

Oklahoma City Public Schools

Regulation C-08-R1

School Activity Funds Management (Regulation C-08-R1)

The board has authorized the establishment and maintenance of a school activity fund. The principal of the school is designated as the custodian of this fund and shall be responsible for the proper administration of the financial activities of each account within the fund in accordance with state laws, State Board of Education regulations, board policy, and administrative regulations.

At the beginning of each fiscal year and as needed during each fiscal year, the board shall approve all school activity fund sub-accounts, all sub-account fund raising activities, and all purposes for which the monies collected in each sub-account can be expended. All school activity fund sub-accounts, all sub-account fund raising activities, and the purposes of which such monies collected in each sub-account can be expended will be defined pursuant to administrative procedures.

The board will not be responsible for claims resulting from agreements made with clubs or organizations involving district personnel and the payment of money for services when such clubs and organizations operate outside of the district's authority.

In accordance with the policy of the board of education, the following regulation shall govern school activity funds:

1. **Authority for Activity Funds:** Under the general provisions of Title 70, Section 5-129 and the specific provisions of *Title 70, Section 5-135*, Oklahoma Statutes, the board of education shall exercise control over all activity funds. The cost of surety bonds and audit services are payable from such funds or through General Fund.
2. **Record of Funds:** Records shall be kept of all funds collected, handled, or disbursed by any school or activity by the sponsor of the activity and the activity fund custodian.
3. **Audits:** The activity funds auditor is appointed by and is responsible to the board of education. The auditor will make periodic audits of each school's activity fund and will furnish a detailed report. The auditor will give assistance and advice when necessary to insure adequate compliance with Activity Fund Procedure. Caution should be used in accepting personal checks. However, whenever bad checks occur, it shall be the responsibility of the Principal to see that the checks are properly taken care of.
4. **Receipts and Deposits:** All monies collected shall be properly receipted and directed to the proper location of deposit. Each deposit slip shall have the receipt numbers that comprise the deposit slip written in summary on the face of the deposit. Money shall not be left overnight in schools unless the school has a vault. All schools shall provide for making bank and/or night deposits after regular banking hours in order to avoid leaving money in the school overnight. Deposits shall be made daily when the total collected daily exceeds \$100.00; however, bank deposits shall be made at least once per week regardless of the amount accumulated.
5. **Disbursements from each fund must be made only for the specific purpose for which the fund was created.**

Invoices must be on file to support each check issued. These may be direct invoices from companies or, in some cases; they may be signed requests for payment from individuals. Invoices will be numerically filed according to check number for audit and reference purposes. (Financial transactions with board members or employees/employers of board members or their families are prohibited by law.)

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All disbursements from activity funds shall be made by check. Cash expenditures for any purpose are prohibited. To constitute an authorized purchase, the appropriate school personnel shall approve a school activity fund requisition. A check shall not be written to pay for any goods or services unless the purchase had prior approval. Employees who make unauthorized purchases in the name of the district are subject to personal liability for such unauthorized purchases. Checks are to be signed by the activity fund custodian and counter-signed by one other person appointed by the custodian. Verification of correctness of the amount and written approval of the sponsor of each fund or activity shall be on file before a check is drawn against the subaccount. Checks shall not be written payable to "cash" or to the bank on which it is written.

When cash is needed for a cash box, the check shall be written to the person responsible for collecting the revenue at the event for which cash is needed. This person is responsible for the money received from the check, which shall be deducted from the appropriate sub-account(s), until the money is re-deposited. Gate cash re-deposited shall be receipted and identified on the deposit slip as "gate cash re-deposited", and the check number of the check used to obtain the cash shall be written on the deposit slip as well as the number of the receipt issued for the re-deposited cash.

6. **Bank Deposits:** Various banks will be used as the school depository for all activity funds. Deposits will be made daily. At the end of the month, the sponsor of each organization will receive a copy of the monthly report. If the sponsor's ledger does not agree with the balance on the report, the sponsor will immediately reconcile the discrepancy with the treasurer.
7. **Filing:** A regulation envelope file should be used to file each month's invoices, duplicate deposit slips, requests for reimbursements, bank statements, copies of reports, and other documents relating to the activity accounts for the month covered. In this manner, all reference data for each particular month will be readily available.
8. **Transfer:** If money is left in a fund account or subaccount after the purpose of the fund has been served, it may be transferred to some other approved school activity fund. Such transfers shall be made only upon passage of a written resolution by the board of education that any balance in excess of the amount needed to fulfill the function or purpose for which an account was established may be transferred to a designated account.
9. **School Activity Funds:**
 - A. All money collected, handled or disbursed by the school or any activity, organization, or program of the school other than those funds designated as "Assessments" and "Lunch Funds" shall be classified as "School Activity Funds." All such funds shall be deposited with the school secretary. Disbursements shall be made by check. Each check must be supported by proper requisitions, invoices, statements, etc.
 - B. When money or equipment is donated directly to a school by any group or individual donor, the money or equipment so donated shall become the sole property of the school and will be controlled by the rules and regulations of the board of education. Donations of any kind will not be returned to the donor once accepted by the school. Money or equipment donations will not be accepted from any donor with restrictions, conditions, or qualifications as to the use of such money or equipment.

The principal may not give, donate, or loan money to any group, organization, or individual regardless of circumstances or motive.

10. **Faculty Account:** If the principal and teachers so desire, the treasurer may act as custodian for any money the teachers care to pool and will establish a separate subaccount for such funds. All such collections and expenditures made for the teachers are **not** to be commingled with any other fund account or

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subaccount. The "Teacher Fund" subaccount will have its own account on the ledger and on the monthly report form.

Payment for flowers, professional dues, etc. may be made from this fund. However, **expenditures from such funds are never to exceed the balance in the fund account.**

11. **Reports – Monthly:** A financial report form furnished by the budget and financial management division shall be completed after the closing of each month's activities. The report shall be mailed to the activity fund auditor, the appropriate area administrators, and to the budget and financial management division by the 10th of the following month.

In addition, a ledger report for each activity fund subaccount detailing deposits, source(s) of revenue, and specific expenditures by check and item/service purchased will be prepared and disclosed on a monthly basis.

- A. By the first of every month, the principal will prepare and sign a monthly custodian report for each activity fund sub-account. The principal may not delegate the signing of these reports. The monthly custodian reports will include:
1. A detailed listing of all deposits (revenue) made into the sub-account, including the identification of the sources of revenue.
 2. A detailed listing of every check written out of the sub-account citing the item or service purchased.
- B. The principal will distribute a copy of the monthly ledger reports to:
1. The school director;
 2. The sub-account fund sponsor (only copy of respective sub-account ledger report);
 3. The faculty advisor (only copy of general fund sub-account); and
 4. The area athletic director and district athletic director (only sub-account #821).
- C. The school director's approval (signature) must be obtained in advance of any activity fund expenditures exceeding \$500.00 and any activity fund open requisitions.

SPONSORS

- A. Each student group, class, or organization that carries a separate account or subaccount in the activity fund shall have a sponsor. The principal of the school shall appoint the sponsor. Sponsors shall be responsible for the funds collected by that entity and shall use the procedure described below for ordering supplies and equipment and for depositing funds.
- B. Each sponsor shall be responsible for the payment of bills created against the sponsor's account. These bills shall be paid immediately after purchase is made. No student shall charge any item to any school without written authorization from the appropriate sponsor. When authorized, the student shall sign the student's name, the sponsor's name and the name of the organization on the ticket and return it immediately to the sponsor for payment. (Any exception must have the approval of the superintendent's office.)
- C. **No sponsor of any account shall make purchases or obligations in excess of funds on hand.**

OSSBA Policy CFBR

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