

BROWN LOCAL SCHOOLS

EXTRA CURRICULAR AND STUDENTS
ACTIVITY PROGRAM FUNDS

HANDBOOK & GUIDELINES

Adopted May 22, 2006

PURPOSE

This Student Activities Program Funds Handbook has been prepared for the purpose of assisting the students and faculty advisor involved with regard to their responsibilities. The handbook will also outline the rules, regulations, philosophy and procedures that will lead to a successful Student Activity and Extra Curricular Program.

The goals of the Student Activities Program at Brown Local Schools are to:

1. Provide a diversified and balanced program of extra- curricular activities which are designed to effect the educational development of Brown Local School students in a positive manner;
2. Provide opportunities for Brown Local School students in which the fundamentals of leadership can be developed and exercised;
3. Provide opportunities for Brown Local School students to actively participate in planning, developing, and implementing activities;
4. Provide opportunities for Brown Local School students to participate is essential to the success of a project;
5. Provide a variety of opportunities for Brown Local School students to develop a sense of school and community spirit.

AUTHORITY OF THE BOARD OF EDUCATION (O.R.C. 3314.062)

If more than \$50 a year is received through a student activity or extra curricular program, the monies for such a program shall be paid into an activity fund established by the Board of Education. This handbook, as adopted by the Brown Local Board of Education provides for the regulations governing the establishment and maintenance of student activity or extra curricular funds, including a system of accounting. Additionally, the Board authorizes the Superintendent to approve the policy and/or purpose statement and budget of each activity fund.

THE SUPERINTENDENT shall have responsibility and authority to implement all policies and rules pertaining to the supervision and administration of student activity and extra curricular funds in Brown Local in accordance with established policies and rules of the Board of Education, as outlined in this handbook.

THE PRINCIPAL of each building, as trustees, shall be directly responsible for the conduct of student financial activities in accordance with the policies, rules and procedures set forth by the State of Ohio, Brown Local Board of Education and Superintendent.

THE TREASURER is responsible for the internal controls of student activity and extra curricular funds and for prescribing appropriate procedures.

THE ACTIVITY ADVISOR acts as a resource person for the activity group. The success of any Student Activity or Extra Curricular program has a great deal to do with the advisor's ability and willingness to lead a group of students in a specific direction. However, it is most important that the planning and development of the program be designed by the students themselves. The Student Activity or Extra Curricular Advisor at Brown Local Schools is a staff member who contracts with the Board of Education to work with a particular group or class. The responsibilities of a student activity or extra curricular advisor at Brown Local Schools include:

1. Scheduling meeting locations, meeting times, and meeting dates for group functions on Brown Local School's Master Calendar;
2. Completing all required paperwork in advance of the date upon which an activity is scheduled to take place;

3. Supervising all meetings and activities scheduled by the group.
4. Supervising the group's treasurer with regard to the collection and deposit of any money. All expenditures of activity funds must be handled exclusively by the Activity Advisor;
5. Enforcing the Code of Student Conduct at all group meetings and activities.
6. Scheduling a meeting in the Spring of each school year for the specific purpose of electing officers who will hold office for the following year;
7. Developing, revising, and publishing an activity club constitution which must include all the rules and regulations which pertain to the operation of the activity/club;
8. Developing any announcements which will be read during the school day over the school's public address system;
9. Developing any correspondence which is to be released to the community as a whole.
10. Responsible for turning in ledgers at Christmas Break and again before Summer Break.
11. Upon receipt of the ledger at year end, supplemental payment will be processed.

THE STUDENT OFFICERS shall be responsible for the management of student activity or extra curricular funds and shall keep records of its transactions and established policies which shall be available for reference and audit. The principal of the building shall have the power to veto any action which is contrary to the best interest of the school.

MANAGEMENT OF STUDENT ACTIVITY AND EXTRA CURRICULAR PROGRAM FUNDS

Policy Statement:

The Board of Education, within the adopted policies and procedures governing the establishment and operation of activity funds, must use its sound discretion in determining what are proper expenditures using caution that will guarantee that all expenditures serve a public purpose. The expenditures from an activity fund must directly or indirectly benefit those students who are participating in that particular student activity or extra curricular program, and be in accordance with the policies and/or purposes established by the group. Certain expenditures may be made covering the expense of staff personnel when the purpose of such expense benefits the group. If such expenditures are made, they must conform to the group's State of Purpose.

Further, the Board of Education, when within the adopted policies and regulations governing the establishment and operation of activity fund(s), hereby authorizes the building principal to approve expenditures from the activity fund, with a list of such expenditures presented each month for Board approval.

Ohio Constitution Article VIII, Section 4, provides: "the credit of state shall not, in any manner, be given or loaned to, or in aid of, any individual association or corporation whatever,..." The doctrine that public funds may only be expended for a public purpose is based upon this constitutional provision; this restriction has been extended to political subdivisions by Article VIII, Section 6. The Attorney General of Ohio has determined that this doctrine applies to student activity and extra curricular funds as well.

It has been consistent policy of the office of the Auditor of State that findings for recovery shall be issued for any expenditure which fails to serve a public purpose. The determination of whether an expenditure serves a public purpose will be based on the policy adopted by the Board of Education and the activity program's "Statement of Purpose".

Two common methods of defining public purpose guidelines are in use within Ohio. The first method involves adopting a policy outlining specific expenditures that are permitted and those expenditures that are not permitted. Another method currently in use involves requiring very explicit information on the group's budget which is then approved by the Superintendent to indicate their concurrence with the group's plan. Under this method it is important that the detail provided, and approved, be specific enough to limit misinterpretation by Board of Education employees.

STATEMENT OF PURPOSE

Prior to the performance of financial transactions by an unauthorized student activity or extra curricular, a Statement of Purpose for the activity shall be submitted by the student group and approved by the Superintendent. The purpose clause should encompass the reason for the activity's existence, its aspirations, its future goals and the means through which the goals and aspirations may be achieved. Any amendments to an approved policy statement should also be submitted by the student group and approved by the Superintendent.

The student group should establish how the revenue of the group is going to be raised and how the group is going to expand these funds to accomplish their goals and aspirations while the activity group is in existence. The Budget, as submitted by the activity group, should be approved by the Superintendent as part of the purpose clause. Before approving these budgets, however, the Superintendent should determine whether the proposed expenditures will serve the public purpose.

STUDENT ACTIVITY AND EXTRA CURRICULAR PROGRAM FUND

ACCOUNTING SYSTEM

This uniform system of accounting for student activity and extra curricular funds has been prescribed to permit verification of each transaction and to show the source of the funds received, the amount collected and the amount expended for each program.

Chart of Accounts

<u>Activity Program Name</u>	<u>Fund #</u>	<u>SCC</u>
High School Principal's Fund	018	910P
Elementary Principal's Fund	018	915P
Elementary Camp	018	920P
Book Fair	018	925P
Drama Club	200	905S
Band	200	910S
Choir	200	915S
Cheerleaders	200	925S
Junior High Student Council	200	930S
Senior High Student Council	200	935S
Alumni Account	200	940S
Class of 04	200	962S
Class of 05	200	963S
Class of 06	200	964S
Class of 07	200	957S
Class of 08	200	958S
Yearbook	200	965S
Media Club	200	966S
Musical	200	907A
National Honor Society	200	970S
Elementary Excellence	200	972S
Teen Institute	200	975S
Panda	200	976S
Athletic	300	905A
Summer Basketball	300	906A
Baseball	300	907A
Ski Club	300	910A

SOURCES OF STUDENT ACTIVITY AND EXTRA CURRICULAR PROGRAM FUNDS

Funds for extra-curricular activities may be generated from any administratively approved source provided the welfare and long range benefit of pupils is the primary consideration. Funds raised by and for pupils will be used in accordance with the stated general purpose of that activity program. Any variation from the stated purpose must be approved by the Principal and Superintendent.

Funds drawn from the public by sale or service will become public funds and subject to a public purpose. Accordingly, no individual may receive personal benefit without commensurate personal service or expense.

Questions regarding the appropriateness of funding sources and/ or expenditures are to be resolved by the Treasurer.

The Board expects, and hereby directs the Superintendent to institute the following criteria for any fund raiser:

1. Each activity group must receive prior approval from the principal and Superintendent of its Statement of Purpose and its Budget.
2. Once a particular fund raiser is approved, duplication of this project will be limited for the balance of the year.
3. Once a date for a fund raiser is requested, an effort will be made to avoid other fund raisers running at the same time.
4. Purpose and use of the money from the fund raiser should be advertised in advance, as well as the beginning and ending date of the project. The staff member directly responsible should be listed as well.
5. A Sales Project Report must be submitted at the close of each project.
6. Money from fund raisers must be deposited daily, with receipt number listed on the bottom of the pay-in.

COLLECTION AND DEPOSIT OF MONIES

A. GENERAL

All money collected from any source MUST be substantiated by a receipt (receipt book). The following information must be maintained for each fund raiser:

- a. name of person funds received from
- b. amount of receipt
- c. date of receipt
- d. description

In all cases where tickets are used, tickets are to be numbered, and the ticket Summary Report and unsold tickets must be available for audit. The audit trail is most important.

B. CASHIER

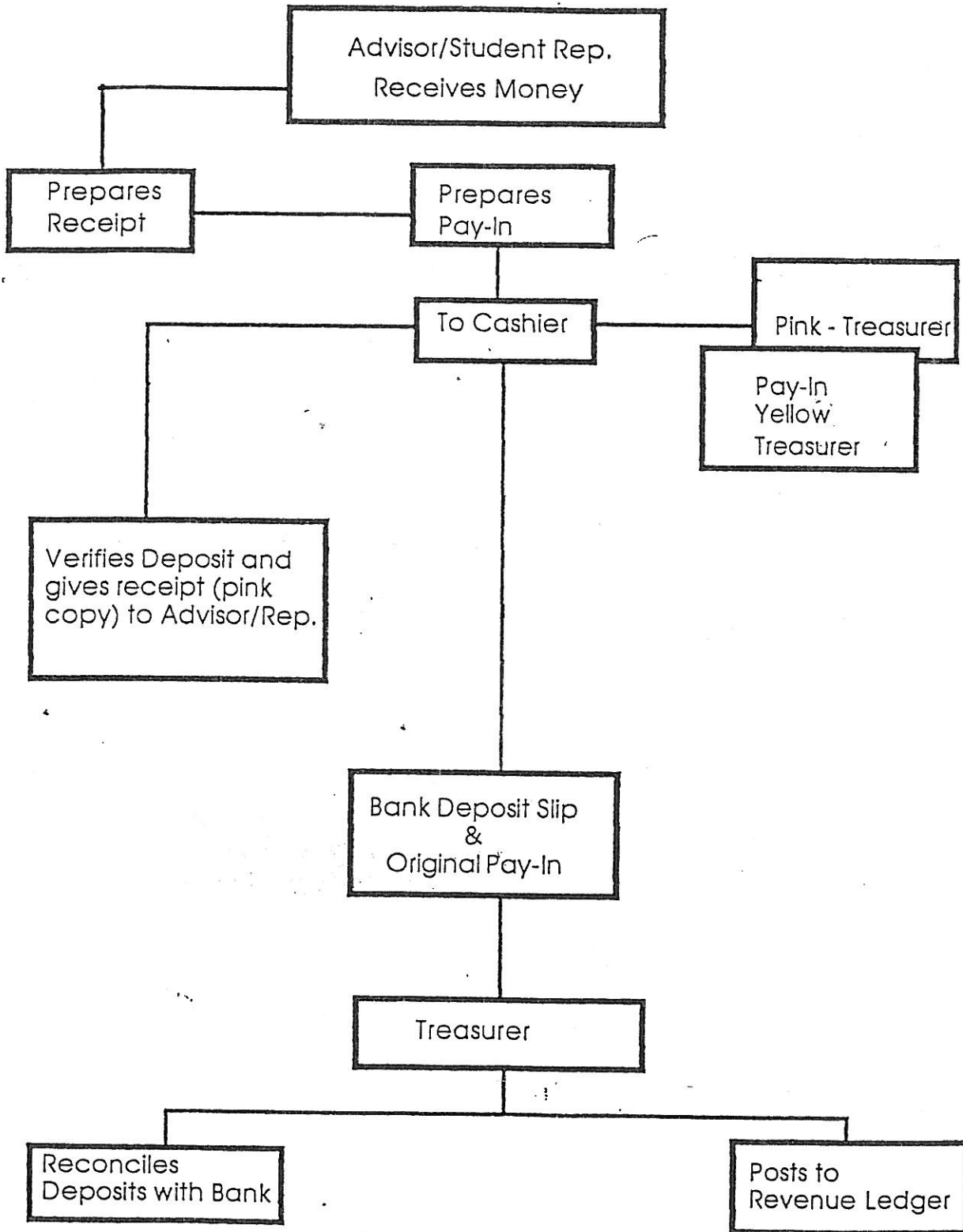
The Board of Education has designated the Treasurer of the Board to act as the supervisor of the student activity and extra curricular fund account, and will assist both the student treasurer and advisor to maintain proper activity fund records.

C. RECEIPTS - PAY-IN

All money received into extra curricular activity funds must be deposited with the School Cashier daily by the building principal, advisor or student treasurer. A separate pay-in for each source of money received (i.e. fees, sales, donations, etc...) must accompany each deposit with receipt numbers listed on the bottom.

RECEIPT PROCESSING

FLOW CHART



PURCHASE ORDER AND EXPENDITURE PROCESSING

Purchase orders **MUST** precede the ordering of supplies, services, etc.. If it does not, the cost will be the responsibility of the person placing the order. A sponsor will present the Purchase Requisition to the principal, who will either approve or deny it. Once approved the principal will forward the requisition to the building secretary for entry into the system. If funds are available, the Treasurer will convert the requisition to a PO and forward to the vendor. At the same time the Treasurer will encumber such funds. Supplies, services, etc. can be ordered when the goldenrod copy of the purchase order is returned to the person placing the order.

Once all supplies and/ or services are received in good condition, the student activity or extra curricular advisor will so note on pink copy of purchase order in Purchase Order Book. The Treasurer will process invoice for payment and a check will be written.

ACCOUNTING SYSTEM

FINANCIAL STATEMENTS

The district Treasurer is required to furnish a monthly statement of fund and cash balances to the Board of Education, as well as a reconciliation with the depository. The monthly financial statements will consist of the following information; month-to-date receipts and expenditures, and current balances by account. A list of all bills for the month identifying the payee, dollar amount and description will be presented to the Board of Education.

EXAMINATION BY BUREAU AND AUDIT SCOPE

Each activity fund established by the Board of Education will be audited by the State Examiners of the Bureau of Inspection (or an independent firm) at the same time the examination of the records and accounts of the district is made, or at such other time that circumstances would deem an audit necessary.

The scope of the audit of the activity funds by the Bureau of Inspection will be to ascertain that the uniform system of accounting and procedures prescribed by the Board of Education are being followed and that the records are arithmetically correct and in balance.

OHIO STATE SALE TAX

If a uniform supply bookstore or the activity is operated as a business with a view toward profit by the Board of Education, the Board is subjected to the requirement of the Ohio Sales Tax Act (Revised Code Section 5739). When student activity or extra curricular groups, parent-teacher organizations or other groups of persons "regularly" sell tangible personal property, the profits which accrue to the school or some school activity are subject to the requirements of the Ohio Sales Tax Act. The word "regularly" is interpreted to mean more than once a month or six times a year. Sale of tickets for admission to school functions are not subject to the Ohio Sales Tax Act, but sales of programs are subject to the Ohio Sales Tax Act if a profit is made (OAG Opinion issued 6/20/74). The Treasurer's office should be contacted for assistance in the formulation of procedures for controlling and reporting sales tax.

VENDING MACHINES

A sponsor for any vending machine which is operated on school property must be designated. Only an established fund, either curricular or extra-curricular, can sponsor such vending machines. If there is no sponsor designated it will be assumed that the general fund of the curricular program is the sponsor.

The designated sponsor of the vending machine maintains the machine and enjoys the profits or suffers the losses from that machine.

INACTIVE FUNDS

When there is a fund which is no longer functional within the student activity or extra curricular program, any balance standing to the credit of that fund can be dispensed by the action of the Board of Education to one, several or all funds within the activity program.

GENERAL RULES

1. Transfers are authorized between accounts with prior approval of the governing authority of the fund and the principal. Authorized transfers from one account to another must be initiated on a Purchase Order. Board of Education approval is not required.
2. Questions regarding Activity Fund accounting should be directed to the Treasurer.
3. All recognized Activity Fund programs must have a written Statement of Purpose on file in the principal's office. The original Statement of Purpose shall be maintained in the Treasurer's Office to help in determining the appropriateness of expenditures.
4. The Statement of Purpose is to be reviewed and amended on an annual basis.
5. Under no circumstances may payments be made from receipts prior to their deposits with cashier.

PERSONAL SERVICE CONTRACT

Persons entering into a personal service contract, such as disc jockey, off-duty policeman, and ticket sellers who will be paid through the Student Activity or Extra Curricular Funds by the Treasurer, should be covered by their own personal workmen's compensation program.

In order for a person to receive compensation for sponsoring or coaching an activity group, s/he must have a supplemental contract for these additional duties. No supplemental contract under these circumstances may be paid through the Student Activity or Extra Curricular program. This type of payment must be paid through the regular payroll account and charged to the payroll appropriations of the district.

In the event that an activity group has no designated sponsor, the principal of the school shall act as the activity group sponsor for the purpose of receiving and disbursing funds.

QUICK REFERENCE

Each Student Activity or Extra Curricular Program must:

1. Appoint/Elect Student Officers
2. Prepare a "Statement of Purpose"
3. Prepare a Budget

For Each Fundraising Activity Complete:

1. Before the Fund-raiser a. "Sales Project Potential"
2. After the Fund-raiser a. "Sales Project Report"

Receiving Money:

1. Issue Pre-numbered receipt
2. Complete all details of the Pay-In-Order
3. Deposit with school cashier daily

Spending Money:

1. Obtain quotation for supplies or service (do not place order at this time).
2. Complete all details of requisition.
3. After goldenrod copy of purchase order is returned to you, you may then place your order.
4. After supplies or service has been received - indicate date of receipt on pink copy of purchase order in Purchase Order book.

General Guidelines:

1. Deposit all receipts daily with school cashier.
2. All money to be deposited will be submitted with the money counted and wrapped, and the Pay In completed. Once the deposit is verified, a copy of the Pay In will be signed by the School Cashier and returned to you as your receipt.
3. If change is needed for a fundraising project, complete a Purchase Order at least three (3) days prior to the date needed.
4. No checks will be issued for accounts with insufficient funds or for a purpose not included in the "Statement of Purpose".
5. Student treasurer records may be requested through the District Treasurer for review and audit.
6. Accounting questions should be directed, by the faculty advisor, to the District Treasurer.

Do's and Don'ts

The following list includes examples of expenditures and/ or collections which would be deemed UNACCEPTABLE by the State Auditor.

1. Gifts, flowers and/or honorariums unless for a purpose specifically stated in the Statement of Purpose of the activity group.
2. Blazers, jackets, shoes, uniforms and/or other wear if they are to be used as personal apparel of the individual. These items may be purchased and used if turned in at end of the school year and kept in inventory.
3. Lending or advancing monies to individuals or agencies.
4. Donations to non-profit organization unless specifically stated in policy and/or purpose.
5. Reimbursement to any individual for the replacement of a personal article which has been lost, destroyed, or damaged while participating in an activity function.
6. Cash register receipts cannot be used unless the name is included.
7. Gifts in appreciation for services performed are not permissible expenditures. However, trophies, awards, honorariums are if specifically stated in the Statement of Purpose.
8. Cashing personal checks through student activity funds is not permissible.
9. Students may attend State and National contests and be reimbursed for their expenses if the activity group to which they belong has set aside money for this purpose. Money may not be given to the student from activity funds until proper itemized invoices are presented and the Board of Education, by resolution has authorized the absence.

Activity Worksheet

Name of Activity:

Event:

	<u>Student Name</u>	<u>Quantity</u>	<u>Cost</u>	<u>Total</u>
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