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## SECTION D: Fiscal Management

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DA	Management of Funds
DB	Annual Budget
DG	Custody and Disbursement of School Funds
DGC	School Activity Funds
DGD	Funds for Instructional Materials and Office Supplies
DI	Financial Accounting and Reporting
DIA	Reporting Per Pupil Costs
DJ	Small Purchasing
DJA	Purchasing Authority
DJB	Petty Cash Funds
DJF	Purchasing Procedures
DJG	Vendor Relations
DK	Payment Procedures
DL	Payroll Procedures
DLB	Salary Deductions
DLC	Expense Reimbursements
DM	Cash in School Buildings
DN	Disposal of Surplus Items
DO	Non-Locally Funded Programs

## MANAGEMENT OF FUNDS

The Executive Superintendent or his/her designee shall be responsible for administering the division budget in accordance with board policies and applicable state and federal regulations, and laws; therefore, the superintendent or his/her designee will use appropriate fiscal planning and management methods, modeled after the best accepted business practices and directed toward the educational goals of the division.

1. If the appropriating body approves the Joint Committee for Control budget by total expenditures, funds may be transferred by the Joint Committee for Control from one category to another. If funds are appropriated to the Joint Committee for Control by major classifications, no funds shall be expended by the Joint Committee for Control except in accordance with such classifications without the consent of the body appropriating the funds.
2. The superintendent may be authorized by the Joint Committee for Control to make line item transfers within a category.

The Joint Committee for Control shall manage and control the funds made available to the Joint Committee for Control for the public schools and may incur costs and expenses.

Adopted: August 26, 2008

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Legal Refs.: Code of Virginia, 1950, as amended, §§ 22.1-78, 22.1-89, 22.1-94.

## ANNUAL BUDGET

The annual school budget is the financial outline of the division's education program. It presents a proposed plan of expenditures and the expected means of financing those expenditures. After adoption, it provides the primary means of managing expenditures.

The fiscal year begins on the first day of July and ends on the thirtieth day of the following June.

The Executive Superintendent shall prepare, with the approval of the Joint Committee for Control, and submit to the appropriating body, an estimate of the amount of money needed during the next fiscal year for the support of the public schools of the school division. The estimate shall set up the amount of money needed for each major classification prescribed by the Board of Education and such other headings or items as may be necessary.

The Executive Superintendent or his/her designee shall prepare a budget calendar identifying all deadlines for the annual budgetary process. The calendar shall include at least one work session for reviewing the budget and at least one public hearing on the budget. Notice of the time and place for the public hearing must be published at least ten days in advance, in a newspaper having general circulation within the school division.

Upon approval of the school division's budget by the appropriating body, the Joint Committee for Control shall publish the approved budget on its website.<sup>1</sup>

Adopted: August 26, 2008

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Legal Refs.: Code of Virginia, 1950, as amended, §§ 15.2-2500, 15.2-2503, 15.2-2504, 15.2-2506, 22.1-90, 22.1-91, 22.1-92, 22.1-93, 22.1-94.

## CUSTODY AND DISBURSEMENT OF SCHOOL FUNDS

All public money, 1) except money generated by school activities, and classified "school activity fund (internal) accounts," 2) petty cash funds, and 3) accounts established for the purchase of instructional materials and office supplies must be deposited with the Northern Neck Technical Center treasurer, who shall be in charge of the receipts, custody and disbursement of Joint Committee for Control funds and who must keep such funds in an account or accounts separate and distinct from all other funds. Checks must be drawn on the Joint Committee for Control account by the Northern Neck Technical Center treasurer, Warsaw, Virginia.

Disbursement of Joint Committee for Control funds shall be approved as provided in Policy DK Payment Procedures.

Adopted: August 26, 2008

Amended: August 24, 2010

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Legal Refs.: Code of Virginia, 1950, as amended, §§ 22.1-78, 22.1-116, 22.1-117, 22.1-122, and 22.1-122.1.

8 VAC 20-720-70.

Cross Refs: DGC School Activity Funds  
DGD Funds for Instructional Materials and Office Supplies  
DJB Petty Cash Funds  
DK Payment Procedures

## SCHOOL ACTIVITY FUNDS

All funds derived from extracurricular school activities, including, but not limited to, entertainment, athletic contests, facilities fees, club dues, vending machine proceeds that are not deposited in the school nutrition program account, and from any and all activities of the school involving personnel, students, or property are considered school activity funds.

Each school shall keep an accurate record of all receipts and disbursements of school activity funds so that a clear and concise statement of the condition of each fund may be determined at all times. It is the duty of each principal to see that such records are maintained in accordance with regulations of the Virginia Board of Education and the Northern Neck Technical Center Joint Committee for Control. The school principal shall be bonded, and the Joint Committee for Control shall prescribe, by regulation, rules governing such bonds for employees who are responsible for school activity funds.

At least once a year, a duly qualified accountant, accounting firm, or internal auditor shall perform an audit, examination, or review of school activity funds to ensure funds are being managed in accordance with this policy and all funds are properly accounted for. The type of engagement (audit, examination, or review) and the accountant, accounting firm, or internal auditor, shall be approved by the Joint Committee for Control. A copy of the report resulting from the audit, examination, or review (and the completed corrective action plan, if suggestions for improvement are made) shall be reviewed by the superintendent and the Joint Committee for Control, and filed in the office of the clerk of the Joint Committee for Control, the superintendent, and the principal. The cost of such an audit, examination or review may be paid from the school operating fund or school activity funds. Monthly reports of such funds shall be prepared by the principal and filed in the principal's office.

Adopted: August 26, 2008

Amended: August 24, 2010

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Legal Refs.: Code of Virginia, 1950, as amended, § 22.1-122.1.

8 VAC 20-720-10.

Cross Refs.: DG Custody and Disbursement of School Funds  
DM Cash in School Buildings

## FUNDS FOR INSTRUCTIONAL MATERIALS AND OFFICE SUPPLIES

The Joint Committee for Control may, by resolution and subject to the approval of the appropriating body, establish accounts in each of its departments and schools committed solely for the purchase of instructional materials and office supplies. The Joint Committee for Control may authorize the transfer of a percentage of the funds budgeted for a school or division department, not to exceed thirty-five percent of the allocation, into the account.

The account shall be managed by the principal of the school or head of the division department who shall file a monthly accounting of the funds with the Executive Superintendent. No additional funds shall be transferred into any such account unless the monthly accounting has been filed. The funds in the account may be disbursed for payment of obligations by issuing a negotiable check signed by the principal or head of the division department, and a second person to be designated by the Joint Committee for Control. At the close of the fiscal year, all funds remaining in the accounts shall be returned to the Joint Committee for Control simultaneously with a full accounting of the disbursements. All such accounts shall be subject to an annual audit as prescribed by Va. Code § 15.2-2511 and to relevant provisions of the Virginia Public Procurement Act.

Adopted: August 26, 2008

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Legal Refs.: Code of Virginia, 1950, as amended, § 22.1-122.1.

Cross Refs.: DG Custody and Disbursement of School Funds  
DJA Purchasing Authority  
DJB Petty Cash Funds  
DJF Purchasing Procedures  
DJG Vendor Relations  
DK Payment Procedures

## FINANCIAL ACCOUNTING AND REPORTING

The Executive Superintendent or his/her designee shall establish and be responsible for a division's accounting system that will satisfy the Virginia Department of Education's regulations regarding accounting practices and applicable federal, State, and local laws.

### Financial Accounting and Reporting

The Joint Committee for Control will receive monthly financial statements, including statements of revenues and expenditures, showing the financial condition of the division as of the last day of the preceding month. School food service funds and textbook funds will be held in separate, interest bearing, bank accounts.

### Inventories

The Executive Superintendent or his/her designee will be responsible for the inventory of all fixed assets of the school division.

### School Level Accounting System

Each school is required to maintain an accurate, up-to-date accounting system of all money collected and disbursed by the school. These funds will be deposited in accounts in the name of the school.

A record of all receipts and disbursements will be maintained in accordance with the Northern Neck Technical Center Activity Accounts Manual (Excel Spreadsheet) as promulgated by the Executive Superintendent and in accordance with regulations issued by the State Board of Education.

The principal will prepare and forward to the Executive Superintendent or his/her designee monthly financial statements, including statement of revenues and expenditures, showing the financial condition of the school as of the last day of the preceding month.

### Audits

In accordance with State statutes and regulations, all financial records of the division will be audited following the close of each fiscal year.

Adopted: August 26, 2008

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Legal Refs.: Code of Virginia, 1950, as amended, §§ 15.2-2511, 22.1-68, 22.1-90, 22.1-115, 22.1-121.

8 VAC 20-270-10 et seq.

8 VAC 20-290-10.

Cross Ref.: DA Management of Funds  
DB Annual Budget  
DG Custody and Disbursement of School Funds  
DGC School Activity Funds  
DGD Funds for Instructional Materials and Office Supplies  
DJB Petty Cash Funds  
ECA Inventory and Reporting of Loss or Damage

## REPORTING PER PUPIL COSTS

Each parent, guardian or other person having control or charge of a child enrolled in the Northern Neck Technical Center shall be notified, in writing, of the estimated per pupil cost for public education in the Joint Committee for Control for the coming year.

Such notification will be given using forms developed by the Board of Education for this purpose.

Adopted: August 26, 2008

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Legal Ref.: Code of Virginia, 1950, as amended, § 22.1-92(A).

## SMALL PURCHASING

The competitive bidding (or competitive negotiations) requirements do not apply to purchase of goods, services other than professional services, insurance or construction single or term contracts, the cost of which is in the aggregate or the sum of all phases is not expected to exceed \$50,000 and that are not otherwise exempt from competitive sealed bidding or competitive negotiations. Purchases under this exception that are expected to exceed \$30,000 shall require the written informal solicitation of a minimum of four bidders or offerors.

The Northern Neck Technical Center Joint Committee for Control may purchase single or term contracts for professional services if the aggregate or sum of all phases is not expected to exceed \$30,000 without undertaking competitive bidding by adopting written procedures for such purchases. However such small purchase procedures shall provide for competition wherever practicable.

The acquisition of property or services, the estimated cost which is less than \$30,000, may, at the discretion of the Executive Superintendent, or his/her designee, be on the basis of "Open Market" or informal bid procedures under which the requirement for an advertised invitation to bid need not be observed. Such purchases shall be in accordance with written procedures of the Joint Committee for Control and shall provide for competition whenever practicable. Specific procedures for purchases under this section shall be published as an administrative regulation.

### Emergency Contracts

Whenever, because of an emergency which does not allow sufficient time to engage in normal bidding procedures, it is deemed necessary and in the public interest by the Executive Superintendent to enter into any contract without following the formal or informal bidding procedures required, he/she shall authorize such emergency contract. The Executive Superintendent shall make a full report concerning the emergency contract at the next scheduled Joint Committee for Control meeting.

Adopted: August 26, 2008

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Legal Refs.: Code of Virginia, 1950, as amended, §§ 2.2-4303, 22.1-68, 22.1-78.

## PURCHASING AUTHORITY

The Executive Superintendent with the Joint Committee for Control's formal approval may designate a qualified employee to serve as the purchasing agent for the Board. In this capacity, the agent for the Board may purchase or contract for all supplies, materials, equipment, and contractual services required by the Joint Committee for Control subject to federal and state codes and Joint Committee for Control policies. All purchases made by the Joint Committee for Control will be in accordance with the Virginia Public Procurement Act.

All personnel in the division who desire to purchase equipment and supplies shall follow the established procurement procedures within their departments or schools for the issuance of a requisition or purchase order. All purchase orders must be forwarded to the Executive Superintendent or his/her designee, for approval and processing.

### Internal Controls

The Executive Superintendent, or his/her designee, shall establish appropriate procedures for internal accounting controls.

### Purchasing and Contracting

It is the policy of the Northern Neck Technical Center's Joint Committee for Control to encourage full and open competition whenever practicable among potential contractors and suppliers by competitive bidding practices; to centralize purchasing and contracting to realize the economies resulting there from; and to seek maximum educational value for every dollar expended.

Adopted: August 26, 2008

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Legal Refs.: Code of Virginia, 1950, as amended, §§ 2.2-4300 et seq.; 22.1-68, 22.1-70, and 22.1-78.

Cross Ref.: DGC School Activity Funds  
DGD Funds for Instructional Materials and Office Supplies  
DJ Small Purchasing  
DJB Petty Cash Funds  
DJF Purchasing Procedures

## PETTY CASH FUNDS

The Joint Committee for Control may by, resolution, establish petty cash funds for the payment of properly itemized bills for materials, services, or supplies furnished to the Joint Committee for Control under conditions calling for immediate payment to the vendor upon delivery. Such funds shall not exceed \$2,000 each.

If it establishes any petty cash funds, the Joint Committee for Control will appoint an agent or other person who shall be authorized only to approve payment of claims arising from commitments made pursuant to provisions of law from such petty cash funds. Any agent or person into whose hands any such fund is placed may pay such claims there from without necessity of prior receipt and audit of the claims by the Joint Committee for Control and without approval and issuance of the warrant of the Joint Committee for Control.

The clerk of the Joint Committee for Control shall report payments from petty cash funds to the Joint Committee for Control or to any appointed agent of the Joint Committee for Control for approval and reimbursement promptly after any claim has been paid.

A bond in the amount of \$4,000.00 will be required for each person distributing petty cash funds, but no additional bond shall be required of any person already bonded in the required amount.

Adopted: August 26, 2008

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Legal Ref.: Code of Virginia, 1950, as amended, § 22.1-123.

Cross Ref.: DJF Purchasing Procedures

## PURCHASING PROCEDURES

All procurements made by the Joint Committee for Control will be in accordance with the Virginia Public Procurement Act.

## Certification Regarding Sex Offenses

As a condition of awarding a contract for the provision of services that require the contractor or his employees to have direct contact with students on school property during regular school hours or during school-sponsored activities, the Joint Committee for Control will require the contractor to provide certification that all persons who will provide such services have not been convicted of a felony or any offense involving the sexual molestation or physical or sexual abuse or rape of a child.

This requirement does not apply to a contractor or his employees providing services to a Joint Committee for Control in an emergency or exceptional situation, such as when student health or safety is endangered or when repairs are needed on an urgent basis to ensure that school facilities are safe and habitable, when it is reasonably anticipated that the contractor or his employees will have no direct contact with students.

## Unauthorized Aliens

The Joint Committee for Control shall provide in every written contract that the contractor does not, and shall not during the performance of the contract for goods and services in Virginia, knowingly employ an unauthorized alien as defined in the federal Immigration Reform and Control Act of 1986.

## Discrimination by Contractor Prohibited

The Joint Committee for Control shall include the following provisions in every contract of more than \$10,000:

1. During the performance of this contract, the contractor agrees as follows:

a. The contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability, or other basis prohibited by state law relating to discrimination in employment, except where there is a bona fide occupational qualification reasonably necessary to the normal operation of the contractor. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

b. The contractor, in all solicitations or advertisements for employees placed by or on behalf of the contractor, will state that such contractor is an equal opportunity employer.

c. Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting the requirements of this section.

2. The contractor will include the provisions of the foregoing paragraphs a, b and c in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

Adopted: August 26, 2008

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Legal Ref.: Code of Virginia, 1950, as amended, §§ 2.2-4300 et seq., 2.2-3411, 2.2-4311.1, 22.1-296.1.

Cross Ref.: GCDA Effect of Criminal Conviction  
KN Sex Offender Registry Notification

## VENDOR RELATIONS

All procurements made by the Joint Committee for Control will be in accordance with the Virginia Public Procurement Act.

In addition, as a condition of awarding a contract for the provision of services that require the contractor or his employees to have direct contact with students on school property during regular school hours or during school-sponsored activities, the Joint Committee for Control will require the contractor to provide certification that all persons who will provide such services have not been convicted of a felony or any offense involving the sexual molestation or physical or sexual abuse or rape of a child.

This requirement does not apply to a contractor or his employees providing services to a Joint Committee for Control in an emergency or exceptional situation, such as when student health or safety is endangered or when repairs are needed on an urgent basis to ensure that school facilities are safe and habitable, when it is reasonably anticipated that the contractor or his employees will have no direct contact with students.

Adopted: August 26, 2008

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Legal Ref.: Code of Virginia, 1950, as amended, §§ 2.2-4300 et seq., 22.1-296.1.

Cross Ref.: GCDA           Effect of Criminal Conviction  
              KN            Sex Offender Registry Notification

## PAYMENT PROCEDURES

### Joint Committee for Control

The Joint Committee for Control will examine all claims against it, except those to be paid from petty cash funds or funds for the purchase of instructional materials and office supplies, and when approved, order or authorize payment thereof. A record of such approval and order or authorization shall be made in the minutes of the Joint Committee for Control. Payment of each claim shall be ordered or authorized by a warrant drawn on the treasurer or other officer charged by law with the responsibility for the receipt, custody and disbursement of the funds of the Joint Committee for Control. The face of the warrant shall state the purpose or service for which such payment is drawn and the date of the order entered or authority granted by the Joint Committee for Control.

The warrant shall be signed by the chairman or vice-chairman, and countersigned by the clerk or deputy clerk.

### Fiscal Agent

The Joint Committee for Control may, by resolution, appoint an agent and deputy agent to examine and approve claims against it. A record of such approval and order or authorization shall be made and kept with the records of the Joint Committee for Control. Payment of each such claim so examined and approved by such agent or his deputy shall be ordered or authorized by a warrant drawn on the treasurer or other officer charged by law with the responsibility for the receipt, custody, and disbursement of the funds made available to the Joint Committee for Control. The warrant shall be signed by such agent or his deputy and countersigned by the clerk or deputy clerk of the Joint Committee for Control.

However, (1) when the agent is the Executive Superintendent, who also occupies the position of Joint Committee for Control clerk, a countersignature from the chairman or vice-chairman is required and (2) when the deputy agent and the deputy clerk is one and the same person, the warrant must be countersigned by either the clerk or the agent of the Joint Committee for Control.

Each warrant shall be payable to the person or persons, firm or corporation entitled to receive payment. The face of the warrant shall state the purpose or service for which such payment is made and also that such warrant is drawn pursuant to authority delegated to such agent or his deputy by the Joint Committee for Control on the specified date.

Any such agent or deputy agent must furnish a corporate surety bond. The Joint Committee for Control shall set the amount of such bond or bonds and the premium therefore shall be paid out of funds made available to the Joint Committee for Control.

### Special Warrants

The Northern Neck Technical Center Joint Committee for Control may provide, by resolution, for the drawing of special warrants in payment of compensation, when such compensation has been earned and is due, for

- (i) all employees under written contract,
- (ii) all other employees whose rates of pay have been established by the Joint Committee for Control or its properly delegated agent, upon receipt of certified time sheets or other evidence of service performed, and
- (iii) for payment on contracts for school construction projects according to the terms of such contracts.

All such special warrants shall be signed by the clerk or deputy clerk of the Joint Committee for Control and countersigned by the Executive Superintendent or the chairman or vice-chairman of the Joint Committee for Control. When the Executive Superintendent and clerk is one and the same person, such special warrants shall be countersigned by such chairman or vice-chairman. Such payrolls and contracts so paid shall be reviewed and approved by the Joint Committee for Control at its next regular meeting.

Adopted: August 26, 2008

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Legal Refs.: Code of Virginia, 1950, as amended, §§ 22.1-122, 22.1-122.1, 22.1-123.

Cross Refs.: DG Custody and Disbursement of School Funds  
DJB Petty Cash Funds  
DGD Funds for Instructional Materials and Office Supplies

## PAYROLL PROCEDURES

All salaries and supplements paid to all employees will be paid in accordance with the schedule approved by the Joint Committee for Control. If the Joint Committee for Control receives a waiver from the Board of Education permitting it to require students to attend prior to August 15, the Joint Committee for Control shall establish a payment schedule to ensure that all contract personnel are compensated for time worked within the first month of employment. The Joint Committee for Control will maintain records that accurately reflect the compensation and related benefits of each employee.

Adopted: August 26, 2008

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Legal Ref.: Code of Virginia, 1950, as amended, §§ 22.1-78, 22.1-296.

Cross Refs.: DK Payment Procedures  
DLB Salary Deductions



## SALARY DEDUCTIONS

Federal and State taxes will be automatically deducted from each employee's paycheck based on the most recent withholding statement provided by the employee. In the absence of a withholding statement, deductions will be made based on federal and/or State tax regulations.

A list of all voluntary deductions available to employees will be published annually and provided to all employees. Any additional voluntary deduction requests must be recommended by the Executive Superintendent and approved by the Joint Committee for Control.

Adopted: August 26, 2008

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Legal Refs.: Code of Virginia, 1950, as amended, §§ 22.1-78, 22.1-296.

## EXPENSE REIMBURSEMENTS

The Joint Committee for Control encourages attendance and participation of school personnel at professional meetings. The purpose of this policy is to provide the staff with opportunities to improve their work skills and to maintain high morale.

Request for reimbursement from Joint Committee for Control funds will be honored only for trips approved in advance by the Executive Superintendent or his/her designated representative and for which a statement of travel, with supporting documents, is submitted at the conclusion of the trip.

Adopted: August 26, 2008

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Legal Refs.: Code of Virginia, 1950, as amended, §§ 22.1-67, 22.1-78, 22.1-122, 22.1-253.13:5, 22.1-296.

Cross Ref.: GCL Professional Staff Development

## CASH IN SCHOOL BUILDINGS

Teachers and other school personnel who come into possession of cash in connection with school activities will not leave the money unattended. As soon as is possible, and no later than the end of the school day, personnel in possession of cash shall turn it over to the principal's office for safe-keeping and proper accounting.

Adopted: August 26, 2008

Amended: August 24, 2010

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Legal Refs.: Code of Virginia, 1950, as amended, §§ 22.1-68, 22.1-70, 22.1-78.

Cross Ref.: DGC School Activity Funds

## DISPOSAL OF SURPLUS ITEMS

The Joint Committee for Control shall apply trade-in allowances on equipment to be replaced against the purchase cost of the new equipment whenever possible.

The Joint Committee for Control may dispose of equipment having no trade-in value by informal bid, auction or pre-priced sale as appropriate to the public. If items are valued in excess of \$500.00, formal authorization for negotiated sale or for putting the items to bid shall be obtained from the Joint Committee for Control.

The bidder or purchaser shall certify whether he/she is an officer or employee of the division or a member of the immediate family of an officer or employee. Officers and employees of the school division, and members of their immediate families, may purchase surplus property from the Joint Committee for Control only if the property is being sold at uniform prices available to the public or if the goods are sold for less than \$500.00.

If reasonable attempts through the bidding or direct sales process to dispose of the items are unsuccessful, then the Executive Superintendent is authorized to arrange for their disposal.

Obsolete educational technology hardware and software that is being replaced pursuant to Va. Code § 22.1-199.1(B)(4) may be donated to other school divisions, to students, as provided in Board of Education guidelines, and to preschool programs in the Commonwealth.

Adopted: August 26, 2008

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Legal Refs.: Code of Virginia, 1950, as amended, §§ 2.2-3108.B.2, 2.2-3109.C.3, 2.2-3110.A.7, 22.1-68, 22.1-78, 22.1-79 (3), 22.1-129, 22.1-199.1(B)(4).

Guidelines for the Donation to Public School Students of Replaced Educational Hardware and Software by Local Joint Committee for Control s (Attachment A to Virginia Department of Education Executive Superintendent's Memo No. 197 (Oct. 20, 2000)).

## NON-LOCALLY FUNDED PROGRAMS

In order to provide the best educational opportunities possible for children of the school division, the Joint Committee for Control may seek as many sources of revenue as possible to supplement the funds provided through local appropriation and the basic aid offered by the state.

To ensure coordination and to avoid confusion in developing proposals and making application for specially funded programs, the Executive Superintendent may establish standard procedures for the preparation of proposals and their review. The Executive Superintendent shall also ensure that none of the conditions of acceptance is in conflict with the policies of the Board, the objectives of the division, or State or federal.

The Executive Superintendent may submit proposals or applications for special grants prior to approval by the Joint Committee for Control. No such application or proposal shall be binding on the Board without its approval.

Adopted: August 26, 2008

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Legal Refs.: Code of Virginia, 1950, as amended, §§22.1-78, 22.1-79, 22.1-88.