

EDUL 6027

Managing School Activity Funds

PLEASE POST ALL ACTIVITIES AT ONE TIME. DO NOT POST SEPARATELY!

Required Activities

Objectives

After completing this course, the student should be able to:

1. Understand the differences between district and student activity funds.
2. Understand the legal issues in handling these funds.
3. Understand the procedures that should be followed in the managing of these funds, especially issues of internal controls.

Activity 1

Read Chapter 8 and briefly describe and explain the differences between student activity funds and district activity funds. **Post this discussion.**

<http://nces.ed.gov/pubs2004/h2r2/>

Activity 2

Locate the policies in your school (district) regarding student activity funds and evaluate them on an item-by-item basis according to the list below:

* Each activity fund should be established by specific board of education approval.

* All activity funds should be subject to sound internal control procedures.

- * All activity funds should be accounted for on the same fiscal year basis as all other school district funds.
- * All activity funds must be audited and subject to well-defined procedures for internal and external auditing.
- * All employees responsible for handling and recording activity fund monies should be bonded by the district.
- * One or more activity fund supervisors should be formally designated by the board of education.
- * Each activity fund supervisor should maintain a checking account for the attendance center.
- * Depositories for student activity funds should be approved by the board of education and be further subject to the same security requirements as all other board funds.
- * All activity funds should operate on a cash basis, meaning that no commitments or indebtedness may be incurred unless the fund contains sufficient cash.
- * A system of purchase orders and vouchers should be applied to all activity funds that requires written authorization for payment and should be strictly enforced.
- * A system for receipting cash should be adopted that includes using pre-numbered receipt forms for recording cash and other negotiable instruments received.
- * All receipts should be deposited intact. That is, all receipts should be deposited in the form in which they are collected and should not be used for making change or disbursements of any kind.
- * All receipts should be deposited daily. Undeposited receipts should be well secured.
- * A system for disbursing funds that includes using pre-numbered checks and multiple original signatures (no signature stamps) should be adopted as the sole means for disbursing activity fund monies.
- * A perpetual inventory should be maintained on pre-numbered forms, receipts, and other documents to create an adequate audit trail.

* Bank statements for activity funds should be reconciled as soon as they are received.

* Using activity fund receipts to cash checks to accommodate individuals, to make any kind of loan, to pay any form of compensation directly to employees, or to extend credit should be strictly prohibited.

* Monthly financial reports on all activity funds should be prepared and submitted to the administration and the board of education. A full reporting of activity funds should be included in the district's annual financial statements.

* Student activity fund monies should benefit those students who have contributed to the accumulation of such monies.

* A board-approved process should be specified for all fundraising activities, and any fundraising event should require advance approval.

Does your school district abide by (follow) each of the above policies? What exceptions are there? **Post your Response.**

Activity 3

Monthly financial reports on all activity funds should be prepared and submitted to the administration and the board of education. Find the most recent financial report from your school and review it. **Post your review.**

Activity 4

Describe and explain the basic legal issues in handling student activity funds. **Post your response.**

Activity 5

Find the software used by your school in managing student activity funds. Review the Frequently Asked Questions about Manatee (see link to Savannah-Chatham County) and compare these issues to what you find in an interview with the person in your school that is

responsible for student activity funds. **Post the name of the software your school uses and the results of your interview.**

Activity 6

Identify all the forms used in accounting for student activity funds in your school. **Post a complete list (with correct numbers) of all the forms uses.**

Activity 7

Optional, if you could not respond to selected activities above: If your school does not have a set of policies or a policy manual regarding managing student activity funds, **Outline and Post the contents of such a manual. You should develop such a manual as part of your practicum (for students admitted after the Spring of 2005).**