with an acquisition cost of \$5,000.00 or more must be recorded as capitalized fixed assets.
- g. 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 necessary, the Asset Manager will print a disposal report for the CSFO and Superintendent to review and sign.
- h. 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. CSFO and Superintendent will review all police reports.

2. Purchasing (Board Policy 3.08) (ALSDE FP Section 5 Purchasing)

Competitive Bid Law (Board Policy 3.09.4)

- a. All purchases that exceed \$40,000 are subject to the Alabama Competitive Bid Law. See Board Policy Manual and Link Below
- b. Federal funds spent in the range of \$10,000 and \$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 Superintendent and CSFO prior to 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. 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. A purchase order register must be maintained at the central office and school for manual purchase orders. Required information listed below:

Date
Vendor
P.O. Number
Activity Number or Source of Funds Amount

- g. 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.

- h. 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) [Finance Procedure Manual Forms](#)
- i. Blanket Purchase Orders - Multiple purchases at one or more given vendors during a month will be permitted to issue that vendor a purchase order number at the beginning of the month for use during that month. These “Blanket Purchase Orders” must be on a limited basis. An example of this use would be when a school purchases many small items at a hardware store where obtaining a purchase order would delay the work of the janitor and others. The amount of the purchase order must be a reasonable estimate of the amount expected to be spent during the month. 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.
- j. 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.
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 Boards of Educations 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. Monies collected with Envision Payment or Swipe Simple credit card terminals must be receipted and expended through the schools financial records.
- f. All district receipts are the responsibility of the CSFO. All checks other than school transfer checks and purchasing card reimbursement checks from local schools will be mail logged by the Administrative Assistant to the Superintendent. 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.
- g. 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) [Finance Procedure Manual Forms](#)
- c. The Dale County 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 schools bank account.
- d. The Dale County Board of Education will allow local schools to sell other school merchandise on websites approved by the CSFO. Current approved software is My School Bucks, Titan and Pinnacle Cart.

4. Deposit and Expenditure of Funds (Board Policy 3.09)

A. Deposits (Board Policy 3.09.1 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 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 Boards accounting software receipting 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.
- f. Returned checks – Checks accepted for payment should contain full name, current address, current telephone number. In the event of a returned check, the collection will be turned over to Envision Payments at www.envisionpayments.com. At month end, all returned checks should be posted to the “returned checks receivable ” by debiting returned checks receivable and crediting cash. All Payments received from Envision Payments for returned checks should be posted by a credit to returned checks receivable and debit to cash.

B. Investments (Board Policy 3.09.2)

- g. All funds not needed for current operations can be invested in Certificates of Deposit, money market, or savings accounts. All funds moved into investment accounts require Board approval prior to movement of funds. Existing Board approved CD’s can be renewed without additional Board approval for up to 5 years.

C. Expenditures (Board Policy 3.09.3 and 3.09.05) (ALSDE FP Section 6 Expenditures)

- h. **Cash refunds** - will be allowed to students for unspent funds under the following guidelines:
 - 1. The refund is less than \$100
 - 2. The money is picked up and signed for by the parent or guardian.
 - 3. The refund should have written approval by the Principal.

- i. 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 signature will be laser printed or manual on all central office checks. **Prior approval must be obtained from the CSFO and Superintendent before a bank account signature is changed.**

- j. Do not write checks to "CASH". All change cash checks should be made out to the Principal or Assistant Principal.

- k. ACH payments and wire transfers are permissible. CSFO will approve all ACH and Wire transactions.
 - l. Transfers between Dale Board to Dale Board, Dale Board to Local School, Local School to Dale Board, or Local School to Local School, shall be done at the CSFO's discretion. No transfers should be made outside of Dale School Board accounts without Superintendent and Board Approval.

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

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

- o. 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. For outstanding checks 1 year old under \$25 should be voided and not reissued.

- p. **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.

- q. **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) [Finance Procedure Manual Forms](#) Attach the duplicate copy of the computerized checks 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.
- r. **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.
- s. 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)

- A. All expenditure reimbursement requests should be submitted for approval and processing within 60 days of the date the expense was incurred. (Document F-26 and F21a) [Finance Procedure Manual Forms](#)
 - a. The Board will reimburse 100% of reasonable lodging expenses for official school related travel outside of Dale County and its

bordering counties. Room service does not constitute lodging and is subject to the \$50 daily allowance.

- b. The Board will reimburse up to \$50 per day of reasonable meal expense for official school related travel outside of Dale County. (Alcohol and Tobacco products are prohibited and will not be reimbursed). The \$50 allowance can be cumulative and netted over multiple day travel. Gratuity “Tip” should be 20% or less. The meal and gratuity combined should not exceed the \$50 allowance.
- c. The superintendent reserves the right to waive the \$50 limit for out of state travel.
- d. If a personal vehicle is used, mileage will be reimbursed at the current federal mileage rate OR gas can be purchased on a board purchasing card. For travel inside the county boundaries on a personal vehicle, Directors will be capped at \$2,500, Principals at \$2,000, and Assistant Principals at \$1,500. Allowances will run from July 1st through June 30th each year. For all other employees, in-county travel will be at the discretion of the Superintendent.

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

A. Facility Use Fees (Board Policy 3.13.1)

a. Facility Use Fee Schedule:

The Principal has the authority to negotiate fees that deviate from fees below with their local municipality and its recreational department as well as other athletic entities (Example Travel Ball teams). The principal can waive fees for practices leading up to events. For all others;

- 1. Gymnasium Rental \$60 per hour (2-hour minimum) not to exceed \$600 per event per day.
- 2. Football Field Rental \$50 per hour (2-hour minimum) not to exceed \$400 per game or event per day.
- 3. Baseball and Softball Field Rental \$30 per hour (2-hour minimum) not to exceed \$300 per event/tournament per day.
- 4. Chair Rental \$1 per chair set up.

- 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 Facility Use Fee Schedule. 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 for any reason.
- c. Facility Use Agreement Form (Document F-4) [Finance Procedure Manual Forms](#)

B. Copying and Other Charges (Board Policy 3.13.2)

- d. The Dale County Superintendent has established the rate of \$.25 per page for all document and records copy requests that exceed 10 pages. The Superintendent has the authority to waive charges for any reason.

7. School Accounts (Board Policy 3.14)

- a. See Finance Procedure Manual 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 Principal.

9. Affiliated Organization (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, Commissions, Vending Machines, and Concessions (Board Policy 3.17) (ALSDE FP Section 4)

- a. All fundraisers are to be pre approved by the Principal of each school. Fundraiser/Crowdfunding (Document F-5) [Finance Procedure Manual Forms](#)

- b. After the fundraiser is completed, the Fundraiser Completion Form should be submitted to the Principal. (Document F-6) [Finance Procedure 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.

11. Employee Fundraising and Crowdfunding (Board Policy 3.18)

- a. All **INDIVIDUAL EMPLOYEE** fundraising and crowdfunding, for any reason, must be approved by the Superintendent and CSFO. A Fundraiser/Crowdfunding Approval Form should be completed. (Document F-5) [Finance Procedure Manual Forms](#)

12. Worthless Checks (Board Policy 3.20) (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.

13. Classroom Instructional Support "Teacher Fee Money" (Board Policy 3.21)

The enclosed forms are to be used to comply with the Code of Alabama, Section 16-1-8.1. Please read the State Department of Education's memorandum (Document F-7) Next read Memorandum from CSFO (Document F-8). Other necessary forms (Document F-9 through F-16) [Finance Procedure Manual Forms](#)

14. Bank Statement Reconciliation

- a. **Bank Statement Reconciliation Procedures** - All bank accounts of the Dale County 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 Dale County 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) [Finance Procedure Manual Forms](#) and Teacher Fee Card Agreement (Document F-18) [Finance Procedure Manual Forms](#) (if the employee receives instructional support funds) must be signed by the employee as an acknowledgement of understanding.

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 daily to the bookkeeper, all original legible itemized receipts. When receipts are turned in, the teacher will log and 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 statement. Once reconciled, the teacher will record their purchase card activity and remaining balance on the issued reconciliation form. 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 Finance Manual Procedures. 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. Each bookkeeper will complete a monthly packet consisting of a completed reconciliation of all card expenditures and a check for purchasing card payment. Reconciliation should then be sent to the Central Office for payment processing.
 - g. Each Bookkeeper will receive summaries of the school's charges and for the Teacher fee purchases for ease of reconciling the statements. A Batch Form, Document (F-19) [Finance Procedure Manual Forms](#) is also sent with the total amount due for statement payments. Purchases that are approved to be paid from the Central Office are deducted from the total and the bookkeeper sends a check for the schools portion. The Batch Form has the GL coding for what is paid from the Central Office. All documentation of charges paid by the Central office should be sent to the Central Office from the school.

C. Purchasing Card Procedures for Central Office

- a. There are three Purchasing Card statements from Synovus:
 - 1. General Purchases and Utilities from schools and central office
 - 2. Teacher Fee purchases (Classroom Instructional Support)
 - 3. AP payments to vendors, using a one-time Purchasing Card issued by Synovus AP Solutions portal.

- b. Each statement is to be reconciled with all the charges made. Each charge is to have documentation of approval for purchase in the form of a signed Purchase Request Form (Document F-20) [Finance Procedure Manual Forms](#) or a signed Purchase Order generated from the accounting software. Detailed order/invoice information, receipt of product or service, professional development registration, and travel charges with agenda of professional development should be included.
- c. 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. All documentation should be attached to the Credit Card Expense Form (Document F-21 and F21a) [Finance Procedure Manual Forms](#) and signed by the traveler and their supervisor.
- d. Teacher Fee purchases documentation is in accordance with the Finance Manual. (Section III.14)
- e. Summary spreadsheets are used for allocation of charges to the Local Schools. The Schools make checks for charges payable to the Dale County Board of Education. These checks are recorded as accounts payable until Synovus payment is made. All charges that the central office is paying for will be entered at the central office level.
- f. A Synovus Card Summary spreadsheet is prepared for review for approval by the Superintendent and CSFO.
- g. Charges can be grouped per vendor on spreadsheets for coding and for invoicing.
- h. Transportation and Maintenance tickets are each summarized on a spreadsheet for the total expenses on statements. After the Department Head has signed each ticket, they are attached to the summary spreadsheet for review and approval by the Superintendent and CSFO. Each vendor on Transportation and Maintenance summary sheets are invoiced separately and coded to a specific purchase or order.
- i. Payment of statements are done through the Accounts Payable process, as an invoice batch or batch(s). Each charge is invoiced with the vendor separately or with summary forms for vendors that have multiple charges or purchases, ie: utilities, CNP purchases.
- j. 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. Payment is made through the Synovus AP Portal on or before the due date. The check printed is marked 'Void' and put in the batch file.

- k. Payment can also be made in person at the Synovus Bank with a copy of the cover sheet of statement and the check that is printed.

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 15st, 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 CSFO by the deadline:**
 - 1. Bank Reconciliations Report signed
 - 2. Copy of Bank Statement signed by Principal
 - 3. Checklist for Local Schools Monthly Financial Report. (Optional unless requested by CSFO) (Document F-22) [Finance Procedure Manual Forms](#)

Section IV.

General Administration

- 1. **Use of Board Property** (Board Policy 4.04)
 - a. Equipment, Supplies, Materials, Vehicles (Board Policy 4.04.1)
See Board Policy for Guidance
 - b. Use of Board Facilities (Board Policy 4.04.2)
See Finance Procedures Manual Section III. 6. Fees, Payments, and Rentals
- 2. **Loans and Entering into Lease-Purchase Agreements by School**
 - a. The Dale County Board of Education expressly 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. The 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 W 9 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. Salary Supplements-Gifts

- 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 have recommendation of the Superintendent and approval by the Board. All supplemental pay must be paid through payroll. Supplemental pay rates must follow the rates approved by the Board of Education.
- b. Schools are expressly 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.

5. Obligations of Board and Local Schools

- 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. Only the Board of Education may authorize the entering of a contract. 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.

6. 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.

7. Scholarship Guidelines

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

8. School Dude

- a. School dude is a trip tracking software that is used to approve and track Professional Development travel, Field Trip travel, and Athletic travel. All off campus travel must be pre-approved by the Superintendent.
- b. Link to enter trip request
<https://login.myschoolbuilding.com/msb?acctNum=1283137024&productID=TD>

Section V.

Personnel

1. Contents of Personnel Files (Board Policy 5.09)

- A. Current Assignment
- B. Payroll Status
- C. Job Qualifications

- D. Evaluation Data - Can be kept in separate files by Superintendent
- E. Disciplinary information
- F. Teacher Certificate - If Applicable
- G. Application for Employment/Resume - If Applicable
- H. Date of Board Approval and First Day of Employment.
- I. Transcripts of ALL college credits earned - If Applicable
- J. Work History - Experience Statements from other systems
- K. Copies of Board correspondence
- L. Letter of Board approval of employment
- M. Board Approved Leaves of absence
- N. Copy of Social Security Card
- O. Copy of Valid Driver's License
- P. I-9 (Determination of Eligibility for Employment) Immigration Form
- Q. State and Federal Tax Withholding forms
- R. Drug-free Workplace Policy form
- S. Sick Leave Bank form
- T. Direct Deposit Authorization

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

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

3. Sick Leave Bank (Board Policy 5.12)

- a. Sick Leave Bank Guidelines
- b. Sick Leave Bank Documents (F23-F24) [Finance Procedure Manual Forms](#)

4. Basic Payroll Procedures

A. Board Members - The Dale County Board of Education is made up of five (5) members representing five (5) districts. Members serve a six (6) year term. Members are elected in the General Election, which is held on the Tuesday following the first Monday in November of election year. A newly elected board member may take the oath of office prior to the first day of the next month (December); however, compensation shall not begin until the first day of the month of December following the election. Compensation will continue through the month of November in the FINAL YEAR OF THE TERM. Thus, a retiring or terminating member who is being replaced by a newly elected board member shall continue to receive compensation through the last day of the month of November in which a new member is elected. This ensures that a board member will receive compensation for a full six-year term of service.

In the event that a board member retires, resigns, is deceased or leaves the service of the board for any reason prior to the completion of the term for which elected, the board member shall be paid for the number of days served in the month of termination. (Example: A **board member leaving** the board on the 15th day of a month shall be compensated for the portion of the month served prior to termination.)

The **new board member** who replaces a terminating member shall be paid from the date on which he/she takes the oath of office. (Example: A **new board member** taking the oath of office on the 20th day of a month shall be paid for the portion of the month remaining to be served.)

B. Day to Day Operations of Payroll -

- a. The Payroll Office will make changes as needed to employees payroll data. All requests must be submitted via the ESS portal, in writing, or in person by the employee. Examples:
 - 1. direct deposit information
 - 2. W4 & A4 withholding status
 - 3. demographic changes
 - 4. deduction changes

j. 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>

k. Substitutes

- i. Background check on file with State Department of Education
- ii. Substitute Certificate - If Applicable

l. ESS (Employee Self Service)

- 1. ESS is the employee portal of the Dale County 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.
- 2. Link for ESS Guidance (Document F-25) [Finance Procedure Manual Forms](#)

Link to log into ESS

<https://dalecoal-ess.harrisschool.solutions/EmployeeSelfService/Account/Login?ReturnUrl=%2femployeeselfservice>

C. Monthly Payroll Procedures

- a. Local School Payroll Spreadsheets are emailed by the Payroll Office to Local School Bookkeepers to input leave data. This includes the employee's date absent, type of leave, and sub name/number. The Local School Payroll Spreadsheet is due back to the Payroll Office by the 7th of each month unless notified otherwise by the Payroll Office or the CSFO. Once completed, the Principal should review for accuracy and then email the completed Local School Payroll Spreadsheet to the Payroll Office. The Principal's email will serve as their "Electronic Signature".
- b. All supporting documentation including support timesheets, Schooldude reconciled report, paper PD forms - if Applicable, reimbursement check for subs and school trips mileage should also be sent to the central office by 7th of each month unless notified otherwise by the Payroll Office or the CSFO.
- c. Once Payroll Spreadsheet and supporting documentation is received the Payroll Office will review for accuracy and make any necessary corrections. Payroll will cross check leave taken with leave type.
- d. Once all information is verified the Payroll Office will build a Payroll Run ID for the month of Payroll being entered. All leave and substitute information from the Payroll Spreadsheets will be loaded into accounting software. The Payroll Office will enter any additional payroll information such as tutoring/extended day hours, Saturday school hours, contract hours, and support staff leave.
- e. Input Pay and Leave Edit Reports will be run and reconciled back to Payroll Spreadsheets and timesheets.
- f. Once all input pay is reconciled the payroll compute process is started.
- g. 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.
- h. Compute Payroll Report is then run for final payroll input.

- i. 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. The CSFO will review final differences from last month's gross pay to current month's gross pay. Once approved, the final Compute Payroll Report is run.
- j. The Payroll Office will run the Payroll Register Grand Totals to start the balance process for each Payroll Vendor Deduction. 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. The Deduction Change Report will be reviewed. The Deduction List Report will be printed for each deduction to be mailed with vendor checks.
- k. Once the Payroll Office agrees that payroll is correct and balanced, the GL Pre-Post Report Only is run. The CSFO reviews for accuracy.
- l. The CSFO then transfers funds from appropriate bank accounts to the payroll bank account and signs the GL Pre-Post Report Only to acknowledge funds have been transferred and payroll is accurate.
- m. Once the Payroll Office receives a signed GL Pre-Post Report Only report, an ACH payroll file is generated and uploaded to the bank. The Payroll office drafts the ACH file and CSFO approves through the bank portal. This must be completed two business days prior to payday.
- n. On payday, vendor checks are created and employee pay statements are posted to ESS.
- o. The Payroll Check Register is run for payroll records.
- p. GL Post and PR Check Update are both run to complete payroll.

All required monthly deductions/reporting:

- 1. PEEHIP
- 2. TRS Retirement Contributions
- 3. Federal Tax (Online EFTPS)
- 4. State Tax (MAT A1)
- 5. CES Data Report

D. Quarterly Payroll Procedures

- a. 941 Quarterly Report
- b. Multi-worksites report

- c. Dept. Of Labor Unemployment Data Upload and EFT
- 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. This calculation should be made prior to the end of each calendar year. 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.

Other Payroll Forms: [Finance Procedure Manual Forms](#)

Section VI.

Students

1. **Student Fees, Fines, and Charges** (Board Policy 6.03) (ALSDE FP Section 8)
 - a. The Dale County 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 Dale County 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.

Section VII.

Instructional Program

1. Career and Technical Education Programs (Board Policy 7.09) (ALSDE FP Section 9)
 - a. The Dale County Board of Education will follow the guidance of the Alabama State Department of Education's Financial Procedures for Local Schools Manual for Work-Based Learning Experience, Live Work, and Safety.

School

Date

I have read the accounting regulations as contained in the Dale County Board of Education Finance Manual. I will follow these regulations and Policies and will explain them to my Bookkeeper and /or Secretary, Child Nutrition Program Employees, and all other Board of Education employees at my school. I will monitor their actions to assure compliance with the Policies and Procedures of the Dale County Board of Education.

Principal

Please sign and return to the Central Office.

Keep a copy for your file.