

Student Activity Funds Manual

This manual was written to provide a set of standard accounting procedures for the administration of Student Activity Funds in the Gadsden Independent School District (the District). Student Activity Funds may not be used to circumvent the District's purchasing procedures and relevant statutes. Furthermore, these funds shall contribute to the educational experience of students and shall not conflict with the District's instructional program. Student Activity Fund expenditures must benefit the entire student body or program that is available to all interested students.

Student Activity Funds are subject to federal, state and district laws and regulations relating to school finances. These include Procurement Code, the New Mexico Manual of Procedure for Uniform Financial Accounting and Budgeting for School Districts, and GISD Board Policy.

The following set of general policies apply to all Student Activity Funds:

- All funds are subject to internal control procedures and external/internal auditing.
- Money received and receipted shall be deposited to the District's bank within twenty four (24) hours or one banking day.
- Purchases become property of the District and are tagged and placed on the school's inventory.
- All financial transactions must be maintained and managed within the District's financial management system (Infinite Visions).
- Schools must have a vault or safe available to safeguard Student Activity Funds.
- Fringe benefits such as meals and cash rewards are subject to IRS regulations.
- Monies from fundraisers are subject to Title IX rules and regulations. *For more information contact the GISD Athletic Department.*
- Food sold at the school sites or during the school day is subject to USDA, Competitive Food and Smart Snacks Nutrition regulations and standards. *For more information contact the GISD SNP.*

There are two types of Student Activity Funds used by the District. Principal's activity funds (23000) and Student Activity Funds (70000).

23000 Principal's Activity Accounts

23000 Principal Activity Funds are to be used for instructional activities dealing directly with the interaction between teachers and students. Money is collected, raised and expended in activities directly involved with or related to student instruction. Students typically participate in the collection and raising of these funds. Examples of monies that **must** be deposited into the Principals' fund are:

1. School Imposed Fees: Lab Fees, Class Fees, Parking Fees, etc.

GISD Board Policy JQ J-6950

The District may set appropriate fees for materials used by students in non-required courses. Such fees must have prior Board of Education approval.

Activity fees charged can only be used to directly benefit students. When an activity fee is charged, a separate fee for cost of materials shall not be charged.

Students will, however, be responsible and accountable for loss of or damage to school property, including textbooks and library books.

2. Collections for fundraising activities before, during and after the school day: Free Dress Day, Fruitiki Sales, etc.

GISD Board Policy JJE J-4050

Fund-raising activities by students on school premises or elsewhere as representatives of the school will be permitted only when connected with specific school activities approved by the Superintendent.

The proceeds of all fund-raising activities shall be deposited into the Student Activity Fund, and funds from such activities shall be used only as specified in the Manual of Procedures for Public School Accounting and Budgeting.

70000 Student Activity Funds

Consists of funds received and held by the school as **trustee**. The individual student groups **or** parent/teacher groups' purpose for raising and expending funds shall be for the benefit of the students or for the general benefit of the school. Disbursement of funds is controlled by the student **or** parent/teacher group so long as the decisions regarding the use of funds do not conflict with school board policy and/or legal regulations or restrictions. Student groups are encouraged to participate in fundraising activities, however, **student participation** in parent/teacher fundraising activities at a school site before, during or after the school day is **not** allowed. Collections for fundraising activities at the school site before, during or after the school day **must** be deposited into the 23000 Principal's Fund.

Examples of 70000 Student Activity Funds:

Student Groups	Parent/Teacher Groups
Drama Club	Parent Teacher Organizations
Boys Basketball Club	Sunshine Funds
National Junior Honor Society	Teacher of the Year
NJROTC	Parent Support Groups

Quick Reference Guide for 23000 and 70000 Student Activity Funds

Description	23000 Accounts	70000 Accounts
Supplies, Materials and Equipment to be		
used by student members of the group	Yes	Yes
Supplemental classroom instructional needs and general office supplies, including school furnishings and equipment which will benefit the general student body.	Yes	Yes
Travel		
Travel meals consumed by the student members & their adult sponsors	Yes	Yes
Educational field trips, meals, and other activities planned for the benefit of students as recognition for accomplishments. The travel expenditures for staff who must accompany students on a trip are also acceptable provided that expenditures do not exceed the reimbursable limits established by the District's travel policies.	Yes	Yes
In-district mileage reimbursement for staff members on school business, subject to travel allowances as established by District's travel policies and superintendent approval.	No	Yes
Awards, Incentives, and Gifts		
Expenditures related to appreciation and recognition ceremonies of the student members	Yes	Yes
Awards such as plaques, paperweights, certificates, school apparel that does not exceed the dollar value per calendar year in accordance to IRS, in recognition of students, staff, or volunteers for service to the school District.	Yes	Yes
Any expense which appears to benefit private individuals or entities	No	No
Gift cards, gift certificates, or the like for District employees. Cash awards, gift cards, and gift certificates <i>of any value are always taxable</i> to the employee and must be reported at the time the gift or award is given.	No	No
Gift cards or gift certificates with a cash equivalent value for Students.	No	Yes
Purchase of a <i>non-cash</i> gifts of nominal value gifts for a person or organization; this includes retirement gifts, flowers, holiday gifts, and food gifts.	No	Yes
Supplemental pay for staff salaries and benefits	No	No
Meetings and Meals		
Appreciation meals furnished to staff	No	Yes
Daily coffee and other drinks for the faculty and staff	No	Yes
Parent/student functions such as open house, parent night, & graduation. Refreshments & snacks for meetings with direct student participation.	Yes	Yes
Refreshments and snacks for teacher in-service and staff development.	No	Yes

Principal's Responsibilities

The Principal is responsible for the overall administration of Student Activity Funds for the school. These include:

1. Understanding and ensuring compliance with all District policies and procedures as outlined in this manual.
2. Submission of applications for new student activity funds.
3. Maintenance of a log with all Student fundraising activities.
4. Approval of all fundraising activities.
5. Scheduling of fundraising activities with sponsors.
6. Maintaining a positive balance in the respective account at all times.
7. Corrects and reports any deviations from the requirements of the procedures manual.
8. Applicability of fees approved by the school board for certain elective courses.
9. Collection of funds. The principal is ultimately responsible for the collection of all funds generated through fundraising activities by the school or by a specific group under the sponsorship of a staff member.
10. Receipts and deposits, Receipt and deposit books are available through the Finance Office at the beginning of the year. All books must be returned to the Finance Office by end of fiscal year (June 30). All receipts issued must be accounted for.

Application for New Student Activity Form

If a new student activity fund is required, an *Application for New Student Activity Account (Exhibit 1)* must be filled out by the sponsor, approved by the principal, and submitted to the Finance Department for approval. Once the form has been approved by the Finance Department, a new account number will be setup for the student activity. No fundraising activities will be allowed until after the new activity fund has been approved by the Finance Department. A copy of the approved form will be returned with the assigned activity fund account code.

Log of all Activities by School Site

A log of all approved activities by school site is to be kept at the school for periodic review (*Monthly Log of All Student Activities by School Site - Exhibit 2*). This log will be used to identify fundraisers on campus and to ensure procedures are being followed. Failure to provide a completed log to Finance Department personnel upon request will result in an audit finding.

Approval of Fundraising Activity

All fundraising activities must be approved prior to ordering or receiving product/services. The sponsor shall submit a *Student Activity Fundraising Application (Exhibit 3)* to the principal for approval prior to commencement of fundraising activities. It is the principal's responsibility to ensure that all activities have been reviewed and approved.

The District:

- Reserves the right to stop payment on all fundraising activities in which the sponsor/vendor neglected to follow district policy. In these cases, a contract exists between the vendor and sponsor.
- Will not be liable for any unapproved fundraising activities;
- Will prohibit vendors for non-compliance with District policy.

Sponsor's Responsibilities

It is the sponsor's responsibility to understand and ensure compliance with all District policies and procedures as outlined in this manual. Failure to follow or lack of knowledge of procedures does not preclude sponsors from full responsibility and possibly disciplinary action as a result of this failure or lack of knowledge.

Failure to adhere to the Fundraising policies and procedures illustrated in this manual may adversely affect the school or club's ability to continue having fundraising activities. All non-compliance issues will be presented to administration for corrective action. Fundraising activities and supporting documentation are subject to unannounced audits.

The sponsor is fiscally responsible for all facets of the fundraising activity. He/she may be held liable for all unapproved fundraising activities and for any shortages identified if District policy has not been followed. All fundraising sponsors are required to sign a "*Sponsor's Agreement to Comply with District Student Activity Funds Manual*" each school year (*Exhibit 4*). The sponsor's signature indicates that he/she understands and agrees to abide by the guidelines as set forth in this manual.

Sponsor's responsibilities include but may not be limited to:

1. The sponsor must ensure that all receipts and disbursements are processed in accordance with district policies and procedures.
2. Planning the activity with club members.
3. Selecting the vendor.
4. Scheduling the activity with the principal or designee.
5. Properly completing the fundraising application prior to entering into any agreement and/or receiving product from a vendor. The sponsor, not the District, will be liable for product delivered and amount due if sponsor fails to obtain prior approval.
6. Maintaining the appropriate controls to ensure that all monies are collected and deposited on a timely basis and that students are held accountable for outstanding product and amounts.

7. The sponsor must notify the principal and then immediately report all thefts to the District Finance Department. The sponsor may be liable for not reporting losses on a timely basis.

Receipting of Funds

It is required that pre-numbered, triplicate, receipts be used to receipt funds received with the original to person making deposit, yellow to the Finance Office, and pink to be kept in book. Teacher and Superintendent Receipt books can be requested from the Finance Office.

If a receipt is voided make sure it stays intact in the receipt book as all receipts must be accounted for. For receipts marked as VOID, staple all three copies together and leave them attached to the receipt book.

If use of a receipt book is not feasible (collecting small amounts from many students at one time), a collection log can be used for receipts. The collection log can be turned in with receipts (student names required). This practice enables the sponsor and the District to account for cash received. The sponsor should issue a miscellaneous receipt, at the collection point, to each student who remits money or maintain a system of accountability of each dollar collected.

Depositing Money

The sponsor must submit all cash to the school designee for deposit, within 24 hours or one banking day. This is in compliance with the PSAB Supplement 18. The sponsor is liable for funds lost or stolen. Keeping money/checks for longer than 24 hours will result in an audit finding.

The depositing of funds is the responsibility of the school office. The person who is responsible for issuing the office of superintendent receipts should also be responsible for completing the deposit slip.

It is important to make sure that the money reflected on the deposit slip ties to the total receipts issued for that day. Ensure that checks and cash is correctly reported in the deposit slip. Verify amounts on the deposit slip by running a tape of the items. The total must balance to the receipts. Daily receipts for the school shall be prepared using only one deposit slip. The deposit slip along with the deposit amount shall be put into a bank deposit bag and given to the District's mail carrier for timely delivery of deposit to the bank. The bag tab along with the corresponding deposit slip and receipt copies shall be sent to the Finance Office. The school office shall maintain a log to include the date, bag number and deposit amount picked up by the District's mail carrier. The log shall require that the individual picking up the deposit bag and the school office designee responsible for issuing the bag to the mail carrier both sign the log and the time the deposit bag is exchanged.

- Money must be kept in a locked safe or vault.
- Cash receipted may not be used to cash checks, be borrowed against, lent or used to issue cash refunds or payments.

- Refunds are not to be made from receipts. All cash refunds should be reflected through an appropriate purchase order.
- The sponsor is restricted from using cash collected to make any type of purchase.
- Deposits must be made to the bank within 24 hours.

Plan accordingly. Credit in the activity account will not be available to expend until after the bank reconciliation process has been completed. This will ensure that bounced checks and/or over/short variances have been taken into consideration.

Donations

The GISD School Board must approve all donations of cash or property. It is the sole responsibility of the person receiving the donation to notify the principal and secretary so that proper procedures may be taken.

A letter must be submitted to the Superintendent's office by the school principal informing of the donation for Board approval. The letter should contain the name of the donor, dollar amount, and description of the item, if applicable.

GISD Board Policy KJA K-2600

In order to comply with Title IX requirements, funds or goods donated through Booster organizations must be distributed equitably to schools, men's and women's sports and activities. Therefore, Booster organizations may purchase or donate nothing except those items requested by the district.

Fixed Assets

Student activity purchases or board accepted donation become property of the District and are tagged and placed on the District Fixed Assets Inventory. Contact the Finance Office if the value of the asset or accepted donation is over \$5,000.

Raffles & Bingos

In the past, the District has extended the use of campus facilities to parent organizations for the purpose of raising funds. This practice may continue with some notable exceptions: bingos, money machines, raffles, or any other game of chance, are not allowed on District property. As a rule, the District's facilities may not be used for events that are not generally allowed through student activities.

Coin Collections

Coin collections at the school sites for the purpose of fundraising must be deposited into a District's Student Activity Fund. Disbursement of funds will be made using the District's laws and regulations relating to school finances.

Petty Cash

Petty Cash Funds are not allowed.

Transfers Between Student Activity Accounts

It is not necessary to write a check to transfer funds within 23000 student activity funds. However, the transfer must be documented by using a *Student Activity Funds Transfer Form (Exhibit 5)* in which:

1. The transfer process must be initiated by the disbursing sponsor, signed by the club treasurer and receiving sponsor.
2. The request must be approved by the principal and the Finance Office prior to transferring the funds.

Change Funds

Change Funds may be established to provide cash in denominations and amounts necessary to permit the making of change for cash collecting operations. The use of Change Funds is exclusively for the making of change for an approved school activity function. Change Funds are **not** to be used for cashing checks, loans, or as a petty cash fund. The fund is **not** to be used for reimbursement of any expense. These funds are established for the sole purpose of facilitating the operation of a school event or activity; therefore, the fund must be closed upon completion of the event or activity. See *Change Fund Guidelines (Exhibit 6)*

Gadsden Independent School District Application for New Student Activity Account

School Site: _____ Date: _____

Activity/Club Name: _____ Sponsor Name: _____

Purpose of Student Activity Fund:

check one:

Is the purpose consistent with the academic goals? Yes No

Will student participate in fund-raising activities? Yes No

Is this activity/club considered permanent? Yes No

As sponsor, I understand and agree to comply with guidelines as set out by the Student Activity Funds Manual. I will ensure that all policies and procedures are followed and I understand that I am responsible for all funds that the above activity/club participates in:

Sponsor's Name and Title

Date

Approved by Principal

Date

Approved by Chief Financial Officer

Date

Assignment of Student Activity Account Code

Gadsden Independent School District Monthly Log of All Student Activities by School Site

School Site: _____ Month: _____

Activity/Club Name:	Sponsor:	Activity Date(s):
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

I CERTIFY BY MY SIGNATURE THAT ALL THE ABOVE ACTIVITIES HAVE BEEN APPROVED BY AND HAVE COMPLIED WITH DISTRICT POLICIES AND PROCEDURES AS OUTLINED IN THE DISTRICT STUDENT ACTIVITY FUNDS MANUAL.

PRINCIPAL

DATE

Gadsden Independent School District Student Activity Fundraising Application

School Site: _____ Activity/Club Name: _____

Student Activity Account Code: _____

Print Sponsor's Name: _____ Phone Number: _____

Beginning Date: _____ Ending Date: _____

Will this fundraising activity take place at the school site before, during or after the school day?
check one:

Yes

No

If not at the school site, where will the fundraising take place?

Describe fundraising activity:

For what purpose(s) will the proceeds be used?

Fundraising funds must be deposited within 24 hours or one banking day.

I am familiar with the District's guidelines regarding fundraising activities. As Sponsor for this activity, I accept responsibility for conducting this activity in compliance with District guidelines and procedures.

Sponsor Signature

Date

Principal's Approval

Date

Gadsden Independent School District Sponsor's Agreement to Comply with Student Activity Funds Manual

School Site: _____ Date: _____

Activity/Club Name: _____ Activity Fund Account Code: _____
(last 4 digits only)

Purpose of Student Activity Fund:

I, _____
Print Name

- I understand the policies and procedures as outlined in the Student Activity Funds Manual.
- I received a copy of the Manual with policies and procedures which govern activities as activity/club sponsor.
- I agree to comply with the guidelines as outlined in the Student Activity Funds Manual.
- I understand that failure to comply with guidelines may result in disciplinary action or impair my club's ability to participate in fundraising activities.

Sponsor: _____ Date: _____

Approved: _____
Principal

Date

Gadsden Independent School District Student Activity Transfer Form

FROM Student Activity Account Code: _____

Activity/Club Name: _____

TO Student Activity Account Code: _____

Activity/Club Name: _____

Amount: _____

Reason for transfer request:

**Must attach an invoice to the transfer form

APPROVALS		
FROM Student Activity Representative		
_____	_____	_____
Print name	Signature	Date
FROM Student Activity Account Sponsor		
_____	_____	_____
Print name	Signature	Date
FROM Student Account Principal :		
_____	_____	_____
Print name	Signature	Date

Change Fund Guidelines

Change Funds may be established to provide cash in denominations and amounts necessary to permit the making of change for cash collecting operations. The use of Change Funds is exclusively for the making of change for an approved school activity function. Change Funds are *not* to be used for cashing checks, loans, or as a petty cash fund. The fund is *not* to be used for reimbursement of any expense. These funds are established for the sole purpose of facilitating the operation of a school event or activity; therefore, the fund must be closed upon completion of the event or activity.

Schools / departments authorized to have Change Funds must have safes or vaults that are adequate to safeguard cash. When not in use, the fund's currency must be placed in a safe or a locked receptacle, which is kept in a properly secured area. In the event of a theft, the loss must be reported to the Finance Department. Any shortages to Change Fund will be charged to the principal's account or the department's operating budget.

Designation of Custodian

Change Fund Custodian – is the person responsible for the physical custody of the Change Fund cash.

Change Funds require that at least two individuals be responsible for the cash, the fund custodian and the school principal or department head. Both the fund custodian and the school principal or department head are responsible for the proper use and for safeguarding the funds.

The fund custodian, however, is personally responsible for the cash which was specifically issued to him/her. Therefore, access to the fund must be limited to the authorized fund custodian. The fund custodian is appointed by the school principal or department head. The fund custodian must be an employee of the district.

The school principal or department head is responsible for reporting any changes in the change fund custodian to the Finance Department. These funds are subject to periodic unannounced internal audits. Audit findings may result in the change cash fund being revoked.

The change fund custodian will be designated at the time the Change Fund is established.

Establishing a Change Fund

To establish a Change Fund the principal or department head must complete and submit a [Change Fund Request Form](#) to the Finance Department for approval.

The form requires the following information:

- Amount requested
- Purpose of the fund (e.g., reason the fund is needed).
- Physical location of the fund
- Plans for safeguarding the fund
- Custodian of the fund: name and e-mail address of the person in whose custody the cash will be kept.
- School principal or department head must approve the form, acknowledging the designated fund custodian.

Once the fund is approved by the Finance Department, the finance office will create a purchase order. The Change Fund is established by issuing a check to the employee of the district responsible for the approved Change Fund amount. The Change Fund cash will be issued to the custodian upon presenting a valid ID at the Finance Department.

The Finance Department reserves the right to deny requests based on the purpose/justification for the request, unauthorized department approval, the amount of the fund, or any outstanding cash balances remaining in either the department or fund custodians name.

The [Change Fund Request Form](#) is available on the Finance Department web site. Departments should plan ahead and allow two weeks for processing time

Change in Custody of Change Fund

When a new fund custodian is to take charge of the Change Fund, the former custodian replenishes the fund so that the fund has the established amount of cash on hand. The fund must be reimbursed to its original amount and any overages or shortages must be investigated and resolved. The outgoing fund custodian must close the fund and return the fund's cash. A new check will be issued to the incoming fund custodian. Departments should plan ahead and allow two weeks to obtain the Change Fund cash to ensure that they will not be left without change when the current Change Fund is closed.

To change the fund custodian the school principal or department must complete a new [Change Fund Request Form](#).

Changes to the Change Fund

Increase

To increase the cash amount on the Change Fund a [Change Fund Request Form](#) must be completed and submitted to the Finance Department along with a letter of explanation addressing the need for the increase in the fund.

Decrease

To decrease the Change Fund, the fund custodian must return the amount of the decrease to the Finance Department along with a memo from the principal or department head requesting to decrease the Change Fund balance. The memo should include the following information:

- Custodian Name
- Name of School Principal or Department Head
- Fund Location
- Purpose of Change Fund
- Reason for Decrease
- Original Change Fund Balance
- New Change Fund Balance

A receipt will be issued to the fund custodian at the Finance Department upon return of the Change Fund cash.

Close

When the Change Fund is no longer needed, the fund custodian should return the authorized amount to the Finance Department along with a memo from the principal or department head requesting to close the Change Fund. The memo should include the following information:

- Custodian Name
- Name of School Principal or Department Head
- Fund Location
- Purpose of Change Fund

A receipt will be issued to the fund custodian at the Finance Department upon return of the Change Fund cash.



Date: _____

Change Fund Request Form

Submit To: GISD Finance Department
 P.O. Drawer 70
 Anthony, NM 88021

Submitted By: _____
 (School /Department)

Check One: New Change Fund Increase Fund

The custodian must be an employee of the Gadsden Independent School District. The custodian must accept personal responsibility for the safety, proper usage and return of the funds entrusted. In circumstances the actual handling of the funds may be delegated but the responsibility of the funds remains with the custodian. If for any reason the Change Fund is no longer needed or there is a change in the custodian, this fund must be returned to the Finance Department, thereby terminating the responsibility of the custodian. If the need continues for the Change Fund, a new fund will be issued upon application.

Fund Information: Purpose of Fund

Amount Requested \$ _____ .00. Plan to safeguard the funds: _____ Physical Location: _____
 or amount of increase request (e.g., safe, vault)

Time period the funds will be used: Beginning Date: _____ Ending Date: _____

Custodian Certification:

I accept the above stated Change Fund with the understanding that I am personally responsible for the proper safekeeping and use of said funds. It is further understood that I will be personally liable for all shortages.

Change Fund Custodian's Name: _____ Work Location: _____
(Print Full Name) (School/Department)

Phone: _____ Email Address: _____

Signature: _____ Date: _____

School Principal/ Department Head Authorization:

I approve the designation of the cash fund custodian as stated above. It is further understood that I will be jointly liable for all shortages. I also understand that any shortages to the Change Fund will be charged to the principal's account or the department's operating budget.

Principal/Department Head Name: _____ Work Location: _____
(Print Full Name) (School/Department)

Phone: _____ Email Address: _____

Signature: _____ Date: _____

Director / CFO of Finance Department Approval:

By approving this form I consent an override to create the Change Fund.

Account Code: _____ Signature: _____ Date: _____

Return completed form to address above. Please allow 2 weeks for your request to be processed