

FINANCE

School Activity Funds

Guidelines for Virginia High School League (VHSL) District, Regional, and State Tournaments

This regulation supersedes Regulation 5815.2.

I. PURPOSE

To provide guidelines to account for culminating Virginia High School League (VHSL) tournaments that are conducted in Fairfax County Public Schools (FCPS) by FCPS personnel when it is not feasible for the district, regional, or state VHSL treasurers to process all financial transactions associated with the tournament.

II. GENERAL INFORMATION

Under certain circumstances, schools are authorized to implement special procedures to account for culminating district, regional, and state tournaments that are conducted in FCPS by FCPS personnel for the VHSL. When it is not feasible for the district, regional, or state VHSL treasurers to process all receipts and disbursements required to run these tournaments, FCPS may process tournament receipts and disbursements through local school activity funds.

These guidelines apply only when it is necessary to use a school's activity fund accounts to process VHSL funds and are not intended to establish procedures for the VHSL itself or to override VHSL guidelines as they pertain to the financial operation of the VHSL.

A. Invitational Tournaments

Invitational tournaments conducted by individual schools are not covered under these procedures even though these tournaments may be sanctioned by the VHSL. Invitational tournaments are considered to be school activities and shall be handled by one of the following methods:

1. Sponsored by the School

If the invitational tournament is sponsored by the school, all receipts generated and expenses incurred shall be processed through the school's activity fund accounts and are subject to all procedures, notices, and regulations governing school activity funds.

2. Sponsored by the Boosters

If the invitational tournament is sponsored by the boosters, all receipts generated and expenses incurred shall be accounted for through the booster

club's financial records. If tickets from the school's ticket supply are donated or sold to the booster club, the school ticket manager shall follow the guidelines in section III.A.2., Processing Tickets.

III. PROCEDURES FOR VHSL CULMINATING ACTIVITIES

When processing financial transactions through local school activity fund accounts, the following procedures apply.

A. Accounting in Local School Activity Fund Accounts

In order to process financial transactions for a specific VHSL culminating activity through local school activity funds, the school shall use the appropriate VHSL account, for example, "VHSL-District." All VHSL culminating activity financial transactions shall be processed through this account.

1. Processing Gate Receipts

Gate receipts shall be receipted into the school's VHSL account established for this purpose and deposited into the school's activity fund checking account. Receipts shall be supported by backup documentation (reports, etc.) specified by the district, regional, or state VHSL and shall not be comingled with gate receipts from the school's regular athletic events.

2. Processing Tickets

Tickets from the school's ticket supply may be sold or donated to the VHSL for each event. The tickets shall be accounted for separately, by the tournament director, and not comingled with the school's tickets used for regular school events. The school ticket manager shall use the Report of Ticket and Cash Accountability for Special Events (FS-87-78) to transfer the tickets from the school's ticket inventory to the VHSL tournament director. It is the responsibility of the tournament director or tournament ticket manager to account for ticket sales in accordance with VHSL financial accounting guidelines. As a convenience to tournament personnel and to help account for funds, the FCPS ticket accounting forms and procedures as outlined in the current version of Regulation 5812, Ticket Management, may be used. These forms should be modified or annotated to clearly indicate that they are being used for a VHSL activity, not a school activity.

B. Paying Tournament Expenses

A school may process tournament expenses, with the exception of personnel costs, through the school's VHSL account. In order to minimize the financial impact and workload responsibility placed on the school, it is expected that tournament directors will strive to arrange that tournament expenses be handled through the appropriate VHSL treasury to the maximum extent possible.

1. The district, regional, or state VHSL treasurer may issue, to the tournament director, an advance that may be used to pay for tournament expenses. If the amount of the advance is large, the tournament director may deposit these funds into the school's VHSL account. Because these funds are issued by the VHSL directly to the tournament director, they remain the property of the VHSL. The school may expend the funds for nonpersonnel-related purchases as authorized by the tournament director.
2. If the VHSL is unable to provide an advance, or if insufficient gate receipts are collected, the tournament director may request that the school pay nonpersonnel tournament expenses and be reimbursed by the VHSL. With the approval of the school principal, the VHSL account may carry a negative balance until reimbursement is received. At the conclusion of the tournament, or within a maximum of 30 days after the event, the VHSL shall reimburse the school for any negative balances.
3. In all cases, the tournament director is responsible for accounting for and disbursing funds in the VHSL account.
4. Required materials may be purchased using a school purchase order and the VHSL account, or schools may provide the materials from stock on hand. If materials are provided from stock on hand, the school shall be reimbursed by the VHSL for the materials.

C. Financial Reconciliation at the End of the Tournament

1. At the conclusion of the tournament, the VHSL account, shall have a zero balance. If there is a positive balance in this account, a check shall be written to the appropriate VHSL organization in the amount of the balance. Conversely, if there is a negative balance in this account, the VHSL organization shall write a check to the school to be deposited into the VHSL account.
2. This reconciliation shall be completed no later than 30 days after the conclusion of the tournament.
3. Copies of documentation shall be retained by the school to ensure that the above financial reconciliation is completed accurately. The VHSL is responsible for the review and audit of this documentation.
4. FCPS reserves the right to audit the tournament documentation and financial records at any time either by district internal auditors or by an external auditor.