



Student Activity Accounts Guidelines and Procedures

(Voted by School Committee on March 31, 2017)

Wayland Public Schools

Student Activity Accounts: Guidelines and Procedures

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Wayland Public Schools

Student Activity Accounts: Guidelines and Procedures

The Wayland Public Schools have established guidelines for Principals and other school administrative staff on the proper management and operation of student activity funds. These guidelines were designed to ensure compliance with the state law governing student activity accounts, M.G.L. Chapter 71, Section 47 as amended by Chapter 66 of the Acts of 1996. In addition, these guidelines are necessary to ensure sound financial practices, safeguard funds and protect Wayland school employees from allegations of wrongdoing. Any questions on the operation of student activity accounts should be directed to the School Business Administrator.

Staff members, particularly Principals, Advisors and Bookkeepers, are urged to familiarize themselves with procedures outlined in this manual, as well as to laws that have a direct bearing on their involvement with student activity accounts:

- M.G.L. c. 71 §47, governing student activity accounts; and
- M.G. L. Chapter 268A, the Conflict of Interest Law

The text of M.G.L. c. 71 §47 applicable to student activity accounts and the full text of M.G. L. Chapter 268A can be found in this document as well as at <http://www.malegislature.gov/Laws/GeneralLaws/Search> and the *Practical Guide to the Conflict of Interest Law for Municipal Employees*, published by the State Ethics Commission can be found at <http://www.mass.gov/perac/training/conflictinterestmunicipal.pdf>.

STUDENT ACTIVITY ACCOUNTS OVERVIEW

Purpose and Use of Student Activity Accounts

Under the law, student activity accounts are “to be used for the express purpose of conducting student activities.” As such, the only groups who may use these accounts are those student organizations that have been formally recognized both by the Principal and Superintendent as student activities and voted on by School Committee.

The only revenues that may be deposited to the Student Activity Agency Account are those funds that have been raised by recognized student organizations. Only those student organizations formally recognized as student activities may make expenditures from student activity accounts.

There are two separate types of accounts for student activity monies: the Student Activity Agency Account and Student Activity Checking Accounts. Monies are deposited to the Student Activity Agency Account and expended from Student Activity Checking Accounts as governed by M.G.L. c. 71 §47.

All funds raised by student activities are to be deposited to the Student Activity Agency Account. The Student Activity Agency Account is an interest-bearing bank account established by the Treasurer for the purpose of conducting student activities. All monies collected through student activities must be deposited by the Bookkeepers to this account via bank deposits.

Student activity expenditures are made from the checking account established and authorized by the Town Treasurer and held by each school. The balance in each school’s checking account is maintained

through periodic transfers of funds from the Agency (depository) Account, via the “reimbursement” process discussed below.

The Student Activity Checking Accounts are controlled and operated by the school Principals. These accounts are only for expenditures and as a safeguard against fraud and theft, the balance in each checking account is limited to the following balances as voted by School Committee:

Loker School	\$5,000
Happy Hollow	\$5,000
Claypit Hill	\$5,000
Middle School	\$45,000
High School	\$45,000

The periodic replenishment of each checking account shall come from the Student Activity Agency Account specified above through the School Committee warrant process. No monies shall be directly deposited into the checking account by the Principal or other school employee. Deposits to the Student Activity Agency Account shall be deposited by the Bookkeepers to this account via bank deposits.

The 2016-2017 Student Activities approved by School Committee are noted below by school:

**Wayland Public Schools
STUDENT ACTIVITY ACCOUNTS
FY 2017**

High School	Middle School	Claypit Hill	Happy Hollow	Loker
<u>Activities</u>	<u>Activities</u>	<u>Activities</u>	<u>Activities</u>	<u>Activities</u>
Amnesty	Grade 7 Activities	Grade 1 Activities	Grade 1 Activities	Grade 1 Activities
Asian Cultures	Band Ensembles	Grade 2 Activities	Grade 2 Activities	Grade 2 Activities
Audio Visual	Chorus Ensembles	Grade 3 Activities	Grade 3 Activities	Grade 3 Activities
Band	Community Service Club	Grade 4 Activities	Grade 4 Activities	Grade 4 Activities
Bathe	Drama Ensembles	Grade 5 Activities	Grade 5 Activities	Grade 5 Activities
Business Career	Fish Club	Kindergarten Activities	Kindergarten Activities	Kindergarten Activities
Charities	Fundraising for Trip-Ships	Music Activities	Music Activities	Music Activities
Chinese Exchange	Grade 6 Activities	Service Learning Projects	Service Learning Projects	Service Learning Projects
Chorus	Grade 8 Activities	Student Government	Student Government	Student Government
Class of 17 Activities	Latin Banquet	TripShips	TripShips	TripShips
Class of 18 Activities	Math Team			
Class of 19 Activities	Mathew Pucino Memorial Fund			
Class of 20 Activities	Orchestra Ensembles			
Community Service	Robotics Club			
Debate Club	Rocket Club			
Drama	Room to Read			
EBM	Science Olympiad			
Extended Trips	World Languages Week			
Field Trip	Yearbooks			
Gillespie				
GSA				
JSA (Junior Statesmen of America)				
Language Club				
Latin Club				
Lemer Travelship				
Model UN				
Music				
MVP (Mentors in Violence Prevention)				
NAHS				
Orchestra				
PAWS				
Recycling				
Robotics				
SADD				
School Store				
Script to Screen				
Spanish Exchange				
Student Council				
Water Warriors				
WHY				
WSPN				
Yearbook				

ORGANIZATIONAL MANAGEMENT

Establishing a Student Activity

Annually, as part of the budget process, the School Committee establishes Advisor stipends for student activities. These student activity organizations will be automatically considered approved student organizations under these guidelines and as such need not make separate application to the School Committee for recognition as an approved student organization.

Any other student activity organization wishing to be recognized as an approved student organization shall apply, in writing, to the Superintendent of Schools, who shall make a recommendation to the School Committee for their vote to recognize the student activity organization for the purpose of raising and expending activity monies regulated by M.G.L. c. 71 §47. The application shall include a statement of purpose for the organization and a procedure for the selection of officers.

No account shall be established or maintained for any organization that has not received School Committee approval.

Recognizing that there may be activities related to one-time events, the School Committee may approve the establishment of an account within a school's student activity control account for one-time events. All deposits and expenditures related to a specific one-time event shall be processed through this account. Any monies remaining in the one-time event account at the close of the school year shall be transferred to the student activity account's interest activity. The one-time event account shall not be used by any School Committee approved activities. Activities shall use their own account established within the student activity fund.

At the time a new student activity is proposed it must be presented to the School Committee before any funds can be received to support the activity. The procedures for approval of a new student activity are as follows:

1. The Principal will define the new activity and its purpose and objectives.
2. The Superintendent will present new elementary and secondary school activity accounts and relevant information to the School Committee to request a vote for approval and authorization for the Principal to receive funds for the stated purpose of the new student activity accounts. Field Trips at the elementary level are voted within and under the heading of *Grade Level Activities* at the beginning of each school year.
3. If the School Committee approves the new activity the vote of the Committee shall be forwarded by the Superintendent's office to the Principal.
4. The vote of the School Committee shall serve as authorization for the Bookkeeper to create a new student activity account within the Quicken software program.

Administration

In addition to the School Committee and the Superintendent of Schools, the following job functions shall have responsibility for management and/or oversight of student activity accounts:

- Principal: Since student activity funds belong to the students, the Principal is the fiduciary agent, who is accountable both to the students and the School Committee for ensuring that student funds are used properly, and at the direction and vote of the students. The Principal makes recommendations to the Superintendent for the creation of new student activities, signs student activity account checks, approves expenditures, collects student funds for deposit, and reconciles

student accounts on a monthly basis to ensure balances are accurately maintained. The Principal shall be responsible at the building level for the overall administration of the accounts under his/her control, including deposits, expenditures, bookkeeping; any other duties as may be necessary to ensure the safeguarding of assets; and any other duties as required by School Committee policy and procedures or the Superintendent of Schools.

- **Advisor:** The Advisors of student activity organizations shall oversee the student members in relation to all financial matters; supervise the activities of the student activity organization, including fund-raising activities; and perform any other duties assigned by the Superintendent of Schools or the supervising Principal. All activities must have an appointed Advisor. The Advisor shall in no case be the Principal or the Bookkeeper, except for the interest activity as authorized under the Earnings section of these procedures.
- **Bookkeeper:** The Bookkeeper at each school building shall be an employee who maintains all accounting records; keeps physical control of the checkbook, makes bank deposits in Student Activity Agency Accounts and maintains copies of all deposit slips, receipts, invoices and other relevant documents; and performs the reconciling of monthly bank statements. The Bookkeeper shall be designated by the Principal, but in no case shall the designee be the Principal. Bookkeepers do not have the authority to sign student activity checks.
- **School District Accountant:** The school district accountant works with the Bookkeepers to ensure monthly and end year reconciliations of student activity accounts are in compliance with the procedures and policies of the district under the supervision of the School Business Administrator.
- **Business Administrator:** The business administrator is charged with developing and overseeing financial practices and procedures for student activity accounts, which comply with financial requirements and School Committee policy.
- **Town Accountant:** The Accountant controls all student account disbursement activity, according to Generally Accepted Accounting Principles (GAAP.)
- **Town Treasurer:** The Treasurer controls all bank relationships and procedures. The Treasurer has authority to posts revenue to ledgers and completes cash transfers.

Bonding

All employees involved in handling any funds from student activity accounts shall be bonded in the same manner as other school employees who handle money (e.g. food services employees). Such coverage may be in the form of a specific bond as provided by an insurance company, or by an endorsement to a liability policy (commonly referred to as the Employee Faithful Performance clause).

Audits

The School Business Administrator shall arrange an audit that shall not be performed by the Bookkeeper or the Principal involved with the account. The audit may be an internal audit done by the Town Treasurer or School Business Administrator, if so approved by the School Committee. At least one time every three years, an independent audit firm shall do the audit. If an independent audit firm performs the audit, the cost of the audit shall be paid from the School Department's budget and/or the interest activity as authorized in the Earnings section.

The School Business Administrator or other designee of the Superintendent will perform on-going internal reviews. These internal reviews shall involve reviewing monthly reports prepared by the individuals having daily oversight of the accounts.

Support and Training

The services and/or guidance of the School Business Administrator's office shall be made available to the Principal's office to review laws and the essentials of good bookkeeping procedures to ensure accurate and auditable books and accounts. Included in these services is an annual meeting at the beginning of the school year for Advisors, Bookkeepers and Principals to review principles and proper procedures of the student activity account system. As part of that meeting, training will be provided on the necessary procedures, forms, authorizations needed, and books and records to be kept to accurately systematize an audit trail and prepare the proper reports.

In addition, Bookkeepers will meet quarterly with the Business Office Administrator and School Accountant to review unresolved issues, address questions and concerns, discuss and improve practices overall. The school business administrator shall distribute to bookkeepers and post updated guidelines on the website during the school year, as necessary.

Tax Exempt Status

All student activity account purchases will be under the tax-exempt number of the Town of Wayland. Monies not under control of the school system (e.g. PTO, booster club, staff monies) are not considered student activity monies and are not eligible to use the tax-exempt number.

Staff Funds

Under the law, student activity accounts are "to be used for the express purpose of conducting student activities."

Monies that belong to staff (sunshine funds, staff vending machines, etc.) may **not** be maintained in student activity accounts. **Staff who wish to collect and expend funds for their own benefit must establish a bank account in their own name, and cannot use the municipal/tax exempt number for such accounts and cannot establish any accounts under the name of Wayland Public Schools.**

No checking or savings accounts associated with any school activity, curricular or extra-curricular other than School Committee authorized student activity accounts are allowed.

Gifts

Gifts to authorized student activities can be deposited into the Student Activity Agency Account and expended in accordance with the guidelines for expenditures from such student activity account.

In accordance with School Committee Policy Public Gifts to the Schools KCD dated September 19, 2016 which states the Superintendent will have the authority to accept gifts and offers of equipment for the schools in the name of the Committee when the gift is of educational value, except in the case of cash donations or in the case when gifts would result in recurring significant annual costs. For these exceptions, the School Committee must accept the gifts.

After acceptance by the Superintendent and/or School Committee based on the School Committee Policy KCD, a monetary gift for a student activity shall be deposited to the Student Activity Agency Account and fully expended for the activity for which it was received.

ADMINISTRATIVE AND OPERATING PROCEDURES

Accounting Systems, Forms and Record Keeping

A critical point to keep in mind with all record keeping is that each person involved should protect himself/herself from charges of wrongdoing by keeping detailed records with appropriate documents. A clear audit trail shall be left at all times. This includes the following:

- Using standardized forms for deposits and disbursements;
- Requiring all disbursements to be supported by a bill or receipt;
- Requiring all deposits to be accompanied by Form A stating the source of the monies, the club or activity, the date, the total amount being deposited, and the signature of the person making the deposit, with a copy of the deposit slip;
- Performing bank reconciliation and account reconciliation monthly, with a copy of each to the School Business Administrator and Town Treasurer. Copies of the account reconciliation shall also be sent to the student officer/treasurer or Advisor of each organization;
- Filing an annual financial report with the School Business Administrator at the end of each fiscal year by no later August 15th.

Records shall be maintained electronically (using packaged computer software, such as Quicken).

Subsidiary Accounts

The Principal shall maintain subsidiary accounts within the school's student activity account, in order to match receipts and expenditures to the appropriate recognized student activity organization. There shall be one subsidiary account for each approved student organization, grade level or type of activity. Subsidiary accounts should be balanced each month to the control account.

Receipts

The area most susceptible to abuse is the receipts process, since cash is collected by many individuals (often students). It is important that procedures are strictly followed and collection forms are used and copies filed.

Advisors, Teachers, and/or student organizations receiving monies from any source (fund raisers, donations, etc.) shall turn over such money to the Principal or the designee **within 24 hours** for subsequent deposit to the Student Activity Agency Account where the funds must be kept safeguarded.

The Principal or his/her designee shall deposit into the Student Activity Agency Account in the Student Activity Agency Account at the bank where the town Treasurer has established and holds funds from the receipts of student activity organizations. Deposits shall be conducted **no later than 48 hours** of receipt by the Principal's office. The Treasurer will reconcile deposits to the Bank Statement. Any money not deposited on the same day it was received shall be kept overnight in a safe or other secure, locked area.

If money is received on a weekend, it shall be deposited at the bank where the town Treasurer has established and holds funds from the receipts of student activity organizations. No student or Advisor shall take money home at any time.

All money turned over to the office by a student organization (student officer/treasurer or Advisor) shall be accompanied by the Schedule of Receipts (Form A) - a school deposit slip stating the source of the monies, the amount of money being deposited, the date of collection, student roster, date of turnover and signed by the person turning over the money to the office. All monies turned into the office by students must be co-signed by the Advisor or a Teacher. A customized form for each school has been designed for this purpose and is provided in this document. The student or student officer/treasurer shall keep a duplicate of the school deposit slip submitted to the office with the

money. The Bookkeepers shall keep the original deposit slip and inform the Town Treasurer through monthly Quicken reconciliations. The Advisors should keep a copy of the Form A for their records.

A fee of \$25.00 will be applied to each check returned by the bank due to insufficient funds. The non-payment of fees risks non-participation in activities.

Earnings

Interest earned on any student activity account shall accrue to the student activity account, and a separate record shall be maintained on all interest earnings. This activity shall be controlled by the Principal. Interest earnings may be expended for costs related to the operation of the student activity account. This may include, but is not limited to, audits and specialized bonds for employees handling student activity monies (if not covered under the Town's general liability policies). Interest earnings not used for the operational costs of the account may be turned over to the clubs, classes and organizations having monies in the student activity account. Interest earnings may also be used by the Principal for the following purposes:

- a. The cost for attending a school activity where students are charged and a determination is made by the Principal that the student(s) is unduly burdened by the expense of the activity
- b. Refreshments for student activities and for volunteers who have helped to support student programs

Any monies paid to the school or to a student activity organization as commissions belong to the students (e.g. school pictures, yearbooks, class rings,) and shall be deposited into the Student Activity Agency Account. Such monies shall be expended for the benefit of students. At no time shall such commissions be used to benefit staff.

Purchases

No purchases will be made without prior approval of the Principal.

An advance of personal monies should be avoided whenever possible. If it is anticipated that the advance of monies may be necessary, prior approval shall be obtained from the Principal.

Equipment and supplies purchased with student activity account monies are the property of the organization, not of any individual student, Advisor, or other interested party.

Student Advisors, or others involved in purchasing through the student activity account, shall not in any way benefit personally from the purchase.

Student activity monies shall not be used for any purpose unrelated to student activities or for the benefit of any staff person.

Field Trips

The Department of Elementary and Secondary Education require a report on the financial status of each completed trip, comparing the budget to actual expenses. The Field Trip Form (Form H1 for elementary schools and H2 for secondary schools have designed with post trip financial wrap-up sections) shall be issued by the Advisor/Classroom Teacher with projected costs, student/chaperone information and appropriate signatures including School Committee vote, if required. The Form will be completed by the Advisor/Classroom Teacher with actual data and signatures and submitted to Bookkeeper.

Reimbursements to parents may be issued for activity entrance fees. Transportation fees shall not be reimbursed.

Principals have the authority to make a change in venue for a day field trip from the original location accepted by the Superintendent and voted by School Committee with prior approval to accommodate the special needs of students or a special circumstance related of the venue.

Nurses review the list of students who will participate in the field trip to ensure that students' medical and health care requirements are considered and will be addressed while students are on field trips.

School Committee regulations and guidelines for trip scheduling, transportation, student supervision and fundraising/scholarships follow:

1. Trip Scheduling

- All field trip requests shall be submitted in writing to the school principal on either form Hi or H2 for advanced approval and shall include all arrangements for the trip and a description of how the trip is expected to contribute to the academic or co-curricular program.
- The School Principal shall give final approval for all field trips and arrangements.
- The trip should offer a significant academic or co-curricular benefits to students that clearly justify the time and expense of the trip. Such trips should be appropriate for the grade level.
- Whenever possible, field trips should be scheduled during the regular school day. Field Trips should not be scheduled during religious holidays to the extent possible.
- Trip scheduling should take into account the likelihood of delays due to traffic and other unanticipated factors.
- Parents of participants must be given written trip information.

2. Transportation

- The use of private vans or private automobiles is prohibited. Trips should use school buses whenever possible.
- All transportation arrangements should be made in advance of the trip.
- The contract with the bus service should prohibit the use of a subcontractor unless sufficient notice is given to the district to allow verification of the subcontractor's qualifications.

3. Student Supervision

- Students shall be accompanied by a sufficient number of chaperones, taking into account the age of the students, trip scheduling and logistics.
- All chaperones, including parents and volunteers, and bus drivers must have an acceptable CORI check in accordance with M.G.L. c. 71 s.38R. The superintendent shall determine what constitutes an acceptable CORI check.

4. Fundraising and Scholarships

- If students are charged individual fees for participation, the district should make every effort to provide scholarships to students/families who demonstrate financial need.

Expenditures, Disbursement, Reimbursements, Checks

All expenditures/disbursements from Student Activity Checking Accounts shall be made by check. The Bookkeeper and Principal will review the balances in the specific student activity accounts to assure that there are sufficient funds in the subsidiary account to pay the invoice. No invoice shall be processed for payment if there is an insufficient balance in the student activity account. No expenditure or disbursement shall be made from cash that has not yet been deposited into the Student Activity Agency Account. No check shall be made payable to cash.

For all disbursements under \$5,000, with the exception of transportation services, requires submittal of a completed Form B, Check Requisition Form, signed by the Principal at the elementary school level and Advisor or Principal at the secondary school level. For transportation disbursements, the vendor's original invoice may be used with Teacher's/Advisor's or Principal's signatures.

Any check over \$5,000 must be accompanied by a Purchase Request Approval Form (Form C) and must be co-signed by the Town Treasurer. In the absence of the Principal, the Assistant Principal may be authorized to sign checks on a temporary basis. In lieu of an Assistant Principal, the School Business Administrator may sign the check.

No checks shall be issued without bills or receipts to document the disbursement. Vendor statements alone (i.e. without any supporting documents) should not be used for the issuance of checks. Parent reimbursements cannot be issued without confirmation of original payment, such as a cancelled check, on-line payment receipt, or credit card statement.

A record of all checks issued will be maintained. All checks shall be accounted for, including voided checks, which shall be mutilated to avoid re-use, but not destroyed.

Bookkeepers shall reconcile checkbooks to bank statements to Quicken monthly. The monthly reconciliation of banking statements that support the reconciliation to Quicken shall be submitted to the Town Treasurer and School Business Office accompanied by reconciled transaction reports and banking summaries. The Principal shall review and approve the reconciliations. Copies of these must be sent to the School Business Administrator and the Town Treasurer.

Reimbursements to parents may be issued for activity entrance fees. Transportation fees shall not be reimbursed. Parent reimbursements cannot be issued without confirmation of original payment, such as a cancelled check, on-line payment receipt, or credit card statement.

Standardized Form B shall be used district wide and shall accompany all requests for check issuance. A copy of this Form B is included in the Forms Section of this document. This form shall accompany the invoice and/or receipt and/or all supporting documents and must state to whom the check shall be payable, the reason for the payment, the amount of the check, the account to be charged, and the approval signature of the student officer/treasurer and/or Advisor. A copy of the form shall be copied and distributed to the Advisor.

Replenishment of Balances in Checking Accounts

As checks are written in payment of bills for student activities, funds will be drawn down from each school's student activity checking accounts. To replenish the checking account balances, copies of the checks with back-up documentation in the form of invoices or receipts shall be listed on a warrant, for payment via bank transfer by the Treasurer from funds collected by the school in the Student Activity Agency Account. Warrants shall be reviewed and approved by the School Committee along with other warrants for payment of school invoices, generally at School Committee meetings.

During certain times of the year, significant amounts of money flow through the Student Activity Accounts so it is recommended that Principals and Bookkeepers plan ahead.

Fund-Raisers

Each school will conduct fundraising activities consistent with school committee policy and should declare the purpose of all fundraising efforts and assure that all fundraising receipts are deposited to the appropriate student activity account. Deposits of receipts shall be consistent with the procedures outlined above in the Receipts section. Each student activity Advisor shall complete a Fundraising

Request Form (Form F) for each fundraising activity and sign and submit it to the Principal within three days of the event.

TripShips

The allocation of funds from authorized TripShip accounts will be conducted using the district's qualification guidelines for financial assistance and authorized by the Principal. In addition, TripShip funds may be used to reduce the fee/cost of activities for all participating students as defined and authorized by the Principal. Expenses will not be charged directly to the TripShip Account at Wayland Middle School, but rather charged directly to the student activity generating the expense due to the materiality of the cost.

Gift Cards

The Department of Revenue and the Wayland Public Schools School Committee discourages the use of gift cards as a means for fundraising. In the rare occasion that gift cards are used for fundraisers, the gift cards are to be safeguarded in the same method as receipts. The cards must be kept locked up and monitored. Form G must be used.

Class Accounts at Graduation

Monies for classes that have graduated cannot be kept in student activity accounts. Class accounts shall remain active 90 days after graduation to allow time for outstanding bills to be received and paid. No monies can be deposited into the class account after graduation. After the 90 day waiting period, any monies remaining must be transferred to a separate account established by the class members or the monies shall be transferred to the interest activity of the student activity account.

Should the class wish to retain monies in its account after graduation, it is recommended that during the senior year, the class select three class members whose names shall be placed on the account when it is closed out by the school and monies are transferred to the class' post-graduation account. The post-graduation account should be set up so that two of the three names shall be required for withdrawals. Once the class monies are transferred to the new class account, the School Committee's fiduciary responsibility for such monies shall cease.

When class accounts are turned over to the class members after graduation, the class may not use the Town's tax-exempt number since the funds are no longer under the control of the School Committee.

Inactive Accounts

The Principal's office shall be responsible for the review of all student activity accounts at the end of each fiscal year (June 30) to determine those that are inactive (no transactions in the past 24 months). The following procedures should be followed with respect to inactive accounts:

1. The Bookkeeper should contact the student activity Advisor to determine if the account is inactive and if it should be closed out.
2. If the account should be closed out and has a balance of funds, the balance and suggested uses for the funds should be presented to the School Committee for a vote as to the disposition of funds.
3. The School Committee should vote an appropriate use of the funds.
4. The vote of the School Committee should be forwarded to the Principal's office so that the funds can be transferred and used consistent with the will of the School Committee.

Cash Receipts and Deposits

1. The student activity Advisor will assure that all activity and event receipts are turned over to the Bookkeeper. Cash and check receipts must be turned over the day of receipt by the Advisor. The student activity Advisor will assure that the receipts from all nighttime and weekend events are properly safeguarded school property until turned over to the Bookkeeper on the next school business day following receipt by the Advisor.
2. The student activity Advisor will use the SAA Schedule of Receipts to the Principal Form (Form A) to report receipts for each activity and event. The Advisor will identify the name of the activity account and report:
 - Cash receipts
 - Check by student last name, check number and check amount
 - Total check receipts
 - Total of all receipts

The student activity Advisor will sign the SAA Schedule of Receipts to the Principal Form.

3. The Bookkeeper will, at the time of turnover, sign the form as evidence of:
 - Receipt of the cash and checks
 - Evidence of agreement that the all cash/checks reported has been turned over and that cash/checks reported reconcile to the cash/checks turned over.
 - One copy of the form will be given to the student activity Advisor and the Bookkeeper will retain one.
4. The Bookkeeper shall prepare a deposit on the day that cash is received and within 48 hours of the date of receipt of checks. All receipts must be deposited by the close of the school week during which receipts were turned over.
5. The Bookkeeper will enter the receipts to the appropriate SAA subsidiary account in the Quicken software to assure that receipts are posted promptly to reflect correct and updated balances in the subsidiary account.
6. The treasurer or Treasurer's Office shall make deposit entries into MUNIS based on the monthly bank statements.
7. The monthly reconciliation to the bank statements shall be provided to the Treasurer's Office and School Business Office.

Ticket Sales at Events

When tickets are sold at school events, a cash box should be used to collect sales revenue. Use a pre-numbered ticket system. Complete Form I., Ticket Sales Form.

To Open a Cash Box at the Start of an Event:

1. Record the school, student activity, Advisor, date, event and cashier's name at the top of the form. (Form I)
2. Enter the cash box starting balance. If the starting balance is \$0, indicate this amount. (Line A)
3. Enter the starting ticket number on the form. (Line D)
4. Enter the amount price per ticket on the form. (Line G)

5. As receipts are being collected, insert them into the cash box. Do not count receipts until the conclusion of the event.

To Close a Cash Box at the End of an Event:

1. Remove all currency and coins from the cash box. Enter the total amount on the form.(Line B)
2. Calculate the amount of cash/checks collected and enter the amount on the form. (Line C)
3. End the ending ticket number on the form. (Line E)
4. Calculate the number of tickets sold and enter the amount on the form. (Line F)
5. Calculate the expected revenue by multiplying the price per ticket (Line G) times the number of tickets sold. (Line F)
6. Restate the total amount received as entered on Line C.
7. Subtract the starting balances as entered on Line A.
8. Calculate the variance.
9. The student cashier and club Advisor must sign the form.

Any student organizations receiving monies from any source (fund raisers, donations, etc.) shall turn over such money to the Principal or the designee within 24 hours for subsequent deposit to the Student Activity Agency Account, if possible. If money is received on a weekend, it shall be turned in on the first business day following the event to the Principal's office. Money received over the weekend shall be secured in a locked vault or safeguarded by other means by the Advisor and turned over to the Principal the next school day. No student or Advisor shall take money home at any time.

Invoice Processing and Payment

1. All items or services purchased by a student activity Advisor with student activity funds should be invoiced to the student activity Advisor and shipped to the school.
2. Student activity Advisors shall request approval of planned purchases from the Town Treasurer for all items in excess of \$5,000 using the SAA Purchase Request Approval Form (see Form C). This request for approval shall be signed by both the student activity Advisor, Principal, and by the Town Treasurer. The Bookkeepers shall keep a copy of this form on file by the activity.
3. After receipt of goods and services, the student activity Advisor should complete the Check Requisition Form (Form B) as evidence of receipt of the goods.
4. The Bookkeeper will review invoices for the following:
 - Assure that the purchase is appropriate and consistent with the student activity.
 - Verify that sales tax has been excluded.
 - Verify that item extensions, subtotals and totals are accurate.
5. The Bookkeeper **and Principal** will review the balances in the specific student activity accounts to assure that there are sufficient funds in the subsidiary account to pay the invoice. **No invoice shall be processed for payment if there is an insufficient balance in the student activity account.** Note: It is irrelevant if there are sufficient funds in the checking account; the respective student activity account (subsidiary) must have adequate funds to pay for its activities.
6. All checks will be mailed to the vendor to the address indicated on the invoice.

7. All payment checks will be posted to the Quicken ledgers when processed, not after from checkbook or banking statement.

REPORTING

To assure the sound financial administration of each student activity account, the Principal's Office shall assure that there is adequate reporting of account activity according to the following procedures:

Monthly Financial Reports to Student Activity Advisors

At the end of each month the Bookkeeper should run Quicken Itemized Categories Reports for each student activity account's financial activity through the last day of the month.

The Quicken Itemized Categories Report for each student activity should be distributed to the respective Student activity Advisor.

The student activity Advisor should review the deposits posted to the student activity account and review the expenditures charged to the student activity account during the preceding month. By the 15th of the month the student activity Advisor shall notify the Bookkeeper of any issues or errors that need to be adjusted.

The Bookkeeper shall review the adjustment/correction requested by the student activity Advisor. If there was an error the adjustment should be made and a transfer to the correct account should be done.

Reconciliation and Reporting

The Town of Wayland maintains a savings account and a checking account for the student activity accounts of each of its five schools. All student activity receipts are deposited into the savings account maintained at the bank where the Town Treasurer has established and is in control of the Student Activity Agency Fund. No disbursements will be made from the savings account. The savings account will be an interest bearing account and each month the statement will indicate the specific school's interest earnings for that period. One checking account will be maintained for each of the schools with the following maximum established limits. All disbursements will be made from the checking account.

High School	\$45,000
Middle School	\$45,000
Claypit Hill	\$ 5,000
Happy Hollow	\$ 5,000
Loker	\$ 5,000

End of Year Reconciliation of Accounts

At year end, undesignated balances in grade level student activity accounts shall roll up to the next grade level for the benefit of the students who generated the surplus balance. Deficit balances in student activity accounts at year end will be covered by the same grade level surpluses prior to rolling up undesignated balances to the next grade level. These retained balances may be allocated in the next year toward reducing the cost of field trips and other student activities. **No accounts should end the year in deficit.**

Undesignated balances in non-grade level accounts for specific authorized activities, such as clubs and fine and performing arts programs, will remain in the account for the following year. If there should be a deficit balance in any student accounts at year end not aligned with a grade level, the Principal will make a recommendation and justification to the School Committee for ways to cover the balance.

Possible ways to appropriately cover the shortfall include allocating an appropriate amount of funds from TripShip, the interest account and collecting an additional fee from students who participated in the activity in deficit.

Reconciliation to Monthly Bank Statements

Monthly, the Treasurer/Collector will mail the bank statements (both the checking and savings account for the respective school) to the Principal of each school. The Principal is responsible to provide monthly (initially) bank reconciliations to the treasurer/collector. The Principal may delegate this responsibility but is ultimately responsible for all student activity accounts within his or her school.

The Principal shall reconcile the school's SAA Quicken records to the two bank statements by following dates and completing the reconciliation steps outlined below.

The Bookkeepers email the reconciled bank statement, including the banking summary, transaction report, outstanding check list, to the treasurer/collector so that the treasurer/collector shall receive the reconciled bank statement within seven days of the receipt of the bank statements by the Principal. Also, the Principal shall file the reconciliation with the School Business Administrator, town accountant, and Town Treasurer. Relevant dates by school follow:

School	Closing Date of Bank Statement	Date Bank Statement Mailed by Treasurer	Date Reconciled Statement Due to Treasurer and SBO
High School	last of the month	3 days later	7 days later
Middle School	last of the month	3 days later	7 days later
Claypit Hill	last of the month	3 days later	7 days later
Happy Hollow	last of the month	3 days later	7 days later
Loker	last of the month	3 days later	7 days later

Quicken Reconciliation Procedures

The Bookkeeper will reconcile the school's Quicken Student Activity Account ending balance to the combined ending balance of the specific school's checking account and savings account statements. It is important to remember that all financial records in Quicken represent all financial activity to date; **therefore the Quicken balances must be reconciled to the combined balances of the checking account and savings account at the end of the month (period) in order to balance.** The only reconciling items will be a check or deposit that has not cleared the bank.

The reconciliation steps using the Quicken reconciliation feature are as follows:

1. In Quicken go to Account Actions menu option and to Reconcile.
2. A pop-up menu will appear: Reconcile Details
3. In the box that says "Opening Balance", enter the opening balance of the checking account statement or of the savings account statement.
4. In the box that says "Ending Balance", enter the ending balance of the checking account statement or of the savings account statement.
5. In the box that says "Service Charge", enter the total of all service charges for the checking or savings account. Enter the date of the bank statement. Select the Category for the service charge to be applied. (If needed the service charge can be split after completing the reconciliation)

6. In the box that says “Interest Earned” enter the amount of interest from the checking or savings account. Enter the date of the bank statement. Select Interest as the category.
7. Now check OK to continue the process. A screen will appear listing all “Payments and Checks” processed in Quicken for the period. Also, one side of the screen will list all “Deposits” for the period.
8. For each check or deposit that cleared the bank for the period please check off that it cleared.
9. At this point the amount indicated on the reconciliation screen should be the ending balance of the checking or savings account and the Quicken difference amount should indicate \$0. At this point all Quicken activity has been reconciled to the checking bank statement or savings bank statement.

It is important to facilitate the process to note that all deposits in Quicken on one date will have been designated to specific student activity accounts and the amount on the bank statement will be total daily deposits at the bank (for all of the school’s student activity accounts).

10. The Principal will review the reconciliation to ensure accounts have been reconciled. One copy of the reconciliation will be filed with the treasurer no later than 7 days after receipt of the bank statements from the treasurer (as indicated in the above timeline).
11. The Bookkeeper, also, will submit a copy of the Quicken banking statement, reconciliation report, a list of outstanding checks, and the bank statements to the school business manager as evidence of the reconciliation no later than 7 days after receipt of the bank statements from the treasurer (as indicated in the above timeline).

Annual Reporting

By August 15th of each year the Principal will file the end year report of financial activity in the form of the monthly reconciliation report for the student accounts for the prior fiscal year (July 1 to June 30.) The report will be submitted to the School Business Administrator.

The end year June 30 reconciliation will include the following information:

- A Quicken Register Report for the fiscal year for each student activity.
- Reconciliation of subsidiary accounts through June 30.

If the Principal has identified inactive accounts they will include a written statement notifying the Business Administrator that the particular activity has ceased and offer recommendations for uses for the funds. This proposal will be presented to the School Committee for a vote as to the disposition of funds.

Reauthorization of Funds for Checking Account

The School Committee has authorized that a maximum of amount that can be retained in each school’s student activity checking account.

The request for additional funds, to replenish checking from the agency account, is a reauthorization request. To reauthorize additional funds to the checking account, there should be an adequate level of review and monitoring of the funds spent under the first authorization.

The following procedures will be followed to reauthorize additional funds to the account.

1. The Bookkeeper shall prepare and submit a copy of all invoices and receipts as documentation with Student Activity Account Reauthorization Request. (Form E). The schedule shall be signed by the Principal. This documentation shall be submitted by the Bookkeeper to the school business manager.
2. The School Business Office shall review all payments and documentation from the first authorization to assure that expenditures were appropriate and consistent with the intent of each activity.
3. If all documentation is appropriate, the School Business Administrator shall include the documentation on the School Department's Schedule of Bills Payable.
4. The School Department's Schedule of Bills Payable shall be submitted to the Town Accountant for review via the Warrant.
5. The Town Accountant and School Business Administrator shall authorize and include the request for reimbursement through the school's warrant process within the Town's warrant period. As sound policy and practice it is important that this reauthorization require reviews and signatures by the School Business office and by the Town Accountant and that the replenishment bank transfer only be issued after this review takes place.

AUDITS AND REVIEWS

Periodic Reviews

The School Business Administrator or his designee should conduct periodic reviews of the student activity accounts to determine if the procedures are being followed and to check for such items as:

- Timeliness of transfer of receipts by student activity Advisor to Bookkeeper.
- Storage/safeguarding of receipts by student activity Advisors and Bookkeeper.
- Use of approved forms, appropriate signatures.
- Monthly reconciliation (note: monthly reconciliations are to be filed with the School Business Office, per above Procedures.)
- Timeliness of deposit of receipts by the Principal's Office to the Town Treasurer.
- Appropriate documentation and authorization for payments.

Audits

On an annual basis the Town Treasurer or School Business Administrator will conduct an audit of the school activity accounts to review:

- The year-end reconciliation.
- The appropriateness of charges to accounts.
- Verification that all accounts have been authorized by the School Committee.
- Adequacy of cash controls and safeguards of cash.
- Proper documentation, forms and signatures have been submitted.
- Established procedures by the Wayland Public Schools (Student Activity Account Guidelines and Procedures) and Department of Elementary and Secondary Education (Agreed Upon Procedures and Audit Guidelines) are being followed.

Every three years, the annual student activity account audit shall be conducted by an independent certified public accountant. This does not prohibit the use of one every year.

Required Forms

The sound administration and control of the student activity funds requires that appropriate forms with appropriate signature requirements and authorizations be used to document various transactions. A list of the forms appears in the next section:

Wayland Public Schools

Student Activity Accounts: Guidelines and Procedures

Forms

- A. SAA Schedule of Receipts for Deposit to the Principal
(Customized school-based forms)
- B. Check Requisition Form
- C. Purchase Request Approval Form (Over \$5,000)
- D. Not Used (Schedule of SAA Bills Payable)
- E. Student Activity Replenishment Request
- F. Fundraising Request Form
- G. Gift Card Purchase Form
- H1. School Field Trip Request Elementary Level
- H2. School Field Trip Request Secondary Level
- I. Ticket Sales Form
- J. Elementary Service Learning Form

Loker School Check Form A

Room _____. Teacher _____

Activity/Field Trip: _____ **Activity/Trip**

Date_____

Students name	Check #/Cash	Check amount	Date received	
				Total # Checks
				Total Amount:

Teacher's Signature: _____

Office Representative signature

Happy Hollow Student Activities Deposit Form A

Date: _____ Classroom # _____

Teacher: _____ **Event:** _____

[illegible]

_____Teacher's signature

_____ Office Representative's signature

HIGH SCHOOL FORM A
DEPOSIT SLIP ATTACHMENT

Deposit Date: _____
Receipt #: _____

WAYLAND HIGH SCHOOL ACTIVITY ACCOUNT

CLUB/CLASS: _____
DATE: _____

ACCOUNT NUMBER 50055828

	Date Received	Student Name	Check # or Cash	Amount
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
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32				
33				
34				
35				
36				
37				
38				
39				
40				
41				
42				
43				
44				
45				
Total Collected				

Cash _____
Checks _____
Total Deposit

Source of Funds:

Activity Rep. Signature _____ Date _____

School Bookkeeper Signature _____ Date _____

If more than one page, please fill out the totals for each page below, including this page.

Page Number	Check Totals	Cash Totals
Total		

Page ____ of ____



**Wayland Public Schools
Student Activity Accounts
Check Requisition Form
Form B**

(Not required for transportation. Principals sign and submit original transportation invoice.)

Requested by:		Date:		
Activity/Class/Club:		Phone Ext:		
Make Check Payable To:				
Name:				
Address:				
City/State/Zip:				
		Amount:	\$	
Invoice Number:				
PURPOSE OR EXPLANATION				
<input type="checkbox"/> Payment of Invoice: Original Invoice plus two copies attached				
<input type="checkbox"/> Reimbursement of Expenses: Original receipts plus two copies attached				
<input type="checkbox"/> Donation: Form or Letter plus two copies attached				
<input type="checkbox"/> Other: Detailed explanation plus two copies attached				
SALES TAX MUST BE DEDUCTED FROM REIMBURSEMENT REQUEST				
SPECIAL INSTRUCTIONS				
APPROVALS				
Advisor or Classroom Teacher (for Elementary and Middle Schools):			Date:	
Advisor (for High School):			Date:	
Principal (for All Schools):			Date:	
FOR ACCOUNTING USE ONLY				
DATE PAID	CHECK NO.	CLASS/CLUB	AMOUNT	TOTAL AMOUNT

- ◆ Original receipt/invoice plus 2 copies must be attached to this request.
- ◆ Reimbursement of a credit card charge requires 3 copies of credit card statement showing cleared transaction.
- ◆ Do not include sales tax in reimbursement.
- ◆ Check Request must have approval signature & received at least two weeks before payment is needed, three weeks for checks over \$500.



**Wayland Public Schools
Student Activity Accounts
Purchase Request Approval Form (Over \$5,000)
Form C**

School: _____

Date: _____

Student Activity: _____

Item(s) To Be Purchased: _____

Reason for Purchase: _____

Amount of Purchase: \$ _____

To the Town Treasurer:

This is a request to make a purchase in excess of \$5,000.00.

Student Activity Advisor

Check #

Principal

Date

Town Treasurer

Date

Provide copy of signed form to Advisor and School Business Administrator.



**Wayland Public Schools
Student Activity Accounts
Student Activity Replenishment Request
Form E**

School: _____

Date: _____

School Committee Approved Amount: _____

Accumulated Checking Account Interest: _____

Total Checking Account Limit: _____

Amount Requested (checks written): _____

Check numbers: _____ to _____

To the Treasurer:

This is a request to transfer funds from the Student Activity agency account to the checking account.

Principal

Treasurer's Office Use:

Transfer amount: _____

Date: _____

Warrant #: _____



**Wayland Public Schools
Student Activity Accounts
Fundraising Request Form
Form F**

(revised February 17, 2017)

Request to Conduct a Student Activity Account Fundraiser:

Submit this request form to the School Principal for approval at least three days before the start of the Student Activity Account fundraiser:

School: _____

Name of advisor responsible for fundraiser:

Sponsoring student activity account:

Requested Date of
Fundraiser: _____

Fundraiser title:

Location of fundraiser:

Purpose of fundraiser:

Plans for how funds will be used:

Anticipated total amount of funds to be raised: \$ _____

Projected cost of goods and related expenses to conducting the fundraiser:

Student Activity Advisor

Date

Principal

Date

.....

Fundraiser Summary:

A. Total funds raised\$ _____

B. Less cost of goods sold \$ _____

C. Gross profit (A-B) \$ _____

D. Less operating expenses \$ _____

E. Net Profit or (Loss) (C-D) \$ _____

Status of remaining inventory, if applicable: _____

How the net profit was/will is used? Provide detailed description(s) and amount(s):

Signature and Date of Advisor _____

Signature and Date of Student Advisor _____

Signature and Date of Bookkeeper _____

Signature and Date of Principal _____



**Wayland Public Schools
Student Activity Accounts
Gift Card Purchase Form
Form G**

School: _____

Date: _____

Student Activity Purchasing Gift Card (s):

Reason for Purchasing Gift Card (s):

Total Amount of Gift Card (s) : _____

Student Activity Advisor

Principal

Please provide copy to the Business Office in your Form E Replenishment Packet.



Wayland Public Schools
Student Activity Accounts
Field Trip Request Form for Elementary Level
Form H (1)
(Revised February 16, 2017)

Please check date availability on the shared Google calendar

Today's Date _____ Principal's Signature Required Prior to the Trip: _____

Teacher's Name and Grade _____

Date of Trip _____ *see below

Destination _____

Destination Address _____

Cell Phone Number of Teacher Responsible for Trip _____

Bus leaves School at _____ Bus returns to School at _____

Please communicate the Field Trip to the School Nurse, Cafeteria Manager, Specialists, Special Education Liaisons, Speech, OT/PT/APE, and Instrumental Music Teachers.

Calculate the Cost per Student

Total Students _____ X Admission Fee \$ _____ = \$ _____

Total Admission \$ _____ + Bus Cost \$ _____ = \$ _____

Grand Total \$ _____ less other Sources of Revenue \$ _____ (Please Describe)
divided by, number of students _____

= Cost per Student \$ _____ (round up to nearest \$)

Trip Budget/Fee Calculation and Trip Financial Wrap Up:

Expense Budget		Estimated	Actual	Collected
1.	Cost of Transportation			
2.	Cost of Admission			
3.	Other Cost			
4.	Other Cost			
5.	Total Expenses			

Principal's Signature Required for Trip's Financial Wrap-up: _____



**Wayland Public Schools
Student Activity Accounts
Field Trip Request Form for Secondary Level
Form (H2)
(Revised February 17, 2017)**

This form must be completed and signed by the Principal, prior to each field trip. Overnight trips require the initial approval of the School Committee. This form must be filled out completely at time of submission.

SCHOOL: _____ **School Club/Class:** _____

TRIP INFORMATION:

Trip Destination:	
Date(s) of Trip:	
Departing Time:	
Returning Time:	
Number of Students Attending:	
Mode of Travel:	
Purpose of Trip / Connection for WPS Curriculum:	
Additional Information for Overnight Trips:	Attach travel itinerary, travel budget and list of students. Itinerary should describe travel, transportation, accommodations, and other pertinent information.
Trip Contact Name & Phone:	
Travel Agent Name & Phone:	

TRIP LEADERS & CHAPERONES: *(List all participants by name. Add additional sheets, as necessary. Label N for Non- WPS Personnel, P for parent and E for WPS Employee)*

	Name	P for Parent / E for WPS Employee
Trip Leader Name:		
Trip Co-Leader Name:		
Chaperone Name:		
Chaperone Name:		
Chaperone Name:		
Chaperone Name:		
Chaperone Name:		

PLEASE TURN OVER TO COMPLETE TRIP COST ESTIMATE

TRIP BUDGET / FEE CALCULATION and FINANCIAL WRAP UP:

Expense Budget: (Include cost of all students and chaperones. Attach travel budget if available.)		\$ Estimated	\$ Actual
1	Cost of Travel:		
2	Cost of Admission (total amount for group):		
3	Other Cost:		
4	Other Cost:		
5	Total Expenses:		
Funding Sources:			
6	Anticipated Donations : (Describe below)		
7	Anticipated Revenue from Fundraising : (Describe below)		
8	Anticipated Funds from Other Sources: (Describe below)		
9	Subtotal Other Funding (Excluding Student Fees):		
10	Total Expense Remaining to be Paid = Student Fee: (Row 5 minus Row 9)		
11	Grand Total Funding Sources:(Must Equal Line 5)		
Calculating Per Student Fee:			
12	Total # of Students Traveling:		
13	Anticipated # Student Scholarships:		
14	Net # Student Fees to Collect: (Row 12 Minus Row 13)		
15	Per Student Fee Amount: (Collect this fee from students) (Row 10 Divided by Row 14)		
Description of Outside Funding Sources (including In-Kind Contributions):			
Fundraising Plan (if applicable) *			

Signatures:

Teacher/Club Advisor: _____

Date: _____

Department Head: _____

Date: _____

Principal: _____

Date: _____

Date of School Committee Approval: _____
(for overnight trips or trips outside of New England)



**Wayland Public Schools
Student Activity Accounts
Ticket Sales Form
Form I**

School: _____ Advisor: _____

Date: _____ Cashier: _____

Student Activity: _____ Event: _____

A Starting balance in cash box _____

B Ending cash balance _____

C Actual revenue (B-A): _____

CHECK:

D Starting ticket number: _____

E Ending ticket number: _____

F Number of tickets sold (E-D): _____

G Price per ticket _____

H Expected revenue (F*G) _____

C Actual Revenue _____

A Starting Balance _____

Variance (H-C-A) _____

Signature: Student Cashier _____

Signature: Club Advisor _____



Wayland Public Schools
Student Activity Accounts
Elementary School Service Learning Project Summary
Form J
(This replaces the Forms A and F for Elementary School Service Learning projects only)

Date Received: _____

Service Learning Event: _____

Name of Teacher/Advisor Responsible: _____

Plans for how funds will be used: _____

Principal's Signature: _____

Total Cash Amount Received: _____

Total Checks Amount Received : _____

TOTAL DEPOSIT: _____

(Less) Total Cost of Materials: _____

TOTAL PROFIT (Deposit less Material Cost): _____

Advisor Signature: _____

Office Representative's Signature: _____

Date




Date

WAYLAND PUBLIC SCHOOL



Student Activities Accounts – Checklist for Teachers/Advisors

Student Activities Account (SAA) funds are generated by students for students through activities formally recognized by the Principal and Superintendent and voted on by the School Committee. SAA procedures are necessary to ensure sound financial practices, safeguard funds and protect Wayland school employees from allegations of wrongdoing.

Collecting Fees, Paying Vendors and Planning for Field Trips:

	<p><u>For Collecting Funds:</u> Form A – Schedule of Receipts for Deposit to Principal</p> <ul style="list-style-type: none"> • Include the date when funds were received, the name of the student, check number (or indicate cash) and the amount. • Sign form and turnover to Bookkeeper within <u>24 hours</u> who will double count the funds, sign form and deposit funds.
	<p><u>For Paying Vendors:</u> Form B – Check Requisition Form</p> <ul style="list-style-type: none"> • Complete Form B to request payment to vendors, <i>except for bus companies</i>. Include original itemized receipt(s) from the vendors. No checks can be issued without an itemized receipt. • Original bus invoices can be signed by Principal and submitted to Bookkeeper for payment without a requisition form. • Submit invoices to Bookkeeper each week. • Do not include sales tax. Tax cannot be paid. • Use Form C for Purchase Requests of \$5,000 or more.
	<p><u>For Field Trips:</u> Form H1 (Elementary) or H2 (Secondary) - Field Trip Form</p> <ul style="list-style-type: none"> • Complete prior to and following field trip. • If all grades or clusters are going on the same field trip on the same day, only one form is required. • Use to estimate cost of trip, fee per student, and financial wrap up of activity.



Fundraising and Ticket Sales:

	<p><u>For Fundraising:</u> Form F – Fundraising Form</p> <ul style="list-style-type: none"> • Complete and submit fundraising request to Principal at least three days prior to event or activity for approval. • Complete and submit fundraising financial wrap up to Principal following fundraising event or activity.
	<p><u>For Ticket Sales:</u> Form I – Ticket Sales Event</p> <ul style="list-style-type: none"> • When tickets are sold at school events a cash box and system of pre-numbered tickets should be used.

Principals, Advisors and Bookkeepers, are urged to familiarize themselves with procedures outlined in the SAA Guidelines and Procedures, as well as to laws that have a direct bearing on their involvement with student activity accounts: M.G.L. c. 71 §47, governing student activity accounts; and M.G. L. Chapter 268A, the Conflict of Interest Law.




WAYLAND HIGH SCHOOL
Student Activities Requisition Form Check List

For all payments:


<input type="checkbox"/> 	<input checked="" type="checkbox"/> Complete and sign the Student Activities Check Requisition Form. <input checked="" type="checkbox"/> Co-Advisor or Principal should sign if the person making the request is the person being reimbursed. <input checked="" type="checkbox"/> Do not include sales tax. It cannot be reimbursed.
<input type="checkbox"/> 	Is Check Request for \$5,000 or more? <input checked="" type="checkbox"/> Include signed Purchase Request Approval Form

For Advisor, student, or parent reimbursement:


(All vendors should be issued a check directly from the student activities account when possible)

<input type="checkbox"/> 	Did you pay cash? <input checked="" type="checkbox"/> Include original itemized receipt(s) from the vendor plus 2 copies.
<input type="checkbox"/> 	Did you pay by check? <input checked="" type="checkbox"/> Submit the original itemized receipt plus two copies. <input checked="" type="checkbox"/> Submit three copies of the canceled check. <input checked="" type="checkbox"/> Your name must be printed on the check.
<input type="checkbox"/> 	Did you pay by credit card? <input checked="" type="checkbox"/> Submit the original itemized receipt plus two copies. <input checked="" type="checkbox"/> Submit three copies of your credit card statement. <input checked="" type="checkbox"/> Your name and cleared transaction must show up on the statement. <input checked="" type="checkbox"/> If you are an authorized user on the credit card but your name is not on the statement, three copies of your credit card showing the last four digits must be included.

For payment of vendors:

<input type="checkbox"/> 	Is your class/club paying a vendor? <input checked="" type="checkbox"/> Submit the original itemized invoice or contract along with two copies.
---	---


For donations:


<input type="checkbox"/> 	Is your class/club making a donation? <input checked="" type="checkbox"/> Submit the original donation form or a cover letter to be including with the check along with two copies.
---	---

- No checks shall be issued without itemized bills or receipts.
- No sales tax shall be paid or reimbursed.
- The Department of Revenue and the WPS School Committee discourages the use of gift cards as a means for fundraising.
- Check requests must be received at least two weeks before checks are needed. Checks over \$500 may take longer to process.


WAYLAND HIGH SCHOOL
Student Activities Deposits

Form A-Deposit Slip Attachment:


<input type="checkbox"/> 	<p>Form A is to be used to record receipts received by the club/class.</p> <ul style="list-style-type: none"> ◆ This form is to be used as a record when collecting funds. ◆ For collection of funds from students, individual names must be recorded along with check number (or “cash”), and amount (for example: field trips, class apparel, prom tickets).
---	---

<input type="checkbox"/> 	<p>Do you have an approved the Field Trip Request Form?</p> <ul style="list-style-type: none"> ◆ A field trip request form needs to be filled out with estimate of costs and approved before any funds are collected for a field trip.
---	--


Donations:

<input type="checkbox"/> 	<p>Has the donation been approved by the Superintendent?</p> <ul style="list-style-type: none"> ◆ Donation needs Superintendent’s approval before depositing (donations from WHSPO, Boosters, CAPA, or WPSF are exempt from SC approval). Cash donations must be approved by School Committee. See School Committee’s Gift Policy KCD for more information. ◆ Give name of donor, amount, and club/class to Principal’s secretary asking for SC approval. ◆ Once notified of approval, complete the procedure for all deposits noting on Form A that it is a donation and has been approved.
---	--

Fundraisers:

<input type="checkbox"/> 	<p>Have you had your fundraiser approved?</p> <ul style="list-style-type: none"> ◆ Complete Form F—Fund Raiser Event Report before you start fundraising. ◆ Follow procedures below for deposits and attach the approved fundraiser form.
---	---

For All Deposits:

<input type="checkbox"/> 	<ul style="list-style-type: none"> ◆ Use Form A--Deposit Slip Attachment when collecting funds. ◆ Fill out bank deposit slip. ◆ Endorse checks. ◆ Submit deposits to bookkeeper. You must stay while bookkeeper verifies cash amount. ◆ Bookkeeper will verify receipt of deposit by signing off on Form A. <p>DO NOT LEAVE DEPOSITS ON DESK.</p>
---	---

- Encourage people to pay by check whenever possible.
- Deposit should be brought to the office within 24 hours of collecting funds.

Wayland Public Schools

Student Activity Accounts: School Committee Policies

Student Activity Accounts, JJF

Student Fundraising Activities, JJE

Public Gifts to the School, KCD

Public Solicitations in the Schools, KHA

Field Trips, IJOA

Last Night Travel and Overnight Student Trip Policy, JJH

STUDENT ACTIVITY ACCOUNTS

Student funds may be raised to finance the activities of authorized student organizations. Student activity funds are considered a part of the total fiscal operation of the District and are subject to the Wayland Public Schools Student Activity Accounts Guidelines and Procedures Manual, approved by the School Committee and the Office of the Superintendent. The funds shall be managed in accordance with sound business practices, which include accepted budgetary and accounting practices.

In compliance with Massachusetts General Law Chapter 71, Section 47, as amended by Chapter 66 of the Acts of 1966, the School Committee:

1. Authorizes the Town Treasurer to establish and maintain a Student Activity Agency Account(s). The interest that is earned on such accounts shall be maintained in the Agency Account and distributed annually among the Student Activity Checking Accounts as directed by the guidelines and procedures approved by the School Committee.
2. Authorizes the Principals to accept money for recognized student activity organizations that currently exist, or from time to time may be revised. Monies collected in connection with these activities should be deposited into the Student Activity Agency Accounts, for the express purpose of conducting student activities.
3. Authorizes Student Activity Checking Accounts for use by the Principals with specific maximum balances approved for each school by School Committee policy. The initial balance and subsequent replenishment of said balance of the Student Activity Checking Account (not to exceed the maximum balance voted by the School Committee) must be made through the transfer of funds from the Student Activity Agency Account via the Town's warrant process. Funds disbursed from the Student Activity Checking Accounts must be expended exclusively for the School Committee approved student activity purposes.
4. Directs Principals to provide the Treasurer with a bond in an amount agreeable to the Treasurer to secure faithful performance.
5. There shall be an annual audit of the student activity accounts conducted in accordance with the guidelines issued by the Department of Elementary and Secondary Education and at least every two to three years by an outside accounting firm.

LEGAL REFS.: M.G.L. 71:47

School Committee Approval: October 17, 2016

STUDENT FUND-RAISING ACTIVITIES

In general, the Committee discourages fund-raising in the community by students for school activities, or except as set forth below. Especially discouraged is the sale of goods produced by companies for profit, such as magazines, candy, and similar items.

Exceptions to this policy will be:

1. Sale of tickets to scheduled athletic events and school dramatic and musical performances.
2. Sale of advertising space in school publications.
3. A fund-raising activity approved by the Superintendent or his/her designee.
4. Proposals to raise funds for charitable purposes or for benefit of the school or community (for example: American Field Service activities, United Nations, or scholarship funds) provided such proposals have been individually approved by the Superintendent or his/her designee.

Money (cash or check) collections of any kind may be held on school premises only with the specific consent of the Superintendent or his/her designee and with appropriate safeguards, such as a locked safe.

SOURCE: MASC

CROSS REFS.: [KHA](#), Public Solicitations in the Schools

Approved November 16, 2015

PUBLIC GIFTS TO THE SCHOOLS

The Superintendent will have authority to accept gifts and offers of equipment for the schools in the name of the Committee when the gift is of educational value, except in the case of cash donations or in the case when gifts would result in recurring significant annual costs. For these exceptions, the School Committee must accept the gifts.

Gifts will automatically become the property of the school system. Any gift of cash, whether or not intended by the donor for a specific purpose, will be handled as a separate account and accepted and expended at the discretion of the Committee, as provided by law.

In the case of school support organizations such as the PTO, CAPA, Boosters, the Wayland Public Schools Foundation and the Boston Parent Council, the Superintendent will accept as a gift each organization's budget (which describes how the funds will be spent) at an appropriate time near the beginning of the school year and accept as a gift their actual expenditures (how the funds were actually spent) at an appropriate time near the completion of the school year. Any deviation from the submitted budget that results in a philosophical change in how the funds will be spent must be accepted as a gift by the Superintendent before the change occurs.

Gifts that would involve significant changes in school plants or sites (valued at over \$10,000) or would result in recurring significant annual costs will be subject to School Committee approval.

The Committee directs the Superintendent to assure that an appropriate expression of thanks is given all donors.

SOURCE: MASC

LEGAL REF.: M.G.L. [71:37A](#)

Approved September 19, 2016

PUBLIC SOLICITATIONS IN THE SCHOOLS

The School Committee will place limits on commercial activities and fund-raising activities in the schools for the following reasons:

1. The school system should provide students, parents, and employees some measure of protection from solicitation by commercial and charitable fund-raising organizations.
2. The school system should not give the public the impression of generally endorsing or sanctioning commercial and fund-raising activities.
3. Commercial and fund-raising activities may disrupt school routines and cause loss of instructional time.

Following these guiding statements, the Superintendent and Principals may permit occasional commercial or fund-raising activities related to the objectives of the schools with the following exceptions:

1. No direct solicitation of students or employees may take place without Superintendent permission.
2. No general or class distribution of commercial or fund-raising literature may take place without Superintendent permission.

For the purposes of this policy, local PTO groups and groups representing school system employees will be considered "school groups" and will be governed by the Committee's policy on staff solicitations.

LEGAL REF.: M.G.L. c.44:53A

CROSS REFS.: GBEBC, Solicitations by Staff

KHB, Advertising in the Schools

FIELD TRIPS

The School Committee recognizes that firsthand learning experiences provided by field trips are a most effective and worthwhile means of learning. It is the desire of the Committee to support field trips as part of and directly related to the total school program and curriculum.

The Superintendent will establish regulations to assure that:

1. All students have parental permission for trips.
2. All trips are properly supervised.
3. All reasonable safety precautions are observed.
4. All trips have a written description of intended outcomes for the academic or co-curricular program.
5. All trips, and arrangements for them, have advance approval of the Principal. The Principal shall not approve trips that are privately organized and run without school sanctioning. Field trips that will cost individual pupils an amount in excess of \$50 shall have the prior approval of the Superintendent before any plans are communicated to pupils and parents. Those in excess of \$100 cost to individual pupils must have prior approval of both the Superintendent and the School Committee before any plans are communicated to pupils or parents.

Adopted: 11/20/70

Revised: 10/13/09

Approved: 11/30/09

SOURCE: MASC

Cross Reference: JJH

LATE NIGHT TRAVEL AND OVERNIGHT STUDENT TRIP POLICY

The School Committee recognizes that firsthand learning experiences provided by trips can be an effective and worthwhile means of learning and enhancing the educational program. All student trips which include late night travel (between the hours of midnight and 6:00 a.m.) or an overnight stay away from a student's home must have prior approval of the School Committee, after initial approval by the building principal and the Superintendent of Schools. Requests for late night or overnight travel must be submitted to the School Committee on the Initial Approval for Late Night or Overnight Travel Form. The School Committee will only approve school-sanctioned trips. Initial approval by the School Committee is required before engaging in fundraising activities. All fundraising activities must be approved in advance by the appropriate administrator. No student, parent or staff member may raise money on school property or use school-related resources (like computers, mailboxes, copiers) for any trip unless the trip is a school-sanctioned trip which has been approved pursuant to this policy. Consistent with the Massachusetts Conflict of Interest law, no staff member may receive any financial benefit in excess of \$50 from any company, agency, public or private entity for organizing, or making the arrangements for, any trip.

Late night and overnight trips should have a stated educational purpose that is related to Wayland's academic or co-curricular program. The faculty member leading the trip should have sufficient qualifications to lead the trip and expertise in the relevant academic or co-curricular area. The trip should offer significant educational benefits to students that clearly justify the time and expense of the trip. Such trips should be appropriate for the grade level. Trips should be scheduled so as to limit time away from school and conflicts with religious holidays. Grade-wide educational trips may occur during weeks in which school is in session. All trips must have final approval of the building principal and superintendent. Such final approval shall be sought not less than 30 days prior to the scheduled trip. Final approval shall not be granted until all preparations for the trip have been completed in accordance with the Late Night or Overnight Travel Regulations and Guidelines, including but not limited to, all logistical details involving transportation, accommodation arrangements and fundraising efforts. The School Committee shall be notified of such final approval.

LEGAL REFS: Chapter 346 of the Acts of 2002
M.G.L. ch. 69, section 1B
M.G.L. ch. 71, section 37N
Model Policy (adopted by the Board of Education December 16, 2003)
Revisions Adopted: 11/30/09

Wayland Public Schools

Wayland Public Schools

Student Activity Accounts: Guidelines and Procedures

Massachusetts General Laws

Chapter 71: Section 47. Athletic programs; school organizations; student activity accounts

Chapter 268A: Section 17. Municipal employees; gift or receipt of compensation from other than municipality; acting as agent or attorney

Chapter 268A: Section 19. Municipal employees, relatives or associates; financial interest in particular matter

PART I. ADMINISTRATION OF THE GOVERNMENT

TITLE XII. EDUCATION

CHAPTER 71. PUBLIC SCHOOLS

SCHOOL COMMITTEES

Chapter 71: Section 47. Athletic programs; school organizations; student activity accounts

Section 47. The committee may supervise and control all athletic and other organizations composed of public school pupils and bearing the school name or organized in connection therewith. It may directly or through an authorized representative determine under what conditions the same may compete with similar organizations in other schools. Expenditures by the committee for the organization and conduct of physical education, athletics, sports, games and play, for providing proper apparatus, equipment, supplies, athletic wearing apparel, including appropriate souvenir garments and trophies, and facilities for the same in the buildings, yards and playgrounds under the control of the committee, or upon any other land which it may have the right or privilege to use for this purpose, and for the employment of experienced athletic directors to supervise said physical education, athletics, sports, games and play, shall be deemed to be for a school purpose. Expenditures by the committee for making special awards to pupils who have performed meritoriously in the fields of art, debating, distributive education, music, science, social studies or languages shall also be deemed to be for a school purpose. Cities and towns may appropriate for the employment of coaches to supervise in public schools physical education, athletics, sports, games and play, and for the transportation and expenses of public school athletic teams, coaches, cheerleaders, bands and any other groups composed of public school pupils which bear the school name and are under the control of the school committee, within and without the commonwealth, to places where athletic contests or physical education, sports, games, play, musical festivals, competition or other events are held, and for the purchase of band and cheerleaders' uniforms and musical instruments for the members of bands composed of public school pupils and bearing the school name and under the control of the school committee. All receipts by the committee in connection with the conduct of activities provided for under this section or any other activity not expressly provided for in this chapter but sponsored by the school committee in which participation is contingent upon the payment of a fee by the participant, shall be deposited with the treasurer of such town or, in cases where the town is a member of a regional school district, with the treasurer of such district and held as a separate account and expended by said school committee without further appropriation, notwithstanding the provisions of section fifty-three of chapter forty-four. No moneys may be expended from an appropriation or from the separate fund authorized by this section except upon the approval of the school committee, or of the selectmen in towns and of mayors in cities, for travel to other states.

Notwithstanding the provisions of the preceding paragraph or section fifty-three of chapter forty-four, the school committee of a city, town or district may authorize a school Principal to receive money in connection with the conduct of certain student activities and to deposit such

money, with the municipal or regional school district treasurer, into an interest bearing bank account, hereinafter referred to as the Student Activity Agency Account, duly established by vote of the school committee to be used for the express purpose of conducting student activities. Interest earned by such Student Activity Agency Account shall be retained by the fund and the school committee shall determine for what purpose such earnings may be used. In addition to such Student Activity Agency Account, the school committee may authorize the municipal or regional school district treasurer to establish a checking account, hereinafter referred to as the Student Activity Checking Account, to be operated and controlled by a school Principal and from which funds may be expended exclusively for student activity purposes for the student activities authorized by the school committee. Such account shall be used for expenditures only and funds received for student activities may not be deposited directly into such account.

The school committee shall vote to set the maximum balance that may be on deposit in such Student Activity Checking Account. The Principal designated to operate and control such Student Activity Checking Account shall give bond to the municipality or district in such amount as the treasurer shall determine to secure the faithful performance of his duties in connection with such account. To the extent that the funds are available in such Student Activity Agency Account, funds up to the maximum balance set by the school committee shall be transferred from the Student Activity Agency Account through the warrant process to initially fund such Student Activity Checking Account.

Periodically, to the extent that funds are available in such Student Activity Agency Account, the municipal or regional school district treasurer shall reimburse such Student Activity Checking Account, through the warrant process, to restore the limit set by the school committee. The Principal shall adhere to such administrative procedures as the municipal or regional school district treasurer or accountant may prescribe. There shall be an annual audit of the student activity funds which shall be conducted in accordance with procedures as agreed upon between the school committee and the auditor based upon guidelines issued by the department of education.

PART IV. CRIMES, PUNISHMENTS AND PROCEEDINGS IN CRIMINAL CASES

TITLE I. CRIMES AND PUNISHMENTS

CHAPTER 268A. CONDUCT OF PUBLIC OFFICIALS AND EMPLOYEES

Chapter 268A: Section 17. Municipal employees; gift or receipt of compensation from other than municipality; acting as agent or attorney

Section 17. (a) No municipal employee shall, otherwise than as provided by law for the proper discharge of official duties, directly or indirectly receive or request compensation from anyone other than the city or town or municipal agency in relation to any particular matter in which the same city or town is a party or has a direct and substantial interest.

(b) No person shall knowingly, otherwise than as provided by law for the proper discharge of official duties, directly or indirectly give, promise or offer such compensation.

(c) No municipal employee shall, otherwise than in the proper discharge of his official duties, act as agent or attorney for anyone other than the city or town or municipal agency in prosecuting any claim against the same city or town, or as agent or attorney for anyone in connection with any particular matter in which the same city or town is a party or has a direct and substantial interest.

Whoever violates any provision of this section shall be punished by a fine of not more than three thousand dollars or by imprisonment for not more than two years, or both.

A special municipal employee shall be subject to paragraphs (a) and (c) only in relation to a particular matter (a) in which he has at any time participated as a municipal employee, or (b) which is or within one year has been a subject of his official responsibility, or (c) which is pending in the municipal agency in which he is serving. Clause (c) of the preceding sentence shall not apply in the case of a special municipal employee who serves on no more than sixty days during any period of three hundred and sixty-five consecutive days.

This section shall not prevent a municipal employee from taking uncompensated action, not inconsistent with the faithful performance of his duties, to aid or assist any person who is the subject of disciplinary or other personnel administration proceedings with respect to those proceedings.

This section shall not prevent a municipal employee, including a special employee, from acting, with or without compensation, as agent or attorney for or otherwise aiding or assisting members of his immediate family or any person for whom he is serving as guardian, executor, administrator, trustee or other personal fiduciary except in those matters in which he has participated or which are the subject of his official responsibility; provided, that the official responsible for appointment to his position approves.

This section shall not prevent a present or former special municipal employee from aiding or assisting another person for compensation in the performance of work under a contract with or for the benefit of the city or town; provided, that the head of the special municipal employee's department or agency has certified in writing that the interest of the city or town requires such aid or assistance and the certification has been filed with the clerk of the city or town. The certification shall be open to public inspection.

This section shall not prevent a municipal employee from giving testimony under oath or making statements required to be made under penalty for perjury or contempt.

This section shall not prevent a municipal employee from applying on behalf of anyone for a building, electrical, wiring, plumbing, gas fitting or septic system permit, nor from receiving compensation in relation to any such permit, unless such employee is employed by or provides services to the permit-granting agency or an agency that regulates the activities of the permit-granting agency.

PART IV. CRIMES, PUNISHMENTS AND PROCEEDINGS IN CRIMINAL CASES

TITLE I. CRIMES AND PUNISHMENTS

CHAPTER 268A. CONDUCT OF PUBLIC OFFICIALS AND EMPLOYEES

Chapter 268A: Section 19. Municipal employees, relatives or associates; financial interest in particular matter

Section 19. (a) Except as permitted by paragraph (b), a municipal employee who participates as such an employee in a particular matter in which to his knowledge he, his immediate family or partner, a business organization in which he is serving as officer, director, trustee, partner or employee, or any person or organization with whom he is negotiating or has any arrangement concerning prospective employment, has a financial interest, shall be punished by a fine of not more than three thousand dollars or by imprisonment for not more than two years, or both.

(b) It shall not be a violation of this section (1) if the municipal employee first advises the official responsible for appointment to his position of the nature and circumstances of the particular matter and makes full disclosure of such financial interest, and receives in advance a written determination made by that official that the interest is not so substantial as to be deemed likely to affect the integrity of the services which the municipality may expect from the employee, or (2) if, in the case of an elected municipal official making demand bank deposits of municipal funds, said official first files, with the clerk of the city or town, a statement making full disclosure of such financial interest, or (3) if the particular matter involves a determination of general policy and the interest of the municipal employee or members of his immediate family is shared with a substantial segment of the population of the municipality.

Wayland Public Schools

Student Activity Accounts: Guidelines and Procedures

Department of Elementary and Secondary Education: Agreed Upon Procedures/Audit Guidelines for Student Activity Accounts

INFORMATION CONTACT:

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Education (ESE)
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OVERVIEW

Preface

A program of activities (student activity accounts) established by a School Committee should: (1) Ensure that students have an opportunity to take part in co-curricular and outside-classroom experiences, (2) Provide efficient procedures for their creation, operation and demise, and (3) Outline a system for the safeguarding, accounting and internal control of co-curricular and outside-classroom activity funds.

Chapter 66 of the Special Acts of 1996, which is codified in Section 47 of Chapter 71 of the General Laws of Massachusetts (MGL), has had a major impact on the method in which student activity accounts are administered. The law allows the use of certain administrative procedures that were previously prohibited. These provisions include procedures with respect to: (1) Establishment of an interest bearing bank account and a checking account through the involvement of the City/Town/District Treasurer, (2) Certain disbursement procedures, and (3) Auditing and reporting requirements.

There is a value to students who perform functions and handle monies belonging to student groups. The exposure the students receive is a valuable learning experience in control and administration of accounts. In addition, expeditious access of student account funds is critical to meet the goal of providing co-curricular activities to students in a timely manner. Recognizing that student activities' monies belong to the students and not to the city/town/districts illustrate the need for sound business guidelines to be developed to govern these accounts to adequately control and safeguard these monies.

These audit guidelines have been developed to provide school business officials and outside independent auditors with a vital resource that will assist them in the process of conducting agreed upon procedures of the internal control system in place used to administer student activity accounts as well as the annual transactions and activities of those accounts.

The Massachusetts Association of School Business Officials (MASBO) has published a handbook entitled: *Student Activity Accounts Guidelines for Massachusetts School Districts*. Many of the concepts outlined in these audit guidelines were developed to coincide with the guidelines delineated within that handbook.

The handbook is available for download at <http://www.doe.mass.edu/finance/accounting/> and it is suggested that users of these audit guidelines familiarize themselves with this handbook prior to conducting any procedures.

Related Massachusetts General Laws (MGLs) [See Appendix B and E]

It is recommended that the users of these audit guidelines become familiar with the following MGLs as their applicability may closely approximate and relate to the student activity accounts. The list is

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not intended to be all inclusive of the laws that may apply, but is intended to be used for informational purposes only in assisting the user to reach a conclusion:

- Chapter 66 of the Special Acts of 1996 – Student Activity Accounts (see Appendix B)
- MGL 44, Section 53 – Lost Textbook Revolving Account
- MGL 44, Section 53A – Grants and Gifts
- MGL 44, Section 53E ½ – Revolving Funds
- MGL 71, Section 17A – Revolving Funds For Culinary Arts Programs
- MGL 71, Section 37A – Acceptance of Grants or Gifts
- MGL 71, section 47 – Revolving Funds for Athletic programs and School Organizations
- MGL 71, Section 71C – Community School programs revolving accounts
- MGL 71, Section 71E – Adult Education and Continuing Education Revolving Accounts
- MGL 74, Section 14B – Culinary Arts and Other Vocational Technical Revolving Funds
- MGL 268A – Conflict of Interest
- Chapter 548 of the Special Acts of 1948 – School Lunch Revolving Account

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I. ADMINISTRATION

A. ESE Policy Guideline or MGL Requirement:

- The School Committee should adopt policies and procedures for the creation, operation, control and public reporting of student activity accounts. These policies should be reviewed periodically and amended when necessary. The accounts by statute are the responsibility of the school Principal and thus it is the direct responsibility of the Principal to ensure that the statute, School Committee policies, and administrative procedures are fully adhered to in all aspects of operating student activity accounts.

Agreed Upon Procedure/Audit Guideline:

1. Inquire and obtain evidence suggesting that policies have been adopted by the School Committee. Evidence should be included in School Committee minutes through a School Committee vote.

Results:

Evidence of a School Committee vote was obtained.

___ Yes ___ No

If **Yes**, obtain policies and procedures, and go to step 2.

If **No**, report a finding.

2. Review formal policies and procedures and determine if they are effective; consider the following:
 - a. Policies must require adequate internal control to ensure protection of student monies.
 - b. Policies must be complete and satisfy MGL.
 - c. Policies must only govern student activity money and not money that is governed under other MGL. (see related Massachusetts General Laws and Appendix E)
 - d. Procedures should be developed that support policy and provide for segregation of duties.
 - e. Policies and procedures must be updated when applicable.

Results:

Formal policies and procedures are determined to be adequate.

___ Yes ___ No

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If **yes**, determine if policies and procedures are enforced.
If **No**, report a finding.

B. ESE Policy Guideline or MGL Requirement:

- Although not required, it is good practice for the School Committee to approve each student activity annually. This should be done before the start of the school year unless activities are new and created during the year. The approval should include specific funding sources and objective/mission for each activity.

Agreed Upon Procedure/Audit Guideline:

1. Obtain a listing of each active student activity and inquire if each student activity has been approved annually by the School Committee or if new, was approved during the year. Evidence should be included in the School Committee minutes through a School Committee vote.

Results:

Evidence of School Committee vote was obtained.

___ Yes ___ No

If **No**, report a finding.

C. ESE Policy Guideline or MGL Requirement:

- A student activity account may be used for funds raised by student organizations which will be expended by those students for their benefit. Funds raised or donated that are governed by laws other than the student activity laws cannot be deposited to a student activity account (See section on related Massachusetts General Laws and Appendix E.) In addition, funds belonging to staff through sunshine funds or vending machines or other activities not related to the students may not be deposited in the student activity account.

Agreed Upon Procedure/Audit Guideline:

1. Obtain a listing of each active student activity. From this list, determine source of funding and objective of each student activity. Evaluate if funds have been properly deposited into the student activity account or if funds are more appropriately classified as revolving, gift, grant or other type of fund.

Results:

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All programs are proper student activities and deposits have been properly deposited into a student activity account.

___ Yes ___ No

If **No**, report a finding.

D. ESE Policy Guideline or MGL Requirement:

- An accounting system for the student activity funds must be implemented and in a sufficient manner to facilitate basic reconciliation and control procedures. An accounting system may be an off-the-shelf accounting application, a properly designed electronic spreadsheet or for smaller student activity accounts, a manual system. The determination of the appropriate accounting system will vary school by school based on a variety of factors including volume and frequency of student activity transactions and the skills of those in charge with administering the day-to-day accounting for student activities.

Agreed Upon Procedure/Audit Guideline:

1. Through inquiry and observation, verify that the accounting system used for the student activity funds will facilitate the following:
 - a. Accurate recording and reporting of cash receipts and disbursements by each student activity fund in the school student activity ledgers;
 - b. Recording of a general cash and/or investment account that can be reconciled with the bank checking account for student activity maintained by the Principal, combined with the agency savings account maintained by the City/Town/District Treasurer; and
 - c. General cash and/or investment accounts in aggregate can be reconciled to the aggregate detailed fund accounts within the student activity fund recorded for and held by each student activity.

Results:

An assessment of the accounting system in place has determined that it will facilitate the critical items listed above.

___ Yes ___ No

If **No**, report a finding.

E. ESE Policy Guideline or MGL Requirement:

- The qualifications of the individuals involved with processing, recording and reporting student activity account transactions is adequate, and an ongoing process of

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training is in place to ensure that these individuals maintain the required level of skills to possess such duties.

Agreed Upon Procedure/Audit Guideline:

1. Through inquiry, determine if all individuals who process, record, and report student activity transactions possess the skills necessary to perform the duties in an adequate manner.

Results:

All individuals who process, record and report student activity accounts have the suitable skills to perform the duties in an adequate manner.

___ Yes ___ No

If **No**, report a finding.

2. Through inquiry, determine if there is an ongoing process of training in place.

Results:

An ongoing process of training is in place to ensure that all individuals maintain the necessary skills to perform these duties in an adequate manner.

___ Yes ___ No

If **No**, report a finding.

**STEWARDSHIP AND CUSTODIAL
RESPONSIBILITY**

A. ESE Policy Guideline or MGL Requirement:

- Section 47 of Chapter 71 of MGL as amended by Chapter 66 of the Special Acts of 1996, requires that once the School Committee has accepted the provisions of this law, an agency account must be set up by the City/Town/District Treasurer. These are generally established as an interest bearing savings account, and, if authorized by the School Committee, a checking account which acts as an imprest (replenishment) account to be administered by the School Principal.
- Maximum checking account fund levels are established and annually voted on by the School Committee.
- All deposits for fund raising and other student activities must be deposited in the agency account with the City/Town/District Treasurer. Disbursements may be made from either account.

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- The Principal may request replenishment of the checking account to the maximum established balance by presentation of a funds request to the City/Town/District Treasurer, accompanied by invoices or other support for disbursements previously made from the checking account.
- The Principal or their designee who are designated to operate and control the student activity checking account shall give bond for faithful performance to the municipality or district in such amount as the City/Town/District Treasurer shall determine to secure the faithful performance of their duties in connection with such account. Annually, the School Committee should authorize any such designees and ensure bond coverage.
- There shall be an annual audit of the student activity funds which shall be conducted in accordance with procedures as agreed upon between the School Committee and the auditor based upon guidelines issued by ESE. In addition, ESE recommends the audit be performed by an outside independent audit firm once every three years for those with activities greater than \$25,000. In the intervening years, the audit may be conducted by a responsible individual independent of the student activities, with the approval of the School Committee. Such an individual could be the Town Accountant, who already has audit powers under MGL Chapter 41 the Treasurer, or the School Business Manager if the School Business Manager is not involved in the administration or transactional processing of the student activities.

Agreed Upon Procedure/Audit Guideline:

1. Determine if the School Committee has accepted the provisions of Section 47 of Chapter 71 of MGL; evidence should be included in School Committee minutes through a School Committee vote or obtain certification of vote.

Results:

Evidence of School Committee vote was obtained.

___ Yes ___ No

If **No**, student activities should be administered through a legally established non-profit organization; otherwise, report a finding.

2. Determine that all student activity deposits are made to an agency account maintained by City/Town/District Treasurer.

Results:

All student activity deposits were made to the agency account maintained by the City/Town/District Treasurer.

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___ Yes ___ No

If **No**, report a finding.

3. Determine if the School Principal has properly made requests for replenishment of funds to the imprest checking account including submission of original invoices or equivalent supporting documentation.

Results:

Requests for replenishment to checking account are made in proper manner.

___ Yes ___ No

If **No**, report a finding.

4. Review selected checking account bank statements to determine if checking account balances ever exceed amounts established by the School Committee.

Results:

Does the checking account balance ever exceed the amount established by the School Committee?

___ Yes ___ No

If **Yes**, report a finding.

5. Determine if the School Principal and/or their designee (if applicable) have given bond to the City/Town/District Treasurer for faithful performance, and that all designees have been properly authorized by the School Committee.

Results:

Evidence of the School Principal and/or their designee (if applicable) securing or being secured by a fidelity bond exists.

___ Yes ___ No

If **No**, report a finding.

6. Determine if the annual audits have been performed, either by an outside independent audit firm or as is permissible, internally. Evidence of this may be obtained from reports developed as a result of the process.

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Results:

Verify evidence that an annual audit process exists and has been conducted.

___ Yes ___ No

If **No**, report a finding.

II. GENERAL OPERATING PROCEDURES

A. ESE Policy Guideline or MGL Requirement:

- Section 47 of Chapter 71 does not address the adoption of specific policies or procedural guidelines, but does require adherence to administrative procedures as may be prescribed. ESE makes recommendations to maintain minimum general operating procedures in the administration of student activities including:
 - Bank reconciliations must be done at least quarterly (preferably monthly). A copy of the bank reconciliation should be sent to the School Business Administrator, School Committee, student officers, and City/Town/District Treasurer. Sign-offs must be performed by preparers and reviewers;
 - Standardized forms should be used for deposits and disbursements whenever possible;
 - The School Committee and School Business Administrator should establish periodic reporting timelines. Financial reports should be created and submitted in accordance with those guidelines to the School Committee, School Business Office, Town Accountant, Treasurer and the individual student activity class/club Advisors;
 - The School Principal shall maintain individual subsidiary accounts by program within the student activity control account. This will allow proper matching of program expenditures against revenues that are collected for that purpose as well as allow for the efficient determination of the program balance;
 - Aggregate subsidiary account balances should be reconciled no less than quarterly to the total control account, and;
 - Total control account balances should be reconciled no less than quarterly to the aggregate total of the School reconciled checking account and the agency account maintained by the Treasurer.

Agreed Upon Procedure/Audit Guideline:

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1. Through inquiry, observations, and review of sample bank reconciliations, determine if bank reconciliations are prepared at least quarterly and sent to the appropriate parties for review; and that sign-offs by both preparer and reviewer are included in the process.

Results:

Evidence was obtained that at least a quarterly bank reconciliation process is in place and that sign-offs by both preparer and reviewer are made.

___ Yes ___ No

If **No**, report a finding.

2. While gaining an understanding of the internal control processes in place, determine if standard forms for deposits and disbursements are used.

Results:

Deposit and disbursement transactions are completed and documented using standard forms.

___ Yes ___ No

If **No**, report a finding.

3. Through inquiry and analysis, determine if a requirement for the preparation and periodic submission to the School Committee, School Business Office, Town Accountant, Treasurer and the student activity class/club officers of financial reports exists; and if such policy is adhered with.

Results:

Financial reporting requirements are in place and are functioning as intended.

___ Yes ___ No

If **No**, report a finding.

4. Through inquiry and analysis, determine if subsidiary student activity account detail is maintained and if the aggregate of the subsidiary accounts are reconciled to the control account on a monthly basis.

Results:

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Subsidiary student activity account detail is maintained and reconciled monthly to control activity.

___ Yes ___ No

If **No**, report a finding.

III. REVENUE, RECEIPTS AND DEPOSITS

A. ESE Policy Guideline or MGL Requirement:

- The receipts process is most susceptible to theft and abuse since cash collections for student activities are normally decentralized, and individuals collecting cash are often young students inexperienced with cash handling.
- ESE recommends strict procedures for control of all receipts and should include at a minimum, the following controls:
 - Receipts generated from the sale of a high volume product such as the yearbook or admission to a highly attended event like the prom or other dance or ball, should be controlled through the use of pre-numbered receipts.
 - A reconciliation process should be in place whereby pre-numbered receipts, tickets, attendance logs or other revenue source documents are reconciled to cash collected for particular activities prior to making a deposit in the bank. In the situation where it is impractical to use source documents, two people should count the cash and sign off on the process.
 - The cash collection and deposit function should be segregated from the accounting and recording function.
 - All student organizations receiving monies from any source should turn over such money to the School Principal or the designee within twenty-four hours from receipt of such funds. (If received on the weekend, then on the first business day after receipt of the funds.)
 - Any money not deposited on the same day must be kept overnight in a locked vault, safe, or other secured locked area - **under no circumstance, should student activity monies be taken home overnight.**
 - All money turned over to the school by a student organization shall be accompanied by a school deposit slip stating the source of the monies, the amount being deposited, and signed by the person turning over the money to the office. If turned in by a student, this should be co-signed by the group Advisor or

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a Teacher, who should also keep a duplicate of the deposit slip.

- The School Principal or the designee should deposit into the agency account all monies received from student activity organizations at a minimum on a weekly basis. Written evidence of receipt should be obtained from the City/Town/District Treasurer.
- Interest earned by the student activity agency account shall be retained by the student activity fund. The use of the aggregate earnings shall be at the discretion of the School Committee for the benefit of the students and shall be so stated in the School Committee policy.
- An ongoing philosophy of the importance of handling money with care, honesty, and accuracy should be conveyed to the students, Advisors and Teachers through roundtable meetings and educational trainings.
- Money collected for purposes other than student activities shall not be deposited into the student activity account and must be handled by the MGL that governs its administration.
- Any monies paid to the school or to a student activity as commissions or revenue sharing belong to the students and shall be deposited into the student activity agency account. Such funds shall be expended for the benefit of the students in accordance with School Committee policies and may not be spent to benefit the staff or to supplement the school budget. Refer to Frequently Asked Questions Q4 for the appropriate treatment of these revenues.
- A policy must be adopted by the School Committee that specifies how any other undesignated receipts will be distributed and such receipts must be deposited into the student activity agency account. No student activity revenues will be deposited into the School checking account.

Agreed Upon Procedure/Audit Guideline:

1. Through inquiry of the School Principal or their designee, document the process by which receipts are administered in order to gain an understanding of the internal control process in place. In addition, while conducting the inquiry, determine if the following have been addressed or developed:
 - a. Determine if pre-numbered receipts, tickets, and attendance logs are used;
 - b. Determine if any pre-numbered receipts or tickets were skipped and investigate why;
 - c. Determine if a reconciliation process is performed between pre-numbered receipts, tickets, and attendance logs and the funds being turned over;
 - d. Determine that in situations when pre-numbered receipts, tickets and attendance

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logs are not practical, that two responsible people have each counted the cash received;

- e. Determine if funds collected for student activities are turned over to the School Office within twenty-four hours;
- f. Determine if funds not immediately turned over are stored in a secure location;
- g. Determine if the School Principal is turning funds over to the City/Town/District Treasurer agency account weekly (at a minimum);
- h. Determine if an interest earned policy exists and is documented;
- i. Determine if a commission or revenue sharing policy exists and is documented;
- j. Determine if a policy for undesignated earnings exists and is documented; and
- k. Determine if a philosophy exists through ongoing training that monies are to be handled with care, in an accurate manner.

Results:

Document any findings that may exist as a result of any deficiencies discovered based on the understanding of the control process in place for receipts conducted in the above steps 1.a. – 1.k.

2. Make a sample selection of receipts to test. This sample population should be a representative sample of receipts that are made from the school deposit slips. If possible, the sample should be made from the population of duplicate deposit slips maintained by the class Advisor.

Results:

Document any findings that may exist as a result of the testing of receipts in step 2.

3. Upon determination of the samples to be tested, perform the following procedures on each sample:
 - a. Is the receipt amount included on the deposit slip?
 - b. Is the deposit included in the bank statement?
 - c. Does the deposit amount agree with the accounting system's records?
 - d. Is the receipt for a proper student activity account?
 - e. Is the receipt recorded to the proper subsidiary activity in the student activities' ledger?
 - f. Was a pre-numbered receipt used?
 - g. Were the funds remitted within twenty-four hours or within the next business day (if a weekend day) to the office?
 - h. Were the funds remitted by the office to the City/Town/District Treasurer's agency account within one week?
 - i. Is the receipt accompanied by a school deposit slip?
 - j. Is there written evidence of receipt of the deposit from the City/Town/District Treasurer?

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- k. Is a duplicate of the school deposit slip maintained by the Advisor and signed by the Advisor?

Results:

Document any findings that may exist as a result of any deficiencies discovered in the above steps 3.a. – 3.k.

IV. PURCHASING AND DISBURSEMENTS

A. ESE Policy Guideline or MGL Requirement:

- MGL 71, Section 47 gives the responsibility for the establishment of student activity accounts to the School Committee and the enforcement of School Committee policies to the School Principals; such is the case with purchasing and disbursements. It is important that disbursement policies are sound, controlled, and designed to benefit only the students.
- In order to accomplish this goal, ESE recommends the following at a minimum are in place:
 - Advance of funds should be avoided whenever possible. If it is anticipated that an advance is necessary, prior written approval must be obtained from the School Principal.
 - Equipment and supplies purchased with student activity funds are the property of the student activity groups and not any individual student or other organization. Equipment and supplies purchased with student activity funds should be used exclusively for co-curricular student activities and not for the general use of School operations.
 - Student Advisors, or others involved in purchasing, may not benefit personally from any purchasing – either directly or indirectly.
 - Student activity funds may not be used for any purpose unrelated to student activities or for the benefit of any staff person.
 - All disbursements shall be made by check.
 - The policy adopted by the School Committee should specify the method or methods to be used to pay for expenses, including how to handle the reimbursement of funds when personal credit cards are used. (This is important because of the potential “reward” benefits the credit card holder may accrue).
 - Disbursements exceeding \$600 in aggregate to any one individual or entity must

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be reviewed to determine if a Form 1099-MISC. is required. Process should be coordinated with the Town Accountant or Treasurer to ensure compliance.

- Checks may not be written to cash.
- Checks shall be signed only after they are completely prepared.
- Check signature authority shall be in accordance with School Committee policy. Consideration should be given to require two signatures for individual disbursements made over a certain dollar amount.
- Individuals responsible for writing checks should be segregated from the record keeping and reconciliation process; or assurances should be made that other mitigating controls are in place such as a monthly review of all activity by an independent responsible individual.
- All disbursements are required to have adequate external supporting documentation such as a vendor invoice, bill contract or receipt.
- A record of all checks will be maintained, including void checks. Numerical order of checks should be retained.
- Checkbook reconciliations should be performed monthly.
- A standardized form should accompany all requests for check issuance.
- The standardized form shall be accompanied by the supporting documentation and must state to whom the check shall be payable, the reason for the payment, the amount of the check, the student activity account to be charged, and the approval signature of the Advisor or student officer.
- All requests for replenishment to the School Principal imprest checking account must be adequately supported and processed through the City/Town/District accounts payable warrant process.

Agreed Upon Procedure/Audit Guideline:

1. Through inquiry of the School Principal or their designee, document the process by which disbursements are administered in order to gain an understanding of the internal control process in place. In addition, while conducting the inquiry, determine if the following have been addressed or developed:
 - a. Determine if disbursement policies are established by the School Committee.
 - b. Determine if all disbursements require the (or his designee's) approval.
 - c. Determine if all disbursements require supporting documentation.
 - d. Determine if cash advances are prohibited.

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- e. Determine if standard requests for disbursements are prepared.
- f. Determine if student activity funds are used on student activities.
- g. Assure that steps are in place to prohibit Advisors or other individuals involved with purchasing to personally benefit in any way.
- h. Determine if all purchases are recorded and check records are maintained.
- i. Determine if all void or missing checks are accounted for.
- j. Determine who the authorized signers on the account are. Consider contacting the bank to confirm.
- k. Determine if a competitive process for purchasing is encouraged.
- l. Determine if disbursements may only be charged against the accounts for which funds have been designated.
- m. Determine if segregation of duties exists between the check writer and the individual who reconciles the bank statements. If not, determine if there are mitigating controls in place to limit risks.

Results:

Document any findings that may exist as a result of any deficiencies discovered based on the understanding of the control process in place for disbursements conducted in the above steps 1.a. – 1.m.

- 2. Make a selection of disbursements to test. This sample population should be a representative sample of disbursements selected from the school check register.

Results:

Document any findings that may exist as a result of the testing of disbursements in step 2.

- 3. Upon determination of the samples to be tested, perform the following procedures on each sample:
 - a. Is the disbursement accompanied by a standard request form for disbursement signed by the Advisor or student treasurer?
 - b. Is the disbursement accompanied by adequate supporting documentation (i.e., vendor invoice or receipt)?
 - c. Was the disbursement approved by the Principal? How was the approval evidenced?
 - d. Does the disbursement agree to the amount in the accounting system?
 - e. Does the disbursement agree to the amount debited on the bank statement?
 - f. Is the disbursement agreed to and supported by a cancelled check?
 - g. Is the cancelled check properly endorsed by an authorized signer?
 - h. Is the disbursement an appropriate use of student activities monies?
 - i. Is the disbursement charged against the proper student activity account?
 - j. Although not legally required, as a best practice, was the purchase procured

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- competitively?
- k. Has anyone other than the students benefited from the disbursement?
 - l. If the disbursement is made to an individual and the disbursement causes that individual to equal or exceed \$600 in total disbursements, has a Form 1099-MISC been issued to the individual?
 - m. Does the disbursement properly exclude any payments for sales tax?

Results:

Document any findings that may exist as a result of any deficiencies discovered for the procedures conducted in the above steps 3.a. – 3.m.

V. CLASS, INACTIVE ACCOUNTS AND DEFICITS

A. ESE Policy Guideline or MGL Requirement:

- It is ESE’s opinion that, because graduates are no longer students, monies for student class grades that have graduated cannot be legally maintained in student activity accounts. ESE recommends that the School Committee approve a policy that specifies how these funds shall be disposed of upon a class’ graduation. Notification of the manner of disposition should be given to the class officers and all students who contribute to the class accounts. Such policy should specify how long the class account should remain active after graduation (i.e. 90 to 180 days after graduation to permit the school to pay all class obligations). After the waiting period, the policy should specify if and how the remaining funds will be transferred to the graduates, if the funds will revert to other student activity groups (such as the incoming senior class), or other specific disposition instructions.

Agreed Upon Procedure/Audit Guideline:

1. Through review of School Committee policies, determine the policy for disposition of class accounts.
2. Obtain listing of all individual student activity accounts and scan the listing for class accounts for students who have already graduated.
3. Determine if disposition is in accordance with School Committee policies.

Results:

Disposition of class accounts that have already graduated is in accordance with School Committee policy.

___ Yes ___ No

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If **No**, report a finding.

B. ESE Policy Guideline or MGL Requirement:

- Any student activity inactive for a period of three (3) years or more, and for which there has been no receipts or disbursements recorded on their behalf, shall require the following actions in order to be closed:
 - Written notification by the Advisor or student officer to the School Principal or other authorized administrator that the activity will cease to be a viable account. If an Advisor or student officer is not available, such discontinuance shall be by vote of the School Committee.
 - All assets of the recognized student activity shall be identified and stated in writing.
 - Any disposition of assets of an inactive recognized student activity shall be determined by the School Committee, but in no case shall the disposition benefit specific individuals.
 - Such policy will be communicated to the students who contribute to the accounts, when possible.

Agreed Upon Procedure/Audit Guideline:

1. Through review of School Committee policies, determine the policy for disposition of inactive accounts and its reasonableness.
2. Obtain listing of all individually listed student activity accounts. Scan listing for accounts that do not have any activity and review prior years' activity for those accounts to determine if they are inactive.
3. Determine if disposition is in accordance with School Committee policies.

Results:

Disposition of inactive accounts is in accordance with School Committee policy.

___ Yes ___ No

If **No**, report a finding.

C. ESE Policy Guideline or MGL Requirement:

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- Individual activity accounts should not be permitted to be in a deficit position because such a position becomes a liability to other individual activities or possibly to future classes. ESE recommends that the School Committee develop a policy for remedial action whenever a deficit not resulting from timing exists.

Possible remedial action could include funding from the following sources:

- School Committee appropriation;
- Accumulated investment earnings;
- Surpluses of inactive accounts;
- Gift from an activity with a surplus balance through approval of the Advisor; or
- Any other legal means.

Agreed Upon Procedure/Audit Guideline:

1. Through review of School Committee policies, determine the policy for the remediation of individual student activity deficit balances and its reasonableness.
2. Obtain listing of all individually listed student activity accounts. Scan listing for accounts and determine if any have deficit balances.
3. Determine if disposition of deficit balances is in accordance with School Committee policies.

Results:

Disposition of deficit balances is in accordance with School Committee policy.

___ Yes ___ No

If **No**, report a finding.

VI. STUDENT TRAVEL

A. ESE Policy Guideline or MGL Requirement:

- The School Committee should adopt policies and procedures for student travel related to student activities (i.e. field trips, overnight, and abroad). The policy should address how travel is to be authorized, the method or methods of paying travel expenditures, and final accountability for all travel costs associated with a trip.

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- The following should be included in the travel policy:
- A request for travel authorization and funding must be prepared well in advance of the time the funds are needed.
 - The request should be submitted by the Advisor or other person responsible for the activity trip; furthermore, the request should be approved by the School Principal in accordance with policy established by the School Committee.
 - Travel Authorization Forms should contain at least the following: date of request, date funds needed, destination and purpose of trip, estimated departure and return times, number of persons traveling, estimate of cash required for tips and other various sundry items, estimate of expenses, signature of person requesting authorization, signature of person authorizing the request, check number and date of payment, and signature of the School Principal.
 - The approved travel authorizations are to be submitted to the School Principal or their designee to ascertain that sufficient funds are available.
 - Approved Travel Authorization Forms should remain in a pending file until final accountability for the trip has been completed.
 - The policy adopted by the School Committee should specify the method or methods to be used to pay travel expenses, including how to handle the reimbursement of funds when personal credit cards are used. (This is important because of the potential “reward” benefits the credit card holder may accrue).
 - A statement of final accountability must be submitted by the authorized trip sponsor promptly after the completion of the trip. Final accountability statements should include at least the following: date; notation of advance funds received (if applicable - amount, date, and check number); complete listing of itemized expenditures paid - together with documentary evidence of payment; totals of cash or checks expended; notation and totals of credit card or open account expenses (if applicable); the amount returned to the student activities if advances received exceed documented expenditures; the amount of additional reimbursement requested if travel expenses incurred exceed travel advances received; signature of person completing final accountability statement and signature of School Principal or their designee to indicate that there has been an acceptable final accountability.

Agreed Upon Procedure/Audit Guideline:

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1. Through a review of the School Committee policies, determine if the policy for student travel is adequate.

Results:

School Committee policies related to student travel are adequate.

☐ Yes ☐ No

If **No**, report a finding.

2. Test a sample of travel expenditures and determine that the travel is properly authorized, that there is a final accountability for all travel and there is documentation supporting all disbursements.

Results:

Student travel expenditures are properly authorized, with final accountability and supporting documentation.

☐ Yes ☐ No

If **No**, report a finding.

3. Determine that travel expenditures are in accordance with School Committee policies.

Results:

Travel expenditures are in accordance with School Committee policies.

☐ Yes ☐ No

If **No**, report a finding.

APPENDIX A

Frequently Asked Questions

Q1: Are student activity disbursements subject to Chapter 30B procurement laws?

No. It is ESE's opinion that Chapter 30B of the General Laws of Massachusetts does not pertain to purchases made with student activity funds because private purpose funds are

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exempt from Chapter 30B. While this exemption exists, ESE strongly encourages a competitive procurement process whenever possible.

Q2: May a student activity organization accept gifts and donations?

Yes. It is ESE’s opinion that gifts to recognized student activities can be deposited into the student activity agency account and expended in accordance with the local school committee’s policies for expenditures from such student activity account.

It is recommended to have gifts under a specific threshold accepted by the Superintendent and gifts over this threshold accepted by the School Committee.

Gifts to other than student organizations are governed by Section 53A of Chapter 44 of the General Laws of Massachusetts.

Q3: May grants and gifts be accepted by a student activity organization for educational purposes?

No. Under the provisions of Section 53A of Chapter 44 and Section 37A of Chapter 71 of the General Laws of Massachusetts, all grants and gifts for educational purposes shall be deposited with the City/Town/District Treasurer and held as a separate account by the municipality or district and not included within student activity funds.

Q4: May the student activity organizations conduct fund raising activities?

Yes and No. Fund-raising activities should be held in accordance with School Committee policies and for the benefit of students to supplement student activities.

If fund raisers are held to supplement operations, such as supplies, books and other operating costs, then they are considered part of the curriculum and will fall under Section 53A of Chapter 44 of the General Laws of Massachusetts and considered a gift to the municipality or district.

An example of this is a box top promotion that many organizations run. This promotion is typically designed to raise money for classroom supplies for students and thus, if designed in that manner, cannot be deposited into a student activity fund. In order to be properly considered a student activity deposit, the objective of the program must clearly state that the funds raised will be used for student activities. The same applies for reward programs based on parents signing up at retail establishments and popular restaurants resulting in the school receiving a percentage of what is purchased by the parent or family member.

Q5: Does the City/Town/District annual audit of its finances by an outside auditor satisfy the requirement that there shall be an annual audit conducted of the student activities?

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No. Chapter 71 Section 47 of the General Laws of Massachusetts requires that an annual audit shall be conducted in accordance with procedures as agreed upon between the School Committee and the auditor. It is ESE's opinion that since the City/Town/District annual audit is very broad in scope, and is only exposed to the agency activity, which is a fiduciary relationship only, that such an audit does not satisfy the degree of procedures required under Chapter 71 Section 47. However, it is ESE's opinion that such procedures defined under the law may be performed internally by a responsible and qualified individual appointed by the School Committee who is independent of the student activities, with the caveat that at least once every three years the procedures should be performed by an outside independent auditor if student activity balances exceed \$25,000.

Q6: Please provide examples of individuals that ESE believes are suitable to perform the audit in the intervening years.

ESE believes that upon approval from the School Committee, that the City/Town/District Accountant or equivalent, the City/Town/District Treasurer, the School Business Manager (if not involved with the student activities), the Internal Auditor or a member of the Audit or Finance Committee are all examples of suitable individuals to conduct the student activities' audit in the intervening years.

Q7: May a school district rotate schools subject to the annual audit requirements each year to reduce costs?

Yes. Each school's student activity funds are subject to the audit described in Chapter 71 Section 47. Therefore it is ESE's opinion that schools may be rotated with respect to the outside audit component of this requirement on an annual basis.

Q8: Can a City or Town Treasurer force an audit as described in Chapter 71 Section 47 of the student activity funds?

No. Since the annual audit is a process agreed upon by the School Committee and the auditor, the City or Town Treasurer may not force an audit of the student activity funds as described in Chapter 71 Section 47. This is enforceable by the School Committee only.

Q9: What happens when an account becomes overdrawn and shows a deficit balance?

Fund accounts should not be permitted to become overdrawn because the overdraft becomes a liability to other funds and to future classes. Whenever a fund account becomes nearly depleted, remedial action should be ordered immediately by the School Committee.

Q10: Are PSAT fees considered revolving funds or student activities?

Student Activities. Since the participation in a PSAT is optional and not part of the normal curriculum, if fees from the PSAT are approved as a benefit to the students by the

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School Committee, they may be used to supplement the student activities and may be deposited into the student activity account.

Q11: Can lost book fees be deposited into a student activity account?

No. Lost book fees are statutory revolving funds governed under MGL Chapter 44 Section 53 and like all statutory revolving funds, they may not be deposited into the student activity account. A listing of all statutory revolving funds may be reviewed under “Related Massachusetts General Laws” on page 3 of the audit guidelines and Appendix E.

Q12: Are the fees generated from a PTO account subject to Chapter 71 Section 47?

No. Since these are set up as PTO accounts, they are most likely set up as a legally established non-profit organization and thus do not fall within the jurisdiction of Chapter 71 Section 47. However, a close review of the relationship should be performed, since many schools set up PTO accounts, and do not establish a legal non-profit organization and further administer the activity through a City/Town/District bank account without the knowledge of the City/Town/District Treasurer. In these situations, these are not PTO accounts, but are in fact student activity accounts and do fall under Chapter 71 Section 47.

Q13: Is each Student Activity required to be approved each year by the School Committee or only once at creation?

No. Chapter 71 Section 47 does not provide guidance on the annual election of student activities by the School Committee once created; however, ESE believes that it is good practice to annually elect each activity account at the beginning of the school year since school committees have substantial turnover, and philosophies change from school committee to school committee, year to year.

Q14: May the proceeds from the sale of merchandise in a school store be deposited into a student activity account?

Yes and No. Since school stores are not governed by any specific MGL, it is ESE’s opinion that if the activity is administered by the students and the School Committee authorizes the proceeds to be used for the benefits of the students, then the proceeds from this activity may be deposited into the student activity account. If not, then these must be accounted for as revolving funds.

Q15: Are vending machine proceeds from machines situated in the school buildings included as part of student activities?

No. It is the opinion of ESE that vending machines are purchases of items that are consumed and, therefore, should be governed under Chapter 548 of the Acts of 1948 – School Lunch Revolving Funds. Accordingly, these proceeds may not be deposited into student activity accounts.

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Q16: May student accounts be used to pay stipends or other payroll?

No and Yes. Payroll must be paid from the general operating budget and may not be paid from student activities. Stipends, if approved by the School Committee and directly benefit the students, may be paid from student activities accounts, however the compensation received for such activities must be included as taxable wages on the employee's W-2.

Q17: Is the student activity required to adhere to IRS reporting with respect to backup withholding taxes and Form 1099-MISC?

Yes. A student activity organization is subject to the rules related to backup withholding taxes and Form 1099-MISC reporting.

A process should be in place whereby W-9s are received from all vendors, and Form 1099-MISCs are distributed when appropriate in accordance with IRS regulations each January, for the previous calendar year's payments. This should be performed in conjunction with the City/Town/District Treasurer.

Q18: In my school, the Principal puts all deposits into one general ledger account and spends from this same general ledger account for any purpose. Is this proper?

No. It is ESE's opinion that each student activity has its own specific mission and funds are collected to support the viability of that mission. Therefore, it is critical that a subsidiary ledger is created to properly match expenditures against the funds that are collected for that purpose in order to allow Advisors the transparency to determine the amount of funds available at any specific time. Based on this, funds should not be accounted for in only one general account.

Q19: Is it proper to purchase supplies with student activity funds?

No and Yes. Student activity funds are expressly set up to benefit the student and may not be used to supplement the operating budget or any other curriculum expenditure. However, if the supplies are purchased specifically for the use of a student activity club or organization in connection with their stated goals, then it is permissible.

Q20: Should the student activities avoid making large reimbursements to sole individuals?

Yes. The payment of large reimbursement checks to any one individual should be avoided. In addition to the control risks this presents, there is also the risk that an individual utilizes their credit card to make the purchase and then accrue credit card "rewards" which may create a conflict of interest. In the event that reimbursements are made in situations that are not avoidable, these must first be approved by the Principal.

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Q21: My school often gives individuals blank checks when going to the supermarket for refreshments for club functions because the amount is not known. Is this proper?

No. The issuance of blank checks should be prohibited in any situation. Efforts should be made to have the vendor set up an account and bill the student activity, or request that the individual purchase the goods and accept reimbursement upon the evidence of supporting documentation.

Q22: My District has over 25 schools. Do all these schools need to be audited under Chapter 71 Section 47?

No. It is ESE’s opinion that from a practical sense, all schools within the District whose activities exceed \$25,000 annually must be audited while those schools whose activity is less than \$25,000 will be audited using a representative sample. Those that are audited by the independent auditor may also be audited on a rotating basis, as discussed in a previous FAQ.

Q23: May a student activity disburse funds to a charitable organization?

Yes: The “anti-aid” amendment to the Massachusetts Constitution (Article 46, as amended by Article 103 of the Articles of Amendment) prohibits the use of public money or property “for the purpose of founding, maintaining or aiding any infirmary, hospital, institution, primary or secondary school, or charitable or religious undertaking” that is not publicly owned and controlled. *However, since student activities are private money, they are exempt from the provisions of this requirement.* ESE does believe any contributions from student activity money should be approved by the School Committee

APPENDIX B

Massachusetts General Law Chapter 71 Section 47

The committee may supervise and control all athletic and other organizations composed of public school pupils and bearing the school name or organized in connection therewith. It may directly or through an authorized representative determine under what conditions the same may compete with similar organizations in other schools. Expenditures by the committee for the organization and conduct of physical education, athletics, sports, games and play, for providing proper apparatus, equipment, supplies, athletic wearing apparel, including appropriate souvenir garments and trophies, and facilities for the same in the buildings, yards and playgrounds under the control of the committee, or upon any other land which it may have the right or privilege to use for this purpose, and for the employment of experienced athletic directors to supervise said physical education, athletics, sports, games and play, shall be deemed to be for a school purpose. Expenditures by the committee for making special awards to pupils who have performed meritoriously in the fields of art, debating, distributive education, music, science, social studies or languages shall also be deemed to be for a school purpose. Cities and towns may appropriate for

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the employment of coaches to supervise in public schools physical education, athletics, sports, games and play, and for the transportation and expenses of public school athletic teams, coaches, cheerleaders, bands and any other groups composed of public school pupils which bear the school name and are under the control of the school committee, within and without the commonwealth, to places where athletic contests or physical education, sports, games, play, musical festivals, competition or other events are held, and for the purchase of band and cheerleaders' uniforms and musical instruments for the members of bands composed of public school pupils and bearing the school name and under the control of the school committee. All receipts by the committee in connection with the conduct of activities provided for under this section or any other activity not expressly provided for in this chapter but sponsored by the school committee in which participation is contingent upon the payment of a fee by the participant, shall be deposited with the treasurer of such town or, in cases where the town is a member of a regional school district, with the treasurer of such district and held as a separate account and expended by said school committee without further appropriation, notwithstanding the provisions of section fifty-three of chapter forty-four. No moneys may be expended from an appropriation or from the separate fund authorized by this section except upon the approval of the school committee, or of the selectmen in towns and of mayors in cities, for travel to other states.

Notwithstanding the provisions of the preceding paragraph or section fifty-three of chapter forty-four, the school committee of a city, town or district may authorize a school Principal to receive money in connection with the conduct of certain student activities and to deposit such money, with the municipal or regional school district treasurer, into an interest bearing bank account, hereinafter referred to as the Student Activity Agency Account, duly established by vote of the school committee to be used for the express purpose of conducting student activities. Interest earned by such Student Activity Agency Account shall be retained by the fund and the school committee shall determine for what purpose such earnings may be used. In addition to such Student Activity Agency Account, the school committee may authorize the municipal or regional school district treasurer to establish a checking account, hereinafter referred to as the Student Activity Checking Account, to be operated and controlled by a school Principal and from which funds may be expended exclusively for student activity purposes for the student activities authorized by the school committee. Such account shall be used for expenditures only and funds received for student activities may not be deposited directly into such account.

The school committee shall vote to set the maximum balance that may be on deposit in such Student Activity Checking Account. The Principal designated to operate and control such Student Activity Checking Account shall give bond to the municipality or district in such amount as the treasurer shall determine to secure the faithful performance of his duties in connection with such account. To the extent that the funds are available in such Student Activity Agency Account, funds up to the maximum balance set by the school committee shall be transferred from the Student Activity Agency Account through the warrant process to initially fund such Student Activity Checking Account.

Periodically, to the extent that funds are available in such Student Activity Agency Account, the municipal or regional school district treasurer shall reimburse such Student Activity Checking Account, through the warrant process, to restore the limit set by the school committee. The

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Principal shall adhere to such administrative procedures as the municipal or regional school district treasurer or accountant may prescribe. *There shall be an annual audit of the student activity funds which shall be conducted in accordance with procedures as agreed upon between the school committee and the auditor based upon guidelines issued by the department of education.*

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