



Approved
10/25/24

STANDARD PRACTICE BULLETIN

THE SCHOOL BOARD OF BROWARD COUNTY FLORIDA

DIVISION: FINANCE & OPERATIONS

DEPARTMENT: INTERNAL FUNDS

Revised October 30, 2024

BULLETIN No.: I-101

Effective date December 1, 2024

SUBJECT: GENERAL PROCEDURES

GENERAL PROCEDURES

PURPOSE

TOPICS IN BULLETIN:

- I. INTERNAL FUNDS PROCEDURES
- II. RESPONSIBILITY - PRINCIPAL
- III. RESPONSIBILITY - BOOKKEEPER
- IV. RESPONSIBILITY - SPONSOR
- V. EMPLOYEE RESTRICTIONS
- VI. ACCOUNTING FOR STUDENT ACTIVITIES
- VII. COOPERATIVE SCHOOL ORGANIZATIONS
- VIII. PROCESS UPDATES

REVISION HISTORY

EXHIBITS REFERENCED:

- I. NONE

PURPOSE:

This bulletin outlines the general school district internal administrative procedures for internal funds including the roles and responsibilities of district school principals, district school bookkeepers, and organization sponsors.

GENERAL PROCEDURES

I. INTERNAL FUNDS PROCEDURES

The responsibility for internal funds is established primarily by state law and rules adopted by the Florida Board of Education.

Section 1011.07(1) and (2), Florida Statutes, - Internal Funds, states as follows:

1. The district school board shall be responsible for the administration and control of all local school funds derived by any public school from all activities or sources and shall prescribe the principles and procedures to be followed in administering these funds consistent with regulations adopted by the State Board of Education.



STANDARD PRACTICE BULLETIN

THE SCHOOL BOARD OF BROWARD COUNTY FLORIDA

DIVISION: FINANCE & OPERATIONS

DEPARTMENT: INTERNAL FUNDS

Revised October 30, 2024

BULLETIN No.: I-101

Effective date December 1, 2024

SUBJECT: GENERAL PROCEDURES

2. The State Board of Education shall adopt rules governing the procedures for the recording of the receipts, expenditures, deposits, and disbursements of internal funds.

The superintendent of schools of each school district shall be responsible for keeping adequate records and accounts of all financial transactions in the manner prescribed by the Commissioner in the publication “Financial and Program Cost Accounting and Reporting for Florida Schools (2023 Edition)” (hereafter “2023 Florida Schools Red Book”) adopted as a rule by the Florida Board of Education by reference in Rule 6A-1.001, F.A.C.

District Internal Funds procedures are created to serve as guidelines for district schools. These procedures must be utilized when accounting for funds collected during various district school activities.

For the purposes of this SPB, “Internal Funds” are defined in School Board Policy 3410 as “all 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.”

For the purposes of this SPB, the term “organization” means “all organizations of the district school, or organizations operating in the name of the district school, that obtain money from the public.” “Organization” includes, without limitation, “each school organization, student club, or other entity operating in the name of the district school that holds custodial funds.” (See: 2023 Florida Schools Red Book at Chapter 8, Section I at 3, 4, 5).

For the purposes of this SPB, the term “cooperative school organization” means an outside group that participates with the district school through planning, staging, or conducting school-related activities. (See: 2023 Florida Schools Red Book at Chapter 8, Section I at 6). “Cooperative school organization” includes, without limitation, a Parent Teacher Association (PTA), or booster club, or “School Allied Group” as that term is defined as follows by Definition 4 of School Board Policy 8020 – “Use of Broward County School Facilities for Non-School Purposes”:

“School-Allied Groups” (SAG): are groups that exist because of the existence of the school. SAG are groups such as the Parent Teachers Association (PTA), Parent Teacher Student Association (PTSA), Parent Teacher Organization (PTO), School Advisory Council (SAC), School Advisory Forum (SAF), as defined herein, and Booster Clubs, such as band, orchestral,



STANDARD PRACTICE BULLETIN

THE SCHOOL BOARD OF BROWARD COUNTY FLORIDA

DIVISION: FINANCE & OPERATIONS

DEPARTMENT: INTERNAL FUNDS

Revised October 30, 2024

BULLETIN No.: I-101

Effective date December 1, 2024

SUBJECT: GENERAL PROCEDURES

choral, School Alumni Organization, and athletic programs or as otherwise referenced in this Policy. No other entity will be recognized as a SAG, except those listed herein in this Policy or which are hereafter formed by a school as a component of that school's educational functions. Therefore, all outside entities must be approved by the School Board as a SAG before designated and recognized in BCPS as a SAG.

For purposes of this SPB, a "working day" means a day that is not a Saturday, Sunday, legal holiday, or day that the school district administration is closed.

The School Board of Broward County, Florida ("SBBC") has adopted the following School Board Policies related to Internal Funds activities:

1. **Policy 3.1- Non-School Funds**
2. **Policy 6.3- Supply Fees-Expendable Supplies**
3. **Policy 6.3- Supply Fees-Expendable Supplies**
4. **Policy 6.4- Supply Fees-Musical Instruments**
5. **Policy 3100- Annual Financial Audit**
6. **Policy 3110- Investment of Funds**
7. **Policy 3400- Per Diem and Travel Expenses for Board Members, Board Employees and Other Authorized Individuals**
8. **Policy 3401- Professional Travel Funds – Internal Accounts**
9. **Policy 3410- Internal Accounts**
10. **Policy 3800- Purchasing Policies**
11. **Policy 5200- Business Functions Conducted by Student Groups**
12. **Policy 5201- Clubs and Organizations**
13. **Policy 5202- Gifts: Solicitation and Receipt**
14. **Policy 5203- Musical Performances**
15. **Policy 6200- Publications**
16. **Policy 6205- Clubs and Organizations**
17. **Policy 6206- Money Raising Activities**
18. **Policy 6301- Collection of Monies**
19. **Policy 6310- Field Trips**
20. **Policy 8020-Use of Broward County School Facilities for Non-School Purposes**

All school district employees responsible for handling and recording Internal Funds financial transactions shall be bonded through the school district. (See: 2023 Florida Schools Red Book at Chapter 8, Section II at 1).



STANDARD PRACTICE BULLETIN

THE SCHOOL BOARD OF BROWARD COUNTY FLORIDA

DIVISION: FINANCE & OPERATIONS

DEPARTMENT: INTERNAL FUNDS

Revised October 30, 2024

BULLETIN No.: I-101

Effective date December 1, 2024

SUBJECT: GENERAL PROCEDURES

Purchases from Internal Funds must be authorized in writing by the organization designee or organization members. Neither the district school nor the district school board shall be liable for any purchase made in the name of the district school without their express written approval. (See: 2023 Florida Schools Red Book at Chapter 8, Section II at 2).

Promissory notes, installment contracts, and lease purchase agreements shall not be executed in the name of a district school or any organization except as authorized by the district school board. (See: 2023 Florida Schools Red Book at Chapter 8, Section II at 5).

Internal Funds shall not be used to cash checks to accommodate individuals, make any kind of loans, pay any form of compensation directly to school district employees or to extend credit. School district employees who are compensated for additional services, such as working at athletic events, shall be paid through the school district payroll department or, when appropriate, as prescribed by School Board Policies. Designated area career centers may cash checks and make loans as necessary to administer student grant and loan programs funded by federal, state, and private sources. (See: 2023 Florida Schools Red Book at Chapter 8, Section II at 6).

Internal Funds shall be accounted for on the same fiscal year basis as all other school district funds. No organization shall make expenditures that exceed the cash resources available to that organization. All accounts payable shall be disclosed to the district school board at the end of the fiscal year. (See: 2023 Florida Schools Red Book at Chapter 8, Section II at 7).

Bank statements shall be reconciled as soon as received and must be submitted to the Business Support Center by the 15th of the month following the end of the service period. (See: 2023 Florida Schools Red Book at Chapter 8, Section II at 8).

II. RESPONSIBILITY – PRINCIPAL

The principal of each district school is responsible for all monies collected and deposited by personnel of that district school and shall submit an accounting of such monies in accordance with accepted business procedures. (See: School Board Policy 6301, Collection of Monies).

- A. The principal of each district school **AND** the district school's staff are further charged with the responsibility to perform the district school's actual internal accounting functions in accordance with the specific procedures set forth in Standard Practice Bulletins issued by the school district administration.



STANDARD PRACTICE BULLETIN

THE SCHOOL BOARD OF BROWARD COUNTY FLORIDA

DIVISION: FINANCE & OPERATIONS

DEPARTMENT: INTERNAL FUNDS

Revised October 30, 2024

BULLETIN No.: I-101

Effective date December 1, 2024

SUBJECT: GENERAL PROCEDURES

- B. The principal of each district school is responsible for ensuring all bank deposits are made within five (5) working days of the receipt of funds. District schools are required to utilize an armored car pickup service for transporting bank deposits. **NOTE:** Any interruption to scheduled pickups must be communicated to the Procurement & Warehousing Services Department (“PWS”) within two (2) working days.
- C. The prior approval of the district school principal is required for any solicitation of funds from the public including candy sales. (See: School Board Policy 6206 – Money-Raising Activities).
- D. The district school principal has the overall responsibility for investigating and approving each organization and its activities, the assignment of sponsors to organizations, and the control of all activities in accordance with applicable state law, State Board of Education Rules, and School Board Policy 5201 – Clubs and Organizations, and School Board Policy 6205 - Clubs and Organizations.
- E. A financial report shall be filed with the district school principal's office at the close of each fundraising activity by an organization. (See: 2023 Florida Schools Red Book at Chapter 8, Section III at 2.3(e)).
- F. District schools may participate with cooperative school organizations in the planning, staging, or conduct of district school-approved activities. Such district school-approved activities may be held on or off the district school’s grounds and will usually take the form of fundraisers such as carnivals, paid entertainment, or food sales. All district school-approved activities must be beneficial to students and receive the prior written approval of the district school principal.
 - i. For an activity by a cooperative school organization to receive written approval from the district school principal, the cooperative school organization shall agree to follow school district procedures to provide appropriate accounting for funds and to ensure compliance with school district policies.
 - ii. **The district school principal’s written approval of an activity will be documented on an Activities Approval Form** (See: SPB I-402 and Exhibit A). A current version of the form may be accessed on the Business Support Center department website.



STANDARD PRACTICE BULLETIN

THE SCHOOL BOARD OF BROWARD COUNTY FLORIDA

DIVISION: FINANCE & OPERATIONS

DEPARTMENT: INTERNAL FUNDS

Revised October 30, 2024

BULLETIN No.: I-101

Effective date December 1, 2024

SUBJECT: GENERAL PROCEDURES

- G. The district school principal must not approve an activity if it charges the district school's parents a fee for instructional materials, equipment, or supplies related to the activity.

III. RESPONSIBILITY – BOOKKEEPER/BUDGET SUPPORT SPECIALIST

The district school's Bookkeeper/Budget Support Specialist will be responsible for:

- A. Verifying collections, officially receipting, reconciling, and preparing bank deposits for funds collected by district school students, district school staff, or organization sponsors.
- B. Maintaining logs for initial receipting documents (Monies Collection Envelopes, BC-40P Departmental Receipt Books, Pre-numbered Tickets, and Rental Use Agreements.)
- C. Accounting for and safeguarding used and unused initial receipting documents (Monies Collection Envelopes, BC-40P Departmental Receipt Books, Pre-numbered Tickets, and Rental Use Agreements.)
- D. Disbursement of funds in accordance with acceptable accounting procedures set forth in Standard Practice Bulletins.
- E. Verifying fundraising financial reports, ticket reports, etc. completed by district school students and district school staff collectors.
- F. Preparing and reconciling monthly and year-end financial reports.
- G. A monthly financial report will be filed with the district school principal's office, regardless of whether the fundraising activity is longer than thirty (30) calendar days.
- H. Maintaining and retaining audit-required records and files.

IV. RESPONSIBILITY – ORGANIZATION SPONSOR

- A. The sponsor of each organization is responsible for providing adequate financial documents and records to the district school principal and is responsible for retaining duplicates of said documents and records.



STANDARD PRACTICE BULLETIN

THE SCHOOL BOARD OF BROWARD COUNTY FLORIDA

DIVISION: FINANCE & OPERATIONS

DEPARTMENT: INTERNAL FUNDS

Revised October 30, 2024

BULLETIN No.: I-101

Effective date December 1, 2024

SUBJECT: GENERAL PROCEDURES

- B. The provided and retained financial documents and records may include an organization budget, duplicate receipts for all income collected from dues, fundraising activities, entertainment, assessments, and donations; and approved requests for payment.

V. SCHOOL DISTRICT EMPLOYEE RESTRICTIONS

- A. The district school's Internal Funds **MAY NOT**, at any time, be used for any purpose which directly or indirectly represents an accommodation, loan, or credit to a school district employee; or other persons (including district school students). This includes cashing personal checks, payment for services or merchandise, or selling postage stamps.
- B. School district employees are prohibited from transporting bank deposits.
- C. School district employees may not make personal purchases through the district school to benefit from purchasing privileges such as discounts, loyalty program rewards, sales tax exemption, etc.
- D. No loans shall be made to the Faculty/Sunshine Account from the General Fund or other Internal Funds accounts.
- E. Each approved organization or activity have a school district employee assigned by the district school principal to sponsor the club or activity. The assigned sponsor will be responsible for training and supervising the students in the conduct of any approved activity. The sponsor shall be responsible for ensuring that all monies related to the approved activity are properly controlled and deposited in the Internal Funds account and all required records and reports are prepared and retained. (See: Rule 4 of School Board Policy 5201 – Clubs and Organizations)
- F. District school employees are **NOT** allowed to collect or handle money for cooperative school organization-operated activities. Non-school district employees shall not be permitted to handle money collected for district school approved activities conducted by organizations. (See: Rule 4 of School Board Policy 3.1 – “Non-School Funds”).

VI. ACCOUNTING FOR STUDENT ACTIVITIES

The school district defines “Student Activities” as activities that meet any of the



STANDARD PRACTICE BULLETIN

THE SCHOOL BOARD OF BROWARD COUNTY FLORIDA

DIVISION: FINANCE & OPERATIONS

DEPARTMENT: INTERNAL FUNDS

Revised October 30, 2024

BULLETIN No.: I-101

Effective date December 1, 2024

SUBJECT: GENERAL PROCEDURES

following criteria:

- a. All activities which are considered "extracurricular" activities or an extension of the district school program; all sports, performances by band, orchestra, chorus, drama, and other curriculum groups that are trained and directed by regular school district employees as a part of their employment assignments
 - b. All **business transactions related to student activities for which district school students must be released from class or where district school students perform as a school group or in the name of the district school are also considered school activities.** Funds derived from these activities must be recorded in the district school's Internal Funds accounts and may not be commingled with a cooperative school organization's funds.
- A. District schools may participate with cooperative school organizations in the planning, staging, or conduct of district school-approved activities. Such approved activities may be held on or off the school grounds and will usually take the form of fundraisers such as carnivals, paid entertainment, or food sales.
- i. To receive written approval from the district school principal, any activity by a cooperative school organization must be beneficial to the district school's students and the cooperative school organization and must agree that school district procedures shall be followed to provide appropriate accounting for funds and to ensure compliance with school district policies.
 - ii. **All district school-approved activities will be approved by the district school principal on an Activities Approval Form** (see SPB I-402). A current version of the form may be accessed on the Business Support Center department website.
- B. All monies collected or disbursed by district school employees for the benefit of that district school or a class, club, department, program, district school employee, or district school student enrolled in that district school, shall be recorded in the district school's Internal Funds accounts. Credit cards may be accepted in the collection of funds for an approved activity.
- C. All funds generated from a profit-making business operated on a continuous basis on



STANDARD PRACTICE BULLETIN

THE SCHOOL BOARD OF BROWARD COUNTY FLORIDA

DIVISION: FINANCE & OPERATIONS

DEPARTMENT: INTERNAL FUNDS

Revised October 30, 2024

BULLETIN No.: I-101

Effective date December 1, 2024

SUBJECT: GENERAL PROCEDURES

school grounds by a district school must be deposited in the district school's Internal Funds accounts.

- D. Cooperative school organizations may conduct continuous merchandising activities, such as a bookstore or concession stand, on a district school campus. The district school principal must approve any such continuous merchandising activities by a cooperative school organization. The funds generated from a continuous merchandising activity conducted by a cooperative school organization must not be comingled with the district school's Internal Funds accounts.
- E. Field trips are a district school-approved student activities which are organized and conducted through the district school. Field trips must not be conducted by a cooperative school organization. Funds collected for field trips must be accounted for in the district school's Internal Funds accounts.
 - i. All payments to vendors for any field trip expenses must be made by the district school. The district school will not permit any separate payments for district school-approved field trip expenses to be made to field trip vendors by a cooperative school organization. A cooperative school organization may donate funds to the district school to pay field trip expenses, but the entire field trip must be coordinated, paid for, and documented by the district school.

VII. COOPERATIVE SCHOOL ORGANIZATIONS

Cooperative school organizations are independent legal entities that are separate from the district school board and the district schools.

To avoid violations of School Board Policy, activities of cooperative school organizations should be conducted in a manner that clearly distinguishes them from student activities as defined in item V. above.

Cooperative school organizations:

- A. Are financially independent from the district school board and the district schools and may not utilize the bank accounts and accounting records of the district school board and any district school.
- B. May not be permitted to use the school district's Employer Identification Number (EIN).



STANDARD PRACTICE BULLETIN

THE SCHOOL BOARD OF BROWARD COUNTY FLORIDA

DIVISION: FINANCE & OPERATIONS

DEPARTMENT: INTERNAL FUNDS

Revised October 30, 2024

BULLETIN No.: I-101

Effective date December 1, 2024

SUBJECT: GENERAL PROCEDURES

- C. May not use the school district's tax-exempt status.
- D. May conduct independent activities separate from any school district-approved activities.
- E. May make monetary donations or may donate merchandise, equipment, or other items to district schools. Regardless of the form of donation, the donation must be accompanied by a donation letter specifying the intended use of the donated funds or merchandise. Donations without a letter specifying the donation's intended use will be placed in the district school's General Fund account of Internal Funds.
 - i. All non-monetary donations require principal approval to ensure compliance with school district fiscal standards and specifications.
- F. School district employees are not permitted to be co-signers on a bank account of any cooperative school organization and must not sign any form of contract on behalf of the cooperative school organization.
- G. School district employees must not be involved in the handling of money for a cooperative school organization.
- H. For an activity by a cooperative school organization to obtain written approval by a district school principal, the activity may not charge parents a fee for instructional materials, equipment or supplies related to the school program or activities.
- I. A cooperative school organization's name should appear on all programs, flyers, or other promotional material for activities sponsored by the organization. A cooperative school organization's name must appear on all programs, flyers, or other promotional material for activities sponsored by the organization that are to be distributed on a district school campus and/or taken home by students.
- J. School credit card terminals must not be used for fundraisers by cooperative school organizations.
- K. All public announcements, programs, tickets, etc., for an activity conducted by a cooperative school organization without written school approval should clearly designate the activity as an activity of an organization that is independent from the school district. Examples of an independent activity by a cooperative school organization includes, without limitation, the following:



STANDARD PRACTICE BULLETIN

THE SCHOOL BOARD OF BROWARD COUNTY FLORIDA

DIVISION: FINANCE & OPERATIONS

DEPARTMENT: INTERNAL FUNDS

Revised October 30, 2024

BULLETIN No.: I-101

Effective date December 1, 2024

SUBJECT: GENERAL PROCEDURES

- i. Carnivals, barbecues, dinners, and similar activities conducted entirely by the cooperative school organization, and **DO NOT** involve any school district employees in the handling of funds.
- ii. Benefit shows or performances by non-school groups, such as collegiate or professional music groups, when arrangements for the activity are made by the cooperative school organization and **DO NOT** involve any district school employee or district school students in the handling of funds.
- iii. Merchandising services such as a school store handled by a cooperative school organization, when the cooperative school organization orders all merchandise in its name, completely operates the sales activity, and handles the receipts and disbursements of money **WITHOUT** the involvement of any school district employees.
- iv. Sales of any other merchandise by the cooperative school organization that have been approved in writing by the district school principal and which **DO NOT** involve school district employees in the handling of the merchandise or sale proceeds.

VIII. PROCESS UPDATES:

The Business Support Center is responsible for updating this Standard Practice Bulletin as needed.

For further questions or resources with this bulletin, please contact Business Support Center at 754-321-0630.

Revision History:

Revised: OCT 2024 by DIRECTOR, BSC

Approved: OCT 30, 2024, by CHIEF OPS/FAC