

School Activity Funds

- I. **PURPOSE:** Raising and expending of activity money by student bodies will be solely to promote the general welfare, education and morale of all students and to help finance the normal legitimate co-curricular activities of the student body organization.
- A. Examples of expenses that may legitimately be charged against school activity funds are the following:
1. Costs of student club activities,
 2. Costs of freshman, sophomore, junior, or senior class activities, and
 3. Payment of class or club activity fees for students who cannot afford those fees.
- B. Examples of expenses that may not be charged against school activity funds are the following:
1. Costs of faculty activities,
 2. Costs of testimonial or other recognition events for non-students, and
 3. Costs for gifts given to nonstudents in recognition of good service to the school or school system.
- II. **ACCOUNTS:** Those who administer school activity funds will use bookkeeping and accounting procedures adequate to their scope which will provide an audit trail while being workable for the schools.
- A. **Establishment of Accounts** within the school activity requires the authorization of the principal of the school, notification of the district business manager of the school system, and approval by the Board of Education.
- B. **Procedures:** At the beginning of each school year, each school principal will provide the business manager with the following information:
1. A chart for the accounts within each school's activity fund including the following:
 - a. A description of the purpose of, the sources of revenue for, and the types of expenditures that will be charged against the account;
 - b. The balance of funds in each account; and
 - c. The name of the advisor for those accounts which are connected to activities that have staff advisors.
 2. The name of the comptroller for the school at the high school level.
 3. The identity of those whose signatures will be required to draw funds from the student activity fund.

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School Activity Funds

II. ACCOUNTS (continued)

C. Closing of Accounts

1. Class accounts will be closed after the tenth year following graduation and the balance transferred to the principal's account.

III. REVENUES

A. Sources: Revenue for school activity funds will derive exclusively from the following:

1. Gate receipts and admission fees that accrue from student activities.
2. Funds raised by student groups including each high school class.
3. Interest earned on fund deposits. Funds from this source will constitute the building principal's account within the school activity fund.
4. Funds transferred from the Board of Education.
5. Donations.
6. Student fines.

B. Deposits

1. Revenue will be deposited in school activity funds by virtue of authorization by the comptroller at the high school level and by the principal or his/her designee at the elementary and middle school levels.
2. Revenue will be deposited in the school activity funds within 24 hours of the revenue being received. Revenue left undeposited must be verified by the comptroller and the principal or his/her designee at the high school level and by the principal or his/her designee at the elementary and middle school levels and must be kept in the school safe.

FISCAL MANAGEMENT

DMA-R

School Activity Funds

IV. EXPENDITURES

- A. Purposes:** Expenditures from the school activity funds will be used exclusively to benefit students directly. No other expenditures will be authorized from these funds.
- B. Processing:** All expenditures will be processed in the following manner.
1. Expenditures disbursed from the student activity funds shall be made only through a written *Requisition for Funds* form from a staff member and processed by a check which will be drawn upon presentation of a written receipt for the expenditure requested.
 2. In the event that monies are required for a deposit, the necessary sum may be taken from the available fund balance and a receipt shall be filed after the check is drawn. Before any expenditure is made from an account, the comptroller at the high school level and the principal or his/her designee at the elementary and middle school levels shall verify that a sufficient balance remains in the account.
 3. The building principal or his/her designee must authorize the expenditure by so signifying on the Requisition for Funds Form.
 4. Authorized expenditures will be made in the form of checks that will be signed by the building principal at the elementary and middle schools and by the building principal and the comptrollers at the high schools.

V. RESPONSIBILITY

- A.** The building principals for the elementary and middle schools will have the direct responsibility for the administration of the school activity funds. At the high school level, administration of the school activity funds will be the responsibility of the comptroller who is responsible to the building principal.
- B. Management:** School activity funds will be managed in accordance with federal and state statute, local ordinance, and acceptable accounting practices.
- C. Procedures Manual:** The business manager will establish a manual of procedures for the school activity funds. The manual will include the following:
1. Specific financial records to be maintained:
 - a. Ledgers
 - b. Receipts and expenditures journals

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School Activity Funds

VI. RESPONSIBILITY

C. Procedures Manual (continued)

2. Specific procedures for cash receipts and disbursements of funds:
 - a. Vouchers
 - b. Forms
 - c. Documentation and receipt forms

VII. RECORD RETENTION: All records relevant to the school activity funds will be kept for four (4) calendar years.

VII. REPORTING

A. Principals: On a monthly basis during the school year, the building principals will send reports on the school activity funds to the business manager. The reports will include:

1. A List of all deposits and expenditures that were transacted during the month.
2. Indicate the status of each account as well as the entire fund.
3. A List of the bank accounts into which the assets of the school activity funds are placed.
4. A reconciliation of balances for each of the bank accounts.

B. The Business Manager will review each report and inquire when a transaction appears to be in violation of statute or Board of Education policy or regulations and/or when the balance/deficit in any of the bank accounts in which the assets of the school activity funds are placed appear problematic.

If, as a result of an inquiry, the business manager concludes that a violation of statute or Board policy or regulations has occurred or that there is either a deficit or a precarious balance in a bank account in which assets of a school activity fund are placed, he/she will report that conclusion to the superintendent of schools as soon as possible.

It will then be the superintendent's responsibility to take appropriate action.

Regulation Approved: 1/30/95

Regulation Revised: 3/20/00, 6/16/03