

618-AR

ADMINISTRATIVE
REGULATION

TURKEYFOOT VALLEY AREA
SCHOOL DISTRICT

ACCOUNTING PROCEDURES FOR STUDENT ACTIVITIES

I. GENERAL INFORMATION

- A. All financial business of school organizations must be conducted through an official Activities Account. The opening of an Activities Account shall be executed by the Office of Business Affairs with the approval of the Principal of the appropriate school. At the initiation stage, the Principal will assign an advisor and notify the Coordinator of Accounting. The advisor will have certain responsibilities which are outlined in Section II of the Administrative Regulation. All communications regarding an Activities Account should be between this advisor and the Office of Business Affairs.
- B. An Activities Account must be approved by the Principal and established by the Office of Business Affairs prior to initiation of any function requiring the collection of cash/checks or the purchase of any goods or services.
- C. All Activities Accounts must be supervised and managed by both an advisor and an elected student officer. It is preferred that a single advisor be responsible for the accounting records of a single Activities Account. In the event that there is no student officer elected, any disbursements from the Account must be approved by the school principal.
- D. All financial transactions must be conducted in accord with the procedures listed below.
- E. Section 511(e) requires that the purchase of materials or supplies costing in excess of \$1,000 must be made upon solicitation of quotations or bids from three (3) or more responsible suppliers. These solicitations of quotations or bids shall be filed as a part of the completed project submitted to the Principal – see X.B.

II. PROCEDURES TO ESTABLISH AN ACCOUNT

- A. A request to open an Activities Account must be discussed with the principal by the advisor and student treasurer.

- B. Upon approval, the advisor and student treasurer will meet with the Activities Accounts Bookkeeper and the Coordinator of Accounting to establish the account and to review required procedures for accounting and financial transactions.
- C. The assigned advisor will be responsible for adhering to all policies and procedures listed below. The lack of adherence to Board approved policies and procedures will lead to a review of the advisor's activities by the principal and the Office of Business Affairs.
- D. It is the responsibility of the advisor to maintain the financial records of the Activities Account. The faculty advisor will reconcile the monthly statement produced by the Activities Accounts Bookkeeper and the reconciliation of all discrepancies will require accurate records maintained by the advisor.

III. DEPOSITS

- A. All deposits must be accompanied by a deposit slip indicating the following information:
 - 1. Name of Activities Account
 - 2. Date of deposit
 - 3. Amount of deposit
 - 4. Specific reason for deposit

The deposit slip must be signed by the advisor and the student officer. If for any reason the advisor or the student officer is not available, then it would be acceptable for either to complete the task rather than to delay the deposit.

- B. Cash/checks to be deposited must be counted and bagged with a copy of the deposit slip. All currency should be separated as to denomination and all currency should be facing the same way and banded together. Deposits must be counted by the advisor and the student treasurer to ensure accuracy. If for any reason the advisor or the student treasurer is not available, then it would be acceptable for either to complete the task rather than to delay the deposit. The deposit will then be counted by the Activities Accounts Bookkeeper. If there is a discrepancy in the total of the deposit submitted by the advisor and the Activities Accounts Bookkeeper, then the Coordinator of Accounting will be notified. The total of the deposit will be determined by the Coordinator and the deposit will be returned to the advisor for verification.
- C. Cash/checks to be deposited should be submitted to the Activities Accounts Bookkeeper no later than 2:00 pm on any given day.

- D. All cash/checks should be submitted to the Business Office on the day of collection. No cash/checks are to be left anywhere in the building or be retained by the advisor, treasurer or any student. Should a problem arise which prevents depositing in accord with procedures described above, the advisor is to bring the cash/checks to the Principal's Office for vault storage until the next school day. The cash/checks to be stored in the vault must be submitted in a locked deposit bag.
- E. Any funds lost or stolen due to improper handling or failure to follow procedures defined are the responsibility of the advisor.

IV. PAYMENT OF BILLS

- A. All bills must be paid through the Activities Account. No bills are to be paid by the use of collected cash receipts.
- B. To enact payment of a bill, a voucher (for the exact amount of the check to be written) must be submitted to the Activities Accounts Bookkeeper. The balance of the Activities Account must exceed the amount of the voucher or no funds will be disbursed. The Activities Accounts Bookkeeper will process the check and mail it.
- C. All vouchers submitted must contain the following information:
 - 1. Name of Activities Account
 - 2. Date of voucher
 - 3. Amount of check to be written
 - 4. Name of organization to which check will be written
 - 5. Reason for payment

All vouchers must be signed by both the advisor and the student treasurer, or officer in the treasurer's absence. A vendor's invoice must be attached to the voucher. If the student treasurer is not available, the voucher must be signed by the Building Principal.

V. CONDUCTING FUND RAISING PROJECTS

- A. All fund raising projects must be approved by the Principal. It is strongly suggested that project approval be secured as early as possible. Projects may or may not be approved, depending on the number of such activities previously scheduled for the time period requested. Once a project is approved, no changes

regarding the items listed on the sales campaign request form may take place without approval from the Principal.

- B. All items being distributed to students must be accounted for at all times. If a student is given items to sell, s/he must sign for them when received. If a student is instructed to take orders for items to be sold, s/he must sign an order form indicating a commitment for the retail value of the merchandise. All projects must be conducted on a “cash in advance” basis.
- C. Proper security of all sale merchandise is to be the responsibility of the advisor. Any inventory security problems are to be referred to the Coordinator of Accounting.
- D. If individual students are to be credited with a portion of the money collected from them, record cards are to be completed in duplicate prior to submission of the Sales Campaign Report. One (1) set of record cards must be stored in the office vault at all times. Only the advisor is permitted to remove these cards for posting. Under no conditions are they to be left unsupervised at any time. The cards must be returned to the office vault prior to leaving at the end of the day.

VI. PROJECTS AND ACTIVITIES WHICH REQUIRE PETTY CASH

- A. Petty cash must be withdrawn when required by using a regular voucher described previously. A check in the amount requested will be forwarded to the advisor for securing cash in the denominations needed. The voucher should be written well in advance of the project starting date.
- B. Petty cash may be stored in the office vault for the duration of the project. Money to be stored in the vault must be submitted in a locked deposit bag.
- C. Upon completion of the project or activity which required petty cash, the full amount originally withdrawn is to be re-deposited using a separate deposit slip. The petty cash is not to be re-deposited by including it with the regular project deposit.

VII. MONTHLY STATEMENTS

- A. A statement of all transactions will be provided to the advisor each month (except July and August) by the Activities Accounts Bookkeeper. The statement must be verified by the advisor and the student treasurer for accuracy. Any discrepancies between the advisor’s bookkeeping and the Activities Accounts Bookkeeper’s records should be brought to the attention of the Principal and the Coordinator of Accounting. The advisor should prepare a written statement indicating the exact nature of the discrepancy and submit it to the Principal and to the Coordinator of Accounting. The advisor should be prepared to produce written documentation of his/her financial records.

VIII. ALLOCATION OF INTEREST TO ACCOUNTS

- A. Funds which are accumulated by the individual activities accounts will be invested in interest-bearing accounts by the Office of Business Affairs.
- B. A portion of the total funds will be held in an interest-bearing demand account at a local depository. These funds will be available upon demand for withdrawal. The remaining funds will be invested in an interest-bearing investment account. The interest earned on these accounts will be allocated to the Activities Accounts for all student groups. Any withdrawals in excess of \$10,000 will require two (2) weeks advance notice to be given in writing to the Coordinator of Accounting. These requests require written approval by the Principal and must state the exact nature of the transaction.

IX. PROCEDURES TO CLOSE OUT AN ACCOUNT WITH UNUSED FUNDS

- A. The procedure to deal with balances in inactive accounts or accounts of graduated classes is as follows:
 - 1. When interest or membership in a student activities club or class declines to the point where organizational activities cease, or a senior or similar class nears graduation and a balance is maintained in an account of the student activities fund by the organization or class from revenues of fund raising activities, a decision must be made regarding the disposition of these funds.
 - 2. The graduating class or disbanding organization must use for, or commit to, a proper school related purpose the unexpended balance of its account prior to graduation or dissolution, or as soon as reasonably possible thereafter, but in no case longer than three (3) months.
 - 3. If the account is not properly closed when the organization disbands, the Principal, in accord with the procedures stated above, may decide upon the proper disposition of any remaining funds.

X. AUDITS

- A. Each Activity Account will be audited by an external auditing firm at the end of each school year.
- B. All receipt duplicates for any money collected from students are to be submitted to the Principal prior to June 1. Receipt duplicates are to remain attached in standard receipt books. Any other pertinent records must be submitted at that time. Under no condition should any organizational records of any type be destroyed or discarded without written approval from the Coordinator of Accounting or the Principal.

- C. Should a change of advisor or student treasurer occur at any time during the school year, the account must be submitted to the Business Manager for a complete audit.
- D. The Business Manager will audit the books of any Activity Account at times other than noted above at the request of the Principal or in cooperation with the Principal.

March 5, 2012