

## Iroquois School District

**Student Activity Account Procedures Policy***(Second Revision: May, 1980 )**(Third Revision: April 19, 2005)***PURPOSE:**

The Board encourages students to organize and to participate in worthwhile student activities and clubs. Students should gain skills by working effectively together in democratic groups. Students may gain valuable life experience and knowledge while participating in the planning, conducting and evaluation of the activity or club. This policy shall authorize these programs. The purpose of the Student Activities Fund as authorized by the Iroquois School District Board of Directors is to serve as a collecting and disbursing agency for extra-curricular activities and related programs. The purpose of this policy is to set forth rules and regulations regarding the management, supervision, control, financing and prohibition of activities related to each program operated by the District, including raising and disbursing funds for any or all organizations, clubs, societies, and groups.

**AUTHORITY:**

Section 511 of the School Code of the Commonwealth of Pennsylvania provides for the operation and regulation of student activities funds.

**GUIDELINES:****General Principles**

Student activities funds will be administered in accordance with Board Policy and specific procedures developed by the District administrators.

Student activities funds will be used for one purpose - to promote the general welfare, education and morale of students and to finance the normal, legitimate extra-curricular activities of the various individual student activity groups. They are to be used to finance a program of activities not a part of the regular curriculum and can not be used to circumvent other management or purchasing decisions made for the School District. The use of activity funds to pay for expenses of the general fund is prohibited. Examples are as follows: teaching supplies, school supplies, custodial supplies, office supplies, books, repairs, and service calls. No salaries are to be paid from student activities funds.

All funds derived from an individual student activity as a whole must be expended only to benefit that student activity as a whole.

Funds not derived from the students must be recorded elsewhere and shall not be commingled with student activity funds; for example: faculty, PTO, booster organization or other outside organization funds will not be recorded in these funds.

No principal, faculty advisor or other district employee will maintain a checking account or other cash fund for pupils or student activities.

These funds will be collected and disbursed under the general direction of a group's faculty advisor. However, the advisor must involve the students who are responsible for generating the revenue for the approved projects in the decision making process to expend these monies. Evidence of this shared decision making must be available by way of the student group's minutes, memos, by-laws, etc.

### Organizational Responsibilities

1. The Board of School Directors is responsible for establishment of policies in conformance with state laws.
2. Superintendent, as chief school administrator, is responsible for implementing policies and establishing administrative regulations for student activities funds.
3. Principal of each school is responsible for working with students, implementing policies and regulations, and administering fiscal procedures.
4. Business Manager is responsible for prescribing appropriate accounting procedures and maintaining appropriate fiscal records.
5. Faculty advisors are responsible for working with students in specific activities and for carrying out administrative regulations.
6. Students who choose to participate in various activities should be involved in the fiscal management of those activities. This is a learning activity which may benefit interested pupils. Each activity group will elect/appoint a student president and student treasurer to work with the faculty advisor in carrying out financial procedures that are established. Prior to the September Board meeting, the school offices shall submit to the Business Office, a list of the student organizations/clubs, the faculty advisor, and the names of the student officers for approval by the Board. If possible, groups should vote for officers in May of the preceding year so that activities can continue without interruption.

### Types of Funds

1. *Student Activities Fund*
  - a. The following student activities fund accounts are authorized within the Iroquois School District:

Brave Sound Show Choir	Ophelia
Cheerleaders (Varsity and JV)	Peer Leadership
Drama Club	Recycling Club
Future Nurses	SADD
Individual class accounts	Smoke Signal
IYARC	Stage Crew
Jacket Club	Student Council
National Honor Society	Yearbook

and others as approved from time to time by the Board.

b. Student Body/Elementary Accounts

Activity accounts (referred to as "Building General Accounts") shall be prohibited except at the elementary school level (Grades K-6).

- 1) Decisions on disbursements of money from this account cannot be made unilaterally by the principal or any other one individual. For this purpose it will be necessary to appoint and have approved by the Board of School Directors annually, a committee comprised of the principal, 2-4 faculty representatives, and 2-4 student representatives. The principal shall serve as chairman and the group will annually elect a Treasurer. Evidence of this shared decision making must be available in the committee's records.
- 2) Monies expended from this account must be used for the "general welfare" of the students in the building and for purposes not currently funded through the district general fund.

Evidence must be available from the decision makers that they have considered these guidelines when deciding on disbursements from this account.

- 3) Large accumulations of money in this account over more than a year are to be avoided. For this reason the principal shall be responsible for reporting an end of the year balance to the Board.

2. *District General Fund*

All fines and fees must be deposited in the general fund and not go through the student activities fund. This includes, but is not limited to, library fines, reimbursements for lost books and fees for graphic arts and industrial arts projects. It will be the responsibility of the staff members who are collecting the fines or fees to maintain a receipt log of all monies collected. The student signs this log indicating the amount paid.

Any fundraising money that is not returned by a student should be documented by the advisor and turned in to the high school office so that payment can be collected for this liability prior to graduation. If any of this money pertains to a student activity account, it will be returned to that account.

General Accounting Policy

1. The accounting system for the student activities fund accounts shall be maintained by personnel in the District Business Office. The District Business Office shall deposit the funds in a depository approved by the Board, shall submit monthly financial statements to the Board, and shall submit the account to be audited annually in like manner as the other accounts of the School District.

2. The fund shall maintain the following as part of its bookkeeping:

a. Cash Receipts Journal

The Cash Receipts Journal will be used to record revenues received into the fund. Revenues shall be defined as, but not limited to, club activities, fund raising and interest earned.

b. Cash Disbursement Journal

The Cash Disbursement Journal will be used to record all authorized expenditures of the fund.

3. Forms

The following Activity Fund Forms are to be used as part of the accounting procedures within the Iroquois School District.

a. Check - Pre-numbered checks used for the purpose of disbursements.

b. Deposit Slip - For deposits only.

c. Purchase Orders - To be used for purchases of fifty dollars (\$50.00) or more. A requisition must be submitted to the Business Office, where a purchase order will be issued.

d. Request to Close a Student Activity - To terminate an account.

e. Request to Establish a Student Activity- Request for School Board approval to open a new account.

f. Requisition – request for approval for all district purchases.

g. Student Organization Roster - To be used for the annual submission of a student organization list of faculty advisors and student officers.

h. Withdrawal Warrant - For payment and purchase orders.

Forms a, b, c, f and g must have the signatures of the building principal (or the assistant principal in the absence of the principal), the faculty advisory, and the student treasurer or they will not be processed.

5. The following accounting procedures shall be followed:

a. Deposits

All monies will be deposited on a weekly basis. A District Office representative will pick up all transactions from the school safe once per week. At no time will cash or checks be sent to the Business Office via interoffice mail. A fully executed Deposit Slip must accompany each request to the District Business Office for deposit of monies.

b. Disbursements

- 1) All disbursements shall be made by check. At no time will disbursements be made by cash.
- 2) Only personnel named as advisors and student officers for a particular account are permitted to request that a deposit or disbursement be made for that account.
- 3) A Withdrawal Warrant must be completed for all disbursements.
- 4) Expenditures must be paid on a timely basis. Loss of discounts by not paying within the allotted time should be avoided.
- 5) Disbursements must be supported by properly verified invoices. Requests for payment of invoices and other disbursements shall be submitted weekly for payment. Checks will be issued every Friday on requests received by 3:30 p.m. on Wednesday. All transactions are picked up from the school safe by bonded District Office personnel.

c. Interest

All interest earned shall be prorated and posted to the individual student activities fund accounts based on the percent of the account's assets at the closing date of that period compared to the total assets for the entire fund at the closing date of that period.

General Operating Policy

1. *Fund Raising*

- a. All fund raising projects shall be for the benefit of the students attending Iroquois School District schools.
- b. In order to provide administrative control over the extensive fund raising activities promoted by the various school and school related organizations, each fund raising project must be approved by the Building Principal prior to the event. The request must provide detailed information concerning the planned project to aid the Administration in evaluating the request. Following the event, a financial summary must be submitted to the Principal. The financial results may then be evaluated by the advisor and the principal.

2. *Unused Funds*

- a. When the participation in a student group or organization funded by the students themselves declines to the point where organizational activities cease and there is a financial balance in the account, the organization will be given two (2) years to make a decision about the disposition of the funds.
- b. After a two (2) year period, any remaining funds of the group will be transferred to the building's student council activity account.

- c. Graduating classes will also be given one (1) year after graduation to make a decision about the disposition of their unused class account balance. The funds can be used toward the purchase of assets for the School District as designated by the graduating class and approved by the advisor and principal or for another educationally related purpose. The funds cannot be transferred to their own class bank account for class reunions, etc. After a one (1) year period, if funds have still been unused, the balance will be transferred to the building's student council activity account.

### 3. *Purchasing Requirements*

#### a. Purchase Orders

- 1) The building principal is responsible for all purchases and purchase commitments requiring the present or future disbursement of activities fund moneys. Faculty advisors must have approval from the principal before making any purchase in the name of the school.
- 2) Purchase orders must be used for all purchases of \$50.00 or more.
- 3) Purchase orders will be signed by the Business Manager.
- 4) No purchase shall be made unless sufficient funds are available in the appropriate activities funds account or it is known that funds will be available at the time payment is due.
- 5) Confirmation purchase orders shall be prohibited. Purchase orders must be issued and signed prior to the purchase of any supplies or services.

#### b. Competitive Bidding

- 1) All purchases of materials and supplies that go through the student activities fund are subject to the bidding requirement. All materials or supplies that will cost in excess of \$1,000 must have three quotes documented. If three quotations cannot be obtained, the reason must be documented.
- 2) All materials and supplies that will cost in excess of \$4,000 must follow the formal bidding procedures as outlined in the Commonwealth of Pennsylvania Public School Code.
- 3) Incentive gifts derived from sales should be distributed only to the students. No staff members will accept these gifts. Whenever possible, an increase in the percentage profit from sales should be negotiated with sales representatives in lieu of incentive gifts.

4. *Contracts*

Student groups may obligate themselves by contracts for materials, equipment or services with the approval of the principal provided that legal requirements for bidding and district policy are followed. Contracts presented by vendors such as musical groups and yearbook publishers should be reviewed by the district's legal counsel as well as the Building Principal.

5. *Sales Tax*

Activity groups must be cautious to collect and remit Pennsylvania sales taxes on taxable items sold to students and adults. This is particularly applicable to school stores and book sales. The building principal must ensure that accurate sales data and a check for the amount of the Sales Tax is forwarded to the Business Office by the end of the month that the fundraising event is held for timely filing with the Pennsylvania Department of Revenue.

6. *Internal Controls*

The following guidelines should be used to protect cash:

- a. Receipts will be written for the faculty advisor or student treasurer when money is received in the school office so its arrival is established for accounting and insurance purposes. A duplicate receipt book will be used so the office retains copies of the receipts.
- b. Cash receipts should be remitted daily to the school office for holding in the school safe. They should never be accumulated in a classroom or other office.