

SCHOOL ACTIVITY FUNDS

The Superintendent or his/her designee may establish school activity funds to handle any of the following: 1) the finances of that part of the cost for the school lunch program that is not provided by local appropriations; 2) the finances of that part of the cost of the driver education program that is not provided by local appropriations; and/or 3) such funds of schools and school organizations as the Superintendent or his/her designee may determine to be in the best interest of the school district (which funds may include amounts received as gifts or donations).

The Superintendent or his/her designee shall designate a person to serve as treasurer of any school activity fund. Such treasurer shall be bonded and shall keep separate accounts for each school activity fund. The treasurer may expend monies from the school activity funds only to the extent such expenses are in furtherance of the stated purposes of the school activity fund, and subject to any restrictions imposed by the Superintendent or his/her designee at the time the school activity fund is established or subsequently. The control of school funds and funds of any school organizations shall remain in the name of the respective schools and organizations.

The accounts of any school activity fund shall be considered town accounts and shall be audited by the town auditor in the same manner as all other town accounts.

Legal Reference:

Conn. Gen. Stat. §10-237.

SCHOOL ACTIVITY FUNDS (Administrative Regulations)

The following procedures are designed to serve as a guide for the financial accounting of all money received and expended for Student Activities. Regardless of the methods used to finance school activities, the school district, thereby the school administrator, is ultimately responsible for the funds. State statutes require that separate accounts be maintained and further that such school activity funds shall be considered town accounts and shall be audited by an independent auditor in the same manner as all other accounts.

The raising and expending of activity money by student bodies should have but one purpose; to promote the general welfare, education and morale of the students and to finance the normal legitimate extra-curricular activities of the student body organization. Student activity money, whenever possible, shall be expended in such a way as to benefit those pupils currently in school who have contributed to the accumulation of such money. The management of student activity funds shall be in accordance with sound business practices, including sound budgetary and accounting procedures and thorough audits.

I. Principles Governing Activity Fund Accounting

The accounting procedures outlined in this section are based on the following principles:

- A. The administration of the activity fund shall be governed by rules and regulations prescribed by the State of Connecticut and the Rocky Hill Board of Education.
- B. The principal of the school, as trustee for the fund, shall be directly responsible for the conduct of student financial activities in accordance with policies, rules, and procedures set forth by the State, the Board of Education, and Central Administration.
- C. The principal of the school, as trustee for the fund, shall be directly responsible for all student activity funds within the school and shall be responsible for the maintenance of records and administration of procedures as prescribed by Central Administration.
- D. The Assistant Superintendent for Finance and Operations shall have responsibility and authority to implement all policies and rules pertaining to supervision and administration of student activity funds in schools in accordance with established policies and rules of the Board of Education.

II. Management of Student Activity Funds

Student activity records and financial procedures shall be subject to periodic audits by internal personnel and annual audits by outside independent auditors. Audit reports shall be referred to the principal and Central Administration for informative purposes and possible improvement of procedures. Regular monthly and annual reports shall be prepared by the principal and submitted to the Assistant Superintendent for Finance and Operations. These reports shall reflect the financial condition of the student activity fund and proof of reconciliation of the bank accounts. Student activity funds shall not be used for any purpose which represents an accommodation, loan, or credit to any person.

The Superintendent of Schools and Assistant Superintendent for Finance and Operations shall be authorized to sign checks withdrawing money from the bank account or accounts. Two signatures shall be required for all withdrawals. This rule shall apply to savings as well as checking accounts. Supporting evidence prior to signing the check or withdrawal slip shall be required. Blank checks shall never be signed.

Interest may be earned on savings accounts. Checking accounts should be reviewed frequently to see that balances are not too large. These large balances could and should be earning interest. Interest earned shall be pro-rated to the various student activity accounts.

Each account must be so accounted for that the identity of its resources, obligations, revenues, and expenditures are continually maintained.

III. General Procedures for receiving and Disbursing Money

A. Collection and Deposit of Cash

All monies collected from any source must be substantiated by duplicate copy receipt. The first copy of the receipt is to be given to the person from whom the money is received. The second copy is to be retained by central office as permanent record of money received. Collections should be deposited daily if reasonable. Money should never be left in the school over weekends or holidays. All monies collected shall be placed in the school safe for safe keeping. Said monies shall remain in the school safe only until such time as a deposit can be reasonably completed.

All checks to be deposited in the student activity bank account shall be endorsed immediately upon receipt showing a restrictive endorsement.

B. Disbursements

All disbursement shall be made on checks which serve as the basis for making an entry recording the disbursement. Disbursements shall be supported by invoices, electronic signatures certifying the receipt of merchandise, accuracy of prices, extensions and totals, and approval for payment. When a check has been written, the invoice and supporting documents shall be marked “CHECK NUMBER ____ : and “THE DATE OF PAYMENT” and shall be filed for auditing purposes. Two signatures shall be required for all disbursements.

C. Records of Transactions

Central office shall maintain a complete set of books recording all monies deposited and disbursed. The Cash Receipts Journal and the Cash Disbursements Journal shall serve as a control whereby the total amount of money deposited and expended for all funds is maintained continuously. All transactions shall be entered and categorized to permit appropriate analysis.

D. Reconciliation of Bank Statements

The bank statement shall be reconciled with the activity fund books as soon as possible after it has been received. The end of each month shall serve as the cut-off date for reconciliation of the bank statement.

E. Monthly Financial Statement

At the end of each month, a financial statement shall be prepared by Central Office. The information contained in the statement shall include the financial status of each activity making up the activity fund. Copies of the statement shall be forwarded monthly to the principal for the purposes of reporting the overall financial status of the fund as well as to provide an internal audit.

F. Annual Financial Statement

Annual financial statements shall be prepared by Central Office at the end of each school year.

G. Audit

An annual audit shall be conducted each year by an independent auditor in the same manner as all other Town accounts. Copies of the audit report shall be maintained as permanent record.