



SITE ACTIVITY FUNDS GUIDELINES

Table of Contents

INTRODUCTION.....	3
PURPOSE OF SITE ACTIVITY ACCOUNTS.....	3
ESTABLISHMENT OF AGENCY FUNDS	4
ADMINISTRATION OF SITE ACTIVITY FUNDS	4
MANAGEMENT OF SITE ACTIVITY FUNDS	5
PROTECTION OF FUNDS.....	5
STAFF RESPONSIBILITIES FOR FUNDRAISING ACTIVITIES	6
CASH HANDLING PROCEDURES	6
RECEIPTS	7
DEPOSITS	7
DISBURSEMENTS.....	8
NSF CHECKS	9
OUTDATED/VOIDED CHECKS.....	9
RETENTION OF RECORDS	9
REPORTING	10
AUDITING.....	10
DISCIPLINARY ACTIONS.....	10
INVESTMENTS	10
TRANSFERS BETWEEN ACCOUNTS.....	11
DISCONTINUED ACTIVITY GROUPS	11
TERMINATED ACTIVITY ACCOUNTS	11

INTRODUCTION

This manual is designed to provide a set of standardized accounting procedures for the administration of site activity funds in all schools in the School District of Waukesha. Adherence to these guidelines and procedures is expected from all district staff and students. All monies that are handled for bookkeeping purposes by school building personnel are considered site activity funds. All site activity funds are considered to be assets of the district. The site activity records should be up-to-date at all times and are subject to audit at any time without warning. In addition, at his/her discretion, the Superintendent may at any time require that any or all of a site's activity transactions flow through the district's Business Office instead of the school office.

These guidelines and procedures reflect existing state statute, School Board policies, current administrative procedures, and good business practice. They are intended to protect the building administrators, the respective staff members who are responsible for maintaining site activity fund financial records, the students, and the district.

PURPOSE OF SITE ACTIVITY ACCOUNTS

Each site activity account is to be used for two purposes only, and should be administered according to the district guidelines and procedures. The two district purposes for a site activity account are:

1. Student Activities/Organizations
2. Other Site Activities (i.e. "Fundraising")

Site activity funds include (but are not limited to) funds raised by and for student organizations, such as:

- Student Government
- Drama Club
- Foreign Language Club
- Journalism Club
- Band Club
- Pep Club
- Debate Club
- Photography Club

In contrast, co-curricular activities in which students participate, but that are administered by the school district, are considered **district funds**. These funds belong to the school district, and are deposited in the district's operating bank account and disbursed through the school district's general cash disbursement procedures. Examples of include:

- Athletics
- Music Concerts
- Band Uniforms

- School Plays
- Scholarships
- Grants
- Student fees

District monies should not be included in the bookkeeping of site activity funds.

For example, the following items should not be accounted for or funded by student activity funds:

- Sunshine Committee activities
- PTO activities
- Scholarships
- Grants
- School fees (including lost book fees)

ESTABLISHMENT OF AGENCY FUNDS

1. Application for the creation of the student or parent organization should include the purpose of the organization, proposed fundraising activities, and duration of organization.
2. Each student or site organization must have a faculty advisor approved by the Principal.

ADMINISTRATION OF SITE ACTIVITY FUNDS

1. Per Board of Education Policy #3410, “The Superintendent or designee will establish rules and procedures for recording K-12 student organization and activity financial transactions that are consistent with generally accepted accounting principles.”
2. The Principal of the school shall be directly responsible for the conduct of site financial activities in accordance with the guidelines, rules and procedures set forth by the state, district, and Superintendent.
3. The Assistant Business Services Director of the District is responsible for prescribing and monitoring appropriate accounting procedures and guidelines.
4. The Principal of each site organization is responsible for supervising all activities of the organization. As such, the principal or an assigned designee must approve all transactions of the site activity fund. The assigned designee should be an employee of the school district under the direct control of the principal.

5. Site support organizations, such as Sunshine Funds, PTO's/PTA's and booster clubs, are considered to be a separate entity from the site and district. The district is not responsible for the management of the organization or its funds. These organizations may not use the district's employer identification number or its tax exempt number.

MANAGEMENT OF SITE ACTIVITY FUNDS

1. All money collected from pupils on school premises shall be processed through the school office. Under no circumstances should a teacher keep activity funds overnight in their classroom, on their person, or at any other place. Money collected by teachers should be turned in to the office on a daily basis.
2. Personal checks may not be cashed for anyone. Personal checks may be accepted, however, when they are for the exact amount due the school or district.
3. Activity funds should not maintain a negative balance in any of their sub-accounts
4. The payment of salaries/stipends to district employees from the site activity funds is prohibited. Records must be maintained, including social security number, of any payments for services to independent contractors or non-employees. Independent contractors and non-employees must complete a W-9 form prior to payment for services.
5. Site activity funds shall not be used for any purpose that represents an accommodation, loan, or credit.
6. Site organizations may obligate themselves by contract for the purchase of equipment, supplies or services through the purchase order system. Funds should be remitted to the district Business Office and payment will be processed through the district operation fund accounts. Any agreement with a vendor in excess of twelve months must be reviewed and approved by the Business Office.

PROTECTION OF FUNDS

The following rules should guide all employees who are custodians of Board of Education and site activity funds:

1. No school employee shall keep site activity funds overnight on his or her person or in their personal bank account or at any other place.
2. All gifts/donations must be reported to the Business Office. A 'Gifts/Donations Summary' spreadsheet should be completed, approved by the Principal and given to the Business Office before the end of each school year. Gifts/donations in excess of

\$500 must use the 'Public Gifts to Schools' form and be reported to the Superintendent/designee for report to and acceptance by the Board. A thank you letter indicating the dollar value tax deduction should be mailed from the central office or site (depending on the value of the gift/donation) to the donor(s) following acceptance of the gift. (See Policy # 3280G) All gifts/donations should be used for its intended purpose specified by the donor(s) or Principal.

STAFF RESPONSIBILITIES FOR FUNDRAISING ACTIVITIES

1. The faculty member/advisor in charge of the fundraising is responsible to the Principal for preparing and maintaining sales and financial records.
2. All money that is raised by the project must be properly receipted and deposited daily in the school office.
3. No money may be disbursed from receipts that have not yet been deposited. No cash payments shall be made from activity funds.
4. No money may be deposited in the advisor's, principal's, or bookkeeper's personal checking/savings account.
5. The faculty member/advisor is personally liable for all money collected until it is deposited at either the school office, night deposit at the bank, or turned over to a school administrator for handling. The faculty member/advisor that deposits money in the school office or turns over money to another school employee is responsible for securing a receipt for the exact amount of money transferred at that time.

CASH HANDLING PROCEDURES

1. Each school shall have its own bank account for the purpose of depositing and disbursing activity funds.
2. The only authorized signatures allowed on checks are those of the:
 - a. Principal
 - b. an appointed designee
 - c. CFO/Executive Director of Business Services
 - d. Assistant Business Services Director.

An authorized signature is required for withdrawals directly from the bank and on all checks. The appointed designee cannot be the same individual responsible for the bank statement reconciliation (i.e. the bookkeeper).

RECEIPTS

1. A pre-numbered receipt must be written for all money that is received for deposit in to the activity account and should be given to the person presenting the money.
2. Receipts must be accounted for in numerical order for auditing purposes.
3. Voided receipts should not be destroyed and original and duplicate copies should be kept on file.
4. The person issuing the receipt must count all money at time of receipt.
5. In the case of group collections, a single receipt may be issued to the person turning the money in to the school office, however this person must have a detailed record of the group collection.

DEPOSITS

1. All money collected by a staff member should be recorded on a cash receipt voucher by the individual who collected the money. The cash receipt voucher should be turned in to the school office, along with the money, in exchange for a pre-numbered receipt.
2. All funds must be deposited in the bank promptly, with daily deposit being the recommended practice. A receipt of deposit should be given by the bank and filed by the bookkeeper. This bank deposit receipt should match the cash receipt voucher and the pre-numbered receipt(s) issued by the bookkeeper.
3. Schools shall use the bank night depository for funds received during night activities.
4. All money collected from pupils on school premises shall be processed through the school office. Under no circumstances should a teacher keep activity funds overnight, either in their classroom, on their person, or at any other place. Money collected by teachers should be turned in to the office on a daily basis.
5. All checks received shall be immediately stamped "For Deposit Only".

DISBURSEMENTS

1. All disbursements must be in the form of a check. Checks should not be signed in advance.
2. The Principal and one other person designated by the Principal shall be authorized to sign checks withdrawing money from the activity account. An authorized signature is required for both withdrawals directly from the bank and on all checks. This rule applies to all accounts (checking, savings, and investment). Signing blank checks is prohibited and such action makes the signer personally liable. The principal's secretary may act as the site activity funds bookkeeper, however the bookkeeper cannot be a signatory on the account (i.e. the bookkeeper cannot be the designee authorized to sign checks).
3. All check requests must be signed (not stamped) by the principal or designee before a check is issued. The bookkeeper cannot approve disbursement requests.
4. Check requests must be accompanied by supporting documents such as invoices, sales slips, letters, itemized receipts, etc. Only original receipts are acceptable and must be kept on file with the check requests. Check numbers should be recorded with supporting documents.
5. In cases where staff or other persons are being reimbursed for purchases, tax cannot be included in the total reimbursement amount.
6. Before signing a check, the principal or designee shall require supporting evidence and shall initial the invoice and statement accompanying each check before signing the check.
7. Cash payments from site activity funds for any purpose are prohibited.
8. Principals should not reimburse themselves for regular school expenditures through the site activity account. Any reimbursements of this type should be processed through the Business Office.
9. All checks distributed must be dated and include the language "Void after 180 days".
10. The bookkeeper should ensure that sub-accounts have adequate funds to cover a requested disbursement before cutting a check. If a sub-account does not have adequate funds, the advisor should be contacted. A disbursement should not be approved until additional funds are deposited in the sub-account.

NSF CHECKS

1. Call the maker of a bad check and make note of the conversation. All returned check fees are the responsibility of the maker. If there is no response from the maker of the bad check within seven days of the initial call, the principal should send a follow-up letter.
2. Before accepting a new check from the maker of a bad check, confirm with the bank that funds are available. If someone has multiple instances of bad checks, the school may, at the principal's discretion, require cash transactions only.
3. Treat the check reversal by the bank as a negative receipt for the amount of the check plus any fees charged by the bank. When the replacement check (or cash) is deposited, it should be treated as a new receipt.

OUTDATED/VOIDED CHECKS

1. At the close of each month, any checks outstanding greater than 180 days must have their status confirmed. For checks outstanding greater than 180 days, the payee should be contacted via phone and the conversation should be documented. If there is no response from the payee within seven days, the Principal should send a follow-up letter.
2. Prior to issuing the payee an updated check, the old check must be retained from the payee and voided. If it is not possible to obtain the old check, a copy of the stop payment confirmation for the old check must be filed.
3. If the payee has not cashed the check within one (1) year, the check **MUST** be voided.
4. Documentation of voided, outstanding and stop payment checks must be kept on file for seven years at the individual school site.

RETENTION OF RECORDS

Activity fund financial records shall be kept a minimum of seven years.

REPORTING

Preparation of the bank reconciliation reports must be completed and submitted to the district Business Office by the 10th day of each month. This report should include:

- a. Bank Statement
- b. Bank Reconciliation Report
- c. Uncleared Transactions Report
- d. Register Report
- e. Statement of Net Worth
- f. Copies of any checks voided throughout the month

AUDITING

In order to ensure adequate bookkeeping and adherence to district guidelines, all site activity records and procedures are subject to periodic internal audits by the Business Office, as well as outside audits by independent auditors.

All site activity accounts will be audited at least once every school year by the District Accountant and the audit findings will be shared with the principal and bookkeeper/secretary. The principal and/or bookkeeper/secretary are required to make adjustments for any audit findings that result in needed improvements. Subsequent to an audit, follow-up visits may be scheduled at the discretion of the Business Office to ensure that all necessary adjustments have been made.

DISCIPLINARY ACTIONS

If there is continued non-compliance by the principal, designee, or bookkeeper/secretary with the site activity funds guidelines set forth by the School District of Waukesha, the CFO/Director of Business Services will share such information with the Human Resources Director and/or the Board of Education and recommend a warning letter be placed in his/her personnel file.

INVESTMENTS

The principal may invest activity funds. Activity funds may be invested only at Waukesha State Bank and in the types of securities that are qualified for investment of school district funds in accord with Wisconsin Statutes and are subject to annual financial audit review in accordance with Board Policy #3451.

Interest earned from such investments may be prorated to the various activity fund accounts or credited to a central activity fund.

TRANSFERS BETWEEN ACCOUNTS

All transfers between accounts must be authorized in writing by the principal and the advisor(s) for the activities. The documentation should include an explanation of why the transfer is needed and any receipts, invoices or checks associated with the transaction. Transfers between district accounts and site activity accounts are prohibited.

DISCONTINUED ACTIVITY GROUPS

The principal is authorized to close out balances in activity accounts that are no longer active. The principal should document the reason for closing the account and submit it for approval to the Assistant Business Services Director. These balances may be transferred to other site activity accounts or to a general activity account upon written approval from the Assistant Business Services Director.

TERMINATED ACTIVITY ACCOUNTS

If the principal, advisor and/or bookkeeper/secretary fail to make the necessary adjustments per the audit findings, the CFO/Director of Business Services or Assistant Business Services Director can terminate their site activity accounts. The Business Office will process any funds in those accounts until further notice. The principal may request re-activation of those site activity funds as long as all necessary adjustments are made and all parties are willing to comply with the site activity fund guidelines set forth by the School District of Waukesha.

**SCHOOL DISTRICT OF WAUKESHA
WAUKESHA, WI**

**GUIDELINE RECEIPT ACKNOWLEDGEMENT
FOR SITE ACTIVITY FUNDS**

**In effect: July 2015
Updated: June 2015**

I, _____, have read and been informed about the content, requirements, and expectations of the Site Activity Funds guidelines for employees at the School District of Waukesha. I have received a copy of the guidelines and agree to abide by it as a condition of my employment and my continuing employment at the School District of Waukesha.

I understand that if I have questions, at any time, regarding the Site Activity Funds guidelines, I will consult with my immediate supervisor or the District Accountant of the School District of Waukesha.

*** Please read the Site Activity Funds guidelines carefully to ensure that you understand them before signing this document.*

Employee Signature: _____

Position/Title: _____

School Assigned To: _____

Date: _____