



STUDENT ACTIVITY FUNDS

Introduction and Reminders for New Principals

Student Activity Funds

Student Activity Funds

- ✓ Student Activity Funds are comprised of all monies received from sales, fees, fundraisers, donations, or other sources that are raised by individual schools of the District.
- ✓ Funds are held at the school in a trust capacity and are to be used for the benefit of the students by whom they were raised. The funds are kept within the school's SAF checking account.
- ✓ Accounting for SAF is completed by a representative from the school, typically the administrative secretary or school bookkeeper, then reviewed by the SAF department. The principal is ultimately responsible for all SAF activity.

Important Policies and Regulations

- **“No student shall be prohibited from participating in sanctioned activities related to the educational program because of the inability to pay fees associated with the activity.” WCSD Board Policy 5300**
- **“No programs or activities shall be allowed in the schools during regular school hours when admission is charged and only those who pay are dismissed from class.” WCSD Administrative Regulation 5134.7**

Examples of Past Violations

Concerns About Inappropriate Uses of SAF Monies are not Theoretical

Embezzlement	Staff Incentives	Alcohol
<p>Several years ago, a bookkeeper prepared SAF checks made out to her and forged signatures of the principal.</p> <p>The amount of embezzled monies exceeded \$30,000.</p>	<p>Directly from Internal Audit's report:</p> <p><u>Issue:</u> "A portion of the Principal's Discretionary Fund was spent on school staff incentives."</p> <p><u>Discussion and Background:</u> "Gifts/incentives, prizes or awards for employees that are purchased with student activity funds monies may be purchased only from the "Staff Gifts and Incentives" account.</p> <p><u>Risk:</u> "Poor public image."</p>	<p>Last year, a principal treated their staff to a holiday dinner using restricted SAF monies. The dinner was at a brewhouse and the itemized invoice showed hundreds of dollars for alcohol.</p>

Types of Funds

Restricted Funds	Non-Restricted or Discretionary
<ul style="list-style-type: none">• Raised or received for specific purpose and/or group.• MUST be spent on that purpose only.• Examples: Class fees, athletic fees, donations, scholarships, fundraisers, textbook deposits.	<ul style="list-style-type: none">• Funds raised or received without a specific purpose or group identified.• The principal decides how the funds are spent, BUT funds <u>must be spent to contribute to the educational experience of the students and add to the instructional program and general welfare of the students.</u>• <u>Funds cannot be spent on staff unless explicitly allowed by the donor.</u>

Types of Income

Fees Charged	Fundraising Income	Donations	Grants
<ul style="list-style-type: none"> • Must be spent on the students who paid the fee. • Fees charged to students must reflect the exact cost of the materials required for the class or activity, they may not generate a profit. • Includes any amounts charged for athletics, classes, field trips, etc. 	<ul style="list-style-type: none"> • Intentionally generates a profit. • Reason for fundraiser must be noted on advertisements and Fundraiser Approval Form. • Profits from fundraisers may be carried over to subsequent years when the approval to accumulate funds for a designated purpose exists. 	<ul style="list-style-type: none"> • Must be spent how the donor letter intends. • Requires an accompanying letter describing how funds should be spent. • Extremely restricted to donor's guidelines. • May carry over to following years, if allowed per donor. 	<ul style="list-style-type: none"> • Must follow grantor guidelines. • Any grant over \$10,000 must be sent to the Grants Department. • Usually have additional requirements: time period for use, fiscal reporting, and more. • See SAFPM to determine if funds must be handled through Grants Department.

Student Fees

"No student shall be prohibited from participating in sanctioned activities related to the educational program because of an inability to pay fees associated with the activity." BP 5300

- Student Fees are restricted funds and MUST be spent on the reason that they were raised.
- Fees may NOT generate a profit, **this includes athletic spirit packs, field trips, class fees, etc.**
- Class fee accounts may not have a balance over \$100 at the end of the school year. If any account does have over \$100, fees must be modified or eliminated (SAFPM).
- Any fee charged to students must be approved by the principal on the Class Fee Approval Form (AF 3502, available on WCSD Insight).
- Class or activity fees assessed to cover the cost of materials or activities should reflect the actual amount expected to be spent on the materials or activity.

Monthly Processes

Completed by Bookkeeper	Completed by Principal
<p>Throughout the Month:</p> <ul style="list-style-type: none"> ▪ Ensuring all transactions are entered in the accounting software. ▪ Complete 'Closeouts' (Tracks users) and make (at minimum) weekly bank deposits. ▪ Issue payments as needed from school. ▪ Holder of school's Pcard. ▪ Retain all backup documentation for bookkeeping. <p>Completed & Sent to SAF within 30 days of Month End:</p> <ul style="list-style-type: none"> ▪ Trial Balance report ▪ Account Analysis Summary report ▪ Bank Reconciliation(s) for each account ▪ Bank Statement ▪ Cash Disbursement report ▪ Account Analysis Detail report (distributed to advisors) 	<p>Throughout the Month:</p> <ul style="list-style-type: none"> • Review/sign any check requests and Pcard requests. • Review/sign checks, journals, adjustments. • Ensure a backup bookkeeper is designated and trained. • Ensure all procedures are followed per the SAFPM. • Hold all responsibility for SAF and transactions within SAF. <p>Completed within 30 days of Month End:</p> <ul style="list-style-type: none"> • Complete/sign Principal's Monthly Checklist. • Review/sign monthly reports and bank reconciliation(s). • Ensure reports and Principal's Monthly Checklist are emailed to SAF office within 30 days of month end.

Staff Incentives

How does your school pay for Staff Incentives?

- Each school will have a Staff Incentives account, where schools will account for **any** income and expenses for staff appreciation/incentives. Schools may also have a “Sunshine” type account, funded by staff, for staff events.
- **Donations that are to be used for staff incentives must specifically state as such.**
 - **General donations are not permitted to be used on staff.**
- Examples of approved ways to fund staff incentives: vending machine profits (labeled on machines), staff specific donations, fundraisers advertised as staff incentive contributions.
- Funds from the **principal’s discretionary or interest** accounts may not be spent on staff incentives. These accounts are discretionary funds but must be spent on the students.

Bank Deposits

Amount Limits for Schools	Holding of Cash at the School
<ul style="list-style-type: none">Bank deposits must be made weekly, at a minimum, or when a school reaches:<ul style="list-style-type: none">\$1000 for Elementary\$1500 for Middle Schools\$2500 for High Schools <p>Schools banking with United are provided a free weekly courier service and should use this service.</p>	<ul style="list-style-type: none">NO cash should be kept at the school over the weekend.NO cash should be kept in a classroom, it should always be turned into the secretary or bookkeeper.Cashless payment methods are recommended when possible.

Prohibited Expenses

Inappropriate Purchases	
<ul style="list-style-type: none">• Alcohol is never allowed to be purchased with SAF. This includes admission to events where alcohol is the primary draw, alcohol for fundraisers, etc.• Sales tax should never be paid or reimbursed, WCSD is tax exempt.• Purchases for staff, unless paid for with funds specifically raised for staff incentives.• Loans to any person.• Payment to any employee, except:<ul style="list-style-type: none">• Approved reimbursement of expenses, which can be paid from SAF.• Student activity workers or categorical grant paid employees authorized by a school administrator, which must be paid through Payroll.• Purchase of cell phones.• Financed items.	<ul style="list-style-type: none">• Payment for services is NOT permitted through SAF.<ul style="list-style-type: none">• If services are required, an ICA must be used with payment being issued from the district office. Please contact the ICA team with any questions.• Payment of personal professional dues.• Payment to a credit card company for reimbursement of expense.• Cash advances or advance reimbursement of staff expenses.• Capital assets, item of value assets, or technology assets must be purchased through regular District purchasing procedures with a purchase order. <p>Please see the SAF Procedure Manual for a complete list of prohibited expenses.</p>

Booster Groups / PFO

Formation of a Booster Group	Relationship with the School	Donations to the School
<ul style="list-style-type: none">• Group will meet with the principal to discuss the purpose, role and organization of the group and obtain approval to proceed with organization.• Group must have: 501(c)(3) designation, tax ID number, bylaws or constitution, registration with the NV Secretary of State. They will operate as a separate organization.	<ul style="list-style-type: none">• The school administrator or their designee should attend all meetings and must approve any activity that affects the school prior to the activity.• No district employee will be an authorized signer on the group's account unless that person is an elected officer.• The school administrator can dissolve the relationship between the school and the booster group at any time.	<ul style="list-style-type: none">• Booster groups will donate funds (not items) to the school. The school must comply with WCSD purchasing guidelines.• No district employee will collect or disburse funds on behalf of a booster group.

Common Audit Findings

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| <ul style="list-style-type: none">• Fees collected but not spent on current students.• Untimely bank deposits.• Missing backup documentation for deposits: fundraisers, book fairs, Individual Receipt Logs, etc.• Incomplete Forms: Cash Count Slips, Pcard request, check request, etc.• Payment for services not processed through the Business Office. | <ul style="list-style-type: none">• Restricted funds used for Staff Incentives.• Missing third approval on disbursements.• Missing itemized backup for Pcard transactions, reimbursements, etc.• Not using Cash Gift Card Signature Form.• Checks signed by the payee, or pre-signed.• Alcohol is never an approved expense. | <ul style="list-style-type: none">• Principal's Monthly Checklist completed incorrectly.• Individuals able to access the safe alone.• Adjustment numbers not noted on the bank statement.• Bank signers should reflect the current authorized signers.• Checks over 6 months old not voided. | <ul style="list-style-type: none">• Deficit spending.• Interest posted to the incorrect account(s).• Donations over \$10k not processed through SAF.• Void checks not defaced.• Account Analysis Detail reports not provided to activity advisors monthly.• Monthly reports not sent to SAF within deadlines.• Money kept in classrooms overnight. |
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Summary & Contact Information

Student Activity Funds	Contact Information (as of 2024)
<ul style="list-style-type: none">• <u>SAF are monies raised, charged, or donated for the benefit of the students.</u>• SAF subject to same rules as other district funds, and SAF Procedure Manual.• Fee generated accounts should not retain a balance over \$100 at year end.• Information in this presentation is derived from the SAF Procedure Manual. The full manual and all forms are available on WCSD Insight: WCSD Insight - Business Tab – Student Activity Funds	<ul style="list-style-type: none">• SAF General Inbox<ul style="list-style-type: none">• SAF@WashoeSchools.net• Assistant Controller, Mindy Caporin<ul style="list-style-type: none">• Supervises Student Activity Funds• Mindy.Caporin@WashoeSchools.net• SAF Department Phone Number<ul style="list-style-type: none">• 775-325-2070