

YOUTH SERVICES POLICY

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| Title: Special Funds | Type: A. Administrative Sub Type: 3. Fiscal Number: A.3.9 |
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| References: | |
| STATUS: Approved | |
| Approved By: Otha "Curtis" Nelson, Jr, Deputy Secretary | Date of Approval: 04/21/2023 |

I. AUTHORITY:

Deputy Secretary of Youth Services as contained in La. R.S. 36:405. Deviation from this policy must be approved by the Deputy Secretary.

II. PURPOSE:

To establish the Deputy Secretary's policy regarding the creation, administration, and distribution of special funds.

III. APPLICABILITY:

Deputy Secretary, Chief of Operations, Undersecretary, Assistant Secretary, Probation and Parole Director - Juvenile, Youth Facilities Director - Statewide, Executive Management Advisor, Facility Directors, Regional Directors and Regional Managers. Each Unit Head shall ensure that all necessary procedures are in place to comply with the provisions of this policy.

IV. DEFINITIONS:

Special Funds - Funds which are established for employees such as employee or philanthropic organizations. Revenues for these funds are not State funds or agency funds and therefore, not the responsibility of the State.

Charter - A document that specifies the purpose of the fund, the method(s) of fund-raising, decision making process and required approvals for expenditures, etc.

V. POLICY:

It is the Deputy Secretary's policy to provide for the establishment of special funds by charter and to provide appropriate procedures for accounting and administration.

VI. PROCEDURES:

A. Organization and Administration

1. A charter for each special fund shall be established that specifies the purpose of the fund, the method(s) of fund-raising, and required approvals for expenditures.
2. The charter shall also establish an Employee Committee to make recommendations to the Unit Head for fund-raising events and the donation/expenditure of revenues in the fund.
3. The types and the limits on expenditures shall also be defined in the charter.
4. An account shall be established for each chartered organization.
5. Funds with ending fund balances, gross revenues, or expenditures equal to or more than \$50,000 in a one-year period shall obtain an annual audit by an independent Certified Public Accountant or a qualified audit program offered by an accredited university.
6. For funds with ending fund balances, gross revenues, or expenditures of less than \$50,000 in a one-year period, an annual audit shall be conducted by an accountant employed by the Agency, who has volunteered to donate their time. It is preferable that the accountant who conducts the audit not be employed by the unit that established the special fund.
7. The Employee Committee for each fund shall notify all employees of the unit when an audit is complete and make copies available to employees upon request.
8. All employee time donated for the benefit of the fund must be approved by the Unit Head.

9. Special funds shall be accounted for using a privately owned professional accounting software package such as QuickBooks.
10. For special funds designated for charitable purposes, all revenues over and above the amount needed for expenses shall be forwarded to the charitable organization as soon as possible.
11. If a special fund receives a donation from an outside entity for a special purpose, the proceeds shall be utilized for that special purpose as expeditiously as possible.

B. Fund-raising Events

1. Fund-raising events for special funds conducted during normal working hours shall be limited to the extent possible.
2. There shall be no youth labor used without prior approval of the Unit Head.
3. Payment for any overtime costs incurred by an employee in planning or conducting a fund-raising event will not be the responsibility of the state, the agency or the unit.

C. Fund-raising Protocols

1. The Unit Head shall establish and have procedures in place to account for revenues taken in during a fund-raising event. Such procedures may be as simple as a plate or cup count if the event is a dinner; or selling pre-numbered tickets for a set price and recording the beginning ticket number and the ending ticket number. For example, tickets could be sold for \$1.00 each and all items sold at the fund-raiser could be priced in multiples of \$1.00.
2. Proceeds from a fund-raising event shall be kept secure at all times during the event and shall only be used to make change. Under no circumstances shall anyone be allowed to take any proceeds from a fund-raising event before the event is completed and all revenues and expenditures are accounted for.
3. No state supplies shall be used for fund-raising events.

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4. Employee special funds shall not profit in any way from the sale of items to any youth.
5. Checks written from the special fund account to purchase food and supplies for the fund-raiser shall be made payable to the store or supplier, not to the employee purchasing the goods.
6. Employees purchasing the goods for a fund-raising event shall turn in receipts to the designated employee on the next business day.
7. At the conclusion of the fund-raiser, sales proceeds shall be counted, recorded and, if possible, immediately deposited in the bank. If it is not possible to deposit the proceeds on the day of the fund-raiser, the funds shall be recorded in a log created for special funds and placed into a locked secure location until the next business day.

Previous Regulation/Policy Number: A.3.9

Previous Effective Date: 09/12/2022

Attachments/References: