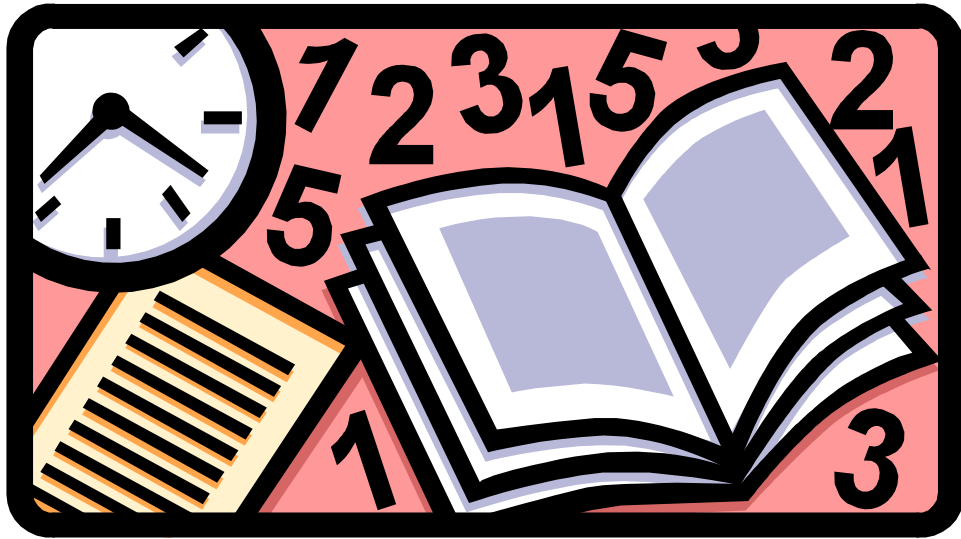


# Gates County Schools Accounting Procedures



July, 2024

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## **INTRODUCTION**

The following accounting manual is intended to provide an overview of the accounting procedures applicable to the Gates County Board of Education.

This manual shall document the financial operations of the organization. Its primary purpose is to formalize accounting policies and selected procedures for the accounting staff and to document internal controls.

Gates County Schools accounting procedures are developed based upon appropriate accounting standards and in compliance with North Carolina General Statutes and the Local Government Commission. The enforcement of these procedures will promote conducting business in a manner that complies with all applicable accounting procedures. Compliance with the following procedures and duties is essential to achieving this goal.

### **ACCOUNTING PROCEDURES**

The following procedures are necessary to ensure proper policy enforcement.

1. Policies and procedures for accounting practices are developed.
2. Authorization and enforcement of accounting practices are conducted.

### **DUTIES:**

To carry out the procedures necessary to ensure proper policy enforcement, the following duties must be performed:

1. Accounting procedures are developed, reviewed and revised by the Finance Officer as needed.
2. The Finance Officer and Directors will enforce procedures.

## **SEGREGATION OF DUTIES**

The following procedures are necessary and followed to ensure proper segregation of duties:

1. Segregation relating to financial duties have been developed and outlined in each individual procedure.
2. Authorization and enforcement of segregation of duties are to be followed.

### **DUTIES:**

To carry out the procedures necessary to ensure proper segregation of duties, the following duties must be performed:

1. Finance Officer has ensured that segregation of duties for each procedure has been developed.
2. Finance Officer reviews and evaluates segregation of duties as an ongoing process.

## **BUSINESS CONDUCT**

### **Practice of Ethical Behavior**

Unethical actions, or the appearance of unethical actions, are unacceptable under any conditions. The policies and reputation of Gates County Schools depend to a very large extent on the following considerations:

Each employee must apply her/his own sense of personal ethics, which should extend beyond compliance with applicable laws and regulations in business situations, to govern behavior where no existing regulation provides a guideline. It is each employee's responsibility to apply common sense in business decisions where specific rules do not provide all the answers.

In determining compliance with this standard in specific situations, employees should ask themselves the following questions:

1. Is my action legal?
2. Is my action ethical?
3. Does my action comply with Gates County Board of Education policy?
4. Am I sure my action does not appear inappropriate?
5. Am I sure that I would not be embarrassed or compromised if my action became known within the organization or publicly?
6. Am I sure that my action meets my personal code of ethics and behavior?
7. Would I feel comfortable defending my actions on the 6 o'clock news?

Each employee should be able to answer, "Yes" to all of these questions before taking action.

Each director, manager and supervisor is responsible for the ethical business behavior of her/his subordinates. Directors, managers and supervisors must weigh carefully all courses of action suggested in ethical as well as economic terms, and base their final decisions on the guidelines provided by this policy as well as their personal sense of right and wrong.

### **Conflicts of Interest**

In addition, no employee, officer, or agent of Gates County Schools shall participate in the selection, award or administration of a contract involving the Gates County Board of Education if a real or apparent conflict of interest would be involved. Such a conflict would arise when the employee, officer or agent, or any member of her or his immediate family, his or her partner, or an organization that

employs or is about to employ any of the parties indicated herein, has a financial or other interest in the firm selected.

### **Compliance with Laws, Regulations and Organization Policies**

Gates County Board of Education does not tolerate the willful violation or circumvention of any federal, state, local or foreign law by an employee during the course of that person's employment; nor does the Organization tolerate the disregard or circumvention of Gates County Board of Education policy or engagement in unscrupulous dealings. Employees should not attempt to accomplish by indirect means, through agents or intermediaries, that which is directly forbidden.

Implementation of the provisions of this policy is one of the standards by which the performance of all levels of employees will be measured.

## **SECURITY**

### **Accounting Department**

A lock will be maintained on each of the doors leading into the Gates County Schools' Finance Departments (Accounts Payable, Payroll, Finance Office Clerk, and Finance Director). These doors shall be closed and locked in the evenings and whenever the Finance Department is vacant. A key will remain with the office employee and an extra key in the Finance Director's office. The locks to the office employee's office will be changed whenever he/she leaves the employment of Gates County Schools. A key to the Finance Director's office will remain with the Finance Director and an extra key with another Finance Department employee. This lock will be changed whenever the Finance Director leaves the employment of Gates County Schools.

### **Access to Electronically Stored Accounting Data**

Finance personnel are expected to keep their passwords secret and to change their passwords on a regular basis, no less frequently than quarterly. Administration of passwords shall be performed by a responsible individual independent of programming functions.

Each password enables a user to gain access to only that software and data files necessary for each employee's required duties.

### **Storage of Back-Up Files**

It is the policy of Gates County Schools to maintain back-up copies of electronic data files off-site in a secure, fire-protected environment. This service is currently being provided by Data Storage Corporation. On-site back-ups are done nightly and are kept in a fire-proof file cabinet in the Finance Office Clerk's office. Access to back-up files shall be limited to individuals authorized by management.

### **General Office Security**

During normal business hours, all visitors are required to check in with the receptionist. After hours, a key is required for access to the Board of Education building. A 4-digit security code is also required to be entered into a keypad (within 60 seconds) once the building is entered. The Gates County Sheriff's office, along with the Security Company are automatically notified when the alarm is activated (if 4-digit passcode is not entered within 60 seconds after someone unlocks and enters the building). Keys are issued only to employees of Gates County Schools who works at the Central Office. Each employees 4-digit passcode is unique to that individual. All keys are required to be turned in once a person is no longer employed with Gates County Schools.

## **GENERAL LEDGER**

The general ledger is defined as a group of accounts that supports the information shown in the major financial statements. The general ledger is used to accumulate all financial transactions of Gates County Schools, and is supported by subsidiary ledgers that provide details for certain accounts in the general ledger. The general ledger is the foundation for the accumulation of data and reports.

### **Chart of Accounts Overview**

The Chart of Accounts is the framework for the general ledger system, and therefore the basis for Gates County Schools' accounting system. The chart of accounts consists of account titles and account numbers assigned to the titles. General ledger accounts are used to accumulate transactions and the impact of these transactions on each asset, liability, net asset, revenue, expense and fund balance account.

The North Carolina Department of Public Instruction develops the Chart of Accounts.

### **Fiscal Year of Organization**

Gates County Schools shall operate on a fiscal year that begins on July 1 and ends on June 30.



## **JOURNAL ENTRIES**

All general ledger entries that do not originate from a subsidiary ledger shall be supported by Journal Entry Inquiry Sheet, with supporting documentation. This inquiry sheet will be stamped with a Transaction number and shall include a reasonable explanation of each such entry. Examples of such journal entries include:

1. Recording of non-cash transactions
2. Corrections of posting errors
3. Non-recurring accruals of revenue and expenditures.

All journal entries not originating from subsidiary ledgers shall be authorized in writing by the Finance Officer by initialing or signing the entries.

## **FINANCIAL PROGRAMS & GRANTS**

It is the practice of Gates County Schools to ensure that financial programs and grants are identified as separate funding sources and that all related receipts and expenditures are correctly recorded by funding source. Compliance with the following procedures and duties is essential to achieving this goal.

### **PROCEDURES:**

The following procedures are necessary to ensure proper standards for financial programs and grants:

- A system will be developed to ensure that accounting procedures properly identify and separate funds by financial source.
- A system will be developed for the timely and accurate filing of financial reports with grantors.
- A system for ensuring compliance with standards for direct program expenses for goods and services will be developed.
- A system for ensuring confirmation with federal agency grant requirements will be developed.
- A system for ensuring confirmation of donations will be established.

### **DUTIES:**

To carry out the procedures to ensure proper standards for financial programs and grants, the following duties must be performed:

- All grants must be coded using the Chart of Accounts developed by DPI. All receipts and disbursements will be coded according to the Chart of Accounts.
- Review and approval of acknowledgments for cash receipts.
- Disbursal of acknowledgments.
- Budget reports will be monitored.
- Reports will be prepared according to grantees' time schedules.
- Appropriate review and approval of expenditures and receipts as prescribed by grant agreements and all applicable regulations.

## **FIXED ASSETS**

It is the practice of Gates County Schools to ensure that all fixed assets and capital outlays are accounted for and have physical safeguards. To ensure adequate controls are in place, compliance with the following procedures and duties is essential to achieving this goal.

### **PROCEDURES:**

The following procedures are necessary to ensure proper fixed asset control:

Fixed assets are items of tangible property, both real and personal, having a value of \$5,000 or more and an estimated useful life of two years or more. Fixed assets are distinguishable from intangible property, such as money or securities, and consumable tangible property, such as office supplies.

### **Categories of Fixed Assets:**

For the purposes of accounting and inventorying fixed assets, they will be divided into the following categories:

- Land: Real property owned in fee simple, easements, rights-of-ways and leases and other interests in land.
- Land Improvements: Permanent improvements (excluding buildings as defined in Section 3 below) that add value to the land or improve the use of land, such as sidewalks, parking lots, driveways, fences and drainage systems.
- Buildings: Any permanent or portable, man-made structure owned by the board of education and used to house or shelter persons or property, including schools, offices, warehouses, garages, sheds and similar structures.
- Equipment: Any portable, tangible personal property not permanently affixed to real property that is owned, leased or used by the school system, including such items as machinery, tools, furniture, computers and motor vehicles.

### **Capitalized Items:**

For the purposes of accounting and inventorying fixed assets, capitalized items are:

Items that will be kept an extended period of time.

All purchases coded with object code “5xx” as follows:

- 541 – Furniture & “non-computer” equipment (\$5,000 or more per item)
- 542 - Computer Hardware & Equipment (\$5,000 or more per item)

To carry out the procedures to ensure proper fixed assets control, the following duties must be performed:

Delegation of responsibility for fixed assets by location (usually technology assistant at each school).

Fixed Assets will be maintained in the Asset Manager Software. Purchases and additions to fixed assets will be coded and tagged.

Information maintained in the Asset Management System will include:

1. Date of acquisition
2. Cost
3. Description of the property (including color, model and serial number)
4. Location of asset
5. Source of property (Federal Grants)
6. Disposition data (including date of disposal and sale price).

## **CASH RECEIPTS**

### **Overview**

Cash (including checks payable to the organization) is the most liquid asset an organization has. Therefore, it is the objective of Gates County Schools to establish and follow the strongest possible internal controls in this area.

### **Processing of Checks and Cash Received in the Mail**

For funds that are received directly at the Gates County Board of Education, cash receipts are centralized to ensure that cash received is appropriately directed, recorded and deposited on a timely basis.

Mail is opened and a listing of cash/checks received shall be prepared in an open area, in the presence of other employees. The individual preparing the daily list of receipts shall be someone that is not involved in the accounts receivable process.

1. The staff person receiving cash or checks must be different than the individual reconciling the bank statement. Generally, the finance office clerk will prepare deposits and then ask someone else to take the deposit to the bank.
2. The receptionist shall open the mail and maintain a daily log recording the date, name of individual or company, the amount of check and the reason for payment. Other checks may be received in office and these checks or monies will also be recorded and indicated that these funds were received other than via mail. A copy of these log sheets, along with the checks, will be forwarded to the finance office clerk each day.
3. The Finance Clerk will prepare deposits each day and reconcile all receipts and deposit logs to the deposit slips. Any coding questions should be addressed to the Finance Officer.
4. Prepared deposits are given to the Finance Officer for verification. Once verified, the Finance Officer will lock the bank bag and have it taken to the bank by an individual other than the employee who prepared the deposits. Once deposited, the deposit slip is attached to the deposit documentation and forwarded to the accounts payable clerk for posting.

### **Endorsement of Checks**

It is the policy of Gates County Schools that all checks received that are payable to the Organization shall immediately be restrictively endorsed by the individual who prepares the daily receipts listing. The restrictive endorsement shall be a rubber stamp that includes the following information:

1. For Deposit Only
2. Gates County Board of Education
3. The bank account number of Gates County Board of Education

### **Timeliness of Bank Deposits**

It is the policy of Gates County Schools that bank deposits will be made on a daily basis. However, if the amount on hand is less than \$1,500, daily deposits are encouraged but are not required. Regardless of the amount on hand, all funds must be deposited at the end of each school week and on the last business day of each month.

### **Reconciliation of Deposits**

On a periodic basis, the Finance Officer, who does not prepare the initial cash receipts listing or bank deposit, shall reconcile the listings of receipts to bank deposits reflected on the monthly bank statement. Any discrepancies shall be immediately investigated.

## **CASH MANAGEMENT PROCEDURES**

The following procedures are necessary to ensure proper cash management:

All bank accounts will be authorized by the Board of Education. This authorization will be reflected in the minutes from Board of Education meetings.

All bank accounts will be reconciled each month by specified personnel.

The banks will be instructed to contact the Finance Officer or Superintendent, who is independent of the cash receipt functions, for all unusual items such as insufficient funds notice.

Monies due to Gates County Schools will be billed promptly, collected and deposited.

All deposits will be made when funds on hand amount to \$1,500.00 or as a minimum once per week.

Disbursement cycles are established to ensure that payments are as close to the due date as possible.

The Finance Department utilizes the written procedures and operational guidance items in “North Carolina Department of Public Instruction Cash Management System User Guide for LEAs” to comply with requesting and managing state and federal monies and with minimizing the time elapsing between the transfer of funds (page 8) from DPI and the disbursement of those funds. A copy of this document is attached and considered an integral part of this document.

### **Credit Cards**

Credit Cards (those established in the name of the “Gates County Board of Education”, i.e. Walmart, Dollar General, Shell Gas Card, etc.) will be secured in a locked, fire-proof file and must be checked out. Credit Card Statements are reconciled each month to ensure that receipts and all documentation are being completed.

Credit Cards (those established in individual names – i.e. Central Office Director’s) given to the named Director, once an agreement is signed outlining the credit card procedures required to be followed. The monthly credit card statements are monitored to ensure that all receipts and documentation are being completed and turned in and necessary.

### **Bank Accounts**

To carry out procedures necessary to ensure proper cash management, the following duties must be performed:

- Finance Officer or Superintendent receives notification by the bank of unusual items.

- Finance Officer receives unopened bank statements or downloads bank statements and reviews before distribution.
- Finance Clerk performs bank reconciliation's each month and checks for: irregular endorsements and alterations of cancelled checks; outstanding checks over 90 days old which need to be investigated; and check sequence of check numbers to ensure accountability of all checks, including those which are voided.



## **PURCHASING PROCEDURES**

### **Overview**

**THE PROCEDURES DESCRIBED IN THIS SECTION APPLY TO ALL PURCHASES MADE BY GATES COUNTY SCHOOLS.**

### **Responsibility for Purchasing**

All department heads shall have the authority to initiate purchases on behalf of their department, within the guidelines described in this procedures manual.

The Finance Department shall be responsible for maintaining vendor information. Prior to the addition of any vendor, a W-9 form must be obtained and the North Carolina Debarment List and SAM.gov database must be reviewed to ensure the vendor has not been debarred or suspended by either.

The Finance Department shall be responsible for processing purchase orders. For all requisitions utilizing federal funds, the Finance Officer will review the North Carolina Debarment List and SAM.gov database to ensure the vendor has not been debarred or suspended by either. The Finance Officer shall make the final determination on any proposed purchases where budgetary or other conditions may result in denial.

Gates County Schools utilizes a purchase order system using our software vendor. A properly completed Purchase Requisition Form shall be required for each purchase request. All purchases will be authorized for payment prior to ordering. A properly completed Purchase Requisition should contain the following information, at a minimum:

1. Specifications or statement of services required
2. Vendor name, address, point of contact and phone number
3. Source of funding (if applicable)--Coding
4. Special conditions (if applicable)
5. Catalog number, page number, etc. (if applicable)
6. Net price per unit, less discount, if any
7. Total amount of order

8. Authorized signatures and approvals are required. Approval will be given once the authorizing official has determined that the proposed expenditure is reasonable, allowable, and applicable to the program. A requisition will be approved by (in most cases) an employee's immediate supervisor, Department Head and Finance Officer, before the purchase is initiated.
9. Date Purchase Requisition was prepared

**Board Policy 6430 (Attached) should be reviewed for Purchasing regulations and limits.**

**Receipt and Acceptance of Goods**

Upon receipt of any item from a vendor, the following actions shall immediately be taken:

1. Review bill of lading for correct delivery point
2. Verify the quantity of boxes/containers with the bill of lading
3. Examine boxes/containers for exterior damage
4. Note on the bill of lading any discrepancies (missing or damaged boxes/containers, etc.)
5. Sign and date the bill of lading
6. Retain a copy of the bill of lading

**Finance Fiscal Year-End Deadlines**

March 1st      Last date for schools/departments to enter purchase orders  
April 10<sup>th</sup>      All purchase orders to be cancelled for any orders not yet received

**Requisition Reminders**

Division of Purchasing & Contract	<a href="http://www.pandc.nc.gov/keyword.asp">http://www.pandc.nc.gov/keyword.asp</a>
NC E-Procurement Website	<a href="http://eprocurement.nc.gov/">http://eprocurement.nc.gov/</a>
Commodity Code Listing (Numerical)	<a href="http://www.pandc.nc.gov/nigpalfa.htm">http://www.pandc.nc.gov/nigpalfa.htm</a>
Commodity Code Listing (Alphabetical)	<a href="http://www.pandc.nc.gov/nigpnum.htm">http://www.pandc.nc.gov/nigpnum.htm</a>

E-Procurement Phone Number: 1-888-211-7440

## **CASH DISBURSEMENTS-NONPAYROLL**

### **PROCEDURES:**

The following procedures are necessary to ensure proper cash disbursements:

Checks are to be issued in sequence by number generated by the computer. No manual checks will be generated.

The unused check supply will be adequately controlled and safeguarded.

Adequate controls will be established to ensure accountability for all voided checks.

All check copies will be maintained in a file in numerical order.

Adequate controls will be established to ensure no duplication of payments.

When possible, payment of items will only be made from an original invoice not from statements.

Duplicate copies of invoices will be destroyed to prevent duplicate payments.

No blank checks will be signed in advance.

No check will be made payable to cash. Instead, the check may be made payable to the custodian of the account. (As in the case of checks for petty cash.)

An authorized individual will perform proper approval of all expenditures prior to payment.

Control over mailing and distribution of checks will be maintained.

Supporting documentation will accompany all disbursements.

Procurement will be conducted following the Purchasing Policy.

All disbursements will be made as close to the due date as possible without incurring late fees.

The Finance Officer or Superintendent should initial all checks over \$2,000.00.

### **DUTIES:**

To carry out the procedures to ensure proper cash disbursements, the following duties must be performed:

- A recurring invoice file is maintained to insure payment of all recurring obligations other than those processed as purchase orders. Invoices are to be entered to insure payment prior to due date.
- A cash requirement report will be printed and reviewed.
- Any cash deficiencies will be addressed.
- Checks will be prepared according to due date and cash availability and delivered with documentation to authorized financial official.
- Sign checks. Laser checks are now generated, but initialed by the Finance Officer or Superintendent. A listing of check numbers will be documented.
- Mail check to vendor and stamp PAID on the invoice copy and all accompanying documentation to prevent re-payment.
- A vendor file will be established and all invoices with documentation will be filed.
- A numerical check file will be maintained.
- Voided checks will be retained. The signature space on the voided check will be cut off. Void will be written across the face of the check in large letters, and the voided check will be filed in numerical order in a void check file.
- Custodial responsibility over unused check supply will be delegated.

## **CASH DISBURSEMENTS-PAYROLL**

### **PROCEDURES:**

The following procedures are necessary to ensure proper payroll disbursements:

Each employee will have a personnel file which includes: Employee Status Sheet, I9 Form with supporting documentation, letter of hire, salary information, Federal/State Withholding Forms, insurance information, Retirement Application if warranted, support for payroll deductions.

Other required personnel information is the responsibility of the personnel department and is located in the personnel department.

Anyone substituting for a teacher assistant will be paid at the non-certified rate of pay for substitutes. Other subs will be paid at a rate set for that position. Teacher substitutes are paid at the state approved rate.

All paychecks will be supported by time sheets or other documentation, which are reviewed and approved, as indicated by signature of supervisors. Special employee payments, including additional duty stipends, require documented advance approval by the Board of Education, Supervisor and, if applicable, federal program director to ensure the costs are allowable.

Semi-Annual Certifications when required, will be completed in Finance and forwarded to the supervisor for verification and approval. These are to be completed in January and June of each year.

Time and Effort (PAR Forms) if required will be signed by the employee and completed monthly as required. The PAR form will reflect an after-the-fact distribution of the actual activity of each employee; account for the total activity for which each employee is compensated; and coincide with one or more pay periods

### **DUTIES:**

To carry out the procedures necessary to ensure proper payroll disbursements, the following duties must be performed:

- All personnel positions are approved by Gates County Board of Education.
- Review for accuracy of time sheets and leave records is to be done by Supervisors and Payroll Officer.
- Payroll Officer will calculate monthly payroll from authorized salary information and approved time sheets/documentation and leave reports.
- Payroll Officer will prepare payroll checks and file appropriate paperwork.
- All necessary tax deposits, withholdings, and reports will be completed and filed in a timely manner.

Payrolls are due in the finance office on the payroll due date shown on the schedule. If you cannot have your payroll turned in by the scheduled due date, please call the Payroll Specialist to discuss your situation.

Note: Items not turned in by the payroll due date MAY NOT BE processed until the next payroll month.

## **BUDGETS**

### **PROCEDURES:**

The following procedures are necessary to ensure proper budget cycles:

Budgets will be prepared by the Superintendent and Finance Officer in conjunction with appropriate supervisors.

If budget amendments are needed, budget amendments will initially be made by the Finance Officer, reviewed with the Superintendent, and presented to the Board of Education for final approval.

### **DUTIES:**

To carry out the procedures to ensure proper budget cycles, the following duties must be performed:

### **ANNUAL BUDGET**

A budget calendar outlining the deadlines for the next fiscal year's budget will be presented to the board members by January 15<sup>th</sup>.

A budget retreat may be held in February of each year with the school board outlining budgetary needs of each school and department.

A retreat and/or meeting may be held in March of each year between the school board and county commissioner's to discuss "anticipated" budgetary needs with information known at that point in time for the next fiscal year.

The Board of Education approves a local budget request to the County Commissioners each April (it is required by the Fiscal Budget & Control Act to be submitted to the Board by May 1). This approved local budget request is presented to the County Commissioner's at their May meeting (it is required by the Fiscal Budget & Control Act to be forwarded to the County Commissioner's by May 15<sup>th</sup>). By July 1<sup>st</sup>, the County Commissioners MUST complete its action on the school's budget (as set forth by the Fiscal Budget & Control Act).

A board meeting is held near the end of June to adopt/approve any final budget amendments for the current fiscal year.

A Final Budget (or Interim Budget) is adopted by June 30<sup>th</sup> of each year (for Local, State, Federal, Capital Outlay, and Child Nutrition) for the next Fiscal Year.

The Board of Education must approve the final budget resolution by October of each year.

## **BASIC INTERNAL ACCOUNTING CONTROLS AT INDIVIDUAL SCHOOLS**

To ensure proper accounting procedures are being performed at each level, the Finance Officer and other finance staff will perform internal auditing at each school at least once annually, preferably mid-year. A written report will be prepared indicating any discrepancies noted. This report will be reviewed with the bookkeeper and principal at each school, and a copy given to the Superintendent.

An Action Plan should then be completed by the principal and bookkeeper and submitted to the Finance Officer outlining corrective action to be taken for any discrepancies noted.

## **NSF CHECKS**

When the Finance Department is notified of a returned check from the bank, a Cash Journal Entry needs to be entered for the amount of the check and posted (against the Local Bank Account) to the following account (depending on the revenue source the check was initially intended):

8.1161.601.000.000.000.00	Returned checks (Daycare)
8.1161.704.000.000.000.00	Returned checks (Community Center)
8.1161.000.000.000.000.00	Returned checks (Other)

**Daycare Returned Checks:** Copy is forwarded to Daycare Director with a memo to collect, along with the “returned check fee” for \$25.00. Note in memo for them to “notate” the \$25.00 fees separately as “returned check fees” when submitted back to the Finance Department upon collection. Make copy of document for Finance Dept.

When redepositing the collected Check and fees, code deposit as follows:

8.4490.000.000.000.000.00	Returned check fees (Miscellaneous Revenue)
8.1161.601.000.000.000.00	Returned check amount

**Community Center Returned Checks:** Copy is forwarded to Community Center Director with a memo to collect, along with the “returned check fee” for \$25.00. Note in memo for them to “notate” the \$25.00 fees separately as “returned check fees” when submitted back to the Finance Department upon collection. Make copy of document for Finance Dept.

When redepositing the collected Check and fees, code deposit as follows:

8.4490.000.000.000.000.00	Returned check fees (Miscellaneous Revenue)
8.1161.704.000.000.000.00	Returned check amount

**Other Returned Checks:** Returned checks that are received into the Finance Department that do not originate from other sources (i.e. Out-of-county tuition, etc.), person identified on the check is notified that we have a check returned by the bank. A letter is sent to the person/address listed on the check, giving 10 days to contact our office and take care of the check, along with the \$25.00 return check fee. Make copy of document for Finance Dept.

When redepositing the collected Check and fees, code deposit as follows:

8.4490.000.000.000.000.00	Returned check fees (Miscellaneous Revenue)
8.1161.000.000.000.000.00	Returned check amount

## **RECORD RETENTION**

- |                                       |         |
|---------------------------------------|---------|
| 1. All School Fund Accounting Records | 7 Years |
| 2. Receipt Books                      | 5 Years |
| 3. Payroll Records                    | 7 Years |
| 4. Time Sheets                        | 7 Years |
| 5. Purchase Orders/Request ions       | 1 year  |

## **ANNUAL FINANCIAL STATEMENTS**

The Finance Officer shall work with the auditors to prepare and review the district's annual financial statements. This includes providing any and all documentation requested during the audit. The Finance Officer will verify the information contained in the report including, but not limited to, basic financial statements, notes to the basic financial statements including accrued leave liabilities (ensuring the cost of any required benefits are included), required supplementary information, individual fund budgetary schedules, and schedule of federal and state awards prior to submission to the Local Government Commission.

### **Revisions:**

April 2022

1. Page 15 - *The Finance Department utilizes the written procedures and operational guidance items in "North Carolina Department of Public Instruction Cash Management System User Guide for LEAs" to comply with requesting and managing state and federal monies and with minimizing the time elapsing between the transfer of funds (page 8) from DPI and the disbursement of those funds. A copy of this document is attached and considered an integral part of this document.*
2. Page 17 - *The Finance Department shall be responsible for maintaining vendor information. Prior to the addition of any vendor, a W-9 form must be obtained and the North Carolina Debarment List and SAM.gov database must be reviewed to ensure the vendor has not been debarred or suspended by either.*

*The Finance Department shall be responsible for processing purchase orders. For all requisitions utilizing federal funds, the Finance Officer will review the North Carolina Debarment List and SAM.gov database to ensure the vendor has not been debarred or suspended by either.*

3. Page 20 - *Special employee payments, including additional duty stipends, require documented advance approval by the Board of Education, Supervisor and, if applicable, federal program director to ensure the costs are allowable.*

April 2023

1. Page 24 – *Annual Financial Statements section added*

**Each employee that these procedures apply to will read and sign a document stating that they understand these procedures.**



Gates County Accounting Procedures

I, \_\_\_\_\_, have received a copy of Gates County Accounting Procedures and North Carolina Department of Public Instruction Cash Management System User Guide for LEAs and have read and understand the procedures.

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
Date