



*Working with Your CSFO  
and Central Office  
Business Staff*





# Agenda

INTRODUCTION

LINES OF AUTHORITY

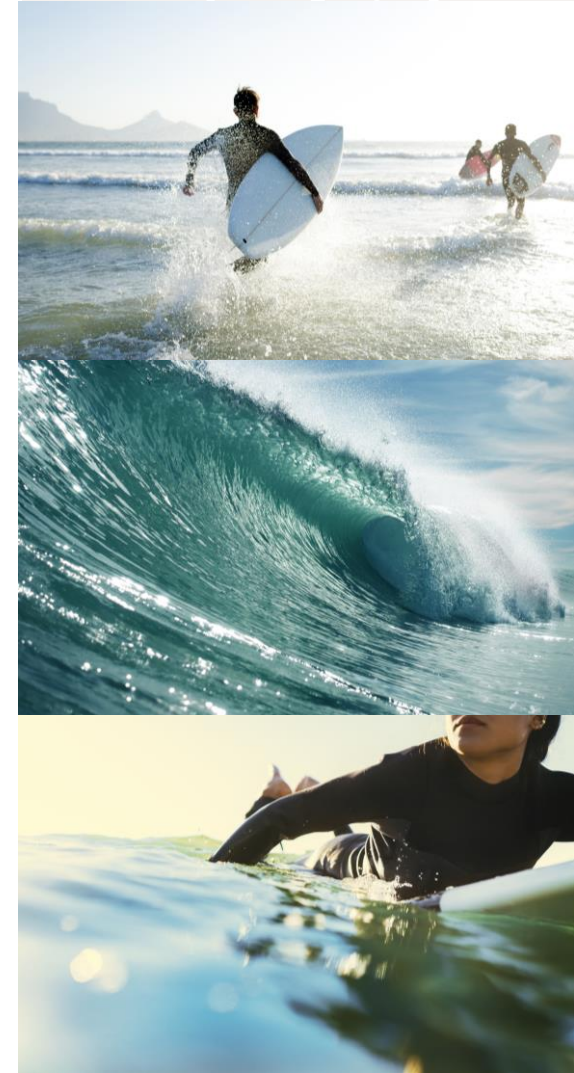
COMMUNICATION

RESOURCES

LOCAL SCHOOL ACTIVITY FUNDS

# Introduction

With distinct lines of authority, proper communication, utilization of resources, and a good understanding of local school financial procedures, principals and bookkeepers can properly manage local school activity funds.



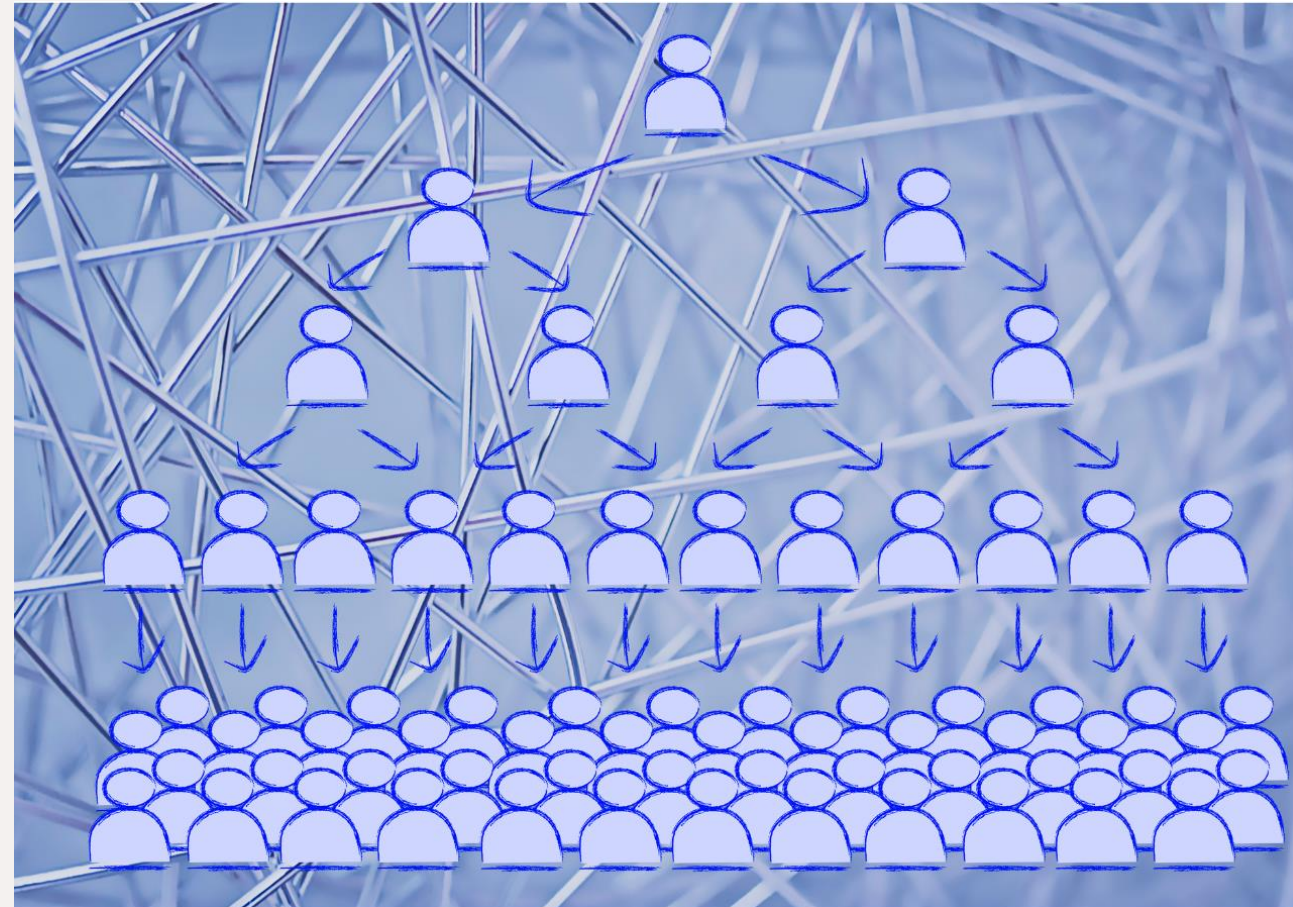


*Lines of Authority*



# Hierarchy of Authority

- Board of Education
- Superintendent
- CSFO
- Central Office Business Staff
- Principal
- Local School Bookkeeper
- School Staff/Sponsors
- School-Related Organizations




# Responsibilities of Authority

- **Board of Education** - adopts policies that govern the operation and/or creation of all activity funds
- **Superintendent** - directly responsible for administering all board policies
- **Chief School Financial Officer (CSFO)** - responsible for the accounting and reporting of all funds, including local school activity funds and district funds, to the board
  - Also responsible for implementing and enforcing internal controls
- **Principal** - activity funds supervisor for his/her respective school; has the responsibility of ensuring all funds are collected and deposited in appropriate activity; approving disbursements of activity funds monies; and supervising bookkeeper's responsibilities
  - Should also be the sole signatory on all disbursements at the local school level
- **Sponsors** - responsibility for supervising a particular activity fund of the organization
- **School-Related Organizations** - responsible for the activities of the organization and assuring compliance with the organizational bylaws and the policies and procedures of the school district



*Communication*



A close-up photograph of a woman in a black wetsuit paddling a surfboard on the ocean. The water is a vibrant blue-green, and the background shows a bright, hazy sky. The woman's face is partially visible in the upper right corner, looking forward. Her arms are extended, and she is actively paddling. The surfboard is white and visible in the lower right foreground.

*Nothing in life is more  
important than the ability to  
communicate effectively.*

*~Gerald R. Ford*





# How Business Officials See Financial Data

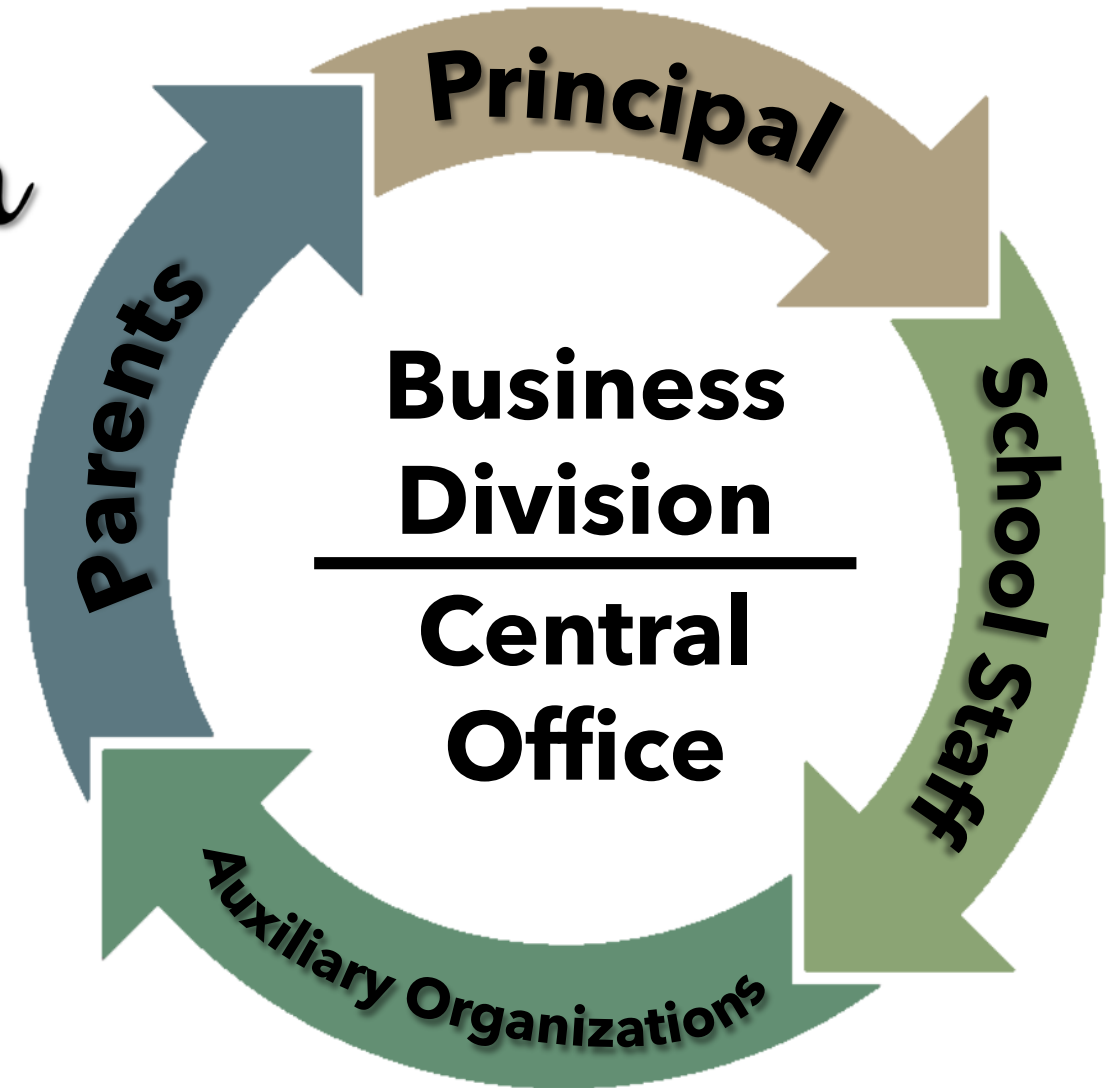
$$1 + 1 = 2$$





# Effective Communication


Consistently Giving An  
Accurate Response  
No Matter Who Asks The Question





# Resources



A close-up photograph of a woman in a black wetsuit paddling a surfboard on the ocean. The water is a vibrant blue-green, and the background shows a bright, hazy sky. The woman's face is partially visible in the upper right corner, looking forward. Her arms are extended, and water splashes around the surfboard.

*Great things in business are  
never done by one person.  
They're done by a team of  
people.*

*~ Steve Jobs*

# Resources

## ALSDE

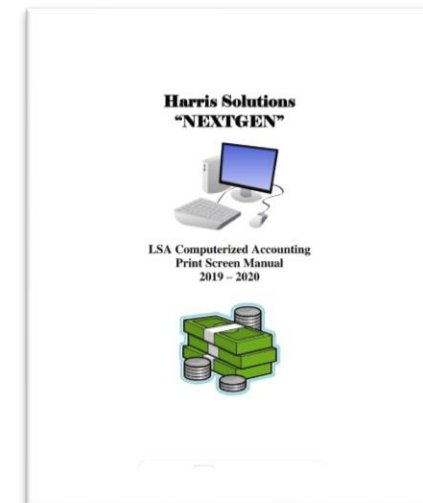
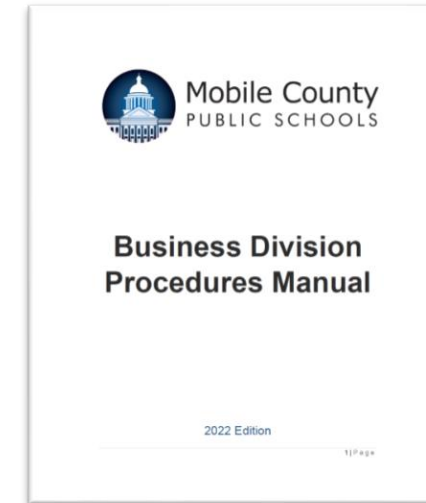
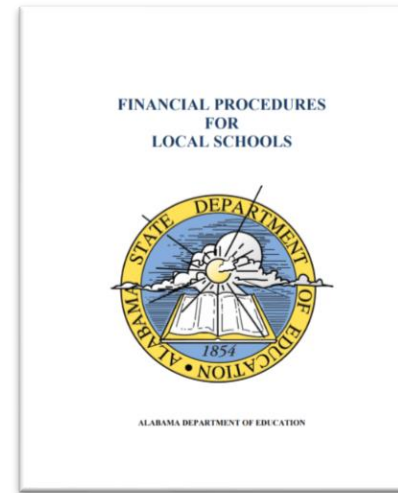
- Accounting Manual
- ALSDE Financial Procedures for Local Schools

## LEA

- Business Division Procedures Manual
- Local School Accounting Procedures Manual
- Local School Accounting Computerized Accounting Print Screen Manual
- CSFO
- Local School Accounting Personnel
- Other Business Division Personnel

## AASBO

- Monthly Morning Breaks
- Certificate Programs: Local School Financial Management







# *Local School Activity Funds*

# Principal's Responsibility for Activity Funds

## **DESIGNATED ACTIVITY FUND SUPERVISOR**

- Responsible for the school finances in his/her respective school
- Provides training and shares financial procedures with school staff, sponsors, and parent organizations
- Must be familiar with all local board policies and procedures to ensure financial accountability and compliance

## **REVENUE AND BANK DEPOSITS**

- All funds (including checks from Central Office, Coke, Legislatures, etc.) collected shall be covered by two receipts:
  - Teacher/sponsor receipts
  - Master receipts
- Funds must be deposited to the bank daily
- Funds must be appropriately recorded in the general ledger

# Principal's Responsibility for Activity Funds (cont'd)

## EXPENDITURES

Having proper control of disbursements requires five interrelated components:

1. **Budgets** are guidelines for maintaining good fiscal control at all levels of operation.
2. **Purchase Orders (P.O.)** are required by Board Policy and the Uniform Accounting System for Local Schools in Alabama.
3. **Invoices and/or Paid Receipts** are necessary before any payment of funds or reimbursement can be made.
4. **Material Receipts:** A principal should not make a payment until it is confirmed that the contracted materials or services have been delivered.
5. **Payment by check** is the fifth component of controlling disbursements. Payments are never made in cash and checks should never be made payable to cash.

## MONTHLY REPORTING

Monthly financial reports shall be prepared by bookkeeper, reviewed and approved by the principal, and submitted to the Local School Accounting Department no later than the fifth working day of each month.



# Common Questions from Principals

## HOW CAN I DETERMINE IF THE FUNDS ARE PUBLIC OR NONPUBLIC?

- If the money is raised and controlled by an organized student or parent group, the funds are Non-Public.
- If the money is controlled totally by the principal, it is Public.
- If the funds contain any money derived from taxes, then they are Public.
- Centrally generated funds (from Board of Education) usually come from State, Federal, and County (Tax) Revenues and are restricted. These monies are all considered Public Funds.

## CAN THE PRINCIPAL'S REPORT TELL ME WHAT ACTIVITY CAN BE USED TO PURCHASE CERTAIN SERVICE(S) OR ITEM(S)?

- Based on our local activity numbers, activities in the 1000s through 7000s are considered public activities. Activities in the 8000s and 9000s are considered nonpublic activities.
- The first step is to determine if the purchase is for a segmented group of students or for all students. (What are we purchasing? Who will the purchase impact?)

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*The Way to Get Started  
is to Quit Talking and  
Begin Doing.*

*~Walt Disney*



# Remember!

Always check with your CSFO or central office business staff before implementing any new processes within your school.



# Thank You!

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