

Penn Cambria School District

Student Activity Fund

Procedures Outline

August 2012

Table of Contents

Table of Contents.....	ii
Student Activity – Overview.....	1
Record of Club Officers and Advisors	1
Fund Raising Projects	1
Sales Tax	1
Deposit Source Document	2
Deposit of Funds	2
Request for Disbursement of Student Activity Funds	2
Accounting Records	2
Bank Reconciliations	2
Financial Reports	2
Annual Audit.....	2

Student Activity – Overview

The accounting system will account for the raising and expending of activity funds by various student activities. These funds should be used for one purpose: to promote the general welfare, education and morale of students and to finance the normal, legitimate extra-curricular activities of the various individual student activities. All funds derived from an individual student activity as a whole must be expended only to benefit that student activity as a whole. Funds not derived from the students must be recorded elsewhere and shall not be co-mingled with student activity funds. For example, faculty or other outside organization funds will not be recorded in these accounts.

Each activity group will consist of a student president, student secretary, student treasurer and faculty advisor(s). The faculty advisor(s) and student treasurer must maintain a record of their activity balance. At the end of each month, the faculty advisor and student treasurer must review and reconcile their record. Student activity funds are addressed in Section 511 of the Public School Code.

Record of Club Officers and Advisors

Each school year, following the election of officers for each of student organization, a "Record of Club Officers and Advisors" must be completed and returned to the business office. The people thereon are the only people authorized to sign and submit the "Request for Disbursement of Student Activity Funds" form. The distribution of this form is as follows: original to Business Office.

Fund Raising Projects

An authorized advisor of a student activity club must submit a "Request for Approval of Fund Raising Project" form prior to the start of the activity. The distribution of this form is as follows: original to Principal.

Following his/her approval, the principal will forward the request to the Superintendent. Following approval by the Superintendent, one copy each will be forwarded to the advisor, principal and business office.

The advisor will submit a financial report to the business office of the fund raising activity upon conclusion of each activity. This form is found on the reverse of the "Request for Approval of Fund Raising Project".

Sales Tax

The school district's tax exempt number must not be used for fund raising activities. "When a public school purchases taxable property for resale to raise funds, the public school must pay the applicable sales tax at the time of the purchase or collect the sales tax from the customer when the item is resold. If the sales tax is paid to the vendor when purchasing the taxable item, the school can reimburse itself by adding the amount of tax paid to the charge to customers

when the item is resold. Paying the vendor and building the sales tax into the purchase price is the most advantageous alternative.” If the purchase for resale is made from an out-of-state vendor who is unable to collect Pennsylvania sales tax, the students must collect the appropriate sales tax from customers (Student Activity Funds Guide, PASBO, 3rd Ed. 2002). The amount of sales and sales tax collected must be indicated on the Deposit Source Document so that the amounts can be posted as such in the accounting records and the sales tax subsequently remitted to the Department of Revenue.

Deposit Source Document

Every club must complete and submit a “Deposit Source Document” to the business office with each deposit. This document details the source of the money, a deposit breakdown, and verification that a student officer and the supervising advisor have counted the deposit. This document is also used by office personnel to verify the deposit and prepare the deposit slip. The distribution of the form is as follows: original to business office.

Deposit of Funds

Business office personnel will make all deposits to the appropriate bank.

Request for Disbursement of Student Activity Funds

This form is used to request a disbursement from student activity funds and must be submitted for every disbursement from student activity funds. It must contain the approval signatures of an authorized student officer and an authorized advisor as submitted previously on the “Record of Club Officers and Advisors” form. The building principal must also sign the request for disbursement before being forwarding it to the business office.

Checks will be prepared by the business office.

Accounting Records

Accounting records for each individual club shall be maintained by the student club individually and by the business office both individually and collectively.

Bank Reconciliations

The business office will reconcile the student activity checking account to the bank statement monthly.

Financial Reports

The business office will provide a current cash balance to each club monthly. The club must validate this report against its records. Discrepancies must be reported to the business office within 10 calendar days of receipt of the report.

Annual Audit

An independent audit of the student activity fund will be conducted annually.