

**Meriden Public Schools**

**STUDENT ACTIVITY ACCOUNTS**

**Procedure Manual**

*Meriden Public Schools*  
*Meriden, Connecticut*

**AUTHORITY:**

Public school districts in the State of Connecticut have authority and responsibilities in maintaining Student Activity Funds under Connecticut General Statutes Section 10-237.

**BOARD POLICY 5159:**

The Meriden Board of Education recognizes educational benefits may accrue from student fundraising activities. Individual schools or approved student organizations and/or programs may, therefore, participate in student fundraising activities according to standards set by the school principal and approved by the Board. Fundraising shall be limited to activities approved by the Superintendent or his/her designee. All monies raised through fundraising efforts of approved school-sponsored activities must be deposited in the school's student activity fund account. All applicable Board policies and procedures relating to student activity funds shall be followed by each approved student organization and/or program authorized to fundraise.

**GUIDELINES:**

The guidelines listed below have been developed to follow the authority and policy above. These guidelines strengthen the internal control process to safeguard cash and procedures for managing funds, making deposits, and approving disbursements.

**PURPOSE:**

Extra-curricular and co-curricular activities are an integral piece of a student's education. This guide is to ensure that efficient procedures are in place for the creation and operation of the student activity funds that financially support these extra-curricular and co-curricular activities. The raising and expending of activity money by student bodies should have but one purpose – to finance the normal, legitimate extra-curricular and co-curricular activities of the student body to promote the general welfare, education, and morale of the students. Student activity money shall, as much as possible, be expended to benefit those students currently in school who have contributed to the accumulation of such money.

Regardless of the methods used to finance school activities, the school district, and thus the school administration, is ultimately responsible for the funds. State Statutes require that separate accounts be maintained and, further, that such school activity funds be School District accounts and therefore subject to the district's annual external audit. As with all financial accounts for the Board of Education, these are public funds entrusted to us to be spent for the proper purpose.

## **GOVERNING AND OVERSIGHT OF STUDENT ACTIVITY ACCOUNTS:**

The administration of the activity funds shall be governed by the rules and regulations prescribed by the State of Connecticut and the Meriden Board of Education.

No savings or checking account will be established for student activities without the knowledge and consent of the Director of Business Services (Director). The Director of Business Services shall be directly responsible for approving the establishment of a new fund for an extracurricular activity and creating the fund in the School Funds Online Software. The Director shall have the responsibility and authority to implement all procedures and rules pertaining to the supervision and administration of student activity funds.

The Advisor of each student activity is the trustee for the fund and shall be directly responsible for the conduct of the student financial activities in accordance with policies as stated above.

The principal shall act as one of the authorized signers on the school's activity accounts and work with the secretary/bookkeeper to safeguard the funds.

## **MANAGEMENT OF STUDENT ACTIVITY FUNDS:**

Financial records for student activity accounts are subject to random audits by administration and outside independent auditors. The Director has direct oversight of the student activity accounts.

The secretary/bookkeeper at each school will reconcile the financial records with the bank statement monthly. This should be completed within one month of receiving the bank statement.

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

Proper records need to be maintained by each school. For each activity account there must be documentation of all revenues, expenditures, and obligations.

Student activity funds shall not be used for any purpose which represents an accommodation, loan or credit to any person.

## **CASH RECEIPTS:**

The advisor for each activity must present the school secretary/bookkeeper responsible for student activities with any funds collected. All cash collected must be deposited. Cash and checks are to be deposited on a timely basis. Funds collected should not be held by the advisor for a period of time, as it is their responsibility to safeguard these funds until they are submitted for deposit. The school secretary/bookkeeper will immediately, upon receipt of checks, stamp the back of each check using the "For Deposit Only in Student Activity Account" stamp. All checks should be made out to "(School Name) Student Activities Fund".

A deposit form must accompany the cash and checks submitted to the secretary/bookkeeper by the advisor. The purpose of this form is to summarize neatly the funds to be deposited and to detail from where the funds were received. The detailed listing should also include a total dollar amount of the deposit. The name & activity account number should be included on the deposit form.

The advisor must provide the original plus a copy of the deposit form and all checks for the deposit. For actual cash received the advisor must provide a listing detailing from whom the cash was collected. For example, a deposit of collections for field trips would show that \$10 cash was collected from student Jim Jones and a \$10 check from Kevin Kline, etc. This data should be listed on the Cash Receipts Detail form.

The school secretary/bookkeeper must re-check the deposit to make sure it is accurate. Any discrepancies must be reconciled promptly with the advisor. Then the secretary should provide a signed receipt of the deposit to the advisor. A bank deposit should be prepared by the secretary/bookkeeper and all cash and checks placed in a locked bank money bag. Any funds that cannot be deposited to the bank on the same day by the secretary/bookkeeper or pigeon should be kept in a safe if available, otherwise under lock and key. Each school office should have a working safe.

The bank deposit receipt shall be filed with all the backup documentation in the main office. The deposits will be posted to the appropriate activity account within the School Funds Online software timely.

In the event the Secretary/Bookkeeper is not available when the advisor brings the funds to the office:

Elementary schools, the person who first receives the money will sign the deposit form and make a copy and return one copy to the teacher/advisor at that time. This signature indicates only that the form and other materials (cash, etc.), was received in the office. **That person will not count the money or verify the amount at that time. The signature acts as an acknowledgement of receipt only.)**

Middle & High Schools, funds should be placed in the cash drop box in the main office.

## **CASH DISBURSEMENTS:**

For every cash disbursement there must be a Request for Payment Form signed by the advisor authorizing the disbursement. The advisor should check the accuracy of prices, extensions, and totals on invoices before authorizing the disbursement. The original receipts must be attached to the form. Every cash disbursement must have an invoice.

This form must be presented to the secretary/bookkeeper for review and initialed acknowledging the documentation was reviewed. The request for a check must be generated at least 48 hours in advance of when the check is required.

Prior to payment, the secretary/bookkeeper will review all requests for payment. Any discrepancies will be resolved prior to payment. Checks must always be made to a payee and not to "cash."

Checks generated should be presented to the building principal for signature along with the back up documentation. The documentation must be reviewed and initialed by the building principal prior to signing the checks. A second signature should be required on all checks. The secretary/bookkeeper that generate checks should not be an authorized signature on any accounts.

For services rendered the proper data (a W9 Form) must be obtained to issue an appropriate Form 1099 at the close of the calendar year.

There will be no disbursement from a student activity account unless there are sufficient funds to cover the disbursement in that specific sub-account. If a deposit for an event is required and the funds have not yet been collected, only the Director of Business can authorize the deposit payment.

## **RECONCILIATIONS and REPORTS:**

### **Monthly-**

Monthly the secretary/bookkeeper will reconcile the monthly bank statement. The cash balance will also be reconciled to the School Funds Online student activity account balance. The report generated from the software along with the reconciled bank statement will be presented to the principal every month. The principal must review, sign and date the monthly reconciliation. The activity report generated by the software will also be sent to the Business Office.

The secretary/bookkeeper will generate a monthly report for each activity fund within the account showing the beginning balance, monthly activity and ending balance. These reports will be distributed to every advisor monthly.

The advisor is responsible for reviewing the report timely for accuracy and bringing any discrepancies to the attention of the secretary/bookkeeper. If a discrepancy cannot be resolved it must be brought to the attention of the building principal. The Director of Business Services is available to assist if needed.

### **Annually-**

The secretary/bookkeeper will send a copy of the following to the Director of Business Services:

- June bank statements
- June bank reconciliation
- Report listing all the school's activity funds with June 30<sup>th</sup> cash balance

## **CLOSE OUT OF ACTIVITIES:**

Clubs may become inactive or dissolve overtime. The advisor has the responsibility to notify the secretary/bookkeeper if this occurs to review the ending balance of the club's funds. The advisor must ensure all obligations have been paid. In the event there are funds remaining for a specific club there should be a meeting between the advisor, principal and secretary/bookkeeper to determine the appropriate use for the balance. In most instances the balance will be transferred to the principal fund and the money shall be used to benefit students within the school.

Funds that remain for classes that have graduated should be reviewed with the Class Advisor, Class President and Class Treasurer once all obligations have been paid. Class funds can remain within the student activity account until six years following the graduation date. The purpose of holding the funds is to assist with funding a five-year class reunion. Payments for the related costs of the reunion should follow all the disbursement procedures outlined above. In the event the Class Advisor no longer works at the school, the principal will serve as the approver for disbursements. Once reunion expenses are paid, any remaining funds are either donated back to the school by transferring to the principal account or a gift is purchased for the school.

## **TRANSFER OF FUNDS:**

Requests for transfer of funds between student activity accounts may only be made on a Request for Transfer of Funds form. Student Activity accounts can only be transferred between each other. Principal must sign off on Request to Transfer before the entry is made. Funds are not transferrable between Board accounts or other School Student Activity Accounts.

## **SCHOLARSHIP FUNDS:**

Scholarship funds must be kept in a separate bank account than the student activity funds. Scholarship funds for different scholarships can be kept together in one account but accounted for separately if they are not mixed with student activity funds. The secretary/bookkeeper will oversee these funds, keep the accounting records, and reconcile the books to the bank statement monthly.

## **A WORD TO THE STUDENT ADVISOR/CLASSROOM TEACHER:**

Accurate records with respect to the collection and distribution of funds is essential to a successful fundraiser or field trip.

When receiving money for trips, an accurate record of student deposits is essential. The ability or inability for a student to receive a refund if he/she withdraws from the trip should be made clear in the notices distributed regarding the trip.

Always issue receipts when cash is received.

Please review the Cash Receipts section for procedures as to the submission of deposits to the building secretary. It is not advisable to have students deliver cash and checks down to the school secretary from the classroom.

Please submit all requests for a check to be prepared well in advance of when it is needed. Please note that checks are cut once per week. If the request comes after the weekly checks are run, the check will be cut the following week.

The Director of Business Services and the business office staff is a helpful resource and should be consulted when there are any concerns.

## **Roles & Responsibilities for Student Activity Accounts**

### **Secretary/Bookkeeper**

#### **Cash Receipts:**

- Count and verify all funds received.
- Provide a receipt to the club advisor for all incoming cash and check deposits.
- Prepare a deposit ticket for the bank and promptly deposit.
- Post deposits in Activity Account Software to appropriate accounts or clubs.

#### **Cash Disbursements:**

- Check Request forms must be used for all withdrawals. The club advisor must sign the Check Request form and receipts should be attached.
- Review and verify supporting documentation and funds availability prior to issuing checks.
- Issue checks and post in Activity Account Software.
- All disbursements should be reviewed by an administrator and 2 signatures are required on all checks.

#### **Bank Accounts/Reconciliations/Reports:**

- Ensure that the signatories on accounts are current when staff changes through attrition.
- Review and reconcile monthly bank account statement.
- Provide the statement and reconciliation monthly to the principal for review and sign-off.
- Print monthly club account balances from Activity Account Software and reconcile total club balances to Activity Account Software bank reconciliation.
- Provide club advisors with a monthly activity report.
- Reconcile and correct any discrepancies brought to your attention from club advisors.
- Provide Central Office with a copy of the signed monthly Activity Account Software reconciliation, bank statement and club balances.
- On a regular basis, work to resolve aging reconciling items (i.e., outstanding checks older than six months).

**Year End Procedures:**

Provide a copy of the following to the Central Office Business Office:

- June 30 bank statement and reconciliation.
- A summary of the cash transactions from July 1 – June 30.
- Activity account balances for each fund as of June 30.

## **Roles & Responsibilities for Student Activity Accounts**

### **Principals**

- Authorized signatory on the school's activity account.
- Discuss expectations with teachers and advisors on safeguarding cash and what their responsibilities are.
- Review check requests and sign checks for disbursements.
- Review and sign monthly bank statement, bank reconciliations, and account reconciliation.
- Review with secretary/bookkeeper on safeguarding cash and checks.

## **Roles & Responsibilities for Student Activity Accounts**

### **Advisors**

#### **Cash Receipts:**

- Coordinate fundraising efforts.
- Collect cash and checks and safeguard the funds
- Funds should be presented to the secretary/bookkeeper promptly for deposit (daily)
- Complete a Deposit Request Form and give all funds to the school secretary/bookkeeper.
- All cash must be deposited. No reimbursements should be made from the cash. All payments for goods and services are paid by check.
- A copy of the deposit form will be provided by the Secretary/Bookkeeper. Keep this form to reconcile to your monthly report.

#### **Cash Disbursements:**

- Check Request forms must be used to request payments to vendors or reimbursements.
- Sign the Check Request form and receipts should be attached.
- Review and verify supporting documentation agrees to the amount listed on the Check Request Form.
- Deliver Check Request forms with attached documentation to the Secretary/Bookkeeper for payment. Requests should be submitted at least one week prior to the date payment is needed.

#### **Monthly Reports:**

- Review the Monthly activity report provided by the Secretary/Bookkeeper.
- Confirm the beginning balance is correct by matching it to the ending balance on the previous monthly report.
- Confirm all the deposits match your deposit receipts.
- Review all disbursements are accurate based on Check Request Forms submitted.
- Report any discrepancies immediately to the Secretary/Bookkeeper. File the monthly report and save.



School Name

**\*\*\* DEPOSIT REQUEST \*\*\***



*Send to:*  
*Name of Individual*  
*School Name*



**CLUB/ACTIVITY #:** \_\_\_\_\_

**CLUB/ACTIVITY:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

**AMOUNT TO BE DEPOSITED:** \$ \_\_\_\_\_

- *Checks:* \$ \_\_\_\_\_
- *Cash:* \$ \_\_\_\_\_
- *Coins:* \$ \_\_\_\_\_

**REASON FOR DEPOSIT:**

**REQUESTED BY:** \_\_\_\_\_

*For School Office Use:*      *Deposited:* \_\_\_\_\_      *Receipt: #* \_\_\_\_\_

**Please attach listing of student names and amount paid to this form.**

School Name

**\*\*\* Request to Transfer Activity Funds\*\*\***

*Send to:*  
*Staff Members Name*  
*Name of School Office*

**DATE:** \_\_\_\_\_

**FUNDS TO BE TRANSFERRED FROM:**

CLUB/ACTIVITY #: \_\_\_\_\_

CLUB/ACTIVITY NAME: \_\_\_\_\_

AMOUNT: \_\_\_\_\_ \$ \_\_\_\_\_

**FUNDS TO BE TRANSFERRED TO:**

CLUB/ACTIVITY #: \_\_\_\_\_

CLUB/ACTIVITY NAME: \_\_\_\_\_

AMOUNT: \_\_\_\_\_ \$ \_\_\_\_\_

Reason for request:

\_\_\_\_\_  
\_\_\_\_\_

Name of Person requesting Transfer \_\_\_\_\_

Signature of Person requesting Transfer \_\_\_\_\_

Principal Approval Signature \_\_\_\_\_