

REVENUE FROM NON-TAX SOURCES (ACTIVITY FUNDS)

Purpose

1. To provide procedures for accounting and auditing of non-public funds maintained by schools, as well as for staff to follow when making use of these funds.

Definitions

2. Non-budgeted funds are monies collected by students or school staff from activities.

Use of Non-Budgeted Funds

3. Non-budgeted funds may be used as follows, depending on their source.

Source of Funds/Use

4. Student related activities (i.e., student fees, and fund raising activities, vending machines) to be used directly for student yearbook, student activities, student leadership, supplies, dances, and all other activities as approved by the building principal.

Accounting Procedures

5. Documentation: It is the business manager's responsibility to ensure that all transactions are properly supported and substantiated. Audit trails, i.e., supporting documentation are to be retained for five (5) years.
6. Current Bank Account: Each school will maintain only one checking account into which all cash receipts are deposited and from which all payments are made by check.
7. Cash received: For money received in the main office, a pre-numbered receipt will be issued and the duplicate copy of the receipt will be used to substantiate the money received by the school and deposited.
8. Cash Advances: when a cash advance (check for funds in advance of expenditure) is authorized and issued, it must be followed up by an expense claim with appropriate receipts, where necessary to substantiate the expense involved.

9. Checks: Each school must have designated personnel with signing authority for the checking account. Signing authority will be dual controlled with signatures of the board chairman and board treasurer, with the exception of the Petty Cash Fund. See Policy DJC, Petty Cash.
10. Deposits: A duplicate deposit book will be maintained to properly detail all bank deposits. Cash collected at the school will be deposited in the bank as soon as possible, preferably the same day. Under no circumstances will more than one hundred dollars (\$100) cash be kept by any activity, and only then with the approval of the building principal. All cash from any fund will be kept in the school vault for safe overnight keeping.
11. Books of Account: A register must be maintained detailing all deposits and disbursements. The register must be summarized and reconciled to the bank statement on a monthly basis.
12. Recoverable Costs: Where a school's operating budget funds have been used and cost are recoverable from students and/or other sources, the operating budget funds will be reimbursed for the funds used. A note is to be included on the applicable requisition indicating that costs will be subsequently recovered for the purchase.
13. Financial Statements: The operating cycle for each school will end on June 30. At that time, a financial summary will be prepared summarizing receipts and disbursements since the previous year end.
14. School Procedures: Since school operations vary from school to school, it is the principal's responsibility to have written procedures which indicate:
 - A. a general outline of the operations of the fund and the appropriate procedures to be followed by staff to access these funds;
 - B. the systematic manner in which records (of items noted above) are maintained for verification purposes.

Investment Guidelines

15. In order that school funds are protected under the federal deposit insurance plans, temporary excess funds should be invested in term deposits of the local bank(s).

Audit Procedures

16. These funds will be at the discretion of the board, be audited each year by a public accountant.

NEW POLICY
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