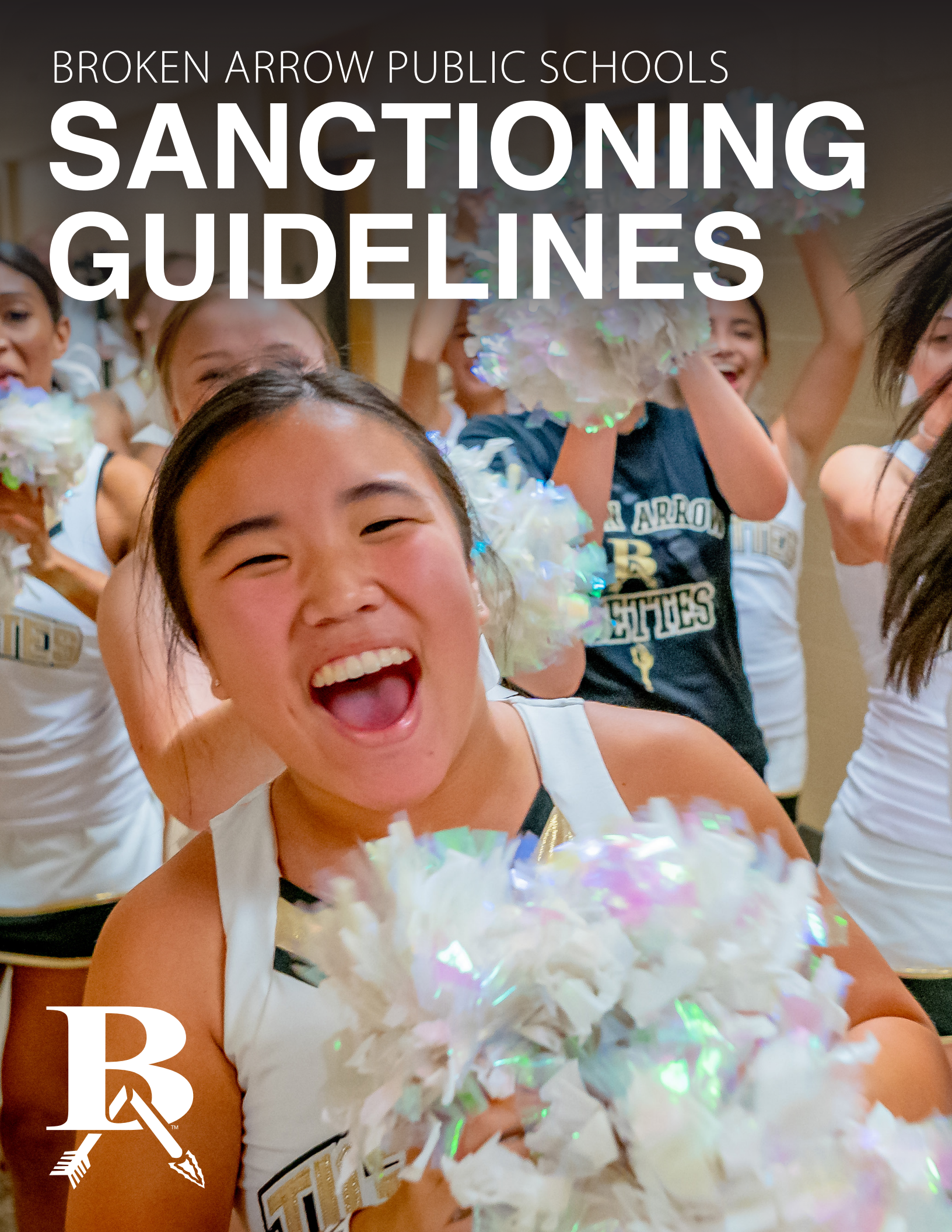
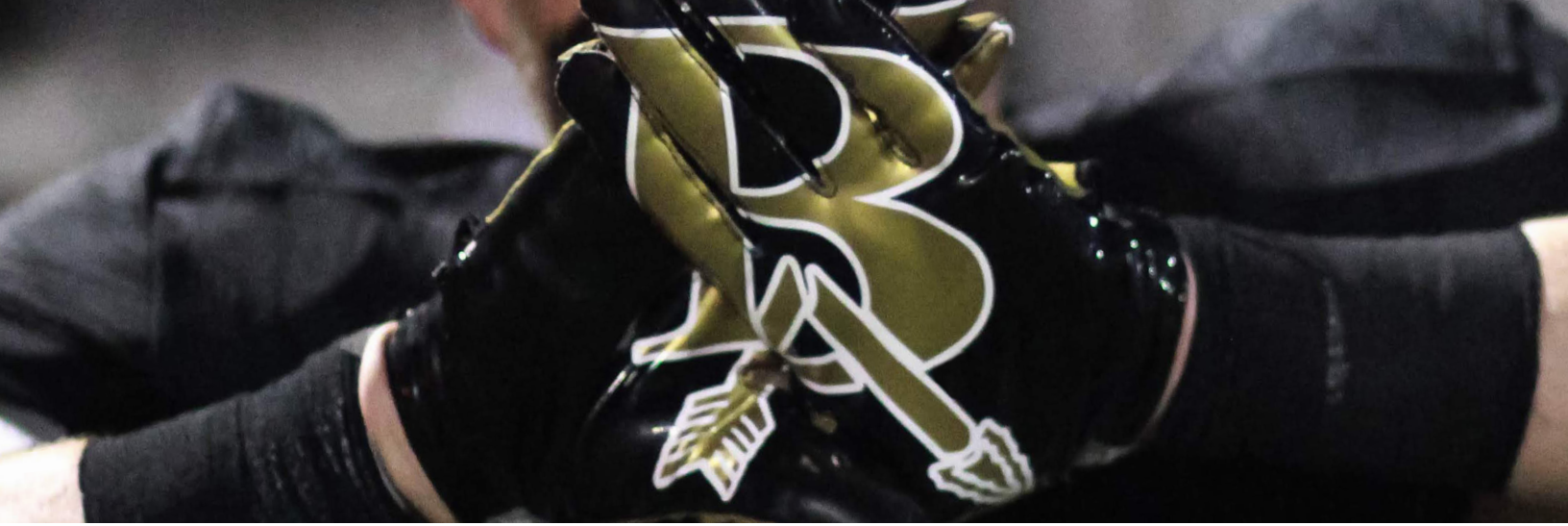


BROKEN ARROW PUBLIC SCHOOLS

SANCTIONING GUIDELINES





TOP TEN FINANCIAL PROCEDURES FOR SANCTIONED ORGANIZATIONS

1. When receiving money:
 - a. Two people should count the currency and checks; then
 - b. Sign a numbered deposit form listing currency, checks and rationale for collecting.
Remember that the deposit form is not the deposit slip.
2. When a member of an organization turns collected revenue over to the group's treasurer, the member should receive a numbered receipt, a copy of the numbered deposit form, or some other type of numbered receipt. The receipts should be accounted for each month.
3. When fundraising:
 - a. Have a check-out form that lists type and number of items or tickets each member is given to sell;
 - b. Have the organization member sign for the items or tickets; and
 - c. As items or revenue are returned, compare their dollar value to the dollar value of items checked out.
They should be equal.
4. When establishing duties in your organization each year, segregate them as much as possible. For example, the treasurer should not also be in charge of the organization's fundraising activities.
5. All checks should have two members' signatures. Use carbon or multiple-form checks to assist in making your check register entries which should be done in a timely manner. Reconcile the bank statement each month.
6. The treasurer should give a monthly written and oral report to the organization board and an annual written and oral report to club members. Minimum information, whether detailed or in summary form, should include:
 - a. The budget versus actual expenditures;
 - b. A listing of all checks written, including the check number, check date, vendor name and amount; and
 - c. The budget versus actual revenue.
7. Each organization should establish a maximum number of years its treasurer can serve.



TOP TEN FINANCIAL PROCEDURES FOR SANCTIONED ORGANIZATIONS

8. Ideally, your organization should be audited annually by an outside auditor. However, if that is not financially possible, you should form a three-to-four-member committee to perform an internal audit, and your treasurer and assistant treasurer should not be members of the committee. The internal audit should include, but should not be limited to, the following:
 - a. Tracing a percentage of the organization's financial entries from start to finish and from finish to start;
 - b. Verifying bank records;
 - c. Justifying substantial percentage differences between budget and actual expenditures/revenues;
 - d. Verifying the completion of appropriate tax forms (i.e., 1099, W-2, 941, and sales tax);
 - e. Making sure the organization is using its tax identification number and not the school district's or an individual's; and
 - f. Examining other financial forms and transactions.
 - g. Check, verify and test your club's financial policies and procedures periodically. The audit committee or external auditor should present their report to the organization board.
9. Obtain a tax ID number in the name of the organization.
10. Network with other PTA and/or booster clubs.

Last, but not least, remember **ALL** the money collected and spent is to benefit students and their programs.

Any questions about these procedures should be directed to the Assistant Superintendent or Chief Financial Officer.

GIFT CARDS

Per the IRS: Cash or equivalent items (i.e. gift cards) are never excludable from income. The value of a gift card is easily determinable and must be treated as wages, subject to payroll and income taxes.

When soliciting donations from businesses, it is possible that a business may offer to donate gift cards rather than materials. While we do not want to turn down any donations that are given with the intent to support our classrooms and programs, it is preferable that donations be of a nature that directly benefit the district's students.

PURCHASING ISSUES

When setting up an account with a supplier and making purchases:

Do:

- Use your organization's name ("School Name" PTA, "Group Name" booster club)
- Establish and use your own unique federal employer identification number (EIN) also called a tax ID number
- Establish a specific non-district mailing address
- Verify the purchase is on your organization's account number

Don't:

- Order or purchase anything as only Broken Arrow Public Schools
- Use the District's tax ID number
- Use the District's mailing address
- Charge against the District's account

DEBIT CARDS VS. CREDIT CARDS

Do:

- Use a debit card for transactions and spending versus a credit card, when the situation is appropriate.
- Have procedures in place for reconciling receipts turned in using the debit card.
- Have procedures in place for who has access for using the debit card.

Don't:

- Apply for a line of credit with a credit card company.
- Allow the organization to incur debt that is then passed on to future Booster Club Boards.

PAYMENT ISSUES

When paying for purchases:

Do:

- Make sure every charge receipt includes the legible signature of an authorized individual of the organization (Provides verification of the purchasing organization)
- Pay only from original invoices/receipts
- Require two signatures on checks (protects both your organization and the individuals signing)

Don't:

- Pay unauthorized invoices
- Pay from supplier statements or invoice copies (can often lead to duplicate payments)
- Allow one person to authorize invoices and sign checks alone



BROKEN ARROW PUBLIC SCHOOLS APPLICATION FOR SANCTIONING

This is a request for sanctioning by the Applicant to the Board of Education of the Broken Arrow Public Schools pursuant to which the funds collected by the Applicant are exempt from the statutory controls over school activity funds. The Applicant is a student achievement program or a parent-teacher association or organization.

Name of Applicant Group: _____

Applicant's Address: _____

Applicant's Taxpayer I.D. No.: _____

Applicant's Representative from whom additional information may be obtained:

Applicant's Telephone Number: _____

President

Treasurer

Name: _____

Name: _____

Address: _____

Address: _____

Phone: _____

Phone: _____

Email: _____

Email: _____

Has the organization provided any payments to district employees during the past 12 months? ___ Yes ___ No

Have you attached copies of your most recent tax filings & 1099s? ___ Yes ___ No

We agree, if sanctioned, as per Board Policy #6205, to follow proper bookkeeping procedures, and to ensure the safeguarding of all assets. We, the officers, also agree to annually issue by January 15 all appropriate IRS tax forms including 1099s and W-2s filed with the IRS and the Oklahoma Tax Commission, and to provide copies to the Chief Financial Officer at the same time. We, the officers, agree the organization will not hire or pay employees of Broken Arrow Public Schools. We understand the district prohibits booster club/PTAs from hiring district employees. Applicants certify that the organization does not and will not discriminate with respect to benefits, membership, programs, operation or organization on the basis of race, gender, age, religion, national origin, or disability. We certify that the "Treasurer" is not an employee of Broken Arrow Public Schools, in any capacity.



Attach the most recent financial audit report, if any, for the Applicant issued by an independent accounting firm.

Applicant acknowledges that the Board of Education has the discretion to sanction or decline to sanction the Applicant, and the decision of the Board of Education is final and non-appealable. Applicant further acknowledges that (a) the Board of Education may, at any time, request the records maintained by the Applicant, which records Applicant will promptly make available, and (b) the Board of Education may, at any time it believes it is in the best interest of the School District to do so, withdraw sanctioning, and the decision of the Board of Education is final and non-appealable.

Applicant also acknowledges that, in order for the School District to consider whether to maintain the sanctioning action of Applicant, Applicant shall provide to the Board of Education, upon request, on an annual basis, by August 1 of each year, the audit report, if any, for Applicant's recently ended fiscal year, prepared by an independent accounting firm.

Instructions to Applicant:

1. Complete this application. Please print or type.
2. Attach Applicant's most recent financial audit report, if any.
3. Sign and date this application.
4. Deliver this application to:

Natalie Eneff, Chief Financial Officer
Marsha Janey, Administrative Assistant to CFO
701 S. Main Street
Broken Arrow, OK 74012
918-259-5769

(Print Name of Representative of Applicant)

(Date)

Signature of Representative

Please submit application to CFO by the October 15th deadline.