

STUDENT ACTIVITY FUND POLICIES & PROCEDURES



PASBO 62ND ANNUAL CONFERENCE AND EXHIBITS, PITTSBURGH

March 2017

1

STUDENT ACTIVITY FUND POLICIES & PROCEDURES

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Session Objectives

- Organization and purpose of student activity funds
- General principles and acceptable use of student funds
- Cash receipt procedures
- Purchasing and payment procedures
- Internal controls: centralized vs decentralized
- Board policy and administrative guidelines
- Policy issues

Public School Code Of 1949

- 24 PS 5-511
- Board of School Directors in every school should have a policy for Student Activity Funds, which provides for reasonable rules and regulations regarding student activities and procedures in place for the organization, management, supervision, control and financing of student activities.

Organization and Purpose of Student Activity Funds

- Management of student activities should be organized to best serve the interest of the students and may not be used to circumvent school district management or purchasing decisions
- Student funds, which are custodial in nature, should be used to promote the general welfare, education, and morale of all students...
- Funds should finance legitimate co-curricular activities approved by the board, but which are conducted outside the regular classroom program
- Funds derived from a student activity should be expended only to benefit that student activity as a whole

Organization and Purpose of Student Activity Funds

- School Board – Policy development
- Superintendent – Implement policies and regulations
- Business Administrator – Provide guidelines for accounting and internal control procedures
- Building Principal – Work with students and faculty advisors to establish student activity clubs and implement policies and procedures
- Students – Each activity group should consist of a student president and treasurer

Organization and Purpose of Student Activity Funds

- Each activity group should consist of a student president, student treasurer and a faculty advisor
- Student activities and corresponding revenues and expenditures are separated into four (4) categories:
 - General (impact all students i.e. yearbook, store, etc.)
 - Classes (senior class, junior class, etc.)
 - Clubs (Latin, band, chess, etc.)
 - Intramurals (crew, soccer, football, field hockey, etc.)

General/Guiding Principles for Student Activity Funds

- Students should be involved in the fiscal management of the activities; spending plan, shared student decision making, funds raised and spent by current students

Financial Guidelines for Student Activity Funds

- Generally the Student Activity Funds should be used to finance a program of activities that are not part of the regular curriculum.
 - Funds may NOT be used for textbooks, office or school furniture, office supplies or employee compensation.
 - Funds may BE used for supplies and materials, transportation, travel expenditures, food, lodging, admission fees, entertainment, sweatshirts, t-shirts, donations and professional services.

Financial Guidelines for Student Activity Funds

- Budget Procedures
 - Annual budget should be submitted to building principal
 - Should contain beginning balance, estimated sources of income, anticipated expenditures and any ending balance at June 30

Financial Guidelines for Student Activity Funds

- Accounting Procedures – will be similar to district accounting procedures
 - All transactions recorded through the district’s accounting software
 - Each activity will be assigned an account code for revenue and expense
 - Every account needs to maintain a cash receipts and disbursements ledger at the building level
 - Funds will be held in a board approved bank administered by the Business Office

Financial Guidelines for Student Activity Funds

- Deposits are to be made promptly
- Monthly reports made available to the Board and the advisor – include receipts, disbursements and current balances.
- Disbursements in check only, never cash and all checks will be issued by the Business Office.
- Capital and non capital equipment becomes the property of the district.
- Checks received by the student activity are to be made payable to the district for the exact amount of the purchase or donation

Cash Receipt Procedures for Student Activity Funds

- Deposit report form should be completed with each deposit
- Copy of the report is to be maintained at the building and a copy sent to the Business Office
- The Business Office attaches the copy of the report form to the deposit slip when it is returned from the bank
- Faculty adviser works with the student treasurer to post the receipts to the subsidiary receipts ledger for the particular fund raising activity. Subsidiary ledger gets closed out to main activity account at end of month and reconciled to the district's general ledger.

PASBO 62ND ANNUAL CONFERENCE AND EXHIBITS, PITTSBURGH

March 2017

13

Fund Raising Policy (229) and Procedures for Student Activity Funds

Purpose

- The Board acknowledges that solicitation of funds from students must be limited because compulsory attendance laws make the student a captive donor and such solicitation may disrupt the educational program of the schools.

Definition

- For purposes of this policy, **student fundraising** shall include solicitation and collection of money by students in exchange for tickets, papers, advertising, or any other goods or services.

Authority

- The Board prohibits the collection of money by a student for personal benefit in school buildings, on school property or at any school-sponsored activity.
- District students are not obligated to conduct door-to-door sales for fundraising activities.

Delegation of Responsibility

- Collection of money by approved school organizations or by students on behalf of school organizations may be permitted by the Building Principal. [1]
- The Superintendent or designee shall develop administrative guidelines to implement this policy which:
 - Specify times and places in which funds may be collected.
 - Describe permitted methods of solicitation that do not place undue pressure on students or patrons.
 - Limit the kind and amount of advertising for solicitation.
- The Building Principal shall distribute this policy and relevant procedures to each student organization granted permission to solicit funds.
- Funds solicited shall be controlled by Policy 618. [2]

March 2017

14

Guidelines

- All organizations connected with the District shall limit fundraising activities to two (2) activities per year.

Purchasing and Payment Procedures for Student Activity Funds

- Purchases will follow the same procedures as used for the General Fund through the requisition process
 - Requisition
 - Purchase order
 - Personal reimbursement follows check voucher process
 - Quotes/bids – limits established by law
 - Quotes between \$10,700 - \$19,700 subject to adjustment based on CPI
 - Bids amounts equal to or greater than \$19,700 subject to adjustment on CPI

Purchasing and Payment Procedures for Student Activity Funds

- Expenditures
 - Make sure funds are available before any expenditures are paid – deficit balances are not allowed
 - Expenditures follow the same procedures used for the district's general fund
 - Receiving copy of purchase order acts as the authorization to pay invoices
 - If a purchase order was not processed in advance, then request for reimbursement must be on a check voucher
 - Business office processes all requests for payment

Miscellaneous Other Issues

- Opening and closing individual accounts
- Inactive accounts
- Graduated class funds
- Interest income
- Student Store
- Federal tax requirements
- Sales tax requirements

Areas of Concern

- Clearing house/general accounts
- Employee compensation
- Deficit balances
- Non-school funds: booster, music parents, PTA/PTO
- Petty cash
- Athletics
- Academics & school supplies
- Special education
- Scholarships

Student Activity Fund

Questions ?