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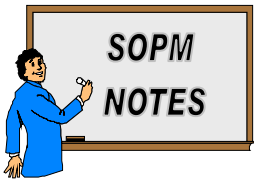

SOPM
NOTES

1. INTRODUCTION

1.1 Rationale

Educators universally agree that a sound, well-planned, and properly implemented student activities program plays an integral role in the total educational program of a school.

We, in the New York City Public School system, subscribe to this philosophy and, therefore, have made policy to ensure that our students receive an attractive, meaningful, and worthwhile activities program regardless of their school's location, population, or size.

We recognize that for many students, involvement in a club or team may mean the difference between academic success and failure. When involved, students develop appropriate social skills, gain greater appreciation and interest in their classroom, and define their self-image. Better school morale and discipline are additional by-products of such programs.

Supporting extracurricular student activities requires expenditures that can be quite large (as much as $25,000 in a large school) or very small (as little as $500 in a small elementary school). Regardless of school level or size, accountability, fiscal integrity, and proper accounting procedures for the handling of funds raised by or donated to a school (General School Funds or other cash) are required to ensure that the monies allocated to support student activities programs are utilized to maximize the effectiveness of these activities.

1.2 Overview

Note:

This chapter is intended to provide minimum standards regarding the use of GENERAL SCHOOL FUNDS AND CASH. Schools and/or Superintendencies may establish more stringent standards than those set forth in this chapter.

This chapter, *"General School Funds and Cash Transactions,"* relates to the receipt of money by a school that will be deposited into the General School Fund. It combines the two (2) original SOPM chapters on:

General School Funds (CSD Schools)
Student Funds (High Schools)

The following five (5) questions will be answered in this chapter:

- From where does the **money come** to support the implementation and operation of a school's student activities program?
- What are the regulations governing **cash transactions** that occur in the daily operation of educational and support programs?
- How are these monies **allocated and managed**?
- How are these monies **spent**?
- How are student activity funds **accounted for and reported**?

Note:

New technology and accessibility to personal computers have made many handwritten accounting procedures obsolete. Schools are encouraged to use **a commercially developed computer software program(s)** available for keeping track of income and expenditures or **school/site-developed software programs** specifically designed for this purpose.

Computer software should have at least as many **fields** as the forms and exhibits commencing on page 51 indicate.

1.3 Glossary of Terms

Budget Committee

A committee that operates in a high school that has the function of preparing a budget. The committee is composed of the President of the Student Organization (SO), Representatives of the Student Organizations, and the Coordinator of Student Affairs (COSA). The School Treasurer and the Assistant Principal for Operations serve on this committee in an advisory capacity.

Cash

Monies received by a school from sources such as, but not limited to: reimbursement from vendors, and miscellaneous checks.

Cash Journal

A book or software program that documents the receipt and expenditure of General School Fund money. (See Exhibits A and B).

Co-curricular Activity

A student activity that is pursued outside the regular classroom schedule, but is integrally related to the instructional curriculum. Examples would be a student newspaper, which is an offshoot of a class in journalism, or an environmental field trip for a science class.

Coordinator of Student Affairs (COSA)

A title used to describe a faculty member who is responsible for the effective implementation of all student activities - particularly non-athletic activities. The COSA reviews recommendations for raising and expending general school fund money.

Equipment

For the purpose of applying the SOPM Chapter on ***Inventory***, equipment is any article or material that is non-consumable, has an original purchase value of not less than $250 per item, and retains its shape and appearance with use.

Extra-curricular Activity

A student activity that is pursued outside the regular class schedule.

Faculty Advisor

A member of the regular teaching staff who volunteers or accepts appointment to advise a particular student activity.

Finance Committee

Elementary or middle/intermediate/junior high school staff and students who advise the principal on matters pertaining to student activities - especially raising and expending funds. The principal appoints members.

General School Fund (GSF)

The accumulated funds (not tax levy or reimbursable funds) donated to and/or raised by the students and/or school to support extracurricular and co-curricular student activities. Other cash may be deposited to this fund.

Gifts

Donations of cash, services, or materials (including equipment) from private individuals or organizations.

Grants

Funds awarded to a particular program in response to a proposal.

Limited/Special Purpose Fund

Funds whose uses have been predetermined or prescribed by the funding source. Examples are a trust fund (a gift or bequest for a special purpose), the lost book fund, and senior class dues.

Secure Accounts

An account that does **not** risk principal. Such accounts may be, but are not limited to, CD's, Money Market Accounts, US Treasury Instruments, and any other insured investment.

Senior Class Officers

Elected students who represent the senior class to determine activities associated with the senior year of high school.

Senior Dues

Monies collected from students for senior class expenditures and activities.

Signatories

Employees authorized to sign checks drawn against the General School Funds account. There must be at least two (2) signatures on each check. The treasurer **cannot** be one of the authorized signatories. An individual who is an authorized signatory cannot sign a check that is made out to him/herself.

Student Activity Fund (SAF)

An allocation of **tax levy** money specifically used to support student activities in the high schools. Although this is a tax levy allocation, the rules associated with Student Activity Funds (SAF) are discussed in this SOPM chapter.

Student Organization (SO)

Sometimes called the "General Organization" (G.O.), is an organization elected by the student body with a constitution and/or by-laws - the purpose of which is to enhance the development and improvement of student life.

Treasurer

A full-time regular staff member of a school selected by the principal (subject to all applicable BOE and contractual regulations) to manage the general school fund account.

Trust Fund

Funds held by the school as trustee for the specific purpose of the fund. Funds held in this manner **cannot** be diverted to another purpose.

Voucher

A document authorizing the payment of money.

2. WHAT REGULATIONS GOVERN CASH TRANSACTIONS?

2.1 Chancellor's Regulations

The following are summaries of Chancellor's Regulations that pertain to the collection and expenditure of student money. The full text of each regulation can be accessed and read by doing the following:

1. Log on to the Board of Education's website located at:
   http://www.nycenet.edu

2. Click on "Featured Sites" (located in the left column).

3. Click on "Chancellor's Regulations."

If you prefer, you may go **directly** to the Chancellor's Regulations web page located at:

http://docs.nycenet.edu/dscgi/ds.py/Get/File-523/RegTOC.html

Please be very careful when entering this site to your browser since the letters are case sensitive. You are urged to "bookmark" this site for future reference.

Chancellor's Regulation A-601

September 5, 2000; *"Student Organizations and Activities"* outlines the process for establishing non-athletic student organizations and clubs and the requirements with which they must comply.

Chancellor's Regulation A-610

June 2001; *"Fund raising Activities and Collection of Money from Students."* Fund raising is any activity related to the solicitation of monies by a school or parent-teacher association, which may be deposited into a general organization bank account, or other school-based bank account.

This regulation defines parameters concerning when fundraisers may be held and sets forth internal controls concerning monies collected and expended.

Chancellor's Regulation A-650

May 1, 1998*; "Operation of Flea Market"* sets forth the conditions under which flea markets and city market programs may be initiated and conducted on Board of Education property for the primary purpose of raising funds to benefit Public Schools.

Chancellor's Regulation A-812

September 5, 2000; "*Sale of Nutritious and Non-Nutritious Foods*." Provides guidelines for serving snacks either directly or through vending machines.

2.2 Regulations Governing Fund Raising Activities

The principal of a school bears the ultimate responsibility for seeing that all regulations regarding fund raising activities are observed. Everyone involved with student activities should have a copy of **Chancellor's Regulation A-610** (see item 2.1) that describes the extent and limits of fund raising activities and collection of money from students.

2.2.1 Prohibited Forms of Fund Raising

The following fund raising activities are **prohibited** in schools:

- Students must **not** be charged for the purchase or rental of any textbooks, cassettes, or other materials supplied by the Board of Education for use in classes, shops, or laboratories. However, this does not preclude the assessment of charges for loss, breakage, or damage to shop and laboratory supplies, textbooks, and equipment.

> **Note:** The sale to students of crafts and finished products made by the students in school laboratories or shops as part of the educational process may be considered a fund raising activity.

- Any activity that involves gambling (e.g., the sale of raffle tickets to the children or the conducting of bingo games) is absolutely prohibited.

- No teacher or parent shall **solicit or collect any** money from students unless authorized in writing by the principal in conformance with the rules and regulations of the Board of Education.

2.3 Regulations Governing Checking and Savings (or other secure) Accounts *(Please see section 5.3 for additional details)*

General School Fund and other cash **must be processed through a checking account** at a New York State approved institution offering checking account services. Every effort must be made by the school to retain an institution that does **not** impose a service charge on school accounts. However, since the Board of Education and the City of New York classify General School Fund money for financial accounting purposes as Trust and Agency accounts, bank service charges may be paid on these accounts. The employer Federal Tax Identification Number of the Board of Education is **13-6400434** and should be provided to the bank.

The bank may require a letter or other form of writing signed by the Principal authorizing the establishment of an account. The writing should indicate the names and bear the signatures of at least three individuals who have been selected as authorized signatories on the account. Please see Exhibit C for a sample letter. For new accounts, please complete Exhibit C-1.

Notes:

1. There must be at least two (2) signatures on each check. The treasurer **cannot** be one of the authorized signatories. An individual who is an authorized signatory cannot sign a check that is made out to him/herself.

2. Under no circumstances may a checking account have, or a BOE site use, **overdraft** privileges.

The checking or savings account opened for General School Funds and other cash must be maintained for these purposes only. **Under no circumstances may PA/PTA funds, "sunshine funds," or "personal funds" be co-mingled with General School Funds.**

Checks must be pre-numbered consecutively and imprinted as follows:

New York City Board of Education
In Trust For (School Name and/or Number)
General School Fund Account

Should the amount of money in the checking account exceed the amount needed for two months operation of student activities, the principal may authorize the opening of an additional account(s) in order to earn interest income. The choice of the type of account should be guided by current interest rates. It must be a **secure account,** (e.g., CD's, Money Market Accounts, US Treasury Instruments and any other insured investment) as student money should never be **put at risk**. The interest earned on a general school fund account is credited to that account.

No cash received from a fund raising event may be deposited directly into the savings account. The money must **first** be deposited into the checking account. A check is then drawn on the checking account and deposited into the savings account.

Funds collected for student activity purposes should be deposited on a daily basis, or as close to daily as possible. The checking account must be reconciled monthly. For exceptionally large deposits of monies received from student activities, the services of an armored car company may be employed to make the deposit. Payment for such services may be paid from the general school fund account.

All transactions, deposits, expenditures, and transfers between accounts must be recorded in the *Cash Journals* (Exhibits A and B). Interest earned on a savings bank account or other time deposit (e.g., CD) must be posted in the *Cash Receipts Journal* (Exhibit A). It should be equal to the amount posted on the savings account passbook or statement (monthly or quarterly).

2.4 Regulations Governing Senior Class Funds

At the high school, the senior class, through its officers, designates specific purposes for which senior funds are to be expended. The resolution for these expenditures must be specific and definite, and signed by three (3) senior class officers. They may not allow for disbursement at the discretion of the principal. At the lower school level, the principal should designate a faculty advisor to act in conjunction with the students.

Monies collected from students for expenses related to graduation ceremonies (e.g. cap, gown and tassel, printing of ceremony tickets and programs, ceremony decorations and accessories, the yearbook, the senior trip, and the prom) are usually called **senior dues**.

Note: The amount of money that is collected for senior dues must cover the projected amount of expenditures for senior activities that are agreed upon by the Senior Class officers. Senior Dues should **not** be used for purchases for other general school activities.

It is advisable that the officers of the graduating class in the elementary, middle school, junior high school, and high school make provisions for the disposition of any accumulated cash surplus after their graduation. That may include a gift to the school.

The senior class may request that the **surplus funds** or a portion thereof be:

- Transferred to the alumni association of the school or to an association or organization formed by the class to conduct activities for members of the class after graduation.

- Refunded to seniors who have paid their dues if the surplus exceeds 10% of the senior dues or $10.00 per student, whichever is greater.

- Designated for a specific project that might require a sum of money that would take several years to accumulate. Future graduating classes might want to contribute their surplus to the same specific project. The principal **must** secure the written permission of the superintendent before establishing this project.

If a graduating class has not made any designation for the disposition of its surplus funds, the funds can be added, at the end of the school year, to the Student Organization general fund. If a special purpose fund set up by a graduating class becomes inactive for five (5) years, it should be transferred to the general school fund account for general student activity use.

3. FROM WHERE DOES THE MONEY COME TO SUPPORT THE IMPLEMENTATION AND OPERATION OF A SCHOOL'S STUDENT ACTIVITIES PROGRAM?

3.1 Sources of Funds

General School Funds used to support student activities are received by a school from approved sources. The *per capita* allocations of tax levy money to high schools for the support of student activities that is called the **Student Activity Fund (SAF)** is different from General School Fund money. Although this is a tax levy allocation, the rules associated with School Activity Funds (SAF) parallel those rules on General School Funds found in this SOPM chapter.

Money to support student activities is usually received through school activities such as:

- The profits from a student or school run flea market, crafts sale, or other approved fund raising activity.
- Monies collected by student organizations or clubs (not membership fees that are prohibited by Chancellor's Regulation A-601) that are used to benefit the club and its members.
- Graduation fees/senior dues and/or dues to the general student organization.
- Admission fees to plays, concerts, movies, athletic, and/or social events.
- Returns from Vendors for purchases made with General School Fund money.

Note:

Whenever tickets to a school event (play, game, concert, or other event) are sold they must be pre-numbered in advance by the printer. This will help the advisor of the activity monitor and report authorized sales of tickets to the school treasurer. A file must be maintained of the record of distribution and sale of tickets. Please refer to Exhibit D for the necessary forms to assist in the record keeping of the sale of tickets. Unused tickets must be maintained as a record.

If a school chooses to print its own tickets, it must pre-number all tickets with an automatic numbering machine.

- Revenue from sales of any kind from a school operated (Student Organization) store or entrepreneurship activity. Exhibit D is to be completed at the conclusion of such activity or event by the faculty advisor in charge, and given to the principal, budget/finance committee and school treasurer.

- Sales tax (collected then deposited and disbursed through the General School Fund).

- Monetary gifts from the parent association, community organizations, alumni, or local businesses where the gift is earmarked for student activities.

Note: Please see item **5.6** for additional information regarding the receipt of gifts or grants.

- Vending machines accessible to students.

Note: Leased vending machines must have a contract approved by the Office of Legal Services (OLS).

- Funds raised for special/limited purposes whose uses have been predetermined or prescribed by the funding source. Examples are a trust fund (a gift or bequest for a special purpose), the lost book fund, and senior class dues.

- Revenue from the sale of goods or services produced by students registered in a particular shop or class (Vocational Activities Fund – VAF). Exhibit D is to be completed at the conclusion of such activity or event by the faculty advisor in charge, and given to the principal, budget/finance committee and school treasurer.

- Revenue from the sale of equipment to another school in the system.

  Any equipment purchased with General School Funds that is no longer usable by the school can be made available for sale to another school within the NYC Public School system upon approval by the Principal.

Note: The seller must determine whether the equipment is in a category that is restricted or regulated. If it falls into that category, the seller must contact the Office of Purchasing Management (OPM) prior to offering it for sale to ensure the transaction is permissible and that the equipment meets safety standards.

Schools should advertise the availability of such equipment to other schools within the system via e-mail or other means. Please refer to the SOPM chapter on *Inventory* for details regarding advertising procedures. Advertisement should include all pertinent information including, but not limited to: contact person, description and condition of item, price, pick-up and delivery requirements.

Inventory records must be adjusted per the SOPM chapter on *Inventory* to reflect the transfer. Both seller's and purchaser's records should reflect the transaction.

Upon the sale, the Buyer School should prepare a Purchase Order or an equivalent document.

- Vendor would be the name of the selling school.
- A check would be issued to the General School Fund Account of the seller school.
- The check would be deposited to the General School Fund Account of the receiving school.

4. HOW ARE THESE MONIES SPENT?

4.1 Disbursement of Cash

All disbursements from the general school fund must be supported by **written approval of the principal or his/her designee**. The school treasurer must maintain copies of all approvals.

- **No expenditures** are to be paid directly from **cash collections.** Cash collected must be deposited directly into the General School Fund account.

- Except for Petty Cash Disbursements (see Section 5.7) payments for purchases are to be made by ***check only.*** Checks should also be used to pay the monthly bill for purchases made with a Board of Education authorized General School Funds Procurement Card; Procurement Cards are issued only through the Board by banks under contract to do so. *(Note: For additional information regarding the use of a Procurement Card for General School Fund expenditures, please contact your Director of Operations or Business Manager.)*

Note: NEVER DRAW A CHECK PAYABLE TO CASH

- Before the treasurer can make any disbursements from the general school fund account, he/she must complete a *Request for Expenditure Form.* Schools may create their own or use Exhibit F.

- The purchaser or receiver of goods or services must sign the vendor's invoice to signify that the goods were received in satisfactory condition and that the service was properly performed. In the case of services performed where an invoice is **not** customarily given, the advisor or the principal must ensure **that some form of writing** indicating that services were rendered is **attached** to Exhibit F- *Request for Expenditure* to validate the appropriateness of the service. All documentation (invoice or other form of writing) must be retained for seven (7) years for possible future audit.

- If the purchaser is other than the advisor of the student activity, the advisor must **also** sign the *Request for Expenditure* (Exhibit F) and he/she must indicate the account to which this expenditure will be charged.

- The request must have the principal's written authorization. The principal may delegate this responsibility to the COSA on the high school level, or any other responsible staff member (all school levels).

Reminder: *Unauthorized* purchases will be the ***responsibility of the purchaser***.

- The completed and properly approved *Request for Expenditure Form* (Exhibit F) must be accompanied by supporting documents such as invoices, bids if used (see item 4.3 – Bidding), etc. The treasurer will examine the signatures for authenticity and completeness, and verify the computation and the amount of the invoice. He or she prepares a check for payment and notes on the request form, the name and address of the payee, the check number, and the date of the check. Two (2) authorized signatures are required for each check.

- The treasurer will record this transaction in the *Cash Disbursement Journal* (Exhibit B). All authorized disbursements must be made by check except small expenditures that can be paid from petty cash. **Every check must be shown in this journal even those that have been voided.**

- If a check is outstanding for more than 60 days, the treasurer should contact the payee for resolution. If there is no resolution and the check remains outstanding for an additional 30 days (90 days total) it should be voided. A stop payment request to the bank should be made.

Normally public schools do **not** pay New York State or New York City sales tax and the treasurer should not write checks that include sales tax unless "good cause" (e.g., vendor insists that sales tax be paid) is shown. All advisors should be provided with the *Exempt Organization Certification Form* (Exhibit G) prior to making any purchase.

4.2 Expenditure of General School Fund Money

In high schools, the Budget Committee should spend general school funds on items necessary for the proper functioning of student extracurricular and co-curricular activities, or for the direct benefit of students.

In elementary and middle/intermediate/junior high schools general school funds must be spent on items necessary for the proper functioning of student extracurricular and co-curricular activities, or for the direct benefit of students. However, if an item is **not** to be used either solely by the students or for their direct benefit, the **Superintendent's (or designee's) approval must be obtained before the purchase is made.**

Note:
Whenever permissible, goods and services should be purchased with tax levy and/or reimbursable school funds <u>before</u> general school funds are utilized.

The following is a list of the types of expenses associated with student activities:

4.2.1 Operation of the Student Organization

Administrative expenses connected with the operation of the Student Organization (sometimes called the "General Organization" or "Student Government Organization"). This can include bank fees, office supplies stationery, postage, purchase/lease of office equipment (such as a copier or computer), and costs of repairing any equipment.

4.2.2 Teams and Individual Competitions

Expenses connected with the conduct of individual or team intra/intermural sports and intra/intermural scholastic competitive activities may be paid with general school fund money. These expenses include, but are not limited to, rental of fields or other playing arenas, printing of tickets, purchase and maintenance of uniforms (for cheerleaders/boosters as well as players), purchase of supplies and equipment, payment of entry fees and licenses, purchase of awards (such as plaques or trophies), team insignia, and bus rental or other travel expenses.

4.2.3 Student Publications

All expenses related to the development, design, composition, printing, and dissemination of a student newspaper or literary journal may be paid for out of general school fund money. Such expenses also may include membership in the Scholastic Press Association, carfare for students attending inter-scholastic meetings for purposes of reporting, film and developing costs, expenses associated with the development and maintenance of a web site, purchase of a word processor or computer, necessary software, and other editorial supplies.

4.2.4 Clubs

Any club organized with the permission of the student organization and the principal may request general school fund money for its necessary expenditures such as magazine subscriptions, travel, refreshments, decorations, printing, entry fees, and dues for related national or state organizations. The allocation does not have to match funds raised by the club. Approval of such an allocation is at the principal's discretion at the elementary and middle/junior/intermediated level, or the Budget Committee at the high school level.

4.2.5 Cultural Events

Expenses related to musical or theatrical events where the students are either the participants or the audience may be paid for out of general school fund money. These expenses include the rental of a film, stage scenery, costumes, scripts, performing space, and the printing of programs and tickets.

4.2.6 Social Events

Expenses related to the efficient operation of school dances, school parties (on or off-site), school excursions, field days, or any other kind of approved, supervised activity intended to encourage the development of positive social attitudes may be paid for with student funds. Printing programs and tickets for such events are permissible expenses.

4.2.7 Student Welfare

Expenses related to assisting students whose financial circumstances prevent them from participating in student activities may be paid for with general school fund money. With the approval of the principal, general school funds may be used to assist the student in the purchase of uniforms or equipment, travel expenses, rental of a musical instrument, purchase of crafts supplies, or any other expense which is directly related to his or her involvement in a worthwhile learning activity, be it curricular or extracurricular.

4.2.8 General School Activity

Awards, trophies, insignia and other prizes used at recognition events may be purchased. Radios, cassette players, and other electronic equipment that may not be available through tax levy or reimbursable funds and that will be used solely for student activities also may be purchased.

4.2.9 Charitable Donations

With the approval of the principal and the consent of the student and faculty representatives on the budget or finance committee, it is permissible to raise funds for **charitable purposes**. All funds raised in this way MUST be deposited in the General School Fund Account for subsequent disbursement by the school treasurer to the proper recipient.

4.2.10 Special Purpose Money

Examples of money that have been collected for a special purpose and **must pass through** the general school fund account are:

- Awards for student leadership or achievement
- Scholarships
- Sales tax collected in a student operated store which must be forwarded to the City and State tax bureaus (Exhibits H and H-1) and item 6.2
- Charitable collections which must be forwarded to the designated charity

- Interest in a trust fund earmarked for a specific purpose
- Scholarship trust fund monies
- Private grants less than $7500 for scholarships or OTPS items only.

Note: Trips, including those out of state and to foreign countries, may be considered appropriate expenditures. Chaperones may be reimbursed for the cost of reasonable expenses incurred on these trips (e.g., transportation, admission costs, meals). * Tax levy funds should be used for these expenditures following the guidelines detailed in the SOPM chapter on *Travel and Conferences*. If Tax levy funds are unavailable for this purpose, General School Funds may be used.

** As a good business practice, staff responsible for organizing a student trip and collecting money for it, should notify parents that part of the money collected for the trip may include chaperone expenses.*

4.2.11 Restrictions

Certain restrictions apply in making payments in the above categories (see item 4.2). Everyone who is involved with the administration of a student activity should note the following:

- Public schools are exempt from paying both New York State and New York City sales taxes. The *Exempt Organization Certification Form* (Exhibit G) with the official NYC Board of Education tax-exempt number must be available to individuals authorized to make purchases. The purchaser should present this form when making purchases. If the purchaser pays the tax, under certain circumstances - where “good cause” is shown - the purchaser will be reimbursed for the tax.

- All individual purchases (e.g., refreshments for a meeting, equipment, tickets, rentals) must be pre-authorized by the principal or his/her designee; otherwise the buyer will bear the cost of the expense personally.

- Limited/Special Purpose Funds (e.g., scholarships and trust funds) must be used only for the specific purpose for which they were collected. No disbursement may be made if the fund is in a deficit condition.

- If New York State and New York City sales tax is collected in the operation of a school store, the taxes collected must **first** be deposited into the General School Fund Account and then **transferred on a quarterly basis** to the New York State Department of Taxation and Finance using Form *ST-100 (Exhibit*s H and H-1).

Please see item 6.2 for additional information regarding sales tax.

- No school can engage a full time or part time employee to assist with student activities (such as overseeing a GO store) and pay his/her salary **directly** from General School Fund money. If such a person is hired, schools must do the following:

  - Determine if any employment conditions are required for this position.

  - Establish a **grant** through the Superintendent's office with a position budgeted and paid for through regular BOE channels. To cover the cost of this position, funds from the general school fund account would be transferred to the Board of Education.

Note:

A person hired under this provision attains all of the rights of an employee of the Board of Education, including seniority. The employee would become part of the school's organization, and may be covered by a collective bargaining agreement.

- Any equipment purchased with general school fund money must be inventoried and secured with **the same care** as equipment purchased with tax levy or reimbursable funds. Refer to the SOPM chapter on *Inventory* for specifics. Also refer to the SOPM chapter on *OTPS Purchases* for Equipment Purchase Specifications.

- Petty Cash in an amount **no greater** than $200 may be drawn from the general school fund checking account to cover incidental expenses. Money collected through student activities should **not** be diverted to "petty cash" before it is deposited into the checking account. The check may be made out to the treasurer/COSA or other responsible person, but never to one of the account signatories. Unexpended petty cash must be accounted for and locked up.

- No expenditures for alcoholic beverages can be made.

- Gifts for teachers, custodians, or school staff are **not** permitted from the general school fund account unless the "gift" is a certificate or plaque in recognition of achievement or service. The Budget Committee on the high school level and the superintendent on the elementary or middle/junior/intermediate school level must approve any other form of honorarium that will involve general school funds.

4.3 Bidding

NOTE:
ALTHOUGH OBTAINING BIDS IS NOT REQUIRED WHEN PURCHASING WITH GENERAL SCHOOL FUNDS, YOU ARE ENCOURAGED TO DO SO. THE SUPERINTENDENT OR PRINCIPAL MAY MANDATE BIDDING IN HIS/HER DISTRICT/SCHOOL.

All purchases should be made **ensuring the wise and prudent use of funding**. Every precaution should be taken to guard against favoritism, improvidence, and extravagance.

When using general school fund money other than SAF money (which is tax levy) **formal bids are not required**. However, when purchases are **not** made via bidding or when the lowest bid is **not** accepted, the expenditure must be **supported by documentation** including a statement of why the vendor was chosen (e.g., neighborhood store, makes immediate deliveries, repair and exchange policy is advantageous, or lowest bid did not meet all the needs of the users).

NOTE:

THE FOLLOWING BIDDING THRESHOLDS HAVE BEEN DEVELOPED AS A GUIDE FOR THOSE WHO PREFER TO BID AND ARE FOR THE PURPOSE OF THIS SOPM CHAPTER ON GENERAL SCHOOL FUNDS ONLY. THEY ARE NOT TO BE USED FOR PURCHASES MADE WITH TAX LEVY OR REIMBURSEABLE FUNDING.

Tax Levy bidding rules are stated in the SOPM chapter on "Bidding and Contracts" and the DFO publication titled "School Purchasing Guide – Procurement Policy."

A bid is a request from a vendor to provide an item at a specified price. Depending on the price, a bid may be made by telephone or in writing.

- **$1 – 500**

  No Bid required. Limited up to $ 2,500 per vendor for the fiscal year. Purchase instrument must be school letterhead.

- **$501 - $5,000**

  Three (3) telephone bids needed. Please see Exhibit I for a facsimile of a form used for recording telephone bids. Must receive actual response from at least two (2) vendors. Written bids not necessary, but school must document bids received.

  Note: A response from a vendor of "no bid" is considered a bid.

- **$5,001 - $25,000**

  Three (3) written or faxed bids. Must receive actual response from at least two (2) vendors. Purchase instrument must be school letterhead.

- **Over $25,000**

  Three (3) written or faxed bids needed. Must receive actual response from at least two (2) vendors. Purchase instrument must be on school letterhead. Schools are encouraged to develop a contract with vendors to ensure terms and conditions are delivered. If assistance is required in the preparation of a contract, the Contracting Unit at the Division of Financial Operations (DFO) is available to help you. They can be reached at: **(718) 935-2650.** The Division of Financial Operations (DFO) contract registration with the New York City's Comptroller's Office will not be required.

5. HOW ARE MONIES ALLOCATED AND MANAGED?

5.1 Organizational Roles and Responsibilities

5.1.1 Responsibilities of the Principal

The principal:

- Is ultimately responsible for the collection, distribution, and accounting of all general school fund money.
- Must make certain that all receipts and expenditures are monitored on regular basis.
- Appoints a responsible member of the regular school staff to be the school treasurer (per diem substitute employees are not permitted to serve as the treasurer). The treasurer should have experience in budget and/or finance and/or should have some aptitude for simple accounting procedures.
- Must appoint a minimum of three (3) check signatories.
- Or his/her designee must approve, maintain, and submit an *Authorization to Collect General School Funds"* (Exhibit J).
- Will be responsible for the proper use of the General School Funds Procurement Card for the school, and will ensure that this card is used for purchases related to student activities.
- Must ensure that bills are paid on a timely basis.

5.1.2 Responsibilities of the Treasurer

The school treasurer:

- Serves as an advisory member of the school budget or finance committee.

- Receives and monitors money for deposit and issuing receipts.
- Issues checks in the manner prescribed by these regulations.
- Maintains records of income and disbursements.
- Maintains and examines purchase documents and verifying their accuracy.
- Verifies that a *Request for Expenditure Form* (Exhibit F) has been completed.
- Keeps records and prepares fiscal reports as the principal may request (e.g., a record of project appropriations, expenditures, and balances) and preparing monthly bank reconciliation for approval by principal or designee.
- Advises the principal of any inconsistencies with regulations or school instituted policies and procedures.

Note:

The treasurer **may not** perform any function officially assigned to the faculty advisor of a student activity. The treasurer is **not allowed to be a signatory** on the general school fund checking account.

5.1.3 Responsibilities of the Finance or Budget Committee

What is called a “finance committee” in the elementary and middle/intermediate/junior high school is called a “budget committee” in the high school.

In the elementary and middle/intermediate/junior high schools, the principal appoints a **finance committee** to assist in the administration of general school funds money. **This group includes staff members and students if the students are not deemed too young to participate.** The finance committee serves as an adviser to the school principal and the student organization, and recommends a program of income producing activities projects upon which general school funds money can be appropriately expended.

In a high school the **budget committee** is composed of staff and students. **It is required that representatives of the student organization be voting members of the budget committee and speak for the student body in approving or rejecting fund raising or fund expenditures.**

The committee is composed of the President of the Student Organization (SO), Representatives of the Student Organizations, and the Coordinator of Student Affairs (COSA). **The School Treasurer and the Assistant Principal for Operations serve on this committee in an advisory capacity.**

The **finance and budget committees** should meet regularly. The committees review the budget requests and determine the actual appropriation for each activity. Members of the committees must verify that appropriations are based on the overall financial status of the school's general school fund account. When the committees have approved a budget of allocations for annual activities, they submit the budget to the principal for his/her approval.

Checks drawn against the general school fund account must show at least two (2) of the minimum of three (3) signatories' signatures. The treasurer and students may **not** be designated signatories of the checking or any other account. The payee on a check issued from the checking account may **not** be a signatory for that check.

5.1.4 Responsibilities of a Faculty Advisor

The principal (or his/her designee) appoints a faculty advisor to take charge of each project or activity. The faculty advisor's responsibilities are:

- Submitting a reasonable *Budget Appropriation Request* (Exhibit K) for the project or activity near the end of the preceding spring term or at the formation of a new club or activity.
- Delivering all money collected to the school treasurer.
- Receiving or collecting money for the projects as authorized by the principal.
- Maintaining a record of project related income and expenditures.
- Preparing and maintaining a physical inventory of supplies, equipment and materials (This should be performed at the time of the school's regularly scheduled annual inventory activities).
- Preparing required financial reports and serving as the person who initially approves all expenditures related to the project.

In a large school where the budget committee determines expenditures of general school fund money, the faculty advisor may be asked to appear before the committee to explain the budget request.

5.1.5 Responsibilities of the Student Organization Advisor

The advisor of the student organization (or the COSA as he or she is called in high school) is a faculty member designated by the principal. His/her responsibilities **with respect to financial activities** may include:

- Coordinating and supervising all fund raising activities and overseeing income and disbursements.
- Serving as a resource to the student organization in the preparation and allocation of the SO budget (i.e., the collection of the relevant data on anticipated income and requests for funds) and the disbursement of these funds.

- Serving as a liaison to insure proper communication among the principal, the treasurer, student clubs, teams, and other organized activities as they plan for the expenditure of SO funds.

- Assisting advisors in planning income-producing activities.

- Overseeing the publication and appropriate distribution of the approved budget (At the end of the academic year, the COSA may wish to distribute to each faculty advisor of a student activity a *Budget Authorization Form* (Exhibit L) for the coming year).

- Supplying to and collecting from each advisor a *Budget Appropriation Request* (Exhibit K).

5.1.6 Responsibilities of the Co-Signers of Checks

A minimum of three (3) **full-time employees** must be designated as co-signers of checks for the general school fund checking account. Two (2) signatures are required on each check. The signatories must **not sign blank checks.** They should make themselves available to the school treasurer for check signing as deemed necessary. A co-signer may not be the payee.

5.1.7 Responsibilities of Student Members of the Budget or Finance Committee

Student members of the budget or finance committee represent the student body. If the principal (or his/her designee) vetoes a budget request made by the student body, the student members should ask the principal to reconsider. If their differences cannot be reconciled, the Superintendent or his/her designee will resolve the situation**. His/her decision will be final.**

5.2 How the Account is Monitored

Although the principal of a school may delegate administration of General School Fund money to responsible staff, **the principal remains ultimately responsible for the management of the general school fund and other cash account.**

5.3 How to Establish Checking and Savings (or other secure) Accounts for General School Funds

Notes:
The following rules apply to General School Fund accounts *ONLY*.

If a SCHOOL MEALS ACCOUNT (do not use Exhibit C-1 for this purpose), the school should consult with the:

Division of Financial Operations
Bureau of Receivables Accounting – Banking Unit
65 Court Street, Room 1802
Brooklyn, NY 11201
Tel #: 718-935-2654 Fax #: 718-935-5329
AND
The Office of School Food and Nutrition Services (OSFNS)

School Meal accounts should not be opened without the Board of Education's tax identification number.

The New York City Department of Finance requires that the Board of Education disclose annually the fund balances of each account opened with the Board of Education's tax identification number. Therefore, it is imperative that schools comply with the notification requirements as outlined below.

The Board and City classify general school fund and other cash for financial accounting purposes as Trust and Agency accounts. Bank service charges may be paid on these accounts. Prior to selecting a bank, it is recommended that the school consider banking terms and fee schedules and location of several local savings or commercial institutions.

5.3.1 General School Fund Checking Account

The principal (or his/her designee) must:

- Obtain two (2) signature cards from the bank designating **at least three (3) signatories**. Obtain their signatures.
- Write a letter to this bank (see Exhibit C) requesting that they open the account.

- Complete the *Notification of a New Bank Account Form* (See Exhibit C-1). Be certain to check √ the "Checking" box.

- Title the account:

New York City Board of Education
In Trust For (School Name and/or Number)
General School Fund Account

- Return the signature card and the letter to the bank. Make certain the Federal Employer Tax identification Number (**13-6400434)** used by the Board of Education appears on all bank and/or Board of Education documents.

- Forward the *Notification of a New Bank Account Form* (See Exhibit C-1) with **copies** of the signature card and letter (Exhibit C) to:

Division of Financial Operations
Bureau of Receivables Accounting – Banking Unit
65 Court Street, Room 1802
Brooklyn, NY 11201

AND

Your District Office/FMC.

5.3.2 - General School Fund Savings (or other secure) Account

If the amount of money in the checking account **exceeds** the amount needed for **two (2) months operation** of student activities, the principal, in order to earn interest, may authorize the opening of a savings account, a Certificate of Deposit, Treasury Note, or any other **secure account** that does not risk principal.

Funds may not be deposited directly into the savings account. Deposits may only be made by checks drawn from the checking account.

Notes:

1. To open a savings account, please follow all of the instructions outlined in 5.3.1 above. Be sure to check √ the "Savings" box on the *Notification* form (Exhibit C-1, Section 2).

2. Other secure accounts are opened in a similar fashion, following instructions outlined in 5.3.1 above. Be sure to check √ the appropriate box on the *Notification* form (Exhibit C-1, Section 2).

3. By October 1st of every year, the closing balances appearing on the school's June bank account statement must be reported to the Bureau of Receivables Accounting's Banking Unit for inclusion in the Board of Education's annual financial statements. Required information that must be **reported electronically from the field** includes: **Account Balance as of the ending date of the June bank Statement and the statement date.** All other pertinent bank account data such as, Bank Name, Account Name, Account Number, School Meals Account (if any) will be established and maintained by the Banking Unit.

5.4 Cash Disbursements Journal

All disbursements must be recorded in the *Cash Disbursement Journal.* (Exhibit B).

From the check stub of the checkbook, payments must be recorded as follows:

Column 1 Date - Date of the check

Column 2 Paid To - Payee (to whom the check is paid)

Column 3 Explanation - Explanation of the nature of the expense

Column 4 Check # - Number of the check

Note: All checks, even those that have been voided, must be listed in the journal.

Column 5 Amount Disbursed - Amount of the check

Column 6 – 15
Columns ("fields") should be titled according to the different school accounts assigned by the advisor of the activity. Amounts posted on these columns should equal the amount disbursed (column 5).

Notes:

Column 8 Sales Tax. This amount must be equal to the amount collected as recorded on the "Cash Receipt Journal".

Column 15 Other. This column is used for miscellaneous expenses.

5.5 How to Maintain the General School Fund Checkbook

The checkbook must be safeguarded both fiscally and physically:

- Checks must be pre-numbered and issued sequentially. All checks must be recorded and accounted for, including voided and blank checks.
- Blank checks must be kept in a locked place.
- Do not destroy voided checks. To avoid re-use, make certain the signature area is torn/cut off.
- Two (2) signatures must be on each check.
- Signatories must not sign blank checks. It is a signatory's responsibility to know the justification for issuing the check before he/she signs it.

- Lost or stolen checks must be reported to the school principal (or his/her designee), the police, the bank, and the office of the superintendent. A record of this report must be kept on file. All "stopped checks" must be reported to the principal as well.

- A replacement check should not be issued until written notification confirming the stop payment is received from the bank. The stub of the original, stopped check should include a notation that it has been canceled.

- The checkbook must be kept up-to-date. The running balance must be current at all times.

- The account register should be reconciled against the bank statement on a monthly basis. A copy of the June bank reconciliation should be part of the school's copy of the *Bank Account Balance Form* that is electronically forwarded to the school by the Bureau of Receivables Accounting. Please see note 3 on page 34 for additional details,

Cash receipts (revenue or income) and cash disbursement (expenses documents must be retained for a period of seven (7) years at the school. Canceled checks and bank statements must also be retained at the school for seven (7) years and filed chronologically to facilitate retrieval and auditing.

5.6 How to Close a Bank Account

Do the following if you must close a bank account:

- Report the closing to the Bureau of Receivables Accounting's Banking Unit and the bank holding the account. Please see page 32 for address. Indicate the following:

    - Account title and account number
    - Effective date of closing
    - Reason for closing account and where the remaining funds (if any) are to be transferred.
    - Name and title of the individual responsible for maintaining the closed account file.

- Bank statement showing a "0" balance for the closed account.

- Have the treasurer ensure that all outstanding checks have cleared.
- Make arrangements to settle all pending adjustments with the bank to "zero" out the account.
- Destroy all unused check stock for the closed bank account.

5.7 How to Accept a Gift or Grant

5.7.1 Gifts

In a resolution adopted on March 18, 1987, the Board of Education authorized and empowered the Chancellor to accept gifts. In an amendment to this resolution, adopted on June 20, 2001, the Board raised the value of the gifts that needed to be included in a Report to be Noted in the Board's calendar from a value equal to or more than $2,000 to $5,000. Therefore,

- **Gifts equal to or more than $5,000** are to be submitted to the Chancellor for acceptance and inclusion on a Central Board calendar.

For all gifts with a value equal to or more than $5,000, Superintendencies, Central Divisions and Offices must submit the following documents to the Office of the Chancellor (see below):

- **Notification of the Receipt of Gifts Form**
  The Notification Form must be completely filled out and include a description of the gift, an explanation of how the gift will be used, and where the gift will be directed (specific site). This form must also be submitted to amend a previously reported gift.

- **Donor Letter** specifying the purpose of the gift. Letters should specify approximate dollar value of non-cash gifts (materials, equipment and services).

- **Copy of check –** for cash gifts.

- **Copy of Proposal/Request** submitted to donor.

- **Copy of Will or Deed of Trust,** if a scholarship or trust fund will be established under the terms of the will or deed of trust.

Notes:

1. Copies of **all** documentation pertaining to **all** gifts – cash, services, equipment or material gifts, valued at less as well as those valued at more than $5,000 – **must** be retained by the receiving district, superintendency, central division or office for a minimum of seven (7) years.

2. Completed forms and appropriate supportive documentation should be submitted to:

Dorothea Kuritzkes, Special Assistant
Office of the Chancellor
110 Livingston Street, Room 1001
Brooklyn, New York 11201
(718) 935-2792

(Additional information and necessary forms may be secured from the above as well.)

3. Based on recent governance legislation, Community School Board signatures and acceptance are **not required for accepting gifts**. The new form reflects this change.

5.7.2 Grants

On May 20, 1987, the Board of Education adopted a resolution authorizing the Chancellor to accept federal, state, and special grants on behalf of community school districts and central offices. Receipt of these grants must be reported in a Report to be Noted in the Board's calendar.

Therefore, **all** federal, state, and special grants awarded **directly** to districts, superintendencies, central divisions or offices must be reported to the Office of the Chancellor, as indicated below, with the following documentation:

- **Notification of Receipt of Grants Form**
  Notification forms are required for both single period grand awards and multi-year grant awards. This form may also be used to amend a previously reported grant. The form must be completely filled out. For central divisions, offices and high school superintendencies the Notification Form must include the date of submission of a completed **Summary Data Form** to the Office of the Chancellor.

- **Copy of Grant Award Letter**

- **Proposal (or Continuation Update)**

- **Evaluation –** the most recent evaluation must be submitted with the Notification Form for continuing projects or grants.

Notes:

1. Copies of **all** documentation pertaining to **all** grants must be retained by the receiving district, superintendency, division or office for a minimum of seven (7) years.

2. Completed forms and appropriate supportive documentation should be submitted to:

Dorothea Kuritzkes, Special Assistant
Office of the Chancellor
110 Livingston Street, Room 1001
Brooklyn, New York 11201
(718) 935-2792

(Additional information and necessary forms may be secured from the above as well.)

5.7.3 Spending Gift or Grant Money Through a School Account

Following are the thresholds regarding the expenditure of gift or grant money from a school account:

Up to $5,000 can be spent from General School Funds for OTPS only. A central account must be established for funds spent on personnel.

Note: The exception is for scholarships, which has no limits.

Over $5,000 requires Central Board approval and the establishment of a central account.

5.7.4 General Information

Note: Equipment donations must be recorded on inventory records just like equipment purchased with tax levy or reimbursable funds.

Equipment donations must be accompanied by a letter outlining and describing (including dimension: height, width, weight, etc.) the equipment, the cost associated with handling, the moving or trucking of the equipment, and who will bear these costs. Equipment must be in good operating condition and useful to the school. For restricted use items, the schools should contact the Office of Purchasing Management (OPM) for inspection before accepting the donations.

Donations of physical plant and/or restricted or regulated items must be cleared with appropriate Central Board of Education offices (e.g. OPM). Schools should consult with their respective district's Director of Operations or Procurement Liaison before accepting such donations.

5.8 How to Administer Petty Cash

- Reimbursement for expenditures should be made by check whenever possible. However, Petty Cash is to be used to meet **small** immediate expenses incurred in conducting student activities.

- Cash on hand is not to be more than $200.

- The treasurer is permitted to draw a check payable to him/herself or to "Petty Cash" for no more than $200 to fund the Petty Cash account. Each check for Petty Cash must be recorded in a Petty Cash column on the *Cash Disbursements Journal* (Exhibit B).

- To request advances from Petty Cash, an individual must complete and have approved a *Petty Cash Voucher*. (Exhibit E).

- The treasurer must assign a number sequentially to each voucher. The vouchers should be filed chronologically.

- Proper supporting documentation must accompany every expenditure, no matter what the amount. Receipts or invoices must be attached to the Petty Cash Voucher. Before the Petty Cash account is replenished, all outstanding Petty Cash Vouchers should be accounted for.

5.9 How to Process Cash Receipts

The principal approves an *Authorization to Collect General School Funds* (Exhibit J) that is prepared by each faculty advisor whose activity requires the collection of money.

Only teachers, parents, other staff members, or students who have been properly authorized by the principal (or his/her designee) may collect cash.

Cash collected from all sources should be given to the school treasurer as soon as possible. Upon receipt, the school treasurer will give the bearer of the cash a *Treasurer's Receipt* (Exhibit M). Cash receipts are placed in a safe, vault, or other secure location until deposited as soon as possible, but not less than once a week. To assist in the accounting of funds collected you may wish to use Exhibit N – School Deposit Summary Form. The use of this form is optional.

Note: Use receipts or invoices that are pre-numbered and have a duplicate copy. The treasurer will give the original receipt to the bearer of the cash; the duplicate copy will remain in the treasurer's book. If the cash received included New York State and New York City sales tax, show the breakdown on the cash receipt. This will help the treasurer account for the sales tax that must be remitted on a quarterly basis to the New York State Department of Taxation and Finance.

5.10 Record of Cash Receipts

After receiving cash and issuing a receipt for it, the treasurer must make a record of this transaction in the *Cash Receipts Journal* (Exhibit A). If you prefer, appropriate software or a "hard" cash receipts journal can be used for this purpose.

In either case, column headings ("fields') for cash receipts must reflect the type of activities adopted by each individual school. The source of entries is from the *Treasurer's Receipts* (Exhibit M) or the School Deposit Summary Form (Exhibit N).

Column 1 Date - Date of the receipt of cash.

Column 2 Received From - Source of the cash received.

Column 3 Explanation - Explanation of the nature or purpose of the cash received.

Column 4 Receipt - Number of the Treasurer's receipt.

Column 5 Bank Deposits - Amount deposited in the bank. The deposit slips are filed chronologically according to the date of deposit.

Column 6 Amount Received - Amount received must be the same as the total amount recorded on the Treasurer's receipt.

Columns 7-15 Name these columns ("fields") according to your school activities. The amount recorded in these columns should equal (Column 6) the amount recorded on the Treasurer's Receipts.

Note:

Column 9

Sales Tax: The amount is computed based on the current rate of sales tax in New York City. See topic 6.2 below: *How to collect and Remit Sales Tax*. Sales tax collected from all activities is posted in this column.

Column 13

Only collections for charity that are authorized by the principal are posted in this column. A school check is issued in exchange and forwarded to the benefiting agency.

5.11 Internal Controls

Internal Control procedures have been discussed throughout this chapter. The following is a summary:

- Cash must be deposited on a daily basis or as close to daily as possible. Until the time of deposit, it must be accounted for and kept in a secure place.
- Receipts are issued for all revenue collected and deposited. The source(s) of revenue is identified on the Cash Receipt.
- Controls over the checkbook are to be followed as outlined in topic 5.5 "How to Maintain the General School Fund Checkbook."
- All expenditures are to be paid by check except for very small expenses that may be paid out of petty cash (see topic 5.7 "Petty Cash").
- All cash receipts and disbursements are recorded daily or as close to daily as possible. They are recorded in the appropriate ledger or financial report.
- Supporting documentation for all purchases must be maintained.

- Receipts and expenditures are regularly monitored by the school principal (or his/her designee) and treasurer as well as by the members of the budget or finance committee.

- To the extent possible purchasing, receiving, and accounting functions must be segregated.

- All bank accounts maintained in the school should be properly listed with the Bureau of Receivables Accounting, Banking Unit at 65 Court Street.

- Bank statements should be reconciled monthly.

- General School Funds Procurement Cards are issued only through the Board of Education by banks under contract to do so. They may be used for purchases of materials related to student activities. Monthly bills for purchases made with a Board of Education authorized General School Funds Procurement Card must be paid with checks drawn from the General School Fund Checking Account.

- All regulations outlined in this SOPM chapter on *General School Funds and Cash Transactions* are subject to audit by the Office of Auditor General (OAG).

6. HOW ARE SCHOOL ACTIVITY FUNDS ACCOUNTED FOR AND REPORTED?

6.1 General School Funds Reports

FINANCIAL ACTIVITIES REPORTS

NAME OF REPORT	EXHIBIT LETTER	DESCRIPTION	PREPARED BY	FREQUENCY	COPIES TO
Final Statement at Conclusion of Revenue Producing Activity	**D**	Multi-purpose form used to record income, expenses and profit and loss related to a school sponsored activity or event.	Faculty advisor in charge of the activity or event.	At the conclusion of the activity or event.	Principal Budget/Finance Committee Treasurer
Sales Tax Report Instructions	**H** **H-1**	Quarterly Sales Tax Return Form – ST-100 Instructions for the Completion of Exhibit H	Treasurer	Quarterly	NYS Bureau of Taxation and Finance

6.2 How to Collect and Remit Sales Tax

The public schools are exempt from ***paying*** sales tax but are ***not exempt*** from collecting and remitting sales tax *when operating a school store* that sells goods normally sold by a private vendor.

The State of New York and the City of New York levy sales tax on most non-food items. The State administers the New York City Sales Tax Program. Therefore, only **one** certification and report is necessary.

In order to collect this tax the school must ***apply*** to the New York State Department of Taxation and Finance for a **Certificate of Authority**. For information, forms, or publications call toll free, New York State only, **1-800-225-5829 or visit the website at http://www.tax.state.ny.us.** .You may also get forms via Fax through the Fax on Demand System **(800) 748-3676.**

Registered tax collectors will automatically receive forms to file quarterly reports. These reports are due on the 20th of December, March, June and September.

> **Note:** You may wish to visit the official website of the New York State Department of Taxation and Finance located at **http://www.tax.state.ny.us** to ensure that these dates are accurate. All changes will be reflected on the website.

Failure to receive the form does not excuse the school from its obligation to file these reports on time. Call the above toll free number or visit the website to obtain the form you need for the specific quarter you are missing.

It is the responsibility of the faculty advisor in charge of a student store to **visit the website** to access information regarding those items that are taxable or exempt from taxes. **Please do the following to access this information:**

Visit the official website of the New York State Department of Taxation and Finance located at: **http://www.tax.state.ny.us**. .

For Taxable Items:

Click on "*Publications and Technical Bulletins*"
Click on *"Popular Publications*"
Click on *"Sales Tax Publications*"
Click on *"PUB-840* (May 1, 2000)*****

*****Publication *PUB-840* is for Drug Stores and Pharmacies. We have been advised by the state that in this publication most of the items sold in school stores will be found.

For Tax Exemptions:

Click on "Publications and Technical Bulletins"
Click on "Memos (TSB-M) (1981 – Present)"
Click on "Sales Tax Memos"
Click on "TSB-M-01 (2) S (2/21/01)"*****

*****This publication includes the tax exemption on clothes in New York City.

The faculty advisor must teach the seller/s in the school store how to compute sales tax and how to record the tax portion of the sale. This will enable the treasurer to remit the collected sales tax and to file the sales tax report (*Form ST-100)* quarterly.

The **ST 100** form and its instructions are updated frequently by the New York State Department of Taxation and Finance, and therefore, we will **not** provide facsimiles in our exhibit section. Instead, we will provide the address of the website where you can go to download the form and its instructions. Please see Exhibit H for the address of the website to download the ST 100 form and Exhibit H-1 for the website to download the Instructions for the completion of this form.

If the ***school is registered as a tax collector,*** it is required to file a return even if it does not have taxable sales. See item 6.2 for additional details regarding the filing and payment of sales tax.

The treasurer must prepare a *Request for Expenditure* (Exhibit F) before remitting the collected sales tax. Remit by issuing a check and follow the procedures for cash disbursement. He or she must include the **State Sales Tax Identification Number (13-6400434)** used by the Board of Education ***on the check***. A completed copy of the New York State Sales Tax Return will serve as the invoice for this disbursement. Keep a copy in the file.

7. CASH FUNDS

This topic addresses accounts other than the ***General School Fund***. It contains information for cash receipts that are deposited or processed to two other accounts:

- Deposited to the Central Board's Consolidated Trust Fund, and
- Processed through the Central Board.

The above two accounts are **not** discussed in this chapter, but will be included in the SOPM chapter on "*OTPS Purchases*." However, for informational purposes only, we are providing a brief explanation regarding these two accounts:

7.1 Cash Receipts Deposited to the Consolidated Trust Fund

Cash receipts for deposit to the Consolidated Trust Fund are **approved** by the Division of Financial Operation's (DFO's) Bureau of Receivables Accounting, and include donations payable to the **Board of Education** (not to a specific school) for the purpose of recording donations to establish Board-wide scholarships.

7.2 Cash Receipts Processed through the Central Board

Cash receipts, which may **not** be deposited into a **General School Fund, district, or central bank account unless specifically authorized, are:**

- Reimbursements from vendors if the transaction originated from the expenditure of Board of Education funds (tax levy or reimbursable)
- Payment for emergency personal use of Board of Education telephones if the transaction originated from the expenditure of Board of Education funds (tax levy or reimbursable)
- Restitution for or acts of theft or vandalism if the items stolen or vandalized were purchased with Board of Education funds (tax levy or reimbursable) or General School Funds
- Fees collected for Extended Use of School Buildings (Please see SOPM chapter on same topic for additional information)
- Non-resident Tuition
- Jury Duty stipends
- Grants and Royalties
- Fees collected in connection with self-sustaining programs (i.e., medical examinations, fingerprinting fees)

These receipts must be forwarded to the Division of Financial Operation's (DFO's) Bureau of Receivables Accounting along with the "Cash Receipts" forms (Exhibits O and P) for processing as follows:

Exhibit O – Short Form – Three (3) copies

> **Note:** You may download and print these forms from DFO's website located at: http://www.nycenet.edu/dfo

No school, district or central office may deposit such receipts into an established bank account or establish new bank accounts for these purposes.

Continued…

Note: Funds reported (see 7.2 above) **prior** to May 15th (except for Jury Duty stipends), would be credited to the schools/districts budgets for the fiscal year ending June 30th. All subsequent receipts will be deposited into the City's Miscellaneous Revenue Account, and schools/districts will NOT get any credit/reimbursement for these funds for that fiscal year.

(Please refer to year-end closing deadlines issued by
the Office of Accounting for additional information on due dates)

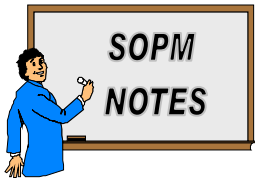
7.3 School Meals Accounts

In section 5.3 of this chapter (page 32), it was suggested that a school consult with the Bureau of Receivables Accounting – Banking Unit of the Division of Financial Operations (DFO) if it wishes to open a School Meals account for the deposit and subsequent disbursement of monies collected for meals provided by the Office of School Food and Nutrition Services (OSFNS).

Although school meals are purchased with tax levy money, a school may elect to deposit revenue from the sale of reduced or fully paid meals into the General School Fund account. The principal, however, must ensure that all such transactions are listed separately in the cash receipts and disbursements journals, and all revenues are transmitted in a timely fashion to OSFNS.

7.4 Lost Textbooks

Although purchases for textbooks are also made with tax levy money, respective funds may be deposited in the General School Fund Account. The principal however, must ensure that these funds are used for the replacement of lost and/or destroyed books only.


SOPM
NOTES

8. FORMS AND EXHIBITS

Included on the following pages are the forms and exhibits discussed in this SOPM chapter. For ease of reference, this section has been divided into two parts:

- An explanation of each exhibit showing the pages within this chapter that the particular exhibit is referenced.
- A "thumbnail" image of each exhibit.

Note:
The "thumbnail" images of the various forms and exhibits discussed in this chapter, and shown on the following pages, are SAMPLES and are provided for REFERENCE only. You may, if you wish, use the sample provided or adapt it to better meet the needs of your school. You can use school prepared, or over-the-counter computer software programs instead of a paper form. You may also generate additional forms not included here to better meet your school's needs and/or provide a better "paper trail." In an effort to reduce paperwork, it is suggested that you consolidate forms to better meet your school's requirements. If you wish to download a particular form or exhibit, please visit the website of the Division of Financial Operations (DFO) located at: **http://www.nycenet.edu/dfo/** and click on SOPM.

Exhibit Letter	Page References	Title of Exhibit
A	3, 11, 42, 58	Cash Receipts Journal

Explanation:
A book or software program that documents all receipts or transfers (between accounts) to the General School Fund. After receiving receipts (cash or checks), they must be recorded, by the treasurer, in this journal. The columns ("fields") should be titled according to the different school accounts assigned by the advisor of the activity. Amounts posted on these columns should equal the amount received by the treasurer.

Exhibit Letter	Page References	Title of Exhibit
B	3, 11, 18, 34, 40, 59	Cash Disbursements Journal

Explanation:
A book or software program that documents all disbursements or transfers (between accounts) from the General School Fund. The treasurer must record all disbursements in this journal. All checks, even those that have been voided must appear in the journal. The columns ("fields") should be titled according to the different school accounts (including Petty Cash) assigned by the advisor of the activity. Amounts posted on these columns should equal the amount disbursed by the treasurer.

Exhibit Letter	Page References	Title of Exhibit
C	10, 32, 33, 60	Letter to Bank to Open a Checking or Savings Account

Explanation:
Letter signed by the principal authorizing the establishment of a checking or savings account. This letter should indicate the names and bear the signatures of at least 3 individuals who have been selected as authorized signatories on the account. It must be submitted along with the Notification of a New Bank Account Form (Exhibit C-1) to the Division of Financial Operations, Bureau of Receivables Accounting, Banking Unit, 65 Court Street, Room 1802, Brooklyn, NY 11201 and your District Office/Financial Management Center.

Exhibit Letter	Page References	Title of Exhibit
C-1	10, 32, 33, 34, 61	Notification of a New Bank Account for General School Funds

Explanation:
Form used to open a new checking, savings or other secure account. Attached to this form are the completed bank signature card and letter to bank (Exhibit C). Copies of both documents are to be forwarded to the Bureau of Receivables Accounting of DFO.

Exhibit Letter	Page References	Title of Exhibit
D	14, 15, 45, 62	Final Statement at Conclusion of Revenue Producing Activity

Explanation:
Multi-purpose form completed by the faculty advisor in charge, and given to the principal or his/her designee, budget/finance committee and school treasurer at the conclusion of a school sponsored activity or event. Income, expenses and profit and loss related to that activity or event is recorded on this form.

Exhibit Letter	Page References	Title of Exhibit
E	40, 63	Petty Cash Voucher

Explanation:
All cash disbursements for small emergency expenditures are recorded on this form. Whenever money is added to the Petty Cash account, it must be recorded in the Cash Disbursements Journal (Exhibit B).

Exhibit Letter	Page References	Title of Exhibit
F	17, 18, 28, 48, 64	Request for Expenditure Form

Explanation:
Must be completed by the treasurer before he/she can make any disbursement (including sales tax) from the General School Fund account. All accompanying documentation (invoices, bids if used) must be affixed to this form.

Exhibit Letter	Page References	Title of Exhibit
G	18, 22, 65	Exempt Organization Certification

Explanation:
Individuals authorized to make school related purchases should use this form to avoid paying sales tax. The principal or his/her designee must place the Board of Education tax-exempt number onto this form prior to giving it to the purchaser. The BOE tax-exempt number is:
EX- 690210637. The purchaser must present this form to the vendor when making purchases. If the purchaser pays the tax, under certain circumstances – where "good cause" is shown – the purchaser will be reimbursed for the tax.

Exhibit Letter	Page References	Title of Exhibit
H	21, 23, 45, 47, 66	Sales Tax Report (Form ST-100)

Explanation:
New York State Department of Taxation and Finance form that must be filed quarterly with a General School Fund check for sales tax collected in that quarter. This form and instructions for its completion can be downloaded directly from the NYS Department of Taxation and Finance located at: www.tax.state.ny.us/

Exhibit Letter	Page References	Title of Exhibit
I	25, 68	Telephone Bid Recording Form

Explanation:
Form used to record telephone bids from at least 3 vendors if the anticipated purchase is expected to be between $501 and $5,000. An actual response from at least 2 vendors must be received.

Note: For General School Fund expenditures **ONLY**, a bid is **NOT** required. You may however, bid if you wish to do so.

Exhibit Letter	Page References	Title of Exhibit
J	27, 41, 69	Authorization to Collect General School Funds

Explanation:
A form prepared by each faculty advisor whose activity necessitates the collection of money. The principal must approve this form prior to any collections made.

Exhibit Letter	Page References	Title of Exhibit
K	30, 31, 70	Budget Appropriation Request

Explanation:
A form distributed and collected by the Coordinator of Student Affairs (COSA) or his/her equivalent in other than high schools. The faculty advisor of each activity completes this form giving information regarding the activity and the amount of money required to adequately fund this activity.

Exhibit Letter	Page References	Title of Exhibit
L	31, 71	Budget Authorization Form

Explanation:
A form distributed and collected by the coordinator of Student Affairs (COSA) or his/her equivalent in other than high schools. It indicates the allotment for a particular activity for the school year and authorizes the advisor to begin spending for that activity

Exhibit Letter	Page References	Title of Exhibit
M	44, 42, 72	Treasurer's Receipt

Explanation:
A receipt given to an individual who deposits cash or checks with the school treasurer. A copy of this receipt is retained by the treasurer and is used as a source of entries into the Cash Receipts Journal (Exhibit A).

Exhibit Letter	Page References	Title of Exhibit
N	41, 42, 73	School Deposit Summary Form

Explanation:
A form developed by the school which shows deposits for a particular club, program or activity by cash, coins and checks.

Exhibit Letter	Page References	Title of Exhibit
O	50	Cash Receipt Form – Short Form

Explanation:
A form, which must accompany cash receipts processed through the Central Board of Education. Three (3) copies of this "short version" must be forwarded to The Division of Financial Operations, Bureau of Receivables Accounting.

SAMPLE OF EXHIBIT A

CASH RECEIPTS JOURNAL 2001 - 2002

Note: Amounts, Dates and Columns are filled in for ***SAMPLE*** purposes only

1 Date	2 Received From	3 Explanation	4 Recpt	5 Bank Deposits	6 Amount Received	7 G. O. Dues	8 School Store Revenue	9 Sales Tax	10 Cultural Entertain.	11 Club & Group Activities	12 Graduation	13 Exchange	14 Faculty Fund	15 Misc.
Sept.				$	$	$	$	$	$	$	$	$	$	
7	M. Brown	GO Dues	301		60.00								60.00	
7	M. Anderson	Pupil Handbooks	302		20.00					20.00				
7	B. Dawson	School Store	303		11.15		10.32	0.83						
8	M. Brown	G.O. Dues	304		120.00	120.00								
8	L. Rodriguez	Jr. Red Cross	305	261.15	50.00							50.00		
12	M. Brown	G.O. Dues	306		380.00	380.00								
13	M. Brown	G.O. Dues	307	590.00	210.00	210.00								
15	B. Dawson	School Store	308		72.96		67.56	5.40						
15	M. Brown	G.O. Dues	309	192.96	120.00	120.00								
(OTHER SEPT. TRANSACTIONS NOT SHOWN IN EXHIBIT)				*332.50*	*332.50*	*70.00*	*196.06*	*15.69*		*18.25*		*32.50*		
TOTALS SEPTEMBER 1 TO SEPTEMBER 30, 2001				*1376.61*	*1376.61*	*900.00*	*273.94*	*21.92*	*-0-*	*38.25*	*-0-*	*82.50*	*60.00*	
	TOTAL BROUGHT FORWARD			*1376.61*	*1376.61*	*900.00*	*273.94*	*21.92*		*38.25*		*82.50*	*60.00*	
4	M. Brown	G.O. Dues	326		110.00	110.00								
4	B. Dawson	School Store	327	164.30	54.30		50.28	4.02						
4	R. Berkowitz	G. O. Movie	328		10.20				10.20					
10	D. Feldman	PTA Donations	329		25.00					25.00				
16	M. Brown	G.O. Dues	330		70.00	70.00								
16	B. Dawson	School Store	331	116.02	10.82		10.02	0.80						
OTHER OCTOBER TRANSCT. NOT SHOWN IN EXHIBIT				*112.68*	*112.68*		*46.30*	*3.70*				*2.68*	*60.00*	
TOTAL OCTOBER 1 TO OCTOBER 31, 2001				*1769.61*	*1769.61*	*1080.00*	*380.54*	*30.44*	*10.20*	*63.25*	*-0-*	*85.18*	*120.00*	
Nov.	TOTALS BROUGHT FORWARD			*1769.61*	*1769.61*	*1080.00*	*380.54*	*30.44*	*10.20*	*63.25*	*-0-*	*85.18*	*120.00*	
(November - June Transactions not shown in exhibit				*2167.92*	*2167.92*	*20.00*	*792.87*	*63.43*	*89.80*	*176.75*	*180.00*	*515.07*	*330.00*	
TOTALS SEPTEMBER 1 THROUGH JUNE 30, 2002				*3937.53*	*3937.53*	*1100.00*	*1173.41*	*93.87*	*100.00*	*240.00*	*180.00*	*600.25*	*450.00*	
Balance of cash in bank previous year June 30, 2001					*73.34*									
TOTAL RECEIPTS RESPONSIBILITY June 30, 2001					*4010.87*									

SAMPLE OF EXHIBIT B

CASH DISBURSEMENTS 2001 - 2002

Note: Amounts, Dates and Columns are filled in for ***SAMPLE*** *purposes only*

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Date	Paid to	Explanation	Check #	Amount Disbursed	G.O. Gen. Expense	School Store Expenses	Sales Tax	Cultural Entertain.	Club & Group Activities	Awards	Graduation	Exchange	Faculty Fund	Other
Sept.				$	$	$	$	$	$	$	$	$	$	
14	Jr. Red Cross	Pupil Contributions	1201	50.00								50.00		
14	Four Star Flag Co.	Class Pennants	1202	10.00						10.00				
15	Scholastic Supplies	Sundry School Store Items	1203	60.14		60.14								
18	Reed & Co.	G.O. Officer Pins	1204	10.65	10.65									
19	M. Brown	GO Dues Reimbursement	1205	16.00									16.00	
29	N.Y. Sales Tax Bureau	Tax on G.O. Store Sales	1206	21.92			21.92							
(OTHER SEPT. TRANSACTIONS NOT SHOWN IN EXHIBIT)				*417.71*		*365.21*			*20.00*			*32.50*		
TOTALS SEPTEMBER 1 TO SEPTEMBER 30, 2001				*586.42*	*10.65*	*425.35*	*21.92*	*-0-*	*20.00*	*10.00*	*-0-*	*82.50*	*16.00*	
	TOTAL BROUGHT FORWARD			586.42	10.65	425.35	21.92	-0-	20.00	10.00	-0-	82.50	16.00	
5	Ace Rubber Stamp Co.	Name Stamps	1227	6.50	6.50									
5	Royal School Supplies	Letterhead Ringbinders	1228	54.19		54.19								
6	A. Facci	Math Club Carfare	1229	10.00					10.00					
10	Hartack Printing	Stationary	1230	16.30	16.30									
10	Brewster & Co.	Sundry School Store Item	1231	57.49		57.49								
OTHER OCTOBER TRANSCT. NOT SHOWN IN EXHIBIT				*169.91*				*120.48*	*19.00*			*2.68*	*27.75*	
TOTAL SEPTEMBER 1 TO OCTOBER 31, 2001				*900.81*	*33.45*	*537.03*	*21.92*	*120.48*	*49.00*	*10.00*	*-0-*	*85.18*	*43.75*	
Nov.														
1	TOTALS BROUGHT FORWARD			900.81	33.45	537.03	21.92	120.48	49.00	10.00	-0-	85.18	43.75	
(OTHER NOV. THROUGH JUNE TRANSACTIONS NOT SHOWN IN EXHIBIT				*3020.33*	*43.05*	*265.55*	*71.95*	*1079.56*	*426.10*	*40.00*	*200.00*	*515.07*	*379.05*	
TOTALS SEPTEMBER 1 THROUGH JUNE 30, 2002				*3921.14*	*76.50*	*802.58*	*93.87*	*1200.04*	*475.10*	*50.00*	*200.00*	*600.25*	*422.80*	

SAMPLE OF EXHIBIT C

SCHOOL LETTERHEAD

(Letter to Bank to Open a School Checking or Savings Account)

----date----

Brooklyn Trust Co.
924 Banes Rd.
Brooklyn, N.Y. 10029

Dear Brooklyn Trust Company

I am the principal of ---name of school---. Please open a [fill in: checking or savings] account in the name of the Department of Education as follows:

Account Name

New York City Department of Education
In Trust For ---name of school---
[General School Fund Account]

Federal I D Number used by the Department of Education: **13-6400434**

The [fill in: check or savings account information] should be imprinted with the account name as indicated above. Each check must be signed by a combination of any **two** of the following people whose signatures appear below:

Names	Signatures
Joseph Roland	----------
Bertha Gordon	----------
Helene Goodman	----------

Sincerely yours,

---name of principal---, Principal
_____ Address of School including Zip Code
_____

Tel No : XXX-XXX-XXXX
Fax No: XXX-XXX-XXXX
E-Mail: _____

c: Bureau of Financial Management and Reporting
District Office/FMC/ROC

Please attach a copy of this letter to the
"Notification of a New Bank Account for General School Funds" Form

SAMPLE OF EXHIBIT C-1

Notification of a New Bank Account for General School Funds

Please type or print information (except signatures)

1

District/FMC/ROC No.: _____ Fax No.: _____
School/Office Name: _____ E-Mail: _____
School Number: _____ Telephone No.: _____

2

NEW ACCOUNT INFORMATION
Federal Tax Identification Number: 13-6400434

_____
New Account Number

Name of Account:
New York City Department of Education
In Trust For_____
School Name and/or Number
General School Fund Account or
_____ Scholarship Fund or
_____Trust Fund, etc.

Type of Account
(Check)
☐ Checking
☐ Savings
☐ Certificate of Deposit
☐ Trust
☐ Scholarship
☐ Secured Money Mkt.
☐ Other

Name of Bank: _____
Address (Branch): _____
Zip Code

3

OTHER ACCOUNTS
Please list all other accounts at your school

Name of Bank	Branch No.	Account No.

4

REPLACED ACCOUNTS
Use this section only when a new account replaces an existing account

Account Name: _____ Account Number: _____
Bank: _____

☐ Active
☐ Closed
(Check)

5

SIGNATORIES
Enter a minimum of three (3) full time annual employee names. Two (2) signatories must sign each check. Signature cards must be updated immediately upon any change in signatories.

Name: _____ Title _____
Name: _____ Title _____
Name: _____ Title: _____
Name: _____ Title _____

6

TREASURER OF ACCOUNT
*The School Treasurer may **NOT** be designated as a check signatory*

Name:_____ Title: _____
Home Address: _____
Telephone Number: _____ Zip Code

Name of School Principal: _____
Signature: _____ Date: _____

PLEASE ATTACH TO THIS FORM A COPY OF THE COMPLETED BANK SIGNATURE CARD AND LETTER TO BANK FORWARD BOTH DOCUMENTS TO: DFO, BUREAU OF FINANCIAL MANAGEMENT AND REPORTING, ROOM 1802, 65 COURT STREET, BROOKLYN, NEW YORK 11201 AND YOUR DISTRICT OFFICE/FMC/ROC.

SAMPLE OF EXHIBIT D

FINAL STATEMENT AT CONCLUSION OF REVENUE PRODUCING ACTIVITY

Name of Activity: _____
Date of Event: _____
Faculty Advisor: _____

A. INCOME

Ticket Sales
Number Printed: _____

Sold

From: _____ To: _____ @ $_____ = $ _____
From: _____ To: _____ @ $_____ = $ _____
From: _____ To: _____ @ $_____ = $ _____
From: _____ To: _____ @ $_____ = $ _____

Unsold	Complimentary	Unaccounted Tickets
From: _____ To: _____	From: _____ To: _____	From: _____ To: _____
From: _____ To: _____	From: _____ To: _____	From: _____ To: _____
From: _____ To: _____	From: _____ To: _____	From: _____ To: _____
From: _____ To: _____	From: _____ To: _____	From: _____ To: _____

B. OTHER SOURCES OF INCOME *(Please Specify)*

Source of Income	Amount Raised
_____	$_____
_____	$_____
_____	$_____
_____	$_____

C. EXPENSES

Total Expenses: $_____
(Each expense should be recorded on the *Request for Expenditure Form* and maintained by the school's treasurer.)

D. PROFIT OR LOSS

Profit: $_____ Loss: ($_____)

I certify that the information in this report is, to the best of my knowledge, correct.

_____	_____	_____
Faculty Advisor (Print)	Faculty Advisor (Signature)	Date

SAMPLE OF EXHIBIT E

PETTY CASH VOUCHER

No. _____
Date: _____

PAY TO: _____
FOR: _____

Dollars	Cents

APPROVED BY: _____
Title _____

PAYMENT RECEIVED: _____
Title _____

SAMPLE OF EXHIBIT F

REQUEST FOR EXPENDITURE

Date: _____

School: _____ **District/ROC:** _____

Estimated Amount of Expenditure: $_____ Actual Amount of Expenditure: $_____

Purpose of purchase: _____

Description of purchase: _____

Charge to school account: _____

AUTHORIZED SIGNATURES:

_____	_____	_____
Purchaser	Advisor (if applicable)	Principal (or designee)

Date: _____

Payee: _____ Check No.: _____

Address: _____

_____	_____
Counter Signature (When Applicable)	Signature of School Treasurer

Attach invoice(s) to this request

SAMPLE OF EXHIBIT G

ST-119.1 (6/81)

State of New York – Department of Taxation and Finance
Taxpayer Services Division

New York State and Local Sales and Use Tax

EXEMPT ORGANIZATION CERTIFICATION

VENDOR		EXEMPT ORGANIZATION
	NAME AND ADDRESS	NEW YORK CITY DEPARTMENT OF EDUCATION (Name and address of school)
THIS CERTIFICATION IS ACCEPTABLE IF THE PURCHASER HAS ENTERED ALL INFORMATION REQUIRED		CERTIFICATE NUMBER **EX –690210637**

THE UNDERSIGNED HEREBY CERTIFIES THAT THE ORGANIZATION NAMED ABOVE HAS RECEIVED AN EXEMPT ORGANIZATION CERTIFICATE AND IS EXEMPT FOM STATE AND LOCAL TAXES ON ALL ITS PURCHASES.

SIGNATURE OF OFFICER | TITLE | DATE PREPARED

INSTRUCTIONS FOR USE OF CERTIFICATION

Exempt Organization Certification (ST-119.1) may be used only when an exempt organization is the direct purchaser and payer of record. Any bill, invoice, or receipt given by the vendor must show the above organization as the purchaser. Payment must be from the funds of the exempt organization.

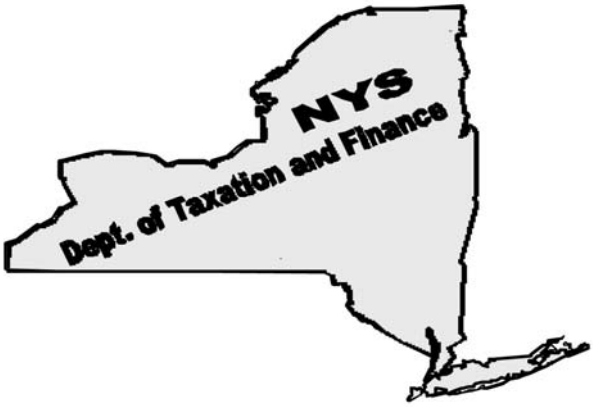
The exemption from state and local sales and use tax does not extend to officers, members, or employees of the organization. Personal purchases made by such individuals are subject to sales tax. Any organization's exemption does not extend to its subordinate or affiliated units. When making purchases, subordinate units may not use the exemption number assigned to the parent organization. Such misuse may result in the revocation of the exemption granted.

An exemption Certification must be given to each vendor at the time of the first purchase from that vendor. A separate certification is not necessary for each subsequent purchase provided the exempt organization's name, address and certificate number appear on the sales slip or billing invoice. The certification is considered part of each order given to the vendor and remains in force unless revoked.

Vendors must retain the Exemption Organization Certification for at least three years after the date of the tax exempt sale substantiated by the certification.

Additional copies of this from (ST-119.1) can be obtained from any State District Tax Office or from the main office of the Taxpayer Assistance Bureau, State Campus, Albany, New York 12227. This form may be reproduced without prior permission from the Department of Taxation and Finance.

SAMPLE OF EXHIBIT H



NEW YORK STATE and LOCAL QUARTERLY SALES and USE TAX RETURN

FORM ST-100

Since this form is changed often by the New York State Department of Taxation and Finance it would not be prudent to provide a facsimile here as we have done with other forms. Instead, we are providing you with directions to access this form from the website of the New York State Department of Taxation and Finance so that you may download, print and complete it for filing by the appropriate due date.

1. Go to **www.tax.state.ny.us**

2. Go to "Forms and Instructions."

3. Click on "Numerical List by Form Number."

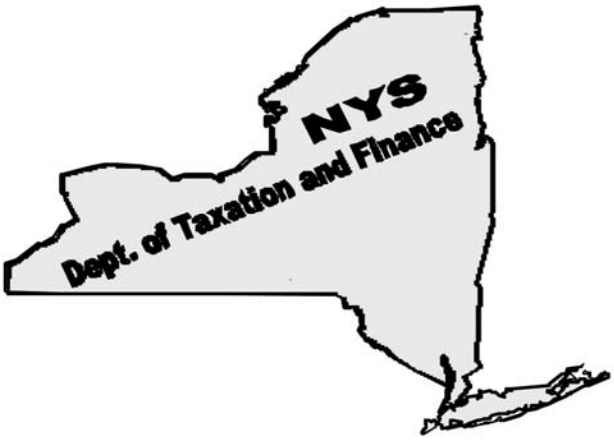
3. Go to the ST 100 Form.

4. Click on the ST 100 Form. It will open in Acrobat Reader. Print it.

If you prefer, you may go **directly** to the web page of this form by placing the following into your web browser:

http://www.tax.state.ny.us/pdf/2001/st/st100_202.pdf

SAMPLE OF EXHIBIT H-1



INSTRUCTIONS FOR COMPLETING THE NEW YORK STATE and LOCAL QUARTERLY SALES and USE TAX RETURN

FORM ST-100

As indicated in Exhibit G, the ST 100 form is changed often by the New York State Department of Taxation and Finance. As the form changes, the instructions for its completion will change as well. Therefore, it would not be prudent to provide the instructions here. Instead, we are providing you with directions to access the directions from the website of the New York State Department of Taxation and Finance so that you may download and print for reference when completing the ST 100 form for filing.

1. Go to **http://www.tax.state.ny.us/**

2. Go to "Forms and Instructions."

3. Click on "Numerical List by Form Number."

3. Go to Instructions for the ST 100 Form.

4. Click on the instructions. It will open in Acrobat Reader. Print it.

If you prefer, you may go **directly** to the web page of this form by placing the following into your web browser:

http://www.tax.state.ny.us/pdf/2001/st/st100i_202.pdf

SAMPLE OF EXHIBIT I

TELEPHONE BID RECORDING FORM

Name/Number of School: _____

Items:

List the item(s) you are obtaining a bid for

(1)_____ (4)_____

(2)_____ (5)_____

(3)_____ (6)_____

Vendor Information:

In each Vendor Box please print all pertinent information regarding the vendor and the price that respective vendor quoted on each item.

Name: _____
Address: _____
_____
Telephone: _____
Fax: _____
Contact Person: _____

Bid Prices:
Item 1 $ _____ Item 4 $ _____
Item 2 $ _____ Item 5 $ _____
Item 3 $ _____ Item 6 $ _____

Name: _____
Address: _____
_____
Telephone: _____
Fax: _____
Contact Person: _____

Bid Prices:
Item 1 $ _____ Item 4 $ _____
Item 2 $ _____ Item 5 $ _____
Item 3 $ _____ Item 6 $ _____

Name: _____
Address: _____
_____
Telephone: _____
Fax: _____
Contact Person: _____

Bid Prices:
Item 1 $ _____ Item 4 $ _____
Item 2 $ _____ Item 5 $ _____
Item 3 $ _____ Item 6 $ _____

Name: _____
Address: _____
_____
Telephone: _____
Fax: _____
Contact Person: _____

Bid Prices:
Item 1 $ _____ Item 4 $ _____
Item 2 $ _____ Item 5 $ _____
Item 3 $ _____ Item 6 $ _____

Signature: _____
Title: _____ Date: _____

SAMPLE OF EXHIBIT J

AUTHORIZATION TO COLLECT GENERAL SCHOOL FUNDS

SCHOOL_____ DISTRICT_____

NAME OF ACTIVITY_____

I have designated _____ to take charge and have the responsibility for the above named activity and to collect from the students all money/s related to this activity in accordance with the following schedule:

(Exception: The following schedule is **not** needed if the activity is a G.O. Store engaged in the sale of general merchandise).

Item/Description	Unit Selling Price
_____	$ _____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

The person designated will perform the following:

- Turn over all money collected to the school treasurer for deposit. No deduction for expenses should be made from this amount.
- Keep all necessary records.
- Render a full accounting of funds to the school treasurer at the end of the specific activity or at the end of the term/period, whichever is applicable.

I accept the terms and conditions as outlined above.

_____ _____
SIGNATURE OF DESIGNEE/ADVISOR DATE

Approved by:

_____ _____
PRINCIPAL DATE

SAMPLE OF EXHIBIT K

BUDGET APPROPRIATION REQUEST

PLEASE COMPLETE THE FOLLOWING FORM AND RETURN IT SIGNED TO THE OFFICE OF:

_____ by _____

Name of Advisor: _____

Name of Activity: _____

School Year or Term: _____

Approximate Number of Students in Your Group: _____

I REQUEST AN APPROPRIATION OF $ _____ TO BE USED AS FOLLOWS:

EXPENSES	AMOUNT REQUESTED	EXPLANATION	AMOUNT ALLOCATED

TOTAL EXPENSES	$

I ANTICIPATE RECEIVING AN INCOME OF $ _____ RESULTING FROM:

INCOME	AMOUNT	EXPLANATION

TOTAL INCOME	$

_____ SIGNATURE OF ADVISOR

_____ DATE

Note: Please use the reverse side of this form if more space is needed to explain your request or to provide additional information.

SAMPLE OF EXHIBIT L

BUDGET AUTHORIZATION FORM

Date _____

Dear _____,

YOUR CLUB/ACTIVITY ALLOTMENT FOR THE _____ SCHOOL YEAR/TERM IS:
$ _____.

Please list below the exact purchases you wish to make with these funds.

Return this form to the office of:
_____by_____.

Once this forms is submitted, you may begin spending your funds. All purchases must conform to established DOE procedures outlined in the SOP, Chancellor's Regulations and other memoranda. If you have any questions, please feel free to contact me.

ITEM	UNIT COST	QUANTITY	TOTAL COST

VENDOR INFORMATION

Note: Please complete a **SEPARATE** form for each vendor.

NAME OF VENDOR	
ADDRESS	
TELEPHONE NUMBER	
FAX NUMBER	
E-MAIL	

_____ _____ _____
SIGNATURE TITLE DATE

SAMPLE OF EXHIBIT M

Department of Education
CITY OF NEW YORK

No. _____

TREASURER'S RECEIPT

General School Fund of:

_____ _____
Name/Number of School Borough

School Treasurer's Receipt for Cash

Date: _____

Received from _____ $_____
_____Dollars

For: _____Signed: _____
Activity to be Credited School Treasurer

SAMPLE OF EXHIBIT N

SCHOOL DEPOSIT SUMMARY FORM

Name of Individual/Advisor for Whom Deposit is Being Made:

_____

Name of Club or Activity for Which Deposit is Being Made:

_____

Coins

	X $1.00 =	$
	X $ .50 =	$
	X $ .25 =	$
	X $ .10 =	$
	X $ .05 =	$
	X $ .01 =	$

Cash

	X $100 =	$
	X $ 50 =	$
	X $ 20 =	$
	X $ 10 =	$
	X $ 5 =	$
	X $ 1 =	$

Checks

1	$
2	$
3	$
4	$
5	$
6	$
7	$
8	$
9	$
10	$
11	$
12	$
13	$
14	$
15	$
16	$
17	$

TOTALS OF CASH & COINS

$

TOTAL OF CHECKS

$

GRAND TOTAL

$

Add all Cash, Coins and Checks

SAMPLE OF EXHIBIT O

DEPARTMENT OF EDUCATION CITY OF NEW YORK
Division of Financial Operations - Bureau of Financial Management and Reporting
65 Court Street - Room 1802, Brooklyn, New York 11201
Phone: (718) 935-3525 or (718) 935-3544

CASH RECEIPT

TRANSACTION CODE	ORIGINATING OFFICE	FISCAL YEAR	DOCUMENT NUMBER		DEPOSIT DATE

	DISTRICT QUICK	LINE/ OBJECT	REVENUE SOURCE	LOCATION CODE	ACTIVITY CODE	BUDGET CODE	DESCRIPTION	PERMIT NO	CHECK NO	AMOUNT
1										
2										
3										
4										
5										
6										
7										
8										
9										
10										
11										
12										
13										
14										
15										
16										
17										
18										
19										
20										

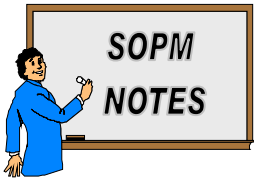
I certify that the collections made by me or under my jurisdiction on the above date for the corporation of The City of New York, are as summarized on this sheet.

TOTAL AMOUNT:

Prepared by:	Title:	Phone:	Date:
Approved by:	Title:	Phone:	Date:

NOTE: This form is to be used only for deposits made into CITY TREASURY BANK ACCOUNTS.

REVISED: 09/04 VMT


SOPM
NOTES