

Student Activity Funds Policy**I. General****A. Student Activity Fund Accounts and School Activity Accounts**

Student activity funds are fiduciary funds, which are held on behalf of the students. The purpose of student activity funds should be to promote the general welfare, education and morale of all of the students and to finance the reasonable, co-curricular and school activities of the student body. These educational experiences take a variety of forms including such areas of interest as athletics, assemblies, honor societies, clubs, lectures, field trips and student council. These activities are available to the entire student body. The funds will not be used for any purpose that represents an accommodation to an individual, a loan or credit. Funds will not be used for staff or a capital improvement to a facility.

Projects for the raising of student activity money shall contribute to the educational experience of the students and shall add to, but not be in conflict with the instructional program. Student participation is an important factor in the democratic management of the money raised by the students and expended for their benefit. Student activity money shall be expended in such a way as to benefit those students who have contributed to the accumulation of the money.

The funds in each of the student activity accounts are held on behalf of the students. Every effort should be made in order to expend the funds for the purpose for which they were intended, in the year the funds were raised. If a balance remains in the student activity account for the various classes, the funds should follow the class to the next grade level.

School activity accounts as described in CGS 10-237 (Exhibit 14-A) will also be maintained. These funds will be used to report gifts and donations not related to a student activity. They will also account for funds from the Board of Education budget which support school activities.

B. Management of Funds

All records and financial procedures shall be subject to periodic review by internal personnel and annual audits by outside independent auditors. Audit reports and internal reviews shall be referred to the Principal and Chief Fiscal Officer for informational purposes and improvement of procedures. Quarterly reports shall be prepared by the Principal or Business Manager and submitted to the School Business Office. These reports shall reflect the financial condition of the student activity fund and proof of reconciliation of the bank accounts.

The Principal of each school shall designate one person, in addition to himself or herself, who shall be authorized to receive, deposit and account for funds. This person will be designated as the Business Manager. At the high school and middle schools, at least two authorizations shall be required for all withdrawals - one is

Student Activity Funds Policy, continued

the approval of the invoice for payment and the other is the signing of the check. These rules shall apply to savings as well as to checking accounts. Supporting evidence shall be required prior to signing the check. Blank checks shall never be signed and should be kept in a locked drawer. Such action makes the signer personally liable for anything recorded over his/her signature.

C. Establishing a Student or School Activity Account

The activity account advisor will need to obtain an application for approval form from the Principal or Business Manager. The completed form should be signed and the application forwarded to the school Principal for approval. (Appendix B)

Upon approval, a copy of the approved application will be returned to the advisor and a copy will be forwarded to the Business Manager. The Business Manager will provide the advisor with an account number to be used when completing deposits, requests for payments, and to obtain general account information.

D. Donations

Donations received from various organizations may be deposited into the student activity account, or school activity account; however, the donation must be reported on a quarterly basis to the Chief Fiscal Officer (Appendix C&D). The Chief Fiscal Officer must authorize all fixed asset donations and will report all donations greater than \$1,000 to the Director of Finance. The donation report should be submitted with the quarterly activity and balance report. The intent of the donation must be considered when determining which account to deposit the funds. If the funds are for the benefit of a specific student activity they should be deposited into the student activity account. If the funds are for the benefit of the school, the funds should be deposited into the school activity account and be expended for the purpose for which they were intended.

E. Class Accounts

The graduating class shall bring its account balance to zero by June 30 within two years following the graduating year. The class may elect one of more of the following methods in order to bring the account to a zero balance. Funds may be used to a) reduce the cost of class activities b) work with the school administration to select and present a class gift c) add to the scholarship fund account.

F. Interest Earned

Interest earned shall be recorded in a separate account and made available for distribution to other activity accounts upon the approval of the Principal. All such transfers of interest shall be authorized by the Principal.

Student Activity Funds Policy, continued**G. Annual Activity Report**

An annual activity report summarizing receipts and disbursements as well as a reconciled cash balance statement shall be prepared by the Principal or Business Manager at the end of each school year. These reports shall be generated by the QuickBooks software that will be used by all schools. This report shall be signed and dated by the Principal.

All Student Activity records must be held for a minimum of seven years per the State of Connecticut retention requirements.

H. Audit

All accounts are subject to an annual audit which shall be conducted by the City's Independent Auditor as well as the City Auditor. Copies of the audit report shall be maintained as a permanent record.

II. General Procedures for Receiving and Disbursing Money**A. Collection and Documentation of Receipts**

The activity advisor will be required to complete and sign a deposit voucher for all deposits (Appendix E). Additionally, the advisor will be required to provide the business manager with copies of documentation supporting the receipts. The receipts must total to the amount of the deposit.

Cash receipts should include supporting documentation. For example, if teacher "A" is organizing a field trip and collecting money from students, the deposit receipt should include a class list of those students who have paid. Other examples would include the number of candy bars, tickets, gifts, etc. sold. Additionally, the receipt should include a brief summary of the reason for the deposit.

All moneys collected from any source must be substantiated by pre-numbered duplicate copy receipts. A receipt will be issued immediately upon receipt of funds. The first copy of the receipt is to be given to the person from whom the money is received. The second copy is to be retained by the Principal or Business Manager as permanent record of money received. It should also be attached to the deposit voucher.

Collections should be deposited daily or as soon as possible. Money should never be left in the school over weekends or holidays. All moneys collected shall be placed in the school safe for safe keeping. Said moneys shall remain in the school safe only until such time as a deposit can be reasonably completed. All checks to be deposited in the activity account shall be endorsed immediately upon receipt, showing a restrictive endorsement.

Student Activity Funds Policy, continued

The bank deposit ticket will be completed in duplicate. The original is placed with the deposit. Once the deposit is made and the bank issues a bank deposit receipt, it should be attached to the second copy of the bank deposit slip, a copy of the pre receipt, the deposit voucher, and any supporting documentation.

B. Disbursements and Processing Payment Requests

The activity account advisor will need to obtain a request for payment form (Appendix F) from the Principal or Business Manager, complete and sign the request, attach supporting documentation (i.e., invoice, receipt), and return the request.

The Business Manager will determine that sufficient documentation is presented and that sufficient funds are available to cover the expense upon signing the request. The Business Manager will not authorize a payment if sufficient funds are not available to cover the expense in the activity account. The Business Manager will prepare a check and forward the check, request for payment voucher, and documentation to the school Principal for review and signing of the check.

All disbursements shall be made on pre-numbered checks which serve as the basis for making an entry recording the disbursement. Disbursements shall be supported by invoice or documentation bearing signatures certifying receipt of goods or services. Accuracy of prices, extensions and totals should be checked prior to payment. When a check has been written, the invoice, and supporting documents, shall be marked "PAID BY CHECK NUMBER ____" and "DATE OF PAYMENT ____" and shall be filed for auditing purposes. At the high school and middle schools, TWO authorizations shall be required. Checks should be mailed out by the Business Manager.

Additionally, the following restrictions apply:

- NO EXPENDITURES shall be made direct FROM CASH COLLECTED.
- No funds may be expended in excess of the balance of said fund.
- No alcoholic beverage or tobacco products may be purchased from the Student or School Activity Funds.
- No funds will be used for capital improvement to a building.
- Student Activity Funds may not be used to cash checks.
- Blank checks shall never be signed.
- A check shall never be made payable to Cash. Such action makes the signer personally liable for anything recorded over his/her signature.
- No reimbursements shall be made directly to a personal account. (Exceptions noted below)
- A check should never be made payable to the Principal/Business Manager and be authorized by that same individual.

Student Activity Funds Policy, continued**III. Payments to individuals/Employees for Services Rendered**

All activity account advisors must contact the school principal for approval and instructions for processing payments to individuals or employees for personal services prior to receiving the services. The Principal will be required to review the purpose for the services to be received to ensure that they are appropriate in the circumstances.

In order to process payments to employees for services rendered, the advisor will be required to complete a request for payment for the amount to be paid to the employee (Appendix G). The request for payment should include the employee's name and a description of the services received. The Business Manager will forward the request to the payroll accountant at the Board of Education. The Board of Education will issue a check to the employee (through the normal payroll process). The student activity account will reimburse the Board of Education payroll account as soon as possible after the payroll is issued.

At no time will the business manager issue a check made payable to an employee for personal services rendered.

Activity account advisors will utilize the following procedures when expecting to make expenditures to an individual, company (that is not a corporation), or a LLC, for personal services expected to exceed \$600 within a given calendar year. The activity account advisor will be expected to obtain a completed W-9 form. Additionally, the Business Manager and the School Business Office personnel will be completing periodic reviews of the activity account payments to identify instances where \$600 has or is expected to be paid to an individual or company that is not incorporated for personal services rendered.

At the end of each calendar year, the Business Manager will be required to compile copies of the cumulative payments exceeding \$600 paid to each individual or company for personal services during the previous year. The copies will be forwarded to the Board of Education for review and issuance of 1099s.

IV. Reconciliation of Bank Statements

The balance shown by the bank statement will rarely agree with the balance reflected by the books of the fund because of outstanding checks, deposits in transit, bank charges and possible errors. Thus, the bank statement shall be reconciled with the activity fund books as soon as possible after it has been received. The end of each month shall serve as the cut-off date for reconciliation of the bank statement. The Business Manager shall prepare bank reconciliations on a monthly basis as soon as the bank statement arrives. All reconciliations should be retained for audit purposes. Errors identified in the reconciliation process should be corrected as soon as possible.

Student Activity Funds Policy, continued

V. Reporting

The Principal or Business Manager shall maintain a complete set of books recording all moneys received and disbursed. A general ledger shall serve as a control whereby the total amount of money received and expended for all funds is maintained continuously. All transactions shall be entered and categorized to permit appropriate analysis. Separate account balances shall be kept for each club or activity.

The computerized program QuickBooks will be used for the bookkeeping process.

- A: Principals: On a quarterly basis during the school year, the building principals will send reports on the school activity funds to the School Business Office personnel who will then forward a copy to the internal city auditor. The reports will include:
1. A List of all deposits and disbursements that were transacted during the quarter.
 2. Indicate the status of each account as well as the entire fund.
 3. A List of the bank accounts into which the assets of the school activity funds are placed.
 4. A reconciliation of balances for each of the bank accounts.
- B. The School Business Office personnel will review each report and inquire when a transaction appears to be in violation of statute or Board of Education policy or regulations and/or when the balance/deficit in any of the bank accounts in which the assets of the school activity funds are placed appear problematic.

If, as a result of an inquiry, the School Business Office personnel concludes that a violation of statute or Board policy or regulations has occurred or that there is either a deficit or a problem with the balance in a bank account in which assets of a school activity fund are placed, he/she will report that conclusion to the Superintendent of Schools as soon as possible.

It will then be the Superintendent's responsibility to take appropriate action.

Legal Reference: Connecticut General Statutes
10-237 School activity funds

Connecticut General Statutes Section 10-237
School Activity Funds

- a.) Any local or regional board of education may establish and maintain in its custody a school activity fund through which it may handle (1) the finances of that part of the cost of the school lunch program not provided by town appropriations, (2) the finances of that part of the cost of driver education courses furnished by such board of education and not provided by town appropriation and (3) such funds of schools and school organizations as such board from time to time determines to be desirable, which funds may include amounts received as gifts or donations. Whenever a board of education establishes a school activity fund, it shall designate one of its members or some other person to serve as treasurer of such fund and shall fix his or her salary, which shall be paid from the regular town appropriation for school purposes. Such treasurer shall be bonded and shall keep separate accounts for each school lunch program, for each driver education program and for each school fund and each school organization fund included in the school activity fund and shall make expenditures from such funds in the manner and upon such authorizations as the board of education regulation prescribes, provided the control of school funds and the funds of all school organizations shall remain in the name of the respective schools and organizations. The accounts of the school activity fund shall be considered town accounts and shall be audited by the town auditor in the same manner as all other town accounts.
- b.) The accounts of any public school lunch program, whether maintained directly by the board of education or through an agent, shall be kept in accordance with regulations prescribed by the board of education and may include a petty cash fund on the Imprest basis and shall be subject to the regular audit of town accounts as provided in section 7-392.
- c.) Any local or regional board of education may receive and accept any donation or gift of personal property to be used for the educational benefit of students.

WATERBURY PUBLIC SCHOOLS

Application For Establishing A Student Activity Account

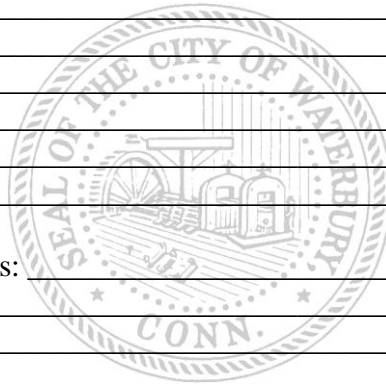
Date: _____ Account Number: _____

School: _____

Activity Account purpose: _____

Anticipated Types of Revenue Sources: _____

Anticipated Types of Expenditures: _____



The application is to be signed by the activity account advisor who will be responsible for ensuring that the activity account will be operated in accordance with the student activity account operating procedures as adopted by the Board of Education.

Activity Account Advisor

School Principal

WATERBURY PUBLIC SCHOOLS

Donated Fixed Asset Inventory Form

Date: _____

School: _____

RE: Equipment Donations

1. Item Description: _____

2. Model Number: _____

3. Serial Number: _____

a) School: _____

4. School Location (see attached list): _____

5. Room Number: _____

6. Donated by: _____

(group, organization, or person)

a) Purpose: _____

(school use, teacher use, student use, principal use, etc.)

b) Date of donation: _____

7. Bar Code #/(I.D.#): _____

8. Cost/Value: _____

(attach copy of invoice if available, otherwise estimated fair value)

9. Network Card # (if applicable) _____

Principal's Signature

Date

WATERBURY PUBLIC SCHOOLS

Cash Donations Form

Date: _____

RE: Cash Donations

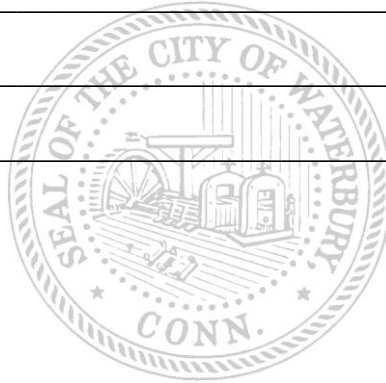
1. Amount of Donation: _____

2. School: _____

3. Donated by: _____
(group, organization, or person)

4. Purpose: _____
(school use, teacher use, student use, principal use, etc.)

5. Date of Donation: _____



Principal's Signature

Date

WATERBURY PUBLIC SCHOOLS

**Student Activity Funds
Deposit Voucher**

Date: _____

School: _____

Deposit Amount: \$ _____

Total Check Amount: _____

Deposit Date: _____

Teacher's Name: _____

Club, Class or Activity: _____

Explanation: _____



Business Manager Signature

Teacher's Signature

WATERBURY PUBLIC SCHOOLS

**Student Activity Funds
Request for Payment**

Date: _____

School: _____

Amount: \$ _____

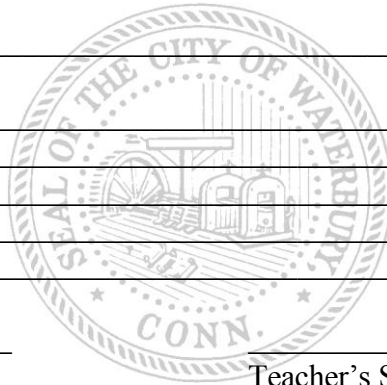
Teacher's Name: _____

Make check payable to: _____
Address: _____

From (Club, Class or Activity): _____

Explanation: _____

Date: _____



Teacher's Signature

Approved by:

Signature - School Principal

or

Signature - Business Manager

Check# _____

WATERBURY PUBLIC SCHOOLS

Employee's Payment Form for Services Performed for Student Activities

Employee Name: _____

Address: _____

Social Security Number: _____

Date Services Performed: _____

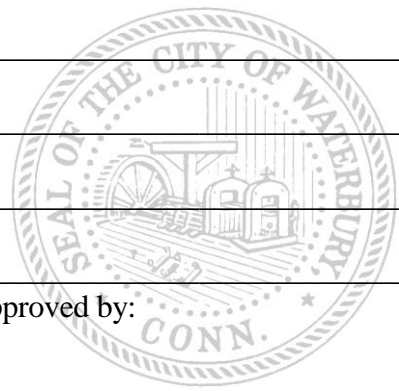
Type of Work Performed: _____

Amount of Payment: _____

Advisor Approval: _____

Approved by:

Date



FOR ACCOUNTING PURPOSES ONLY

Account Code to Charge: _____

Payroll Period Ending: _____