



LAWTON PUBLIC SCHOOLS

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SANCTIONED GROUPS:

Parent groups such as booster clubs and PTAs must be sanctioned **EACH YEAR**. All groups that were sanctioned for the previous school year will remain sanctioned until September 30 of the current year.

Each parent group associated with a school should submit to the principal:

1. An "Application for Sanctioning of Parent Organization and Booster Clubs" form,
2. A copy of the group's current bylaws, (amendments to these by-laws will not take effect until the following school year)
3. The verification form indicating that the group president, vice president and treasurer have viewed the PTA or Booster Club Financial Responsibility Training video.
4. A "Procedures for Insuring Financial Accountability"
5. A "Financial Accountability Report"

All five of these items must be completed, fastened together and turned into the principal. **The principal** should sign and date the verification form and forward the packet to the Finance office at Shoemaker Center. The sanctioning form will then be sent to the board for approval. The board will not sanction a group until all five items have been completed and turned into Shoemaker Center.

POLICY REQUIREMENT

Board policy requires the organization's financial records be inspected to see if they comply with the district's established Guidelines for Financial Responsibility. This inspection must be completed annually during the months of June or July by a CPA, Accountant, Professional Bookkeeper or an inspection committee of not fewer than three (3) members of the organization's general membership. The results of the inspection, as shown in the Procedures for Insuring Financial Accountability and the Financial Accountability Report, must be attached to the organization's "Application for Sanctioning of Parent Organizations and Booster Club" form at the beginning of each new school year. The attached pages should explain what is expected of your organization.

The deadline for submitting sanctioning forms for the current school year will be the last school day of September. This should be enough time for parent organizations to get their financial records inspected. **ALL GROUPS THAT WERE SANCTIONED FOR THE PREVIOUS SCHOOL YEAR WILL REMAIN SANCTIONED UNTIL THE LAST SCHOOL DAY IN SEPTEMBER.** After that date only groups who have submitted new sanctioning forms for the current school year will be sanctioned.

SANCTIONING OF PARENT ORGANIZATIONS AND BOOSTER CLUBS

The board of education shall annually sanction parent organizations and booster clubs (hereinafter referred to as organizations) which exist to promote a positive relationship between the district and the community by assisting and supporting the schools in recognizing and promoting student activities. Close communication will be maintained to ensure that the goals of the organizations are in compliance with the goals and policies of the district. The district shall incur no liability for the acts, errors or omissions of any sanctioned organization. The board will determine whether to sanction an organization by taking action on the recommendation of the superintendent. Sanctioning will be contingent on compliance with the following criteria:

- A. The organization must be managed or operated by adults, rather than students, and will present its by-laws and/or constitution to the board. These will differentiate the parent organization or booster club from any student organizations and will provide details of their structure including:
 - 1. Officers' names and addresses
 - 2. Details of the process to elect officers and the length of each officer's term
 - 3. Purpose and goals
 - 4. Detailed breakdown of the dues structure for the membership and officers
 - 5. Itemized projection for the use of funds generated by both item and cost
- B. The organization must include one representative from the school faculty as a sponsor.
- C. No fund raising activities will be conducted within the school during school hours by adults or students unless approved by the principal.
- D. The organization may not use school materials in advertising its activities. Requests for the use of school property will comply with district regulations.
- E. All funds raised will be used to achieve the stated purposes and goals of the organization.

Payments for services to Lawton Public Schools employees must be made through the District's payroll system in order to comply with IRS regulations. Any such services must have prior approval by the Director of Human Resources. The organization will

- Gifts related to the teacher's or sponsor's employment with the Lawton Public Schools are also considered taxable compensation. The exception is de minimus (value less than \$100) gift of items (not cash or gift cards) that are given occasionally (e.g. holiday gifts).
- Gifts of de minimus (value less than \$100) of cash or gift cards related to the teacher's or sponsor's employment with the Lawton Public Schools are never excludable from income. The District's Chief Financial Officer must be notified of any instances of such payment.
- Payment for services to district employees in cash or gift cards are not allowed.
- District employees may be reimbursed for qualified business expenses without tax consequences. Such expenses must have appropriate receipts to substantiate the business purposes and are to be kept by the organization as the "invoice" for payment.
- If a sanctioned group wishes to give a teacher a gift card to purchase classroom supplies without it being taxable to the teacher, the card should be donated to the school and kept in the school's financial office.

SANCTIONING OF PARENT ORGANIZATIONS AND BOOSTER CLUBS (Cont.)

- The teacher can then check out the gift card and return the appropriate receipts which substantiate the business purpose of the purchases.
- F. Contributions to Lawton Public School organizations will not be accepted unless approved by the superintendent or designee and shall comply with Title IX and all other state or federal equity regulations.
- G. The organization must maintain bank and financial records separate from the district and provide to board annually or upon request a complete set of financial records.
- H. The organization will require the president, vice president and treasurer to annually complete the district's financial responsibility training. The organization will attach the principal's verification form to the organization's "Application for Sanctioning of Parent Organizations and Booster Club" form at the beginning of each new school year.
- I. The organization's financial records must be inspected to see if they comply with the district's established Guidelines for Financial Responsibility. If the gross annual receipts are less than \$10,000.00, this inspection must be completed annually during the months of June, July and August by an Accountant, Professional Bookkeeper or an inspection committee of not fewer than three (3) members of the organization's general membership (cannot include officers). If gross receipts are greater than or equal to \$10,000.00 Financial Accountability Report and Procedures for Insuring Financial Accountability must be performed by a CPA or entity approved by the Lawton Public Schools finance department, using the procedures prescribed in the Guidelines for Financial Responsibility and agreed upon procedure report issued by the CPA with the results. The results of the inspection, as shown in the Procedures for Insuring Financial Accountability and the Financial Accountability Report, must be attached to the organization's "Application for Sanctioning of Parent Organizations and Booster Club" form at the beginning of each new school year.
- J. Any plan, project or activity intended to modernize, renovate or render maintenance to school controlled and/or owned properties shall be presented to the superintendent for consideration, comment, evaluation, approval and sponsorship. This must be done before any public announcement is made.
- K. Board sanctioning does not excuse an organization from complying with all state and federal laws as they pertain to equal opportunity and treatment for all students.
- L. The board reserves the right to revoke the sanctioning of any organization if it is determined that the operation and purpose are not consistent with the policies and procedures adopted by the board.
- M. Any disputes arising out of the enforcement of this policy may be appealed to the superintendent.
- N. All Organizations will be required to obtain a federal Employee Identification Number (EIN).
- O. If the organization is abolished or ceases to exist, all funds remaining after the financial responsibilities are satisfied shall be deposited into the general fund activity account of the school with which the organization was associated or state PTA.
- P. A Sanctioning Packet will be submitted by the last school day of September each year by each organization. The packet included:

SANCTIONING OF PARENT ORGANIZATIONS AND BOOSTER CLUBS (Cont.)

1. An "Application for Sanctioning of Parent Organization and Booster Clubs" form
2. A copy of the group's current bylaws and standing rules, (amendments to these by-laws will not take effect until the following school year)
3. The verification form indicating that the group president, vice president and treasurer have viewed the PTA or Booster Club Financial Responsibility Training video
4. A "Procedures for Insuring Financial Accountability" including the "Financial Accountability Report"
5. A copy of the general ledger (transaction register) for the previous year

All five (5) of these items must be completed, fastened together and turned in to the site principal. The principal should sign and date the verification form and forward the packet to the Lawton Public Schools Finance Office (Shoemaker Education Center). The sanctioning form will then be sent to the board for approval. The board will not sanction a group until all five items have been completed and turned in to the Shoemaker Center.

REFERENCE: 70 O.S. §5-129.1

Title IX, Education Amendment of 1972, 20 U.S.C. §1681, et seq.

THIS POLICY REQUIRED BY LAW.

GUIDELINES FOR FINANCIAL RESPONSIBILITY FOR PARENT ORGANIZATIONS

Income: Dues, Fund-raisers and Donations:

1. Money from dues, fund-raisers, donations, etc. should be counted by two individuals and the deposit slip signed by both.
2. Deposits should be made no later than the first business day after the money has been received.
3. Give duplicate receipts when taking money and use a pre-numbered receipt book.
4. Balance receipts with deposits.
5. Write the sequence of the numbered receipts on the deposit slip.
6. Account for all numbered receipts.

Transactions: A funds request form signed by authorized signers should accompany all transactions.

Checks:

1. With the exception of small purchases, under seventy five dollars (\$75), NEVER pay cash, always issue a check.
2. Use duplicate checks and require two signatures.
3. Relatives, either by blood or marriage, or persons residing in the same household, can not be on the signature card to sign checks.
4. Always require an invoice before making a payment.
5. Write the invoice number on the check stub and write the check number and date paid on the invoice.
6. Maintain invoices in files organized in order of check number used to pay the invoice.
7. The invoice should be signed and dated by the person issuing the check.
8. At fund-raising events, always issue checks for janitors, referees, workers, etc. instead of paying cash. To meet IRS requirements, when Lawton Public Schools' employees are being paid, they must be paid through Lawton Public Schools' payroll (see policy CFBB).
9. Cash withdrawals or counter checks from the bank account are not allowed.

Debit Cards:

1. Debit Cards are allowed only if purchases are done properly and accompanied by all required documents with all transactions.
2. Two bank card signatures on debit card purchase invoices and on check register payment line.
3. The invoice/receipt should be attached to the funds request form (issue a check to petty cash).

Petty Cash:

1. Maintain a petty cash log showing: Cash balance, List of each expenditure, and Additional cash added to petty cash.
2. The log should be balanced with the cash and the supporting receipts each time it is replenished.
3. The petty cash should be replenished by issuing a check to Petty Cash for the total amount of the receipts thereby maintaining a constant balance.
4. When replenishing petty cash, the treasurer should issue the check in the presence of the President of the club/organization.

Accountability: Bank Statements:

1. Bank statements should be reconciled by the treasurer on a monthly basis
2. Reconciliation should be reviewed by the president for accuracy each month.
3. Reconciliation should be signed and dated by both the treasurer and president.
4. Voided checks should be accounted for.



HOW TO HAVE AN A+ REPORT?

WHY?

A Financial Accountability report is required by the Lawton Public Schools.

An inspection of the treasurer's accounts is for the protection of the treasurer. It relieves the treasurer of responsibility except in the case of fraud.

An inspection provides for accountability to the membership. It is the only means of assuring everyone that the accounts are accurate.

WHO?

The inspection should be performed by a CPA, Accountant professional book keeper or an inspection committee of not fewer than three (3) members of the organization's general membership.

The qualifications of an inspector or a member of an inspection committee are the following:

- 1) Familiarity with parent support organizations and their activities,
- 2) Accounting and/or auditing experience, preferably with nonprofit organizations,
- 3) Diligence and commitment,
- 4) Honesty and fairness,
- 5) Availability.

If an inspection committee performs the inspection, its members must be elected by the organization's general membership at least two (2) weeks before the organization's final meeting of the school year.

Members of the inspection committee shall not be an officer of the organization or be related to, by blood or marriage, or reside in the same household with, an officer of the organization.

WHEN?

Financial records should be put in order for the inspection process shortly before the end of the school year.

- 1) The school year is July 1 to June 30.
- 2) The outgoing treasurer should strive to have all transactions completed as early in June as possible.
- 3) Once the books are closed for inspection, the outgoing treasurer may NOT complete additional transactions. In no case should an outgoing treasurer make deposits or write checks after June 30!
- 4) Outstanding bills are common and can be paid by the incoming treasurer on or after July 1 if the books have been inspected.

- 5) To summarize, no transactions should occur between the time the books are closed for inspection, and the time the incoming treasurer begins transactions.

Once the financial records are put in order, including the preparation of year-end financial statement, the treasurer shall deliver them to the inspector/inspection committee.

- 1) A list of suggested items that are needed to conduct an inspection are listed on the Procedure for Insuring Financial Accountability Checklist.
- 2) If at all possible, the June 30 bank statement should be included in the materials given to the inspector/inspection committee.

The inspector/inspection committee shall submit its report to the new executive committee no later than August 1.

- 1) Make sure the Financial Accountability Report has been signed and dated by the inspector/inspection committee.
- 2) Ask the inspector/inspection committee to provide several copies of the Financial Accountability Report with original signatures. One should be submitted to the Lawton Public Schools with the organization's new year sanctioning form, another should be filed with the previous year's records that have been inspected, and another should be kept with the new year's records.
- 3) The Financial Accountability Report shall be presented for adoption at the first general membership meeting of the new school year.

WHAT?

The Financial Accountability Report is not a bank statement or a bank verification, it is a statement by the inspector/inspection committee that the organization's records are correct.

The inspector/inspection committee must prepare a written report showing the results of the inspection. The report should have:

- 1) A summary of the beginning balance to ending balance for the fiscal school year, showing gross receipts and gross disbursements.
- 2) A reconciliation to the bank statement balance as of June 30.
- 3) The report must be signed by the inspector/inspection committee.

Forms for the Financial Accountability Report and the Procedures for Insuring Financial Accountability are attached.

PTA OR BOOSTER CLUB FINANCIAL RESPONSIBILITY TRAINING

Name of Group _____ Date _____

School _____

I have viewed the Sanctioning Meeting Power Point when I attended the Sanctioning Meeting OR with my principal and I understand my responsibilities as an officer of the above named group.

Principal's Signature _____

Name Signature

email: _____

Circle One: *President* *Vice President* *Treasurer* *Secretary*

Name Signature

email: _____

Circle One: *President* *Vice President* *Treasurer* *Secretary*

Name Signature

email: _____

Circle One: *President* *Vice President* *Treasurer* *Secretary*

Name Signature

email: _____

Circle One: *President* *Vice President* *Treasurer* *Secretary*

FY _____ - _____

PTA OR BOOSTER CLUB
CHANGES IN THE EXECUTIVE BOARD

Only file if after the new FY board has been placed and then a change has been made.

Date: _____

Name of Group: _____

School: _____

Principal's Signature: _____

Former Officer: _____
NAME SIGNATURE

EMAIL: _____

OFFICE HELD: _____

New Officer: _____
NAME SIGNATURE

EMAIL: _____

OFFICE HELD: _____

Please Return to Shoemaker Center
Finance Office

Attn: Carla Dewberry

Retain A Copy for Club Records

Shoemaker Center
753 NW Fort Sill Blvd.
Lawton, OK
If You Have Questions, Call:
(580) 357-6900, ext. 2063
Finance Office

FINANCIAL ACCOUNTABILITY REPORT

FOR SCHOOL YEAR 20____ - 20____

(Attach to Sanctioning Application)

Name of Organization: _____ Date Report Completed: _____

(1) Balance on Hand as of July 1 \$ _____
(2) Receipts (total deposits from July 1 to June 30) + \$ _____
(3) Total (add lines 1 and 2) = \$ _____
(4) Disbursements (total amount for checks written from July 1 to June 30) -- \$ _____
(5) Balance on Hand as of June 30 (checkbook or ledger balance) = \$ _____
(this balance should agree with line 9)

(6) Bank Balance as of _____ (date of most recent statements) = \$ _____

(7) Checks Outstanding: (subtract from line 6) -- \$ _____

List:	Check #	amount	Check #	amount
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____

(8) Deposits Pending: (add to line 6) + \$ _____

List:	Check #	amount	Check #	amount
	_____	_____	_____	_____
	_____	_____	_____	_____

(9) Adjusted Bank Balance (this balance should agree with line 5) = \$ _____

We have inspected the books of the treasurer of the _____ in accord with the procedures outlined by the Lawton Public Schools and find them to be (choose one of the following):

_____ correct _____ incomplete _____ incorrect

_____ substantially correct with the following corrections: _____

Signature

Address

Phone #

Signature(s)
of Inspector
or Inspection
Committee
Members

PROCEDURES FOR INSURING FINANCIAL ACCOUNTABILITY

(Attach to Sanctioning Application)

1. _____ Agree on the beginning balance as of July 1 of the previous year and the ending balance as of June 30 the current year.
2. _____ Check year-end financial statement and monthly treasurer's reports for accuracy.
3. _____ Inspect final bank reconciliation (preferably June 30), noting deposits pending and checks outstanding.
4. _____ Verify that all income and expenses listed on the year-end financial statement were approved.

Perform a sample test of transactions:

1. _____ Inspect monthly bank reconciliations.
2. _____ Examine cancelled checks or funds request form for two signatures and, if possible, appropriate endorsements.
3. _____ Trace deposits made to cash counting sheets and deposit slips.
4. _____ Trace checks paid to check request forms, noting appropriate authorizations and supporting documentation.

Reconcile membership dues income to membership reports

1. _____ Agree on the number of paying members enrolled in the organization.
2. _____ Multiply the number of paying members x the membership dues amount.
3. _____ Make sure that membership dues receipts have been recorded separately from other income receipts.

ITEMS NEEDED TO CONDUCT A FINANCIAL REVIEW

- 1) Bylaws/ Standing Rules
- 2) June 30th Bank Statement
- 3) The Treasurer's Reports:
Financial Statement,
Fund Request Form(s), etc.
- 4) Receipts for bank deposits
- 5) Transaction sheets

Name of Organization: _____

Date Financial Accountability Report Completed: _____

Signature(s) of Inspector or Inspection Committee Members

Signature

Address

Phone #
