

**Wilson Area School District
Student Activity Fund Control**

I. Objective

To establish a consistent, district-wide policy for the establishment, control and management of the various student activity funds authorized by the Board of Education in accordance with Section 511 of the Public School Code.

II. Basic Philosophy

The Board of Education believes that the existence of student activity funds is a viable means of funding certain district operations and provides a valuable learning experience for the students through the raising, control and disposition of such funds. It is the intent of the Board of Education that such funds raised by an activity or an operation within the District are to be used solely for the benefit of the students or operations that raised the funds. In no instance are student activity funds to be used to supplant or replace General Fund allocations without the prior approval of the Board of Education.

III. Procedures

1. Establishment of Funds

- a. Such funds shall be established only under the express authorization of the Board of Education as contained in the approved minutes of said Board.
- b. Board action will be taken only upon the submittal of a "Request to Establish a Student Activity" form approved by the Fund Administrator and the Superintendent. A sample of this approval document is made part of this policy and attached as "Appendix A".
- c. A copy of the request is to be submitted for Board approval.
- d. Since numerous funds exist at the time this policy is adopted, each existing fund will be deemed established.
- e. In the event that the Board of Education elects to disapprove or conditionally approve an application, the Secretary of the Board will complete the last item on the request indicating the conditions or the reasons why it was disapproved. This will be returned to the sponsoring

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Administrator for action needed and, if applicable, re-submittal for approval at a subsequent Board meeting.

2. Organization of Activities

- a. It is the intent of the Board of Education that the students involved in the various activities sponsored by the School District shall have an important voice in the running of activities. Toward this end, each club, activity or organization shall have officers elected by the students participating in the activity.
- b. Each organization will be guided by an employee of the District who shall be duly appointed by the Board of Education and shall be designated as the organization "Advisor". In most instances, the Advisor will be the employee appointed by the Board of Education to fill the Extra-Curricular position.
- c. The Fund Administrator shall have final responsibility for the signing of checks for the disbursement or transfer of funds and for the approval of any and all contracts entered into on behalf of the organization.
- d. All Central Office Administrators, the District Solicitor, and its Certified Public Accountants shall be available to the Fund Administrator for advice and consultation as deemed necessary.

3. Closing Activity Funds

- a. No fund shall be closed nor an organization disbanded without the approval of the Board of Education. It shall be the responsibility of the Fund Administrator to see that such closings are put on the Board agenda so that proper action can be taken, except in the case of graduating classes.
- b. A major part of the disbanding of any organization will be the disposition of any funds accruing to said organization. It will be the responsibility of the Fund Administrator to insure that the organization officers have been consulted and have approved the distribution or expenditure of such funds before any disposition is made.
- c. The Board of Education approval of the closing of any funds shall include in the resolution the disposition of any monies being held in the name of the organization.

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- d. As each class graduates, the funds raised by that class and remaining unspent shall be distributed in a manner consistent with and as directed by the class officers. Funds shall not be held for reunions or other post-graduate affairs for any class. Account balance may remain for six months to satisfy outstanding debts.

4. General

- a. The establishment or use of general funds with no specific intent or similar Funds will not be authorized.
- b. Funds that are under the control of organizations that are not part of the Wilson Area School District are to be excluded from the requirements of this policy.
- c. Funds raised by employees and solely for the benefit of said employees shall not be covered by this policy.
- d. Funds may be co-mingled as necessary so that dormant money can be invested provided that the Treasurer of the funds maintains the books of account to enable accurate financial reporting and a reasonable audit trail.
- e. Sufficient safeguards in the collection, receipt, deposit and disbursement of funds shall be approved to diminish the possibility of misappropriation, stealing, or diversion of money by anyone associated with the organization for their own use. It shall be the responsibility of the Fund Advisor to implement these safeguards.
- f. The transfer of money from one (1) fund to cover a deficit in a second fund shall require approval of the Fund Administrator and advisor.

5. Financial Control

- a. Objective – To establish necessary ground rules and procedures to insure that all District finances are maintained in a business-like manner.
- b. Procedures
 - (1) Establishment of Funds – All funds will be established only under the express authorization of the Board of Education as contained in this policy.

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- (2) Fund Custodians – Each fund shall be under the control of no less than two employees of the District based on the following ground rules:
 - (a) Secondary Activity Funds – Under the School Activity Advisor with second signature responsibility resting with the School Principal.
- (3) Deposit of Receipts – It will be the responsibility of the Advisor designated for each fund to promptly deposit all monies received with the Activity Fund Treasurer. Under no conditions are significant sums of money (\$100.00 or more) to be left in school buildings or retained personally. The treasurer will make deposits into the appropriate accounts. All money must be deposited into an approved depository of the School District.
- (4) Payment of Bills – No payments shall be made from any funds without the presentation of a request for payment or request for transfer of funds. Either voucher requires signatures of the Advisor and School Principal. The Fund Administrator with check signing authority is certifying with his signature that said invoices have been reviewed and are valid.
- (5) Books of Account – The books of account for all funds will be maintained in the Business Office. Supporting detail will be kept at the individual schools. It will be the responsibility of the Fund Treasurer or Custodian to forward to the Business Office on a timely basis the following:
 - (a) A check voucher or other similar satisfactory documentation for each check written or expenditure made from the fund. This document must indicate the amount paid, the date that payment was made and the check number used for the payment.
 - (b) The deposit slip for each deposit made to the fund, the date and amount of the deposit and the account to which it should be credited must be clearly shown on the slip.
 - (c) Any transfers between one fund and another must be submitted on the form provided. Approval of this transfer must be obtained before it will be made.

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- (d) The bank statements of all funds will be directed to the Business Office where they will be reconciled and maintained.

The documentation outlined in items (a) through (d) above shall be retained in the Business Office for audit at the end of the fiscal year and for preparing financial reports.

- (6) Reports – All computer generated financial reports will be prepared by the Business Office based on information provided by the Treasurer or Custodian of the funds.
- (7) Audit – All books are maintained on a July 1 through June 30 fiscal year. On or before July 30th of each year, the checkbooks of each fund are to be delivered to the Business Office for audit by the local independent auditors. The checkbooks will also be required when the state auditors are in the District. The Business Manager will notify each Fund Treasurer or Custodian when the state auditors are scheduled. Included in the audit package will be the following:
 - (a) Books of original entry
 - (b) Cancelled checks for the entire fiscal year
 - (c) All bills supporting any payments made from the fund
 - (d) Deposit slip for all deposits
 - (e) Bank statements covering the entire period from July 1 through June 30
 - (f) Savings account records including the recording of any interest paid thereon as of June 30th
 - (g) Any other information that will provide an audit trail for the auditors
- (8) Bidding – All material or supplies that will cost in excess of \$300.00 must follow the procedures as outlined in Section 511e of the Commonwealth of Pennsylvania Public School Code:

“All purchases of materials or supplies made by any organization, club society or group, or by any school or class, in excess of three hundred dollars, shall be made upon solicitation of quotations or bids from three or more responsible manufacturers or dealers in such materials or supplies. All such purchases shall be made from the lowest responsible bidder on the basis of price, quality and service.”

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All quotations are required to be recorded. If three quotations cannot be obtained, the reason why must be documented. The document must be signed by the individual receiving the quotations. The Principal must review and initial the document before the item is purchased.

All material or supplies that will cost in excess of \$4,000.00 must follow the prescriber bidding procedures as outlined in Section 751 of the Commonwealth of Pennsylvania Public School Code.

- (9) Bonding – Each employee of the District is covered with a blanket Employee Dishonesty Bond in the amount of \$10,000.00. This blanket bond will be considered as sufficient unless otherwise set by the Board of Education.
- (10) Allocation of Interest Income – Interest income on student activity funds will be posted to a separate fund. The income will accumulate in the fund for the period July 1 to June 30. On June 30, the interest income will be transferred to the other fund accounts. The interest income will be allocated using the average monthly fund balance of each fund. Funds with an average monthly deficit and/or class that do not wish to have interest income must sign a waiver card annually. Their portion of the interest income will be posted to a student body account. This procedure allows the Principal to spend the funds for the general welfare of the student body. All students do not have to benefit directly, however, the majority should have the opportunity to benefit.
- (11) Memorial Funds – No Memorial Funds shall be maintained in the student activity fund account. All Memorial Funds shall be kept separate.