

# Guidelines for Using the Educational Contingency Account (ECA)

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Schools are permitted to use selected non-appropriated funds for any purpose deemed necessary and appropriate by the principal. These funds are transferred to and expended from the school's ECA fund account.

## **The following funds can be transferred to the ECA fund account:**

- Retained fees - the 15 percent retained by the school from any of the following:
  - out-of-county tuition
  - student parking fees
  - vandalism payments
- Payphone commissions
- Vending machine profits not designated for a specific purpose. *Profits received for a faculty vending machine may be designated for the faculty account.*
- Interest earned on non-student funds - up to 10 percent of total interest earned during the fiscal year
- Lost and damaged textbook funds, as needed

## **The following funds can be posted directly to the ECA fund account:**

- Building use rental fees
- FCPS Food Services vending machine commission

***The transfer or direct posting of any funds to the ECA fund account other than those listed above is not authorized.***

## **Accounting Procedures**

In order to account for the use of these funds, use the following accounting procedures:

- Use the school activity fund account titled "Educational Contingency – General Rev/Exp"
- The principal at his or her option shall determine annually which of the funding sources described above are to be transferred into the ECA fund account. These funds shall be moved as follows:
  - ***Transfer three times per year*** at the time fees are submitted to the Department of Financial Services - November 15, March 15, and June 15
    - out-of-county tuition
    - student parking fees
    - vandalism payments

- ***Transfer once a year*** - profit earned on vending machines maintained by the school staff after profit for the year has been calculated
- ***Transfer once a year or upon receipt of each bank statement*** - interest earned on non-student funds limited to 10 percent of total interest earned
- ***Transfer on an as-needed basis*** - lost and damaged textbook funds
- ***Post monthly*** – adjustments made through the bank reconciliation process
  - vending commission received from FCPS Food Service via Automated Clearing House (ACH) bank transfer listed on the monthly bank statement
  - building use rental fees received from FCPS Community Use office via ACH bank transfer listed on the monthly bank statement
- ***Receipt directly into ECA***
  - Payphone commission checks
  - Vending machine commission checks – for schools not receiving ACH bank transfers from FCPS Food Services

### **Making Disbursements**

- Disbursements should be made directly from the ECA fund account
- **The ECA fund account may not be placed in a deficit status or hold a deficit balance at any time**