

Sweeny ISD



Student Activity

Fund

Procedures

ACTIVITY FUND

The principal of the school shall be responsible for the proper administration and accounting of all general school activity funds in accordance with state and local law, District-approved accounting practices and procedures and the Financial Accountability System Resource Guide. The principal has the authority to expend these general school activity funds for any legitimate school-related purpose, consistent with these regulations.

Activity fund accounts may consist of campus activity funds (461) and student activity funds (865).

Campus activity funds (461) are generated by the campus at the direction of the principal with various activities such as class dues or fees, vending machine commissions, school store sales, class ring sales and donations.

Money raised by student organizations are student activity funds held in trust by the school for the benefit of the student organization. These funds shall be distributed only for purposes authorized by the organization or upon approval of the sponsor and principal. **For purchases made out of the student activity fund (865), they MUST directly relate to the benefit of that organization.**

Activity Fund Turn In/Deposits

All money (checks, coin, and currency) collections should be turn into the campus secretary/bookkeeper and deposited on a timely basis. Appropriate security measures, locked cash boxes, safes, and vaults, should be used to protect all cash and cash items. The responsibilities of receiving funds and writing receipts should be separate from preparing and making bank deposits when possible.

- All funds should be accounted for by a pre-numbered receipt form, written promptly upon receipt of funds and the person signing the receipt in the presence of the person turning in the money should make the actual cash count. The receipt should be completed in its entirety in ink and be legible.
- The pre-numbered receipts should be used consecutively and be secured in a locked drawer
- Receipts must show date, amount received, source of funds, activity account number (if applicable), name of person submitting the money, and signature of the person accepting the money
- Receipts can only be issued in one name
- Activity fund receipts can only be issued for one name and one activity account for each deposit
- The original of the receipt is given to the person submitting the money
- For monies collected from students, a standard Tabulation of Monies Collected from Students form for recording collection of monies should be used unless there is already a form used, for example, the yearbook form. The student representative and the sponsor should sign these forms. One copy of the Standard Deposit Form is retained with the deposit slip

- All funds should be turned into the school office promptly as possible, within 3 days and /or if over \$200, then within 24 hours, upon receipt for deposit into the bank.
- All checks must be endorsed for deposit immediately upon receipt with the school's activity fund endorsement stamp.
- All deposited activity fund checks must have the school's endorsement stamp with the account number and school location on the back of the check. The proper account code to be credited for the deposit should be written on the front of the deposit slip.
- Two copies of the deposit slip are sent to the bank with the money
- Third party checks and post dated checks cannot be accepted from any source
- Bank deposits should be made as promptly as possible, within 3 days and /or if over \$200, then within 24 hours
- Any discrepancies between the deposit total and the bank total will cause the bank to notify the district. The error will be researched and the total adjusted accordingly
- Cash receipts can **never** be used to cash checks from employees or parents

NSF CHECKS

When a student submits a check that is determined to be insufficient, that student's parent will not be able to write checks for the remainder of the current school year.

A NSF list of student names will be generated to all campuses, indicating students that are no longer able to turn in payments by check and sent to the Executive Director of Business and Support Services.

Campuses will be emailed updated list as new students are added to the NSF list. If a check is not cleared during the year, the student's name will stay on the list for the next school year. The deadline for payments will be July 15th of each year. This list will include any checks written for any reason to Sweeny Independent School District.

The master list will be sorted in date order so the bookkeeper can simply see the new additions at the bottom of the list and determine if there is a concern for their campus. If so, you can re-sort by school and then notify the appropriate staff members involved.

Any students with outstanding NSF checks from the 2005-06, school year will start out the 2006-07 school year on this list. Students will not be on this list if checks were written by someone other than their parents. Students' names must be written in the memo section of the checks they turn in to you.

RE-DEPOSITS

Only cash or money orders are acceptable for NSF checks. All Re-Deposits should be on their own separate deposit slip and marked "Re-Deposit". Please make sure we can read the copies of the deposit slips. The carbon copies are hard to read.

SALES TAX

Everyone should be using the same calculation for figuring sales tax. Subtract this amount from your actual sales to calculate your sales tax. You may crosscheck this by multiplying taxable sales by your sales tax rate. Add these two numbers together to get your original actual sales.

Example: $\$50.00 / 1.0825 = \46.19 $\$50.00 - \$46.19 = \$3.81$ (Sales Tax)
Crosscheck: $\$46.19 \times .0825 = \3.81 $\$46.19 + \$3.81 = \$50.00$

All consumable foods are taxed. If it is ready to eat it is taxed. For example, candy, concession stands, popcorn, snow cones and spaghetti dinners are taxed. Items like t-shirts, window decals, book sox, spirit items, etc. are taxed.

Cookie dough and frozen pizzas are not taxed. Car wash sales are also not taxed because this is a service.

Please indicate on the deposit form, the type of deposit that is being made. For example: Choir fundraiser, 4th grade Field Trip, T-shirt sales, etc.

ONE-DAY, TAX-FREE SALES

A Fund Raiser Application must be completed and signed by the Principal before the start of any Fund Raiser. Each **organization** is allowed **two**, one-day, tax-free sales per year. If there is a school-wide fundraiser and are unsure if this counts as a one-day sale or not, follow the money. Whatever account the proceeds are deposited into is the organization. This will count toward one of their one-day sales. When two organizations work together and share a fundraiser, both organizations must count this as one of their one-day sales.

If a fundraiser is too large and covers several weeks with a specific end date, please make deposits as you go, to avoid checks sitting too long that may become insufficient. On your deposit form, write on the line next to the deposit amount, ONE-DAY FUNDRAISER. A one-day sale must have an end date for orders to be turned in.

Any sales made at a later date will be taxed. For example, t-shirts that are ordered at the beginning of the year with a sale end date may be one of your tax-free sales. Any leftover shirts that are sold throughout the year must be taxed.

Any sales sponsored by PTO's or Booster Clubs do not count toward SISD one-day sales. Always follow the money.

PAYMENT TO DISTRICT PERSONNEL/CAMPUS STIPENDS

District employees shall not be paid directly from petty cash for stipends, overtime, or compensation for additional services performed. Any such payments shall be included in the employee's paycheck and the principal is responsible for ensuring that any increased amount attributable to the activity fund is transferred to the District payroll account. A campus stipend for a particular supplemental duty must be established prior to an employee's assuming the additional duty. Campus activity funds (461) shall be transferred to the District payroll account to fund each campus stipend paid.

AWARDS

The principal of a school should exercise caution when rewarding students for an activity that could be associated with the UIL to ensure compliance with UIL rules and regulations. Students participating in fund-raising activities may be awarded a maximum of \$50.00 for top sales. If the fund-raising company is granting the award directly to the student it is acceptable.

GIFTS

Campus (199) and student (865) activity funds may not be used to purchase gifts for students or employees. A gift is a gratuitous offering for personal benefit that does not serve a legitimate educational interest. For example, birthday presents, Christmas presents, wedding or new-baby acknowledgements for individuals are considered gifts. Employees and students may, however, donate personal funds to be applied toward the purchase of a gift.

INCENTIVE/RECOGNITION PROGRAMS

Incentive and recognition programs may be paid out of campus activity funds (461). These programs are permissible as long as they are designated to achieve a legitimate education benefit. Incentive or recognition awards cannot be cash or readily converted into cash (e.g., savings bonds, money orders, refundable tickets or gift certificates redeemable in cash, etc.). Incentive and recognition awards shall not exceed a value of \$100 per person per school year unless the principal obtains written approval to do so from the Superintendent or his/her designee.

PURCHASING REQUIREMENTS

Purchases made with campus activity funds (461) are subject to District competitive bidding and purchasing requirements.

CONTRACTS

No employee may enter into a contract giving any vendor the right to sell property or services to students and/or staff. **All Contracts** must be signed and approved by the Business Office. Any contracts not signed by the Business Office are not a liability of the school district or campus, but are the responsibility and liability of the person who signed the contract.

APPROVED USES OF FUNDS

In addition to the expenditures explicitly permitted above, allowable uses of campus activity funds (461) include:

- The cost of field trips, including items such as admission fees, snacks and other costs.
- Expenses for snacks, favors and other incidentals used in seasonal or holiday parties and programs for the students.
- Cost of school assemblies and special programs, class picnics student dances, etc.
- Expenses for the sponsor and chaperones for an approved event.
- The cost of legitimate contest entry fees.
- The cost of building use fees and security fees for an approved event.
- Cost of inexpensive symbolic awards for Who's Who, Mr. and Miss, etc.
- Expenses associated with the senior prom, senior day, graduation, etc.
- Awards for student achievement (subject to "cash benefit" limitations discussed in "INCENTIVE/RECOGNITION PROGRAMS" above).
- School supplies, uniforms and other school-related items for students who are educationally disadvantaged. Campus activity funds may also be used to waive a required deposit or fee if the student is educationally disadvantaged.
- Items designated to beautify the school, the classrooms and playgrounds or other school property.
- Items for classroom use or for school operations.
- Campus after school programs.

COLLECTION OF FUNDS BY OFFICE

All funds collected shall be receipted and turned into the office daily. Bank deposits must be made promptly as possible, within 3 days and /or if over \$200, then within 24 hours. Teachers/Sponsors shall avoid keeping money overnight and no money shall be left in classrooms overnight. The sponsor is responsible for all money, merchandise and materials used in the fund-raising project.

State sales tax must be collected on non-edible, tangible merchandise with the exception of the two non-taxable yearly fund raising activities allowable per school.

DEPOSITING OF FUNDS COLLECTED

When a sponsor submits funds collected to the campus secretary or bookkeeper for deposit, these funds should be verified by the secretary or bookkeeper in the sponsor's presence. This is simply a prudent cash-handling procedure that protects both the secretary or bookkeeper and the sponsor. After counting the funds, the secretary or bookkeeper must provide the sponsor with a pre-numbered cash receipt documenting the amount of the deposit. If for some reason immediate verification is not possible, the funds should be locked in the vault until such time that both individuals are present for cash verification. The sponsor will bear responsibility for any missing deposits or deposit shortages if funds are not verified in the presence of the secretary or bookkeeper.

FUNDS BELONGING TO OUTSIDE ORGANIZATIONS

Funds belonging to outside groups, such as PTO's, booster clubs, Project Graduation, etc., are not activity funds and should not be handled by school personnel as part of their official school duties. Such funds should be handled only by officers or the designated treasurer of the organizations.

APPROVAL FOR FUNDRAISING

See CFD (LOCAL) in Board Policy.

Sweeny Independent School District
Student Activity Funds Guidelines

SPONSOR ACKNOWLEDGEMENT FORM

SPONSOR'S NAME: _____

SCHOOL: Sweeny Elementary School
 Sweeny Junior High School
 Sweeny High School

This is to certify that the Sponsor named above has received a copy of the *Sweeny ISD Student Activity Funds Guidelines*.

My signature below indicates that I have read the Guidelines and have understood its contents. This information guide is not a contract and is provided to serve as a guideline only. The policies and procedures contained within the Guide can be changed at any time to serve the best interest of the District.

Signature of Sponsor

Date Signed by Sponsor

Please sign and return this form to the Principal's Office.