ACCOUNTING PROCEDURES
FOR
KENTUCKY SCHOOL ACTIVITY FUNDS

August 2007 [~~July 2001~~]

~~FOREWORD~~

~~The local board of education has an obligation to provide its students with an activities program that is attractive, meaningful, worthwhile, and within the framework of the educational and organizational policies of the board. A well-designed activities program will enrich the quality of the curriculum, provide new learning experiences, encourage interest in classroom work, and strengthen morale and discipline. The opportunity for students to participate in the planning and execution of club activities is a life-preparation experience. [Encouraging club treasurers to assist in the accounting procedures should be part of the fiscal management of activity accounts.]~~

~~Public trust demands an efficient system of accounting for all money received and expended through school activity fund accounts. The system of safeguarding and accounting for activity funds is dependent on the soundness and effectiveness of board of education policies and guidelines. The board has the responsibility of insuring accurate accounting for all accounts, as well as insuring activity funds are expended as intended [by the fund-raising].~~

~~The procedures contained in this handbook provide a method of uniform accounting for school activity funds as mandated by 702 KAR 3:130(3) and KRS 156.070. This handbook is incorporated by reference and becomes a part of the Kentucky Administrative Regulations. Use of the procedures in this handbook provides reasonable assurance that schools have properly accounted for monies realized through student and school activities. All transactions shall, at a minimum, be in accordance with the guidelines of this document, Accounting Procedures for Kentucky School Activity Funds, using the forms contained herein or equivalent. The equivalent must contain, at a minimum, the information listed on the forms, however, additional information may be added, if desired. Within the scope of its authority, a local board of education may enact a policy more restrictive than the procedures established in this handbook.~~

"REDBOOK"
TABLE OF CONTENTS

[~~INTERNAL ACCOUNTS AND~~]ACTIVITY FUNDS 3

SCHOOL ACTIVITY FUND AUTHORITY AND RESPONSIBILITIES 4
LOCAL SCHOOL BOARD 4
SUPERINTENDENT 5
PRINCIPAL 6
SCHOOL TREASURER 6
CLUBS/ACTIVITIES SPONSOR 7
SUPPORT/BOOSTER ORGANIZATIONS USING EXTERNAL ACCOUNTS 7

~~INTERNAL ACCOUNTS AND ACTIVITY FUNDS~~ 8

BOOKKEEPING 8
HANDLING CASH 8
SEGREGATION OF DUTIES 9
MONITORING FUND-RAISING 10
TICKET SALES 10
BANKING AND INVESTMENTS 11
SCHOOL BANKS 11
CHARITABLE GAMING 12

EXPENDITURES 12
PROCUREMENT 12
PURCHASING 13
CASH ADVANCES, TRAVEL REIMBURSEMENTS, AND PAY FOR SERVICES 14
CREDIT CARDS 14
PETTY CASH ACCOUNT 15
ACTIVITY FUND BUDGET[~~S~~] REPORTS 15
FINANCIAL REPORTS 16

FIXED ASSETS 16

DEFINITIONS 16

FORMS 18

INDEX 39

APPENDIX 41

SEGREGATION OF DUTIES 41

INTRODUCTION

The local board of education has an obligation to provide its students with an activities program that is attractive, meaningful, worthwhile, and within the framework of the educational and organizational policies of the board. A well-designed activities program will enrich the quality of the curriculum, provide new learning experiences, encourage interest in classroom work, and strengthen morale and discipline. The opportunity for students to participate in the planning and execution of club activities is a life-preparation experience. [~~Encouraging club treasurers to assist in the accounting procedures should be part of the fiscal management of activity accounts.~~]

Public trust demands an efficient system of accounting for all money received and expended through school activity fund accounts. The system of safeguarding and accounting for activity funds is dependent on the soundness and effectiveness of board of education policies and guidelines. The board has the responsibility of insuring accurate accounting for all accounts, as well as insuring activity funds are expended as intended [~~by the fund-raising~~].

The procedures contained in this handbook provide a method of uniform accounting for school activity funds as mandated by 702 KAR 3:130(3) and KRS 156.070. This handbook is incorporated by reference and becomes a part of the Kentucky Administrative Regulations. Use of the procedures in this handbook provides reasonable assurance that schools have properly accounted for monies realized through student and school activities. All transactions shall, at a minimum, be in accordance with the guidelines of this document, Accounting Procedures for Kentucky School Activity Funds, (Redbook) using the forms contained herein or equivalent. The equivalent must contain, at a minimum, the information listed on the forms, however, additional information may be added, if desired. Within the scope of its authority, a local board of education may enact a policy more restrictive than the procedures established in this handbook.

[~~INTERNAL ACCOUNTS AND~~]ACTIVITY FUNDS

The system of accounting described in this handbook is based on the assumption that each school activity program is organized and accepted as a part of the total school program. The following procedures must be followed when establishing an [~~internal account~~] activity fund:

1. Each school shall have one checking account and one school treasurer for all school activity funds. The only exception to having one checking account shall be when a school participates in charitable gaming. This checking[~~bank~~] account is to be designated as the Activity Fund [~~Internal Account~~] and the school treasurer is to be the Activity Fund [~~Internal Account~~] Treasurer. Normally, the school secretary/account clerk serves as school treasurer. No student shall serve in this capacity. All checks written on the Activity Fund [~~Internal Account~~] shall contain the signatures of the principal or his designee, and the school treasurer. **The school treasurer shall be bonded.**

2. The school treasurer shall prepare an Individual Activity Fund Ledger for each activity fund using Form F-SA-12. All transactions are entered on the Principal's Combined Activity Fund [~~Internal Account~~] Ledger (Form F-SA-11) then posted to the appropriate Activity Fund Ledger. The Activity Fund [~~Internal Account~~] is to be reconciled to the monthly bank statement. The total of all Individual Activity Fund Ledger balances must equal the balance in the Principal's Combined Activity Fund [~~Internal Account~~] Ledger (Form F-SA-11).

3. Prior year balances shall be entered at the beginning of each fiscal year (July 1). The l[~~L~~]edger and checkbook shall be maintained on a daily basis to ensure current balances.

SCHOOL ACTIVITY FUND AUTHORITY AND RESPONSIBILITIES
LOCAL SCHOOL BOARD

AUTHORITY:

1. Control and manage all public schools in its district (KRS 160.290); and school activity funds (OAG 78-644).

2. Bid items costing $20,000 or more purchased under the Bid Law (KRS 424.260 and 702 KAR 3:135) or [~~items costing $10,000 or more~~] purchased under Model Procurement (KRS 45A). **BIDDING IS NOT A SCHOOL OR SBDM COUNCIL FUNCTION**. SBDM councils may participate in developing bid documents or otherwise assist with the bidding process with their local board. [~~The council may assist with the creation of bid specifications and conditions, and serve on bid evaluation committees.~~]

3. Enter into lease agreements (KRS 160.160)[~~;~~] **LEASING IS NOT A SCHOOL OR SBDM COUNCIL FUNCTION**.

4. Designate depositories (KRS 160.570), and incur debt (KRS 160.540-550, 286.3-280, and 286.3-290[~~287.280-290~~]).

5. Regulate investment of excess cash. (KRS 66.480)

6. Regulate school fund-raising activities (KRS 158.290, Section 1)[~~(3)(a)~~].

7. Regulate expense reimbursements to employees (KRS 160.280, 160.410).

8. [~~Accept donations and gifts on behalf of the school. (KRS 160.580)~~]

8. No school activity fund shall end the fiscal year (June 30) or begin the fiscal year (July 1) with a deficit balance. Receivables and payables shall be included in the end of the year balance. In the event a fund is deficit, the board shall be responsible for all financial obligations of the district, including those incurred by school principals or their agents. (KRS 160.550) All transfers of money to cover deficit balances shall be reimbursed only when funds are available.

9. All student fees and charges shall be adopted by the Board. The fee shall remain in place until modified or removed by Board resolution. All student fees adopted by the Board shall be used for the purposes set forth in the motion and shall not be spent for any other purpose.

RESPONSIBILITIES:

1. Adopt policies regarding activity funds relative to SBDM councils. Ensure that no policy or procedure adopted by the board shall infringe on rights and privileges granted to SBDM councils (KRS 160.345). Board may include principals and school councils in the formulation of policies and procedures.

2. Withhold and pay taxes and other deductions, including the employer liability, for local, state, and federal taxes, FICA and Medicare, KTRS and CERS, Unemployment and Worker's Compensation (KRS 61.410, [~~61.500~~,] 161.540, 161.560, 342.640).

3. Notify employees and taxing agencies of total compensation and tax withholding (W-2, 1099, etc.).

4. Approve school-wide fund-raising activities (KRS 158.290).

5. Ensure that fund-raising activities contribute to the educational experience of the students enrolled in school and are not in conflict with the instructional program.

6. Receive any gift, grant, or devise for the benefit of the school and hold and use it as requested. However, the board may give that responsibility to the schools by establishing a policy. If donations are received directly at the school, the principal and/or bookkeeper shall produce a listing of donations for submission to the school board at year-end, (KRS 160.580).

7. Approve activity fund budgets.

8. Ensure that activities do not conflict with the implementation of Title IX responsibilities of the district.

9. Approve school dues and fees.

SUPERINTENDENT

AUTHORITY:

1. Hire all employees including temporary and contract labor.

2. [~~Interprets and~~] Enforces all policies of the local board and administrative procedures of the district, unless otherwise noted by board policy.

3. Issue all temporary work contracts.

4. [~~Ensure that activities do not conflict with the implementation of Title IX responsibilities of the district.~~]

RESPONSIBILITIES:

1. Submit activity fund budgets to the Board. [~~Issue all temporary work contracts~~].

2. Approve magazine sales. See Monitoring Fund-Raising (3).

3. Ensure that activities do not conflict with the implementation of Title IX responsibilities of the district.

SCHOOL BASED DECISION MAKING (SBDM) COUNCIL (PRINCIPAL IF NO COUNCIL)

AUTHORITY:

1. Determine school activity fund policy consistent with board policy (KRS 160.345).

2. In accordance with board policy, determine use of school general activity funds from bookstore sales, snack and beverage sales, and other office activity funds not raised by a school organization for a specific purpose. These sales are mainly to students. Therefore, the profits must be used for the benefit of students and not for the school's physical operating expenses that are the responsibility of the local board. If the employee's lounge has vending machines or other concessions, the profit may be used for employee purposes.

RESPONSIBILITIES:

1. Approve [~~Provide input in~~] the school general activity fund budget and other office activity fund budgets.

2. Participate in the creation of bid specifications and conditions, and serve on bid evaluation committees, if requested by the board.

3. Participate in formulation of policies and procedures concerning activity funds, if requested by the board.

~~4. [Ensure board and council policies are followed.~~

~~5.~~] Ensure compliance with Title IX issues as it relates to fund-raising and expenditures.

5. Oversee the expenditure of instructional funds from school fees and dues and any other funds not raised for a specific purpose.

PRINCIPAL

AUTHORITY:

1. Act as Board/SBDM Council designated administrator of school activity funds (KRS 160.345(2)(~~c~~)(h)).
2. Assume the role of the SBDM Council if none exists.

RESPONSIBILITIES:

1. Ensure board and council policies are followed.
2. Approve/sign activity fund documentation.
3. Appoint a designee to act in the absence of the principal.
4. Select responsible and trustworthy sponsors to guide the activity funds and help elect officers.
5. Obtain board approval for school-wide fund-raising activities.
6. Prepare and submit annual Principal's Combining [~~Internal Account~~] Budget (Form F-SA-3) to the superintendent.
7. Submit monthly and annual financial reports (Forms F-SA-14 and 15) to the superintendent.
8. Obtain the names of the club officers of all support/booster organizations at the beginning of the school year.
9. Obtain annual budget[~~s~~] worksheets from each support/booster organization [~~club~~] within the first thirty days of the school year or within thirty days of the first transaction for the group showing estimated revenues from admissions, fundraisers, dues, concession sales, and other categories, and estimated expenditures by category.
10. Obtain an annual financial report from each support/booster organization [~~club~~] by July 25 of each year, for the year ended June 30. The report shall provide receipts from admissions, fundraisers, dues, concession sales, and other categories; expenditures by payee; and beginning and ending balances.
11. Review bank statements, initialing and dating after review.
12. Prepare with the school treasure a listing of all donations to the school for the local board.
13. Ensure compliance with Title IX issues as it relates to fund-raising and expenditures.

SCHOOL TREASURER

RESPONSIBILITIES:

1. Record transactions for the [~~Internal Account and the~~] school activity funds.
2. Maintain financial records for the [~~Internal Account and the~~] school activity funds.
3. Prepare with the principal a listing of all donations to the school for the local board.

CLUBS/ACTIVITIES SPONSOR

AUTHORITY:

1. Determine use of club/activity funds subject to board policy.

RESPONSIBILITIES:

1. Help [~~Select a responsible and trustworthy sponsor to guide the group and~~ elect officers.
2. Obtain approval for fund-raising activities including charitable gaming activities using Form F-SA-2A according to board or council policies.
3. Publicize fund-raising activities in advance, with purpose and intended use of profits indicated.
4. Ensure funds are expended in accordance with the purpose and intended use only.
5. Use the Fund Raiser Worksheet (Form F-SA-2B) to reconcile the number of items taken, sold, and returned with money turned in.
6. Follow guidelines within this publication for handling cash. See Bookkeeping Section.
7. Submit annual Individual Activity [~~Fund~~] Budget Worksheet to principal.
8. Ensure compliance with Title IX issues as it relates to fund-raising and expenditures.

SUPPORT/BOOSTER ORGANIZATIONS USING EXTERNAL ACCOUNTS

AUTHORITY:

1. Raise funds through board approved activities on and off school property in the name of the school or school activity and maintain those funds in a separate bank account.

RESPONSIBILITIES:

1. A support/booster organization using external accounts shall not use the state tax exempt or federal identification number of the school or district but shall obtain a state tax exempt number specifically and only for the use of the support/booster organization. A federal identification number, specifically and only for the use of the support/booster organization, shall also be obtained if required for federal reporting purposes.
2. Submit the names of the club officers to the principal at the beginning of the school year or within thirty days of the first transaction of the organization.
3. Submit an annual Support/Booster Organization Budget Worksheet (Form F-SA-4B)[~~booster club budget~~] to the principal within the first thirty days of the school year or within thirty days of the first transaction of the group showing estimated revenues from admissions, fundraisers, dues, concession sales, and other categories, and estimated expenditures by category.
4. Ensure funds are expended in accordance with the purpose and intended use only.
5. Submit an annual financial report to the principal by July 25 for the year ending [~~ended~~] June 30. The annual financial report shall contain [~~reporting~~] receipts from admissions, fundraisers, dues, concession sales, and other categories; expenditures by payee; and beginning and ending balances.
6. Ensure compliance with Title IX issues as it relates to fund-raising and expenditures.

~~INTERNAL ACCOUNTS AND ACTIVITY FUNDS~~

~~The system of accounting described in this handbook is based on the assumption that each school activity program is organized and accepted as a part of the total school program. The following procedures must be followed when establishing an internal account activity fund:~~

1. ~~Each school shall have one checking account and one school treasurer for all school activity funds. This checking account is designated as the Internal Account and the school treasurer is the Internal Account Treasurer. Normally, the school secretary/account clerk serves as school treasurer. No student shall serve in this capacity. All checks written on the Internal Account shall contain the signatures of the principal or his designee, and the school treasurer.~~

2. ~~The school treasurer shall prepare an Activity Fund Ledger for each activity fund using Form F-SA-12. All transactions are entered on the Internal Account Ledger (Form F-SA-11) then posted to the appropriate Activity Fund Ledger. The Internal Account is to be reconciled to the monthly bank statement. The total of all Activity Fund Ledger balances must equal the balance in the Internal Account.~~

3. ~~Prior year balances shall be entered at the beginning of each fiscal year (July 1). Ledger and checkbook shall be maintained on a daily basis to ensure current balances.~~

BOOKKEEPING

HANDLING CASH

POLICY:

1. All money collected by a teacher/sponsor shall be given to the school treasurer on the day collected.

2. Pre-numbered receipts shall be issued any time money is received, and all receipt numbers shall be accounted for.

3. Generally, all monies collected should be deposited on a daily basis. In the event that less than $100 is on hand to deposit, smaller amounts may be held in a secure location until $100 is collected. At a minimum, deposits shall be made on a weekly basis even if the deposit amount is less than $100.

4. Personal checks shall not be cashed using cash on hand for deposit. The school is not a bank.

5. Charging a fee for checks returned for insufficient funds is permissible if such policy is clearly advertised.

6. An employee, other than the person preparing the deposit slips, shall verify that the amount on the deposit ticket agrees with the amount of receipts recorded in the ledger sheets and that the deposit ticket has been stamped by the bank. Discrepancies shall be reported immediately to the district finance officer.

PROCEDURES:

1. Teachers/sponsors/students shall use the Multiple Receipt Form (Form F-SA-6) or pre-numbered receipts when collecting money. A copy of Form F-SA-6 or a copy of the pre-numbered receipt shall be retained by the teacher/sponsor and the original [~~a copy~~] shall be given to the school treasurer.

2. The school treasurer and the person turning in the money shall jointly count the money. A pre-numbered receipt shall be issued by the school treasurer and retained by the teacher/sponsor.

3. Immediately upon receipt, the school treasurer shall endorse all checks: "For Deposit Only".

4. The school treasurer shall prepare deposit slips containing the issuer name and the amount of each check or retain a copy of all checks to be deposited.

5. The school treasurer shall record receipts in the Principal's Combined Activity Fund [~~Internal Account~~] Ledger (Form F-SA-11), as well as in the appropriate Individual Activity Fund Ledger (Form F-SA-12).

6. Bank statement shall be reconciled monthly using Form F-SA-14. The reconciliation shall be filed with the bank statement and canceled checks for the month. The reconciliation shall also include investments.

7. Checks returned for insufficient funds shall be re-deposited on a separate deposit slip indicating negative and positive entries in order [~~such, and NOT ENTERED AS A RECEIPT~~]. [~~If returned checks are deemed uncollectible, the amount of the checks shall be entered as negative receipts in the ledgers~~] to prevent receipts from being overstated. There [~~they~~] may be reconciling items on the Monthly Financial Report (Form F-SA-14). The returned checks shall be filed with the bank statements for audit trail. Districts may use collection agencies to collect checks deemed uncollectible.

SEGREGATION OF DUTIES

Precautions must be taken to protect activity fund money from loss and limit the liability of persons handling the money. Recommendations made by the school district auditor shall ~~should~~ be implemented. See the appendix for suggestions. ~~The following are suggested ways to segregate duties. Persons #1, #2, and #3 cannot be the same person. The clerk could be a club treasurer or sponsor.~~

~~HANDLING RECEIPTS~~

~~Person #1 (Clerk)~~
- ~~Opens the mail but does not open bank statements.~~
- ~~Records the checks by payee in chronological order.~~
- ~~Receives cash and writes pre-numbered receipt for cash to payee.~~

~~Person #2 (School Treasurer)~~
- ~~Photocopies the checks. (Optional, but encouraged.)~~
- ~~Records receipts on a deposit ticket.~~
- ~~Records revenue in school accounting system to agree with the deposit tickets.~~

~~Person #3 (Principal)~~
- ~~Reconciles the log produced by person #1 to the deposit ticket.~~
- ~~Deposits checks and cash.~~

~~PAYING BILLS~~

~~Person #3 (Principal)~~
- ~~Approves invoices.~~
- ~~Person on #2 (School Treasurer)~~
- ~~Enters invoices. Every invoice paid should contain an invoice, signed PO, and a receipt of goods/packing slip initialed by the purchaser confirming receipt except recurring bills such as newspaper subscriptions.~~
- ~~Prints checks.~~

~~Person #1 (Clerk)~~
- ~~Matches invoices to checks.~~
- ~~Mails checks.~~

~~PREPARING BANK RECONCILATION~~

~~Person #3 (Principal)~~
- ~~Opens bank statement. [It is important that a perception exists that someone is looking.] The checks could be fanned to scan signatures. Bank statement could be reviewed to find inconsistent check numbers or abnormal transaction amounts.~~
- ~~Compares chronological listing of receipts from Person #1 to deposit slips from Person #2 to deposits on the bank statement.~~

~~Person #2 (School Treasurer)~~
- ~~Sorts checks in numerical order and clears them in school accounting system.~~

- ~~Reconciles bank statement to books using Form F-SA-14.~~

~~Person #1 (Clerk)~~

- ~~Reviews bank reconciliation.]~~

MONITORING FUND-RAISING

POLICY:

1. Fund-raising activities shall be monitored using Fund Raiser Worksheet (Form F-SA-2B). For Concessions, Bookstore and Pencil Machine receipts use Form F-SA-17.

2. Reasonable profits on concession and vending machines sales and bookstore sales and any other stocked items held for resale shall be verified using Inventory Control Worksheet (Form F-SA-5). (Full service vending is encouraged when sufficient staff is not available to handle inventory; in which case, the vendor shall provide reconciliation of the service.)

3. KRS 367.515 requires magazine sales be approved in writing by the superintendent. Such approval shall identify the product or products being sold, solicitors involved, and duration of sales. The approval letter must be filed with the county clerk.

4. Upon completion of the fund-raising activity or at the end of ~~for~~ the year, complete the Fund Raiser Worksheet (Form F-SA-2B) and Multiple Receipt Form (Form F-SA-6) and turn in to the School Treasurer.

TICKET SALES

POLICY:

1. Pre-numbered tickets shall be used for ALL events for which admission is charged. Change or rotate ticket colors with each event. (Not necessary if there are two games played back to back.)

2. [~~Ticket colors shall be changed for consecutive events.~~]

3. Tickets shall be stored in a locked cabinet or safe.

4. In the case of athletic events, board/council policy may allow a check to be written to the athletic director for change money from the athletic fund [~~account~~] at the beginning of the season. A written agreement should be executed stating that the money shall be returned intact at a specified time.

PROCEDURES:

1. The principal or school treasurer shall issue tickets to the person in charge of sales for each event using the Requisition and Report of Ticket Sales (Form F-SA-1).

2. The person in charge determines the number of tickets to be used, records the beginning ticket number, and signs the form.

3. Tickets and change money are given to the person in charge who verifies the numbers recorded. Tickets and change money are given to ticket sellers using the same procedure.

4. The ticket seller gives the entire ticket to the customer. The ticket taker tears the ticket in half, gives half to the customer, and retains half. The ticket seller and ticket-taker shall be two separate people.

5. The number of tickets collected is then reconciled with the number of tickets sold and to the amount of cash given to the school treasurer.

6. Ticket sellers return money collected, change money, and unsold tickets to the person in charge. The ticket taker returns the ticket halves. Reconciliation, explanation of shortages/overages, and signatures are recorded

using Form F-SA-1. The money shall be deposited in the school safe or night depository if collected after business hours.

7. The money and the report are delivered to the school treasurer. The school treasurer and the person in charge of ticket sales shall verify the beginning and ending numbers of tickets and account for money collected. Discrepancies must be resolved immediately.

8. The school treasurer prepares a receipt and attaches a copy to the report (Form F-SA-1). [~~A deposit slip should be completed and initialed by the person in charge showing that the amount is correct.~~]

TRANSFERS

POLICY:

1. Transfers Between Activity Funds - Amounts may be transferred between activity funds **only by proper completion of a Transfer Form (Form F-SA-10).** If, for example, a portion of athletic receipts is given to the band for their participation, an entry is made to reduce one fund balance and increase the other. Such a transfer does not affect the Activity Fund [~~Internal Account~~] and bank account balance. The sponsor of the remitting (paying) activity account[~~, the school treasurer,~~] and the principal shall sign the Transfer Form. The explanation on the Individual Activity Fund Ledger (Form F-SA-12) should state which account is affected and why.

2. Transfers from the Local Board - While transfer of local board monies to the school for any purpose is highly discouraged, the practice is a local issue. If a transfer is made, it should be clearly described in the Activity Fund [~~Internal Account~~] Ledger. If the money is restricted to a specific use, it should be posted to a new Individual Activity Fund Ledger for audit trail purposes.

BANKING AND INVESTMENTS

POLICY:

1. The Activity [~~Internal~~] Account shall be in a [~~n interest bearing~~] checking account at a Board approved bank. This cannot be a bank operated by students, such as the school bank.

2. Schools are neither authorized to borrow money from nor authorized to loan money to employees or others. Personal checks shall not be cashed from school money.

3. Excess cash shall be invested. Investments must be in accordance with Board investment policy. The Monthly Financial Report (Form F-SA-14) and the Annual Financial Report (Form F-SA-15A) shall include the amount invested and indicate the amounts in checking and investment accounts.

4. Certificates of Deposit shall remain at the bank for safekeeping. A copy shall be kept at the school to verify the amount recorded in the Activity Fund [~~Internal Account~~].

SCHOOL BANKS

POLICY:

1. School Banks shall have a district employee as a sponsor.
2. Reconcile accounts and cash daily.
3. Never accept activity fund money as a receipt.
4. Sponsors cannot open accounts.

CHARITABLE GAMING

A school that holds three or more raffles each year and has gross receipts of $150 shall have a charitable gaming license or an exemption from the process of applying for a gaming license to raise funds through gaming. Gaming includes raffles, bingo, pull tabs, Monte Carlo nights, school fairs, etc… The licensing requirements for charitable organizations are found in KRS 238.535. A school may obtain an exemption from the process of applying for a license if it only conducts bingo, raffles and charity fund-raising events (school fairs) and gross receipts do not exceed $25,000 per year. The school must fill out an application for the charitable gaming license or for an exemption from applying for the license prior to any charitable gaming activity.

If a school obtains a gaming license, it shall report quarterly to the Office of Charitable Gaming and pay a fee on its gross receipts. If a school obtains an exemption, it shall report gross receipts and expenses annually. The reports are available from the Office of Charitable Gaming or at http://ocg.ky.gov.

It is imperative that a school conducting any charitable gaming activities be knowledgeable of all requirements and regulations pertaining to gaming. Charitable gaming requirements apply to any organization including, district, school, club and support/booster organizations.

EXPENDITURES

PROCUREMENT

POLICY:

1. Activity fund purchases shall comply with Kentucky Revised Statutes (KRS), Kentucky Administrative [~~Board of Education~~] Regulations (KAR), and local board policies.

2. Bidding and purchasing is a local board's responsibility. Individual schools do not have the authority to advertise and award bids. A school does not operate as a separate entity, but as a part of the school district. The local board is accountable for funds maintained and expended at the school level. Aggregate expenditures of the district are examined for adherence to bid laws.

3. Schools may legally purchase items from the central office bid list, the cooperative bid list, the Governmental Services Administration (GSA) bid list, or the Kentucky state bid list. All purchases shall be made in accordance with the board's purchasing policies. SEE ALSO: Authority and Responsibilities of Board and SBDM Council.

4. The following items, normally purchased from school activity funds [~~accounts~~], may be subject to district bidding requirements:

   a) instructional materials[~~.~~]
   b) items for resale (concession items, snacks, colas, bookstore items, shirts, etc.)[~~.~~]
   c) class rings, yearbooks, school pictures[~~.~~]
   d) athletic supplies and equipment[~~.~~]
   e) band equipment and uniforms[~~.~~]

For more information please refer to KRS 45A.300; KRS 156.031; KRS 156.070; KRS 156.076; KRS 424.260; and 702 KAR 3:135, and the Procurement section (Section VIII) of the Financial Management Manual located at the local board office or on KDE's Web site at:
http://www.education.ky.gov/KDE/Administrative+Resources/Finance+and+Funding/School+Finance/Financial+Information/Financial+Management+Manual.htm

PURCHASING

POLICY:

1. No school activity money shall be used to purchase personal items for staff members even with a reimbursement agreement. Only staff generated funds, including proceeds from snack machines in staff areas, may be used for staff gifts, dinners, etc.

2. School activity funds **shall not** be used to pay for basic routine operating expenses, renovations [~~any renovation~~] or maintenance of school facilities or buildings.

3. School activity money generated by students may be used to provide student incentives for scholarship, athletics, specialized area performance, school spirit, and similar achievements.

4. School activity money **shall** [~~may~~] **not** be used to provide attendance incentives for the compulsory instructional day, unless the incentives are considered instructional, i.e., instructional field trips, books, magazines or other instructional materials. Awards such as tee shirts, parties or non-instructional field trips shall be funded by non-tax, non-Board controlled dollars such as donations from local businesses, support/booster organizations or the PTA.

5. Checks **shall not** be made payable to "CASH" [~~except for change at events. All checks for the Petty Cash fund payable to "CASH" shall be fully documented~~]. Petty cash or change fund checks shall be made payable to the sponsor or to the responsible person.

6. Schools are exempt from the payment of sales tax, excluding tax on meals and hotel expenses for employees and students. Employees purchasing items for the school cannot be reimbursed for sales tax. A copy of the Tax Exemption Certificate is to be sent to any vendor requesting one. Support/b[~~B~~]ooster [~~clubs~~] organizations shall [~~may~~] not make tax-free purchases using the school's tax exemption, unless their funds are maintained in the school's activity fund.

7. The use of pre-numbered checks is required for all disbursements.

8. Checks shall be mailed the same day as written [~~signed~~].

PROCEDURES:

1. To initiate a purchase, a Purchase Order (Form F-SA-7) shall be prepared and approved by the sponsor and principal before the payment is obligated. The Purchase Order is filed with the school treasurer and is classified as an encumbrance until the merchandise is received.

2. Shipping tickets for merchandise ordered shall be compared to the purchase order, initialed and dated by the receiver[~~, and section B of the purchase order completed. Section B serves as a receiving report to support payment of invoices~~]. The employee requesting the purchase shall also retain a copy of the purchase order.

3. Before being processed, each disbursement shall be documented by a completed purchase order and an original vendor invoice. If a vendor invoice is not available, the disbursement shall be supported by a standard invoice (Form F-SA-8), which must be signed by the payee.

4. The vendor invoice [~~and/~~]or the standard invoice must have a confirmation signature of the person receiving the goods or services [~~the approval and signature of the principal and the faculty sponsor of the activity expending the monies~~] before the payment process can be continued.

5. The school treasurer shall match up the purchase order, shipping document (if applicable), and vendor [~~and/~~]or standard invoice and verify that all items ordered have been received, services have been satisfactorily performed, all amounts agree, and that all necessary approvals and signatures have been obtained. Any problems or discrepancies shall be resolved before a check is written. The school treasurer shall post the disbursement to the Principal's Combined Activity Fund [~~Internal Account~~] Ledger (Form F-SA-11), as well as to the appropriate Individual Activity Fund Ledger (Form F-SA-12).

6. The check number and date paid shall be noted on the invoice. The invoice shall be clearly marked "paid".

7. The school treasurer shall then file all documents for a disbursement together by month, in check numerical order [~~an organized manner, under "paid invoices"~~].

8. To void checks print the word VOID across the face of the check and tear the signature portion [~~torn~~] off. If the check was entered in the account ledgers, the entry shall be marked VOID. Amounts shall be recorded as negative expenses, NOT RECEIPTS. Void checks are filed with the monthly canceled checks.

CASH ADVANCES, TRAVEL REIMBURSEMENTS, AND PAY FOR SERVICES

POLICY:

1. Cash Advances - A club sponsor/teacher may receive cash advances only if there are **students** participating in a class trip or club outing. Cash advances and expense reimbursements shall be supported by the Expense Report (Form F-SA-9). The completed form, related receipts, other support documents, and unused cash shall be returned by close of the next business day after [~~immediately after~~] the trip.

2. Travel Reimbursements - Reimbursement of travel expenses incurred by employees performing special duty, such as attending a Beta Club convention, shall be consistent with local board policy. Payment may be made from school activity fund with submission of a Travel Voucher (Form F-SA-16) approved by the principal. Travel Vouchers should be submitted in a timely manner and should follow the local board's and school's policies. Employees should be reimbursed for sales tax on food and hotel expenses.

3. Pay For Services: Non-District Employees - Payments to persons who are not district employees, such as officials for athletic events, shall be made by check from the school activity fund with a standard invoice (Form F-SA-8) signed by the payee. A copy of the invoice with Social Security Number shall be submitted to the board office for 1099 purposes.

4. Pay For Services: District Employees - shall not be paid directly from school activity funds for extra duties and extra services. [~~Payments to persons who are district employees such as coaches and sponsors must be paid through MUNIS payroll for accurate reporting~~.]

CREDIT CARDS

POLICY:

1. Credit cards (including store cards) may be used only if allowed by board policy.

2. No employees shall make personal purchases using the school credit cards.

3. Credit cards must be safeguarded and kept under lock and key to protect against unauthorized use.

4. Cards may be checked out to individual employees (each card has different last four digits) using Credit Card Sign-In/Out Form (Form F-SA-13). There shall be separate identification for each type of credit card.

5. There should be no charges on the card without a prior-approved purchase order and a corresponding itemized store receipt. Employees shall be responsible for reimbursing any charges made without prior approval.

6. Approved purchase orders and itemized store receipts shall be submitted immediately or at least weekly in order that bills may be paid [~~in a timely manner~~] as directed by board policy.

7. Loss of cards shall be reported immediately to the appropriate office.

PETTY CASH ACCOUNT

POLICY:

1. With local board approval, a petty cash account [~~fund~~] may be maintained for miscellaneous small purchases, such as stamps, and making change.
2. The board shall establish the maximum amount of the petty cash account [~~fund~~].
3. The principal or his designee shall select the person to be in charge of the petty cash account [~~fund~~].
4. The cash obtained shall be safeguarded at all times. It should be stored in a safe or secure drawer. The drawer should be locked when the keeper of the account [~~fund~~] is not present.
5. All cash disbursed from petty cash requires a receipt stating amount and reason. The receipts are stored with the cash. At any time, the amount of cash and receipts should total the established account [~~fund~~] balance.
6. Personal checks shall not be cashed using the petty cash account [~~fund~~].
7. The petty cash account [~~fund~~] shall not be used to loan money to anyone for any reason.

PROCEDURES:

1. To first establish the account [~~fund~~], a Standard Invoice (Form F-SA-8) shall be prepared and a check written [~~for CASH~~] to the person responsible for the petty cash account in the amount of the agreed upon fund balance. The school general activity fund or other office activity fund shall be charged.
2. When the cash in the account [~~fund~~] must be replenished, the receipts are totaled and a standard invoice is prepared for the amount of the receipts. A check made payable to the responsible person [~~for CASH~~] is written in the same amount. All receipts are attached to the standard invoice.
3. Reconciliation of the account [~~fund~~] should be done before and after replenishment. The reconciliation shall be filed with the standard invoice.
4. The petty cash account [~~fund~~] shall be closed at the end of the fiscal year (June 30). The cash is deposited and an entry is made to the general activity fund or other office activity account [~~fund~~] charged above.
5. The petty cash account [~~fund~~] shall appear on the Monthly Financial Report (Form F-SA-14).

[~~REPORTS~~]

ACTIVITY FUND BUDGET[~~S~~] REPORTS

POLICY:

1. Each club and organization shall prepare a tentative budget of receipts and expenditures for the next school year on the Individual Activity [~~Fund~~] Budget Worksheet (Form F-SA-4A) or Support/Booster Organization [~~Club~~] Budget (Form F-SA-4B). The budgets are due to the principal by April 15. The sponsor shall work with the officers in this process to assure continuity of activity programs. The principal or designated others shall prepare budgets for all other accounts for SBDM approval [~~funds~~].
2. The principal shall submit the Principal's Combining [~~Internal Account~~] Budget (Form F-SA-3) and attached individual activity fund budgets to the superintendent by May 15th. The superintendent submits this to the local board. This budget development should be consistent with KRS 160.470 related to the budget cycle. Information provided shall include anticipated receipts from all sources, including fund-raising. Receipts and expenditures shall be detailed for each activity account at the school. Fund-raising requests from school support groups may be included as part of the school activity budgets. Local board approval of school activity budgets and fund-raising activities should be complete by the end of May for the following year.

3. The clubs and organizations shall submit [~~adopt~~] final budgets within thirty days after the school year begins or within thirty days of the first transaction of the group.

FINANCIAL REPORTS

POLICY:

1. The school treasurer shall prepare the Monthly Financial Report (Form F-SA-14) at the close of each month or as directed by local board policy. The original shall be signed and reviewed for accuracy and reasonableness by the principal and submitted to the superintendent or finance officer and a copy retained in the files. A list of accounts receivable and accounts payable (Form F-SA-15B) shall accompany the report.

2. Copies of the Monthly Financial Reports shall be sent to each club/organization sponsor.

3. The school treasurer shall prepare the Annual Financial [~~School Activity~~] Report (Forms F-SA-15A & B) by July 25 [~~at the end of the school year~~]. The report shall cover the period July 1 through June 30 and shall be signed by the school treasurer and the principal. The original shall be submitted to the superintendent or finance officer and a copy retained in the files and made available to the auditor.

4. **No school activity fund shall end the fiscal year (June 30) or begin a fiscal year (July 1) with a deficit balance.** Receivables and payables should be included in the end of year balance. In the event a fund is deficit, the board is responsible for all financial obligations of the district, including those incurred by school principals or their agents. (KRS 160.550) All transfers of money to cover deficit balances shall be reimbursed only when funds are available.

5. School activity funds shall be audited by a certified public accountant (CPA) annually (702 KAR 3:130). The audit report shall be reviewed and accepted by the local board and appropriate action taken. A copy of the school's report shall be on file in the office of the principal and the superintendent.

6. Activity Fund [~~Internal Account~~] financial records are to be retained for 3 years.

FIXED ASSETS

All items purchased over $1000 in value (or more if set by local board policy) shall be considered assets of the district and reported in the district MUNIS Accounting and Management System as fixed assets. The only exception shall be technology. All technology shall be reported as fixed assets, regardless of value. Schools wishing to purchase items that fall within the KETS Master Plan shall follow the normal purchasing policies of the district and use a MUNIS purchase order. The district will then pay for the items with district funds and request reimbursement from the school activity fund. Contact the district finance officer for proper procedures.

DEFINITIONS

Activity Account [~~Funds~~] - individual funds which as a whole make up the Activity Fund [~~Internal Account~~]. Such funds are generally associated with specific clubs, associations, organizations, or activities, i.e., FHA, Beta Club, athletic clubs, fund raising activities, telephone and vending commissions, bookstore, teachers' lounge [~~, etc~~] and other board approved activities. The receipts and disbursements of each fund are accounted for separately. SBDM allocations are not activity funds and should be recorded in MUNIS. Family Resource Centers and Day Cares are not activity funds and should be recorded in MUNIS [~~as Internal Service Funds~~].

[~~Internal Account – a bank account created to document financial transactions related to monies generated at the school from such activities as fund-raising, athletic events, bookstore sales, telephone and vending commissions, and any other board-approved activity. School Based Decision Making (SBDM) allocations are not part of the Internal Account.~~]

Activity Funds – means all school funds derived from fund raising activities sponsored under the auspices of the school. Activity Funds does not mean funds raised or received by organizations, which do not come under the direct supervision of school authorities. (702 KAR 3:130)

Basic Routine Operating Expenses – means utilities including telephone service (excluding long distance calls), yard service, and staff salaries.

Donations – means gifts of money or materials to the school from persons or entities outside the school system for use at or for the students or the school.

Dues – means a charge for membership.

Fees – means a fixed charge.

MUNIS - means the central accounting system for local school districts.

Payables - means the merchandise or services received but not paid for at the end of the reporting period [~~balances owed to others for goods or services purchased by the activity~~].

Receivables - means claims held against others for goods or services provided by the activity prior to the end of the reporting period.

Tax Exemption Certificate - means the document issued by the Revenue Cabinet to confirm sales tax exempt status of schools.

SBDM Council - means School Based Decision Making Council made up of educators and parents who make decisions on instruction, curriculum, extracurricular programs, personnel, and other aspects of school management.

School Treasurer – means the Activity Fund [~~Internal Account~~] Treasurer unless otherwise designated as club treasurer.

School-wide Fund Raiser – means the proceeds of the fund-raiser benefit all students.

FORMS

FORM	FORM NAME	PAGE
F-SA-1	Requisition and Report of Ticket Sales	16
F-SA-2A	Fund Raiser Approval	17
F-SA-2B	Fund Raiser Worksheet	18
F-SA-3	Principal's Combining Budget	19
F-SA-4A	Individual Activity Fund Budget Worksheet	20
F-SA-4B	Support/Booster Organization Budget	21
F-SA-5	Inventory Control Worksheet	22
F-SA-6	Multiple Receipt Form	23
F-SA-7	Purchase Order	24
F-SA-8	Standard Invoice	25
F-SA-9	Expense Report	26
F-SA-10	Transfer Form	27
F-SA-11	Principal's Combined Activity Fund Ledger	28
F-SA-12	Individual Activity Fund Ledger	29
F-SA-13	Credit Card Sign In/Out Form	30
F-SA-14	Monthly Financial Report	31
F-SA-15A	Annual Financial Report Summary	32
F-SA-15B	Annual Financial Report Detail	33
F-SA-16	Travel Voucher	34
F-SA-17	Sales from Concessions/ Bookstore/Pencil Machine Form	35

F-SA-1

SCHOOL ACTIVITY FUND
REQUISITION AND REPORT OF TICKET SALES

School	
Activity Account	

Event	
Date	

TICKET REQUISITION

This is to acknowledge receipt of the tickets to be sold for the event listed above. The first ticket number sold is recorded in Column B. The unsold end ticket number will be recorded in Column D on completion of ticket sales. Receipt of $ _____ for change is also acknowledged.

Attach full and unsold start and end tickets here.

_____
Person In Charge Of Sales

REPORT OF SALES

		A	B	C	D	E	F	G	H
		Ticket Color	Beginning Ticket No.	Ticket Seller Initials	Next Available Ticket No.	Ticket Seller Initials	No. of Tickets Sold (D-B)	Price Each	Total (F x G)
Advance Sales	Adults								
	Students								
GATE 1	Adults								
	Students								
GATE 2	Adults								
	Students								
GATE 3	Adults								
	Students								
GATE 4	Adults								
	Students								

Checks	
Currency	
Coin	
Total	

Total Sales	
Change Returned	
Cash Over/Short	
Total Cash	

Person in Charge of Sales:_____ RECEIVED BY:_____

School Treasure

Ticket Taker:_____

*** Form and money must be turned in to Treasurer the first work day following the event.**

SCHOOL ACTIVITY FUND **F-SA-2A**

FUND RAISER APPROVAL

School	
Activity Fund	
Sponsor	
Date Submitted	

Purpose of fund-raising activity:

_____

_____

_____

_____

Beneficiary of fund-raising activity:

_____

_____

_____

Date(s) scheduled:

_____

_____

Names of adult supervisors at activity (chaperones, custodians, etc.):

_____

_____

_____

_____

Approved/Not Approved: _____

_____ _____

Principal **Date**

_____ _____

SBDM Council (If Council Policy) **Date**

_____ _____

Superintendent (If School-Wide Fund Raiser) **Date**

SCHOOL ACTIVITY FUND
FUND RAISER WORKSHEET

School	
Activity Account	
Date	
Fund Raiser	

1. Total Count of Items to be sold [ ]

2.

Item	Count x	Sales Price =	Budget Sales
		Total count must equal Line 1.	

Total Budgeted Sales [ ]

3. Receipts

Date	Amount	Date	Amount

Total Receipts [ ]

4. Expenses

Date	Check #	Amount	Date	Check #	Amount

Total Expenses [ ]

5. Total Count of Unsold Items [ ]

6.

Item	Count x	Sales Price =	Unsold Items
		Total count must equal Line 5.	

Total Value of Unsold Items [ ]

7. Anticipated Profit (Line 2 - Line 4)	
8. Value of Unsold Items (Line 6)	
9. Subtotal (Line 7 - Line 8)	
10. Actual Profit (Line 3 - Line 4)	
11. Cash Over/Short (Line 9 - Line 10)	

Disposition of Unsold Items:

- [ ] Returned
- [ ] Held for Next Fund Raiser
- [ ] Other *(Please explain)*

12. Explain Over/Short _____

_____

_____

Investigate significant differences immediately.

_____ Sponsor

_____ Principal

*** - Must be turned in to principal within one week of the termination of fund raising event.**

SCHOOL ACTIVITY FUND **F-SA-3**

PRINCIPAL'S COMBINING [~~INTERNAL ACCOUNT~~] BUDGET

School	Year

Activity Fund	Beginning Balance	Estimated Receipts	Estimated Expenditures	Balance

SCHOOL ACTIVITY FUND **F-SA-4A**

INDIVIDUAL ACTIVITY [~~FUND~~] BUDGET WORKSHEET

School	
Activity Fund	

Year

Description	Receipts		Expenditures	
	Prior Year Actual	Budget	Prior Year Actual	Budget
Beginning Cash Balance				
Totals				

Club Treasurer **Principal**

Sponsor **Date**

SCHOOL ACTIVITY FUND **F-SA-4B**

SUPPORT/BOOSTER [~~CLUB~~] ORGANIZATION BUDGET

School	**Year**
Club Name	
Club Address	

Description	Receipts		Expenditures	
	Prior Year Actual	Budget	Prior Year Actual	Budget
Beginning Cash Balance				
Totals				

Club Treasurer

Principal

Club President

Date

SCHOOL ACTIVITY FUND **F-SA-5**

INVENTORY CONTROL WORKSHEET

School	
Activity Fund	
Type of Inventory	
Vendors	
Reporting Period	

1. Beginning Inventory

Item	Count x	Sales Price	= Total
Cash in machine or on hand.			

Total Value Beginning Inventory

2. Deliveries

Date	Item	Count x	Sales Price	= Total

Total Value Deliveries

Subtotal A

3. Collections

Date	Initials	Amount	Date	Initials	Amount

Total Value Collections

4. Ending Inventory

Item	Count x	Sales Price	= Total
Cash in machine or on hand.			

Total Value Ending Inventory

Subtotal B

If Subtotal A > Subtotal B, there is a shortage. Explain if significant. List retail value of items lost, damaged, or given away.

If Subtotal B > Subtotal A, there is an overage. Explain if significant.

SCHOOL ACTIVITY FUND **F-SA-6**

MULTIPLE RECEIPT FORM

School	**Fund Raiser**
Activity Fund	**Teacher**

	Student Signature	Amount		Student Signature	Amount
1.			21.		
2.			22.		
3.			23.		
4.			24.		
5.			25.		
6.			26.		
7.			27.		
8.			28.		
9.			29.		
10.			30.		
11.			31.		
12.			32.		
13.			33.		
14.			34.		
15.			35.		
16.			36.		
17.			37.		
18.			38.		
19.			39.		
20.			40.		

Students must sign form as they turn in money. The form and collected money must be given to the Fund [~~Internal Account~~] Treasurer. The treasurer will complete the Recapitulation Section and issue a receipt.

Recapitulation: **No. of Students** ☐ **Total Amount Remitted** ☐

Person Remitting Money **School ~~Internal Account~~ Treasurer**

Date **Date**

SCHOOL ACTIVITY FUND
PURCHASE ORDER

School	P. O. No.
Activity	Date

Section A

Vendor Name: _____

Address: _____

Line	Quant	Catalog Number	Item Description	Cost
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8.				
9.				
10.				
			Total	

Deliver By: _____

Requested By: _____

Approved By: _____

Section B

Date Received: _____

Items Not Delivered

Line	Quantity	Item Description	Cost
1.			
2.			
3.			
4.			
5.			
		Total	

Original Purchase Order Amount:	
Less Items Not Delivered:	
Other Adjustments *(please explain)*:	
Net Amount Due:	

Amount Paid:	
Date Paid:	
Check No.	

Attach Invoices

F-SA-8

SCHOOL ACTIVITY FUND
STANDARD INVOICE

School	Date
Activity Account	Tax I.D. No.

Approval for Purchase: _____
Principal

Vendor's Name _____

Address _____

Quantity	Item Description	Unit Cost	Total Cost
		Total	

Vendor's Certification

I hereby certify that the above is a correct statement of amount due from the above named school for articles furnished or services rendered as itemized.

_____
Vendor

Approved for Payment

_____ **Amount Paid:** _____

Person Receiving Item

_____ **Date Paid:** _____

Sponsor

_____ **Check No.:** _____

Principal ***(Note Required If Principal Signed Above)***

**** Attach Itemized Receipt If Applicable***

SCHOOL ACTIVITY FUND **F-SA-9**

EXPENSE REPORT

School	Date
Activity Fund	

Function Description:

Date	Expense Description	Amount

	Total Allowed Expenses	_____
Attach Receipts	Amount Advanced (Check No. _____)	_____
	Amount Returned (Receipt No. _____)	_____
	Amount Reimbursed (Check No. _____)	_____

Approved

_____

Sponsor

_____

Principal

_____

School [~~Internal Account~~] Treasurer

SCHOOL ACTIVITY FUND **F-SA-10**

TRANSFER FORM

School		Transfer No.	
		Date	

Activity Fund	Transfer Amount	
	From	To

Explanation

_____

_____

Approval

_____

Transfer-From Sponsor (If Applicable)

_____

Principal

SCHOOL ACTIVITY FUND **F-SA-10**

TRANSFER FORM

School		Transfer No.	
		Date	

Activity Fund	Transfer Amount	
	From	To

Explanation

_____

_____

Approval

_____

Transfer-From Sponsor (If Applicable)

_____

Principal

SCHOOL ACTIVITY FUND **F-SA-11**

PRINCIPAL'S COMBINED ACTIVITY FUND [~~INTERNAL ACCOUNT~~] LEDGER

School

Date	Check No.	Receipt No.	Acct. Posted	Item Description	Receipts	Expenditures	Balance
				Balance Forward			

SCHOOL ACTIVITY FUND **F-SA-12**

INDIVIDUAL ACTIVITY FUND LEDGER

School
Activity Fund

Date	Check No.	Receipt No.	Item Description	Receipts	Expenditures	Balance
			Balance Forward			

SCHOOL ACTIVITY FUND
CREDIT CARD SIGN IN/OUT FORM

School
Credit Card Type
Credit Card Account No.

I request permission to use the credit card identified above to procure supplies or pay for travel expenses as approved by separate Documentation, which is in my possession. I understand that disciplinary action may result from my use of the credit card when its use violates board policy or purchasing procedures.

I agree to be personally liable for any charges on the card for which I have not obtained prior approval before making said charges.

I further agree I will promptly reimburse the school district upon notification that a charge made by me has been determined to be inappropriate, made without prior approval, or otherwise determined to be my responsibility. The school district may withhold said funds from my paycheck at their option.

Employee's Name Checking Out Credit Card (Please Print)	Employee's Signature	Date & Time of Issuance	Date & Time of Return	Employee Witnessing Return of Credit Card

SCHOOL ACTIVITY FUND **F-SA-14**

MONTHLY FINANCIAL REPORT

School	For Month Ending
	Year

Activity Fund	Beginning Balance	Receipts	Expenditures	Close of Month Balance
A. Subtotals				
B. Interfund Transfers				
C. Totals (A - B)				*

Reconciliation (Attach Copy of Check Register)			
Beginning Ledger Balance		Balance Per Bank Statement	
Add: Receipts (Line C)		Add: Deposits in Transit	
Subtotal		Subtotal	
Less: Expenditures (Line C)		Less: Outstanding Checks	
Ending Ledger Balance	*	Other Adjustments (Explain)	
		Add: Petty Cash	
		Actual Cash Balance	*
		Investments	

*** These three numbers must agree.**

The above information is a true statement of the financial condition of the various activity funds of this school.

Principal **School [~~Internal Account~~] Treasurer**

Date **Date**

SCHOOL ACTIVITY FUND **F-SA-15A**

ANNUAL FINANCIAL REPORT SUMMARY

School	For Year Ending
	Year

Activity Fund	Beginning Balance	Receipts	Expenditures	Close of Year Balance
A. Subtotals				
B. Interfund Transfers				
C. Totals (A - B)				*

Reconciliation

Beginning Ledger Balance		Balance Per Bank Statement	
Add: Receipts (Line C)		Add: Deposits in Transit	
Subtotal		Subtotal	
Less: Expenditures (Line C)		Less: Outstanding Checks	
Ending Ledger Balance	*	Other Adjustments (Explain)	
		Cash Balance	*
		Add: Accounts Receivable	
		Less: Accounts Payable	
		Subtotal	
		Add: Investments	
		Fund Balance	

* These three numbers must agree.

The above information is a true statement of the financial condition of the various activity funds of this school.

Principal

School [~~Internal Account~~] Treasurer

Date

Date

SCHOOL ACTIVITY FUND **F-SA-15B**

ANNUAL FINANCIAL REPORT DETAIL

School		For Year Ending
		Year

Accounts Receivable	Purpose	Activity Fund	Amount
Total			

Accounts Payable	Purpose	Activity Fund	Amount
Total			

SCHOOL ACTIVITY FUND **F-SA-16**

TRAVEL VOUCHER

Employee	
School	
Activity Fund	
Phone No.	

Month	Day	Time of Departure	Time of Return	Location From	Location To	Mileage	Misc.	Lodging	Meals	Total
									B	
Purpose									L	
									D	

Month	Day	Time of Departure	Time of Return	Location From	Location To	Mileage	Misc.	Lodging	Meals	Total
									B	
Purpose									L	
									D	

Month	Day	Time of Departure	Time of Return	Location From	Location To	Mileage	Misc.	Lodging	Meals	Total
									B	
Purpose									L	
									D	

Month	Day	Time of Departure	Time of Return	Location From	Location To	Mileage	Misc.	Lodging	Meals	Total
									B	
Purpose									L	
									D	

Month	Day	Time of Departure	Time of Return	Location From	Location To	Mileage	Misc.	Lodging	Meals	Total
									B	
Purpose									L	
									D	

	Mileage	Misc.	Lodging	Meals	Total
Total For Page					
Other Allowed Expenses (Attach Explanation)					
Grand Total					

Employee

Principal

Date

Date

SCHOOL ACTIVITY FUND **F-SA-17**

SALES FROM CONCESSIONS/BOOKSTORE/PENCIL MACHINE FORM

School		Date	
		Turned in By	

Activity Fund		
COINS		
CURRENCY		
CHECKS		
Total		

Explanation:

_____

_____

_____

Copy for School Treasurer

SCHOOL ACTIVITY FUND **F-SA-17**

SALES FROM CONCESIONS/BOOKSTORE/PENCIL MACHINE FORM

School		Date	
		Turned in By	

Activity Fund		
COINS		
CURRENCY		
CHECKS		
Total		

_____

_____

Explanation

_____

_____

Copy for the person turning in the money.

INDEX

A

Activity Funds, 1, 3, 4, 5, 8, 9, 10 11, 13

B

Bank, 3, 4, 5, 6, 8, 9
Bank Account, 4, 5, 8, 9
Bank Reconciliation, 7
Bank Statement, 3, 5, 6, 7
Bidding, 1, 9
Bills, 6, 11, 12
Board Policy, 1, 2, 3, 4, 5, 11
Bookstore, 3, 7, 9
Booster [~~Club~~] Organization, 2, 4, 10
Budgets, 2, 3, 12, 13

C

Cash Advances, 11
Charitable Gaming, 4, 5, 9
Club, 3, 4, 5, 9, 10, 12, 13
Club Treasurer, 7
Credit Cards, 9, 11

D

Depositories, 1
Donations, 1, 10
Definitions, 14

E

Expenditures, 3, 4, 5, 9, 12

F

Financial Reports, 13
Fixed Assets, 13
Form F-SA-1, Requisition and Report of Ticket Sales, 7, 8, 16
Form F-SA-2A, Fund Raiser Approval, 4, 17
Form F-SA-2B, Fund Raiser Worksheet, 4, 7, 18
Form F-SA-3, Principal's Combining [~~Internal Account~~] Budget, 12, 19
Form F-SA-4A, Individual Activity Fund Budget Worksheet, 13, 20
Form F-SA-4B, Support/Booster [~~Club~~] Organization Budget, 4, 12, 21
Form F-SA-5, Inventory Control Worksheet, 7, 22
Form F-SA-6, Multiple Receipt Form, 5, 23
Form F-SA-7, Purchase Order, 10, 24
Form F-SA-8, Standard Invoice, 10, 11, 12, 25
Form F-SA-9, Expense Report, 11, 26
Form F-SA-10, Transfer Form, 8, 27
Form F-SA-11, Principal's Combined Activity Fund [~~Internal~~] [~~Account~~] Ledger, 5, 6, 11, 28
Form F-SA-12, Individual Activity Fund Ledger, 5, 6, 8,11, 29
Form F-SA-13, Credit Card Sign In/Out Form, 12, 30
Form F-SA-14, Monthly Financial Report, 4, 6, 7, 8 12, 13, 31
Form F-SA-15A, Annual Financial Report Summary, 8, 13, 32
Form F-SA-15B, Annual Financial Report Detail, 13, 33

Form F-SA-16, Travel Voucher, 11, 34
Form F-SA-17, Sales from Concessions/Bookstore/Pencil Machine Form, 11, 19, 37
Fund-Raising, 1, 2, 3, 4, 5, 7, 9, 12, 13

G

Gifts, 1, 10

H

Handling Cash, 4, 5

I

Insufficient Funds, 5, 6
[~~Internal Account~~, ~~2, 3, 4, 5, 7, 8, 10~~, ~~11, 12~~]
Investments, 1, 6, 8

L

Lease, 1
Local School Board, 1, 2, 3, 7

M

Monitoring Fund Raising, 7
MUNIS, 11, 13,

P

Pay For Services, 11
Payables, 1, 13
Petty Cash, 10, 12
Principal, 1, 3, 4, 5, 6, 7, 8, 10, 11, 12, 13
Procurement, 1, 9, 10
Purchase Orders, 11
Purchasing, 9, 10

R

Receipts, 3, 5, 6, 7, 9, 11, 12
Receivables, 1, 13
Returned Checks, 6

S

SBDM Councils, 1
School Banks, 8
School Treasurer, 4, 5, 6, 8, 10, 11, 13
Segregation of Duties, 6
Sponsor, 4, 5, 6, 7, 10
Superintendent, 2, 3, 7, 12, 13
Support/Booster Organizations, 4, 12

T

Tax Exemption Certificate, 10
Ticket Sales, 7, 8
Transfers, 1, 8, 13
Travel Reimbursements, 11

APPENDIX

SEGREGATION OF DUTIES

Precautions must be taken to protect activity fund money from loss and limit the liability of persons handling the money. Recommendations made by the school district auditor shall be implemented. The following are suggested ways to segregate duties. Persons #1, #2, and #3 cannot be the same person. The clerk could be a club treasurer or sponsor or other school staff.

HANDLING RECEIPTS

Person #1 (Clerk)

- Opens the mail but does not open bank statements.
- Records the checks by payee in chronological order.
- Receives cash and writes pre-numbered receipt for cash to payee.

Person #2 (School Treasurer)

- Photocopies the checks. (Optional, but encouraged.)
- Records receipts on a deposit ticket.
- Records revenue in school accounting system to agree with the deposit tickets.

Person #3 (Principal)

- Reconciles the log produced by person #1 to the deposit ticket.
- Deposits checks and cash.

PAYING BILLS

Person #3 (Principal)

- Approves invoices. (Not necessary if the principal approved the requisition and /or the purchase order.)

Person #2 (School Treasurer)

- Enters invoices. Every invoice paid should contain an invoice, signed PO, and a receipt of goods/packing slip initialed by the purchaser confirming receipt except recurring bills such as newspaper subscriptions.
- Prints checks.

Person #1 (Clerk)

- Matches invoices to checks.
- Mails checks.

PREPARING BANK RECONCILATION

Person #3 (Principal)

- Opens bank statement. [It is important that a perception exists that someone is looking.] The checks could be fanned to scan signatures. Bank statement could be reviewed to find inconsistent check numbers or abnormal transaction amounts.
- Compares chronological listing of receipts from Person #1 to deposit slips from Person #2 to deposits on the bank statement.

Person #2 (School Treasurer)

- Sorts checks in numerical order and clears them in school accounting system.
- Reconciles bank statement to books using Form F-SA-14.

Person #1 (Clerk)

- Reviews bank reconciliation.