

Local School Accounting

Public and Non-Public Funds

Local School Funds

- 2 Major Categories:
 - **Public**
 - Restricted use
 - Controlled by Principal
 - **Non-public**
 - Raised and used for a specific group
 - Controlled by sponsor/organization
- Determined by:
 - **Source of Funds**
 - Who, Where, and When raised
 - **Use of Funds**
 - **When in doubt....public**

Public Funds



Public Funds

- Funds raised through taxation
- Funds transferred from the central office
- Fees imposed on students
- Grants from legislators
- Receipts from athletic events
- Receipts from other school events not controlled by an organized student or booster group
- Vending
- School fundraisers (other than those by a specific club or class)
- Any funds under the direct control of the principal regardless of how they are raised.

Examples of Public Funds

- General
- Library
- Athletics
- Student Snack
- Fees
- Locker Fees
- Parking (Student and Event)

Legislative Funds

- Grants received from legislators must be accounted for in a separate activity
- ALWAYS PUBLIC
- Competitive Bid Law must be followed

Gate Receipts/Parking

- Gate Receipts and Parking should be public funds
- A reasonable percentage of parking funds may be paid to the booster organization for their labor in collections of funds. Must have a written agreement PRIOR to the start of the season.

CAMPS

- Any camps held on school property should be deposited into public funds
- **They utilize school liability insurance, utilities and school employees.

State Instructional Funds

- Given to the school
- These are a part of the state allocation that is generated through tax dollars – PUBLIC
- Use a separate activity
- Must use the state approved special use code
- Must be spent and not carried over into a new fiscal year

Public Funds

Allowable Expenditures

- Professional Development – including refreshments IF the training is extended and participants are not to leave
- Refreshments for an open house for the public
- Pregame & Postgame meals for athletic PARTICIPANTS and COACHES
- Transportation to events related to school sponsored activity
- Athletic/Band Uniforms
- School landscaping, maintenance, furnishings

Public Funds Allowable Expenditures

- Academic Incentives
 - Constitutional Amendment 558 – may expend public funds for the recognition of significant contributions to education and promote educational excellence by students, faculty, staff, and the public
 - Must have a written description of awards and what achievements are required for each award
 - I require typed, on school letterhead, signed by principal, and submitted to CO prior to first student day
 - I also require signed statement from student to document receipt of award

Public Funds - Unallowable

- Gift items for staff
- Flowers for staff or families
- Clothing items (T-shirts) for staff
- Staff holiday parties
- Christmas Cards
- Donations to organizations
- Late Fees
- Dues to private clubs
- Alcoholic Beverages
- Scholarships for students
- Coffee and cups for employees
- Coaching supplements
- Food items for staff
- CHAMPIONSHIP RINGS

Public Funds - Food

Allowable

- Open house where public is invited
- Banquets honoring persons making significant contributions to school system
- Food used for instructional purposes and not for consumption (ask for a lesson plan)
- All day professional training where meeting extends into the lunch hour and food necessary to continue the meeting. Agenda must be attached

Unallowable

- After school meetings
- Candy
- Snacks for teacher lounge
- Food for staff/holiday parties
- Planned lunches for faculty/staff

Non-Public Funds

Non-Public Funds

- Funds raised for a particular group
- Self-imposed fees
- Organization determines how the funds are to be expended
- Controlled by sponsor/organization
- Principal is custodian of funds, but not authorized to spend without the approval of the organization
- Less restrictive uses than public funds
- Some donations from private sources are non-public
- Non-public funds may NEVER have a negative balance

Non-Public Funds

- Organizations:
 - Athletic Booster Club
 - Student Organizations/Classes
 - Parent Support Organizations
- Sources:
 - Dues and Fees (Self-imposed)
 - Fund Raisers*
 - Donations

Non-Public Funds

- Caution – Non-public funds can become public by inadvertently “co-mingling” with public funds
- Never allow deficit balances in non-public accounts – verify available balance BEFORE approving the purchase order

Non-Public Funds

- Concessions – School may allow Booster organization to work concessions for a percentage of the profit. Percentage must be reasonable.
 - Located on school property
 - School sponsored event
 - Using school utilities

Non-Public Funds

- Fundraisers held by an organization may become public.
 - On school property
 - During the school day
 - Involving School Children
 - PTO organizes and hosts Spring Fling, starts at 12:00
 - Students participate in events, purchase tickets, food, etc.

Unallowable Non-Public Expenditures

- Alcohol
- Gifts to Coaches and Teachers
- Construction projects not having board approval
- Expenditures that go against the club by-laws

Transfers Between Public and Non-Public

- NEVER transfer funds from public to non-public funds
- You can transfer funds from non-public to public BUT they become public, thus having all the restrictions of public
- You must have authorization from the club to transfer funds, NOT principal directed.

Questions??

