



SANTO ISD
ACTIVITY ACCOUNT MANUAL

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Introduction

This Activity Account Manual has been prepared to provide general information to campus principals, activity account sponsors, and student club officers about managing activity accounts. Additional information may be available with the district’s Board Policies, Fiscal Manual, Administrative Procedures, or other web resources.

The Financial Accountability System Resource Guide (FASRG) has been used as a resource to compile this Activity Account Manual.

The District manages the Student Activity Account through a centralized system. All deposits and disbursements are managed by the business department.

If assistance is needed in any area of our business operations, please contact any of the staff members listed below.

Business Office Staff

Greg Gilbert	Superintendent	940-769-2835
Cindy Rucker	Business Manager	940-769-2835

Activity Funds (Student Organizations) – Fund 865

Student activity funds (under the control of the principal) shall be collected, receipted, and deposited to the district’s business office on a daily basis. All monies collected should be receipted in a receipt book (bound and pre-numbered receipts) and an activity account deposit spreadsheet must be completed with two signatures.

Student activity funds shall be used exclusively for the benefit of the students. Typical uses include travel, awards, banquets, supplies, etc. These funds shall be used at the discretion of the student organization through designation of one or more of its officers. All expenditures and payments to vendors shall be centralized through the district’s business office.

Generation of student activity funds shall not in any way compete with the district’s National School Lunch Program (NSLP). Activity funds shall be audited and must adhere to accepted business practices.

To establish an activity account, an organization should have an approved constitution and elected officers. Students shall make decisions regarding the expenditure of club funds. The club minutes shall support all expenditures. The assigned organization sponsor (professional staff member) shall be responsible for the proper management of the student activity accounts. Training will be scheduled to assist the organization sponsors in managing their respective student activity account(s).

Since Student Activity Accounts are trust funds that the campus manages on behalf of the student; therefore, accountability for these funds is extremely high. All Activity Account records must be maintained for a period of five (5) years.

Cash Management

All cash and checks shall be deposited to the business office on a daily basis. No post-dated checks will be accepted. Funds should not be kept in classrooms, personal wallets or purses, or at home for extended periods of time. No cash purchases should be made – every dollar collected should be receipted and deposited to the business office. The business office shall receipt (in a bound, pre-numbered receipt book) and forward completed receipt back to organization. An Excel deposit spreadsheet shall be completed with two signatures and sent to business office with deposit.

Receipts shall be issued for all money transactions. The example below illustrates the flow of money and proper receipting when a student pays for a yearbook:

1. Student pays for a yearbook
2. Yearbook sponsor issues a receipt to the student
3. Yearbook sponsor collects all cash/checks and submits a spreadsheet deposit form with two signatures to business office.
4. Business office will count and receipt the money and send completed receipt back to yearbook sponsor.

If this chain of money movement is “broken”, an audit exception could result. The flow of money and the receipts must support all money collected and deposited. Two people must be present when money is counted and receipted. Personal employee checks shall not be cashed from monies collected at the campus or district level to ensure an adequate audit trail of all funds collected by the district.

Check Processing

Requests for checks can be submitted to campus principals or business office by the organization’s sponsor. A purchase order will be completed and signed by two authorizing personnel. Check requests will not be processed without all supporting documentation. Each vendor must have a W-9 on file. Activity funds shall not be used to purchase gift cards. Gift cards shall not be issued to staff without prior approval from the business office. Gift cards, in any amount, are taxable to the employee and must be processed through the employee’s paycheck. Gift cards donated to the district by outside sources are also taxable to the employee according to IRS regulations.

Consultants or Contracted Services

Consultants (Independent Contractors) are non-employees who are contracted to perform a personal or professional service such as DJ services, alterations, repairs, etc. The Superintendent is the only individual authorized to sign contracts on behalf of the district.

Fixed Assets & Inventory

All fixed assets and inventory equipment purchased with Student Activity funds become the property of Santo ISD.

Individual Student Accounts

Money raised by student clubs shall be used to benefit the group as a whole rather than being credited to student individual accounts. According to the IRS Publication 557, if individual accounts are used to accumulate fundraising profits for individuals, then a) the money becomes taxable to the student; and b) the people who donate in good faith are not allowed to deduct their contributions.

For example, if students are raising money for their club to pay for an out-of-town trip, the entire amount collected should be divided by the students participating in the trip regardless of the amount that each individual student raised through fundraising activities.

Invoices

Vendors are required to submit all invoices to the business office. If any invoices are received at a campus, they must be forwarded to the business office for payment. Texas law requires that all invoices be paid within 30 days of receipt of the goods/services.

Payroll Expenditures from Activity Funds

All Santo ISD employees shall be paid for all work performed through the Payroll system. At no time shall a district employee be paid directly from an activity account, or with cash. Activity funds shall not be used to reimburse payroll expenditures. A district employee may be reimbursed for goods purchased.

Purchase Requisition and Order Forms

A purchase order form is used to purchase supplies, equipment, or services from an external vendor. Requisition forms should be created in the TXEIS Requisition system by the requesting campus principal and submitted to the business office. The electronic system allows users to enter purchase requests electronically, verify account balances, select pre-approved vendors, etc. at the point of data entry. Budget codes must be noted on all requisitions.

Raffles

School districts are not allowed to conduct raffles. Attorney General Opinion JM-1176 ruled that independent school districts are not qualified to hold charitable raffles. An unauthorized raffle is considered gambling under the Texas Penal Code – Class C Misdemeanor.

Returned Checks

All returned checks shall be deducted from the appropriate activity account balance until the outstanding amounts have been collected from the payee. The district shall reserve the right to reject future checks from makers of returned checks.

Roles and Responsibilities

Club Sponsor

1. Attend training
2. Maintain receipt book if needed (ex: yearbook)
3. Deposits funds collected on a daily basis
4. Signs a Responsibility Affidavit

Campus Principal (Ultimate responsibility for Activity Funds)

1. Approval for all student activity fund transactions
2. Safekeeping of money on campus
3. Proper accounting and administration of all activity funds
4. Approval of disbursements in accordance with the procedures manual.

Sales Tax Exemption Form

The Sales Tax Exemption form shall be used for school-related purchases only. Misuse of the exemption form for personal purchases constitutes a misdemeanor.

Copies of the exemption form may be obtained from the business office. Taxes, which should have been exempt, will be unauthorized for reimbursement if the exemption form is not presented to the vendor at the time of the purchase. Purchase of personal items for staff or students are not eligible for the sales tax exemption.

Transfers between Activity Accounts

Transfer of funds between Student Activity Funds shall be approved by the members of the student clubs, the club sponsors, and the campus principal. It is recommended that transfers between accounts be settled up prior to the end of the school year.

Travel Expenses

Student Activity funds may be used to pay for student and travel expenses for organization/club-related expenses, such as Student Council, BETA club, etc. Travel expenses may include registration fees, meals, lodging, and transportation costs.