

**TOLLAND PUBLIC SCHOOLS**  
**Tolland, Connecticut**

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ADMINISTRATIVE REGULATION

REGARDING: Activity Funds Management

Number: 3030  
Administrative

Approved: 2/26/03  
Revised: 1/14/09

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Guidelines to Student Activity Fund Accounting

Authority:

Public school districts in the State of Connecticut have authority and responsibilities for maintaining student activity funds under section 10-237 of the Connecticut General Statutes.

The Tolland Board of Education has adopted a policy based on the above statutes and community concerns.

The guidelines listed below have been developed to conform to this authority and responsibility.

Purpose:

The basic purpose of education is to prepare each generation of children for life's experiences. In order for this preparation to occur properly, the programs available to young people must be as broad as life itself. An important segment of these programs is co-curricular activities. These programs represent experiences which should be available to all Tolland students.

The various co-curricular programs which have been established by Tolland Public Schools should ensure that young people have an opportunity to participate in these experiences.

The following is a guide to student activity financial accounting. This is to ensure that efficient procedures are available for the creation, operation and closure of student activity funds.

Regardless of the methods used to finance school activities, the school district, and thus the school administrator, is ultimately responsible for the funds. State statutes require that separate accounts be maintained and, further, that such school activity funds

should be considered school district accounts and shall be audited by the auditor in the same manner as all other accounts.

The raising and expending of activity money by student bodies should have but one purpose – to promote the general welfare, education, and morale of the students and to finance the co-curricular activities of the student body organization.

Student activity money shall, insofar as possible, be expended in such a way as to benefit those pupils currently in school who have contributed to the accumulation of such money. The management of student activity funds shall be in accordance with sound business practices including sound budgetary and accounting procedures and thorough audits.

It is the intent of these guidelines to recommend a system of bookkeeping procedures for handling the money, and policies governing the school activity accounting.

#### I. Principles Governing Activity Fund Accounting

The accounting procedures outlined in this section are based on the following principles.

- A. The administration of the activity funds shall be governed by the rules and regulations prescribed by the State of Connecticut and the Tolland Public Schools.
- B. The principal of the school, as trustee for the fund, shall be directly responsible for the conduct of the student financial activities in accordance with policies, rules and procedures set forth by the State, and the school District.
- C. The principal of the school, as trustee for the fund, shall be directly responsible for all student activity funds within the school and shall be responsible for the maintenance of records and administration of procedures as prescribed by the central administration.
- D. The business manager shall have the responsibility and authority to implement all procedures and rules pertaining to the supervision and administration of student activity funds in schools in accordance with established policies of the Tolland Board of Education.
- E. To the extent possible all revenue estimates should equal projected expenditures.

#### II. Management of Student Activity Funds

Deposits and financial records are to be kept in each school. The principal or custodian of student activity accounts must maintain financial records of receipts, expenses and financial standing of the specific activity.

Student activity funds and financial procedures will be subject to periodic audits by internal personnel and annual audits by outside independent auditors. Audit reports will be referred to the principal and central administration for informative purposes and

possible improvement of procedures. Regular monthly and annual reports will be prepared by the principal or his designee and submitted to the Business Manager. These reports all reflect the financial condition of all the student activity funds and proof of reconciliation of the bank accounts. All activity accounts will be reconciled monthly.

Student activity funds will not be used for any purpose that represents a loan, or credit to any person.

The principal of each school will designate one person, in addition to herself/himself, who will be authorized to receive, deposit and account for funds. At least two signatures will be required for all withdrawals. If there is a change in personnel, new check signer authorizations must be complete with the bank and a copy forwarded to the Business Office notifying them of the deleted signer and the new authorized signer. Supporting evidence will be required prior to signing the check or withdrawal slip. Blank checks will never be signed – such action makes the signer personally liable for anything recorded over his/her signature.

Interest should be earned on savings accounts and checking accounts whenever possible.

Each account must be accounted so that the identity of its resources, obligations, revenues, and expenditures are continually maintained.

### III. General Procedures for Receiving and Disbursing Funds

#### Collection and Deposit of Cash:

All monies collected from any source must be substantiated by a receipt. A receipt will be issued immediately upon receipt of funds by individual collecting the funds. The original copy of the receipt is to be given to the person from whom the money is received. The second copy is to be retained by the individual receiving the funds.

Cash should be deposited on a weekly basis. All monies collected shall be secured and placed in the school safe or locked file cabinet. All checks to be deposited will be endorsed by the Business Office designee immediately upon receipt, showing a restrictive endorsement.

#### Documentation of Receipts:

Cash receipts should include supporting documentation. The receipt should include a brief summary of the reason for the deposit. A deposit form must be completed for each deposit along with the summary of cash receipts form. It is the responsibility of the activity coordinator to keep documentation as to what students paid or what items have been sold, etc.

When deposits are being sent to the bank, the deposits should be double checked and an adding machine tape should be attached. A copy of each deposit should be retained by the activity coordinator or person responsible for the account.

#### Disbursements:

All student activity (escrow) disbursement shall be made from the school office. Principals or activity coordinators shall submit documentation with supporting invoices, receipts or reason for the disbursement on signed forms. Accuracy of prices, extensions and totals should be checked prior to submitting a request for payment. A request for payment should be submitted with proper documentation. The activity coordinator as well as the principal should sign every request.

#### Monthly Reconciliation of Bank Statements:

Monthly bank statements shall be reconciled with the student activity fund by the principal/designee within two weeks of receipt of the bank statement. A detailed list of outstanding checks must support the reconciliation. Any checks outstanding for more than six months must be brought to the attention of the school principal with a request for approval to either write-off or void and reissue the check.

A monthly summary of cash transactions and investments reports must be sent to the business office by the 20<sup>th</sup> of the following month.

An end of the year fiscal year report is to be prepared and submitted by the principal to the district's business office prior to July 20 each year. This report should reflect the financial condition of the various trust and club accounts of the student activity account. This report will be presented to the Finance and Facility Committee of the Board of Education for review prior to September 30.

#### Audit:

An annual audit shall be conducted by the Town auditor in the same manner as all other Town accounts. Copies of the audit report shall be maintained as a permanent record.

These guidelines are established to avoid problems and to protect staff. Should you have any questions, please do not hesitate to contact the building principal or the Business Manager for assistance or clarification.

Tolland High School class accounts:

A student activities account may be established for each individual class at Tolland High School for the purpose of receiving funds and paying class obligations.

All invoices or obligations incurred by the senior class must be paid out of the senior class fund no later than the opening day of the following school year. No new obligations may be incurred any later than one week after graduation.

Any remaining funds will be used to establish an activity account for the new freshman class.

It is the obligation of the senior class advisor to assure that the senior class is advised of this policy annually at its first meeting in October of the school year.

**MONTHLY SUMMARY OF CASH TRANSACTIONS AND INVESTMENTS**

**STUDENT ACTIVITY, ATHLETIC FUND OR SCHOLARSHIP FUND**

MONTH OF \_\_\_\_\_

\*Name of Account: \_\_\_\_\_ Account No.: \_\_\_\_\_  
Bank: \_\_\_\_\_

Cash Balance, Beginning of Month \$ \_\_\_\_\_

Receipts:

Activity Fees \_\_\_\_\_  
Transfers from School District \_\_\_\_\_  
Interest \_\_\_\_\_  
Other Receipts \_\_\_\_\_

Total Receipts + \$ \_\_\_\_\_

Disbursements:

Activity Expenses \_\_\_\_\_  
Scholarship Expenses \_\_\_\_\_  
Transfers to School District \_\_\_\_\_  
Other Disbursements \_\_\_\_\_

Total Disbursements - \$ \_\_\_\_\_

Cash Balance, End of Month \$ \_\_\_\_\_

\*ATTACH A COPY OF MONTHLY BANK RECONCILIATION OR COPY OF PASSBOOK BALANCE.

**INVESTMENTS**

<u>Name of Bank</u>	<u>Account Number</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Balance Outstanding</u>	<u>Interest Earned During Year</u>

\_\_\_\_\_  
Prepared By Date

\_\_\_\_\_  
Principal's Signature Date