

Falcon Creek School Store Policy

1) Introduction

- a. This handbook provides instructions and guidance for the operation of the school store at Falcon Creek Middle School (FCMS). It is intended to give the PTCO maximum responsibility and accountability for the operation of the school store.

2) Store Objectives

- a. To provide a convenient place for students to purchase a variety of items during their lunch periods.
- b. To generate earnings to help support other school activities.
- c. To promote school spirit by selling items bearing the school name.

3) PTCO Responsibilities

- a. The PTCO Board has the authority to decide when the store will be operated.
- b. The PTCO Board has the authority to establish school store policies, requirement, and restrictions for the operation of the school store.
- c. The PTCO Board shall appoint a school store committee chair to be responsible for the day-to-day operations of the school, ordering of items, and training volunteers to help sell items each week.
- d. The PTCO Board is responsible for ensuring that the merchandise offered for resale is appropriate for a school store.
- e. The President (Co-President when necessary) and Treasurer (Co-Treasurers when necessary) should make a general review of the school store operations once a month to evaluate such matters as pricing practices, profitability, and type of merchandise offered for resale.
- f. The PTCO Board should examine the monthly financial report and account reconciliation report showing all the transactions incurred by the store during the month.

4) Committee Chair Responsibilities

- a. The committee chair is responsible for the day-to-day operations of the school store in compliance with the requirements of this handbook and the PTCO By-Laws.
- b. Subject to any instructions or restrictions prescribed by the PTCO Board, the sponsor is responsible for:
 - i. Establishing operating hours for the school store.
 - ii. Setting up and training volunteers to work in the store.
 - iii. Working with the President(s) and Treasurer(s) to purchase merchandise for resale.
 - iv. Establishing the selling price of merchandise.
 - v. Ensuring the cleanliness of the store.
 - vi. Maintaining necessary store records.
 - vii. Working with the PTCO President and Treasurer to handle cash deposits.

5) Purchasing

- a. Merchandise should be purchased only from reliable vendors with a record of supplying good quality items. Store committee chairs are encouraged to exchange information about sources to supply with the future year's chair.

- b. The committee chair and any executive board member may request the Treasurer to purchase items with a debit card request form. Utilization of the PTCO debit card is only authorized with the appropriate form filled out.
- c. Any purchases made with the PTCO debit card must be shipped directly to the school. Purchases made with a volunteer's credit card may be shipped to their home, however, a board member must sign off that the product was received and checked against the order form and receipt.
- d. Merchandise should be purchased in quantities that can be reasonably expected to be sold within one year. Purchases of larger quantities in order to obtain lower prices will prove to be false economy if the merchandise ties up funds and space for a long period of time and/or if it must eventually be sold at discounted prices.
- e. The committee chair should exercise special care in ordering quantities of high-priced items, such as articles of clothing.
- f. The committee chair should have a clear understanding of the vendor's policy concerning the return of unsold merchandise.
- g. The committee chair should receive, inspect, and count incoming merchandise to ensure that it is the correct merchandise and quantity ordered, and that it is in good condition. Damaged or defective merchandise, as well as merchandise that is not the type or quantity ordered, should be returned promptly to the vendor.

6) Pricing

- a. The Committee Chair, in accordance with any instructions or guidelines received from the PTCO Board, should establish the selling price of each item of merchandise.
- b. In commercial practice, selling prices are generally established by adding a percentage--known as the "markup"--to the cost of each item. For example, a 20 percent markup on an item with a unit cost of \$0.50 results in a selling price of \$0.60. A committee chair may use the same markup for all items purchased for resale or use a different markup for different items or classes of items. For example, a higher markup may be used for luxury items such as toys and a lower markup used for essential school supplies such as pencils and erasers. In some cases, the manufacturer or vendor provides a recommended selling price, but the school is under no obligation to follow that recommendation.
- c. Selling prices should be set at or below cost only when necessary to sell slow-moving or obsolete merchandise. The committee chair should have board approval before pricing items at or below cost.

7) Internal Controls

- a. The school store operation must be reflected in the Falcon Creek PTCO Financial By-Laws. Cash receipts must be turned in to the Treasurer for deposit in the PTCO bank account, and purchases must be paid for by the PTCO debit card, a check written out to the Store Committee Chair, or a PTCO Board member.
- b. The store may not maintain a separate bank account.
- c. Disbursements must not be made by cash out of store receipts.
- d. Cash receipts should be turned in promptly to the Bookkeeper at the end of the daily shift.
- e. The PTCO should agree upon a minimum amount of money to keep in the PTCO lockbox as a "change fund." All other moneys should be taken out and placed in an envelope for the Treasurer to pick-up and deposit on a weekly basis.

8) Inventory

- a. The PTCO Board must take a physical inventory at the end of each school year with a for two purposes:
 - i. To include the inventory in the school's annual financial report.
 - ii. To prepare a yearly profit or loss report.
 - iii. There must be 2 people present to complete inventory.
 - iv. Whenever possible, the physical inventory should be taken by or with the assistance of independent persons (i.e., persons other than the committee chair or sales personnel).
- b. The physical inventory shall be recorded on the inventory form. Those participating in the inventory-taking process must sign or initial the form in the spaces provided.

9) Slow Moving Inventory

- a. Despite the best efforts to limit purchases to quantities that can be sold within a year, occasionally, changing fashions or circumstances or mistakes in purchasing may result in the accumulation of excess quantities of merchandise.
- b. The PTCO Board and the Committee chair should be constantly alert to the accumulation of excess quantities of merchandise. The committee chair should analyze the physical inventory and check the purchase dates of any items for which large quantities are on hand. Any items purchased more than a year earlier, and any items purchased during the current year, for which few sales have been made, should be considered for special action.
- c. Shelf and storage spaces in a store are valuable, and the school should not retain slow-moving merchandise for a long period in the hope of eventually selling it at a profit. Also, delay in disposing of slow-moving merchandise may substantially reduce the chance of ever obtaining any value for it.
- d. The most common method of disposing of slow-moving merchandise is to mark it down to cost or below cost. This method may be accompanied by an advertising campaign to acquaint students with the bargains that are available. If the merchandise bears the school name or insignia, this may be the only practical method of disposal.
- e. Unsalable merchandise may be donated to classes, clubs, or other approved school organizations that have use for it with the approval of the PTCO Board.
- f. The Committee chair should maintain a record of all merchandise sold at below cost or disposed of other than by sale, including giveaways. Such a record may be helpful at a later date in determining the reasons for a loss on store operations or a lower profit than expected. The PTCO Board must be advised of markdowns below cost or other disposal actions.

Daily Cash Handling Policy

- 1.) Collect the cash box from the bookkeeper.
- 2.) Count the cash in the cash box and enter it on the daily sheet.
- 3.) Count Cash after each lunch period, and initial.
- 4.) Count Cash at the end of the day and sign your name.
- 5.) Take cash box back to Bookkeeper
- 6.) At the end of the week, a board member is to create a deposit notice form and place all money to be deposited into an envelope. 2 Board Members must sign off and give to the Treasurer before a deposit is made.

I certify that I have received a copy of the Falcon Creek Middle School PTCO's School Store Financial Policies. I understand that I need to abide by these policies when handling any PTCO funds. If I have any questions, I can speak with the Treasurer or the President to ensure my understanding of the policies and carrying them out in accordance with the guidelines provided.

Name (Printed) Date _____

Signature

Please return this signature page to the Treasurer (either in person or to the PTCO mailbox at the school) within 10 business days of receipt of the policies.

Thank you for your participation in the Falcon Creek Middle School PTCO

FCMS SCHOOL STORE Daily Cash Box Slip

Date: _____

| Beginning Balance | After 6 th Grade | After 8 th Grade | After 7 th Grade |
|-------------------|-----------------------------|-----------------------------|-----------------------------|
| Currency | Currency | Currency | Currency |
| 20s | 20s | 20s | 20s |
| 10s | 10s | 10s | 10s |
| 5s | 5s | 5s | 5s |
| 2s | 2s | 2s | 2s |
| 1s | 1s | 1s | 1s |
| Coins | Coins | Coins | Coins |
| Dollars | Dollars | Dollars | Dollars |
| HD | HD | HD | HD |
| Quarter | Quarter | Quarter | Quarter |
| Dime | Dime | Dime | Dime |
| Nickle | Nickle | Nickle | Nickle |
| Penny | Penny | Penny | Penny |

Beginning Name Printed and Signature _____

After 6th Grade Name Printed and Signature _____

After 8th Grade Name Printed and Signature _____

After 7th Grade Name Printed and Signature _____



Falcon Creek Middle School PTCO

Deposit Notice

Name: _____

Phone: _____

Date Submitted: _____

Date Taken to Bank: _____

Total Amount: \$ _____

Deposited By: _____

Specific Description of Source (e.g. School Store, Spirit Wear, Color Run):

Cash:

\$20 x _____ = _____

\$10 x _____ = _____

\$5 x _____ = _____

\$1 x _____ = _____

\$1 Coins x _____ = _____

.50 x _____ = _____

.25 x _____ = _____

.10 x _____ = _____

.05 x _____ = _____

.01 x _____ = _____

Checks:

Total Number of Checks _____

Total Cash: \$ _____

Total Checks: \$ _____

Cash Counted and Signed Off By: (Person 1) _____

(Person 2) _____

Accepted by (Treasurer): _____ **Date:** _____



Falcon Creek Middle School PTCO

Debit Card Payment Form

Name: _____

Phone: _____

Date Submitted: _____

Order to Be Placed By: _____

Project/Account: _____

Reason for Check: ☐ Grant ☐ Reimbursement ☐ Budgeted ☐ Board Approved Item ☐ Other

Description of Item(s) to be purchased: _____

Website Address: _____

Vendor Name: _____

| Item # | Description | Cost | Quantity | Total \$ |
|--------|-------------|------|----------|----------|
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

Shipping: _____

*Submit completed form to Treasurer

Tax: _____

*Order will be reviewed, placed if approved and

Estimated Total Cost: _____

shipped to the school unless alternate address
is approved

For Treasurer's Use Only

Date Received: _____

Date Ordered: _____

Approved By: _____

Second Signature if over \$500: _____ Actual Total Cost: _____

Shipment Received: _____

Board member printed name, signature, and date



Falcon Creek Middle School PTCO

CHECK REQUEST

Name: _____

Phone: _____

Date Submitted: _____

Project/Account: _____

Date Needed: _____

Reason for Check: ☐ Grant ☐ Reimbursement ☐ Budgeted ☐ Board Approved Item ☐ Other

Description: _____

Check Payable to: _____ **Checks payable to a board member must be approved and signed by a different board member

Check Amount: \$ _____

Address of Payee (if payment needs to be mailed – Treasurer will mail payment):

Attach all invoices/receipts to this form. Reimbursements will not be made without appropriate documentation and receipts.

Approved by: _____ Title: _____ Date: _____

Approved by: _____ Title: _____ Date: _____

****Amounts over \$500.00 require 2 signatures**

Shipment Received: _____

Board member printed name, signature, and date

For Treasurer's Use Only

Account: _____ Check # _____ Date: _____