

Book
Section
600 Finances
Title
Student Activity Funds
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Legal

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2. 24 P.S. 511

3. 24 P.S. 440.1

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5. Pol. 619

6. Pol. 229

7. 24 P.S. 807.1

8. 24 P.S. 751

9. Pol. 608

Active

Adopted

December 3, 1998

Description

An activity fund is comprised of a variety of accounts held by classes, organizations, clubs, and other student groups. In addition, activity fund checking accounts, by using a separate accounting system, may house funds which are remitted to vendors and/or the District's general fund.

Purpose

The Board is responsible for adopting and enforcing reasonable policy and rules regarding the management, supervision, control and prohibition of student activities, including raising and disbursing funds.

It is the purpose of this policy to establish financial supervision and controls for administering various activities that comprise student activity funds. [2]

Basic Assumption

Student activity funds are to be used only to promote the general welfare, education, and morale of all the students to finance programs of non-curricular school activities augmenting, but not replacing, the activities provided by the District.

Definition

For purposes of this policy, student activity funds (often referred to as central treasury at the high schools) shall include the funds of administratively approved student groups. Student groups shall be reviewed and approved annually by building administration. Student activity funds shall be raised by students and expended for purposes related to the activity, with student participation in the decision making process regarding these areas.

Authority

Student activity funds are not part of District funds, but the Board in accordance with this policy therefore must approve the establishment of student activity accounts. The Board adopts this policy to ensure proper supervision of student activity funds under the District's responsibility.[2]

Delegation of Responsibility

The Superintendent or designee is responsible for developing and implementing administrative procedures governing student activity funds.

The Director of Business Affairs shall supervise the maintenance of a proper accounting system for the student activity fund in each school building in the District.

The building administration is responsible for working with students and faculty advisors, implementing policies and procedures, and maintaining fiscal records. The faculty advisor shall serve as the custodian of the funds and disbursement requests.[1]

Activity advisors are responsible for working with students in assigned activities and ensuring compliance with policy and procedures by the student organization.

The organization's treasurer and faculty advisor are responsible for maintaining records of all funds collected and disbursed and submitting required reports to the Board.

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General Principles

Disbursements shall be made by check via the central treasury account(s). When it is necessary to make a cash purchase, those purchases/payments shall be made through the regular school petty cash account with reimbursement made in a check from the activity account to the petty cash account, upon receipt of the cash sales receipt or receipt of cash payment.

Student groups may obligate themselves by contract for materials, equipment, or services with the approval of the group advisor and principal, provided that legal requirements for bidding and district purchasing policies have been followed. Contracts presented by vendors such as musical groups, photographers, yearbook publishers, choreographers, musical directors, Business Managers, fundraising suppliers, etc. shall be reviewed by the Director of Business Affairs and/or the school district solicitor.

All funds raised through student activities must be deposited in a student activities account. The only exception to this rule shall be that receipts for athletic events to which admission is charged will be deposited in the athletic fund.

Student activity funds are to be used to finance a program of non-curricular school activities augmenting, but not replacing the activities provided by the District. These activity funds shall not be used to circumvent Board and/or administrative decisions made for the District or purchasing procedures and policies established for the District.

Student activity funds shall be expended for the purposes the monies were raised and so as to benefit the student body as a whole. The building administration may determine exceptions to this after consultation with the Superintendent or designee.

Student participation is an important factor in the democratic management of money raised by the student body and expended for its benefit. An authorized student representative of the respective student organization shall approve each expenditure.

Guidelines

Each student activity covered by this policy must be recognized by the student organization before funds can be collected or disbursed in the name of the student group. Further, all student activities shall be on a self-sustaining basis, except that the Board may, within its discretion, approve District sponsorship of any school activity.

As soon as practical, funds of any student body organization must be deposited or invested in banks whose accounts are insured by FDIC or investment certificates or withdrawable shares in state-chartered savings and loan associations doing business in-state and insured by FDIC or FSLIC.[3][4]

Interest accumulated on the student activity fund shall be apportioned among and credited to the separate student activity accounts, based upon the relative deposit balances in each student activity account.

All funds collected by student organizations shall be deposited in a student activities fund account in a bank designated by the Board.

No school-sponsored student organization is permitted to establish an account separate from the student activities fund account.

Records shall be maintained of the receipt and disbursement of all funds in designated student activity accounts, according to the bylaws of the activity involved.[2]

Students shall be involved in the planning for the expenditure of activity funds; however, the building principal administration shall have general supervision over the organizations in their respective buildings and must approve in advance all activities sponsored by each organization.

Disbursements from such funds shall be made only by check upon the request of the authorized advisor and an authorized student representative of the student organization, and the approval of the fund custodian. Disbursements shall be supported by invoices or verified documentation.

An audit of all District activity funds will be conducted annually. [5]

All purchases of materials or supplies by any organization, club, society or group, or by any school or class shall be made by the purchaser in accordance with the requirements of law.[2][7]

All funds accumulated in the name of a specific activity must be reconciled annually, and any residual funds shall revert to the same group for the following school year.[2]

During the school year, a financial report of the condition of each student activity fund shall be submitted to the Director of Business Affairs monthly, with monthly school year reports to the Board of School Directors for high school central treasury accounts. These reports should reflect the financial condition of the student activity fund and proof of reconciliation of the bank accounts. Additional reports may be required as conditions require or as requested by the Superintendent or designee.[2]

Monies collected by District employees and student representatives shall be handled with prudent business procedures.

In no case shall monies be left overnight in schools, except in safes provided for safekeeping of valuables, and even then no more than a few dollars should be so kept.

~~Funds of any student body organization may be deposited or invested in:~~

- ~~1. Banks where accounts are insured by FDIC.~~
- ~~2. Investment certificates insured by FDIC.~~

Responsibility

The Superintendent or designee is directed to develop such administrative regulations as required to carry out the intent of this policy.

Administrative

1. In order to ensure the accountability of funds raised, expended, and held by organizations and classes under the student activity program, a student activity fund shall be established and shall operate under regulations which accord with the Pennsylvania School Code of 1949, as amended Section 511. [\[2\]](#)
2. Each student activity account will designate a building level custodian of its funds.
3. The fund custodian's duties shall include:
 - a. Maintaining an accounting system using approved deposit and withdrawal forms to account separately for each organization's fund.
 - b. Issuing checks for approved expenditures. All checks must be accompanied by invoices or other proof of purchases or expenditures. The custodian will issue a check only when a student activity Check ~~Requestion~~Requisition/Disbursement Voucher is prepared and signed by representatives responsible for the financial affairs of a particular club or activity.
 - c. ~~With the exception of the two (2) high schools, which must submit~~ Submitting monthly financial statements, ~~all other student activity accounts must submit quarterly financial statements~~ to the ~~Board of School~~ Directors of Business Affairs or designee. ~~The calendar quarters are as follows:~~

<u>Quarter</u>	<u>Submission to Board</u>
January, February, March	April
April, May, June	July
July, August, September	October
October, November, December	January

4. The treasurer of each class or organization shall report the account balance to the student membership at regular meetings.
5. Interest income earned on student activity funds shall be prorated on an equitable basis into the individual accounts concerned. Interest earned is to be used only for student related activities.
6. At the final official meeting of a student organization about to disband, the student membership shall determine, by a simple majority vote, the disbursement of any fund balance of the organization. A letter to the fund custodian, under the signatures of two (2) student officials of the organization, shall authorize the irrevocable distribution of the fund balance for a school improvement project and/or for rollover to the Student Council.

7. Should distribution not occur as above, the fund custodian shall close the account no later than ninety (90) days of the dissolution of the student organization. For class accounts, this shall be ninety (90) days following the date of graduation; in other instances, this shall be ninety (90) days subsequent to the group's final activity. The fund custodian, upon determining that all expenses have been paid, and no further indebtedness exists, shall withdraw the balance, if any, from the organization's account and transmit same by check with cover letter to the school's Student Council. Such transmission shall be irrevocable.
8. For the purchase of materials or supplies made by any organization in excess of one thousand dollars (\$1,000), a minimum of three (3) quotations or bids shall be solicited.
9. Financial records must be kept for seven (7) years - one (1) current year, and six (6) prior years.

Graduating Classes

All graduating classes, prior to graduation, shall make a commitment for distribution of the funds remaining in the class account, after payment of all financial obligations, to school activities of the class's choosing, such as a senior gift or scholarship fund.

Funds may not be disbursed or set aside for future obligations, such as class reunions.

Prohibited Expenditures

The following expenditures are prohibited:

1. Equipment, supplies, forms, postage for curricular or classroom use or for District business.
2. Repairs and maintenance of district-owned equipment.
3. Professional books and magazines, and memberships in professional organizations.
4. Memberships in and contribution to out-of-school organizations.
5. Custodians' supplies and equipment.
6. Salaries for services, which are the responsibility of District, or for District assignments.
7. Articles for personal use of District employees or others.
8. Gifts, loans, credit or accommodation purchases for District employees or others.