

SCHOOL COMMITTEE POLICY

Policy # 48

STUDENT ACTIVITY CHECKING & SAVINGS ACCOUNTS

The purpose of this school committee policy is to comply with the enactment of a state law on student activity accounts as codified in Section 47 of Chapter 71 of the General Laws of Massachusetts (MGL) passed in 1996.

A program of co-curricular activities established by the School Committee should ensure that students have an opportunity to take part in co-curricular and extra-classroom experiences; should provide efficient procedures for their creation, operation, and demise; and should outline a system for the safeguarding, accounting, and internal control of extra-classroom activity funds.

I. PURPOSE AND SCOPE

The School Committee authorizes the principals to receive money in connection with the conduct of authorized student organizations and legitimate co-curricular activities (i.e. field trips). The Director of Finance and Operations or their designee shall develop operational procedures and guidelines for these accounts and conduct annual internal audits of these accounts. External audits shall be conducted at least every three years.

A student activity account shall only be used for monies raised by approved student organizations and expended by those students for their direct benefit.

Student activity accounts are established for principals to receive money and expend money for authorized student organizations and legitimate co-curricular activities. In the event that a Principal wants to move funds from one authorized student activity sub account to another, a recommendation may be sent by the Principal to the Director of Finance and Operations for their review/approval.

“Student Activity Account” shall be defined as a financial vehicle to hold funds raised by the students to be received by the building principals for student activities.

“Sub-account” shall be defined as an account within the student activity accounts that is specific to an organization or activity.

“Class Account” shall be defined as an account that is established each fall for each incoming freshman class.

At no time shall accounts be used to benefit staff.

II. APPLICATION

A. Bank accounts will be issued via the Town Treasurer.

- a. All accounts shall be interest bearing as allowable under banking services.

Selected by the Town Treasurer:

b. Two accounts shall be established:

i. Savings/Depository Account:

- 1. There will be no maximum amount set for this savings/ depository account.
- 2. All receipts shall be deposited to this account through the Business Office.
- 3. The Business Office receives savings accounts statements from the Town Treasurer’s office each month. Those statements will be reconciled monthly to the Town’s financial software system.

ii. Checking Account:

- 1. Signature authority over this account is the responsibility of the School Principal or their designee. Checks will be ordered by the School Principal or their designee from the bank.
- 2. Monthly reconciliations of checking accounts will be performed.
- 3. A maximum amount will be retained in this account at any given time during any month as follows:

High School	\$30,000
Middle School	\$10,000
McGovern School	\$10,000
Burke/Memorial School Complex	\$10,000

- B. Checks written from the Student Activity Checking Account will require the Principal's signature on a check request with the appropriate documentation or invoice attached.
- C. Deposits for the Student Activity Accounts will be first verified at the school, then by the Business Office, before being turned over to the Town Treasurer's office.
- D. Reporting and Record Keeping:
 - a. The Director of Finance and Operations shall provide a Student Activity Procedure Manual to all employees and staff that are involved in student activity programs.
 - b. Principals, faculty and staff shall comply with this policy, and the guidelines and procedures provided in the Student Activity Procedure Manual.
 - c. The Director of Finance and Operations or the Town Accountant shall conduct an annual internal audit of each Student Activity Account to document compliance with this policy. Every third year an audit will be performed by an outside auditor.
 - d. The Business Office will provide to the School Committee on a regular basis a financial summary from the school accounting software of the current budget, expenditures and available balance.
 - e. On an annual basis each fall, the Business Office will distribute the Student Activity Procedure Manual to all staff involved in the management of student activity funds. Review of the manual will be confirmed by email to the Business Office. Training will be provided each fall or on an as needed basis for all district staff involved in student activity funds by the Business Office.
 - f. Purchases with student activity funds are exempt from Chapter 30B Uniform Procurement Act purchasing requirements, unless otherwise determined by the Office of the Inspector General. While not required, it is strongly recommended that student advisors and other involved school staff obtain three quotes in order to determine the most accurate price. Involved staff should consult with the Business Office to ensure that sound business practices are being followed.

E. Forming of Sub-accounts and Class Accounts:

- a. The Superintendent must approve all student organizations requiring student activity accounts.
 - i. Students will follow the requirements for forming a student organization under School Committee Policy.
 - ii. Students will recommend the establishment of Student Activity Accounts to the building principal.
 - iii. The principal, in turn, will make a recommendation to the Superintendent of Schools.
 - iv. The accounts must be specific to a student organization.
 - v. Discretionary or commingled accounts will not be allowed under this policy.
 - vi. The procedures for the creation of a new student activity account should occur before any funds can be received to support the activity. Those accounts created during the school year will then show up on the list in the fall of the succeeding school year to be re-authorized by the School Committee.
- b. The Director of Finance and Operations will annually provide each fall to the School Committee a complete list of the existing student activity accounts and their balances through the close of the previous fiscal year, a detail of their mission, the revenue source, and the type of activity. The list and balances will be approved by the School Committee on an annual basis.

F. Interest Earned:

- a. The interest earned in each school's student activity fund shall be transferred by the Director of Finance and Operations or their designee. These funds shall be used to provide financial assistance to students.

G. Year End Deficits:

- a. Student activity account deficits should not be permitted. Potential overdrafts become a liability to other funds and to future classes. When a student activity fund account nears depletion, remedial action should be recommended to the School Committee by the

responsible Principal after consultation with the Director of Finance and Operations.

H. Inactive Sub Accounts:

- a. Any student activity organization inactive for a period of one (1) year or more and for which there has been no receipts or disbursements recorded on their behalf shall require the following actions:

A disposition of the assets of an inactive student activity organization shall be recommended by the Building Principal. Once proposed, it will be disposed of in consultation with the Director of Finance and Operations.

I. Class Accounts at Graduation:

- a. Prior to graduation, the class balance will be disbursed in accordance with a class vote.
- b. Any funds remaining in the class account after the class has graduated shall be dispersed to the class officers within two months of graduation.

Adopted: **August 13, 1998**

Revised: **December 9, 2004**

Approved: **February 2, 2017**