

**ACTIVITY ACCOUNTS
POLICY & PROCEDURE
for
LEXINGTON PUBLIC SCHOOLS**

742.4 Activity Accounts Policy & Procedure

The procedures and guidelines set forth in this manual were developed in compliance with existing Nebraska Statutes and Lexington Public Schools Board of Education policies. These procedures are to be used by the principals, activity secretaries, bookkeepers, coaches, sponsors, teachers and all other persons involved in the receipt or disbursement of monies related to activity accounts for the purpose of establishing and maintaining internal controls over activity accounts.

NEBRASKA STATUTES

Title 92, Chapter 2, 79-1088 003.03E

Activities Fund. The Activities Fund is required to account for the financial operations of quasi-independent student organizations, interschool athletics, and other self-supporting or partially self-supporting school activities, not part of another fund. The inclusion of such accounts in the General Fund (see 003.03A) would distort the financial position of the basic school operation and would complicate the computation of the net expense incurred in conducting school services. The Activity Fund shall not be used to record general operation revenues or expenditures, nor shall the Activity Fund be used as a clearing account for the General Fund. The school district may divide this fund into more than one account to allocate a portion of this fund for different purposes.

The financial operations of all school-connected activities are a legal responsibility of the school district board of education. If deficits in such activities are incurred, they shall be paid from the General Fund (see 003.03A). Such revenue shall finance only those projects which qualify for approval under policies established by the school district board of education for such activities.

LEXINGTON PUBLIC SCHOOLS ACTIVITY FUNDS POLICY & PROCEDURE

Basic Principles of Activity Fund Accounting

Monies collected and expended within a school shall be used for financing the normal program of school activities not otherwise financed, for providing necessary and proper services and materials for school activities and for other purposes consistent with the school program as established and approved by the school board. Such funds are the responsibility of the school board and it shall be the duty of the school board to see that they are properly accounted for through use of generally recognized accounting procedures and effectively administered through adherence to activity funds policies of the school board and applicable Nebraska Statutes and provisions of "Program Budgeting, Accounting, and Reporting System for Nebraska School Districts." Funds collected in connection with summer program activities, funds derived from school athletic events, gifts, and contributions made by band or athletic booster clubs, civic organizations, parent-teacher organizations, and commercial agencies, and all other similar monies, properties, or benefits shall be included in activity funds of the school based upon policies adopted by school districts or as provided in "Program Budgeting, Accounting, and Reporting System for Nebraska School Districts."

When a demand deposit balance in the fund exceeds the FDIC insurance protection, additional collateral shall be provided as required by Nebraska Statutes.

Activity funds which are temporarily idle shall be invested pursuant to policies of the school board using any medium of investment legal for public funds, and may not exceed insurance protection or other legal collateral limits provided for such public funds.

School Board Responsible for Activity Funds

The school board shall be responsible for the administration and control of the activity funds of the district school system, and in connection therewith shall:

1. Adopt written policies governing the receipt and disbursement of all activity funds and for the accounting for property.
2. Provide for an annual audit of activity funds by a person certified by the state board of accountancy as a certified public accountant or a public accountant, or qualified internal auditing staff employed by the board. The auditor shall submit a signed, written report to the school board covering activity funds which shall include any notations of any failure to comply with requirements of Nebraska Statutes, State Board of Education regulations and policies of the school board, and commentary as to financial management and irregularities. Such audit shall be presented to the school board while in session and filed as a part of the public record.

Purchases from Activity Funds

The requirements pertaining to purchases and securing bids on purchases made from public tax funds by the school board shall be observed when purchases are made from activity funds unless otherwise specifically provided for by school board regulation. The school board may by regulation place more strict requirements pertaining to purchases from activity funds than is required by the general or any special law relating to purchases from tax funds. The board may delegate by regulation to such individuals as it may deem appropriate the making of such purchases from activity funds and the securing of quotations and awarding of contracts. Insofar as possible, purchases of the same or a similar nature to be used in more than one school should be combined and purchased only after approval by the school board. Purchases made from funds handled in trust for individuals such as purchases of class jewelry, school annuals, cards and invitations, insignia, caps and gowns, etc., shall be exempt from the foregoing requirements relative to purchases; however, all such funds shall be deposited in the activity funds and shall be subject to the regular individual school audit.

ACTIVITY ACCOUNTS

1. **Activity funds.** Activity funds shall be composed of monies collected and expended within a school other than elementary and secondary lunchroom and milk monies. Funds generated solely by parent-teacher organizations, booster organizations, or faculty groups may remain separate from activity funds; however, contributions from such organizations shall become activity funds. Funds voluntarily placed in the activity accounts shall be subject to all activity account policies and procedures.

2. **Administrative Responsibility.** The principal and/or activities director shall be responsible for activity accounting in the school and all activity accounts shall be audited annually. The school board shall provide for the bonding of school employees who handle school monies.
3. **Fund Use.** Funds derived from the student body as a whole shall be expended to benefit the student body as a whole rather than a specific group of students or an organization. Funds collected shall, insofar as is practicable, be spent to benefit those students currently in school from whom the funds were collected and for the purpose collected.
4. **Fund-Raising Projects.** All fund-raising projects and activities by the school, or by any group within, or in the name of the school, shall not be in conflict with the overall instructional program. Such projects shall have the prior approval of the principal and/or activities director, and Superintendent. Accountability must be provided for all items purchased for resale in such fund-raising projects. Raffles or other games of chance involving prizes of value greater than \$500 shall be pre-approved by the Superintendent.
5. **Donations.** When donations are received, a signed letter or official minutes should be secured from the individual or organization to establish the purpose of the funds, even if the funds are to be used at the principal, activities director, or activity sponsor's discretion.
6. **Cooperative Agreements.** Prior to a cooperative activity involving an external organization, there shall be written agreement between the school and the outside organization. This agreement should include the responsibilities to be shared in the activity and the financial obligations of both parties.
7. **Future Liabilities.** The school board is the only authority which can obligate public funds beyond a fiscal year. No principal, or any other employee, is authorized to sign promissory notes, lease-purchase agreements, or any contracts containing commitments for payments in future school years.
8. **Safekeeping of Monies.** All monies received shall be recorded, deposited and reconciled to the proper accounts.
9. **Commercial Competition.** Student body functions shall be conducted in such a manner so as to offer a minimum of competition to commercial firms, while still benefiting the student body.
10. **Expenditures.** All expenditures from activity funds shall be made by check, except that provision may be made by express approval of the Chief Financial Officer for the use of a small petty cash fund when circumstances warrant. Invoices or other approved substantiating evidence shall be required for all payments from activity funds, including payments from petty cash. All checks are to be signed by two (2) persons, the Superintendent and designee.
11. **Purchases.** Purchases from activity accounts are required to be processed through the Business Office. Purchases involving alterations of permanent structures or sites, safety, or significant usage of utilities, shall be referred to the appropriate school district administrator for approval.
12. **Administrative Office.** No item of equipment or furniture, such as draperies, sofas, desks, rugs, chairs or ornamental items may be purchased for the school's administrative offices from

general student funds unless prior written approval has been received from the Superintendent or designated representative.

13. **Property.** All purchases from activity funds, other than tokens of appreciation, shall remain the property of the school board.
14. **Credit Cards.** No school shall enter into a contractual arrangement for credit cards.
15. **Employee Pay.** Direct salary payments and non-recurring "wages" shall not be paid to employees out of activity funds. All such payments must be processed through the District Payroll Department utilizing the reimbursement procedures as provided in the activity accounts manual.
16. **Loans.** Activity funds shall not be used to grant personal loans to individuals.
17. **Tickets.** Pre-numbered tickets shall be used at school functions where an admission price is charged and all tickets acquired must be accounted for by perpetual inventory records.
18. **Faculty Funds.** Faculty funds or staff funds shall be accumulated by activities that exclude student participation. Such funds shall not be over-expended except by written approval of the Superintendent or designated representative.
19. **Faculty Expenses.** General student funds shall not be used to pay expenses of faculty members to attend professional meetings or conventions.
20. **Travel.** Travel expenditures shall be governed by the following principles:
 - a. avoidance of unnecessary travel;
 - b. joint travel in a single district-owned vehicle whenever feasible;
 - c. limitation of expenditures for reimbursements from all sources to the maximum amounts currently authorized by the Board.
 - d. Cash advance for travel shall not be encouraged. In those cases in which cash advances are necessary, all receipts and excess advance shall be remitted to the Business Office Activities Bookkeeper within three (3) days of return to school.
21. **Gifts.** School organizations may purchase gifts for faculty sponsors, principals, or other staff members providing at least one-half of the cost of such gifts is raised by current contributions from the organization's members. Activity funds may be used to purchase gifts for outstanding service of persons not employed by the Board. All gifts shall be limited to one hundred dollars (\$100) per person each year.
22. **Transfers of Funds.** Transfer of funds from one student activity account to another student activity account must be accompanied by written authorization from the officer releasing the funds.
23. **Inactive Accounts.** Any balance on deposit by an inactive class, club, or organization that is not committed to a specific project, shall be transferred to the general activity fund when inactive status has been clearly determined by the principal and/or activities director.

24. **Accounting Procedures.** The methods, procedures, and guidelines for activity accounting shall be outlined in manuals issued by the Chief Financial Officer or designee.

25. **Audit Response.** Within twenty (20) workdays after receipt of the annual activity accounts audit, the Chief Financial Officer will submit a written reply to the activity accounts auditor. The reply shall give explanations and/or actions taken, or to be taken, for any deficiencies cited in the audit.

CASH RECEIPTS

Checking Account

Only one checking account is to be maintained by the district for activity accounting. All receipts and disbursements are to be handled through this account. The total amount on deposit should not exceed the federally insured maximum. Two signatures are required to be affixed to all checks drawn from activity accounts. No individual school building or student activity shall operate an individual checking or other account.

When a person who is authorized to sign checks leaves the employ of the school, the Chief Financial Officer is to notify the bank or savings and loan association in writing that the person leaving is no longer authorized to sign checks. The person leaving should not be permitted to sign checks for a period prior to the termination date sufficient to allow all checks bearing his/her signature to clear. A new signature card needs to be established for the new authorized signer.

Any excess funds not required for daily operations should be invested at an optimum rate.

All monies deposited in a savings, money market, or similar account, are to be transferred from the checking account. Receipts are not to be deposited directly to the savings, money market, or similar account. All withdrawals from savings, money market, or similar account are to be deposited in the checking account. Payments are not to be made directly from the savings, money market, or similar account.

Cash Collections

All monies generated by school activities must be properly safeguarded and the person having custody of the money is to be held fully accountable for it.

Whenever feasible, the initial collection of monies is the responsibility of the school building's activity secretary. It is best practice that all teachers, activity sponsors, and other district personnel direct receipts to the school's activity secretary. However, if for reasons of convenience or efficiency, school personnel or activity sponsor other than the school's activity secretary must collect money, the person who receives the money must document the transaction and turn in the day's collection to the activity secretary for safekeeping and deposit.

Monies collected from school activities are to be turned in, intact, to the school activity secretary on the day it is collected or no later than the first school day following the collection. Employee's personal checks are not to be substituted for cash collected from students.

Persons other than the activity secretary responsible for collecting money must document the receipt in one of the following manners:

Copy of Order form- If money is collected for items that require the use of an order form, such as cookies, popcorn, clothing, etc., a copy of the order form should be reconciled and submitted to the activity secretary along with the money collected.

Report of Monies Collected- If money is collected for items that do not require the use of an order form, the activity sponsor shall maintain a list of persons money is collected from and the amount collected. The report of money collected should be reconciled and submitted to the activity secretary along with the money collected.

Official Receipt - The activity secretary at the building shall have responsibility for the issuance of the official receipt. It is to be used whenever money is received by the secretary from any source.

Do not make erasures or alterations on any receipts. If an error is made, void the receipt and rewrite it. All copies of voided receipts must be retained for audit purposes.

Each teacher or activity sponsor receiving a check from a student or other person should write the name of the activity on the lower left hand memo line of the check so that the check can be associated with a specific activity.

Verification of Receipts

When monies collected by a teacher, sponsor, or other district employee are turned into the school activity secretary, the secretary shall verify the amount received before issuing an official receipt. The activity secretary is to:

1. Verify mathematical accuracy of the order form or Report of Monies Collected.
2. Verify cash count agrees with order form or Report of Monies Collected.
3. Issue an official receipt to the teacher or activity sponsor.
4. Attach order form or Report on Monies collected to copy of official receipt issued and include with bank deposit slip for submission to the Business Office upon deposit.

Deposits of Receipts

The school's activity secretary is responsible for making deposits daily. A deposit must be made on the last day of the week so that no money is kept in the school over the weekend and on the last day of the month to facilitate the closing of the books.

Each day's receipts are to be deposited intact, that is in the same form as they were collected. The total day's receipts must equal the amount reflected on the deposit slip for the day. Deposit slips are to be prepared in duplicate. One copy is for the bank (or savings and loan association) and the other to be validated by the bank (or savings and loan association) at the time of the deposit for school files. After deposits are made, deposit slips should be attached to the corresponding Report(s) of Monies Collected and pre-numbered receipts, and be immediately

transmitted to the Business Office Activity Bookkeeper to be recorded into the district accounting system.

Returned Checks

Those checks deposited by the school that are returned for non-sufficient funds (NSF) or for other reasons are to be handled as follows:

1. When the Business Office Activity Bookkeeper receives a returned check from the bank, credit the activity cash account and debit the activity revenue account for the amount of the returned check. Notify the activity secretary at the building of the change in the activity account due to the NSF.
2. Contact the person from whom the check was received and inform him or her that the check has been returned and for what reason. Every effort must be exerted to obtain payment of NSF checks.
3. A check can be declared uncollectible and written off the books by the Chief Financial Officer. This action will be taken only after every legal and reasonable effort at collection has been exhausted. The school principal or activities director may require payment for school obligations in cash, money order, or other form of guaranteed payment if it is deemed necessary.

NOTE: All checks not collected by August 31st, must be written off as outlined above before closing the books. Although a check has been written-off, efforts should continue to be made for a sufficient period of time to collect the amount owed.

Sales Reports

An analysis of each item sold by the school must take place yearly. If the school finds that it is difficult to maintain control on a certain item, the activity secretary/teacher/sponsor should complete the sales report as often as necessary.

Vending Machine Sales

The commissions from vending machines that have student access are to be accounted for in the school's activity accounts. Generally, the commissions are to be expended for the student body as a whole. The commissions from the machines located in the teachers' lounge may be used for the benefit of the teachers. No receipts need to be issued for commissions on vending machine sales. Commissions from vending machine sales should be listed on the Report of Monies Collected form and turned into the school activity secretary for an official receipt and deposit.

CASH DISBURSEMENTS

The school building and/or District is not responsible for an expenditure made by a student, parent or employee who has not first received an approval from the principal or activities director.

General guidelines concerning expenditures are explicitly provided in Board policies. Prohibited practices include:

1. Issuing a check without first securing an itemized invoice or receipt (except for advances for field trips or travel).
2. Using a statement as the basis for payment.
3. Signing a blank check or check made out to "cash."
4. Using a personal check copy as support when the check has not been canceled.

If it is necessary to issue a stop payment on a check issued out of activity funds, the stop payment should be completed and issued promptly using standard banking practices for the bank holding the district's accounts. Any required forms for this process should be obtained from the bank.

Purchase Requisitions

The purchase requisition form is to be used to initiate every expenditure from activity funds. This includes purchases from outside vendors, requests for advances for field trips or travel, requests for student refunds, requests for petty cash, requests for change funds, and requests for interfund transfers.

The person initiating the request for payment should prepare the form and present it to their building principal or activities director for approval and signature. Only approved requisition forms may be forwarded to the Business Office Activity Bookkeeper for processing. The purchase requisition must be sufficiently documented before a purchase order is issued. Sufficient documentation includes:

1. Vendor name and address
2. Name of person requesting the purchase
3. Building of person requesting the purchase
4. Date of purchase or service
5. Catalog number if applicable
6. Unit price if applicable
7. Detail of purchase or service
8. Total amount due with shipping
9. Signature of approval from building principal or activities director

Purchase Orders

Tangible items of significant value, which the school should receive and verify prior to payment of vendor, should be ordered by purchase order. The purchase order system follows:

1. The person requesting the purchase is responsible for completing a Purchase Requisition before submitting to the Business Office Activity Bookkeeper a request for a purchase order.
2. The Business Office Activity Bookkeeper will verify that unencumbered funds are available to pay for the items on the purchase order.
3. If funds are available, Business Office Activity Bookkeeper will issue professionally pre-numbered purchase order.

The Business Office Activity Bookkeeper is responsible for the issuance of the purchase orders and will maintain control over those that are outstanding.

Payment of Invoices

A vendor invoice must be received by the Business Office Activity Bookkeeper before the check is drawn. The invoice should include:

1. Date of purchase
2. Purchase order number
3. Unit price
4. Detail of purchase
5. Total amount due

Whenever a packaging slip is provided by a vendor, the packaging slip should be submitted by the activity sponsor to the Business Office Activity Bookkeeper to signify that the purchase has been received.

Upon payment of invoices, the Business Office Activity Bookkeeper will initial the invoice indicating the mathematical accuracy of the invoice and will cancel each invoice after it has been paid by marking "PAID" on the face of the original invoice and noting the check number used for payment.

Student Refunds

Whenever multiple refunds are to be made, it is permissible to prepare one check payable to the person responsible for the activity for which the refund is approved. This person should cash the check and make the refunds in cash.

Each person's signature and amount of refund due is to be listed and attached to the purchase requisition as sufficient documentation. All other refunds are to be paid with a check made payable to the individual. An explanation on the face of the purchase requisition form and the receipt number or a copy of the receipt is sufficient documentation.

Petty Cash

It is sometimes necessary to establish petty cash funds for small purchases from activity funds. The use of such funds should be limited to situations where there is a consistent volume of small payments. A request for a petty cash fund should be submitted by the principal or activities director for approval of the Chief Financial Officer.

If a request for a petty cash fund is approved, the principal or activities director requesting the account should submit a purchase requisition to the Business Office Activity Bookkeeper. The Business Office Activity Bookkeeper will issue a check for petty cash to the individual responsible for the fund.

To establish a petty cash fund, the Business Office Activity Bookkeeper will encumber the amount of petty cash from the related activity account. The activity account balance should never be allowed to fall below the amount of the petty cash fund. When the fund is near depletion, the holder should prepare a purchase requisition and attach supporting documents for expenditures and present to the Business Office Activity Bookkeeper for replenishment. The reimbursement is to be charged to the activity account liable for the expenditures.

The petty cash fund for each building should be reconciled monthly by the activity secretary.

All petty cash funds must be returned at the end of the school year. The holder is to turn in the amount of the fund in cash and/or paid receipts. Deposit the cash returned into the petty cash activity account using a separate Receipt of Monies Collected to document the transaction.

Change Funds

Change funds are funds established so that operating activities will be able to make change for their customers. The change fund should not be confused with a petty cash fund. Petty purchases **cannot** be made from a change fund.

The Business Office Activity Bookkeeper will create the change fund by issuing a check to the person responsible for the activity. Document the transaction with purchase requisition.

The change fund is to be returned in full when the activity for which the fund was created is over and always at the end of the school year. Deposit the return in the activity account and prepare a separate Receipt of Monies Collected form prominently marked "RETURN OF CHANGE FUND."

Interfund Transfers

Interfund transfers are made to transfer funds from one account to another. The transfer is a receipt of the fund to which the money is transferred and a disbursement to the account from which it is transferred. It is not, however, considered a receipt or expenditure of the activity fund of the school.

Interfund transfers are to be processed through the Business Office Activity Bookkeeper by means of a journal entry. All journal entries should be supported by a purchase requisition bearing the signatures of the principal and/or activities director, and the teacher/sponsor of the activity from which the monies are transferred.

Admission Tickets

At all school sponsored events where an admission price is charged, sale of tickets is required for cash control.

One person is to be custodian of admission tickets. The person having custody of the tickets is to take appropriate measures to safeguard the tickets. A detailed record is to be maintained for issuance of

tickets and return of unused tickets. This record should contain a perpetual inventory of tickets on hand by color code (price) and serial number. Resale of previously used tickets is prohibited.

All tickets acquired must be pre-numbered, pre-priced and color coded. Different colors are to be used when more than one admission price is charged for a single event. Do not use priced tickets for complimentary admission. Under special circumstances, tickets may be made up on campus. Approval for this exception should be done through the principal and/or activities director.

Tickets available for pre-sale are to be issued to the sponsor of the event. The sale of tickets by the activity secretary is strictly prohibited. If tickets are sold prior to the event, the person selling the tickets should not be the person responsible for collecting them at the door/gate. The sponsor is held totally accountable for tickets issued.

A ticket sales report for each event must be executed and presented to the school activity secretary for filing as a part of the audit records. Ticket inventory records and remaining tickets must also be on hand for audits. The loss or theft of tickets is to be reported to the Chief Financial Officer as soon after the occurrence as possible.

All monies generated by the event are to be deposited with the school activity secretary intact. No expenditures are to be made from receipts.

Reimbursement for Extra Duty

Regular district employees performing extra duty such as ticket-taking will be paid through the district general fund rather than activity fund.

The calculation that includes employer's benefits will change periodically. The district's Payroll Department should be consulted for the current factor to be used in making calculations for extra-duty.

Travel

The following practices are required for travel payments from activity accounts:

1. Refer to Board policies 762.2: *Personnel Claims and Reimbursement* and 763.1: *Travel Policy*.
2. Whenever possible, all reservations and arrangements related to approved travel should be secured using District purchase orders or District issued credit cards. Checks may be prepared in advance for the exact amount and made payable to the corporation or proprietor providing the service. The faculty sponsor accompanying the students shall be the temporary custodian of the checks and responsible for obtaining an invoice for the exact amount of the check from the corporation or proprietor upon presentation of the check.
3. If it is not feasible to secure travel arrangements with District purchase orders or District-issued credit cards, all authorized expenses for official travel shall be reimbursed to the employee in accordance with established guidelines.

When advance arrangements for meals are impractical advancements for meals may be made to the faculty sponsor for distribution to the student.

An activity sponsor who requests an advance should complete a purchase requisition which is signed by the traveler and the principal and/or activities director. Cash advances will be allowed only for Lexington Public Schools employees and students on student trips.

Activity sponsors who request cash advances are required to keep a record of cash disbursed. Each student shall sign a signature sheet certifying that he/she received the meal allowance. The Activity sponsor shall keep the meal receipts and signature sheet for submission to the Business Activity Bookkeeper upon return to the district.

All receipts and any excess advance must be remitted to the Business Office Activity Bookkeeper within three (3) days of return to school.

4. Scouting payments must be supported by one of the following:
 - a. Copy of game program cover (preferable)
 - b. Meal receipt verifying location of game
 - c. Gas receipt verifying location of game

FINANCIAL REPORTS

Monthly Bank Reconciliation

Upon receipt of the monthly bank statements, the statement balance is to be reconciled to the monthly report. The Business Office Activity Bookkeeper should use the reconciliation form and procedures included with the automated accounting system.

All items returned by the bank or savings and loan association should be filed with the checking account statement on which they appear.

Monthly Financial Report

A monthly financial report is to be prepared by the Business Office Activity Bookkeeper for review and approval by the Board. This report should include activity account balances which have been reconciled to the cash control account. This report should be submitted to the Board along with the monthly bank account reconciliation.

Audit Reports and Responses

Board policy authorizes 20 workdays to respond to internal audit comments. The following are guidelines for such responses. The Chief Financial Officer shall prepare responses to audit reviews and findings.

1. Discuss any disagreement at the time when the auditor reviews concerns with the activity secretary or Business Office Activity Bookkeeper or at the time the exit conference takes place. If the auditor agrees with the new information or understanding, the preliminary audit report will be revised accordingly.

2. Take down notes in the exit conference and handle the response immediately following the audit exit while it is fresh in your mind.
3. When there are many comments that require a response, number each audit comment and refer to the statement to which you are responding.
4. Give explanations and/or actions taken, or to be taken, for any deficiencies cited.
5. Follow-up on audit comments should be assigned to personnel who will have input on improvement.
6. Documentation supporting the audit response may be attached, but will not be placed in the Board agenda packet. NOTE: Audit work papers are treated the same.
7. The audit response should be on school letterhead and must be signed by the Chief Financial Officer.
8. If the auditors find an audit response inaccurate according to their work papers, they may so note and initial the response.

Internal Revenue Service Requirements

Periodically, schools engage the services of individuals for various activities. Internal Revenue Service requires a Form 1099- Miscellaneous Income be prepared for individuals paid in excess of \$600 for a calendar year. The Business Office Activity Bookkeeper will track information relating to this requirement. Building activity secretaries should submit the name, address, telephone number, and social security or tax identification number of the individuals hired for various activities to the Business Office Activity Bookkeeper within three (3) school days following the activity.

RECORDS RETENTION AND DISPOSITION

Disposal of Records

Upon receipt of the records after audit by the internal auditor, audit record containers are to be marked denoting the fiscal period involved. The basic retention time period for records should comply with the Records Retention and Disposal Schedules provided by the Nebraska Secretary of State; specifically Schedule 10-School Districts, Schedule 13-County Superintendent of Schools, and Schedule 24-General Records for Local Government. Schedules are revised and updated periodically and can be located at the Secretary of State website: http://www.sos.ne.gov/records-management/retention_schedules.html.

A record series is a group of identical or related records which are normally used and filed as a unit and are destroyed as a unit in accordance with a retention schedule. A retention schedule is a list of such records for a department, area, office or schools, specifying the length of time records are to be kept and when such records may be destroyed.

A retention schedule does not authorize the destruction of any records. Destruction may not occur until a written request to destroy records has been submitted to and approved by the Chief Financial Officer.

When a school or department has records it wishes to destroy and/or microfilm, a written request for records destruction should be completed and forwarded to the Chief Financial Officer.

After approval has been received, the school or department will be instructed whether to destroy the records on-site or to send them to the Business Office for microfilming and then destruction.

When records are delivered, they should be by series: chronologically, each year separately and alphabetically arranged.

Once materials containing personally identifiable information have been approved for destruction and/or microfilmed, the original materials should be shredded as the means of destruction. If the site has no shredder, the administrator may arrange for shredding by contacting the Business Office. All materials sent for shredding must be binder and metal free. Materials containing staples, paper clips, or binders will be returned.

It is the responsibility of the principal or other administrator to assure that records destroyed are those which have been approved for destruction by Chief Financial Officer.

Any request for assistance in the maintenance and disposition of records should be made to the Chief Financial Officer.

