

**MENOMINEE INDIAN SCHOOL DISTRICT**

662.1-Rule

STUDENT ACTIVITY FUNDS MANAGEMENT GUIDELINES

Student activity funds shall be managed in accordance with the following guidelines.

1. Receipts

All money collected must be substantiated by pre-numbered receipts. When tickets are used, they will be pre-numbered and audited. Activity fund money must be deposited weekly.

2. Disbursements

- a. Disbursements will be made by a check prepared by the school bookkeeper, and mailed directly to the payee, unless specifically authorized by the principal or District Administrator to do otherwise.
- b. Checks will be prepared only when a "Request for Payment" form is properly completed and signed by a club officer, advisor, or other authorized person and approved by the school principal. The following should be attached to the check request: (1) vendor invoice, dated and signed by the advisor/club officer who received the merchandise; and (2) principal approval. The amount of the check must equal the invoice exactly.
- c. Classes and student organizations will not be permitted to overdraw funds in the activity accounts. Under certain conditions, funds may be advanced to an organization, when a principal receives approval by the District Administrator. Such request must state the reason for needing the advance, and present a detailed plan for repayment and the date or dates when the repayment will be made.
- d. Stipends to individuals cannot be paid through the activity accounts. These requests must be submitted to the business office for payment.

3. Recordkeeping

- a. A master cash receipt and disbursement journal should be maintained to record all cash receipts and disbursements. Each cash transaction should also be updated into the individual account ledger that the transaction applied to. Supporting documentation should be canceled by indicating the check number and date paid on each check request.

On a monthly basis, the activity in each individual account ledger should be subtotaled and a summary prepared listing the beginning balance, deposits, withdrawals, and ending balance. The total balance of all individual activity accounts should equal the reconciled bank balance.

- b. Monthly bank reconciliations are due in the business office by the 15<sup>th</sup> of each month, including the following:

- 1) Bank statement
- 2) Check register list
- 3) Activity accounts
- 4) Approval by building principal
- 5) Listing and explanation of all transactions greater than \$250.00 at the elementary school, and greater than \$500.00 at the Middle and Senior High School.

4. Investment of Funds

Any school activity account balance in excess of \$7,500 at the end of any month shall be deposited in a regular passbook savings account.

5. Inactive Accounts

Inactive accounts may develop when a high school class graduates, an organization disbands, or the reason for a special purpose account no longer exists. In the event an inactive account develops, the graduating class, the disbanding organization, or the sponsor of a special

purpose account will present a written plan for dissemination of the account. The following guidelines shall be used when closing inactive accounts.

- a. The organization, class, or activity should be encouraged to close out the account through expending the funds in line with the purpose of the account and the organizational objectives.
- b. If the organization, class, or activity fails to make arrangements to close out the account or is unable to dispose of the funds prior to the end of the fiscal year, the fund balance will be absorbed by the freshmen.

6. Auditing

The activity fund accounts shall be audited annually by the certified public accountant employed to audit the District accounts. Activity fund accounting records shall be preserved as follows:

- a. Canceled checks                      7 years
- b. Paid invoices                         7 years
- c. Receipts, journals,  
    and account ledgers                7 years

APPROVED:     April 1989

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                  April 3, 2006