



Public School Finance

Policy 8100

July 2024



**West Virginia Board of Education
2024-2025**

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126CSR200

**TITLE 126
LEGISLATIVE RULE
BOARD OF EDUCATION**

**SERIES 200
PUBLIC SCHOOL FINANCE (8100)**

§126-200-1. General.

1.1. Scope. -- This legislative rule describes the finance function of county boards of education (boards), educational service cooperatives (ESCs), and multi-county vocational centers (MCVCs), and details fiscal management, disbursement of funds, payroll activities, receipt of revenues, and other processes essential to public school finance.

1.2. Authority. -- W. Va. Constitution, Article XII, §2; W. Va. Code §§18-9-1 et seq., 18-9A-1 et seq., 18-9B-1 et seq., 18A-2-1 et seq., and 18A-4-1 et seq.

1.3. Filing Date. -- July 8, 2024.

1.4. Effective Date. -- August 7, 2024.

1.5. Repeal of Former Rule. -- This rule repeals and replaces W. Va. §126CSR200, Policy 8100, Public School Finance, filed June 1, 1990, and effective July 16, 1990.

§126-200-2. Incorporation by Reference.

2.1. The Handbook for School Finance in West Virginia is attached to this policy and incorporated by reference. Copies may be obtained from the Office of the Secretary of State and from the West Virginia Department of Education (WVDE) Office of School Finance.

2.2. Summary of rules and regulations. This policy and associated handbook have been prepared to provide boards, ESCs, and MCVCs with basic information covering revenue, budget, expenditures, payroll, fiscal management, and auditing. Sample forms and other useful information are found in the appendices.

§126-200-3. Severability.

3.1. If any provision of this policy and associated handbook or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this policy and associated handbook.

Policy 8100, Public School Finance
Handbook for School Finance in West Virginia

Foreword

W. Va. 126CSR200, Policy 8100, Public School Finance, and associated Handbook for School Finance in West Virginia (Policy 8100), established by the West Virginia Board of Education (WVBE), provides county boards of education (boards), educational service cooperatives (ESCs), and multi-county vocational centers (MCVCs) with basic information covering revenue, budget, expenditures, payroll, fiscal management, and auditing.

The policy is being updated to incorporate numerous changes in public school finance including but not limited to: payroll and disbursement evolution and modernization and various statutory and WVBE policy revisions and implementation that impact school finance. The revised policy thoroughly defines public school finance in West Virginia and incorporates real world experiences and practices from West Virginia School Business Officials.

The policy, including the handbook, was developed by the West Virginia Department of Education (WVDE) Office of School Finance in cooperation with the Accounting Procedures Committee comprised of representatives from board finance staff.

Policy 8100 and the associated handbook are available on the WVDE's website at <http://wvde.state.wv.us> under both the WVBE Policies section and under School Finance Data/Manuals. Printed copies can also be obtained from the WVDE Office of School Finance, Capitol Building 6, Suite 650, 1900 Kanawha Boulevard East, Charleston, West Virginia 25305, or by calling 304.558.6300.

Michele L. Blatt
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**SECTION 1
FISCAL MANAGEMENT**

1.1. FISCAL MANAGEMENT OVERVIEW

Fiscal management is the planning, monitoring, and directing of the financial activities of the board. Inherent in the governing process of the State of West Virginia, public officials and employees entrusted with public funds are expected to safeguard those funds and expend them in a manner that is efficient, economical, and effective to achieve the purpose for which they were provided. Officials and employees who handle such funds must provide full disclosure of their activities to the public and to other levels of government.

1.2. ORGANIZATION OF THE OFFICE

The county board of education members (CBEM) shall annually, upon recommendation of the county superintendent, appoint a treasurer for the board (treasurer) on or before the first Monday in May per W. Va. Code §18-9-6. The treasurer is the fiscal officer of the board, or the employee commonly designated as the person in charge of the financial affairs of the board. The treasurer must also be designated as the chief school business official (CSBO). An exception may be granted by the State Superintendent of Schools (State Superintendent) such as in cases where there is an interim treasurer due to a vacancy in the CSBO position. Exceptions will be granted by the State Superintendent on a case-by-case basis.

The treasurer is required to obtain professional licensure through the WVDE in accordance with W. Va. 126CSR136, Policy 5202, Minimum Requirements for the Licensure of Professional/Paraprofessional Personnel and Advanced Salary Classification (Policy 5202).

The treasurer is a key administrator who organizationally should report directly to the superintendent. The duties and responsibilities of the treasurer may range from those of a top-level executive to those of a clerk. The duties and expectations of the business office can vary widely depending on the size and organizational structure of the board. The treasurer is responsible for providing monthly financial reports to the CBEM, superintendent, and other management staff, including program administrators and cost center managers.

The treasurer must be involved, directly or indirectly, with all aspects of board operations. Areas of emphasis include budgeting, financial planning, payroll, accounts payable, accounting, and financial reporting. Other areas in which the treasurer must also be involved are cash management, risk management, purchasing, personnel, food service, transportation, maintenance, construction, inventory control, data processing, staff development, individual school accounting, and school/community relations.

The treasurer must be knowledgeable of ongoing activities in all areas of operation in order to facilitate the finance-related processes that must occur. Because of the financial implications, it is essential that the treasurer be involved with such areas as strategic planning, staffing, and the certified list of personnel.

1.3. BASIS OF ACCOUNTING

W. Va. Code §18-9B-5 and §18-9B-9 charges the State Superintendent with formulating and prescribing a uniform system of school district budgeting and accounting. Accounting transactions and financial reporting will be completed in conformity with accounting principles generally accepted in the United States of America. All West Virginia Local Education Agencies (LEAs) are required to maintain their financial records in accordance with Generally Accepted Accounting Principles (GAAP), as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is recognized as being the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

1.4. REQUIRED ACCOUNTING RECORDS

All boards, ESCs, and MCVCs shall use the uniform prescribed accounting system recommended by the WVBE for data collections and reporting to the WVDE.

1.5. INTERNAL CONTROL STRUCTURE

An integral part of any effective accounting system is a well-designed internal control structure. A board's control structure consists of the overall attitude, awareness, and actions of the CBEM, superintendent, treasurer, and other management personnel.

A good internal control structure is a key factor in the effective management of any organization. Internal controls encompass both accounting and administrative control procedures.

Internal control systems provide a means for safeguarding the board's assets, verifying the reliability of its accounting records, promoting operational efficiency, and encouraging adherence to prescribed accounting practices and procedures.

Some of the characteristics of a good internal control system include:

- proper authorization of transactions and activities;
- adequate segregation of duties;
- adequate documentation and records;
- adequate safeguards over use and access; and
- independent checks over performance.

1.6. SEGREGATION OF DUTIES

Identification and separation of incompatible functions is the fundamental method to accomplish adequate prevention of unauthorized or illegal transactions. Generally, the approval function, reconciling and accounting function, and the custody of assets function should be divided among separate employees. If these functions cannot be separated, a detailed supervisory review of all relevant activities is required on an on-going basis. Proper segregation of duties deters fraud by eliminating the ability of any one individual to complete enough steps in a transaction that they are able to both steal and conceal. Refer to Appendix A for examples of proper segregation of duties.

1.7. FUNDS

Fund accounting is used by non-profit and governmental entities and is a system that emphasizes accountability rather than profitability. In this system, a fund is a self-balancing set of accounts, segregated for specific purposes in accordance with laws and regulations or special restrictions, limitations, or reporting structure.

The *Local Educational Agencies Chart of Accounts* published by the WVDE Office of School Finance contains a list of allowable funds and the corresponding numbering sequence for each fund. The *Local Educational Agencies Chart of Accounts* can be obtained from the WVDE website.

The **General Current Expense Fund** is the operating fund of the LEA and accounts for all revenues and expenditures not encompassed within other funds. All general tax revenues and other receipts that are not allocated by law or contractual agreement to other funds are accounted for in this fund. General operating expenditures and the capital improvement costs that are not paid through other funds are paid from the General Current Expense Fund. In addition to the board's General Current Expense Fund, other general funds may be established as necessary for the MCVCs, material trust/agency agreements, or excess levy proceeds if separation is desired.

The **Special Revenue Fund** is an operating fund of the LEA and accounts for all revenues and expenditures attributable to state and federal grants and other revenue sources that legally restrict expenditures for specific purposes.

The **Debt Service Fund** is used to account for the resources accumulated and payments made for principal, interest, and related costs on general obligation bonds issued by the LEA for the acquisition of capital assets. Expenditures for services are not to be paid from this fund. Taxes collected by the Sheriff for the retirement of debt are recorded here for payment to the West Virginia Municipal Bond Commission for bond retirement. A separate fund may be established for each separate bond issuance.

The **Bond Construction Fund** accounts for the financial resources used to acquire or construct major capital facilities financed as a result of issuing general obligation bonds. Proceeds from the sale of bonds are deposited into this fund and expenditures to contractors for the construction projects are made from this fund. This fund is not used to account for the payment of salaries to board employees.

The **Permanent Improvement Fund** was established under the authority of W. Va. Code §18-9B-14 to account for the portion of regular levy proceeds that are set aside for the support of various building and permanent improvement projects. This fund can also be used by boards to accumulate resources and subsequent expenditures for major construction activities.

- In accordance with W. Va. Code §18-9B-14, the proceeds of this fund must be used only for the support of building and capital improvement projects and cannot be transferred out. The fund may be accumulated from year to year, but money shall not be paid into the fund so as to increase the assets of the fund to a total amount in excess of 25 percent of the amount of the basic program allowance of the Public School Support Plan (PSSP) for that board for the same school year.
- Additional guidance for this fund can be found in W. Va. Code §§18-9B-14, 18-9B-14a, and 18-9B-15.

The **Capital Projects Fund** accounts for the financial resources used to acquire or construct specific major capital facilities other than by the sale of bonds or the reservation of monies in a permanent improvement fund. A separate fund may be established for each specific capital project or, alternatively, separate projects may be established for each specific capital project within the main Capital Projects Fund.

Any capital project whose annual expenditures exceed three percent of the prior year's current expense fund expenditures must be accounted for in a bond construction, permanent improvement, or capital projects fund.

The **Federal Stimulus and Stabilization Fund** accounts for the financial resources received through the federal government which are restricted either legally or by the grantor.

1.8. LIMITATIONS OF LEAs

The authority and powers of LEAs are limited to those that are explicitly established in W. Va. Code and WVBE policy. Therefore, the LEA must have express authority in order to take action.

1.9. BANK ACCOUNTS

The board must open a bank account, or accounts, as required to adequately and properly transact business in a depository, or banks, within the county per W. Va. Code §18-9-6. At least one checking account must be established. If multiple accounts are established, then each checking account will be used only for the identified purpose.

The bank must provide bond which is 110 percent of the face or par value of the securities. Multiple funds may be maintained in one bank account. In order to select a depository, minimum bank services should be determined and a request for proposal distributed to all state and federally chartered banks within the county. Required bank services must include the following.

- The depository bank must provide, at its own expense, collateral acceptable under W. Va. Code §18-9-6, to cover the maximum amount to be deposited at any one time under the board's federal employer identification number.
- For each checking account, the bank must provide within a specified time a monthly bank statement as of the closing of the last business day of each month. The bank statement must clearly indicate the balance of the previous statement, itemization of all debits and credits supported by attached bank debit and credit memos, itemization of all deposits, itemization of all checks paid during the period, and the bank balance at the end of the statement period. The itemization of all paid checks must be supported by cancelled checks or other acceptable media, such as electronic imaging, which shows the front and the back of the cancelled check.
- The bank must have the ability to provide an electronic file compatible with the board's financial software to allow electronic reconciliation of the bank statement.
- The bank must be able to provide an Automated Clearing House (ACH) direct deposit process compatible with the board's financial software to allow board employees to have each pay electronically deposited to a designated bank of their choice.
- The bank must provide online banking services.

Some optional services the board may wish to consider include the provision of check stock, deposit tickets, endorsement stamps, messenger services, investment counseling, remote deposits, and automatic sweep accounts.

Fees to be charged, compensating balances, and interest rates paid on account balances must be weighed in conjunction with bank services provided in order to select a depository bank. A depository bank should be selected for a period of not less than one year in order to simplify accounting procedures. Counties should do a periodic review of banking services and the rates provided by the current institution. If, as a result of that review, the board warrants changing banks, an RFP must be completed. Changing banks is very disruptive to the board's financial operations, so any changes must be carefully weighed. A board member who has a pecuniary interest in a bank within the county shall not participate in the determination of a depository.

The safety of public funds should be the foremost objective in public fund management. Collateralization of public deposits through the pledging of appropriate securities or other instruments (i.e., surety bonds or letters of credit) by depositories is an important safeguard for such deposits. The amount of pledged collateral is determined by a governmental entity's deposit level and the policy or legally required collateral margin. Proof of collateralization must be provided by the bank and maintained for audit purposes.

The Federal Deposit Insurance Corporation (FDIC) provides deposit insurance guaranteeing the safety of a depositor's accounts in member banks up to \$250,000 for each deposit ownership category in each insured bank.

The depositories, or banks, shall provide bonds to cover the maximum amount to be deposited at any one time. However, the board may, in lieu of such bond, accept as security for money, deposited letters of credit from a federal home loan bank, securities of the United States, or of a state, county, district or municipal corporation, or federal agency securities: Provided, that a banking institution is not required to provide a bond or security in lieu of bond if the deposits accepted are placed in certificates of deposit meeting the guidelines as specified in W. Va. Code §18-9-6. W. Va. Code §18-9-6 authorizes investments by the treasurer with the West Virginia Municipal Bond Commission, in guaranteed certificates of deposit issued by the depository or bank, or other guaranteed investments such as treasury bills, treasury notes, or certificates of deposit issued by either the United States government or a banking institution in which federal or state guarantees are applicable. If sufficient funds are on hand in any account at any one time, which may be more than are normally required for the payment of incurred expenses, the excess funds may be invested by the treasurer in a manner as described above. Interest earned in such investments is to be credited to the fund from which the monies were originally available.

As authorized by W. Va. Code §18-9-6a, funds may also be made available to the West Virginia Investment Management Board (WVIMB) for investment in accordance with the provisions of W. Va. Code §12-6-1, et seq., if the treasurer determines that the available interest rate offered by an acceptable depository in that county is less than the interest rate (net of administrative fees) offered through the WVIMB. The written approval of the board whose funds are involved is required. Any treasurer may enter into an agreement with any state agency from which they receive funds to allow such funds to be transferred to their investment account with the WVIMB.

1.10. SIGNATURES

The signature of the board president, the board superintendent acting as the secretary of the board, and treasurer are required on all checks issued. Per W. Va. Code §6-14-2, in order to eliminate the manual signing of checks, these authorized officers may execute or cause to be executed any instrument of

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payment with a facsimile signature in lieu of their manual signature after filing with the West Virginia Secretary of State their manual signature certified by them under oath. Additional signatory authorities and provisions are outlined in W. Va. Code §18-9-3 and §18-9-4. The affidavit used to establish a facsimile signature can be found at the West Virginia Secretary of State’s website.

All checks issued prior to the first meeting in July when the board president is being selected for the upcoming two-year term should be issued with the signature of the board president in office during the prior fiscal year. In other words, the current president's signature is used until the CBEM takes action to elect a new president. The current president’s signature cannot be used for checks when the official resigns or otherwise vacates the position, including death or the determination that the individual is incapacitated.

If the county requires an employee to be a government notary public, the county must comply with W. Va. Code §39-4-31 as interpreted by the West Virginia Secretary of State. The cost of application and all notary supplies for a government notary must be paid by the board.

1.11. BONDS

The treasurer is required by W. Va. Code §18-9-6 to execute a bond for the faithful performance of duty. The CBEM must approve the bond, and the premium on the bond shall be paid by the board. The board must also set the amount of the bond which must not exceed the amount of school funds which it is estimated the treasurer will handle within any period of two months but not less than the amounts according to the following schedule:

Total Expenditures – All Funds		Minimum Bond
\$ 1,200,000	\$ 10,000,000	\$ 100,000
10,000,000	20,000,000	200,000
20,000,000	40,000,000	250,000
40,000,000	80,000,000	500,000
80,000,000	120,000,000	750,000
120,000,000	150,000,000	1,000,000
150,000,000	200,000,000	1,250,000
200,000,000	250,000,000	1,500,000
250,000,000	And Higher	2,000,000

Although the treasurer cannot delegate all responsibilities, the treasurer may delegate authority to others to perform some duties. Therefore, fidelity bonding of others performing delegated duties is necessary and should be set at reasonable levels.

A faithful performance bond is required under W. Va. Code §6-2-10 for the board superintendent in an amount not less than \$10,000 and not more than \$50,000. The same requirement of a faithful performance bond is required for the board president. The premium for these bonds must also be paid by the board. Boards may want to consider purchasing a blanket bond to cover all other board members and employees. Boards who purchase liability coverage through the West Virginia Board of Risk and Insurance Management (WVBRIM) have employee crime and dishonesty coverage under the policy.

According to W. Va. Code §6-2-12, every official bond shall be filed in the office of the county clerk and be recorded in a book kept by the county clerk for this purpose labeled Record of Bonds.

1.12. FISCAL AGENT RESPONSIBILITIES

W. Va. Code §18-5-13c(f) gives a board authority to serve as fiscal agent for an ESC. W. Va. Code §18-2B-2 gives the board authority to serve as fiscal agent for an MCVC. W. Va. 126CSR71, Policy 3232, Establishment Procedures and Operating Policy for Multi-County Career and Technical Education Centers, establishes procedures and operating policies for an MCVC.

The MCVC uses the federal employer identification number of the fiscal agent board but obtains a separate Unique Entity Identifier (UEI) number for identification. An ESC must obtain both a separate federal employer identification number and UEI number from the board. Boards can only serve as fiscal agents for organizations where statutory authority is expressly given.

1.13. RECORD RETENTION

The *Records Retention Schedule for the Financial Records of the Public Schools in the State of West Virginia* provides guidance as to the minimum period of time that financial, personnel, and various other business records maintained by boards, ESCs, MCVCs, and individual schools in the State of West Virginia must be retained. Guidance regarding student records is not included under this schedule.

This schedule authorizes, but does not require, the disposal of records after the expiration of the applicable retention period specified in the publication. Applicable entities may choose to retain records beyond the periods listed, or special circumstances may require such retention; therefore, nothing prevents an applicable entity from retaining records for longer periods of time than recommended.

Although the schedule includes an extensive listing of various business records that are required to be maintained, it should not be viewed as being all-inclusive. Applicable entities may be required to maintain other business records by state or federal statutes or regulations that are not listed. Guidance should be sought from legal counsel or the WVDE Office of School Finance regarding any records not listed. Any business records or work schedules that are not required to be created or maintained by any state or federal statute or regulation or are prepared for internal use only may be destroyed at the option of the applicable entity.

Copies of the *Records Retention Schedule for the Financial Records of the Public Schools in the State of West Virginia* can be obtained from the WVDE website.

1.14. PUBLIC INFORMATION/FREEDOM OF INFORMATION ACT (FOIA)

Individuals or organizations may request public information through FOIA request. A public record is defined as any writing containing information relating to the conduct of the public's business, prepared, owned, and retained by a public body.

The intent of the West Virginia Freedom of Information Act (Act) is to provide full and complete information to all people about the workings of government and the acts of those who represent them as public officials and employees. It applies to all state, county, and municipal officers, governing bodies, agencies, departments, LEAs, and commissions, and any other bodies created or primarily funded by state or local authority.

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There is no statutory requirement that the request be in writing; however, a written request is advisable in order to avoid misunderstandings regarding the timing and scope of the request. The custodian of records must respond within five working days by either granting the request, providing a reasonable timeline of when the request will be granted, or giving written reasons for its denial.

The Act does provide for a number of exemptions. The exemptions are set forth in W. Va. Code §29B-1-4(a). There are various categories of exemptions. One exemption most applicable to public school systems states:

“Information of a personal nature such as that kept in a personal, medical or similar file, if the public disclosure thereof would constitute an unreasonable invasion of privacy, unless the public interest by clear and convincing evidence requires disclosure in a particular instance: Provided, That nothing in this article shall be construed as precluding an individual from inspecting or copying his or her own personal, medical or similar file.”

The West Virginia Supreme Court held that an individual’s name and residential address are public in nature and therefore not normally exempt from disclosure under this provision as “personal” information. This exemption protects the release of information that constitutes an unreasonable invasion of privacy and bars information that may cause injury or embarrassment that can result from the unnecessary disclosure of personal information.

Every person has the right to inspect or copy any public record of the public body in this state, except as otherwise expressly provided by W. Va. Code §29B-1-4. The custodian shall furnish proper and reasonable opportunities for inspection and examination of the records in the custodian’s office and reasonable facilities for making memoranda or abstracts therefrom, during the usual business hours. The public body may establish fees reasonably calculated to reimburse it for its actual cost in making reproductions of such records.

The penalty of any custodian of a public record who willfully violates the Act is guilty of a misdemeanor, and upon conviction may be fined from \$200 to \$1,000 or imprisoned in the county jail for up to 20 days or both.

Specific information regarding the Act can be located on the West Virginia Attorney General’s website. W. Va. Code §29B-1-3a requires all public bodies to enter information about completed FOIA requests into the West Virginia Secretary of State’s online database after completing a FOIA request.

**SECTION 2
RECEIPTS/DEPOSITS**

2.1. SOURCES OF REVENUE

There are several sources of revenue for LEAs – state, local, and federal sources.

2.1.a. STATE REVENUE

The primary source of state revenue is state aid funding through the PSSP.

In accordance with W. Va. Code §18-9A et seq., the PSSP is a basic foundation allowance program that provides funding to the local school districts for personnel salaries, employee benefit costs, transportation operating costs, general operating costs, substitute costs, and allowances for faculty senate, improvement of instructional programs, improvement of technology funding, teacher and leader induction, and advanced placement programs. Additional allowances are provided for alternative education programs, increased enrollment, and other programs.

In addition to state aid funding, districts also receive various state grants. Such grants are generally issued for a specific purpose. The state also makes payments on behalf of LEAs which are then recorded as revenue by the LEA.

2.1.b. LOCAL REVENUE

LEAs rely on revenue from various local sources to finance their share of the cost of education. Various sources of local revenue include the following.

Levies - Local taxes are levied on the assessed values of real and personal properties and public utility properties. Boards are the only LEAs in West Virginia granted the statutory authority to levy taxes.

- Regular Levies - Boards are considered to be local levying bodies, and as such, have the authority under state statute to levy taxes on the various classes of property specified in W. Va. Code §11-8-5. Regular levy rates are set by the West Virginia Legislature.
- Excess Levies - Pursuant to the provisions of W. Va. Code §11-8-16, boards may impose an excess levy in addition to the regular levy.
- Bond Levies - Boards are also authorized, pursuant to the provisions of W. Va. Code §13-1-1 et seq., to incur debt through the issuance of bonds.
- Permanent Improvement Levies - Boards are also authorized, pursuant to the provisions of W. Va. Code §18-9B-14, to establish a permanent improvement fund and to allocate a portion of their regular levy tax collections to such fund, or transfer funds from the general current expense fund.

Investment Revenue - Revenue may be earned through various types of investments. Refer to section 1.9 for details.

Tuition - LEAs may charge tuition in certain instances. Refer to section 2.2 for details.

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Other - Other local revenues include but are not limited to: rent from school facilities, donations, miscellaneous revenue, federal indirect cost transfers, sale of property and equipment, and insurance recovery.

2.1.c. FEDERAL REVENUE

A portion of the funding for public education in West Virginia is provided by the federal government. Most federal monies come from categorical grants which are targeted for special populations or for specific purposes.

The United States Department of Education (USDE) issues general regulations to apply to direct grant and state administered programs. The Office of Management and Budget (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200 Subpart E) provides general rules related to grants and sub grants.

2.2. TUITION

The LEA may charge tuition to students, their parents, welfare agencies, or other agencies for education provided in certain instances.

Summer school that is separate and apart from the full school term may be offered and tuition that will not exceed the cost of operation of the summer school may be charged. If, in the judgment of the LEA, a pupil's parents cannot pay the tuition, the pupil may attend summer school at a reduced or no cost.

W. Va. Code §18-5-19b authorizes LEAs to charge tuition for adult programs. W. Va. 126CSR2, Policy 1224.1, Accounting Procedures Manual for the Public Schools in the State of West Virginia (Policy 1224.1), requires the tuition funds for adult students in secondary vocational programs, adult students in adult vocational programs, and students in community education classes, be remitted to the board and credited to the adult education account. Schools are permitted to issue student tuition refunds and then invoice the county central business office for reimbursement of the refunds. Alternatively, schools may deduct any refunds issued to students from the next month's tuition remittance to the central business office. Tuition collected for adult students must be spent only on adult programs. The school must prepare a reconciliation that compares the tuition money receipted to the course registration listing. A copy of the course registration listing must be provided to the treasurer along with the tuition remittance.

LEAs must charge tuition to out-of-state students. Tuition costs for out-of-state students should be based upon the LEA's per capita cost per student. The LEA may deduct any cost not directly related to the education of such out-of-state students. See Appendix B for an example of the computation of cost per pupil.

2.3. RECEIPT PROCEDURES/INTERNAL CONTROLS

The preparation and issuance of a pre-numbered receipt, at the time funds are received, is a fundamental requirement of every transaction involving the receipt of any check, currency, credit card payment, wire transfer, or other revenue/income instrument.

An electronic receipt can be prepared using the current accounting system prescribed by the WVDE. A minimum of two copies of each receipt is to be printed, one copy given to the remitter, and one copy

placed in a file system established for this purpose. Additional copies may be printed if needed. A physical exchange of currency requires a physical receipt. A paperless receipt system is acceptable for record-keeping purposes. All required information is to be posted to the receipt journal when the receipt is completed.

Every receipt issued must show the following information: the date, amount received, form of payment (cash, check, wire, credit card, other), name of the payer, purpose of the collection, and the fund and account for which the monies were received.

Receipts should normally be posted individually but may be posted in a batch if the funds are received from the same source and recorded on consecutively numbered receipts. The range of receipt numbers in a batch must be shown in the receipt journal and on a deposit document or slip.

Every receipt must contain a valid signature. The treasurer is responsible for the issuance of receipts but may delegate authority for the actual writing and signing of the receipts and is responsible for ensuring that appropriate segregation of duties is adhered to. The use of electronic signatures is acceptable but must be password protected. Signature stamps or pre-printed signatures are not valid. Receipts are not to be issued for deposits that result from the transfer of funds from savings or investment accounts or for the initial re-deposit of checks that have been returned by the bank for insufficient funds. There may be other limited instances where revenues are recorded through an adjusting journal entry, rather than the receipt process, at the discretion of the treasurer.

2.4. DEPOSIT PROCEDURES

Deposits must be made as frequently as necessary and possible. A bank deposit must be made whenever total collections on hand exceed \$500 or before any extended school holiday. Bank deposits should be made at least weekly, regardless of the amount of collections. All funds are to be deposited intact, as received, into a bank depository account. Deposit slips and/or deposit listings are to be prepared in such a manner that a deposit can be trailed to a certain group of receipts, such as recording the deposit number and receipt number range on the deposit slip. The deposit slip and/or deposit listing is to be prepared in duplicate. It is recommended that bank deposits be made on a daily basis. The bank will provide a validated receipt indicating the date and amount of deposit that is to be attached to the deposit slip copy in the deposit book.

The endorsement of a check for deposit must include language similar to *For Deposit Only*, as well as the board name and account number. The depository bank may provide an endorsement stamp.

Checks which are returned by the bank because of insufficient funds or for other reasons should be charged back immediately to the debtor. If it is found that the reasons for non-payment have been eliminated, the returned check must be re-deposited without delay.

A redeposit of a returned check, a check that takes place of the original check, or currency that takes the place of the original check, must be handled separately from other deposits. The deposit slip and all ledger entries are to be clearly marked as *Redeposit*.

Any efforts relating to the collection of returned checks should be done in accordance with board procedure.

2.5. BANK STATEMENT RECONCILIATION

Bank statements must be reconciled monthly and as soon as possible after the bank statement is received, including any and all investment accounts. The treasurer must receive the bank statements unopened and inspect them for irregularities. In the absence of a physical bank statement the treasurer must be supplied with electronic access to such bank statement and ensure such security measures are taken to safeguard the electronic bank statement. The reconciled bank statement balance should agree to the general ledger balance. See Appendix B for a sample simplified bank statement reconciliation form.

The reconciliation of the bank statements should be performed by an employee who does not receipt or expend funds for the board. After the bank reconciliations are completed, the reconciliations must be signed and dated by both the preparer and the treasurer, either manually or electronically.

All bank statements are to be filed in chronological order. Canceled checks are to be filed either in numeric order with the monthly bank statements or in a separate canceled check file in numeric order by fiscal year. In situations where a bank is providing only an image of the canceled checks to the board with the bank statements rather than returning the actual canceled checks, the bank must be able to provide an image of both the front and back of every check upon request.

Voided checks are to be retained and filed in the correct numeric sequence with the canceled checks.

2.6. ELECTRONIC FUND TRANSFERS

Electronic Fund Transfers (EFTs) are transfers of funds initiated through an electronic terminal, telephone, or computer (including online banking) for the purpose of ordering, instructing, or authorizing a financial institution to debit or credit a consumer's account. EFTs include, but are not limited to, direct deposits, ACH transactions, invoice payments, withdrawals of funds, and transfers among accounts. Boards are prohibited from using a system in which funds are automatically withdrawn. The treasurer must actively authorize the disbursement of funds. The use of EFTs by the board must be authorized in an agreement between the board and the depository bank being utilized. The agreement must include the name and identity information of the employees authorized to transfer funds electronically and must be in compliance with the policies and procedures required by the depository bank or institution and any applicable state laws. The board should designate at least two employees to perform EFTs and establish procedures to ensure that all EFT transactions are authorized and approved.

Additionally, supporting documentation must be available and maintained as to the amount of funds transferred, the date and time of the transfer, and the name of the individual initiating the transfer.

2.7. DRAWDOWN OF GRANT FUNDS

Grant revenue must be monitored regularly in order for all authorized funds to be requested and received prior to the grant expiration date. Reimbursement type grants require that the recipient must incur allowable costs prior to requesting drawdown of the funds from the grantor. Federal awards generally fall under this requirement.

It is recommended that funds be requested at least monthly. Federal funds may be requested from the WVDE only after they are expended. WVDE will consider drawdown requests for expenditures that will

be incurred within three business days on a case-by-case basis. Some federal funds must be requested directly from the grantor (i.e., Head Start).

If banking situations change in the county, proper notification should be given to agencies who process drawdown requests.

2.8. FEDERAL INDIRECT COSTS

OMB 2 CFR Part 200 Subpart E governs indirect costs for LEAs. An indirect cost rate is a method for determining in a reasonable manner what proportion of general administrative expenses each grant or contract should bear. An indirect cost is similar to a processing cost. LEAs are required to have an approved indirect cost rate in order to recover any indirect costs related to federal grants and contracts. The indirect cost rate is used in all applications for federal grants during the fiscal year for which the rate has been established.

The advantage of an indirect cost rate is that it is a simplified means for determining a fair share for indirect costs chargeable to federal grants and contracts which are acceptable to federal grantor agencies. WVDE has developed indirect cost allocation plans to be used by LEAs in West Virginia in accordance with WVDE's approved delegation agreement from the USDE.

WVDE has developed a website for calculating each LEA's annual restricted and non-restricted indirect cost rate. The website contains pre-populated data from each LEA's financial data file, so it is essential that LEAs classify expenditures uniformly, consistently, and in accordance with the *Local Educational Agencies Chart of Accounts*.

SECTION 3
TRANSFERS/DISBURSEMENTS/EXPENDITURES

3.1. GENERAL GUIDELINES

It is the responsibility of those charged with the task of expending public funds to follow sound accounting procedures. All applicable state statutes, WVBE policies, and any local policies, must be followed.

Payment should be made to vendors promptly upon receipt of legitimate invoices. Funds shall be expended only for the purposes for which they were raised and allocated. The following practices are necessary for sound fiscal responsibility.

- A local fiscal body shall not expend money or incur obligations in an unauthorized manner, for an unauthorized purpose, in excess of the amount allocated to the fund in the levy order, and in excess of the funds available for current expenses.
- Purchase orders should be issued only after the availability of funds is determined by an authorized person.
- Payment of invoices must be supported by proper documentation.

3.2. BOARD APPROVAL OF EXPENDITURES

W. Va. Code §18-9-3 stipulates that the treasurer shall pay money only upon the order of the board. This means the payment of bills requires official action by the CBEM. Additionally, there must be a record of the approval in the board minutes or as a separate addendum to the minutes.

3.3. CHECK PROCESSING PROCEDURES/INTERNAL CONTROLS

In accordance with W. Va. Code §18-9-3, all checks must have the following information printed on them: the name of the entity, the entity address, the check number, and adequate blank spaces for signatures. Voided checks are to be retained and filed in the correct numeric sequence with the canceled checks. Check stock should be kept in a safe place to prevent access from unauthorized persons. Check stock should be kept separate from facsimile signature plates and check signing equipment and should be maintained in a secure location. All paid checks are to be retained in accordance with the document retention schedule referenced in section 1.13.

Additional check processing procedures/internal controls include, but are not limited to:

- either a hard copy or electronic copy of all check registers-must be maintained in accordance with the board's document retention policy;
- all checks shall be serially numbered. It is acceptable to maintain multiple series of check numbers for different purposes;
- checks must contain all required signatures (see section 1.10);
- all checks are to be written in accordance with the requirements of the banking institution; and
- all checks must be imprinted with the legal name of the entity.

3.4. TRANSFERS OF CASH

Transfers of cash from one board cash account to another are necessary whenever more than one checking account is used. There are a variety of acceptable methods to accomplish transfers. Transfers of

cash may be executed by written or electronic authorization, or by writing a check from one account to another.

A transfer of cash from one checking account to another within a fund is not recorded as a classified receipt or disbursement for monthly financial statement purposes but must be recorded as a transfer of cash.

3.5. ACCOUNTS PAYABLE

The procedure for expending and maintaining board funds should provide an accurate record of the significant details of the transaction. The action steps for accounts payable are:

- ensure that appropriate purchase orders are in place for authorized purchase requisition;
- review receiving notice to ensure goods received matches goods ordered;
- review the price on the invoice, verify mathematically, and compare to the applicable purchase order;
- ensure that discounts were appropriately accounted for, if applicable;
- check to see if payment already has been made to avoid duplication;
- ensure the invoice is properly coded;
- receive CBEM approval prior to release of payment;
- prepare and distribute check or electronic payment; and
- file transaction information.

3.6. REQUISITIONS AND PURCHASE ORDERS

W. Va. 126CSR202, Policy 8200, Purchasing Policies and Procedures Manual for Local Educational Agencies (Policy 8200), contains detailed information concerning the proper procurement procedures, including emergency procurement procedures.

3.7. ITEMIZED CLAIM

Boards are not permitted to expend any funds unless an itemized claim (invoice) for payment is filed by the claimant. If any claim is for services rendered, the invoice must identify the kind of service, the date performed, the person performing the service, address, phone number, and amount due. If the claim is for materials, equipment, or supplies, the invoice must identify in detail the vendor, address, phone number, the items provided, the quantity, the date provided, to whom provided, and the amount due. Payments cannot be made in advance of the materials being furnished or services rendered.

Boards are permitted to make *deposit* payments for items such as charter buses or destinations for field trips, etc. Payment of such deposits shall require a written document with the vendor indicating the amount of the required deposit and the terms for refunding the deposit.

All invoices must be verified for clerical and mathematical accuracy when received. Any errors noted should be brought to the vendor's attention.

All payments must be approved by the treasurer or designee prior to the payment being made. Prior to the payment being made, the treasurer or designee must ascertain that documentation of receipt of goods or services has been submitted by the appropriate board employees. Documentation of receipt

must be maintained by the board in some manner. Electronic indication of receipt of goods or services is acceptable.

Invoices should be indicated as paid at the time payment is made to prevent paying an invoice twice. Electronic indications are acceptable.

Invoices should be paid in a timely manner to remain in good credit standing with the vendor and to avoid late payment fees or interest.

In accordance with Internal Revenue Service (IRS) regulations, boards must maintain a completed W-9 form for all vendors. Blank W-9 forms can be obtained from the IRS website at www.irs.gov.

In accordance with statute and Policy 8200, release of final settlement forms must be obtained from the West Virginia State Tax Department, the West Virginia Insurance Commission, and Workforce West Virginia prior to issuing any contractor final payment for services to ensure vendors are in good standing with each of those entities.

3.8. CREDIT CARDS

Policy 8200 provides detailed guidance and requirements for credit card and purchasing card procurement and utilization.

3.9. CAPITAL ASSETS/INVENTORY FOR SUPPLIES

Boards must maintain an adequate inventory control system of all capital assets and equipment and safeguard the assets on hand to ensure that those that are placed into service or consumed have been used for an authorized purpose. The inventory of capital assets must be maintained on the electronic system mandated by WVDE.

In addition, boards must have procedures in place to safeguard disposable supplies.

Capital assets and inventory for supplies should be physically inspected and counted on a periodic basis in order to determine the accuracy of the records, to ascertain the condition of the supplies, and to determine if surpluses or shortages of supplies and equipment exist. Policy 8200 provides guidance on how to dispose of surplus or outdated equipment, materials, and supplies no longer needed or required.

The procedures manual issued by the Office of School Finance entitled *Procedures Manual: Capital Asset Management System for Local Educational Agencies in the State of West Virginia*, provides additional guidance for controlling capital assets, including proper treatment of donated assets. Each board is encouraged to supplement this manual with its own local operating procedures.

3.10. IN-LIEU OF TRANSPORTATION

When the board is unable to provide transportation to a student and the parent is able and willing to provide such transportation, the board may reimburse the parent for providing the transportation. Boards shall have a local procedure or established rate schedule for in-lieu of transportation payment amounts.

Boards must report to WVDE upon request the number of students paid in-lieu of transportation during the prior fiscal year and the rate at which those students were paid.

3.11. INSURANCE MANAGEMENT

The treasurer, in consultation with the superintendent or designee, should determine that the board has adequate coverage in property insurance, flood insurance, faithful performance bonds or public officials' bonds, liability insurance, data breach insurance, and above-ground storage insurance.

To implement and administer the school district's insurance coverage, the treasurer should:

- identify facilities, conditions, and situations conducive to potential exposure to loss including properties located in a flood plain;
- estimate the maximum potential loss from each exposure;
- prepare recommendations and aid in eliminating or minimizing losses;
- negotiate insurance coverage;
- establish and maintain a safety and loss prevention program;
- review and analyze changes in state and federal legislation and regulations as they apply to areas of insurance and liability and make sure that appropriate changes are made in coverage;
- write specifications for insurance coverage;
- if choosing a provider other than WVBRIM for property insurance, prepare a request for proposal and evaluate bids from insurance providers for needed insurance coverage;
- audit all coverage annually to ascertain if existing coverage meets current needs of the school district; and
- work with the insurance company or WVBRIM, agent, attorney, etc., in the defense and settlement of claims against the board.

W. Va. Code §29-12-5a(f) requires LEAs to provide notice of insurance coverage to each of its insureds at least annually. The notice should identify the coverages, monetary limits of insurance, and the duty of WVBRIM to defend covered occurrences.

3.11.a. PROPERTY INSURANCE

Coverage may be of the blanket multiple location type, including automatic inclusion for additional property. Property must be insured against damage or loss.

3.11.b. FLEET/AUTOMOBILE LIABILITY INSURANCE

WVBRIM provides fleet liability insurance as well as general liability insurance for all school districts. This insurance must be purchased from WVBRIM. An annual premium is paid by each board. Details of coverage are included on a Certification of Insurance which is sent to each board. It is recommended that all board vehicles, including buses, be furnished with copies of the Certificate of Insurance in some form for presentation as proof of insurance in the event of an accident.

3.11.c. FLOOD INSURANCE

W. Va. Code §18-5-47(a) requires boards to maintain flood insurance on each insurable building that it owns and that meets one or both of the following requirements.

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(1) The building is within the identified special flood hazard area which is the area on a flood hazard boundary map or a flood insurance rate map that is identified as an *A zone*, a numbered *A zone* or an *AE zone* or regulatory 100 year floodplain and the building has a replacement value that is greater than \$300,000; or

(2) The building has been damaged in a previous flood and flood insurance is required by the Federal Emergency Management Agency (FEMA).

Each board shall also maintain flood insurance on the contents of each insurable building that it owns and that meets one or both of the requirements set forth in this section. The buildings and the contents of those buildings required to be insured by this section shall be insured at the maximum amounts available through the National Flood Insurance Program or the estimated replacement value of the structure and contents, whichever is less.

3.12. STALE CHECKS/UNCLAIMED PROPERTY

Unclaimed property may be any type of personal property on a business' records that is a debt or obligation to someone else which has remained unclaimed for a specified abandonment period. Stale checks are a type of unclaimed property. W. Va. Code §36-8 et seq., also known as the Uniform Unclaimed Property Act (UUPA), gives the West Virginia State Treasurer the authority to administer and collect unclaimed property. UUPA requires that the holder of unclaimed property turn that property over to the State Treasurer's Office after exhaustion of efforts to put the unclaimed property into the hands of its rightful owner. The State Treasurer's Office has issued regulations setting forth the requirements and procedures necessary to meet the obligations of complying with the UUPA. These can be found on the State Treasurer's Office website. The State Treasurer requires use of electronic filing for reporting unclaimed property.

SECTION 4
Payroll/Reimbursements

4.1. GENERAL PAYROLL INFORMATION

Annual salaries of all board personnel are determined according to the regulations set forth in W. Va. Code §18A-4 et seq., which includes the state minimum salary plus any state or county supplements based on degree, classification, and prior experience. The board may establish schedules in excess of the state minimums that are uniform as to the classification, experience, and responsibility, with other salary allowances outlined in W. Va. Code §18A-4-5a and §18A-4-5b.

All payments for personnel services rendered, including those at the school level, are to be considered wages and are to be paid through the normal payroll process of the board unless it can be determined that the service provider qualifies as an independent contractor. Such payments may include but are not limited to: part-time or temporary help for office secretaries, library assistants, cafeteria helpers, concession stand workers, ticket takers, or other workers at athletic events, or other activities, regardless of whether or not the individual is a full-time employee of the board. Appendix C contains a checklist that may assist in making this determination. Also see Appendix C for a sample Temporary Part-Time Employment Agreement and Intern Employment Agreement.

Employees are classified as either exempt or non-exempt for payroll purposes. The *Guide to the Fair Labor Standards Act for School Districts*, which can be found on the WVDE website, should be reviewed to assist in determining payroll compliance.

All payments made through the payroll process must have prior CBEM approval. No checks are to be issued to employees whose employment has not been approved by the CBEM. Approval may be in the form of personnel actions, including but not limited to, new hires, terminations, transfers, etc., or as salary schedules that must be approved by the CBEM. Written employment contracts in accordance with W. Va. Code §18A-2-2, §18A-2-5, and §18A-2-6 must be on file for all employees. It is recommended that LEAs establish local policies to address payment and CBEM approval procedures related to overtime, ticket takers, student workers, extra duty pay, etc.

Salary schedules must be approved by the CBEM each year during the budget process or prior to the beginning of the applicable fiscal year. According to W. Va. Code §18A-4-5a and §18A-4-5b, the CBEM may not reduce the amount of local funds allotted for salary supplements being paid unless forced to do so by the defeat of an excess levy, loss in assessed property valuations, or events over which the board has no control. Any of these circumstances would require prior approval from the WVBE before implementing cuts.

According to W. Va. Code §21-5-3(a), the LEA is required to pay its employees at least twice every month with no more than 19 days between paydays. In addition, W. Va. Code §18A-4-9 grants the CBEM authority to determine the number of pays to be made during a school year. Employees that are contracted for less than 12 months may elect to have their paychecks annualized and paid over 24 pay periods if board policy permits. If employees elect to have their paychecks annualized, written notice of their election should be on file. All paychecks must be dated on or before June 30 of any fiscal year in which they are earned.

All boards, ESCs, and MCVs must have documented internal controls over the employment process. The internal control process must include treasurer consultation to ensure that sufficient funds are available

or that necessary budget adjustments are made. An internal communication device, such as a personnel action form, must be maintained for payroll purposes for all new hires and other changes in employment status. The form must, at a minimum, include documented CBEM approval.

Payroll checks must be based upon approved attendance/time sheets or time records. Attendance/time sheets or records showing days or hours per day worked by each non-exempt employee must be maintained. Time attendance/time records should be signed by the employee either manually or electronically and approved by the principal/supervisor. The utilization of a swipe card for attendance/time purposes is considered to be an electronic signature. Timesheets are not mandatory for exempt employees; however, timesheets may be required from exempt employees if the local policy dictates.

All payments due upon the termination of an employee must be made in accordance with the West Virginia Wage Payment and Collection Act contained in W. Va. Code §21-5 et seq. Paychecks may not be held at separation pending the return of LEA property.

4.2. SUPPLEMENTAL/EXTRA PAYMENTS

There are various reasons that supplemental/extra payments are made to employees, including but not limited to: stipends, excess pupil-teacher ratio, planning periods, degree upgrades, national board certification, early notification of retirement bonuses, personal leave incentive bonuses, three-step increase for math and special education teachers, and other extra-curricular activities that warrant extra payment for exempt employees. Overtime, stipends, educational bonuses, shift differential pay, split shift pay, pay addenda, early notification of retirement bonuses, personal leave incentive bonuses, "step-up" provisions, extra-curricular, supervisory, and extra duty payments may also be issued for non-exempt employees.

All extra payments must be included on the employee's regular paycheck, if possible, to meet applicable IRS regulations, and are subject to all normal payroll withholdings, including federal and state income taxes, Federal Insurance Contributions Act (FICA), and retirement. Retirement exceptions include the early notification of retirement bonus, local and state personal leave incentive bonuses, vacation payouts, donated leave, sick bank pay, and some grievance settlements. Grievance settlements must be included on a separate check, depending on the terms of the agreement.

Only bonuses explicitly included in statute are permissible. Payment of all other bonuses is illegal. Below is a listing of bonuses or additional payments allowable by statute at the time of this policy revision.

4.2.a. EXTRA STUDENT PAY

W. Va. Code §18-5-18a in conjunction with W. Va. 126CSR42, Policy 2510, Assuring the Quality of Education: Regulations for Education Programs, limits the maximum number of students that may be assigned to a teacher to 20 students for pre-kindergarten and kindergarten and 25 students for teachers in grades 1 through 6; however, three additional students may be assigned to kindergarten teachers and to teachers in grades 4, 5, and 6. No additional students may be assigned to teachers in grades pre-kindergarten, 1, 2, or 3. Any teacher who is assigned additional students above the maximum numbers stated is to be paid additional compensation based on the affected classroom teacher's average daily salary divided by the maximum number of students allowed for the class for every day that the students are enrolled in the teacher's classroom, including holidays, elections, and

non-instructional days for which the teacher is normally paid. The statute also states that no provision of this section is intended to limit the number of pupils per teacher in classrooms for the instruction of choral, band, or orchestral music. In addition, more than 25 students may be assigned for purposes of instruction in physical education in grades 4, 5, and 6 in accordance with the class size restrictions for those grades. A teacher is entitled to the additional pay only for the amount of time during the school day that the teacher has the extra students in class, including planning periods.

Further, W. Va. Code §18-20-12 contains a provision stating that special education classrooms shall not have a student/instructor ratio that exceeds the limits established in the Individuals with Disabilities Education Act 2004 and W. Va. 126CSR16, Policy 2419, Regulations for the Education of Students with Exceptionalities, without the written consent of the special education instructor assuming other criteria established within the statute are met. If the instructor chooses to sign the waiver to exceed the limit, that instructor shall be entitled to the full amount of compensation as provided per county. The county may not allow more than three students over the limit.

4.2.b. PLANNING PERIOD WAIVERS

W. Va. Code §18A-4-14 allows for teachers to exchange their planning period for any compensation or benefit mutually agreed upon by the employee and the board superintendent or designee. The agreement may not be one that is different from those available to any other teacher granted the same rights to a planning period. The board must have a policy for any planning period waiver payment agreements.

4.2.c. CERTIFICATION CLASSIFICATION (DEGREE UPGRADES)

W. Va. Code §18A-3-2 requires any professional educator employed within the public school system of West Virginia to hold a valid teaching certificate licensing the individual to teach in the specializations and grade levels as shown on the certificate for the period of his or her employment. The effective date of all license upgrades shall be the date when the last requirement is met, provided that the application is received by the WVDE Office of Certification within three months of such date and is subsequently approved. The effective date shall be no more than three months prior to the date the application is received by the WVDE Office of Certification.

4.2.d. NATIONAL BOARD CERTIFICATION

W. Va. Code §18A-4-2a authorizes payment of \$3,500 annually to each classroom teacher who holds a valid certificate issued by the National Board of Professional Teaching Standards (NBPTS) for the life of the certification, but in no event more than ten years for any one certification. The payments shall be in addition to the prescribed amounts in the state minimum salary schedule, paid in equal monthly installments, and be considered part of the state minimum salaries for teachers. In addition, W. Va. Code §18A-4-2b allows for salary supplementation in the amount of \$2,500 for personnel with recognized national certification in speech-language pathology, audiology, school counseling, school psychology, or school nursing, which is to be made in monthly installments, to be considered a part of the state minimum salaries for teachers, and to continue for the life of the certification, or for ten years for any one certification, whichever expires first. The above certifications must be approved by WVDE prior to board payment.

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For the initial year in which the supplement is awarded, the supplement should be pro-rated for the current school year with a daily supplement rate of \$17.50 (\$3,500/200 days) paid for the remaining employment dates of the school year after the effective date of the award. For teachers who are employed beyond 200 days, the daily rate of \$17.50 should be paid for the extended employment days as well to maintain the same daily rate of pay.

4.2.e. NATIONAL TEACHER MENTOR

W. Va. Code §18A-4-2c authorizes payment of \$2,000 annually to classroom teachers who hold a valid certificate issued by the NBPTS, who are employed at a school designated as a persistently low performing school by WVDE, and who serve in a mentoring capacity for other teachers at the school. The payments shall be in addition to the prescribed amounts in the state minimum salary schedule, paid in equal monthly installments, and be considered part of the state minimum salaries for teachers. Once eligible, a teacher remains eligible for five consecutive years of employment in the same school in the same assignment regardless of a subsequent change in the designation of the school as a persistently low performing school (assuming that the classroom teacher's certificate with NBPTS remains valid). During the same five-year period, the teacher may not receive the increment for mentoring teachers at a different school.

4.2.f. EARLY NOTIFICATION BONUS

W. Va. Code §18A-2-2(g) provides that classroom teachers who give written notice of their intent to retire at the conclusion of the school year to the board on or before March 1 of the school year of their retirement from employment with the board at the conclusion of the school year shall be paid \$500. In addition, W. Va. Code §18A-2-5a states that the board is authorized to pay, entirely from local funds, \$500 or less to any service employee, or to any professional employee who is not a classroom teacher, who gives written notice to the board on or before March 1 of the school year of retirement from employment with the board at the conclusion of the school year. Note that retirement deductions cannot be withheld from early notification bonuses.

4.2.g. PERSONAL LEAVE INCENTIVE BONUS (LOCAL)

W. Va. Code §18A-4-10a authorizes the board to pay its employees, for the purpose of reducing absenteeism, a bonus at the end of the employment term for each unused day of personal leave accumulated by the employee during that employment term. The board must adopt a policy for the personal leave incentive bonus and retirement cannot be withheld from this payment.

4.2.h. PERSONAL LEAVE INCENTIVE BONUS (STATE)

W. Va. Code §18A-4-10(c) authorizes that a classroom teacher who has not utilized more than four days of personal leave during the 200-day employment term shall receive a bonus of \$500 at the end of the school year. This bonus may not be counted as part of the final average salary for the purpose of calculating retirement.

4.2.i. Three-Step Increase for Math and Special Education Teachers

In accordance with W. Va. Code §18A-4-2(d), each classroom teacher providing math instruction in the teacher's certified area of study for at least 60 percent of the time the teacher is providing

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instruction to students shall be considered to have three additional years of experience only for the purposes of the board salary schedule.

Additionally, W. Va. Code §18A-4-2(e) allows each classroom teacher certified in special education and employed as a full-time special education teacher shall be considered to have three additional years of experience only for the purposes of the board salary schedule.

There will be some rare instances when a math teacher is assigned to teach math solely to special education students. In those instances when the teacher meets the eligibility criteria for three-step increases, the individual will receive a six-step increase. Please note that this does not apply to a regular math classroom teacher who may have some students with an Individualized Education Program (IEP) in their class.

4.2.j. EXTRA-CURRICULAR PAY

Extra-curricular duties shall include, but not be limited to, any activities that occur at any time other than regularly scheduled working hours, such as coaching, instructing, chaperoning, escorting, and providing support for students, and which occur on a regularly scheduled basis. Compensation for extra-curricular duties should be outlined in an additional board-approved extra-curricular assignment agreement. The required components of an extra-curricular assignment agreement can be found in W. Va. Code §18A-4-16(2). An employee's contract of employment shall be separate from the extra-curricular assignment agreement and shall not be conditioned upon the employee's acceptance or continuance of any extra-curricular assignment.

4.2.k. SUPPLEMENTAL DUTY PAY

A supplemental duty is defined in W. Va. Code §18A-2A-1 as a duty other than a duty assigned under an employee's contract that is generally expected to be performed during an educational day and which may be governed by an agreement, other than the employee's contract, between the district and the employee. District calendars shall be adopted no later than the 15th day before the first day of the employment term of each school year to specify the days each classroom teacher, full-time counselor, and full-time librarian is expected to work. Any supplemental duty assigned beyond this established calendar shall be agreed upon by the employee and the board. The agreement shall establish compensation to be paid for completing the supplemental duty.

4.2.l. EXTRA DUTY PAY

An extra duty assignment is defined in W. Va. Code §18A-4-8b(f) as an irregular job that occurs periodically or occasionally, such as, but not limited to field trips, athletic events, proms, banquets, and band festival trips. According to W. Va. Code §18A-4-8a(k), for service personnel, extra duty compensation shall be no less than one-seventh of the employee's daily total salary for each hour the employee is compensated. Any alternative rate of pay within a particular category of employment may be used provided it is approved by both the CBEM and by the affirmative vote of a two-thirds majority of the regular full-time employees within that classification. An extra duty assignment does not typically require an additional board-approved agreement.

4.2.m. OVERTIME PAY

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The Fair Labor Standards Act (FLSA) is a federal law administered by the United States Department of Labor which establishes minimum wage, overtime pay, recordkeeping, and youth employment standards affecting employees in the private sector and in federal, state, and local governments. *The Guide to the Fair Labor Standards Act for West Virginia School Districts*, which can be found on the WVDE website, gives specific guidance to overtime pay issues, including West Virginia specific code requirements. Please refer to this manual for detailed information.

4.2.n. SERVICE PERSONNEL ADDENDA

In accordance with W. Va. Code §18A-4-8a, service personnel who hold a high school diploma, General Educational Development (GED), or Test Assessing Secondary Completion (TASC) will receive an additional \$12 per month. Service personnel will also be paid an additional \$11 per month with verification of each 12 hours of college credit or the vocational equivalent through 120 hours, an AB+15, MA+15, MA+30, and a MA+60 and \$40 per month for holding an associate degree, bachelor's degree, master's degree, or doctorate degree. The additional pay is limited to \$40 per degree level.

Verification of credit will be an official transcript from an accredited institution of higher education or a grade report of completed contact hours in a post-secondary program from an approved trade, vocational, technical, business, or similar institution. Each employee is responsible for obtaining and providing copies of the required records to the personnel office. As per W. Va. 126CSR146, Policy 5314, *Service Personnel Classification, Competency Testing, and Professional Learning*, 15 contact hours is equivalent to one semester hour of college credit. One quarter hour is equivalent to two thirds of a semester hour.

4.2.o. SERVICE PERSONNEL STEP-UP PROVISIONS

In accordance with W. Va. Code §18A-4-15, any regular service person employed in the same building or working station and the same classification category of employment of an absent employee shall be given the first opportunity to fill the position of the absent employee on a rotating seniority basis. An example of this provision is when a half-time regular employee steps-up into a full-time regular position during an employee's absence. The half-time employee is then entitled to a full day's pay and the same benefits of the absent employee. Another example may occur when a custodian steps-up into the head custodian position when the head custodian is absent. The same example is true for cook and cafeteria manager positions.

4.2.p. SHIFT DIFFERENTIAL PAY

In accordance with W. Va. Code §18A-4-8a(g), when any part of a school service person's daily shift of work is performed between the hours of 6:00 p.m. and 5:00 a.m. the following day, the employee is paid no less than an additional \$10 per month and one half of the pay is paid with local funds.

4.2.q. SPLIT-SHIFT PAY

In accordance with W. Va. Code §18A-4-8(f), a custodian, aide, maintenance, office, and school lunch service person required to work a daily work schedule that is interrupted is paid additional compensation of at least one-eighth of the individual's total salary as provided by the state minimum pay scale and any board pay supplement.

4.2.r. SUPERVISORY PAY

In accordance with W. Va. Code §18A-5-8, any aide who agrees to stand in the place of the parent or guardian and exercise such authority and control over students as is required of a teacher is entitled to supervisory pay of not less than one pay grade above the highest pay grade held by the service person. W. Va. Code §18A-4-8a(m) outlines the various duties considered supervisory.

4.3. PAY ADJUSTMENTS

The scope of responsibility of the LEA to correct pay is generally dependent upon the facts of each situation. If the administration is aware of a circumstance (or should have been aware of the circumstance) that should result in a pay adjustment, but failed to provide the adjustment, the obligation to provide back pay extends to the point the administration was aware (or should have been aware) of the circumstance up to one year prior to filing a grievance or requesting the adjustment in accordance with W. Va. Code §6C-2-3(c). If it can be proven that the LEA acted in bad faith in concealing the facts giving rise to the claim for back pay, the limitation on back pay would increase to 18 months. If the administration was unaware of the circumstance and the employee failed to inform the administration of the circumstance, the obligation to adjust pay is limited to 15 workdays of the affected employee filing a grievance or requesting the adjustment. Any exceptions to this would require a policy approved by the CBEM.

Court orders granting back wages and benefits shall have retirement contributions withheld. If back wages and benefits are granted, the West Virginia Consolidated Public Retirement Board (CPRB) must have a fiscal year breakdown of wages and service credit awarded.

Settlements of a set dollar amount (not back wages) do not meet the definition of “gross salary” as required under W. Va. Code §18-7A-3 and are not eligible to have retirement deductions withheld.

4.4. SUBSTITUTE PAY

W. Va. Code §18A-4-7 establishes the pay for a substitute teacher to be not less than 80 percent of the daily rate of the state basic salary paid to teachers: Provided, that any substitute teacher who teaches in excess of ten consecutive days in the same position shall be paid at a rate not less than 80 percent of the daily rate of the state advanced salary based upon teaching experience: Provided, that any substitute teacher who teaches in excess of 30 days in the same position, be paid the daily rate of the advanced salary, set forth on the board’s salary tables.

Per W. Va. Code §18A-4-1, basic salary is defined as the state minimum basic scale salary (without the state supplement) paid to a teacher with zero years of experience and in accordance with his/her degree classification. Advanced salary is defined as the basic salary plus an experience increment based on allowable years of experience.

W. Va. Code §18A-4-15 establishes the pay for substitute service personnel to be based on the individual’s years of employment and in accordance with a daily rate based on the salary schedule of persons regularly employed in the same position with the board.

4.5. NEW HIRES

New hires must meet eligibility requirements to work in the United States. The United States Citizenship and Immigration Services (USCIS) Form I-9, Employment Eligibility Verification, must be completed and maintained. This form can be found on the USCIS website.

In addition, newly hired employees must be reported to a designated state new hire registry. Many states accept a copy of Form W-4 with employer information added. For more information, visit the West Virginia Department of Health and Human Resources, Bureau of Child Support Enforcement (BCSE) website.

4.6. CLINICAL TEACHER OF RECORD

A clinical teacher of record program is an intensively supervised and mentored program for prospective teachers during their senior year of college that refines their professional practice skills and helps them gain the teaching experience needed to demonstrate competence as a prerequisite to certification to teach in the West Virginia public schools as they are hired to serve as the teacher of record to fill a vacancy that was posted and no eligible candidate was employed. Clinical teacher of record programs require authorization of the WVBE pursuant to W. Va. Code §18A-3-1(e).

The authorization for the higher education institution and the board to implement a clinical teacher of record program is subject to WVBE approval. Refer to the WVDE certification office website or Policy 5100 for more information related to this program.

4.7. PAYROLL DEDUCTIONS

Various payroll deductions are applied to the employee's gross pay to arrive at the employee's net pay. There are statutory and voluntary payroll deductions.

Statutory payroll deductions include federal and state income tax withholdings, Social Security tax withholdings, and Medicare tax withholdings. Other statutory deductions include retirement and any court-mandated attachments, such as child support and wage attachment orders.

Voluntary payroll deductions are withheld from an employee's paycheck if the employee has agreed to the deduction. No voluntary deduction is valid without a wage assignment form or other written approval by the employee on file.

4.7.a. STATUTORY PAYROLL DEDUCTIONS

- **FEDERAL INCOME TAX WITHHOLDING**

Federal income tax withholding is determined using the withholding tables, filing status, number of allowances, and any additional amount to be withheld as provided on each Employee's Withholding Allowance Certificate (IRS Form W-4). The uniform federal income tax withholding tables are found in IRS Publication 15 (Circular E). Employees may change or complete a new W-4 form at any time and the most current copy must be maintained on file for each employee. If the employee does not complete a W-4 form, the employer must withhold at the highest rate.

The employer is responsible for making timely federal tax deposits. In addition, each quarter, employers who pay wages subject to income tax withholdings or social security and Medicare

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taxes must file Form 941, Employer's Quarterly Federal Tax Return. This form reconciles the amounts due for federal income tax withheld and for employee and employer Social Security and Medicare taxes that were actually deposited through the Electronic Federal Tax Payment System (EFTPS). The EFTPS is a free service provided by the United States Department of the Treasury that allows for federal tax payments.

Note that the liability for federal tax deposits occurs when the paychecks are released. If annualized checks are distributed prior to the scheduled summer pay date, a federal tax liability is incurred when the check is released.

- STATE INCOME TAX WITHHOLDING

State income tax withholding is determined using the West Virginia Employer's Withholding Tax Tables, along with the number of exemptions and any additional withholding amount provided on each Employee's Withholding Exemption Certificate (West Virginia Form IT - 104). Employees may change or complete a new West Virginia Form IT - 104 at any time. The most current copy must be maintained on file for each employee.

Employers who have an annual remittance of any single tax equal to or greater than \$50,000 are required to electronically file returns and make payments using EFT. Employers may also use ACH Debit to make payments for state income tax withholdings. Additional information can be obtained from the West Virginia State Tax Department Revenue Division.

State income tax may also be withheld and remitted for other states in which employees reside in accordance with applicable regulations.

- SOCIAL SECURITY TAX/MEDICARE WITHHOLDING (FICA)

FICA consists of both Social Security and Medicare taxes. These taxes are paid by both the employee and the employer. Social Security and Medicare taxes have different rates and only the social security tax has a wage base limit. The wage base limit is the maximum wage subject to the tax for the year. These tax rates may be found in the IRS Publication 15 (Circular E).

Social Security and Medicare taxes are remitted with the federal tax withholdings through EFTPS.

- WAGE GARNISHMENT

The maximum amount of the after-tax paycheck that can be garnished in any workweek or pay period for ordinary garnishments (i.e., those not for support, bankruptcy, or any state or federal tax) may not exceed the lesser of: 1) 20 percent of the after-tax paycheck for that week; or 2) the amount by which the after-tax paycheck exceeds 30 times the federal minimum wage for that week (see W. Va. Code §46A-2-130 and Title III of the Consumer Credit Protection Act). Employees can request to exclude their wages from garnishment by filing a list of exempt property in a sworn affidavit that is filed with the clerk of the court where the judgment was entered (magistrate or circuit). According to W. Va. Code §46A-2-131, it is unlawful for employers to discharge or take any form of reprisal against an employee whose wages have been garnished.

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Example: If an employee is paid \$12/hour and works 40 hours per week, the total weekly paycheck would be \$480. Assuming a total tax obligation of 22 percent and the minimum wage is \$8.00, the employee is left with an after-tax paycheck of \$374.40.

- Option 1 - $\$374.40 \times 20 \text{ percent} = \74.88
- Option 2 - $\$8.00 \times 30 = \240.00 ; therefore, $\$374.40 - \$240.00 = \$134.40$

Therefore, the maximum amount of money subject to garnishment for this weekly paycheck would be \$74.88 because it is lower than \$134.40.

Note that the garnishment law allows up to 50 percent of a worker's disposable earnings to be garnished pursuant to court orders for child support or alimony if the worker is supporting another spouse or child. The garnishment law allows up to 60 percent for child support garnishment if the worker is not supporting another spouse or child.

- CHILD SUPPORT/ALIMONY WITHHOLDING

W. Va. Code §48-18-125 dictates the applicable rules for child support reporting and withholding.

All employers in West Virginia have four basic responsibilities in conjunction with the West Virginia Bureau for Child Support Enforcement (BCSE):

1. reporting new hires and responding to employment verification requests;
2. withholding income and premiums for medical insurance;
3. sending payments to the BCSE; and
4. reporting employment terminations when there are existing orders.

In addition, employers are also required to report to the BCSE when they contract with an independent contractor for services in West Virginia and the costs of these services exceed \$2,500 or more. The payment must be reported within 14 days of the earlier of first making payments that together equal or exceed \$2,500 in any year or making contracts with an independent contractor for payments that in the aggregate equal or exceed \$2,500 in any year. These amounts are subject to change. Consult the BCSE website for the current amounts.

- RETIREMENT CONTRIBUTIONS

All eligible employees are required to participate in one of two statewide, cost sharing, multiple-employer retirement benefit plans: the Teachers' Defined Benefit Retirement System (TRS) or the Teachers' Defined Contribution Retirement System (TDC).

As per W. Va. Code §18-7A-3, retirement contributions shall not be withheld from lump sum payments for bonuses, early retirement incentives, severance pay, or any other fringe benefit. In addition, pay received due to donated leave days, personal leave bank days, and some grievance settlements are not subject to retirement.

WVDE annually provides a schedule of legislative appropriations for the employer share of retirement contributions for state-aid funded positions. In addition, WVDE annually allocates an

amount for the state's appropriated contribution toward the past service unfunded liability. The LEA must record the appropriate amount of revenue and expenditure.

1) TEACHER'S DEFINED BENEFIT RETIREMENT SYSTEM (TRS)

The Teachers Retirement System (TRS Plan) is a defined benefit plan administered by the West Virginia Consolidated Public Retirement Board. It was established on July 1, 1941, for the purpose of providing retirement benefits for professional educators and school service personnel.

All employee contributions to the TRS are tax-deferred. Employees contribute six percent of their gross compensation, and the LEA contributes 15 percent of covered members' gross compensation to the plan, for a total of 21 percent annually for those who became members prior to July 1, 1991. Employees who became members after July 1, 2005, and Tier II employees who became members and were hired for the first time on or after July 1, 2015, contribute six percent of their gross compensation and the LEA contributes 7.5 percent of covered members' gross compensation to the plan, for a total of 13.5 percent annually.

Employee and employer contributions, along with the monthly reports, are due to the CPRB by the 15th of the following month. At the end of the fiscal year, the LEA is responsible for remitting a reconciled and certified Annual Retirement Report to the TRS.

2) TEACHER'S DEFINED CONTRIBUTION RETIREMENT SYSTEM (TDC)

The Teachers' Defined Contribution Retirement System (TDC Plan) is a multiple-employer governmental defined contribution money purchase pension plan, qualified under section 401(a) and made tax-deferred under section 414(h) of the Internal Revenue Code. The TDC Plan covered full-time employees of LEAs, WVDE, certain higher education employees, and the West Virginia Schools for the Deaf and the Blind who were hired between July 1, 1991, and June 30, 2005.

Effective July 1, 2005, the TDC plan was closed to new membership. All members hired after June 30, 2005, are members of the TRS plan. All employee contributions are tax-deferred. Employees contribute 4.5 percent of their gross salary, and the LEA contributes 7.5 percent of the covered members' gross compensation to the plan, for a total of 12 percent annually.

The TDC requires payment to be remitted within 15 days from the actual pay date and must be accompanied by the payment (check) and the data provided by the LEA's accounting system. At the end of the fiscal year, the LEA is responsible for remitting a reconciled and certified Annual Retirement Report to the TDC.

4.7.b. VOLUNTARY PAYROLL DEDUCTIONS

- WAGE ASSIGNMENT

In cases of overpayment to employees, LEAs may set up a wage assignment plan with the employee in order to recoup the overpayment. No assignment shall be valid for a period

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exceeding one year from the date of the assignment or order. W. Va. Code §21-5-3 addresses the details related to wage assignment.

A sample wage assignment form may be found on the West Virginia Division of Labor website.

- PUBLIC EMPLOYEE'S INSURANCE AGENCY (PEIA)

Personnel with regular full-time employee status as defined by W. Va. Code §18-1-1 and the Affordable Care Act are covered by PEIA. In addition, permanent employees who work at least an average of 20 hours per week are also eligible to participate in the state group medical insurance plan. Coverage is unlimited for health insurance. Basic life insurance coverage is automatically included for those enrolled. Members can apply to purchase additional life insurance coverage. These premiums are established by PEIA and are paid monthly.

The LEA must follow the processes and procedures required by PEIA and utilize their electronic system for reporting contributions.

WVDE distributes legislative appropriations for the employer share of PEIA premiums related to state aid-funded positions. This revenue must be recorded in the accounting system prescribed by WVDE.

West Virginia PEIA qualifies for favorable tax treatment under Section 125 of the Internal Revenue Code. Payroll deducted PEIA health and certain life insurance premiums are exempt from federal and state income taxes and FICA taxes. Appropriate deduction codes must reflect whether the deduction has been given tax-exempt status. The IRS only allows a portion of the life insurance premium to be pre-tax so deductions must be established to follow IRS rules.

- DENTAL/OPTICAL INSURANCE

Dental/optical insurance may be provided to employees. The plan can be underwritten by an independent insurance agency or can be self-funded by the board. Funding may be provided solely by the board, or partially or completely funded by employee premiums that are payroll deducted.

- 403B ANNUITY DEDUCTIONS/457 DEFERRED COMPENSATION

Per W. Va. Code §18A-4-12, all employees, with the exception of private contractors, trustees, CBEM, and student workers under the age of eighteen, are eligible to participate in a tax-deferred investment plan immediately upon employment if the board has adopted a plan. Employees make voluntary elective deferrals to the plan. Taxes on contributions and any earnings may be deferred until the participant withdraws their funds. The IRS limits the amounts participants may contribute annually to tax-advantaged retirement plans and imposes substantial penalties for violating contribution limits. A *Salary Reduction Agreement* that authorizes the employer to withhold contributions from the employee's pay and send those funds to the investment provider on the employee's behalf must be kept on file.

- OTHER DEDUCTIONS

Other deductions, as long as they are available to all employees, may be offered according to board policies or procedures. These deductions include, but are not limited to: disability insurance, life insurance, cancer insurance, and other similar type policies, and credit unions.

4.8. NON-CASH FRINGE BENEFITS

IRS Publication 15 (Circular E) dictates the record keeping for fringe benefits. A fringe benefit is a form of pay for the performance of services. An example of a fringe benefit is when an employee is allowed to use a business vehicle to commute to and from work. The value of this benefit must be included in the employee's W-2 form. Generally, the fair market value of such benefit is subject to income tax withholding, Social Security, and Medicare taxes. See the IRS publication for complete guidance.

4.9. TUITION REIMBURSEMENT

As per Policy 5202 and W. Va. Code §18A-3-3a, certain educators may qualify for state tuition reimbursement. Reimbursement requests are processed and approved by the WVDE Office of Certification. The board is responsible for reimbursing the approved employees and receives a grant award from WVDE in the amount of reimbursements that were made during the year.

If the tuition reimbursement request is denied by the WVDE Office of Certification because no state funds are available, applicants may seek tuition reimbursement from the board to be paid by federal or local sources. There must be a tuition reimbursement policy in place for the use of federal funds for tuition reimbursement beyond eligibility requirements. Refer to the WVDE Division of Federal Programs and Support for details.

The board must also have a local policy to address tuition reimbursement. IRS Publication 970 refers to educational assistance programs and should be referenced in the policy to determine tax consequences. The board may provide tuition reimbursements from other state, federal, or local funds as governed by the local policy.

4.10. UNEMPLOYMENT COMPENSATION

W. Va. Code §21A-1-1 authorizes unemployment compensation for employees. The LEA is invoiced the actual cost of benefits provided, plus one half of the amount of extended benefits paid on a quarterly basis per W. Va. Code §21A-5-3a. The LEA is exempt from the Federal Unemployment Tax Act (FUTA) per IRS Code §3306(c)(7) which excludes employees of states, political subdivisions, and their instrumentalities from the requirements.

A quarterly wage report must be submitted for use in determining unemployment eligibility and benefits. CBEM are not eligible for unemployment as elected officials and should be excluded from employment reports provided to WorkForce West Virginia. See W. Va. Code §21A-6-1 for detailed information regarding employee eligibility for unemployment compensation.

The LEA must review claims for benefits and make challenges when deemed necessary.

4.11. WORKERS' COMPENSATION

Pursuant to W. Va. Code §23-2-1 and W. Va. Code §23-2-1a, the LEA is required to provide Workers' Compensation coverage to employees. Premiums are based on employer gross payroll amounts.

The LEA must seek worker's compensation coverage from private providers. It is recommended that the LEA also develop a return-to-work policy to help reduce premiums.

4.12. SECTION 125 PLANS

An IRS Section 125 Plan allows an employee to select from a variety of eligible benefits that have premiums deducted from gross earnings before taxes are computed. The only time tax law regulations allow for changes in a Section 125 Plan is if there is an allowed election change event, such as change in marital status, change in number of dependents, change of employment status, etc. IRS regulations require that this plan be non-discriminatory to all employees.

Along with various insurance plans, such as disability income insurance, life insurance, and cancer insurance that may qualify, the Section 125 Plan also can include flexible spending accounts, health savings accounts, dependent day care accounts, and other benefit services as described by a Section 125 administrator. Because of the complexity of compliance, it is recommended that boards have a third-party administrator if they participate in a Section 125 Plan. Without a third-party administrator, the board may utilize the West Virginia PEIA plan for Section 125 benefits but cannot offer other plan benefits that are not supported by the PEIA plan. Boards can either use a third-party administrator or the West Virginia PEIA plan to administer Section 125 benefits.

4.13. DIRECT DEPOSIT

W. Va. Code §21-5-3 allows the LEA, upon the written request of the employee, to deposit the employee's compensation directly into demand or time accounts in a bank, credit union, or savings and loan institution. The written request shall specifically identify the employee, the financial institution, the type of account, and the account number.

W. Va. Code also allows alternative forms of payment of employee compensation by means of a payroll card, provided that there is an agreement in writing between both the LEA and the employee.

The LEA cannot require employees to utilize direct deposit.

4.14. TRAVEL REIMBURSEMENTS

W. Va. Code §18A-2-14 requires the board to reimburse any school personnel for each mile traveled when the employee is required to use a personal motor vehicle in the course of employment. The board shall reimburse at the same rate for all employees. The rate of reimbursement shall be at the least the lesser of, and not more than the greater of, the standard federal mileage rate and the rate authorized by the travel management rule of the West Virginia Department of Administration.

Policy 8200 states that all personnel are required to follow all travel authorization and reimbursement requirements and must submit a travel expense reimbursement request prior to the payment of the travel expenses by the board, either by direct payment to the issuer of a board credit card held by the employee

or by reimbursement to the employee, even if all expenses incurred for the travel were charged to the card. The purpose of this is for the board to have on file a certification from the traveler that all travel-related expenses appearing on the statement were for an authorized purchase.

The CBEM shall adopt a local policy incorporating the requirements of W. Va. Code §18A-2-14 and Policy 8200. The federal reimbursement rate is determined by the IRS and is available on the IRS website. The WVDE Office of School Finance provides updates when the West Virginia Department of Administration updates its reimbursement rate. The policy should require that travel expenditures should be reasonable in nature and relevant to the duties of employment. Travel reimbursement must only be paid to employees of the board. Travel expenditures for contract service providers are not to be paid directly by the board. The agreement with the service provider should include the total being paid for any anticipated travel expenses incurred by the service provider.

Per Policy 1224.1, any travel expenses submitted to the board for reimbursement requires the signature of the principal to verify the reimbursement was not already made at the school level. Any travel by the principal must be approved at the central office level even if the travel expenses will be paid by the school.

4.15. UNIFORMS

W. Va. Code §18-5-13 authorizes the board to provide appropriate uniforms for school service personnel, providing uniforms allows the board to set standards for personal appearance without discrimination. The use of uniforms aids the public in identifying board employees. Together with the use of identification cards, uniforms enhance the security and safety of school facilities for the protection of staff and students. Boards electing to provide uniforms must establish policy surrounding the issuance. The policy should also address any applicable IRS regulations as uniforms are sometimes considered taxable fringe benefits.

**SECTION 5
BUDGETING**

5.1. BUDGET PROCESS

Each board and MCVV is required to prepare a proposed budget for the succeeding fiscal year for each fund that the agency intends to maintain during the year and submit it to the State Superintendent for approval as set forth in W. Va. Code §18-9B-6.

The treasurer must approve the proposed budgets of all the federal and state programs before they are submitted to WVDE for approval. All proposed budgets are to be prepared and submitted electronically to WVDE using the current WVDE prescribed accounting system. MCVVs are to provide the information to their fiscal agents so that the data can be entered electronically in the system under the appropriate fund. All items must be submitted in accordance with due dates set by WVDE.

The board must hold a public hearing on the proposed budget before the proposed budget document is adopted and submitted to WVDE for approval. The document is to be adopted by the CBEM pending approval by WVDE. The board meeting for conducting the public hearing and adopting the budget may be held on any date between the time the state aid final computation schedules are received, and the deadline stipulated by WVDE.

In accordance with W. Va. Code §18-5-4, the proposed budget must be made available for public inspection for at least ten days prior to the public hearing. There is no statutory requirement that the proposed budget document itself be published ten days prior to the budget hearing. Therefore, it can be made available for public inspection by a variety of other means other than publication, such as posting the document on the board's website, posting copies on various bulletin boards, or by providing access to a copy of the proposed budget in the business office during normal business hours.

W. Va. Code §18-5-4 requires the board to publish a notice of the budget hearing as a Class I legal advertisement at least ten days prior to the budget hearing. If the budget document is published ten days prior to the hearing, the notice of the hearing may be included in the same legal advertisement as the publication of the budget document.

General items needed to prepare the budget include, but are not limited to:

- goals established by the board;
- enrollment data;
- program information;
- personnel items such as assignments of staff, staffing requirements, salary information, and fringe benefit amounts;
- information regarding facilities, construction, utilities, etc.;
- property tax and levy amounts;
- any other items affecting revenues and expenditures; and
- state aid computations and related schedules (PEIA, Retirement, etc.) as per WVDE instructions.

All revenue and expenditure amounts must be budgeted at the full code dimension. This includes two digits for the fund, five digits for the project, five digits for the revenue source, program/function, or

balance sheet accounts, and three digits for the object code. Budgeting to the location code level should take place when possible due to federal reporting requirements.

The proposed budget amounts for the new fiscal year should not include any amounts for encumbrances or obligations of the preceding fiscal year. Conversely, proposed budget amounts for the upcoming year must provide for all incurred obligations of the new fiscal year, regardless of whether the obligations are to be actually paid by year end.

All major construction and renovation projects, including those funded by the School Building Authority of West Virginia (SBA), must be budgeted and accounted for in a permanent improvement fund, bond construction fund (if bonds are issued), or a capital projects fund. A major construction project is defined as a construction project in which expenditures exceed three percent of a board's previous year's total expenditures. Counties may elect to budget projects in the general fund which are less than three percent.

All major federal programs are required to be included in the proposed budget in the special revenue fund. Include these awards in the proposed budget using the appropriate project and revenue source codes. If the amount of the actual grant award is not known at the time the proposed budget is submitted, a budget request revision may be completed after the beginning of the fiscal year to adjust the total amount of the project.

Every agency must include in its proposed budget the projected beginning fund balance for the year for every fund. Careful consideration should be given to ensure that the amounts are not overstated, but a projected beginning balance must be shown in the proposed budget for the upcoming year, either positive or negative. This also includes the projected ending cash balance at June 30 with the West Virginia Municipal Bond Commission for the boards that maintain a Debt Service Fund.

For those agencies that are projecting a deficit unassigned fund balance in the General Current Expense Fund at June 30 of the prior year, such deficit must be reflected as a negative beginning fund balance in the proposed budget.

To provide for unforeseen situations that may occur during the year, it is strongly recommended that all agencies budget between three percent and five percent of their total general fund projected revenues as a reserve for contingencies. The Government Finance Officers Association (GFOA) recommends that, at a minimum, governments maintain an unrestricted budgetary fund balance in their general fund of no less than two months of regular general fund operating revenues or regular general fund operating expenditures.

The budgeting process is continuous and should be long range, not just year to year. Completion of the budget document does not terminate the planning process. The process continues to be a means of providing an overall picture of consequences to decision makers.

5.2. BUDGET REVISION PROCESS

Rarely will actual revenues and expenditures equal budgeted revenues and expenditures for the year. To manage effectively, administrators need to be able to adjust budgeted amounts to the actual amounts received and expended each year. W. Va. Code §18-9B-10 specifies that the board may expend funds or incur obligations only in accordance with the approved budget and expenditure schedule and make transfers between items of appropriation or expenditure only with prior written approval of WVDE. In

addition, 2 CFR Part 200 contains requirements that LEAs must follow in revising their approved budgets of federal programs.

Procedures and thresholds have been established that the board must follow in submitting budget revision requests to the State Superintendent, who has delegated that authority to appropriate WVDE staff. These instructions can be found via the website of the Office of School Finance. Each board must obtain CBEM approval prior to submission to WVDE.

5.2.a. UNRESTRICTED FUNDS, STEP 7, AND LOCAL PROJECTS

For unrestricted funds (including Step 7 projects) and local projects, the agency must submit proposed budget revisions to WVDE and receive prior approval from the board whenever any of the following changes are anticipated.

- a) Any revision in which funds are being supplemented into, or removed from, the budget.
- b) All transfers involving revenue or expenditure account codes in which the revision affects the first three digits of the program/function code element and/or the first two digits of the object code element.
- c) Cumulative transfers among direct cost categories, or, if applicable among separately budgeted programs, projects, functions, or activities which exceed or are expected to exceed ten percent of the current total approved budget.

5.2.b. RESTRICTED FEDERAL AND STATE PROJECTS

For all restricted federal and state projects, other than the ones included in the paragraph above, LEAs must comply with the budget change requirements specified in 2 CFR Part 200 and obtain the prior approval of WVDE or awarding agency, when applicable.

5.2.c. REVIEW PROCESS

All budget transfers will be reviewed during scheduled consolidated federal monitoring reviews, including those budget revisions that do not require WVDE approval to ensure that all transfers are handled in accordance with federal expenditure allowances. In addition, auditors performing the annual audits of boards will include a review of each board's budget revision process in the scope of their audit.

5.3. LEGALLY ADOPTED BUDGET

The legally adopted budget is considered to be the approved budget for each fund maintained by the boards at the function level, as defined in the *Local Educational Agencies Chart of Accounts*. Actual expenditures are not to exceed the amounts reflected in the approved budget at the function level.

**SECTION 6
AUDITING AND REPORTING**

6.1. AUDITING AND REPORTING OVERVIEW

Audits provide independent assurance to all concerned that financial statements are presented fairly and in compliance with applicable laws and regulations. The State Auditor is the ex officio Chief Inspector and supervisor of all public offices. W. Va. Code §6-9-1 et seq., charges the West Virginia Chief Inspector Division with the responsibility of examining the financial affairs of every local governmental office or political subdivision within the state. W. Va. Code §6-9-7 allows the Chief Inspector to perform these duties or to specify a designee.

Per W. Va. Code §6-9-7, “an examination shall be made annually, if required, to comply with the Single Audit Act and when otherwise required by law or contract.” When the Single Audit Act is not applicable, the examination should still be made at least once a year. The Chief Inspector provides the completed audits of all local government offices, political subdivisions, commissions, authorities, and agencies to the Legislature each year.

The Single Audit or program specific audit requirements of 2 CFR 200.501 must be followed. The purpose of a single audit is to provide a cost-effective audit for non-federal entities in that one audit is conducted instead of multiple audits of individual programs. Single audits must be submitted to the Federal Audit Clearinghouse, along with a data collection form (Form SF-SAC).

The requirements of the *State Compliance Supplement for Auditing County Boards of Education in the State of West Virginia* must also be followed. This guide can be found via the website of the WVDE Office of School Finance.

W. Va. Code §6-9-7(d) stipulates that the CBEM may elect, by May 1 of the fiscal year to be audited, to have the annual examination performed by a certified public accountant approved by the Chief Inspector. A copy of the order of the LEA making the election shall be filed with the Chief Inspector and the WVDE Office of School Finance. The LEA shall follow the audit bid procurement procedures established by the Chief Inspector. Once the audit is complete, a copy should be sent to the Chief Inspector and the WVDE Office of School Finance.

If findings are noted, the corrective action plan will be reviewed by the WVDE Office of School Finance, the prosecuting attorney’s office, and any other applicable program offices to determine that the plan sufficiently corrects any issues. Additional information may need to be provided. All findings must be resolved within six months of receipt by WVDE. If any audit or examination discloses malfeasance, W. Va. Code §6-9-7(n) states that a certified copy will be published electronically by the Chief Inspector, with notice of the publishing sent to proper legal authorities.

6.2. EXAMINATIONS OF INDIVIDUAL SCHOOLS

Examinations of individual schools can be conducted by personnel employed by the board, a certified public accountant, or the West Virginia State Auditor’s Office. Individual school examinations must be completed within nine months of the fiscal year end, except those boards that have 20 or more schools and conduct the examinations with their own personnel may have an additional three months in which

to complete the exam. Such an examination should include all funds maintained by the school and should be completed in accordance with applicable federal, state, and local guidelines.

A report is to be issued for each school individually which presents the financial reports and all instances of noncompliance and other reportable conditions noted during the examination.

For further guidance regarding audits of individual schools, please refer to Policy 1224.1 which can be found on the WVDE website.

6.3. MONTHLY AND ANNUAL REPORTS

The treasurer must provide certain periodic reports that accurately describe the treasurer's activities as well as the condition and location of funds of the board. These reports include the following.

Monthly Reports

- Treasurer's signed monthly report to the CBEM which indicates by fund, the cash balance, year-to-date revenues, year-to-date expenditures, and current budget. A signed monthly report is also required by the MCVCs. See Appendix F for an example of the monthly treasurer's report.
- Treasurers should be prepared to provide additional information as requested by the board.
- A computer-generated data file as required by WVDE is to be submitted at the close of each month.
- A monthly report from the accounting system prescribed by WVDE must be provided by the Treasurer to budget managers, program directors, and project managers for monitoring of their budgets, as well as providing additional information regarding major deviations from the budget.

Annual Reports

- W. Va. Code §18-9-3a requires that, beginning with fiscal year end June 30, 2024, LEAs must prepare and publish annual financial statements within 90 days and 120 days respectively after the beginning of the subsequent fiscal year on forms prescribed by the State Superintendent and the State Auditor. Prior to the passage of Senate Bill 651 during the 2021 West Virginia Legislative Session, LEAs were required to publish financial statements within 90 days of the fiscal year end. The legislation also amended the type of publication required of LEAs. Beginning with fiscal year end June 30, 2024, the financial statements of a LEA shall be published either: 1) as a Class I-0 legal advertisement; or 2) on the LEA's website. LEAs who choose to publish the financial statements on the LEA's website must hold a public hearing at which interested persons may express their views on whether the LEA should publish the statement as a Class I-0 legal advertisement or on the LEA's website. Additionally, upon posting on the LEA's website for the first time, public notice of the availability of the website posting shall be published once a week in a qualified newspaper of general circulation for two successive weeks. Additional requirements for website publication can be found in W. Va. Code §18-9-3a.
- A copy of the published statement signed by the appropriate chief executive officers along with an electronic data file must be submitted to the WVDE Office of School Finance within 90 days of the subsequent fiscal year end. This copy shall include a complete set of financial statements as described below in the final bullet point of this subsection. The LEA is required to submit the audited financial statements to WVDE within nine months of the year end of the fiscal year in which the audit is being performed.
- MCVCs are required to prepare their annual financial statements and submit signed copies both to the WVDE Office of School Finance and to their fiscal agent no less than two weeks prior to the

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deadline stipulated by WVDE. Statements must be prepared and submitted to the fiscal agent in time to be included as fiduciary funds.

- Financial statements are to be prepared in accordance with generally accepted accounting principles (GAAP). This includes completion of the government-wide statements, the fund basis statements, the reconciliation schedules, the fiduciary statements, the notes to the financial statements, management discussion and analysis, and required supplementary information.

6.4. OTHER REPORTS

LEAs may be required to provide other reports based on federal and state reporting requirements.

SECTION 7
EXCESS LEVIES, PUBLIC BONDED INDEBTEDNESS, AND OTHER FUNDING SOURCES

7.1. EXCESS AND BOND LEVY OVERVIEW

Excess levies and bond issuances can be considered as an additional source of revenue for boards. These levies must be authorized by a vote of the citizens of the county. The elections must be held in conjunction with any primary or general election. Prior to the passage of HB 4353 during the 2022 Legislative Session, a special election was allowable to be held for the sole purpose of determining the outcome of an excess levy or bond levy election. Effective June 10, 2022, special elections are allowable only for the purpose of presenting to the voters the question of synchronizing the levy with a future primary or general election.

All boards shall keep detailed records of all revenue and expenses derived from bond or levy issues. This information will be critical for financial statement preparation and accountability to the general public. Bond and excess levy elections often require months of planning prior to the actual election process. Inadequate development and planning of the levy or bond order can often result in poor decisions. The West Virginia Secretary of State recommends setting the election date 12-15 months in advance, in consultation with the county clerk. It is also recommended that the order calling for the election be submitted to the State Auditor and legal counsel for review prior to adoption by the governing body in order to eliminate any potential problems. These elections also have special ballot and advertisement requirements as prescribed by law. The West Virginia Secretary of State provides an election calendar which should be used to ensure that all required documentation is presented, and deadlines are met.

Board employees are prohibited from advocating for a levy or bond election during their daily work schedule. Boards may provide strictly factual information about the upcoming bond or excess levy. As quoted in the Special Levy and Bond Elections guide by the West Virginia Secretary of State, "Governing bodies should take particular care that groups advocating the passage of levies or bonds operate strictly within the law, and that the governing body and its employees not use public funds, time or materials to advocate the passage of the issue. Allegations of the violation of election laws surrounding campaigns for passage or defeat of levies and bonds create serious problems in the community."

The excess levy and bond elections must be certified to the West Virginia State Auditor's Office in accordance with W. Va. Code §11-8-12. Check with the West Virginia State Auditor's Office for applicable deadlines.

For more regulations, instructions, and best practices please review the Special Levy and Bond Elections guide provided by the West Virginia Secretary of State. This guide may be downloaded at www.sos.wv.gov.

7.2. EXCESS LEVIES

Pursuant to the provisions of W. Va. Code §11-8-16, boards may impose an excess levy in addition to the regular levy, if approved by at least a majority of the voters who cast their ballots during the election. The election may not extend beyond five years. Future levies must be approved by another election.

7.2.a. PURPOSES FOR EXCESS LEVIES

Although there are no restrictions as to what purposes may be included in an excess levy call, other than they must be purposes for which the board has statutory authority to expend public funds, excess levies are generally imposed to provide additional operating revenues. These include such expenditures as the employment of additional personnel; payment of local salary supplements and other employment benefit costs, such as optical and dental coverage; purchase of textbooks and other instructional materials; operation and maintenance of facilities; and the support of community organizations, such as public libraries.

7.2.b. EXCESS LEVY ELECTION ORDER

In order to authorize the election, a board must enter into its record of proceedings an order setting forth: (1) the purpose for which additional funds are needed; (2) the amount for each purpose; (3) the total amount needed; (4) the separate and aggregate assessed valuation of each class of taxable property within its jurisdiction from the most recent certificate of valuation provided by the county assessor; (5) the proposed additional rate of levy in cents on each class of property; (6) the proposed number of years, not to exceed five, to which the additional levy applies; and (7) the fact that the local levying body will or will not issue bonds, as provided by W. Va. Code §11-8-16, upon approval of the excess levy.

The excess levy order should grant boards the authority to decrease the levy rates if the funds are not needed or to spend excess or shortfall collections at their discretion.

Boards may choose to include a reduced (rolled-back) levy rate provision in the order calling for the special excess levy to raise a particular, maximum dollar amount. In these cases, depending on the language used, the levy rates may be reduced if values increase. Refer to the West Virginia State Auditor's website at www.wvsao.gov for more information related to this.

Upon approval of an excess levy, a board may issue bonds in an amount not to exceed the amount of the increased levy plus the total interest thereon, but the term of the bonds may not extend beyond the period of the excess levy. Generally, boards do not elect to issue bonds for an excess levy.

7.2.c. EXCESS LEVY RATES

Excess levy rates, by which projected revenue is calculated, have maximum rates per class of property as established by the West Virginia Legislature. This authority is provided through W. Va. Code §11-8-16. Each board may elect to use any rate, which falls at or below the maximum rate per class.

7.3. BOND LEVIES

Boards are authorized, pursuant to the provisions of W. Va. Code §13-1-1 et seq., to incur debt through the issuance of bonds, if approved by at least a majority of the voters of a district who cast their ballots during the election.

7.3.a. PUBLIC BONDED INDEBTEDNESS

In accordance with the W. Va. Constitution, Article 10, §8 and §10, and W. Va. Code §13-1-4, boards may, with the consent of at least a simple majority of the voters, issue bonds for specified purposes. Per W. Va. Code §13-1-34, the amount of the bond shall not exceed the aggregate of five percent of

the most recent value of taxable property in the county and the bond levy shall be in effect for a maximum of thirty-four years.

W. Va. Constitution, Article 10, §8 and W. Va. Code §13-1-20 require an annual levy and collection of a tax sufficient to pay the principal and interest on the bonds. W. Va. Constitution, Article 10, §8 also states that the tax levy required to pay the principal and interest on such bonds is “. . . separate and apart from and in addition to all other taxes for all other purposes. . . .”

All bonds of the State of West Virginia are exempt from all taxation by the state or by any political subdivision.

7.3.b. PURPOSES FOR BOND ISSUANCE

According to W. Va. Code §13-1-2, debt may be incurred and bonds issued, “. . . for the purpose of acquiring, constructing and erecting, enlarging, extending, reconstructing or improving any building, work, utility or undertaking, or for furnishing, equipping, and acquiring or procuring the necessary apparatus for any building, work, improvement, or department”

No bond shall be issued for the purpose of providing funds for general current expenses. Interest accrued during the construction shall be deemed a part of the cost of the improvement and shall not be deemed current expenses. Additionally, engineering and inspection costs, including a proper proportion of the compensation, salaries, and expenses of the engineering staff, or the estimated amount of such costs, shall be deemed a part of the cost of the improvement. All costs and estimated costs of the issuance of bonds shall be deemed a part of the cost of the work or improvement. The necessary land and rights-of-way needed to acquire or construct any building are also considered part of the cost of the building or improvement.

Bonds may be specified for either a single purpose or a general purpose. If the order specifies more than one purpose for which the bonds are to be issued, then the amount of the proceeds of the issue to be used for each purpose must also be specified. Additionally, per W. Va. Code §13-1-6, “. . . all expenditures, including but not limited to expenditures for the acquisition of sites, the construction, erection, equipping and furnishing of one or more buildings, structures, improvements or facilities, or group of buildings, structures, improvements or facilities, and the relocation, alteration, renovation or enlargement of any existing buildings, structures, improvements or facilities, or group of buildings, structures, improvements or facilities, for the same general purpose shall be construed to be a single purpose within the meaning of this section.”

According to W. Va. Code §13-1-6a, if the order specifies several projects within the same general purpose, and if for any reason one or more of the projects cannot be constructed, carried out, or completed, then the amount of money specified for the particular project(s) may be allocated by the governing body to be expended for any one or more of the other projects specified in the order, if there is a provision in the order authorizing the governing body to do so. However, per W. Va. Code §13-1-22, “The proceeds derived from the sale of any bonds shall be used only for the purpose or purposes for which the bonds were issued as set out in the order or ordinance submitting the question to vote”

7.3.c. BOND ELECTION ORDER

In order to hold a bond election, boards must issue a petition in writing requesting that bonds be issued. According to W. Va. Code §13-1-4, the petition must be signed by legal voters of the county equal to 20 percent of the votes cast in a county for CBEM elections. The petition must state the purpose and amount of the bonds. W. Va. Code §13-1-4 details what items must be included in the election order. Refer to Appendix D for a listing of these items.

7.3.d. BOND ELECTION

Per W. Va. Code §13-1-8, notice of a bond election must be published as a Class II-O legal advertisement in compliance with W. Va. Code §59-3-2. The notice must be published in the county where the election will be held once a week for the two consecutive weeks prior to the election date. The elections for bond issuances for counties, districts, and school districts will be held at the same voting precincts established for holding general elections. All the provisions of the general election laws of the State of West Virginia concerning general, primary, or special elections apply to bond elections.

There is a ballot form to be used for bond elections which is specified in W. Va. Code §13-1-12. See Appendix D for a sample ballot form.

Per W. Va. Code §13-1-13, “The authorities calling bond elections shall canvass the returns at the same time with reference to the election and in the same manner as is required of county commissions for general elections.”

7.3.e. ISSUANCE AND TERMS OF BONDS

If the bond levy election results in a majority of votes in favor of issuing the bonds, then the board shall, by resolution, authorize the following according to W. Va. Code §13-1-14.

- Issue the bonds in an amount not to exceed the amount stated in the proposition.
- Establish the maximum rate or rates of interest which the bonds shall bear within the maximum rate stated in the proposition submitted to vote.
- Require that the bonds be made payable at the office of the West Virginia Municipal Bond Commission and at any other place or places as the body issuing the same designates.
- Provide for a sufficient levy to pay the annual interest on the bonds and the principal at maturity.
- Fix the times within the maximum period, as contained in the proposition submitted to vote, when the bonds shall become payable, which shall not exceed thirty-four years from the date thereof.
- Determine whether all or a portion of the bonds will be subject to redemption prior to the maturity thereof.
- Prescribe a form for executing the bonds authorized.

Bonds must be made payable in annual or semiannual installments with the payment date beginning not more than three years after the date of issuance. The amount payable must be fixed so that when the annual interest is added to the principal amount to be paid, the total amount payable in each year will be as equal as possible.

According to W. Va. Code §13-1-15a, “All or a portion of the bonds may be subject to redemption prior to the maturity thereof at the option of the body issuing the same as established by resolution

of the governing body authorizing the bonds.” If the bonds are redeemed prior to maturity, the board may not levy taxes in connection with the redemption of the bonds in excess of the taxes that would have been levied for the payment of principal and interest on the bonds in any year.

Per W. Va. Code §13-1-16, the resolution authorizing the bonds should contain the following statement: "It is certified that this bond is authorized by and is issued in conformity with the requirements of the Constitution and Statutes of the State of West Virginia."

All bonds issued by a board shall be signed by the president of the board and countersigned by the superintendent acting as secretary of the board. Additionally, W. Va. Code §13-1-19 stipulates that “. . . bonds issued by a board shall be signed by the president of the board and countersigned by the secretary thereof. The seal of the political division shall be affixed to the bonds.”

7.3.f. ADVERTISEMENT AND SALE OF BONDS

Per W. Va. Code §13-1-21, the board issuing bonds pursuant to this article shall sell the same and collect the proceeds, which proceeds shall be deposited with its treasurer. The bonds must be advertised for sale, on sealed bids or electronic bids. The advertisement is to be published as a Class II legal advertisement in compliance with W. Va. Code §59-3-2. The first notice must be published at least 14 days prior to the date and time of the bid opening in the format described by the board. The advertisement may also be published in the *Bond Buyer* or similar publication and the advertisement may be published electronically. The board may reject any and all bids. If the bonds are not sold, the board may sell the bonds at a private sale within 120 days after the date of the advertisement. However, no private sale can be made unless the price is higher than the highest bid received. If the bonds are still not sold, the bonds can be re-advertised. In no event shall bonds be sold for less than their par value.

As soon as practical after the election results authorizing the issuance of bonds, a certified copy of all records related to the bond issue must be transmitted to the West Virginia Attorney General (Attorney General). Records include: orders, ordinances, proclamations, notices, advertisements, affidavits, and resolutions. Once the documentation is received, the Attorney General will either approve or disapprove the validity of the bond issue. The Attorney General will then notify the board which authorized the issuance of the bonds of the decision by mail and will also notify the people of the political division of the approval or disapproval of the bond issue, by publishing an advertisement as a Class II legal advertisement in compliance with W. Va. Code §59-3-2. If no interested party or taxpayer contests the Attorney General’s approval or disapproval of the bond issue within ten days from the advertisement, then the action will be considered final and no other appeals will be allowed.

According to W. Va. Code §13-1-29, if the bond issue is approved, the cost of publishing the notice and the costs of certifying and copying all records, papers, and proceedings, and all necessary expenses incurred by the Attorney General in connection with the bond issue, must be paid out of the proceeds arising from the sale of the bonds. If the bond issue is not approved, the expenses must be paid out of the general fund of the board.

7.3.g. INVESTMENT OF BOND PROCEEDS

See Section 1.9 – Bank Accounts, for details related to bank account(s) for bond proceeds.

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The transfer and investment of bond proceeds is addressed in W. Va. Code §18-9-6. According to this code section, the County Sheriff (Sheriff) will transfer to the board all funds held on behalf of the board. The balance as of June 30 will be transferred no later than August 1 of that same year and the Sheriff's office will issue a final settlement statement for the fiscal year ending on June 30. All balances in all board funds at the end of each month after June 30 shall be transferred by the Sheriff to the board no later than the tenth day of the following month.

W. Va. Code §18-9-6 also discusses alternative investment options for bonds and security for funds invested.

7.4. OTHER FUNDING SOURCES

7.4.a. SCHOOL BUILDING AUTHORITY OF WEST VIRGINIA (SBA):

The SBA provides capital improvement grants for school construction projects. These grants include Construction Funds (Needs Grant awards), Major Improvement Funds - maximum \$1,000,000, Emergency Funds to assist with natural disasters - maximum \$2,000,000, and Reserve Grants for approved projects awaiting local financing approvals. According to the SBA's *Policy and Procedures Handbook*, the emergency situation must have been generated by an Act of God, i.e., fire, wind, flood, storm, earthquake, etc. The funds cannot be utilized for funding non-disaster needs or projects. Additionally, federal, state, and local funds for emergency repair/replacement must have been identified and exhausted in order for a district to be eligible for emergency funding. Prior to receiving the emergency funding, all insurance claims must have been filed and amount of settlements determined. Insurance should be at the cost of replacement level or at the highest level available. These grants must be used for the projects approved by the SBA and the SBA provides significant oversight throughout the project development, design, and construction.

W. Va. Code §18-9D-4d requires the SBA to maintain a reserve fund of at a minimum \$600,000 for the purpose of making emergency grants to financially distressed boards to assist them in making repairs or performing urgent maintenance to facilities or facility related equipment or facility related equipment replacement necessary to maintain the serviceability or structural integrity of school facilities currently in use or necessary for educating the students of the board.

Once the grant funds are awarded, the SBA requires a requisition form (SBA Form 104-A) to accompany approved vendor invoices that are sent to the SBA office for review and approval. Boards should follow SBA policies and procedures for payment of invoices.

7.4.b. QUALIFIED ZONE ACADEMY BOND (QZAB):

The QZAB program provides income tax credits to the holders of bonds (often banks) that are issued by state or local governments.

The QZAB tax credit rate fluctuates daily and is set by the United States Treasury with the intent to provide a benefit to the bondholder that approximates market interest rates on taxable corporate bonds. Banks investing in QZABs receive a dollar-for-dollar income tax credit each year they hold the bonds based on the QZAB tax credit rate, with the credit amount being included in taxable income.

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The limitation amount is allocated among the states (including the District of Columbia and United States possessions) based on each state's ". . . respective population of individuals below the poverty line (as defined by the Office of Management and Budget)." Each state then allocates its portion among eligible qualified zone academies within the state.

7.4.c. LEASE/PURCHASE:

Lease and lease purchase of equipment are methods by which a board may obtain equipment and make payments for the use of the equipment over a period of time.

A lease purchase agreement extending beyond the fiscal year must contain a non-funding cancellation clause where the contract can be terminated at the end of each fiscal year, at the board's discretion.

Specific guidelines can be found in Policy 8200 and W. Va. Code §11-8-26.

7.4.d. PERFORMANCE CONTRACT – ENERGY-SAVINGS CONTRACTS:

Energy-saving measures means goods or services, or both, to reduce energy consumption and operating costs of school facilities.

An *energy-savings contract* means a contract for the evaluation and recommendation of energy operations conservation measures and for implementation of one or more such measures.

The contract shall provide that payment, except obligations upon termination of the contract before its expiration, are to be made over time. A board may supplement these payments with federal, state, or local funds to reduce the annual cost or to lower the initial amount to be financed.

W. Va. Code §18-5-9a, provides specific reasons for the execution of an energy-savings contract, with whom a contract may be executed, and language that must be contained in the contract. Such contracts may be for no more than 15 years and the contract must contain language that allows the board to terminate the agreement during any year of the contract.

An energy-saving contract shall include the following:

- (1) a guarantee of a specific minimum amount of money that the board will save in energy operating costs each year during the term of the contract; and
- (2) a statement of all costs of energy-conservation measures, including the costs of design, engineering, installation, maintenance, repairs, and operations.

An energy-savings contract is performance-based and includes a guarantee of savings, and a comprehensive approach is subject to competitive bidding requirements.

**SECTION 8
CONSTRUCTION**

A construction project is defined in W. Va. Code §5-22-1 as “the act, trade, or process of building, erecting, constructing, adding, repairing, remodeling, rehabilitating, reconstructing, altering, converting, improving, expanding, or demolishing of a building, structure, facility, road, or highway.” Temporary or emergency repairs are not considered construction. Construction can also include the acquisition and necessary site preparation of land, as well as the acquisition, installation, or substantial upgrading of existing equipment, machinery, furnishings, utilities, or other similar items.

All construction projects exceeding \$25,000 in total cost must, except as provided in the W. Va. Code §5-22-1, solicit competitive bids. The contract shall be awarded to the lowest qualified, responsible bidder who furnishes a sufficient performance and payment bond. The board has the right to reject any or all bids and solicit new bids on the project. However, effective March 8, 2024, with an established sunset clause of December 31, 2029, W. Va. Code §5-22-4 establishes provisions that allow for the state and subsidiaries, which includes LEAs, to establish a maximum budgeted amount for a particular construction project. In the event that all bids received exceed the maximum budgeted amount, if established, LEAs may negotiate the cost of service with the lowest qualified bidder. If an LEA chooses to exercise this provision of statute, the LEA must maintain confidentiality of the maximum budgeted amount prior to awarding the contract. Additionally, this provision shall not be utilized if negotiations result in more than a ten percent change in scope or cost from the original bid. According to the West Virginia Division of Labor, all construction contracts in excess of \$10,000 must be in writing. Refer to Policy 8200 for details related to the competitive bid process.

Per W. Va. Code §5G-1 et seq., the board must procure architectural or engineering services for projects costing more than \$250,000, on the basis of demonstrated competence and qualifications for the type of professional services required. Boards must procure architectural and engineering services in accordance with W. Va. Code §5G-1 et seq. and the provisions of Policy 8200.

A Clerk-of-the-Works (CW) may be required by outside grantors of funds to oversee the day-to-day operations on the construction site. For major construction projects, it is advised that a CW be on site on a regular basis and during all major component installations. The role is primarily to represent the interests of the board by ensuring the quality of both materials and workmanship are in accordance with the design information, such as specification and engineering drawings, in addition to recognized quality standards. Additionally, depending on the size of the construction project, a Construction Manager or Construction Analyst may be required by the SBA on a project-by-project basis in lieu of a CW. Once the design team is selected, the lead architect/engineer will work with the board to determine the additional project team members required and the most prudent and resourceful project delivery method.

Depending on the specific nature of the relationship between the board and the CW, a decision will need to be made regarding whether to treat the CW as an employee or as an independent contractor. These determinations will need to be made and evaluated on a case-by-case basis. More detailed information regarding the duties of a CW can be found in the Policy and Procedures Handbook available on the SBA website.

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Maintaining proper records is essential for all construction projects. Outside agencies, grantors, or the general public may seek detailed information related to the construction project. Documents retained and/or maintained should include:

- documentation of CBEM approval for the construction project;
- all documents relating to construction project funding;
- bidding records including, but not limited to: legal advertisements, pre-bid documentation, list of bidders, bid tabulation sheet and analysis, and documentation of CBEM approval of bids and contracts;
- documents relating to architect/engineer selection;
- correspondence with architects, contractors, sub-contractors, vendors, utility companies, etc.;
- minutes of progress meetings;
- detail of all expenditures (requisitions, purchase orders, invoices, etc.) relating to construction project;
- final inspection and punch-list documentation;
- certified payroll records if collection is deemed necessary by the board or if required under the Federal Davis Bacon Act; and
- as-built construction documents.

Treasurers should refer to the *Records Retention Schedule for the Financial Records of the Public Schools in the State of West Virginia* for guidance as to how long these records should be kept. This publication can be found on the WVDE website.

A capital project whose annual expenditures exceed three percent of the prior years' current expense fund expenditures must be accounted for in the Bond Construction Fund, Permanent Improvement Fund, or Capital Projects Fund. However, small construction projects paid for with board funds may be recorded in the General Current Expense Fund.

Bonds and deposits from vendors may be necessary to safeguard the board from undue risk. Bonds that may be required include bid, performance, surety, litigation, or maintenance bonds. The board may require the vendor to submit a certified check, certificate of deposit, bond, or any other security acceptable to the purchasing director, made payable to the board. Personal checks and/or company checks are not acceptable. The provisions for these requirements should be incorporated into the bid specification. Once written notification is received regarding satisfactory completion of the project, the board shall return the check or deposit to the vendor.

APPENDICES

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APPENDIX

A.1 - SEGREGATION OF DUTIES

No one person should:

- initiate the transaction;
- approve the transaction;
- record the transaction;
- reconcile the transaction;
- handle the related asset; and
- review reports.

Segregation of duties is critical to effective internal control; it reduces the risk of both erroneous and inappropriate actions. In general, the approval function, the accounting/reconciling function, and the asset custody function should be separated among employees. When these functions cannot be separated, a detailed supervisory review of related activities is required as a compensating control activity. Proper segregation of duties deters fraud by eliminating the ability of any one individual to complete enough steps in a transaction that they are able to both steal and conceal.

Consider the following in assigning duties to people involved in handling a financial transaction process:

- the preferred number of people that should be involved in handling a financial process is three or more; and
- a person involved in more than one financial process should be assigned duties within the same duty category, such as asset handling, across the different processes. For example, a person with asset handling duties in the cash handling process should be assigned only asset handling duties in other financial processes.

Specific examples of segregation of duties include, but are not limited to, the following:

- the person who requisitions the purchase of goods or services should not be the person who approves the purchase;
- the person who approves the purchase of goods or services should not be the person who reconciles the monthly financial reports;
- the person who approves the purchase of goods or services should not have access to checks;
- the person who maintains and reconciles the accounting records should not have access to checks;
- the person who opens the mail and prepares a listing of checks received should not be the person who makes the deposit. Checks should be stamped *For Deposit Only* when received;
- the person who opens the mail and prepares a listing of checks received should not be the person who maintains the accounts receivable accounting records;
- the person who prepares the receipt should not be the person making the deposit.

In instances where smaller boards find it impractical to have meaningful segregation of duties due to limited staff among which duties can be assigned, it is necessary for the board to establish mitigating controls, which should be documented and adhered to. In these situations, direct management involvement can provide a strong deterrent to conflicting activities. Examples of such involvement include:

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- rotation of duties among personnel;
- increased, hands-on supervision;
- enforced vacations;
- having an individual outside the finance office perform one aspect of the transaction (i.e., making the bank deposits, approving invoices, etc....); and
- having an individual outside the finance office review financial data and reports (i.e., reconciliations, bank statements, etc....).

APPENDIX

B.1 - Out of State Tuition Template

Out of State Tuition Calculation:

- 1) A county board of education is required to charge tuition to out-of-state students. In calculating the amount of tuition to be charged, a county board of education should start with the per pupil expenditures amount for their county.
- 2) In determining the cost which will be charged for these students, the county board of education is not required to charge the total county per pupil expenditure, but may in its discretion, exclude any cost(s) not directly related to the education of the out-of-state students.
- 3) The tuition cost should be based upon the county per capita cost per pupil rather than the individual school per capita cost.

*** The following components are provided as an example of one way that the out-of-state tuition could be calculated for a particular county. *This is just an example format.* Each county must make this determination based on factors that exist in their particular county.

County Per Pupil Expenditures		\$ -
Less:		
Capital improvements	_____	
Transportation expenses	_____	
Adult education programs	_____	
Federally funded food services	_____	
Other costs not related to the education of the out-of-state student (List them below)		
_____	_____	
_____	_____	
_____	_____	
Total excluded items:		\$ -
Out-of-State Tuition to be Charged		<u><u>\$ -</u></u>

**APPENDIX
B.2 - BANK RECONCILIATION**

School _____ month of _____

BALANCE PER BANK STATEMENT \$ _____

Deposits in Transit:

Deposit Date	Amount	Deposit Date	Amount

Total Deposits in Transit + 0.00

Outstanding Checks:

Check Number	Amount	Check Number	Amount

Total Outstanding Checks - 0.00

Bank Charges (Service Fees, etc.) + _____

Adjustments (Bank Errors, etc) +/- _____

BALANCE PER BOOKS = 0.00

Prepared by _____ Date _____

Approved by _____ Date _____

Appendix

C.1 – INDEPENDENT CONTRACTOR CHECKLIST

Name of Service Provider: _____

The purpose of this checklist is to assist in the determination of employee or independent contractor status. Federal and state law places the burden of proof on the employer to show that an independent contractor relationship exists.

Independent Contractor Checklist	YES	NO
Is the service provider an employee of the board or has the service provider been employed by the board within the past 12 months?		
Does the service provider perform the same type of work that is generally performed by regular board employees?		
Does the board determine the means and methods by which the results are accomplished?		
Does the board provide supplies, equipment, software, and/or tools necessary to perform the services?		
Will the board provide training, supervision, or instruction other than conveying the scope of the service or results desired?		
Does the board establish the individual’s work schedule?		
Is the individual required to perform services on board property on a regular and continuing basis?		
Can the service provider be terminated by the board or quit work at any time without incurring liability?		

If one or more responses to the above questions is Yes, the worker may be considered an employee under IRS guidelines. If employee status is determined, contact Human Resources to establish the individual as an employee and arrange for payment of his or her services through board payroll. Additional guidance can be found below:

Control factors used to determine whether a worker is an employee or independent contractor include:

Behavioral Control:

- Instructions – If an individual receives instructions about when, where, and how to work, what tools or equipment to use, what assistants to hire to help with the work, or where to purchase supplies and services, it suggests that the individual is an employee. Even if no instructions are given, the control factor is present if the employee has the right to control how the work results are achieved.
- Training - Employees may be trained to work in a particular manner. Independent contractors ordinarily use their own methods and receive no training from the purchasers of their services.

Appendix

C.1 – INDEPENDENT CONTRACTOR CHECKLIST (cont.)

Financial Control:

- Significant Investment – If the individual has a significant investment in the work, it suggests that the individual is an independent contractor. While there is no precise dollar test, the investment must have substance.
- Expenses – If the individual is not reimbursed for some or all business expenses, then it suggests that the individual is an independent contractor.
- Opportunity for Profit or Loss – If the individual can realize a profit or incur a loss, it suggests that the individual is an independent contractor.

Relationship of the Parties:

- Employee Benefits – If the individual receives benefits such as insurance, pension, or paid leave, it suggests that the individual is an employee. If the individual does not receive benefits, however, the individual could be either an employee or an independent contractor.
- Written Contracts – A written contract may show what both the individual and the business intend. This may be significant if it is difficult to determine the status based on other facts.

Control Factors that Suggest Independent Contractor Status:

- Worker hires, supervises, and fires own assistants and subcontractors;
- Worker is paid on a job-by-job or commission basis;
- Worker invests in facilities used by the worker to perform services;
- Worker can realize a profit or loss based on performance of services;
- Worker provides services to more than one firm at a time;
- Worker makes services available to the general public.

Control Factors that Suggest Employee Status:

- Instructions are provided by the board;
- The board trains the worker;
- Services performed are vital to the operations of the board;
- Services must be rendered personally by the worker;
- Continuing relationship exists between workers and the board;
- Full-time status of worker is required;
- Order or sequence of tasks is set by the board;
- Regular or written reports are required to be provided by the worker to the board;
- The board pays business or travel expenses of the worker;
- The board provides tools, materials, or significant equipment for the worker's use while providing services;
- The board has the right to discharge the worker;
- Worker has the right to end the relationship with the board at any time without liability;
- Work is completed on the board's premises;
- Set hours of work are enforced by the board.

APPENDIX

C.2 - TEMPORARY PART-TIME EMPLOYMENT AGREEMENT

_____ COUNTY SCHOOLS

The above-named county board of education, upon the nomination and recommendation of the county superintendent of schools, herein enters into an agreement with:

Name: _____ Social Security Number _____

For the performance of the following tasks and duties:

1. Name of Assignment:

2. Place of Assignment:

3. Effective Period of Assignment:

4. Duties, Hours, Compensation and/or Other Considerations, and Other Conditions:

This agreement shall be subject to any and all existing state laws, West Virginia Board of Education policies, board policies, and such laws, regulations, and rules as may be in effect on the approval date indicated below and may not extend beyond 90 days or 720 hours. Furthermore, no temporary, part-time employee is entitled to receive retirement, health or life insurance, personal leave, or any other benefit afforded to regular employees.

Superintendent

Date

Board President

Date of Board Approval

Employee

Date

APPENDIX

C.3 - INTERN EMPLOYMENT AGREEMENT

_____ COUNTY BOARD OF EDUCATION

The above-named county board of education, upon the nomination and recommendation of the county(?) superintendent of schools, herein enters into an agreement with the following named individual for employment as a student intern:

Name: _____ Social Security Number _____

For performance of the following tasks and duties:

- 1. Name of Assignment:

- 2. Place of Assignment:

- 3. Effective Period of Assignment:

- 4. Duties, Hours, Compensation and/or Other Considerations, and Other Conditions:

This agreement shall be subject to any and all existing state laws, West Virginia Board of Education policies, board policies, and such laws, regulations, and rules as may be in effect on the approval date indicated below.

Furthermore, no individual employed as an intern is entitled to receive retirement, health or life insurance, personal leave, or any other benefit afforded to regular employees, with the exception of health care coverage, if such individual is determined to meet the eligibility requirements under the Affordable Care Act.

_____ Superintendent	_____ Date
_____ Board President	_____ Date of Board Approval
_____ Employee	_____ Date

APPENDIX

D.1 - WHAT MUST BE INCLUDED IN BOND ELECTION ORDERS (W. Va. Code §13-1-4)

- The necessity for issuing the bonds or, if a petition has been filed as provided in statute, that the petition has been filed.
- If for the construction of a county-district road or bridge, a summary of the engineer's report provided for in W. Va. Code §13-1-5 setting forth the approximate extent and the estimated cost of the proposed improvement and the kind or class of work to be completed.
- Purpose or purposes for which the proceeds of bonds are to be expended.
- Valuation of the taxable property as shown by the last assessment thereof for state and county purposes.
- Indebtedness, bonded, or otherwise.
- Amount of the proposed bond issue.
- Maximum term of bonds,
- Maximum rate of interest.
- Date of election,
- That the levying body is authorized to lay a sufficient levy annually to provide funds for the payment of the interest upon the bonds and the principal at maturity and the approximate rate of levy necessary for this purpose.
- In the case of school bonds, that the bonds, together with all existing bonded indebtedness, will not exceed in the aggregate five percent of the value of the taxable property in the school district ascertained in accordance with the W. Va. Constitution, Article X, §8; and that the bonds will be payable from a direct annual tax levied and collected in each year on all taxable property in the school district sufficient to pay the principal and the interest maturing on the bonds in that year, together with any deficiencies for prior years, within, and not exceeding 34 years, which tax levies will be laid separate and apart and in addition to the maximum rates provided for tax levies by school districts on the several classes of property in the W. Va. Constitution, Article X, §1, but in the same proportions as the maximum rates are levied on the several classes of property; and the tax may be levied outside the limits fixed by the W. Va. Constitution, Article X, §1.

Any other provision which does not violate any provision of law, or transgresses any principle of public policy, may be incorporated in the order.

APPENDIX

D.2 – BOND ELECTION – SAMPLE BALLOT FORM

"Shall (name of political division) incur debt and issue bonds to the amount of \$....., to run not more than years from the date thereof, with interest not exceeding the rate of percent per annum, for the purpose of, and levy taxes sufficient to pay the interest on and the principal of such bonds.

Yes.

No.

NOTICE TO VOTERS: To vote in favor of the proposition submitted on this ballot, place an X mark in the square before the word *Yes*.

To vote against it, place a similar mark before the word *No*.

APPENDIX

E.1 - SCHOOL FINANCE DEFINITIONS

ADVANCED PLACEMENT: Students enrolled in programs offering classes that are advanced in terms of content and performance expectations as opposed to those normally available for the age/grade level of the student and which provide credit towards graduation and possible college credit. These can include programs recognized or offered by the College Board, postsecondary institutions and other recognized foundations, corporations, or institutions.

ALLOWANCE FOR INCREASED ENROLLMENT (W. Va. Code §18-9A-15): Allowance for the boards that experience an increase in net enrollment as compared to the similar net enrollment of the previous year. According to statute, the allocation must be distributed by no later than December 31 of that year. The State Superintendent may, at the request of a school district, before the actual increase in net enrollment is available, advance a partial distribution to the school district of up to 60 percent of its estimated share based on its projected increased enrollment subject to stipulations.

EDUCATIONAL SERVICES COOPERATIVES (ESCs): ESCs were established under the authority of W.Va. Code §18-5-13c to provide high quality, cost effective lifelong education programs and services to students, schools, school systems, and communities.

LOCAL EDUCATION AGENCIES (LEAs): A public board of education or other public authority legally constituted within a State for either administrative control or direction of, or to perform a service function for, public elementary schools or secondary schools. This includes all county boards of education, ESCs, MCVCs, and charter public schools.

LOCAL SHARE: A computation of each school district's projected regular levy property tax collections for the year. Local share for the year is computed by multiplying the taxable assessed valuation of all property in the district for the current fiscal year as certified by the county assessor by 85 percent of the regular levy rates for the year as set by the Legislature and then deducting four percent (4 percent) as an allowance for discounts, exonerations, delinquencies, with other allowances also deducted.

MULTI-COUNTY VOCATIONAL CENTERS (MCVCs) (W. Va. Code §18-2B-1): Area vocational education training centers established under the authority of W. Va. Code §18-2B-1 to provide vocational programs to students from two or more school districts.

NET ENROLLMENT: According to W. Va. Code §18-9A-2(i) *net enrollment* means the number of students enrolled in pre-kindergarten through grade twelve and special education programs in the public schools of a county, reported on a full-time equivalency (FTE) basis. Net enrollment also includes up to 2,500 FTE adults statewide enrolled in regular secondary vocational programs. For the purposes of determining the county's basic foundation program only, for any county whose net enrollment as determined under all other provisions of this definition is less than 1,400, the net enrollment of the county shall be increased by an amount to be determined in accordance with the following:

1. Divide the state's lowest county student population density by the county's actual student population density;

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2. Multiply the amount derived from the calculation in W. Va. Code §18-9A-2(i)(5)(A) by the difference between 1,400 and the county's actual net enrollment;
3. Add the amount derived from the calculation in paragraph (B) of this subdivision to the county's actual net enrollment and increase that total amount by 10 percent; and
4. If the net enrollment as determined under this subdivision is greater than 1,400, the calculated net enrollment shall be reduced to 1,400.

PERSONNEL SALARIES:

- Professional Personnel: Legally mandated salaries of the professional educators are provided in W. Va. Code §18A-4-1. Salaries are defined as: a) *basic salaries*, which means the salaries paid to teachers with zero years of experience, and b) *advanced salaries* which means the basic salary plus an experience increment based on allowable years of experience. W. Va. Code §18A-4-2 provides a State Minimum Salary Schedule. Per W. Va. Code §18A-4-1(1), *Years of Experience* is defined as the number of years the teacher has been employed in the teaching profession.
- Service Personnel: Legally mandated salaries for service personnel are provided in W. Va. Code §18A-4-8a. W. Va. Code §18A-4-8a provides a State Minimum Pay Scale Pay Grade.

PROFESSIONAL EDUCATOR: Defined in W. Va. Code §18A-1-1 as having the same meaning as *teacher*. A professional educator is a *classroom teacher* who has a direct instructional or counseling relationship with students and who spends the majority of his or her time in this capacity. The term classroom teacher has been interpreted by various State Superintendent interpretations to include teachers, academic coaches, technology integration specialists, librarians, remedial specialists, counselors, speech language pathologists, and speech assistants.

PROFESSIONAL INSTRUCTIONAL PERSONNEL: Defined in W. Va. Code §18-9A-2(e) as a professional educator whose regular duty is that of a classroom teacher (including speech language pathologist), librarian, attendance director, or school psychologist.

PROFESSIONAL STUDENT SUPPORT PERSONNEL: Defined in W. Va. Code §18-9A-2(f) as a teacher who is assigned and serves on a regular full-time basis as a counselor or as a school nurse with a bachelor's degree who is licensed by the West Virginia Board of Examiners for Registered Professional Nurses. Professional student support personnel also include professional personnel providing direct social and emotional support services to students, as well as professional personnel addressing chronic absenteeism.

PUBLIC SCHOOL SUPPORT PLAN (PSSP): A plan of financial support for the public schools in the State of West Virginia that specifies statutorily the responsibilities of both the state and the 55 county school districts.

SALARY SUPPLEMENT (W. Va. Code §18A-4-5): Subject to available state appropriations, each teacher and school service personnel shall receive a supplement amount as specified in W. Va. Code §18A-4-2 and §18A-4-8a, respectively, in addition to the amount from the state minimum salary schedules provided in those sections.

SERVICE PERSONNEL: All personnel employed by a board under any of the class titles provided for in W. Va. Code §18A-4-8.

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STATE MINIMUM SALARY: West Virginia legally mandated salaries for professional educators and service personnel as set forth in W. Va. Code §18A-4-1 et seq., including the state basic salary plus the state salary supplement.

Appendix F

EXAMPLE OF MONTHLY TREASURER'S REPORT

SAMPLE COUNTY SCHOOLS
SUMMARY SCHEDULE OF REVENUES
AND EXPENDITURES ON A CASH BASIS
FOR THE MONTH ENDED XXXXX 20XX

	MTD Revenues	YTD Revenues	Beginning Fund Balance	Current Annual Budget	Remaining Balance	Percent Revenues Received	Prior Year	
							YTD Revenues	Change From Prior Yr.
Fund:								
General Current Expense - Fund 11	-	-	-	-	-	0.00%	-	-
Excess Levy - Fund 12	-	-	-	-	-	0.00%	-	-
Debt Service - Fund 21	-	-	-	-	-	0.00%	-	-
Bond Construction - Fund 31	-	-	-	-	-	0.00%	-	-
Permanent Improvement - Fund 41	-	-	-	-	-	0.00%	-	-
Capital Projects - Fund 51	-	-	-	-	-	0.00%	-	-
Special Revenue - Fund 61	-	-	-	-	-	0.00%	-	-
Total Revenues	-	-	-	-	-	0.00%	-	-
Expenditures:								
	MTD Expenditures	YTD Expenditures	Encumbrances	Current Annual Budget	Remaining Balance	Percent Budget Obligated	YTD Expenditures	Prior Year Change From Prior Yr.
Fund:								
General Current Expense - Fund 11	-	-	-	-	-	0.00%	-	-
Excess Levy - Fund 12	-	-	-	-	-	0.00%	-	-
Debt Service - Fund 21	-	-	-	-	-	0.00%	-	-
Bond Construction - Fund 31	-	-	-	-	-	0.00%	-	-
Permanent Improvement - Fund 41	-	-	-	-	-	0.00%	-	-
Capital Projects - Fund 51	-	-	-	-	-	0.00%	-	-
Special Revenue - Fund 61	-	-	-	-	-	0.00%	-	-
Total Expenditures	-	-	-	-	-	0.00%	-	-

SAMPLE COUNTY SCHOOLS
SCHEDULE OF EXPENDITURES ON A CASH BASIS
GENERAL CURRENT EXPENSE FUND - FUND 11
FOR THE MONTH ENDED XXXXX 20XX

	MTD Expenditures	YTD Expenditures	Encumbrances	Current Annual Budget	Remaining Balance	% of Budget Obligated	Prior Year	
							YTD Expenditures	Change From Prior Yr.
Expenditures:								
Professional personnel	-	-	-	-	-	0.00%	-	-
Service personnel	-	-	-	-	-	0.00%	-	-
Professional substitutes	-	-	-	-	-	0.00%	-	-
Service substitutes	-	-	-	-	-	0.00%	-	-
Temporary part time professional	-	-	-	-	-	0.00%	-	-
Temporary part time service	-	-	-	-	-	0.00%	-	-
Board members	-	-	-	-	-	0.00%	-	-
Students	-	-	-	-	-	0.00%	-	-
Total salaries	-	-	-	-	-	0.00%	-	-
Employee benefits:								
Group insurance	-	-	-	-	-	0.00%	-	-
Social security	-	-	-	-	-	0.00%	-	-
Retirement	-	-	-	-	-	0.00%	-	-
Tuition reimbursement	-	-	-	-	-	0.00%	-	-
Unemployment compensation	-	-	-	-	-	0.00%	-	-
Workers' compensation	-	-	-	-	-	0.00%	-	-
Other employee benefits	-	-	-	-	-	0.00%	-	-
Total employee benefits	-	-	-	-	-	0.00%	-	-
Total salaries and employee benefits paid	-	-	-	-	-	0.00%	-	-
Purchased professional & technical services:								
Administration	-	-	-	-	-	0.00%	-	-
Professional educators	-	-	-	-	-	0.00%	-	-
Employee training and development	-	-	-	-	-	0.00%	-	-
Other professional	-	-	-	-	-	0.00%	-	-
Technical	-	-	-	-	-	0.00%	-	-
Total purchased prof. & technical services	-	-	-	-	-	0.00%	-	-
Purchased services - Other:								
Utilities	-	-	-	-	-	0.00%	-	-
Cleaning	-	-	-	-	-	0.00%	-	-
Repair & maintenance	-	-	-	-	-	0.00%	-	-
Rentals	-	-	-	-	-	0.00%	-	-
Construction services	-	-	-	-	-	0.00%	-	-
Student transportation services	-	-	-	-	-	0.00%	-	-
Insurance	-	-	-	-	-	0.00%	-	-
Communications	-	-	-	-	-	0.00%	-	-

SAMPLE COUNTY SCHOOLS
 SCHEDULE OF REVENUES ON A CASH BASIS
 GENERAL CURRENT EXPENSE FUND - FUND 12
 FOR THE MONTH ENDED XXXXX 20XX

	MTD Revenues	YTD Revenues	Beginning Fund Balance	Current Annual Budget	Remaining Balance	% of Revenue Received	Prior Year	
							YTD Revenues	Change From Prior Yr.
Revenues:								
Beginning Fund Balance:	-	-	-	-	-	0.00%	-	-
Local Sources:								
Property taxes - current year	-	-	-	-	-	0.00%	-	-
Property taxes - All other collections	-	-	-	-	-	0.00%	-	-
Investment earnings	-	-	-	-	-	0.00%	-	-
Other local revenues	-	-	-	-	-	0.00%	-	-
Intermediate Sources:								
All revenues from intermediate sources	-	-	-	-	-	0.00%	-	-
State Sources:								
State aid to schools	-	-	-	-	-	0.00%	-	-
Other state sources	-	-	-	-	-	0.00%	-	-
Federal Sources:								
Medicaid	-	-	-	-	-	0.00%	-	-
Direct federal grants	-	-	-	-	-	0.00%	-	-
Federal thru state restricted	-	-	-	-	-	0.00%	-	-
Other federal sources	-	-	-	-	-	0.00%	-	-
Miscellaneous Sources:								
Fund transfers in	-	-	-	-	-	0.00%	-	-
Other miscellaneous sources	-	-	-	-	-	0.00%	-	-
Total Revenues	-	-	-	-	-	0.00%	-	-

SAMPLE COUNTY SCHOOLS
 SCHEDULE OF EXPENDITURES ON A CASH BASIS
 GENERAL CURRENT EXPENSE FUND - FUND 12
 FOR THE MONTH ENDED XXXXX 20XX

	MTD Expenditures	YTD Expenditures	Encumbrances	Current Annual Budget	Remaining Balance	% of Budget Obligated	Prior Year	
							YTD Expenditures	Change From Prior Yr.
Salaries:								
Professional personnel	-	-	-	-	-	0.00%	-	-
Service personnel	-	-	-	-	-	0.00%	-	-
Professional substitutes	-	-	-	-	-	0.00%	-	-
Service substitutes	-	-	-	-	-	0.00%	-	-
Temporary part time professional	-	-	-	-	-	0.00%	-	-
Temporary part time service	-	-	-	-	-	0.00%	-	-
Board members	-	-	-	-	-	0.00%	-	-
Students	-	-	-	-	-	0.00%	-	-
Total salaries	-	-	-	-	-	0.00%	-	-
Employee benefits:								
Group insurance	-	-	-	-	-	0.00%	-	-
Social security	-	-	-	-	-	0.00%	-	-
Retirement	-	-	-	-	-	0.00%	-	-
Tuition reimbursement	-	-	-	-	-	0.00%	-	-
Unemployment compensation	-	-	-	-	-	0.00%	-	-
Workers' compensation	-	-	-	-	-	0.00%	-	-
Other employee benefits	-	-	-	-	-	0.00%	-	-
Total employee benefits	-	-	-	-	-	0.00%	-	-
Total salaries and employee benefits paid	-	-	-	-	-	0.00%	-	-
Purchased professional & technical services:								
Administration	-	-	-	-	-	0.00%	-	-
Professional educators	-	-	-	-	-	0.00%	-	-
Employee training and development	-	-	-	-	-	0.00%	-	-
Other professional	-	-	-	-	-	0.00%	-	-
Technical	-	-	-	-	-	0.00%	-	-
Total purchased prof. & technical services	-	-	-	-	-	0.00%	-	-
Purchased services - Other:								
Utilities	-	-	-	-	-	0.00%	-	-
Cleaning	-	-	-	-	-	0.00%	-	-
Repair & maintenance	-	-	-	-	-	0.00%	-	-
Rentals	-	-	-	-	-	0.00%	-	-
Construction services	-	-	-	-	-	0.00%	-	-
Student transportation services	-	-	-	-	-	0.00%	-	-
Insurance	-	-	-	-	-	0.00%	-	-
Communications	-	-	-	-	-	0.00%	-	-

SAMPLE COUNTY SCHOOLS
 SCHEDULE OF REVENUES ON A CASH BASIS
 DEBT SERVICE FUND - FUND 21
 FOR THE MONTH ENDED XXXXX 20XX

	MTD Revenues	YTD Revenues	Beginning Fund Balance	Current Annual Budget	Remaining Balance	% of Revenue Received	Prior Year	
							YTD Revenues	Change From Prior Yr.
Revenues:								
Beginning Fund Balance:	-	-	-	-	-	0.00%	-	-
Local Sources:								
Property taxes - current year	-	-		-	-	0.00%	-	-
Property taxes - All other collections	-	-		-	-	0.00%	-	-
Investment earnings	-	-		-	-	0.00%	-	-
Other local revenues	-	-		-	-	0.00%	-	-
Intermediate Sources:								
All revenues from intermediate sources	-	-		-	-	0.00%	-	-
State Sources:								
All state sources	-	-		-	-	0.00%	-	-
Federal Sources:								
Direct federal grants	-	-		-	-	0.00%	-	-
Federal thru state restricted	-	-		-	-	0.00%	-	-
Other federal sources	-	-		-	-	0.00%	-	-
Miscellaneous Sources:								
Fund transfers in	-	-		-	-	0.00%	-	-
Other miscellaneous sources	-	-		-	-	0.00%	-	-
Total Revenues	-	-	-	-	-	0.00%	-	-

SAMPLE COUNTY SCHOOLS
 SCHEDULE OF EXPENDITURES ON A CASH BASIS
 DEBT SERVICE FUND - FUND 21
 FOR THE MONTH ENDED XXXXX 20XX

	MTD	YTD	Encumbrances	Current Annual Budget	Remaining Balance	% of Budget Obligated	YTD Expenditures	Prior Year Expenditures	Change From Prior Yr.
Expenditures:									
Professional personnel	-	-	-	-	-	0.00%	-	-	-
Service personnel	-	-	-	-	-	0.00%	-	-	-
Professional substitutes	-	-	-	-	-	0.00%	-	-	-
Service substitutes	-	-	-	-	-	0.00%	-	-	-
Temporary part time professional	-	-	-	-	-	0.00%	-	-	-
Temporary part time service	-	-	-	-	-	0.00%	-	-	-
Board members	-	-	-	-	-	0.00%	-	-	-
Students	-	-	-	-	-	0.00%	-	-	-
Total salaries	-	-	-	-	-	0.00%	-	-	-
Employee benefits:									
Group insurance	-	-	-	-	-	0.00%	-	-	-
Social security	-	-	-	-	-	0.00%	-	-	-
Retirement	-	-	-	-	-	0.00%	-	-	-
Tuition reimbursement	-	-	-	-	-	0.00%	-	-	-
Unemployment compensation	-	-	-	-	-	0.00%	-	-	-
Workers' compensation	-	-	-	-	-	0.00%	-	-	-
Other employee benefits	-	-	-	-	-	0.00%	-	-	-
Total employee benefits	-	-	-	-	-	0.00%	-	-	-
Total salaries and employee benefits paid	-	-	-	-	-	0.00%	-	-	-
Purchased professional & technical services:									
Administration	-	-	-	-	-	0.00%	-	-	-
Professional educators	-	-	-	-	-	0.00%	-	-	-
Employee training and development	-	-	-	-	-	0.00%	-	-	-
Other professional	-	-	-	-	-	0.00%	-	-	-
Technical	-	-	-	-	-	0.00%	-	-	-
Total purchased prof. & technical services	-	-	-	-	-	0.00%	-	-	-
Purchased services - Other:									
Utilities	-	-	-	-	-	0.00%	-	-	-
Cleaning	-	-	-	-	-	0.00%	-	-	-
Repair & maintenance	-	-	-	-	-	0.00%	-	-	-
Rentals	-	-	-	-	-	0.00%	-	-	-
Construction services	-	-	-	-	-	0.00%	-	-	-
Student transportation services	-	-	-	-	-	0.00%	-	-	-
Insurance	-	-	-	-	-	0.00%	-	-	-
Communications	-	-	-	-	-	0.00%	-	-	-

SAMPLE COUNTY SCHOOLS
 SCHEDULE OF REVENUES ON A CASH BASIS
 BOND CONSTRUCTION FUND - FUND 31
 FOR THE MONTH ENDED XXXXX 20XX

	MTD Revenues	YTD Revenues	Beginning Fund Balance	Current Annual Budget	Remaining Balance	% of Revenue Received	Prior Year	
							YTD Revenues	Change From Prior Yr.
Revenues:								
Beginning Fund Balance:	-	-	-	-	-	0.00%	-	-
Local Sources:								
Investment earnings	-	-		-	-	0.00%	-	-
Other local revenues	-	-		-	-	0.00%	-	-
Intermediate Sources:								
All revenues from intermediate sources	-	-		-	-	0.00%	-	-
State Sources:								
All state sources	-	-		-	-	0.00%	-	-
Federal Sources:								
Direct federal grants	-	-		-	-	0.00%	-	-
Federal thru state restricted	-	-		-	-	0.00%	-	-
Other federal sources	-	-		-	-	0.00%	-	-
Miscellaneous Sources:								
Fund transfers in	-	-		-	-	0.00%	-	-
Proceeds from sale of bonds	-	-		-	-	0.00%	-	-
Other miscellaneous sources	-	-		-	-	0.00%	-	-
Total Revenues	-	-	-	-	-	0.00%	-	-

SAMPLE COUNTY SCHOOLS
 SCHEDULE OF EXPENDITURES ON A CASH BASIS
 BOND CONSTRUCTION FUND - FUND 31
 FOR THE MONTH ENDED XXXXX 20XX

	MTD Expenditures	YTD Expenditures	Encumbrances	Current Annual Budget	Remaining Balance	% of Budget Obligated	Prior Year	
							YTD Expenditures	Change From Prior Yr.
Expenditures:								
Salaries:								
Professional personnel	-	-	-	-	-	0.00%	-	-
Service personnel	-	-	-	-	-	0.00%	-	-
Professional substitutes	-	-	-	-	-	0.00%	-	-
Service substitutes	-	-	-	-	-	0.00%	-	-
Temporary part time professional	-	-	-	-	-	0.00%	-	-
Temporary part time service	-	-	-	-	-	0.00%	-	-
Board members	-	-	-	-	-	0.00%	-	-
Students	-	-	-	-	-	0.00%	-	-
Total salaries	-	-	-	-	-	0.00%	-	-
Employee benefits:								
Group insurance	-	-	-	-	-	0.00%	-	-
Social security	-	-	-	-	-	0.00%	-	-
Retirement	-	-	-	-	-	0.00%	-	-
Tuition reimbursement	-	-	-	-	-	0.00%	-	-
Unemployment compensation	-	-	-	-	-	0.00%	-	-
Workers' compensation	-	-	-	-	-	0.00%	-	-
Other employee benefits	-	-	-	-	-	0.00%	-	-
Total employee benefits	-	-	-	-	-	0.00%	-	-
Total salaries and employee benefits paid	-	-	-	-	-	0.00%	-	-
Purchased professional & technical services:								
Administration	-	-	-	-	-	0.00%	-	-
Professional educators	-	-	-	-	-	0.00%	-	-
Employee training and development	-	-	-	-	-	0.00%	-	-
Other professional	-	-	-	-	-	0.00%	-	-
Technical	-	-	-	-	-	0.00%	-	-
Total purchased prof. & technical services	-	-	-	-	-	0.00%	-	-
Purchased services - Other:								
Utilities	-	-	-	-	-	0.00%	-	-
Cleaning	-	-	-	-	-	0.00%	-	-
Repair & maintenance	-	-	-	-	-	0.00%	-	-
Rentals	-	-	-	-	-	0.00%	-	-
Construction services	-	-	-	-	-	0.00%	-	-
Student transportation services	-	-	-	-	-	0.00%	-	-
Insurance	-	-	-	-	-	0.00%	-	-
Communications	-	-	-	-	-	0.00%	-	-

SAMPLE COUNTY SCHOOLS
 SCHEDULE OF REVENUES ON A CASH BASIS
 PERMANENT IMPROVEMENT FUND - FUND 41
 FOR THE MONTH ENDED XXXXX 20XX

	MTD Revenues	YTD Revenues	Beginning Fund Balance	Current Annual Budget	Remaining Balance	% of Revenue Received	Prior Year	
							YTD Revenues	Change From Prior Yr.
Revenues:								
Beginning Fund Balance:	-	-	-	-	-	0.00%	-	-
Local Sources:								
Property taxes - current year	-	-		-	-	0.00%	-	-
Property taxes - All other collections	-	-		-	-	0.00%	-	-
Investment earnings	-	-		-	-	0.00%	-	-
Other local revenues	-	-		-	-	0.00%	-	-
Intermediate Sources:								
All revenues from intermediate sources	-	-		-	-	0.00%	-	-
State Sources:								
All state sources	-	-		-	-	0.00%	-	-
Federal Sources:								
All federal sources	-	-		-	-	0.00%	-	-
Miscellaneous Sources:								
Fund transfers in	-	-		-	-	0.00%	-	-
Other miscellaneous sources	-	-		-	-	0.00%	-	-
Total Revenues	-	-	-	-	-	0.00%	-	-

SAMPLE COUNTY SCHOOLS
 SCHEDULE OF EXPENDITURES ON A CASH BASIS
 PERMANENT IMPROVEMENT FUND - FUND 41
 FOR THE MONTH ENDED XXXXX 20XX

	MTD Expenditures	YTD Expenditures	Encumbrances	Current Annual Budget	Remaining Balance	% of Budget Obligated	Prior Year	
							YTD Expenditures	Change From Prior Yr.
Expenditures:								
Salaries:								
Professional personnel	-	-	-	-	-	0.00%	-	-
Service personnel	-	-	-	-	-	0.00%	-	-
Professional substitutes	-	-	-	-	-	0.00%	-	-
Service substitutes	-	-	-	-	-	0.00%	-	-
Temporary part time professional	-	-	-	-	-	0.00%	-	-
Temporary part time service	-	-	-	-	-	0.00%	-	-
Board members	-	-	-	-	-	0.00%	-	-
Students	-	-	-	-	-	0.00%	-	-
Total salaries	-	-	-	-	-	0.00%	-	-
Employee benefits:								
Group insurance	-	-	-	-	-	0.00%	-	-
Social security	-	-	-	-	-	0.00%	-	-
Retirement	-	-	-	-	-	0.00%	-	-
Tuition reimbursement	-	-	-	-	-	0.00%	-	-
Unemployment compensation	-	-	-	-	-	0.00%	-	-
Workers' compensation	-	-	-	-	-	0.00%	-	-
Other employee benefits	-	-	-	-	-	0.00%	-	-
Total employee benefits	-	-	-	-	-	0.00%	-	-
Total salaries and employee benefits paid	-	-	-	-	-	0.00%	-	-
Purchased professional & technical services:								
Administration	-	-	-	-	-	0.00%	-	-
Professional educators	-	-	-	-	-	0.00%	-	-
Employee training and development	-	-	-	-	-	0.00%	-	-
Other professional	-	-	-	-	-	0.00%	-	-
Technical	-	-	-	-	-	0.00%	-	-
Total purchased prof. & technical services	-	-	-	-	-	0.00%	-	-
Purchased services - Other:								
Utilities	-	-	-	-	-	0.00%	-	-
Cleaning	-	-	-	-	-	0.00%	-	-
Repair & maintenance	-	-	-	-	-	0.00%	-	-
Rentals	-	-	-	-	-	0.00%	-	-
Construction services	-	-	-	-	-	0.00%	-	-
Student transportation services	-	-	-	-	-	0.00%	-	-
Insurance	-	-	-	-	-	0.00%	-	-
Communications	-	-	-	-	-	0.00%	-	-

SAMPLE COUNTY SCHOOLS
SCHEDULE OF EXPENDITURES ON A CASH BASIS
CAPITAL PROJECTS FUND - FUND 51
FOR THE MONTH ENDED XXXXX 20XX

	MTD Expenditures	YTD Expenditures	Encumbrances	Current Annual Budget	Remaining Balance	% of Budget Obligated	Prior Year	
							YTD Expenditures	Change From Prior Yr.
Expenditures:								
Professional personnel	-	-	-	-	-	0.00%	-	-
Service personnel	-	-	-	-	-	0.00%	-	-
Professional substitutes	-	-	-	-	-	0.00%	-	-
Service substitutes	-	-	-	-	-	0.00%	-	-
Temporary part time professional	-	-	-	-	-	0.00%	-	-
Temporary part time service	-	-	-	-	-	0.00%	-	-
Board members	-	-	-	-	-	0.00%	-	-
Students	-	-	-	-	-	0.00%	-	-
Total salaries	-	-	-	-	-	0.00%	-	-
Employee benefits:								
Group insurance	-	-	-	-	-	0.00%	-	-
Social security	-	-	-	-	-	0.00%	-	-
Retirement	-	-	-	-	-	0.00%	-	-
Tuition reimbursement	-	-	-	-	-	0.00%	-	-
Unemployment compensation	-	-	-	-	-	0.00%	-	-
Workers' compensation	-	-	-	-	-	0.00%	-	-
Other employee benefits	-	-	-	-	-	0.00%	-	-
Total employee benefits	-	-	-	-	-	0.00%	-	-
Total salaries and employee benefits paid	-	-	-	-	-	0.00%	-	-
Purchased professional & technical services:								
Administration	-	-	-	-	-	0.00%	-	-
Professional educators	-	-	-	-	-	0.00%	-	-
Employee training and development	-	-	-	-	-	0.00%	-	-
Other professional	-	-	-	-	-	0.00%	-	-
Technical	-	-	-	-	-	0.00%	-	-
Total purchased prof. & technical services	-	-	-	-	-	0.00%	-	-
Purchased services - Other:								
Utilities	-	-	-	-	-	0.00%	-	-
Cleaning	-	-	-	-	-	0.00%	-	-
Repair & maintenance	-	-	-	-	-	0.00%	-	-
Rentals	-	-	-	-	-	0.00%	-	-
Construction services	-	-	-	-	-	0.00%	-	-
Student transportation services	-	-	-	-	-	0.00%	-	-
Insurance	-	-	-	-	-	0.00%	-	-
Communications	-	-	-	-	-	0.00%	-	-
Advertising	-	-	-	-	-	0.00%	-	-

SAMPLE COUNTY SCHOOLS
 SCHEDULE OF EXPENDITURES ON A CASH BASIS
 SPECIAL REVENUE FUND - FUND 61
 FOR THE MONTH ENDED XXXXX 20XX

	MTD Expenditures	YTD Expenditures	Encumbrances	Current Annual Budget	Remaining Balance	% of Budget Obligated	Prior Year	
							YTD Expenditures	Change From Prior Yr.
Expenditures:								
Professional personnel	-	-	-	-	-	0.00%	-	-
Service personnel	-	-	-	-	-	0.00%	-	-
Professional substitutes	-	-	-	-	-	0.00%	-	-
Service substitutes	-	-	-	-	-	0.00%	-	-
Temporary part time professional	-	-	-	-	-	0.00%	-	-
Temporary part time service	-	-	-	-	-	0.00%	-	-
Board members	-	-	-	-	-	0.00%	-	-
Students	-	-	-	-	-	0.00%	-	-
Total salaries	-	-	-	-	-	0.00%	-	-
Employee benefits:								
Group insurance	-	-	-	-	-	0.00%	-	-
Social security	-	-	-	-	-	0.00%	-	-
Retirement	-	-	-	-	-	0.00%	-	-
Tuition reimbursement	-	-	-	-	-	0.00%	-	-
Unemployment compensation	-	-	-	-	-	0.00%	-	-
Workers' compensation	-	-	-	-	-	0.00%	-	-
Other employee benefits	-	-	-	-	-	0.00%	-	-
Total employee benefits	-	-	-	-	-	0.00%	-	-
Total salaries and employee benefits paid	-	-	-	-	-	0.00%	-	-
Purchased professional & technical services:								
Administration	-	-	-	-	-	0.00%	-	-
Professional educators	-	-	-	-	-	0.00%	-	-
Employee training and development	-	-	-	-	-	0.00%	-	-
Other professional	-	-	-	-	-	0.00%	-	-
Technical	-	-	-	-	-	0.00%	-	-
Total purchased prof. & technical services	-	-	-	-	-	0.00%	-	-
Purchased services - Other:								
Utilities	-	-	-	-	-	0.00%	-	-
Cleaning	-	-	-	-	-	0.00%	-	-
Repair & maintenance	-	-	-	-	-	0.00%	-	-
Rentals	-	-	-	-	-	0.00%	-	-
Construction services	-	-	-	-	-	0.00%	-	-
Student transportation services	-	-	-	-	-	0.00%	-	-
Insurance	-	-	-	-	-	0.00%	-	-
Communications	-	-	-	-	-	0.00%	-	-



Michele L. Blatt
West Virginia Superintendent of Schools