

EXTRA CLASSROOM ACTIVITY FUNDS

Extra classroom activity funds as defined in the Regulations of the Commissioner of Education are “Funds raised other than by taxation or through charges of a Board of Education, for, by or in the name of a school, student body or any subdivision thereof.” Such moneys are student moneys and do not belong to the Board of Education. Student moneys are accounted for within an Extra Classroom Activity Fund established pursuant to the rules and regulations of the Board of Education in accordance with Section 172 of the Commissioner’s Regulations.

Extra classroom activities should provide learning experiences in the business procedures needed to safeguard the collection, deposit, and disbursement of money along with the filing of sales tax revenue. This is operated by and for the students.

1. General

This policy describes an accounting system and accounting procedures in which two separate and independent sets of records and disbursements shall be maintained, one by the Central Treasurer and one by the student activity treasurer.

The authority to expend moneys shall be distinct and separate from the custody of these moneys.

At least two individuals shall take part in each act of disbursing money; at a minimum, the student activity treasurer and central treasurer.

The custodian of funds and the accounting officer or auditor shall both report to the Board of Education.

All accounts shall be audited at least annually.

Procedures shall be established which will insure a prompt and careful examination and check of each receipt and each payment.

The accounting system shall be such that it will yield the largest possible educational return to students.

2. Appointment of Officers

On an annual basis, the Board of Education, on the recommendation of the superintendent, appoint a member of the regular faculty or clerical staff to fill the following position:

A. Central Treasurer

Each extra classroom activity shall elect an activity treasurer who shall be a student.

3. Function and Duties of Officers

Central Treasurer (appointed by the board of education)

It shall be the duty of the central treasurer to have custody of all funds. All disbursements of funds shall be by means of prenumbered check forms signed by the central treasurer upon receipt of a disbursement order signed by the activity treasurer and faculty advisor. The central treasurer shall have no part in the approval of payments but shall disburse funds only on the presentation of a properly signed pay order in duplicate providing, of course, that there are sufficient funds available in the account.

The central treasurer shall sign a receipt for all funds placed in their custody, and they shall deposit these funds promptly in a bank designated by the board of education.

The central treasurer shall keep an account listing the receipts and expenditures of each individual activity and post a register of all the receipts and disbursements of the combined pupil organization on ledger forms prescribed by the board of education.

Once each month, the central treasurer shall receive and verify his bank statements and prepare reports to the faculty auditor and the board of education on at least a quarterly basis. These reports to the board should show beginning balances, receipts for the period, disbursements for the period and the ending balances, for each organization as well as a copy of the bank reconciliation.

Faculty Advisor (recommended to the BOE by the building principal and appointed by BOE)

It shall be the duty of these officers to guide and advise the pupil officers in planning extra classroom activities and the planning of financial budgets. The advisors shall assist the activity treasurer in all aspects of financial recordkeeping. The faculty advisor shall constantly work toward the goal of insuring the largest educational return from the activities participated in by the students.

Activity Treasurer (elected by the students of each organization)

The activity treasurer shall receive all monies raised by their activity and shall follow all aspects of financial recordkeeping including but not limited to creating duplicate deposit slips appropriately completed and timely submissions of money and or paperwork to the Central Treasurer

The Faculty Advisor and Activity Treasurer will follow the following process for all fund raising activities:

1. Call Central Treasurer to discuss proposed activity and anticipated activity time frame. (This is to make sure no other group is selling the same or similar items at the same time.)

2. Submit an Activity Fundraiser Request Form to Central Treasurer. This form requires the Principal's permission.
3. Once the fund raising activity has been approved, contact the Central Treasurer to determine whether or not sales tax needs to be collected. This should be determined PRIOR to any ordering or sales.
4. Cash and checks turned in to the Central Treasurer should be in a sealed envelope indicating on the envelope what activity the funds are for, the total of checks, the total of cash, and the grand total enclosed. The envelope should also be signed by both the faculty advisor and student treasurer indicating that both have verified the amount in the envelope. At this time the Central Treasurer will give a pre-numbered receipt to the person turning in the funds.

Note: Funds should not be carried about by the advisor and handed to the Central Treasurer in the hallway. Funds are to be locked up at all times and given directly to the Central Treasurer where they have access to Deposit Receipts.

5. At the end of the fund raising activity, the Central Treasurer is to receive a final report as to total product sold, total collected, and description and total of any amount over or short.
6. All invoices are to be submitted to the Central Treasurer with authorized signatures as required on the payment order.

Advisor or student treasurer should maintain records in a manner comparable to the Central Treasurer's records so that their records may be compared to the Central Treasurer's records to verify accuracy.

Further clarification and forms are found in the booklet, "FUNDRAISING GUIDELINES FOR EXTRA CLASSROOM ACTIVITIES" which is distributed to all Faculty Advisors and Activity Treasurers on an annual basis.

Independent Audit

The Board of Education will appoint an independent auditor to make an annual audit of the extra classroom activity funds. This audit may extend to a review of the activity treasurers' records and as such, all records of activity treasurers will be maintained by the District for the period that such financial records are required by law to be preserved.

Sales Tax

A school district is not exempt from the provisions of the Sales Tax Law whenever it becomes the vendor of services or property ordinarily sold by private persons. The student organizations must collect tax on receipts for all sales of taxable merchandise. The extra classroom activity fund must file returns periodically and pay any tax due to the Department of Taxation and Finance. It is recommended that the Central Treasurer secure a certificate of resale.

Petty Cash Funds

The Board of Education can authorize a petty cash fund not to exceed \$100.

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