



STANDARD POLICIES AND PROCEDURES

POLICY NAME STUDENT ACTIVITY FUND MANAGEMENT	Section: B Policy Number: 3 Effective Date: Original Review Date: 2021
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Student Activity Fund Management

In general, Student Activity Funds are those funds that are owned, operated, and managed by students under the guidance and direction of an approved staff member for educational, recreational, and /or cultural purposes. The School Head Administrator is authorized to approve the information of all class organizations, clubs and associations. All fund raising activities must be approved by the school Head Administrator and business manager prior to initiating the fund raising activity.

POLICY:

1. Projects that raise student activity funds should contribute to the educational experience of students and not be in conflict with, but rather add to, the existing curriculum.
2. Student Activity Funds should, whenever possible, be spent for the benefit of those students currently enrolled in the school who have contributed to the accumulation of these funds.
3. Student activities should be conducted so that they offer minimum competition to any commercial concerns, while still benefitting the student body as a whole.
4. All Activity Fund receipts and disbursements must be documented in accordance with established cash receipts and cash disbursements procedures.
5. The School Head Administrator, or their designee, is responsible for the management of the school's Activity Funds.
6. The school Business Manager shall develop and maintain the procedures necessary to implement this policy in accordance with any applicable laws.

PROCEDURES:

1. The teacher or advisor in charge of the student activity will be responsible for receipting and depositing funds collected.
2. The teacher or advisor in charge of the student activity will adhere to the 24 hour banking rule outlined in NMAC 6.2.2.14.3.
3. Cash receipts for student activity funds shall be given to the front office where a pre-numbered receipt will be issued which identifies the activity for entry into the school's accounting system.
4. In the case of an off-site activity such as an intramural sports function, the teacher or advisor in charge of the activity will ensure that all cash is accounted for. It is recommended that two people

independently verify cash receipts and, after arriving at the same conclusion, place their initials on a count sheet verifying that all receipts have been tallied. The count sheet shall be given to the school Business Manager for verification.

5. In a situation where activity fund receipts are taken after school hours, the teacher or advisor in charge of the activity shall make sure that all receipts are properly safeguarded pursuant to NMAC 6.2.2.14.1.
6. The teacher or advisor in charge of the activity shall adhere to the school's adopted policy regarding the Procedures For the Receipt of Funds at all times.

APPLICATION FOR STUDENT ACTIVITY FORM:

If a new student activity fund is required, an Application for new Student Activity Account must be filled out by the sponsor, approved by the Head Administrator and submitted to the Business Office for approval. Once the Business Office has approved the form, the Business Manager will assign a new account number.

A copy of the form will be sent back to the sponsor with the new assigned account number, which must be referenced on all materials. No fund raising activities will be allowed until after the Finance Department has approved new funds.

LOG OF ALL ACTIVITIES:

A log of all approved activities is to be compiled and retained by the sponsor. This log will be used to identify fund raisers and use of funds on campus and to ensure procedures are being followed. The prior year and current year's log must be available to review upon request by auditors or Business Office personnel.

SPONSOR'S RESPONSIBILITIES:

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

Failure to adhere to the fund raising policies and procedures illustrated in this manual may adversely affect the school's or club's ability to continue having fund raising activities. All noncompliance issues will be presented to administration for corrective action. Fund raising activities and supporting documentation are subject to unannounced audit(s).

The sponsor is fiscally responsible for all facets of the fund raising activity. He/she may be held liable for all unapproved fund raising activities and for any shortages identified if District policy has not been followed. All sponsors are required to sign the Fund Raising Agreement section on the Application for Fund Raising.

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

- Planning the activity with club members
- Selecting the vendor
- Scheduling the activity with the Head Administrator or designee
- Properly completing the *Fund Raising Application* prior to entering into any agreement and/or receiving product from a vendor. The sponsor, not the Charter School, will be liable for product delivered and amount due if sponsor fails to obtain prior approval.
- Maintaining the appropriate controls to ensure that all monies are collected and turned into the Business Office assistant on a timely basis (within 24 hours) and students are held accountable for outstanding product and amounts.

- Ensures that data is available to prepare a perpetual inventory of all products including incentive products, funds received, a list of delinquent accounts and outstanding product. Explanation of Outstanding Amounts can help sponsors with outstanding balances owed. This form should be used by sponsors as a tool only. This form does not need to be turned into the Business Office, but may be requested by the Head Administrator.
- Obtains the Head Administrator’s approval for disposal of all surplus/damaged products. Surplus products are given away by the Head Administrator and **not the sponsor**.
- Once a student fails to return product or pay for the product, then the sponsor should not issue any additional product (regardless of student’s classification) until said student clears his/her record.

The sponsor must ensure that all club receipts and disbursements are processed in accordance with Districts policies and procedures. Please refer to the following section entitled CASH RECEIPTS and DISBURSEMENTS for guidelines, which govern these activities.

In general, product should be distributed after school or during a time when class is not unduly disrupted. Students are encouraged to sell the product to his/her immediate family or to known individuals. The District does not encourage activities that require and/or encourage students to sell “door to door”.

The sponsor must notify the Head Administrator and then immediately report all thefts to the Business Office. The sponsor may be liable for not reporting losses on a timely basis.

The sponsor should ensure that they do not use any parent organization activities in an effort to circumvent District policy.

The sponsor should make a concerted effort to collect 100% of the total outstanding balance. Consistent losses, uncollectible balances, thefts, and/or unaccounted for balances may restrict a sponsor’s ability to participate in fund raising activities.

La Academia de Esperanza:

- Reserves the right to stop payment on all fund raising activities in which the sponsor/vendor neglected to follow district policy. In these cases, a contract exists between the vendor and employee.
- Will not be liable for any unapproved fund raising activities:
- Will remove vendors from the “Approved List” for noncompliance with District policy.

APPROVAL OF FUND RAISING ACTIVITY:

All fund raising activities must be approved prior to ordering or receiving product/services. It is the Head Administrator’s responsibility to ensure that all activities have been reviewed and approved prior to commencement. A fund raising application must be filled out by each sponsor/teacher responsible for each individual fundraiser. Approval for periodically scheduled bake sales, car washes, burrito sales require a one-time approval for that particular month. For example, if a pickle sale is held every Friday to benefit the Student Club’s Fund, then only one fund raising application needs to be filled out with these four dates listed.

CLOSING OF FUND RAISING PROJECT:

All fundraisers should be closed within 60 days after the “ENDING SALE DATE” illustrated on the application.

An activity is considered closed when:

- All collectable funds have been deposited;

b. All disbursements have been made.

Exception: Bake sales, one-day food sales/dinners, dances, performance, concerts, car washes, a-thons, book fairs and similar activities not involving controllable merchandise must be recapped within 5 working days after the activity is held.

The sponsor is accountable/liable for safeguarding all items not sold. Future fundraising activities may be affected if the activity is not properly closed.

CASH RECEIPTS

The sponsor should use an *Activity Collection Log* at the collection point for students who remit money in order to maintain a system of accountability of each dollar collected. The collection log can be placed on a manila envelope and turned in with receipts. This practice enables the sponsor and the District to account for cash received.

The sponsor must submit all cash to the business office, for deposit, within 24 hours or one banking day. This is in compliance with the PSAB Supplement 18. The sponsor is liable for funds lost or stolen.

Remittances to the business office must be accompanied by the sponsor's *Activity Collection Log* and *Activity Fund Deposit Worksheet*. Totals on both forms must balance.

The Business Office Assistant will issue the sponsor an office receipt for all monies remitted for deposit. The sponsor should not walk away from the business office without their office receipt.

Cast receipts may not be used to cash checks, be borrowed from, lent out, or used to issue cash refunds. All cash refunds should be reflected through an appropriate purchase order.

The sponsor is restricted from using cash collected to make any type of purchases.

Credit in the activity account is final only after the bank reconciliation process has been completed. This will ensure that bounced checks and/or over/short variances have been taken into consideration.

DISBURSEMENTS:

A purchase order should be issued prior to the ordering of the product. This procedure is the same as with all other purchase orders. A purchase order is not approved until it is approved by the Business Office.

CASH DISBURSEMENTS ARE PROHIBITED:

The vendor may be paid once the activity has generated enough funds to cover the cost. Payment cannot be processed without an original company invoice, which provides unit description, unit cost, free product, other charges, credits, returns, etc.

The purchasing Agent should be contacted immediately if a campus is having problem with a vendor. The vendor will not be paid until all problems are resolved.