



Book	Policy Manual
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Adopted	August 26, 2025

## 6610 - SCHOOL INTERNAL FUNDS

### Definition

Internal funds are defined as all monies collected and disbursed by personnel within a school for the benefit of the school or a school-sponsored activity. Internal funds shall be considered as unbudgeted public funds under the control and supervision of the School Board with the Principal having responsibility as prescribed by the Board.

### Governance Provisions

The collecting and expending of school internal accounts shall be in accordance with Florida statutes, State Board of Education rules, including the District's *Internal Accounts Procedures Manual*, Board rules, and the *Financial and Program Cost Accounting and Reporting for Florida Schools Manual* published by the Florida Department of Education. Sound business practices shall be observed in all transactions.

### Accounting Categories

Separate accounting categories for school internal account funds shall be established to distinguish regular sources of funds from sources of funds derived from groups other than the student body.

- A. Regular sources of funds shall be a category for money received and expended for school activity programs. This includes, but is not limited to, athletic and music events, concession sales, fund-raising by student body groups, gifts and contributions, paid admissions to entertainment, publications, school stores, summer programs, vending machines, salvage drives, property deposits, instructional aids, and advertisements.
- B. Other sources of funds shall be a category for money collected from sources other than student activities. These sources generally are derived from cooperative efforts with schools involving non-student organizations such as the

faculty, parent-teacher organizations, alumni associations, and educational foundations. The activities of these non-student organizations shall contribute to the general welfare of students. Other sources of receipts may include, but are not limited to, collections for the Board, and trust accounts for specific groups.

### **Basic Principles**

- A. All fund-raising projects and activities of the school, by any group within, connected with, or in the name of the school shall contribute to the educational experiences of students and shall not conflict with the total instructional program of the school system.
- B. School activity funds shall be used to supplement the program supporting the activities provided by the Board.
- C. Purchases which are made from internal funds shall conform with requirements for purchasing and securing bids on purchases made by the Board, except that purchases made from funds handled in trust for individuals are exempt from such requirements.
- D. Student body business practices shall be conducted in such a manner as to offer a minimum of competition to commercial firms.
- E. Purchases for any school shall not exceed the cash resources of the school during any school year.
- F. Funds collected generally shall be expended to benefit those students currently in school for whom the funds were accrued; funds derived from the student body as a whole shall be expended to benefit the student body as a whole.
- G. Florida statutes and State Board of Education rules controlling purchases by school organizations shall be observed.
- H. The Superintendent shall be responsible for initiating such disciplinary action as may be deemed necessary in the event of violations of any of these rules.
- I. The collection of monies and the performance of other non-instructional duties by teachers shall be kept to a minimum.

### **Administration**

Internal funds shall be categorized in accordance with the policy herein. When a bank balance exceeds \$250,000.00 and the excess is not insured or collateralized with the State, an additional account(s) shall be opened in another bank.

### **Responsibilities**

- A. The Board shall:
  - 1. require that its written rules relating to internal funds be enforced;
  - 2. provide fidelity bonds for employees responsible for such funds; and,
  - 3. provide for an annual audit of internal funds by a qualified auditor.
- B. The Superintendent shall administer all rules established by the Board relating to internal funds.
- C. Each school Principal shall:
  - 1. be held accountable for the handling of all phases of internal funds accounting in his/her school.
  - 2. use a uniform system of accounting as directed by the Superintendent; and,
  - 3. make monthly and annual reports for internal funds as directed by the Superintendent.

### **Management of School Internal Account Funds (MSIAF)**

The efficient and accurate accounting of school internal account funds requires that sound procedures be followed in handling school monies received and expended. Common practices which shall be followed to ensure effective management of these funds include:

- A. The Principal of each school shall authorize one (1) or more persons, in addition to himself/herself, for signing checks to withdraw funds from the bank account. Two (2) signatures shall be required for all withdrawals, one (1) of

which shall be that of the Principal or his/her designee. Persons signing checks shall provide proper supporting evidence such as sales slips or invoices to substantiate each check, pursuant to the *Financial and Program Cost Accounting and Reporting for Florida Schools Manual*.

- B. School activity accounts shall not be used for any purpose which represents an accommodation, loan, or credit to Board employees or other persons, including students. Collections received shall not be used to cash individual checks. Board employees or others shall not make purchases for personal use through the student body in order to take advantage of student body purchasing privileges, such as tax exemptions, school discounts, and the like.
- C. Methods of preserving and destroying records shall be in accordance with Florida statutes and State Board of Education rules.
- D. Revenues which may be credited to classes and club accounts include: dues, assessments, and donations from members; income from entertainment, dances, parties, etc.; and, sale of club or class sweaters, emblems, insignias, cards, announcements, etc. Authorization for expenditures shall require approval of a designated class or club officer, the sponsor, and the Principal.
  - 1. No class or club account may be overdrawn at the end of the school year.
  - 2. No off-campus clubs may be permitted to carry accounts on school activity account books.
  - 3. Any remaining balance in a class account after graduation of that class and after the class has had an opportunity to determine the disposition of the balance, shall be considered as general funds and shall be transferred to the general fund six (6) months after the graduation date. The same procedure shall apply to the fund balance of any club six (6) months after the close of the school year during which said club becomes inactive.
- E. Any gifts identified as coming exclusively from a particular student group(s) shall be financed entirely by those group(s). This shall not prevent a class or club from contributing toward a project undertaken by several classes or clubs or by the student body. All such gifts to the school shall first receive the Principal's approval.
- F. A student organization, upon the Principal's approval, may earmark an amount for a specific future project which may reasonably be expected to materialize within the period that members of the organization are still in attendance at school. Disbursements from these reserves are subject to the standard procedures governing school activity funds. The reserve account, once approved and established, shall not be drawn on for other purposes. If the original purpose for the reserve becomes inoperative, funds in the account shall be transferred to the general fund or returned to the sponsoring organization.
- G. Commissions earned from photography sales and other transactions shall be credited to the general fund or other designated accounts. Contracts and collections of monies from these types of activities shall comply with the provisions established by the Principal.
- H. The following procedures shall guide all employees who are responsible for school activity fund:
  - Receipts shall be deposited in the bank within five (5) days, 100% intact.

Effective 8/27/25

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