

GENERAL SERVICES

Purchasing and Supply

Advanced Appropriated Funds Program

This regulation supersedes Regulation 7412 and implements Policy 5150.

I. PURPOSE

To provide principals with an effective means for acquiring materials and to establish procedures for administering the Advanced Appropriated Funds Program (AAFP).

II. AUTHORITY

The Code of Virginia, Section 22.1-122.1, grants a school board the authority to establish accounts in each of its schools committed solely for the purchase of instructional materials and office supplies that are not stocked or purchased directly by the school division. Items that are essential to meet immediate health, safety, or security needs may also be purchased from these accounts. A school board may authorize the transfer of a percentage of the funds budgeted for these items, not to exceed 35 percent, into these accounts.

III. PARTICIPATION

All schools and centers are required to participate in the Advanced Appropriated Funds Program.

IV. RESPONSIBILITIES

The Department of General Services, Office of Supply Operations, shall be responsible for the divisionwide coordination of the purchasing aspects of the program. The Department of Financial Services, Accounts Payable Section, shall be responsible for the divisionwide coordination of the financial aspects of the program. Principals shall be responsible for the administration of AAFP accounts established for support of their programs, and for ensuring compliance with the provisions of this regulation.

V. PURCHASING PROCEDURES

A. Purchasing Guidelines

1. Principals may purchase supplies and materials using the funds deposited in a special account designated for making direct purchases with advanced appropriated funds. Instructions for receipt of, accounting for, and reporting the status of these AAFP

funds are included in Regulation 5810.2, School Activity Funds Management.

2. AAFF funds may be used to acquire supplies and materials that are not stocked in the FCPS warehouse and that are not under county contract.
3. The per order limits for purchases are as follows:

Supplies and noncapitalized equipment--\$1,000

Administrative Software--\$1,000

Curriculum-Related Instructional Materials--\$2,500

Instructional Software--no limit

Textbooks--no limit

Postage--no limit
4. Schools are encouraged to order basal textbooks through the Office of Supply Operations rather than directly using AAFF funds. Ordering through Supply Operations provides the opportunity to determine if the required textbooks are available from other FCPS schools through the Textbook Exchange program.
5. Direct purchase of capitalized equipment, personnel services (such as consultants and guest speakers), and/or travel are not authorized under these procedures.
6. All purchases shall be supported by a Manatee Accounting System generated purchase order or form FS-125, Purchase Requisition, Order, and Receiving Report. Form FS-125 shall be used in all instances to submit a written order to the vendor, to confirm a telephone order, or to confirm an order placed by means of a vendor's order form.
7. Payment of vendors' invoices shall be made by the principal and the school finance officer or finance secretary from allocated funds in accordance with procedures outlined in the SAFM. All direct purchases shall be charged to the appropriate account under the control of the principal.
8. Principals shall be responsible for the resolution of problems concerning direct purchases.

VI. FINANCIAL PROCEDURES

A. Bank Accounts

1. The Accounts Payable Section shall be responsible for coordinating the establishment of bank accounts. All AAFP funds must be maintained in a separate bank account that has been approved by the Fairfax County director of finance.
2. The principal shall be responsible for appointing all people authorized to sign AAFP checks. Checks drawn on this account require the signature of the principal or designee and a second person designated by the principal. A copy of each appointment shall be maintained at the school.
3. The principal shall be responsible for ensuring that bank signature cards are kept current. The principal shall forward two new signature cards to the Accounts Payable Section if a change is made. Cards may be obtained from the Accounts Payable Section. Instructions for completing signature cards are contained in Attachment A.
4. The principal shall ensure that the bank account is reconciled on a monthly basis and that the account is not overdrawn.

B. Advances or Return of Funds

1. The Accounts Payable Section shall transmit AAFP request forms to all participants.
2. Principals shall request an advance for any percentage, up to a maximum of 35 percent, for each subobject code identified by the Department of Financial Services for inclusion in the program.
3. The Accounts Payable Section shall deposit funds into the school and center AAFP bank accounts at the beginning of the fiscal year and shall send a deposit notification to each principal.
4. Principals may return a portion of advanced funds at any time during the year only if the funds are needed to place an order through the Office of Supply Operations or to eliminate a budget deficit.
5. Unobligated funds remaining in the account at the close of each fiscal year shall be returned to the Department of Financial Services, Accounting Section. The due date for the return of these funds shall be published in Notice 6610. It is not necessary to return funds if the account balance is less than \$10.

C. Accounting and Reporting

1. AAFF accounts shall be maintained in accordance with the guidelines prescribed in Regulation 5810.2.
2. Advances shall be recorded as expenditures against the school's or center's budget. Principals may reallocate these expenditures among school programs (e.g., general instruction, vocational education) to meet their procurement needs. This shall be accomplished by submitting a transfer voucher to the Accounting Section. Instructions are contained in Attachment B.
3. Monthly and annual reports shall be filed with the area superintendent. Reporting guidelines are contained in the School Activity Funds User's Guide.
4. Records shall be retained in accordance with the "Regulations of the Board of Education," Virginia Department of Education. Retention requirements are contained in Regulation 5810.2. Consult the FCPS Records Management Manual for further guidance concerning records retention and disposition.

See also: Policy 5150.1, Advancing Appropriated Funds to Schools
Regulation 5810.2, School Activity Funds Management
Regulation 7410.1, Purchasing--Goods and Services Acquisition

NationsBank®

Commercial Signature Card

Office	Account # School Acct #	<input checked="" type="checkbox"/> Checking Account <input type="checkbox"/> Money Market Checking Account <input type="checkbox"/> Money Market Savings Account <input type="checkbox"/> Preferred Investment Account <input type="checkbox"/> Savings Account <input type="checkbox"/> Other
Account Name Name of School		
Advanced Appropriated Funds Acct.		
Business or Mailing Address Mailing Address		
City	State	Zip
Area Code & Telephone # ()		

Local street address if out of town or Post Office Box

Street Address

City State Zip

Funds of this organization on deposit in NationsBank of Virginia, N.A. shall be subject to withdrawal upon the check, draft or like instrument of the organization when signed by any two of the following signatures:

Signature	Signature	Signature
Signature	Signature	Signature
Name	Name	Name
Title	Title	Title

The following information pertains to Interest Withholding and, by law, must be completed

1. Taxpayer Identification Number. Enter the taxpayer identification number to be used for reporting interest to the Internal Revenue Service. It must be that of the first person listed on the account. <input style="width:100%; height: 20px;" type="text"/>	2. Backup Withholding. Check the Box if you are subject to Backup Withholding under the provisions of Section 3406 (a) (1) (C) of the IRS Code. <input style="width: 40px; height: 20px;" type="checkbox"/>	3. Non-United States Person Status Check the box if you are not a United States person, or in the case that you are an individual, that you are neither a citizen or a resident of the United States. Country of tax residency <input style="width: 40px; height: 20px;" type="text"/>
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4. Certification: Under penalties of perjury, I certify that the information provided above is true, correct, and complete.

Signature: _____

Date: _____

Depositor agrees that this account is governed by the Rules and Regulations Governing Commercial Accounts of the Bank in effect and as they may be amended from time to time by the Bank, and Depositor acknowledges receipt thereof. Depositor consents to have photograph taken for purposes of identification at time account is opened should such be requested by the bank. Depositor authorizes Bank to make whatever credit inquiries or reports it deems necessary in connection with this account. Depositor authorizes any person, governmental agency or consumer reporting agency to compile and furnish bank any information it may have in response to such inquiries and agrees that same shall remain property of the Bank.

SCC	SIC Code	Supersedees Resolution Dated	Opened/Changed By	Opening/Change Date	Initial Deposit	<input type="checkbox"/> Cash <input type="checkbox"/> Check(s)
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Officer Approval _____

Date Closed: _____

Reason: _____

Complete the following Resolution and then either Certification A or B below, depending on the structure of the commercial organization.

Resolution

"Resolved that NationsBank of Virginia, N.A. (Bank) is hereby designated a depository of funds of School School Name of School Organization and that a Checking Account Money Market Checking Account Money Market Savings Account Preferred Investment Account Savings Account or Other _____ be opened with said Bank, and that funds so deposited may be paid upon a check, draft, or other instrument or order of the organization."

Be it further resolved that any of the following persons are hereby authorized to draw and to sign checks against such Account and to take any other action and transact any other business with Bank relating to the deposit and/or withdrawal of money or property in said Bank, provided that two signatures shall be required on each withdrawal from the Account:

Name	Authorized Signature	Title
Name _____	Signature _____	Title _____
Name _____	Signature _____	Title _____
Name _____	Signature _____	Title _____

"Be It Further Resolved that said Bank is hereby authorized and directed to honor and pay without limit as to amount, without inquiry and without regard to the disposition of any proceeds thereof, any orders for the payment of money, including but not limited to checks, drafts, notes, or like instrument, whether such instruments be payable to the order of any such person signing said instruments, or payable to the order of any such persons in their individual capacities, and whether such instruments are deposited to the individual credit of the person so signing said instruments, or to the individual credit of any other officer or agent.

Be It Further Resolved, that the Bank, in accordance with the foregoing resolutions, is hereby requested, authorized and directed to accept the facsimile, or purported facsimile, signature(s) of any _____ of the above designated officers regardless of by whom or by what means the facsimile, or purported facsimile, may have been affixed as such signature(s) resemble the facsimile specimens duly certified to and filed with the Bank. This resolution shall continue and remain in force until written notice of a revocation has been duly served on the Bank."

Certification

A. Partnership/Joint Venture: We certify that we are the only joint venturers general partners doing business as the above-named organization and that we have duly executed and filed such certificates of Partnership / joint venture or trade name as may be required by the laws of the Commonwealth of Virginia, and we adopt the above resolution.

B. Corporation or Other Organization: I certify that I am duly elected Secretary of the above-named organization and that the foregoing is a true and correct copy of a resolution adopted by said organization at a duly called meeting of the _____ the governing body of the _____ Members-Board of Trustees/Directors organization, held on the _____ day of _____, 19____, at which a quorum was present and acting throughout or in accordance with the By-Laws of said organization; and that said organization is authorized to take such action, and that the signatures above and on the obverse side hereof are the true signatures of the persons authorized to sign as indicated in connection with said account.

Signed this, the _____ day of _____, 19____.

(Seal) _____
 Secretary

I, _____, a () Director () President () Other Officer of said organization, do hereby certify that the foregoing is a correct copy of a resolution adopted as above set forth.

To be signed by Officer or Director other than the Secretary

TRANSFER VOUCHER

A transfer voucher (TV) is used to move an expenditure from one index or subobject account to another. This is accomplished by posting a credit to one account, which reverses (or offsets) the expenditure, and posting a charge, of the same amount, to another account. A TV may be used to move a charge from one account to another within a given school, or from a school account to an area or central office account, or from one office's account to another office's account. A TV should not be confused with a budget adjustment (BA), which is used to move appropriated funds (allocations) from one index or subobject account to another.

Neither the TA nor the BA should be used to correct an error. All corrections must be requested using the FMR discrepancy report form.

Steps to Process a Transfer Voucher

The office or school desiring to receive the credit completes the following information: (Numbers refer to corresponding fields on the attached TV form.)

1. **To:** Enter the name of the office or school or the account receiving the charge.
2. **From:** Enter the name of the office or school or account receiving the credit.
3. **Charges for:** Space is provided for a complete explanation of what the transfer is for.
4. **Document Number:** Leave blank.
5. **Agency Credited:**
 - a. **TC (transaction code):** Enter 426.
 - b. **Index:** Enter the 6-digit index code to be credited.
 - c. **Subobject:** Enter the 4-digit subobject code to be credited.
 - d. **Amount:** Enter the amount to be credited.
 - e. **Description:** Summarize in 40 characters or less the reason for the transfer.
6. **Agency Charged:**
 - a. **TC (transaction code):** Enter 425.
 - b. **Index:** Enter the 6-digit index code to be charged.

- c. **Subobject:** Enter the 4-digit subobject code to be charged.
 - d. **Amount:** Enter the amount to be charged.
 - e. **Description:** Summarize in 40 characters or less the reason for the transfer.
- 7. **Document Amount:** Enter the total of all entries in the "amount" fields of both the "agency credited" and the "agency charged" sections.
 - 8. **Number of Lines:** Enter the total number of lines completed for both the "agency credited" and the "agency charged" sections. Note that each "line" is two-tiered, consisting of an unshaded and a shaded portion.
 - 9. **TC Hash:** Enter the total of all transaction codes in both the "agency credited" and the "agency charged" sections. For example, the TC Hash for a total of two transaction codes, 426 and 425, would be 851.
 - 10. **Authorized Signature and Date:** The authorized individual signs and dates on behalf of the office or school receiving the credit.

The office or school desiring to receive the credit then forwards the document to the office or school receiving the charge.

- 11. **Authorized Signature and Date:** The authorized individual for the office or school to be charged reviews the document, makes any necessary changes to the "Agency Charged" section, signs, and dates.

The office or school receiving the charge then submits the transfer voucher to the Office of Finance and Accounting Services, Accounting Section, for processing.

