**Definitions:**

**Potential Sales:** The sales that the fundraising activity should reach with the number of units are sold.

**Actual Sales:** The sales that are recorded in the bookkeeper’s internal fund accounting system.

* The total number of items for sale as evidenced by vendor invoices. These items do not have to be purchased. The items may have been donated.
* As evidenced by a credit memo from the vendor.
* The names and signatures of all recipients of prizes must be listed and maintained for audit
* As evidenced by a credit memo from the vendor if returned. If the items being sold are perishable in nature and the school is unable to return items to the vendor, a statement from the sponsor, that is witnessed by the Principal, or administrative designee (A/P in charge of student activities) must be attached to indicate the number of items that were damaged. A certificate of lass may also be used as outlined in Standard Practice Bulletin I-404.
* These items should be non-perishable and available for count. If items are subsequently sold or distributed, a list needs to be maintained showing the disposition.
* This figure will represent the total units sold.
* Units sold X Selling Price will give you a total sales figure for Potential Sales.
* This figure will come from the class/club/department account from the bookkeeper’s internal fund accounting system.
* Subtract Actual Sales from Potential Sales. If there is a difference, briefly explain how this difference occurred.
* The total purchases can be obtained from the class/club/department account from the bookkeeper’s internal fund accounting system.
* Use the figure arrived at for Actual Sales and multiply that number by 0.07 and the resultant figure will be taxable sales.
* Subtract taxable sales from actual sales and the resultant figure will be tax due. This amount will be remitted to the county from the class/club/department account