

# **Ashe County Schools**

## **Internal Control Policies and Procedures Manual**

**2013/14**

**(2014/15 currently under revision)**

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### **Internal Control Policies and Procedures**

#### **INTRODUCTION**

House Bill 1551, Chapter 143D of the North Carolina General Statutes, *State Governmental Accountability and Internal Control Act*, was established to ensure a strong and effective system of internal control within State government and to clearly indicate responsibilities related to the system of internal control.

Internal control is defined as an integral process, affected by an entity's governing body, management, and other personnel, designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- Alignment of high-level goals with overall mission and supporting strategy;
- Effectiveness and efficiency of operations;
- Reliability of financial reporting; and
- Compliance with applicable laws and regulations.

A less technical definition might state that internal controls are tools that help managers be effective and efficient while avoiding serious problems such as overspending, operational failures, and violations of law.

Internal control is a process that is affected by people at every level of an organization and provides reasonable assurances to an organization's management and board. It is geared to the achievement of objectives in one or more separate but overlapping categories.

The State Controller, in consultation with the State Auditor, shall establish a mechanism to allow for the reporting and investigation of violations of the provisions of this Chapter.

There are five interrelated components to internal control. They are as follows:

- *Control Environment*—sets the tone of the organization.
- *Risk Assessments*—identifying, analyzing, and managing the potential risks that could hinder or prevent objectives being achieved.
- *Control Activities*—the structure, policies, and procedures established so that identified risks do not prevent goals being achieved.
- *Information and Communication*—managers must be able to obtain reliable information to determine their risks and communicate policies and other information to those who need it.
- *Monitoring*—managers must continually monitor the effectiveness of the controls.

The **Control Environment** is greatly influenced by the extent to which individuals recognize that they will be held accountable.

A **Risk Assessment** is the identification and analysis of the risks that could prevent Ashe County Schools from attaining its goals and objectives. Before risk management solutions can be developed, the current risk factors must be identified. Once identified, the risks need to be evaluated and methods need to be developed to minimize those risks. These methods are control activities. In addition to policies and procedures to minimize the risk factors, the Ashe County School system utilizes other control activities such as job descriptions, clearly defined standards of conduct, adequate training and appropriate disciplinary action for non-compliance within the organization. Internal controls should be proactive, value added, cost-effective and address the exposure to risk. The cost of a control should not exceed the benefit.

The **Control Activities** include analysis of operating results with respect to budget, prior periods, and applicable benchmarks. Information processing are controlled activities carried out to ensure accuracy, completeness and authorization of transactions. Physical control of assets is essential for safeguarding assets and records. Segregation of duties, as practical within the limited human resources available, is incorporated to reasonably ensure responsibilities are divided between individuals responsible for authorizing transactions, recording transactions, and maintaining custody of assets between staff.

**Reliability of reporting** and providing information from both internal and external sources must be identified, processed, and communicated to people in a time frame that is useful to effect control. Management of Ashe County Schools is responsible for preparing financial

statements. Management has both a legal and professional responsibility to insure that the information is fairly prepared in accordance with generally accepted accounting principles. (GAAP). Information concerning the operations and financial condition of the school system must be accurate in order to be useful.

The finance officer is ultimately responsible for **monitoring** the financial and compliance risks and for designing, implementing and monitoring the internal control system throughout the system. The finance officer will review and update the Internal Control Plan for Ashe County Schools at least annually. Every year, as part of its financial audit procedures, the public accounting firm contracted by Ashe County Schools will also review the internal controls.

Ashe County Schools strives to be fully **compliant with all local, State and Federal laws, rules and regulations governing its various operations**. The school system's internal control policies and procedures are intended to provide reasonable assurance all applicable laws and regulations are being followed including The School Budget and Fiscal Control Act, G.S. 115C, Article 31, Federal OMB Circular A-133, State and Federal purchasing requirements, Fair Labor Standards Act (FLSA ) and other laws and regulations applicable.

### **Internal Control in the Accounting System**

The following is a narrative of the basic internal controls that are applicable to the school system's accounting system.

1. All journals, ledgers, and other accounting records will be kept up-to-date at all times and will be balanced. The accounting system is maintained electronically with controlled access by passwords and other safeguarding procedures such as firewalls.
2. The school system maintains written accounting procedures including the State Uniform Chart of Accounts with explanations as to what items are charged to what account; approval authority for financial transactions; purchasing requirements and travel authorization procedures.
3. All journal entries are approved and explained with proper documentation.
4. The school system follows the Public Records Law, G.S. 132 in relation to the maintaining, retention, and disposal of records.
5. The school system maintains an encumbrance accounting system requiring the pre-audit certification of the finance officer before requisitioning of items or services are made per G.S.115C-441.

### **Internal Control Procedures—General and Statutory**

1. The following transactions must receive approval by the Ashe County Board of Education:
  - a. contracts to buy or rent land or other real estate
  - b. continuing contracts exceeding \$5,000
  - c. construction contracts
  - d. intergovernmental agreements
  - e. personal services contracts exceeding \$5,000
  - f. any other major contract
2. All valid contracts shall contain a clear and concise detailed description of service, compensation and the timeframe of when service shall be provided. Finance officer approval shall be denied if contract does not include all the required components.
3. The finance officer must have performance bond for at least \$50,000 per 115C-442 for the faithful performance of all duties placed on the finance officer and for all funds in the finance officer custody except for State funds credited to the school system by the State Treasurer. All employees who handle public moneys or have access to inventories must be bonded either individually or under a blanket bond per G.S. 159-29. Ashe County Schools shall maintain a fidelity bond policy at a minimum of \$25,000.
4. A complete schedule of insurance coverage and limits will be maintained, showing expiration dates, premiums, co-insurance clauses, and other essential information.

Ashe County Schools further identifies seven areas for which the interrelated components of internal control apply. They include:

- **Cash Receipts/Receivables and Cash Management**
- **Purchasing Procedures**
- **Accounts Payable**
- **Payroll and Employee Benefit Process**
- **Travel Reimbursements procedures for conferences and meetings**
- **Security of Assets**
- **Grant Recipient Monitoring**

Within each of these seven areas, there is a process that is compliant with the application of the five previously identified interrelated components to internal control. Each of these areas require ongoing review of the control environment, the identified risks, the strategies in place to control the risks, and the continued communication of reliable and relevant information to all sources to avoid theft and/or fraud.

## **Internal Control for Cash Receipts/Receivables and Cash Management**

### **General**

North Carolina law, G.S. 147-86.10 requires that all government agencies including local school systems adopt procedures for the receipt, deposit and disbursement of moneys coming into the school system to maximize interest-bearing investment of cash and to minimize idle and non-productive cash balances.

### **Plan Administration**

The superintendent and finance officer will have the responsibility of developing, and administering the cash management plan as approved by the Board of Education. Plans will be submitted to the office of State Controller for approval. A copy of the plan will be maintained for audit review.

### **Cash Receipts**

1. All cash and checks received will be receipted immediately upon receipt of funds by member of the finance staff not responsible for the bank reconciliations.
2. Daily deposits are to be made in the central depository (bank) as approved by the Board of Education per G.S. 115C-444.
3. Deposits shall be posted to the revenue account in a timely fashion. The data entry of the deposit shall be made by a finance staff other than the person making the deposit.
4. All cash/checks received with amounts over \$50 must be deposited daily at the bank. All cash/checks with no minimum limit will be deposited the last day of the work week and on the last working day of the month.
5. All checks are run through the bank twice before returning to the finance office.
6. Wire transfers are only accepted by the North Carolina Department of Public Instruction (NCDPI), Federal Government and the State Treasurer.

### **Accounts Receivable**

1. Monies due to Ashe County Schools from other governmental agencies or from private persons shall be promptly billed, collected and deposited.
2. Accounts receivables are billed on a monthly basis. All collections will be monitored. Past due accounts will be handled in an aggressive manner, including the use of outside collection agencies if necessary.

3. At the end of each fiscal, all uncollectible accounts are written off except for the Child Nutrition Program student accounts. These accounts are paid in full to the Child Nutrition Program from other funding sources.
4. Ashe County Schools accepts electronic payments for the Child Nutrition Lunch Program.
5. Accounting Clearing House transactions include:
  - a. Direct deposit for Ashe County Schools monthly payroll, including benefits
  - b. JROTC—U.S. Army payments for Ashe County High JROTC program
  - c. Impact Aid Grant—ACH deposits by the US Government
  - d. State BUD transactions
  - e. Monthly bank reconciliation of all ACH items
  - f. Firewall ensures security of all ACH transactions.

### **Cash Management**

1. Monies deposited with the State Treasurer or the locally approved financial institutions will remain on deposit until final disbursement to the ultimate payee.
2. All funds held by the approved financial institutions are insured by the FDIC or fully collateralized in accordance G.S. 159-31(b).
3. Idle funds are invested in the Short Term Investment Fund (STIF) account maintained by the North Carolina State Treasurer to maximize the school systems investments to the fullest potential.
4. Current signature cards and other documents required by the NC State Treasurer and other approved financial institutions will be maintained on file with the unit's financial institution at all times, indicating which staff members can sign checks on which accounts.
5. Bank reconciliations are done a monthly basis to verify
  - a. deposits are compared to the cash receipts journal.
  - b. transfers made into and/or out of the account.
  - c. all check numbers are accounted for, including voided checks.
  - d. that no checks are written for cash.

All discrepancies are to be reported to the finance officer immediately. All reconciliation items are investigated and approved by the finance officer.

**Petty Cash**

1. Petty Cash funds are maintained at a minimum level.
2. Petty Cash funds are to be kept in a secure and locked location.
3. Petty Cash is permitted for the following:
  - a. cash for school cafeteria cash registers
  - b. cash for ticketed events with a full accounting of tickets sold and cash reconciliation after each event
  - c. cash collection for transcripts
4. All petty cash funds are replenished at month-end at a minimum. Petty cash is counted by someone other than the custodian of the funds and the custodian is given a receipt when funds have been replenished.
5. All petty cash funds are subject to a surprise cash audit from time to time.

**Monitoring**

1. The finance officer will monitor cash and investments to ensure the funds are deposited in a timely fashion and funds invested are in compliance with G.S. 159-30.
2. The finance officer is responsible for maintaining the Cash Management Plan per G.S. 147-86.10 and will conduct an annual review of the Cash Management Plan. The Cash Management Plan for Ashe County Schools will be filed with the State Controller's office.

**Escheat**

All funds remaining unclaimed for five years will be escheated to the State as required by G.S. 116B.

**Internal Control for Purchasing Procedures**

1. The school system will use an encumbrance system for purchases and obligations made against approved budgets.
2. Pre-numbered purchase orders will be used.
3. No obligation may be incurred by the school system unless the budget resolution includes an appropriation authorizing the obligation and an unencumbered balance remains in the appropriation sufficient to pay in the current fiscal year.



4. The E-Procurement requirements of the State Office of Administration will be followed including the threshold requirement of purchases made through the North Carolina E-Procurement System.
5. All requisitions or purchase orders for purchases and services shall include the pre-audit certificate "This instrument has been preaudited in the manner required by the School Budget and Fiscal Control Act" with the finance officer signature and date. An obligation incurred in violation of this section is invalid and may not be enforced. The finance officer will establish procedures to assure compliance with this section.
6. All purchases of equipment, materials and supplies will be made in accordance with all applicable laws and regulations, G.S. 143 outlining the State purchasing requirements for school systems.
7. Purchase requisitions will have the budget manager's signature indicating approval and authorization before being process by the purchasing clerk.
8. Formal and Informal Bidding procedures will be followed per G.S. 143, Article 8.
9. Any purchases with funding received from the American Recovery and Reinvestment Act (ARRA) shall follow the procedures issued by the North Carolina Office of Economic Recovery and Investment.
10. The Internal Procurement Directive (IPS) system will be used for solicitation of informal and formal bids if ARRA funds or portions thereof are used.
11. Use of ARRA funds for purposes of soliciting bids, proposals, construction projects, or design services that exceed \$5,000 will be advertised in the local newsprint outlet, including minority and women owned outlets.
12. A notebook containing all ARRA regulations and transactions will be maintained and kept on site by the finance officer.
13. Copies of newsprint will be kept for backup purposes.
14. All Race to the Top (RttT) funding received from the North Carolina Department of Public Instruction (DPI) will adhere to the regulations and procedures issued by that entity.
15. Budget reconciliations and monitoring of all funding sources will be performed on a regular basis by the finance officer to ensure proper balances are maintained and purchases do not exceed budget authorizations.
16. State and federal websites will be checked frequently for suspended and/or debarred vendors. A screen print from the website shall be attached to each federal purchase order by employee responsible for issuing purchase order.

### **Internal Control for Accounts Payable**

1. Disbursements will be made only when prior approval given by a purchase order matched to the invoice and/or authorization for payment has been approved and signed by the finance officer.
2. Amounts and payees on purchase orders should agree to the checks.
3. All disbursements will be made by pre-numbered checks.
4. Unused check supply will be locked at all times. Listings of the check numbers in the unused supply will be maintained so that at any time a check inventory could be obtained and verified.
5. Voided checks should be noted on the check register. Voided checks should be sufficiently defaced so that they can be used.
6. BLANK CHECKS will **not** be signed in advance.
7. Checks shall **not** to be made out to CASH.
8. The checks will require two signatures—the board chairman and the finance officer.
9. The finance officer will be responsible for reviewing and monitoring supporting documentation for final submission of payment.

### **Internal Control for Payroll and Benefit Process**

1. Payroll processing of an individual will be made after the payroll office receives written verification of employment from Human Resources.
2. Once written verification has been received from Human Resources, the employee will provide required documentation such as social security number and other data as needed for enrollment in employee benefit plans.
3. Payroll absences and attendance records will be maintained at the employees' work site.
4. All Fair Labor Standards Act reporting requirements will be maintained as required by law.
5. Payroll data will be electronically transferred to the system-wide payroll office from the school or other remote locations with the supervisors' approval of payroll sent via email.
6. A hard copy of the payroll absences and attendance reports including non-exempt employees' timesheets will be maintained at the central office site.
7. The system-wide payroll office will edit and verify employees' local supplement, bonus, overtime payments and bonuses if applicable.

8. The employee processing and verifying payroll will be a separate employee from the employee who prints the payroll checks/direct deposit notices in preparation of distribution.
9. Monthly and quarterly tax, retirement and other employee deductions will be completed and submitted in compliance with Federal and State polices.

#### **Internal Control for Travel Reimbursements, Meetings and Conferences**

1. Prior approval must be received before an employee is permitted to attend and request reimbursement for out-of-pocket expenditures for attendance of a meeting or conference.
2. Employees will receive prior approval to attend a conference/meeting by registering through the electronic SEA System.
3. Only state approved per diem rates will be allowed for reimbursement for activities paid from State and Federal Funds.
4. Mileage reimbursements will be paid at rate not to exceed IRS allowable rate.
5. The finance officer will issue written procedures and guidelines for meals, breaks, and other meeting costs will be followed for internal meetings, workshops and conferences on an annual basis.
6. The finance officer will review and monitor travel reimbursements procedures for with department directors and supervisors on an annual basis.
7. A routine staff meeting is not an internal conference.

#### **Internal Control for Fixed Assets**

1. Fixed Assets with a dollar limit of \$5,000 or more will be documented with a control number and tags affixed in a permanent manner.
2. Computer and electronic equipment, along with appliances, are considered theft prone will be documented with a control number and tags affixed in a permanent manner.
3. Equipment purchased with federal funds with a life span of more than one year will have a control number and tag affixed in a permanent manner. All disposal of federal equipment must be pre-approved by the Federal Section of the North Carolina Department of Public Instruction.
4. Non-consumable equipment and supplies purchased by Federal Grant Funds will be tagged "Purchased with Federal Funds" and will be maintained on inventory at the school or building location until such time the item becomes obsolete.

5. Physical inventory of fixed assets will be taken annually. All discrepancies, including the reason for each discrepancy, shall be noted in writing.
6. All property, buildings, titled equipment and vehicles will be properly recorded and stored in a secure location.
7. A security system is maintained at each school and building location to minimize theft and vandalism.
8. Keys and access to disarm the alarm system to buildings are distributed to authorized personnel only.
9. All fixed assets transferred, sold, scrapped, or destroyed will be recorded in a timely manner in the accounting system.
10. All sales of surplus property will be conducted in accordance with G.S. 115C.

#### **Internal Control for Federal Grant Monitoring**

1. The director or supervisor responsible for the oversight of the receipt of a Federal Grant will monitor the grant program to ensure the grant contracts, applicable regulations and matching requirements are being met. The finance officer shall monitor as well.
2. Reconciliation of grant financial reports will be reviewed and approved by the responsible director or supervisor. The finance officer shall review and approve before filing the reports with the grantor.
3. Filing of reports to the grantor will be processed in a timely fashion.
4. Federal Grants will be identified by separate budget categories for receipts and expenditures.
5. Federal compliance requirements will be followed per OMB Circular A-133.

*See sections on Internal Control Procedures—General and Statutory and Internal Controls for Purchasing Procedures.*

## **Basic Internal Accounting Control Activities**

### **General**

- Honest, skilled, and trained employees
- An accounting/bookkeeping system that is simple to use, has built-in controls to avoid errors (intentional or unintentional), generates uniform and consistent reports, requires a bank account reconciliation, and has adequate technical support
- Principal review and approval of financial reports at least monthly
- Central office review of financial reports at least monthly
- Internal/external audits
- A manual detailing internal controls and proper financial management procedures

### **Cash Receipts**

- Establish an initial cash receipts record at the location where the receipts change hands (classroom, office, ticket booth, parking lot, etc.)
- The treasurer shall issue a receipt to the person submitting cash receipts.
- Preferably, a clerical person other than the treasurer should open school mail and prepare a prelisting of cash receipts before turning over mailed receipts to the treasurer.
- The treasurer must be given uninterrupted time to prepare the daily bank deposit and a way to secure cash receipts before being deposited.
- The treasurer must balance the daily receipts issued to the daily bank deposits.
- No cash disbursements should be made from undeposited cash receipts.
- The school should take no responsibility for cash/moneys that do not belong to the school.
- The school should report **all** thefts of cash receipts to law enforcement.
- Vending machines should be leased so that the only cash receipt is a mailed commission check.
- The principal must critically inspect financial reports and make comparisons of cash receipts to previous months/years and investigate irregularities.
- The principal must inspect and observe frequently to insure that controls are being followed.
- The principal must report all suspected employee thefts to the Central Office.

### **Cash Disbursements**

- Principal and treasurer signature on every check
- Process for dual signatures when a principal or treasurer is unavailable—the finance officer shall sign in the absence of the principal or treasurer.
- No presigned checks

- No checks made payable to "Cash"
- No payments unless preauthorized by the principal
- All payments must be made from original invoices or detailed receipts, copies of contracts, copies of personal checks, etc. Payment cannot be made from a statement.
- Vouchers or similar documents completed to insure accurate coding of payments to expenditure accounts
- Cancellation of all payment-related documentation to prevent duplicate payments
- No payments to employees for employment-related services
- No payments to employees for non-employment-related goods or services without documentation of price comparisons
- All payments or reimbursements to principal or treasurer will be approved and made at the central office level, after which the school will reimburse from school funds.
- Preferably, the treasurer should prepare and sign the check first, principal second, and the principal should insert check in payment envelope or other secure method of transporting check to the payee.
- The principal must critically inspect financial reports and make comparisons of cash disbursements to previous months/years and investigate irregularities.
- The principal must inspect and observe frequently to insure that controls are being followed.

### Assets

- School-level attention to fixed asset inventory procedures
- Limited access to keys and/or combinations
- Protect check stock (if applicable)
- **NO credit/debit cards** unless authorized by the Central Office
- No petty cash fund (other than cafeteria change fund)
- Schools should follow school district procedures for purchasing, leasing, or lease--purchasing assets.
- Schools should check with appropriate central office staff before accepting donations of assets, especially technology.
- Decide if a school-wide security system is justified
- Special security for athletic equipment, activity buses, other vehicles, mowing and other maintenance equipment, chemicals, computer labs and other expensive technology (including copiers!), custodial supplies, communication devices, etc.
- Adequate insurance with appropriate deductibles
- Always contact law enforcement when something is stolen or vandalized.
- The principal must inspect and observe frequently to insure that controls are being followed.

## **Payroll**

- Verification of employment is received in writing from Human Resources
- Employee provides required documentation for employment to the Benefits/Payroll Office
- Employee attendance is entered at school/site level
- Payroll data is electronically transferred to system level Payroll Office
- Supervisor's signature on employee's payroll data confirms accuracy
- Supervisor's approval of payroll is sent to system level Payroll Office via email
- Payroll office calculates additional monies due employee (i.e., overtime, longevity, local supplement, bonus, or termination pay offs)
- Payroll office verifies that all entries are complete and accurate
- Payroll office prints checks and sorts by location
- Monthly and quarterly reports are completed
- Direct deposits are sent to the bank via ACH
- Federal and State tax deposits are completed
- Any paper payroll checks are picked up by schools on payday for distribution to designated payees.

## **Purchasing**

- Prior approval by the Budget Manager is required when school system funds are used for a purchases made, services requested or personal reimbursement.
- Without prior approval, the individual making the purchase is held responsible for payment of invoices.
- If a purchase is necessary prior to reaching the Purchasing Office, the individual must obtain a manual purchase order from the Purchasing Office and this manual purchase order number must be provided to the vendor and must be noted on the charge receipt and/or invoice.
- Purchases from Maintenance funds that require a manual purchase order need a Maintenance manual purchase order number.
- When a manual purchase order number is assigned to a purchase, the requisition form with receipts attached must be received by the Purchasing office within two days.
- Accounts Payable does not automatically pay from statements received so the requisition/purchase order which must be signed by the Budget Manager and receipts must be processed through the system.
- With all manual purchase orders, when the Budget Manager's office receives the pink and blue copies of the Purchase Order, the pink copy should be signed as completed and returned to Accounts Payable immediately so that payment can be made.
- Vendor information (name, address, tax ID number, address, telephone and fax numbers) should be included on the purchase requisition.

### **Formal and Informal Bidding**

Ashe County Schools adheres to the guidelines set forth in North Carolina General Statutes Section 143-129—*Procedure for letting of public contracts*—which states that “no construction or repair work requiring the estimated expenditure of public money in an amount equal to or more than five hundred thousand dollars (\$500,000) or purchase of apparatus, supplies, materials, or equipment requiring an estimated expenditure of public money in an amount equal to or more than ninety thousand dollars (\$90,000) may be performed, nor may any contract be awarded therefore, by any board or governing body of the State, or of any institution of the State government, or of any political subdivision of the State, unless the provisions of this section are complied with.”

The bidding requirements also cover lease-purchase contracts and leases containing an option to purchase. Contracts shall not be divided for the purpose of evading the bidding requirements.

The informal bidding requirements cover contracts for construction or repair work and contracts for the purchase or lease-purchase of apparatus, supplies, materials, or equipment involving the expenditure of \$5,000 or more, but less than the limits prescribed by the formal bidding requirements. Quotations from contracts may be solicited by telephone or in writing. Informal bids are recommended, but not required, for construction and repair work costing less than \$30,000.

All contracts, formally or informally bid, will be awarded to the lowest responsible bidder, taking into consideration quality, performance, reliability, and the time specified in the bids for performance of the contract. The term “responsible” has been interpreted to imply “skill, judgment and integrity necessary to the faithful performance of the contract, as well as sufficient financial resources and ability.

All formally bid construction contracts must be reviewed by the Board attorney and submitted by the Superintendent to the Board for approval. Board approval of informally bid projects is not required, unless otherwise directed by the Board on specific projects.

Ashe County Schools shall maintain a record of all informal or formal bids received which will be available for public inspection.



### **Internal Conferences**

Internal conferences are those that involve the attendance of employees within a particular department, institution, or agency only and are authorized under the following requirements/limitations.

- The conference must be planned in detail in advance with a formal agenda or curriculum.
- There must be a written invitation to participants setting forth the calendar of events and the detailed schedule of costs.
- No excess travel subsistence may be granted for internal departmental meetings.
- No registration fees may be charged.
- Such meetings must be held in state facilities when available.
- No payment for meals is allowable unless overnight travel criteria are met.
- Sponsoring departments may provide refreshments for “coffee breaks” provided there are 20 or more participants and the cost does not exceed \$4.50 per participant per day.

### **External Conference**

External conferences are those that involve the attendance of individuals other than the employees of a single state department, institution, or agency and are authorized under the following requirements/limitations.

- The conference must be planned in detail in advance with a formal agenda or curriculum.
- There must be a written invitation to participants setting forth the calendar of events and the detailed schedule of costs.
- Such meetings must be held in state facilities when available.
- Registration fees may be charged but may not include costs of entertainment, alcoholic beverages, set up or flowers.
- Payment for meals is allowable if included in the registration fee but the registration fee must not consist exclusively of meal costs.
- Sponsoring departments may provide refreshments for “coffee breaks” provided there are 20 or more participants and the cost does not exceed \$4.50 per participant per day.