

GREENWICH PUBLIC SCHOOLS
Greenwich, Connecticut

Policy E-020 - FINANCIAL MANAGEMENT

Procedure E-020.2 - STUDENT ACTIVITY FUNDS

What are student activity funds?

Connecticut General Statute 10-237 provides for Boards of Education to establish and maintain school activity funds that are used for the educational benefit of currently enrolled students. Student activity funds are to be used in ways that complement but do not conflict with instructional programs, that supplement but do not take the place of programs or services which should be funded through the regular District operating/capital budgets. School and District student activity funds are considered town accounts subject to audit in the same manner as all other town accounts. The District is responsible for establishing procedures which define and regulate how and for what purposes expenditures from and donations to student activities funds can be made.

How can the funds be used?

Funds are used to support authorized extra curricular and school activities, including but not limited to costs associated with team sports, clubs, assemblies, honor societies, speakers, field trips, scholarships, class accounts, and student governments. In general, school activity money shall be expended in ways that benefit those students who have contributed to the accumulation of the money. Student activity funds may not be used for any purpose that represents an accommodation to an individual or donor, a loan or credit, for staff activities, or for a capital improvement without Board approval. Student activity funds cannot and should not be used to purchase goods or services that may have been denied during the budget development process.

In general, student activity funds should not be used to hire supplemental staff to support authorized and approved student activities, including interscholastic sports and other extra curricular programs. In certain limited circumstances, advisors, coaches or others charged with overseeing student activities may make a formal request to the building administrator (no less than six weeks in advance of the planned activity) to hire supplemental staff funded through student activity funds. The procedures for paying staff from student activity funds are described in Procedure E-020.1 (Accounting Procedures: Part-Time/Temporary Staff). If the request receives preliminary approval from the building administrator, the request will be forwarded to the District Human Resources and Business Services administrators for review and final approval. The request must include:

- a) Rationale/identified need,
- b) Description of services to be provided, including specific responsibilities,
- c) Time frame (dates, hours)
- d) Proposed compensation
- e) Individual recommended, with detail about special qualifications, skills

Among the factors that will be considered in the review and approval processes are:

1. Is this a required position that should be addressed through collective bargaining agreements and funded through the regular budget (supplant rather than supplement); whether or not a position is required will be determined by school and District administrators.
2. Does the hiring of supplemental staff for this particular activity create inequities between/among programs, including but not limited to Title IX considerations?
3. Have school staff members been given an opportunity to be considered for the position?

When and if a supplemental staff position as described is approved, the District Human Resources and Business offices will facilitate the hiring and compensation process to insure compliance (e.g., federal state and local laws and collective bargaining agreements). Individuals whose compensation is funded through student activity accounts – AND – who are regular District or Town employees subject to all Town and District policies and procedures such as those governing ethical behavior, nepotism, etc.

What are possible appropriate sources of student activity funds?

Student activity funds may come from one or more of the following sources:

- a. Fees charged for a program or product (e.g., field trips, team/club dinner, school or team apparel, Advanced Placement testing)
- b. Student/staff fundraising for a specific student program or activity (e.g., carwash, candy sale)
- c. Dues for membership in an approved school club.
- d. Cash gifts/donations, with or without conditions subject to District gift procedures.
- e. Monies that individuals, parent groups and/or faculty groups collect and disburse should not be included in School Activity Funds. Outside groups must operate independently of the District.

What is the Title IX Athletic Equity Fund?

The Greenwich High School Title IX Athletic Equity Fund is a special school activity fund established to ensure compliance with the letter and the spirit of Title IX requirements. Interscholastic teams who have been approved to take an extended field trip as provided for in Procedure E-001.6 Interscholastic Athletics and E-002-10 Extended Field Trips are required to contribute 10% of the funds raised toward the total cost of the trip into this designated fund. This includes targeted donations, special fundraising, as well as parent/student payments toward the cost of an approved trip. All solicitations for an approved extended field trip must indicate: *10% of the funds raised for this trip will be deposited in the Greenwich High School Title IX Athletic Equity Fund.* Every effort must be made through advance planning and careful monitoring (fundraising, budget) to ensure the funds raised for an extended field trip do not exceed the total cost of the trip.

How is Title IX Athletic Equity Fund used?

These funds are available to teams that because of size or profile/prominence would not typically be able to raise sufficient funds from multiple sources for an extended field trip. In other situations teams' efforts at self-funding an approved activity may fall short. In general the request should not exceed 20% of the total cost of an approved trip. Teams who believe they should be considered for funding from the equity account must follow these steps:

1. Discuss and secure preliminary approval for the trip from a school administrator and the athletic director.
2. Complete an extended field trip proposal form (Procedure E-002.10).
3. Attach a financial plan for the proposed trip including detail about total and per student costs, projected sources of funding including the Title IX Athletic Equity Fund (Procedure E-080.9).
4. Submit the extended field trip form and the financial plan to the athletics director by the designated deadline (June 15th). The athletics director, in consultation with the GHS Title IX coordinator will review the request and determine if it meets the funding criteria.
5. If the Director of Athletics and the Title IX Coordinator grant preliminary approval for the funding plan, the extended field trip proposal will be forwarded to others who must review and approve the trip.

What general operating procedures apply to these accounts?

1. **Checks.** Payments for student activity fund purchases should be made by check. No expense should ever be paid in cash directly from any type of receipt or proceeds. Two signatures are required on all student activity checking accounts. Those authorized to sign checks are responsible for checking to verify they are filled out completely and correctly (date, name of payee, amount) before signing.
2. **Receipts.** All student activity related receipts should be correctly accounted for and deposited prior to making any disbursements from any proceeds.
3. **Sales Tax Exemption.** While school districts are tax-exempt, this exemption does not extend to fundraising activities involving resale of goods. It is unlawful to use the Student Activity Fund to make privileged or tax –free (Sales & use taxes) purchases for any school employee or other person. While K-12 school districts are entitled to a number of “tax free” days per calendar year, in general, items sold as part of school sanctioned fundraisers are subject to Connecticut sales tax if they exceed \$20. School administrators and club sponsors should consult with the District Director of Budget and Systems for guidance in this area.
4. **Loans.** Student Activity Funds cannot be used to make loans for any purpose.
5. **Payment to Staff.** The direct payment from Student Activity Accounts to Board of Education and/or Town of Greenwich employees for any & all services rendered in support of related student activities is strictly prohibited. All payments of this kind must be processed through the Town of Greenwich Payroll System (See Procedure E-020.1 Accounting Procedures).
6. **Payment Vouchers.** All disbursements and purchases from School Student Activity accounts should be initiated by a request for payment voucher / payment order which contains detailed information regarding the purchase, service provided or specific nature of the disbursement requested. The voucher should be signed and dated by the staff activity advisor or account custodian.

What cash management procedures apply to these accounts?

1. Town of Greenwich Cash Management Procedures apply to all Town of Greenwich accounts, including school activity funds (see attached).
2. All money collected from any source should be substantiated by pre-numbered receipts.

3. Checks received for fundraising activities should be made out to the School or to the Greenwich Public Schools / School name, but not to the student, faculty advisor or Student Activity Fund custodian.
4. Bank deposit slips should be prepared in duplicate. Any discrepancies between the amount of receipts recorded in the books and the amount of the bank deposit should be called to the attention of the appropriate school administrator.

What type of accounting is required for these funds?

In anticipation of implementing a standard accounting application by 2006-07, school activity funds are strongly encouraged to use the following classification system for all receipts and disbursements effective immediately (entered into the notes area of your check registers and accounting systems).

Account Group	Description/Purpose	Remarks
100	Student Awards	For a disbursement Award payments code (100) are defined by the Greenwich Public Schools to be excludable from gross income pursuant to IRS 1.74-1 in that qualify for exemption if 1) such a prize of award is made in recognition of past achievement of the recipient in religious, scientific, educational artistic literary, or civic fields; 2) the recipient was selected without any action on his or her part to enter the contest or proceeding and 3) the recipient is not required to render substantial future services as a condition of receiving the prize or award. (Note* all three conditions must be met). A W-9 form should be completed by the recipient and maintained on file so that information is readily available in the event of a future audit.
200	Student Scholarships	To be considered a “scholarship” payment must be made directly to the educational institution.
300	Purchased Services	Services provided by Non-District or Town employees or organizations, including field trip-related activity fees. Forms W-9 must be completed signed and dated by all group (300) vendors. A Form W-9 must be on file <u>prior</u> to making any disbursement to a group (300) service provider.
600	Purchased Materials & Supplies	All group (600) & (700) vendors may be paid prior to receiving a completed W-9 but should be sent a Form W-9 along with the first payment should an existing W-9 not be on file.
700	Purchased Equipment	
800	Refunds of Payments	Vendor files for group (800) & (900) disbursements

Account Group	Description/Purpose	Remarks
900	Reimbursements	<p>are not required to complete Form W-9. However it is mandatory that disbursements for group (900) <i>Reimbursement</i> payments only be made where complete and original documentation supporting the nature of the payment is on file. No reimbursements may be made without the presentation of a verified receipt supporting the payment.</p> <p>Disbursements for <i>Refunds</i> should always make reference to the reason for the refund, activity for which the original payment was received, and where possible the check number and date of the Deposit to the Activity Fund Account.</p>

- Original invoices must support all activity fund disbursements. Each invoice should be compared with the request for funds / payment order, initiated by the person receiving the merchandise, verified for prices extensions and totals and checked to determine that extra charges such as sales tax were not included.
- To facilitate reporting, schools should standardize filing systems on a fiscal (not calendar year) basis: by expense code classification (100, 200, etc.), then by vendor alphabetically within each code.
- Form W-9 may be used for a maximum of two years from the original submission date to the Greenwich Public Schools. Where either this time limit has expired or a company, individual or other entity has undergone a change of name, address or any other information a new Form W-9 must be obtained.
- Form W-9 and instructions can be downloaded from the Internal Revenue Service web site www.irs.gov.

What are the reporting requirements and responsibilities?

1. Historical files must be maintained for (7) Years.
2. Issuance of 1099's – Criteria and Procedures
 - a. Each year on or about December 15th a memo from the accounting office is sent to all activity account bookkeepers asking for payee information needed for the Town of Greenwich to issue 1099's.
 - b. Generally, referring back to the disbursement coding section any person or entity providing a purchased personal service and coded as a group (300) expense would need to be included in the requested list of payees for 1099 purposes.
 - c. Exempt from 1099 reporting are corporations (as verified by W-9), payments for merchandise, telegrams, telephones, freight, storage, and similar items. Wages paid to employees must be reported on Form W-2 and therefore cannot be paid directly from any school student activity account. Additionally, series (800) & (900) disbursements are not subject to 1099 reporting.
 - d. All non-exempt payees regardless of dollar amount must be included on the requested list. This is required as certain payees may be paid for similar services from other Town of Greenwich or Board of Education accounts.
3. Bank Account Reconciliation & Fiscal Year End Audit Requirements:

- a. All Student Activity Funds must be reconciled on a monthly basis. Reconciliation statements should be prepared and signed off each month by the account custodian / school administrator. If a particular account cannot be reconciled within a timely basis the account custodian must notify the Director of Budget & Systems. Where monthly reconciliation of accounts cannot be successfully performed the activity account will be temporarily frozen until such time that a thorough transactional review by the District Business Office can isolate and correct the problem.
 - b. At the close of business 6/30/xx, activity account bookkeepers and custodians will be required to prepare the following statements and have them sent to the Director of Budget & Systems no later than August 15th of the following fiscal year.
 - c. Copies of the June and July Bank Statements with accompanying reconciliations signed off on and attached, and a complete check register for the fiscal year.
 - d. Copies of month ending June statements for all other non-checking accounts (savings, CD's etc.) along with copies of all deposit and withdrawal tickets.
 - e. A statement of fund activity prepared from the activity fund's check register or withdrawal and deposit tickets. This should include Beginning Account Balance 6/30/xx (end of prior fiscal year), total of deposits (credits) for the fiscal year, total of withdrawals (debits) for the fiscal year and the ending check register balance at fiscal year end. Statements of this type are required for all School Accounts.
4. Periodic Internal Audit
- All activity accounts will be subject to periodic internal audit by the District Business Office and/or Town of Greenwich accounting staff. If an audit is scheduled, school personnel will be required to produce all necessary documentation to the accounting staff. If any finding is reported, a post audit review will be held with the responsible administrator who must then submit a written response and plans for remedial action.

Attachments:

GPS Student Activity Account Transaction Guide
GPS Student Activity Fund Deposit Voucher
GPS Student Activity Fund Disbursement Voucher
GPS Student Activity Fund Transfer Voucher
GPS Student Activity Transaction Flow Chart

Procedure Revised – December 2005

Procedure Revised – May 2009

Procedure Revised – August 2009

The Greenwich Public Schools

Business Services Department

Student Activity Account Transaction Guide

August 10, 2009

This transaction guide is an appendix and companion document to ***Greenwich Public Schools Procedure E020.2 Student Activity Funds. The guide is designed to assist account clerks, faculty and staff.***

Related Procedures

E080.9 Soliciting funds and fundraising.
E020.3 Gifts & Grants
E051.6 Soliciting funds by students & staff
E051.8 Wellness
L020.16 Solicitations by staff

Sources, Uses & Accountability

Student Activity Accounts are generally funded through donations, activity or field trip fees, school sponsored student fund raising events and authorized school based enterprises. See the procedure for more detailed information about sources and uses. All deposits to Student Activity Accounts must cross reference the required approval forms (e/g. gifts and donations, extended field trips and fundraising). If the proper approvals are not in place, the deposits to the Student Activity Accounts will be held and collected funds will be returned to the donor(s). Those involved with student activity accounts are accountable for complying with all relevant requirements.

Banking

All banking relationships, reconciliations, statements, etc. will be handled by Business Services personnel at the District Central Office. Any and all bank accounts opened and maintained for the purpose of facilitating authorized student activity transactions by Greenwich Public Schools are the responsibility of the District Business Services Department, not individual schools, programs, faculty or staff members.

Opening a Student Activity Account

Accounts will be established by Business Services for each approved school club, activity or sport. All transactions (deposits, checks issued, etc.) related to an individual activity will be maintained within the schools Student Activity Account. Club advisors, athletic coaches, and other school personnel must complete and submit a Student Activity Account Request form to Business Services. The GHS Director of Student Activities is responsible for approving and signing off on high school club requests; the GHS Athletic Director for interscholastic team requests; and the building principal for all other requests.'

Deposits/Receipts

Receipts must be counted, at school locations and sent to Business Services in a sealed deposit bag (obtained through Business Services) along with a Student Activity Deposit Voucher

(attached) and an adding machine tape (required). Checks, money orders, etc. must be separated from currency and endorsed with the school deposit stamp (provided by Business Services) with the amount of each counted and noted on the deposit voucher. Upon receipt of the sealed deposit bags in Business Services, the deposit will be posted to the account indicated and an acknowledgement of the posting will be sent to the depositor. Receipts may be subject to sales and use tax, please refer to E020.2 for more information.

Disbursements

A Student Activity Disbursement Voucher (attached) must be completed by the activity advisor, approved by the appropriate building level or program administrator and sent to Business Services for processing. The voucher will then be matched to a vendor invoice and a check will be issued, signed by the Director of Budget & Systems and sent to the payee. All vendor invoices must be sent by the vendor directly to: Greenwich Public Schools – Business Services Department, 290 Greenwich Avenue, Greenwich, CT 06830 Attn: Student Activities.

Transfers

Transfers between accounts at a given location can be initiated by completing and submitting a Student Activity Transfer Request form (attached). Transfers between accounts will require Business Services authorization and should occur on a limited basis only.

Overdrawn Accounts

Accounts maintained within the District's Student Activity Account may not be overdrawn. Withdrawal vouchers received by Business Services drawing on insufficient funds will be returned Not Sufficient Funds (NSF) noting the date and current available balance in the account.

Shipping and Receiving

All items purchased using Student Activity Account funds must be shipped to a Greenwich Public School location. Please do not have any items shipped to the Havemeyer warehouse unless the order originated from Central Office. Do not have any items shipped to personal addresses, PO Boxes or other non-district facilities.

Postage, Bank Fees, and Other Related Transactional Expenses

Expenses incurred that are directly related to the maintenance of these accounts will be charged back to the Student Activity Accounts on a quarterly basis.

Reimbursements

Reimbursements to students, parents or staff will only be permitted on a limited basis. Documentation and aging requirements for processing reimbursements are the same as those outlined in Procedure E020-14 Staff Activity Expense Reimbursement, Attachment C. Directions on Completing Out-of-Town Expense Report.

**GREENWICH PUBLIC SCHOOLS
STUDENT ACTIVITY FUND DEPOSIT VOUCHER**

SCHOOL/PRGM/LOC: _____

DEPOSITED BY: _____

DATE: _____

CLUB NAME/FIELD TRIP DESTINATION & DATE: _____

DEPOSIT INFORMATION:

CASH	_____
CHECKS	_____
OTHER	_____
TOTAL	_____

DESCRIBE SOURCE OF FUNDS: _____

ARE THE FUNDS SUBJECT TO SALES TAX? YES NO

IF THE FUNDS ARE SUBJECT TO SALES TAX PLEASE PROVIDE COST OF ITEM, SALES PRICE AND THE QUANTITIES SOLD. THE SALES TAX WILL NOT BE DEPOSITED INTO YOUR ACCOUNT.

IS THERE AN APPROVED DONATION REQUEST, PERMISSION TO FUNDRAISE OR EXTENDED FIELD TRIP FORM THAT RELATES TO THIS DEPOSIT? YES NO

APPROVED BY:

ADVISOR/COACH

GHS ONLY

NOTE: ALL DEPOSITS MUST BE APPROVED BY DIRECTOR OF STUDENT ACTIVITIES OR ATHLETIC DIRECTOR BEFORE THE DEPOSIT CAN BE PROCESSED

APPROVED BY:

DIRECTOR - STUDENT ACTIVITIES

APPROVED BY:

ATHLETIC DIRECTOR

ELEMENTARY AND MIDDLE SCHOOLS ONLY

NOTE: ALL DEPOSITS MUST BE APPROVED BY A BUILDING ADMINISTRATOR BEFORE THE DEPOSIT CAN BE PROCESSED

APPROVED BY:

BUILDING ADMINISTRATOR

**GREENWICH PUBLIC SCHOOLS
STUDENT ACTIVITY FUND TRANSFER VOUCHER**

SCHOOL/PRGM/LOC: _____

REQUESTED BY: _____

DATE: _____

FROM ACCOUNT

APPROVED BY

ADVISOR/COACH

TO ACCOUNT

APPROVED BY

ADVISOR/COACH

TRANSFER AMOUNT \$ _____

REASON FOR TRANSFER: _____

GHS ONLY

*NOTE: ALL TRANSFERS MUST BE APPROVED BY DIRECTOR OF STUDENT ACTIVITIES OR ATHLETIC DIRECTOR
BEFORE THE TRANSFER CAN BE PROCESSED*

APPROVED BY: _____

APPROVED BY: _____

DIRECTOR - STUDENT ACTIVITIES

ATHLETIC DIRECTOR

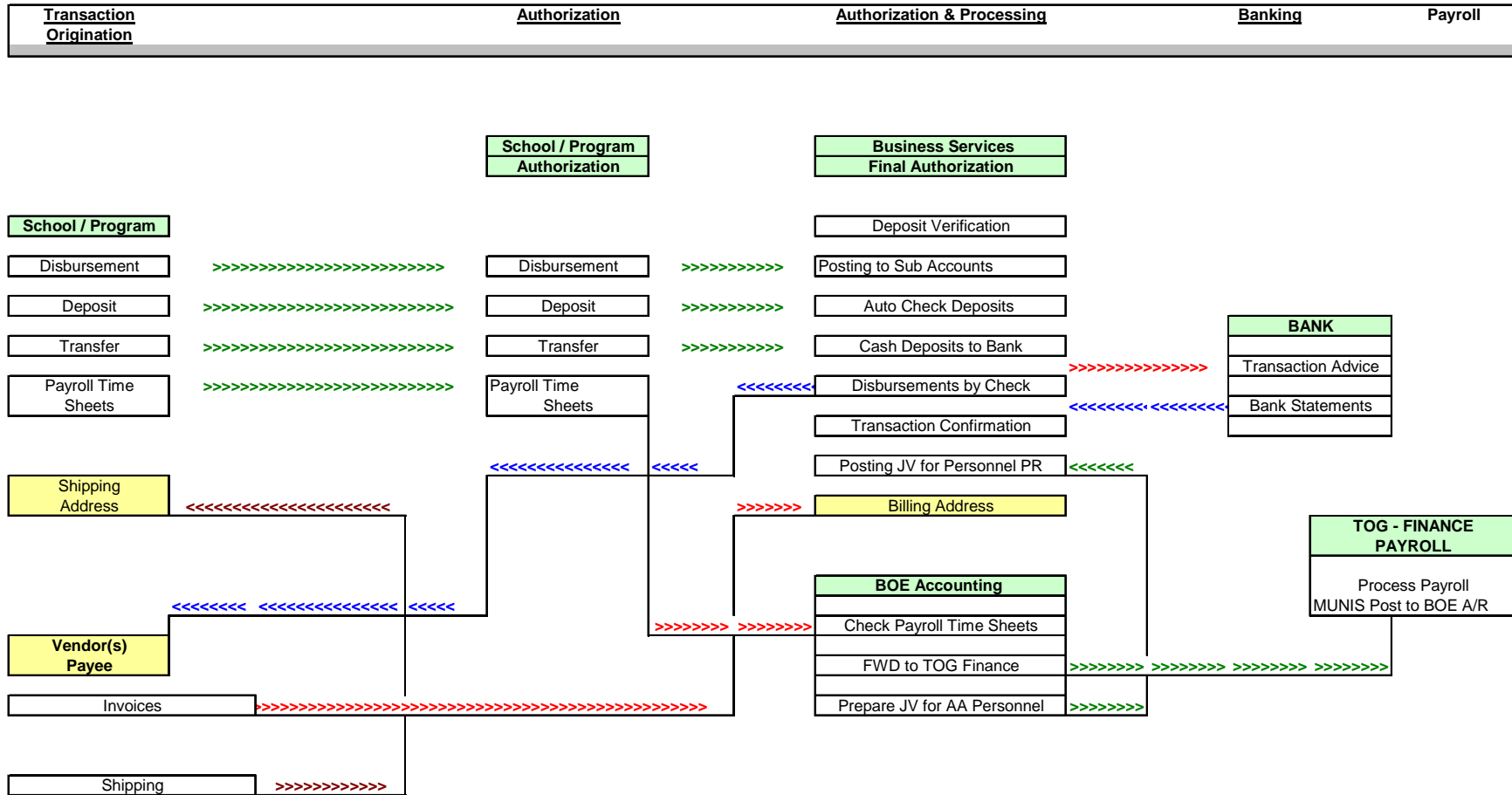
ELEMENTARY AND MIDDLE SCHOOLS ONLY

*NOTE: ALL TRANSFERS MUST BE APPROVED BY A BUILDING ADMINISTRATOR
BEFORE THE TRANSFER CAN BE PROCESSED*

APPROVED BY: _____

BUILDING ADMINISTRATOR

GREENWICH PUBLIC SCHOOLS - STUDENT ACTIVITY TRANSACTION FLOW CHART



This exhibit illustrates the transactional flow, and functional interrelationships in the redesigned Activity Account processing system.