

FINANCE

General Policies and Procedures

Bank Accounts

This regulation supersedes Regulation 5220.1.

I. PURPOSE

To provide principals and program managers with guidelines for establishing bank accounts.

II. AUTHORITY

The Virginia Security for Public Deposits Act states that only those financial institutions that have been designated as qualified public depositories by the Treasury Board of the Commonwealth of Virginia may be used. See the current version of Notice 5220 for a list of local qualified public depositories.

The Code of Virginia, Section 15.2-826, provides that the county board of supervisors shall designate the banks and trust companies that may be used. This authority has been delegated to the county director of finance by a resolution dated November 23, 1987.

The Code of Virginia, Section 22.1-116, provides that the county director of finance shall be charged with the responsibility for the receipt, custody, and disbursement of the appropriated funds of the School Board.

The Code of Virginia, Section 22.1-123, authorizes the establishment of petty cash accounts by school boards.

III. PROCEDURES FOR ESTABLISHING BANK ACCOUNTS

A. School Activity Funds

1. School activity funds are not subject to the provisions of the Virginia Security for Public Deposits Act or other sections of the Code of Virginia.
2. Principals shall use financial institutions that have been designated as qualified public depositories by the Treasury Board of the Commonwealth of Virginia. Funds must be deposited with a financial institution insured by the Federal Deposit Insurance Corporation (FDIC) or an equivalent agency. Demand deposits (checking accounts), time deposits (certificates of deposit), and savings deposits are aggregated for purposes of funds insured and are at risk if exceeding the FDIC deposit amount of \$100,000.00.

3. Refer to the current version of Regulation 5810, School Activity Funds Management, for operating procedures.

B. Advanced Appropriated Funds Accounts

1. The Department of Financial Services shall request the county director of finance to open a checking account at a qualified public depository. The county director of finance shall designate the depository that will be used.
2. All requests to close accounts, change the mailing address, or change authorized signatures must be made in writing by the principal to the Department of Financial Services.
3. Refer to the current versions of Regulation 7412 and Regulation 5810 for operating procedures.

C. Petty Cash Accounts

1. A program manager who is not eligible for the advanced appropriated funds program (see above) may request establishment of a School Board petty cash account by submitting a written request through his or her assistant superintendent to the Department of Financial Services. Requests for petty cash accounts require approval by the assistant superintendent, Department of Financial Services.
2. The petty cash custodian shall open a checking account at a qualified public depository, as designated by the Treasury Board of the Commonwealth of Virginia that will not assess a services charge. Accounts must be opened in the name of the Fairfax County School Board.
3. Refer to the current version of Regulation 5210 for operating procedures.

Legal reference: Code of Virginia, sections 15.2-826, 22.1-116, and 22.1-123

See also the current versions of: Regulation 5210, School Board Petty Cash Funds
Regulation 5810, School Activity Funds Management
Regulation 7412, Advanced Appropriated Funds Program