

SUBJECT: EXTRACLASSROOM ACTIVITY FUNDS

Organizational Procedures

Student extraclassroom activities may only be formed for educational and school service purposes.

Students wishing to form an extraclassroom activity shall petition the building principal in writing. The petition should state the purpose and nature of the activities of the proposed extraclassroom organization, and should be signed by at least seven students. If the principal determines that the activity falls within the scope of educational or school service purposes and that the necessary space and equipment is available, the principal and the petitioning students will select a suitable adviser for the activity. When this process has been completed, the principal will recommend to the Superintendent that the extraclassroom activity be approved and the adviser be appointed by the Board of Education.

Each extraclassroom activity shall adopt a charter which shall define the purpose of the organization, duties of its officers, objectives of the activity, and such other matters that are deemed necessary. All officers should sign the charter. The charter should incorporate any rules and regulations of the Board of Education and general student organization that are applicable. The charter should be approved and signed by the Faculty Adviser and building principal, and a copy should be on file in the building principal's office. The charter needs to be updated each school year.

The members of each extraclassroom activity shall annually elect a president, vice president, secretary and treasurer.

All extraclassroom activity funds shall be handled and accounted for in accordance with the New York State Education Department publication Finance Pamphlet 2, Safeguarding, Accounting and Auditing of Extraclassroom Activity Funds, New York established rules, regulations and procedures, Board of Education policies, Administrative Regulations, and in compliance with generally accepted accounting principles.

The District Treasurer will review annually the accounting procedures of the Central Treasurers and the Activity Treasurers.

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All extraclassroom activity organization fundraising activities require prior approval of the principal, be in accordance with District and school rules and must be supervised by the Faculty Adviser.

While school is in session, all extraclassroom activities shall meet at least once a month. All meetings should be held on school property unless the prior consent from the building principal has been received. The Faculty Adviser must be present at all meetings.

Appointment of Officers

With the building principal's recommendation, the Board of Education will appoint the following officers on an annual basis:

- Central Treasurer
- Faculty Adviser

The students from each organization will elect the Activity Treasurer for their organization on an annual basis.

Major Responsibilities of Appointed Officers

The major responsibilities of each appointed officer shall include, but not be limited to, the following:

Central Treasurer

- Maintain custody of all funds
- Issue signed receipts for all funds received from the Student Activity Treasurer and promptly deposit them in a bank account designated by the Board.
- Disburse funds only after (i) receiving a payment order signed by both the Activity Treasurer and Faculty Adviser, and (ii) verifying that there are sufficient funds in the activity's account, and (iii) an invoice or a cost document of purchase are attached.
- Maintain a record of all receipts and expenditures for each individual activity.
- Reconcile balances with the bank statement on a monthly basis.

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- Prepare monthly reports for the Internal Auditor and District Treasurer showing, at a minimum, beginning balances, a list of receipts for the month, a list of disbursements for the month, and the ending balance. A copy of the bank reconciliation should be included. (Note: The District Treasurer submits the monthly reports to the Board of Education for their review.)

Faculty Adviser

- Attend all meetings of the extraclassroom activity.
- Guide and advise student officers in planning extraclassroom activities and financial budgets.
- Assist the Student Activity Treasurer in the preparation of income (Profit and Loss) statements.
- Audit and verify the income statement by signing it.
- Periodically check the balances in the Student Activity Treasurer's accounts and review the completeness of the supporting documentation.
- Ensure that funds are available before approving purchase orders and payment orders. Verify that all goods are received.
- Determine which activities are subject to sales tax and for taking steps to see that all tax information is recorded and sent to the Central Treasurer.

Student Activity Treasurer

- Receives all funds raised by the activity and immediately deposits them with the Central Treasurer.
- Duplicate deposit slips should be filled out and signed by the Student Activity Treasurer and Faculty Adviser. One is retained by the Central Treasurer and the other should be signed by the Central Treasurer and returned, along with a Central Treasurer's receipt, to the Student Treasurer.
- Prepare purchase orders, verify that goods are received and issue payment orders.
- Record all receipts and expenditures in the student activity's fund register.

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Chief Faculty Counselor/Building Principal

- Request Board approval for new activity organizations.
- Recommend a Faculty Adviser for each activity on an annual basis.
- Coordinate the financial planning of all projects of the various student organizations in his building.
- Consult with the Faculty Advisers.
- Investigate all problems and disputes concerning the student organizations, and shall effect action that will enable their resolution.

Receipt of Funds

This section describes the responsibility of each individual regarding the receipt of funds. All funds should be kept in the school vault until they are ready to be deposited by the Central Treasurer. Extraclassroom activity funds should not be taken home by anyone at anytime.

Student Activity Treasurer

1. Is responsible for the collection and verification of all funds. Shall verify the money count to the proof of funds submitted (number of tickets sold, membership dues, admissions statement, etc.). Pre-numbered receipts should be issued in order to facilitate proof of funds.
2. Prepares and signs a deposit slip in duplicate, has the Faculty Adviser sign the slips, and submits the funds and deposit slips to the Central Treasurer. The Central Treasurer verifies the funds, signs the duplicate deposit slip and immediately returns it, along with a pre-numbered receipt, to the Student Treasurer as proof that the funds were received.
3. Records the deposit in the activity fund register.
4. Files all supporting documentation for review by the auditors.

Faculty Adviser

1. Assists the Activity Treasurer in the preparation of income statements and proof of funds submitted.
2. Acknowledges that he/she verified the amount of funds collected by signing the deposit slip prepared by the Student Treasurer.
3. Reviews the activity fund register to verify that the deposit was recorded.

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Central Treasurer

1. Receives and verifies all funds submitted to him/her by the Student Treasurer. Acknowledges his verification by signing the duplicate deposit slip and immediately returning it, along with a pre-numbered receipt, to the Activity Treasurer.
2. Promptly deposits the funds in the bank account designated by the Board of Education.
3. Records the deposit for that activity in his register/ledger.

Disbursement of Funds

This section describes the responsibility of each individual regarding the disbursement of funds.

Activity Treasurer

1. Issues a purchase order to the vendor, after it has been reviewed and approved by the Faculty Adviser. The review includes verifying that sufficient funds are available in the activity's account.
2. Verifies the receipt of all goods, with oversight by the Faculty Adviser.
3. Prepares a payment order in duplicate signed by both the Faculty Adviser and himself/herself.
4. Submits both copies of the payment order, along with the approval signatures to pay original invoice, to the Central Treasurer.
5. After receiving proof of payment from the Central Treasurer, records the payment in the activity fund register/ledger.

Faculty Adviser

1. After verifying that funds are available, signs the purchase order prepared by the Activity Treasurer.
2. Oversees the receipt of all goods.
3. Along with the Activity Treasurer, signs all payment orders thereby authorizing the disbursement of funds by the Central Treasurer.
4. Reviews the activity fund register to verify that the disbursement was recorded.

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Central Treasurer

1. Verifies that there are sufficient funds in the activity's account to satisfy the payment order.
2. Draws a check on the activity's account and sends payment to the vendor and stamps the invoice paid.
3. Sends proof of payment to the Activity Treasurer to be recorded.
4. Records the disbursement in his/her register.

Disposal of Inactive Activity Accounts

An extraclassroom activity fund that does not have a Faculty Adviser and Activity Treasurer for more than one year is inactive. The funds of an inactive extraclassroom activity shall be transferred to the Student Council Fund (GO) and shall be expended in accordance with the Student Council Constitution.

Investing Account Monies

The Central Treasurer is authorized and required to invest the extraclassroom activity funds in a commercial bank's savings account and/or interest-bearing checking account.

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. Each Faculty Adviser should know which of the activities his/her organization undertakes are subject to sales tax and take steps to see that all sales tax information is accurately recorded by both the student and central treasurers. The central treasurer is responsible for forwarding all sales tax to the District Treasurer for remittance to New York State.

Graduating Class Accounts

Upon graduation, all funds in the Senior Class Treasury will remain in the custody of the Central Treasurer for six months and then must be transferred to the Student Council (GO).

Audit by the District's Auditors

This section describes the responsibility of each individual regarding the auditing

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of the extraclassroom activity fund.

Independent Auditor

The annual audit performed by the board-appointed independent auditor shall include an audit of the extraclassroom activity fund.

Internal Auditor

- Review the monthly financial report prepared by the Central Treasurer.
- Compare the ledger of the Student Activity Treasurer to the balance shown on the Central Treasurer's report at least twice a year and on a rotating basis.
- Review various transactions and paperwork to verify that proper procedures are being followed.
- Should not be involved in the planning of income, approval of payments or the recordkeeping of the extraclassroom activity.

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