

STUDENT ACTIVITIES FUNDS – ADMINISTRATIVE PROCEDURE

The following procedure shall be employed as a means of ensuring proper internal controls and standard accounting procedures in the maintenance of student activity funds:

- A. Receipt Journal: A pre-numbered cash receipt journal shall be maintained for all funds to provide written documentation of all the receipts of the activity account funds. All deposits shall note the applicable receipt number(s) which corresponds to that deposit. Receipts shall then be summarized by activity and posted to the appropriate accounting records. This process will serve to ensure that all funds received are deposited intact. The business manager shall be responsible for selecting and providing a computer-based program or a receipt/disbursements journal to be used.
- B. Authorized Signatories: Only the school principal/director and other designated persons are authorized to sign school activity accounts. There shall be at minimum two (2) signatories for each account.
- C. Deposits: All checks and cash received should be deposited as soon as possible. Cash in excess of \$500 shall not be kept at the school overnight, except that Cony High School shall have a limit of \$1,000. The school secretary, or someone other than the person making the deposit, shall count the funds and complete the receipt journal. The bank deposit slip returned by the bank shall be attached to the receipts journal. In no instance shall a check made out to a school activity account be cashed. Cash back withdrawals on any account are prohibited. Student activity funds are not to be used as petty cash funds.
- D. Disbursements: A disbursement voucher system shall be used to provide evidence of all expenditures. The school activity account shall not be used to circumvent the normal purchasing process. The voucher must be completely filled out and signed by both the activity advisor and the administrator who is authorized to sign the check. A “sample” voucher is attached. Stipends and other wage payments must never be made from the school activity accounts.

- E. Documentation: Proper invoice documentation supporting the receipt of goods or services must be attached to the disbursement voucher. The invoice must accompany the check when presented to the authorized signatories. Invoices shall be reviewed for correctness of prices charged, extensions, footings, etc. Each invoice shall be marked as “paid” to preclude double payment.

- F. Checkbook Maintenance: Checkbooks shall contain a complete description of the use of all funds for all disbursements. The cash balance forward shall be adjusted after each transaction. Checks must never be written when there are insufficient funds to cover them. If it becomes necessary to correct entry errors in the checkbook, proper procedure calls for the error to be crossed out and initialed by the person making the correction. The correct entry should then be entered in the same vicinity. In a computer-based program, a journal entry should be prepared detailing the purpose of the entry and what items are being corrected.

- G. Bank Reconciliations: A bank reconciliation of the checking account shall be done on a monthly basis. The reconciliation shall be accomplished by someone other than the authorized signatory for the account. The reconciliation shall be reviewed and approved by the responsible administrator. A copy thereof shall be submitted on a monthly basis to the business manager. Bank reconciliations are very important to ensure the accuracy of the account balance. Experience shows that, as time passes, locating differences becomes more and more difficult.

- H. Monthly Activity Accounts Reports: All school activity account administrators shall prepare separate accounts for each activity within the checking account. Monthly reports shall be prepared detailing the total receipts and disbursements and available balance for each activity. The sum of all the available balances must equal the total cash in the bank as of the reporting period. A copy of this report shall be maintained at the principal’s or director’s office.

Adopted: September 12, 2001

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