

**COLLETON COUNTY
SCHOOL DISTRICT**

**PUPIL ACTIVITY FUNDS
ACCOUNTING MANUAL**

Pupil Activity Funds Accounting Manual

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INTRODUCTION

The procedures set forth in this manual shall be used by Colleton County School District elementary and secondary schools in establishing and managing pupil activity funds.

This manual covers the financial administration of all monies received and disbursed by individual schools for student activities. Supplementary data will be issued to amend and update the manual as required.

A. PURPOSE

No pupil activity will be conducted for the sole purpose of producing revenue. Pupil activity funds shall generally have two reasons for existence:

1. To promote the education, general welfare and moral of pupils.
2. To finance the normal program of student activities not otherwise financed.

Activity funds are to be used to augment, but not conflict with, the educational program provided by the Colleton County School District Board of Trustees.

In addition to funds directly relating to student or general school activities, certain monies may be held in trust for organizations and departments or for various specified purposes. All funds handled by the school are governed by the policies and procedures set forth in this manual.

B. ACTIVITY FUNDS DEFINED

Monies collected and expended within a school shall be used for financing the normal program of school activities and for other purposes consistent with school programs.

Funds derived from summer program activities, school athletic events, gifts and contributions made by booster clubs, civic organizations, parent-teacher organizations, and commercial agencies and all other similar monies, properties and benefits shall be included in pupil activity funds.

The following circumstances require deposit of all receipts to the pupil activity fund and preclude any other treatment:

1. All activities that involve a school district employee in his/her capacity as an employee.
2. All activities of school recognized student groups.
3. All activities considered “extra-class” activities or an extension of school programs, including all sports activities, band and chorus performances, and other curriculum groups trained and directed by school district

- employees as part of their employment assignment.
4. All merchandising activities in which merchandise is purchased by or in the name of the school.

The circumstances listed below may be construed and conducted as external fund activities when publicly announced as being for the benefit of an outside organization. These activities do not preclude participation of a school district employee, as long as he/she does not act as an agent for the school district. Furthermore, although activities may be held on school premises, funds collected are not school monies and do not require deposit to the pupil activity fund:

1. Carnivals, barbeques, dinners and similar activities conducted entirely by the outside organization.
2. Benefit shows or performances by non-school groups, such as college or professional drama and music groups, when arrangements are made by the outside organization.
3. Merchandising activities in which merchandise is purchased by and in the name of parent-teacher organizations or booster clubs; and the organization mans the sale of merchandise, and handles receipts and disbursements of related monies.

C. UNIFORMITY OF SYSTEM AND BASIC RECORD

All pupil activity fund accounting will be conducted in a uniform manner.

Where noted, forms may be adapted to local school situations as long as the essential characteristics are retained. The forms discussed contain minimum standards; therefore, addition to a form is acceptable. However, deletion of information contained in a form will require approval of the Director of Finance.

1. RESPONSIBILITY FOR PUPIL ACTIVITY FUNDS

The responsibility for accounting, safeguarding and managing the pupil activity funds rests solely with the principal. The duties to be performed in providing proper management and security may be delegated, but responsibility and accountability remain with the principal.

1.1 Responsibility of Principals

The following management practices are considered essential:

- a. Be familiar with and enforce the provisions of the Pupil Activity Funds Accounting Manual.
- b. Insure that the secretary/bookkeeper is properly instructed as to duties to be performed, advised of proper methods and procedures, and given adequate supervision and guidance.
- c. Review the status of pupil activity funds monthly. The review will include, but is not limited to, the following:
 1. Question deficit or potentially deficit account balances.
 2. Note the school's cash position, considering reserved funds and outstanding obligations.
 3. Assess the reasonableness of reported receipts and disbursements, by individual account and in total, by comparing with prior periods.
- d. Review payment authorization forms and invoices presented for signature to insure that expenditures are properly authorized and supported.
- e. Assure that adequate facilities and physical controls are available and are used for the protection of cash, checks and other assets.
- f. Monitor the operation of revenue-producing activities to avoid unanticipated losses.
- g. Monitor the progress of implementation of audit recommendations.

1.2 Responsibility of Assistant Principals

Assistant principals will perform duties as delegated by the principal.

1.3 Responsibility of Secretary/Bookkeeper

Under the supervision of the principal, the bookkeeper will perform the following duties:

- a. Comply with all provisions of this manual.

- b. Deposit all funds in excess of one hundred dollars (\$100.00) daily and intact (deposits will be made once a week, regardless of dollar amount).
- c. Maintain all required records on a current and accurate basis.
- d. Submit all required reports promptly and accurately.
- e. Keep the principal informed of all existing or potential problems.

The bookkeeper's duty to disburse funds will not be construed as authority to authorize disbursements.

1.4 Responsibilities of Fund Sponsors and Other School Personnel

The principal will appoint a fund sponsor to supervise each pupil activity fund account. Fund sponsors or other school personnel with duties affecting pupil activity funds will perform the following duties in relation to his/her account:

- a. Become familiar and comply with pertinent portions of this manual.
- b. Review financial positions of the account quarterly. If the account's average balance is greater than one thousand dollars (\$1,000.00), the account will be reviewed monthly.
- c. Submit purchase requests to the principal.
- d. Assure that billings are correct prior to final payment.
- e. Assure that contract agreements, fund raising information and forms, etc. are on file with the bookkeeper.
- f. Collect and receipt funds received from students.
- g. Deposit all funds in excess of \$50.00 with the bookkeeper (deposits will be made once a week, regardless of dollar amount).
- h. All school sponsored fund raising projects must be submitted on a Request for Fund Raising Project Form to the school principal for approval. The selling price of each item being sold must be established prior to the beginning of the project. If the prices need to be changed to clear unsold merchandise, these changes should be approved by the principal and noted on all appropriate forms. A separate ledger account for fund raising projects should be maintained. After completion of the project, the sponsor will complete the Summary of Fund Raising Activity Form and submit it to the principal.

2. CONTROL OF CASH

2.1 Types of Controls

The sum of monies flowing through the pupil activity funds dictates the necessity for stringent safeguards in the control of receipts and disbursements. The manual offers the following provisions:

- a. All expenditures must be made by check or P-CARD.
- b. Receipts must be deposited in a timely manner.
- c. All pupil activity funds collected must be properly receipted in a timely manner.
- d. Financial operations must be reviewed monthly by the principal, and annually by the District Office.
- e. Funds pending deposit must be kept in a secure location, such as a locked file cabinet, so that they are not accessible to unauthorized personnel.

2.2 Checking the Reasonableness of Reported Cash Position

The principal, or his/her designated representative, will evaluate the reasonableness of the school's reported cash position. The following documents are needed for the review:

- a. Monthly Budget Report.
- b. Monthly Detail Account Inquiry Report.

The principal will sign the reports in order to document that the reports have been reviewed.

2.3 Account Structure and Titles

No pupil activity fund account will be established without the approval of the school principal.

A separate account will be maintained for each organized club and activity within the school. Too few accounts will provide management with too little information for proper control and segregation of funds. However, too many accounts will burden the bookkeeper with recording trivial information.

The account title will reflect the purpose for which the account is established. Account titles such as "general," "miscellaneous," etc., fail to identify the purpose of the account and are not to be used.

3. DEPOSITORIES

All pupil activity funds will be deposited into the District bank account.

4. EXPENDITURE CONTROLS

In order to effectively manage pupil activity funds, the principal must have knowledge of current and future obligations prior to billings and disbursements. The absence of such knowledge could result in over obligation of pupil activity monies.

4.1 Purchases

All purchases made with pupil activity monies must have prior approval of the principal or his/her designee. Payment for purchases made without the approval of the principal may be declined, and the vendor will seek settlement from other sources.

4.2 Reimbursement for Expenditure of Personal Funds

Reimbursement for expenditure of personal funds must be supported by vendor invoices or store receipts.

4.3 Gifts and Bequests

All gifts and bequests received must be approved by the principal. Unless the donor specifies a specific purpose and the principal accepts the limitations, the funds will be used for the benefit of the entire student body. The principal is not obligated to accept gifts and bequests offered.

4.4 Personal Accomodations

Pupil activity funds will not be used for the direct benefit of individuals, including loans, paycheck advances, and personal check cashing.

5. ANNUAL AUDIT OF PUPIL ACTIVITY FUNDS

District policy requires that pupil activity funds be audited on a regular basis. Internal, random audits will be performed by the District Office. Audits may also be conducted when changes in principals occur, or for any other reason deemed necessary.

Audit Reports will be published within 30 days of completion of the audit. The report will contain a narrative discussion of audit findings and recommendations. The original report will be forwarded to the school principal, one copy will be submitted to the Superintendent of Education, and one copy will kept on file in the Finance Department.

5.1 Preparation for Audits

Workspace that is relatively free of interruption will be available for the auditor. In addition, the following records will be readily accessible:

- a. Ledgers and journals.
- b. Monthly financial statements, including the Monthly Budget Reports and the Monthly Detail Account Inquiry Reports
- c. Receipt books.
- d. Paid bills files.
- e. Reimbursement records.
- f. Fund raising files and/or documents.
- g. Any other information requested by the auditor.

6. ACCOUNTING OPERATIONS

The school principal is responsible for seeing that all funds collected and disbursed in the school are handled in an auditable fashion.

6.1 Teachers' Receipt Books

Each school will purchase receipt books with duplicate, pre-numbered receipts. Principals will insure that enough receipt books are on hand to accommodate all staff.

Teachers will issue a receipt each time money is collected from a student. The top copy of the receipt will be given to the student, and the carbon copy left in the receipt book. Receipts must be completely filled out and reflect the purpose for which money is being collected. If a receipt is voided, both the top and carbon copies will remain in the receipt book. Receipts will be written as money is collected, not in advance.

All funds collected by teachers must be turned in to the school bookkeeper. Each school will determine how often teachers should turn money into the office, with a minimum of once a week; however, funds exceeding fifty dollars (\$50.00) must be turned in to the office immediately. When receiving funds, the bookkeeper will reconcile the monies received with the teacher's receipt book and issue an office receipt to the teacher.

The school bookkeeper will number all receipt books and keep a list indicating to whom books have been issued. Receipt books will be issued to individual teachers, not classes. If a teacher is replaced, then a new receipt book will be issued. Students are not permitted to issue receipts.

6.2 Office Receipt Books

All money turned in to the office is to be receipted and deposited in the bank. Original receipts will be given to the person from whom money is received, and a carbon or duplicate record retained in the office.

When receipting money from teachers, the bookkeeper will reconcile the teacher's receipt book with monies being turned in to the office. Doing so will allow for immediate correction of discrepancies.

6.3 Deposits

Deposits will be taken to the bank when \$100.00 or more is accumulated in the office, but no less than once a week.

After the deposit has been taken to the bank, a certified duplicate deposit slip must be on file in the school office.

Each deposit will be entered into the Cash Receipts module in CSI. A copy of the CSI cash receipt is to be printed, signed by the principal and sent to the Finance Department to be posted. A copy of the bank deposit receipt is to be attached to the CSI cash receipt that is sent to the Finance Department. The CSI cash receipt and the copy of the bank deposit receipt is to be sent to the Finance Department within two working days after the deposit was made.

6.4 Returned Checks

Checks returned by the bank will be debited to a Returned Check account for the school that deposited the returned check. The check will be sent to the school for collection. A returned check fee of \$15 will be charged to the individual that submitted the check that was returned. If funds for a bad check have not been collected within ~~90~~ 30 days, the check will be forwarded to the Solicitor's office for collection; and no checks will be accepted in the future from the individual who wrote the returned check.

6.5 Checkbooks

All checks will be printed by the Finance Department at the District Office. The bookkeeper will enter a voucher into CSI for each invoice to be paid after the principal has approved it. Checks will be printed on Tuesdays for all elementary schools and on Thursdays for the high school, middle schools and the vocational school. A voucher register must be submitted to the Finance Department by 9:00 am the morning that the checks are to be printed. The voucher register must be signed by the Principal. The checks and a copy of each check will be sent to the schools after the checks are printed.

Checks will not be made payable to “Cash”. They will only be payable to the individual or company being paid.

All school checks must be substantiated by a vendor invoice. The check copy is to be attached to the supporting documents. The source documents are to be marked paid and date paid is to be recorded on the invoice and/or form. All invoices are to be paid by check or P-CARD – no cash transactions are allowed. The principal must sign all vendor invoices and before they are processed for payment. A properly completed and approved payment authorization form must be attached to all documents that support the disbursement.

Voided checks will be returned to the Finance Department.

A vendor must submit a properly completed W-9 to the Finance Department before a check can be processed for that vendor.

6.6 Account Integrity

Disbursements from an account must reflect the purpose for which the account was established. If funds for one account are to be used for an expenditure benefiting another account, the funds will first be transferred to the appropriate account; the disbursement can then be made from the benefiting account.

7. P-CARDS

P-CARDS can be used to purchase items from a pupil activity account. All of the procedures outlined in the P-CARD procedures manual must be followed.

PAYMENT AUTHORIZATION

I, _____, hereby authorize payment in the
amount of \$ _____ to _____
as payment for _____ .
(Description)

Remarks:

Authorized Signature

Date

REQUEST TO TRANSFER MONIES WITHIN PUPIL ACTIVITY FUNDS

School Name _____

Date of Request _____

Funds in the amount of \$ _____ are requested to be transferred

from Account Number _____

to Account Number _____

for the following purpose: _____

_____.

_____ Approved

_____ Declined

Authorized Signature

Date