

SCHOOL BOARD OF BROWARD COUNTY, FL
INTERNAL FUNDS ACCOUNTING

STANDARD PRACTICE BULLETIN
AUGUST 1, 2000

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JUNIOR ACHIEVEMENT

TOPICS IN BULLETIN:

- I. GENERAL INFORMATION
- II. RESPONSIBILITIES-JUNIOR ACHIEVEMENT
- III. RESPONSIBILITIES-INSTRUCTOR/SPONSOR
- IV. RESPONSIBILITIES-SCHOOL BOOKKEEPER

EXHIBITS REFERENCED:

- 1 Monies Collection Envelope
- 2 Junior Achievement Payroll Record Form
- 3 Junior Achievement Financial Record Form
- 4 Roster of Stockholders
- 5 Expense Reimbursement/Payment Request Form

I. GENERAL INFORMATION

- A. From time to time, the Junior Achievement Program has been incorporated into various curriculum programs in School Board of Broward County schools. The program enables students to participate in the formation and operation of a business. Two very important aspects of the formation and operation of the business are:

- 1. The acquisition of funds through stock and product sales.
- 2. The accounting of the business' finances.

Junior Achievement establishes checking accounts for each class business which enables the students to obtain practical experience in the receipting, depositing, disbursing and balancing of monies.

I. GENERAL INFORMATION (Continued)

- B. The District in an effort to accommodate the Junior Achievement objectives has had to request some minor changes and modifications in the program operation in order to comply with School Board Policy 3411 which states in part, "all

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monies collected or disbursed by school personnel or by students within a school, in connection with the school program, for the benefit of that school, a class, club, department, employee or student shall be recorded in the school's internal funds".

The changes are:

1. **ALL** revenues will be deposited with the School Bookkeeper instead of being deposited in the Junior Achievement established class checking account.
2. Purchases of materials and supplies for the production of the class product will be ordered and paid through the School Bookkeeper as per established District purchasing procedures.
3. Junior Achievement becomes responsible for sales tax collection and remittance.

II. RESPONSIBILITIES-JUNIOR ACHIEVEMENT

The Junior Achievement Representative will:

- A. establish the individual class business checking accounts.
- B. collect and remit sales tax to the State of Florida Department of Revenue.

III. RESPONSIBILITIES-INSTRUCTOR/SPONSOR

- A. Establish a fund account with the School Bookkeeper in the Junior Achievement's class business name (i.e. name as it appears on the checking account established by Junior Achievement Representative such as Foley's Follies).
- B. **ALL** revenue generated from the sale of stock shares and sale of product produced, etc. **MUST** be deposited with the School Bookkeeper in the appropriate fund account using the following procedures:

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1. Revenues are to be collected using a Monies Collection Envelope (Exhibit 1).
 2. The source of the revenue collection (stock share sales, product sales, etc.) must be distinguished on the Monies Collection Envelope.
 3. Copies of the Monies Collection Envelope and School Bookkeeper's official receipts will be used for the Junior Achievement group's records and information.
- C. Purchases of materials and supplies needed to produce and/or manufacture the business product must be processed through the School Bookkeeper including the payment for the purchases.
- D. At the conclusion of the product sale (after all product and manufacturing costs have been paid) in conjunction with the Junior Achievement Representative, the following Junior Achievement forms **MUST** be completed:

III. RESPONSIBILITIES-INSTRUCTOR/SPONSOR (CONTINUED)

- | | | |
|----|--|-----|
| 1. | Junior Achievement Payroll Record Form (Exhibit 2) | |
| 2. | Junior Achievement Financial Record Form (Exhibit 3) | See |
| | IMPORTANT NOTICE in E, below | |
| 3. | Roster of Stockholder purchaser names and/or the Stockholder Information Cards (Exhibit 4) | |

- E. Copies of the items listed in D1- D3 above in addition to a completed Expense/Reimbursement Form (Exhibit 5) **MUST** be submitted to the School Bookkeeper as backup documentation for the issuance of a check to close the school internal Junior Achievement account.

IMPORTANT NOTICE: The Junior Achievement Financial Record Form (D2 above) **MUST** total the amount of money requested on the Expense/Reimbursement Form.

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- F. Upon receipt of the check from the school, assure the check is deposited in the outside Junior Achievement checking account.
- G. Follow Junior Achievement guidelines for the disbursement of funds to corporation officers and stockholder dividends (if applicable).
- H. Pay applicable sales tax to the Florida Department of Revenue.

IV. RESPONSIBILITIES - SCHOOL BOOKKEEPER

- A. Contact Internal Accounts Instructor's office for Club Account Number.
- B. Establish requested fund account(s) in the Junior Achievement requested name.
- C. Receipt funds to appropriate account(s) from Monies Collection Envelopes.
 - 1. Indicate source of collections (sales of stock, products, etc.).
 - 2. Issue an official receipt to the Sponsor and a Xerox copy of Monies Collection Envelope.
- D. At the conclusion of the sales program and upon receipt of the following forms, issue an internal funds check payable to the Junior Achievement Club name:
 - 1. Completed Expense/Reimbursement Form (requested amount **MUST** agree with Financial Record Form).
 - 2. Legible copy of Junior Achievement Payroll Record Form.
 - 3. Legible copy of Junior Achievement Financial Record Form (**MUST** agree with Expense/Reimbursement Form amount requested).
 - 4. Roster of Stockholder Purchaser names and/or Stockholder Information Cards.

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E. **RETAIN** all information requested in D above for audit.

MONIES COLLECTION ENVELOPE

A № 08848

(Purpose of Collection)

Teacher/Sponsor

If this collection is for a field trip, and the collection per child is
\$15.00 or less, record the per each amount on the line below.

\$ _____
Collection Amount

CIA Account# _____

				For Bookkeeper's Use Only		
	Date	Student Name	Amount Collected	Total	Official Receipt #	Date
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						

I hereby certify that the above funds were received by me for deposit on the date(s) shown:

Signature of Teacher/Sponsor

Payroll Record

* Wage and salary rates are set by the Board of Directors. Wages must be at least \$40 an hour during peak production period. Minimum salary for the president is \$500. Minimum salary for vice presidents is \$400.

[illegible]

Company Name
School
Teacher
Consultant
Firm

PROFIT AND LOSS STATEMENT	
Revenue (Column 5)	\$
Wages, Salaries (Column 7)	
and Contractors	
Utilities (Column 8)	
Other Columns B	
Total Expenses	
Net Profit (Col 5) (Col 1a)	
Net Sales Income	
Net Profit	
Net Profit (Loss) After Tax	

AS PROFIT'S TAX TABLE

Net profit tax, computed as 14% composite on net profit, if less than \$4,000; if \$4,000 or more, the tax is added to the net profit. Value of net profit is determined by subtracting the net loss from the net profit.

NET PROFIT	Tax
\$13,400 or less	1.9%
\$13,500	6%
\$20,000 or more	11%

TRIAL BALANCE (Totals from line AA)

DEBIT	CREDIT
\$ _____	\$ _____

The two totals are equal.

* "Accounting Principles," 6E, p. 78.

CASH RECEIVED FROM SALES (Does not include sales tax)							
	June	June	June	June	June	June	Dr-T
	Cash Received	Cash Received	Cash Received	Cash Received	Cash Received	Total Received	**Covers from One
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
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26							
27							
28							
29							
30							
31							
32							
33							
34							
35							
TOTAL							
Notes							
Other							

Sales Commission Rate
(Must be at least 10% of Actual Price)
%

[illegible]

Notes:

- 1. If a member receives a selective product, exchange it for a new product. Do not count as "lost" until.
- 2. This figure should equal "Sales Income" on the Income and Expense Statement.
- 3. Commissions should be posted on the Payroll Record.
- 4. Only record changes in commissions, price etc.