

### **SCHOOL ACTIVITY FUNDS**

**General:** The purpose of the School Activity Fund is to promote the general welfare, education, and morale of all students and to finance extracurricular activities of student body organizations. The Board shall exercise complete control over all School Activity Funds. At the beginning of each fiscal year and as needed during each fiscal year, the Board shall approve all Activity Fund subaccounts, all fund-raising activities, and all purposes for which the monies collected can be expended. An annual audit of all School Activity Funds shall be made by a certified public accountant selected by the Board. As necessary, the Superintendent may develop, implement, and maintain written procedures governing School Activity Funds.

**Activity Fund Custodian:** The School Activity Fund Custodians shall provide the Board with periodic financial reports reflecting the status of each subaccount. A School Activity Fund Chart of Accounts shall be maintained by the School Activity Fund Custodians and shall include the subaccounts approved by the Board. The School Activity Fund Custodians shall be appointed by the Board and shall provide a surety bond in an amount to be determined by the Board, but not less than \$1,000.00, for which the premium shall be paid by the School Activity Fund. Prior to the beginning of each fiscal year, the Treasurer shall review the amount and nature of financial transactions that have occurred in the School Activity Fund during the prior year and, subject to the approval of the Superintendent, shall make a recommendation to the Board as to the amounts of the surety bonds required for the School Activity Fund Custodians for the following fiscal year.

**Fund-raising Activities and Revenues:** Projects for raising revenue for the School Activity Fund shall, in general, contribute to the educational experience of pupils and shall add to, not conflict with, the instructional program. Revenue from those sources identified by statute and proceeds from Board-approved fund-raising activities shall be deposited, as received and without making any withdrawals, reimbursements, or substitutions, and shall be credited to the appropriate School Activity Fund subaccount. Contracts with third-parties for School Activity Fund fund-raisers must be submitted to the Board for approval. The School Activity Fund Custodian or designee shall issue receipts whenever money is received and such receipts shall state the name of the person or entity from whom the funds are received, the date received, and the amount received.

**Disbursements:** Purchases from School Activity Fund accounts may only be made by the sponsors of the activity or person designated to be responsible for a subaccount and shall be done utilizing the purchasing procedures provided for in Policy CC. No funds from a School Activity Fund subaccount shall be used for any purpose other than the purposes for which the account was created, unless there is a transfer of funds approved by the Board. The District and its School Activity Fund shall not be liable for any purchase or obligation entered into by any individual or

organization unless the procedures required for disbursements from the School Activity Fund have been followed in advance of such purchase or obligation.

The School Activity Fund Custodians may provide cash advances to the sponsors of groups, classes, or organizations for travel expenses of students and sponsors. Any cash advance shall only be paid from the School Activity Fund subaccount directly involved in the travel and only if the travel is one of the stated functions or purposes for the account. Receipts for all expenditures of cash advances shall be kept and shall be submitted to the School Activity Fund Custodians upon completion of travel.

**General Fund Refund Account:** A General Fund Refund Account may be established within the School Activity Fund and may include revenue from fees for the rental or use of District property or equipment, reimbursement for loss or damage to District property or equipment, reimbursement for services, and reimbursement for payment of substitute teachers. Such revenue shall be deposited to the credit of the “General Fund Refund Subaccount”, and the source of such revenue shall be itemized and recorded. Periodically, the Treasurer may transfer funds deposited to the credit of the “General Fund Refund Subaccount” of the School Activity Fund to the General Fund.

**Petty Cash Account:** A Petty Cash Account may be established and maintained as provided by law.

**Organizations Exempt from School Activity Fund Limitations:** The District recognizes that the involvement of student achievement programs, parent-teacher associations, and other adult organizations are essential to the provision of quality educational services and are vital in fostering the community-school relationship. However, student achievement programs, parent-teacher associations, and other adult organizations and the funds raised by those programs, associations, and organizations may not be subject to control by the Board.

All student achievement programs, parent-teacher associations, and other adult organizations shall submit an application for exemption on the forms provided. The Superintendent may request such information as is necessary to evaluate the application for exemption including, but not limited to, the following:

1. By-laws;
2. List of current officers;
3. Statement of purpose;
4. Statement of fund-raising methods and activities; and
5. Proposed schedule of fund-raising activities indicating the location, the dates, and the time of such activities.

The Superintendent shall review the application for exemption of any program, association, or organization and shall make a recommendation to the Board regarding whether the program, association, or organization shall be exempted from control by the Board. The Board shall review and consider the Superintendent’s recommendation and, if necessary, the information submitted and

shall issue a determination regarding the exemption status of the program, association, or organization. If the Board determines that the program, association, or organization is in fact a non-exempt student organization, then it shall be subjected to the applicable law, Board policy, and any applicable Administrative Procedures regarding School Activity Funds. If the program, association, or organization refuses to comply with the applicable law, policies, and Administrative Procedures regarding School Activity Funds, it shall not be entitled to utilize the District's property or facilities for any purpose.

The District shall exempt from its control and regulation those programs, associations, or organizations, and the funds they raise, which:

1. Do not represent themselves as a District program, association, or organization but clearly identify themselves as a student achievement, parent-teacher organization, or other adult organization separate from the District;
2. Maintain banking and financial matters separate from the District; and
3. Maintain their own tax identification numbers separate from the District.

The Superintendent and the Board may also consider the following criteria in determining whether to exempt a program, association, or organization:

1. Whether it is managed or operated by parents or adults, rather than students;
2. Whether it has adult officers;
3. Whether it has only minimal student assistance and such assistance is not provided by students during the school day;
4. Whether it uses or consumes District-owned materials in advertising its activities or collecting funds;
5. Whether it raises funds on District property during classroom hours.

**Student Organizations Exempt from School Activity Fund Limitations:** All student organizations which are covered by the Equal Access Act (20 U.S.C. § 4071 et seq.) shall submit an application for recognition and exemption to the Superintendent. The Superintendent may request such information as is necessary to evaluate the application for exemption including, but not limited to, the following:

1. By-laws;
2. List of current officers;
3. Statement of purpose;
4. Statement of fund-raising methods and activities; and
5. Proposed schedule of fund-raising activities indicating the location, the dates, and the time of such activities.

The Superintendent shall review the application for recognition and exemption and shall make a recommendation to the Board regarding whether the student organization shall be exempted from control by the Board. The Board shall review and consider the Superintendent's

recommendation and the information submitted and shall issue a determination regarding the exemption status of the student organization. If the Board determines that the student organization is in fact a non-exempt student organization, then it shall be subjected to the applicable law, Board policy, and any applicable Administrative Procedures regarding School Activity Funds. If a non-exempt student organization refuses to comply with the applicable law, policies, or Administrative Procedures regarding School Activity Funds, it shall not be entitled to utilize the District's property or facilities for any purpose.