

STUDENT BODY FUND
ACCOUNTING HANDBOOK

For

ELEMENTARY and SECONDARY SCHOOLS

Coos Bay School District #9

Coos Bay, Oregon

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TABLE OF CONTENTS

DEFINITIONS, PRINCIPALS AND ACCOUNTABILITY

Definitions	2
Principles	3
Accountability	4
Banking Principles	5
Appropriate Uses of Student Body Funds	6

RECEIPTS

Required Form Table	8
Fundraising Guidelines	9
Student Store and Concessions	10
Cash Collections	10
Bank Deposit Procedures	11

DISBURSEMENTS

Disbursements without a Purchase Order	
Disbursements with a Purchase Order	13
Guidelines and Documentation Requirements	14
1099 Reporting	15
Credit Cards	16
Petty Cash	17

FINANCIAL ACCOUNTING, AUDITS AND RECORD RETENTION

Adjustments and Transfers of Funds	19
Bank Account Reconciliation	20
Financial Statements	21
Audit Preparation	23
Record Retention Policies	24

FREQUENTLY ASKED QUESTIONS

Use of Student Body Funds	26
Cash Disbursement Documentation Requirements	29
Student Body Fund Credit Card Use	31
Gift Certificates	32
Gifts and Personal Use of Credit Cards	33

Forms

Club/Organization Authorization Form	35
Request to Conduct Fundraising Activities	36
Fundraising/Activity Receipt Report	37
Change Fund Request	38
Purchase Order	39
Credit Card Sign Out Sheet	40

SECTION ONE
DEFINITIONS, PRINCIPLES AND ACCOUNTABILITY

DEFINITIONS

Public Funds are any funds raised or provided by the public to support district operations or satisfy capital obligations. Therefore, student body funds are considered public funds and are subject to school district oversight, management, and accountability.

Student Body Funds include those funds that are raised or procured by students; raised or provided on behalf of students, schools or programs; or raised from positions held by employees of the district. These funds include, but are not limited to, donations, fundraisers and sales.

Third Party Organizations are those organizations that are independent entities with a 501(c)3 IRS status that raise and manage monies separate from the school district, such as PTAs or Booster Clubs.

A **public official** is any individual performing services for a public organization, such as a school district. **All school employees are considered public officials.** ORS 244.040(1)(a) prohibits public officials from using their positions to obtain financial or personal gain. Actions that are specifically prohibited include accepting gifts, money, discounts, awards, or rebates for services performed, or for purchases made, while in the role or performance of duties as a public official.

School sponsored activities are approved by the school's principal, operate under the guidance or supervision of qualified adults, and, are designed and intended to provide opportunities for students to participate in such experiences on an individual basis, in small groups, or in large groups at school sponsored events.

Employees of the school district must avoid actions that create even the appearance of using their positions for personal gain or private purposes. Examples of potential conflicts of interest include:

- Giving and receiving gifts, other than token gifts, in the course of doing school district business. Token gifts are items of inconsequential or minimal value, (generally below \$25).
- Since minimal public benefit is achieved or accomplished by accepting gifts, unclear or questionable situations should always be decided by rejecting gifts, gratuities, or favors that may raise questions regarding the school district employee's integrity, independence, and/or impartiality.
- Outside employment or the promise of outside employment to a school district employee which would interfere with or inappropriately influence one's decision or actions or give the appearance of such inappropriate action.

PRINCIPLES

- Student body funds may be raised and spent to promote welfare, education and morale of the respective school district students. Projects financed by student body funds shall generally contribute to the educational experience of students and not conflict with the school district's or individual school's instructional program.
- Student funds shall be used only for the purposes described in the Student Body Fund Accounting Handbook. Purposes for the use of funds not described in the handbook shall have the written approval of the District Business/Finance Department.
- Funds derived from authorized clubs and organizations shall be expended to benefit the specific club or organization which has contributed to the generation, procurement, and accumulation of those funds.
- Funds derived from and obtained by the Student Body as a whole shall be expended to benefit the Student Body as a whole, and the Student Body shall be represented in democratic management of those funds which were raised and procured by the students and shall be expended for their benefit.
- Student Body funds shall not be raised or obtained to purchase items for the personal benefit of any individual student or staff member.
- Participation in student activities or fund raising shall not be required and school credit will not be given, except for those specifically specified classroom activity funds such as yearbook.
- The management of Student Body funds shall be in accordance with generally acceptable business practices. All accounting records and documentation for transactions shall be maintained in accordance and comply with applicable state and federal laws and regulations as well as recorded and reported in accordance with generally accepted accounting principles for all transactions.

ACCOUNTABILITY

- The **Board of Education** provides overall direction of Student Body funds through the superintendent. Student Body funds shall be audited annually by the Board's designated auditor.
- The school district **Business Department** establishes accounting procedures for Student Body financial activities to ensure compliance with state statutes, district policies, and accounting principles. The Department will assist in training, provide consulting service to schools, and conduct internal audits and regular continuous monitoring of financial activities.
- Each **Principal** is responsible for the administration of the respective building's Student Body funds. The Principal, as trustee, can be held personally responsible or liable for replacement of student funds that have been improperly or inappropriately spent.
- The **Student Council** at the secondary level, or **Site Councils** at the elementary level, are responsible for adopting and regulating procedures which provide direction for:
 - Forming clubs, activities or classes
 - Establishing estimates and internal budgets of revenues and expenditures
 - Requesting initial funds from the School District
 - Requesting the right to hold activities, fundraisers, and events
 - Scheduling activities
 - Dealing and working with parent/booster groups
 - Requesting expenditures of funds
 - Reporting financial status on a current basis
 - Accurate and timely recording of clubs', classes', and activities
- The **Club Advisors** are responsible for monitoring the financial activity for their individual club, or organization. For classroom activities, **Teachers** are considered to be the **Club Advisors**.
- The **Athletic Directors** are responsible for monitoring the financial activity for clubs associated with individual sports.
- The **Bookkeeper** is responsible for ensuring that the proper documentation and evidential matter is obtained for all transactions. This includes providing appropriate cash receipt forms to all Club Advisors prior to the event, and requiring adequate and complete documentation prior to disbursing any funds from a student body account. In addition, club advisors are responsible for training and communicating respective staff on the proper use of student body funds.
- School based accounts shall be **audited** annually by an external auditor with interim reviews, and monitoring performed by the district business office.

BANKING PRINCIPLES

USE OF BANK ACCOUNTS

All Student Body funds are to be deposited and maintained in a federally insured checking account, or in the event where funds temporarily exceed current needs, excess funds may be invested in a federally insured savings account, federally insured time certificates of deposit or with the Local Government Investment Pool (LGIP).

No bank account is to be opened or closed without the approval of the School District's Business Manager.

All Student Body generated revenues are to be deposited into the checking account.

Properly approved Student Body expenses, deposits to savings accounts, and purchases of time certificates of deposit are to be paid from the checking account.

Authorized signers should include the Principal, other building administrator, or at least one other building staff member. The Bookkeeper may also be an authorized signer, however if the bookkeeper signs checks, he or she cannot also sign the respective purchase orders.

FUNDS RAISED BY OTHER ORGANZATIONS

Funds raised by independent third party organizations, such as PTA groups whose purpose is to support athletic or activity programs, will be managed by the respective third party organization procuring the monies. These organizations are separate entities from the District and will use their own federal tax ID number for recording and reporting their activities which they are solely responsible for. **All club advisors, including athletic coaches, are prohibited from participating in the management and disbursement of the funds of these organizations, including the authority to sign checks unless specifically authorized by Board.**

Outside organizations may not use student body bank accounts for their own activities. An organization may donate money to the student body account, and those funds could then be directly deposited and disbursed from the student body accounts, so long as they are an appropriate and authorized use of student body funds.

APPROPRIATE USES OF STUDENT BODY FUNDS

Appropriate uses of student body funds include, but are not limited to, the following:

- Class or activity club field trips
- Student rewards, prizes, and other awards
- Student club parties, dances, or authorized events
- Out of town contests or pre-scheduled and approved events
- Purchases of supplies for students' use in the classroom or authorized activity
- Approved staff development expenses for club advisors and coaching staff related to their authorized role as club advisor or coaching

Inappropriate uses of student body funds include the following:

- Travel, meals, and lodging for staff members except when traveling with their respective student group or team
- Purchases for staff members, coaches, or club advisors including equipment, supplies, and snacks
- Gift certificates, unless purchased as a prize or award for an authorized student activity
- Athletic event entry fees, unless required for the entire team's admission to the specifically authorized event

Illegal or prohibited uses of student body funds include the following:

- Any and all purchases of alcoholic beverages including those purchased with a meal
- Adult entertainment
- Compensation for volunteers or other staff members for work or services performed for the school or school district (including gift certificates)

Note: There are several pages of examples to guide you in the appropriate use of student body funds in the FAQ section of this handbook. If you are unsure of whether an individual expense would be appropriate, please contact the School District Business Department for clarification or approval.

SECTION TWO
RECEIPTS

RECEIPTS

It is the School Bookkeeper's responsibility and duty to make sure that club advisors and teachers have the proper paperwork, forms and instructions to account properly for all cash receipts, before the activity or event takes place.

The following table summarizes the required forms and documents needed for individual authorized activities:

Activity	Required Preprinted Standard Forms
Car washes, garage sales, donation jars, etc.	Request to Conduct Fundraising Activity Fundraising/Activity Receipt Report
Student Sponsorship Events (Val-o-Grams, Jump-a-Thon, etc.)	Request to Conduct Fundraising Activity Single Purpose Receipt (<i>listing each student's name and amount collected</i>)
Class Fees and Fieldtrips	Single Purpose Receipt (<i>listing each student's name and amount paid</i>)
Club Sponsorships (Yearbook ads, fence signs, dance sponsors, holiday entertaining, etc.)	Request to Conduct Fundraising Activity Single Purpose Receipt Fundraising/Activity Receipt Report
Concessions and Student Stores	Sign Change Fund Checkout Form Fundraising/Activity Receipt Report
Dances, dinners, movie nights, talent shows, etc. or other pre-approved events.	Request to Conduct Fundraising Activity Sign Change Fund Checkout Form Fundraising/Activity Receipt Report
Student-controlled sales (Candy bars, pizza cards, beef jerky)	Request to Conduct Fundraising Activity Fundraising/Activity Receipt Report
Teacher / Advisor-controlled sales (Popsicles, Y-Ties, YoYos, Entertainment books, etc.)	Request to Conduct Fundraising Activity Single Purpose Receipt (<i>listing each student's name and amount collected</i>) Fundraising/Activity Receipt Report
Pre-sold Items (Bulbs, magazines, cookie dough, gift wrap)	Request to Conduct Fundraising Activity Single Purpose Receipt (<i>listing each student/parent's name and amount turned in</i>) Fundraising/Activity Receipt Report

FUNDRAISING GUIDELINES

All fund raising events must be approved in writing by the Principal prior to beginning the activity using the Request for Fundraising Activity Form. No fundraising activity shall take place unless the form has been submitted, and approved prior to the start of the event.

Once approval is received, the Club Advisor may proceed with organizing the event. The Club Advisor is responsible for instructing students and adult volunteers on correct and appropriate procedures. If the Club Advisor is not familiar with the recordkeeping or other requirements, he or she should contact the Bookkeeper for detailed instructions specific to that event.

By requesting approval for a fundraiser, the Club Advisor accepts all responsibility for training volunteers and students on proper and correct procedure for accurate and complete accounting for all cash collected.

Expenses may not be paid out of the fundraising proceeds, except in limited circumstances and when it was part of the authorized written fundraising plan approved by the Principal. Cash disbursements directly from fundraising proceeds will seldom be allowed and should be properly and accurately accounted for, if necessary. Fundraising supplies should be acquired and paid for using the guidelines provided under cash disbursements in this handbook.

RECEIPT PROCESS – FUNDRAISERS, FIELDTRIPS, EVENTS, ETC.

1. Club Advisor (or Teacher) requests approval for a fundraising event using the Request to Conduct Fundraising Activities standardized form. The completed form is turned into the principal.
2. Principal reviews request and approves fundraiser by signing the form. The form is returned to the Bookkeeper, who maintains one copy on file.
3. Bookkeeper notifies Club Advisor that the fundraising event has been approved and authorized. Bookkeeper provides the appropriate cash receipt standardized forms to the teacher/advisor at that time and provides the Club Advisor with instructions on how the cash must be accounted for, reconciled and reported.
4. Club Advisor collects money from the fundraising event, and fills out the appropriate paperwork as instructed by the Bookkeeper. If the fundraiser will run or occur for longer than a week, the Club Advisor must record, summarize, and reconcile the event's receipts on a weekly basis and submit the accurate and complete information to the Bookkeeper, along with all monies collected.
5. Club Advisor turns money, with appropriate, accurate, and complete back up documentation, into the Bookkeeper.

RECEIPT PROCESS – STUDENT STORE AND CONCESSIONS

1. The authorized store manager or concessions manager signs the completed change fund standardized checkout form to receive till change.
2. Bookkeeper provides the Fundraising/Activity Receipt standardized form to the manager and provides instruction on how the cash must be accounted for, recorded, reported, and reconciled.
3. At the end of each day or activity the receipts along with the completed Receipt report form will be turned back into the Bookkeeper for review, approval, and file maintenance.

Under no circumstances should expenses be directly paid for with money out of the cash box. When additional inventory or supplies need to be purchased, the Club Advisor should properly complete a purchase order and obtain prior approval for the authorized disbursement.

Cash boxes must be turned in daily to the Bookkeeper. Under no circumstances should these boxes be locked in the student store or an employee's classroom overnight.

CASH COLLECTION PROCEDURES

1. Bookkeeper verifies that the standardized required form and actual amount turned in reconcile and agree. **This should be done immediately or as soon as possible.** Discrepancies should be discussed and reconciled with the responsible party.
2. A copy of the completed Receipt Report form signed and dated by the Bookkeeper will be returned to the Advisor, manager, or Organization.
3. Student Store or Concession cash boxes' and appropriate forms should be collected or turned in daily.
4. Endorse the back of each check with a stamp that reads as follows: "For deposit only, (account number), (school name)."
5. Place all cash, receipts and supporting forms in a locked, secure location with limited access.
6. If total cash on hand exceeds \$500, (\$1,500 for high schools) the cash must be deposited that day. If the cash does not exceed \$500, a weekly bank deposit is required.

BANK DEPOSIT PROCEDURES

1. If using OSAS, enter all receipts into an excel check register. If using Quicken accurately and completely enter receipts into Quicken and reconcile all postings.
2. Complete a bank deposit slip. Make copy of deposit slip and attach backup documentation for all receipts. The deposit should be made and reconciled that day.

SECTION THREE
DISBURSEMENTS

DISBURSEMENTS

It is the Principal's, Advisor and Bookkeeper's responsibility to make sure that disbursements are appropriate in nature to the respective activity account. Bookkeepers should be familiar with the *Appropriate Uses of Student Body Funds* section of this handbook before disbursing funds from the student body accounts. For examples of inappropriate or prohibited uses of student body funds, see the *Frequently Asked Questions* in this handbook. If you cannot determine whether a use is appropriate using the guidance in this handbook, please contact the Business Office for clarification or approval.

DISBURSEMENT PROCESS - REIMBURSEMENTS USING A PURCHASE ORDER

1. Teacher/Club Advisor/Coach completes a Purchase Order and submits it to the Principal or designee for approval and authorized signature. **Purchase orders must be approved before the making the purchase or placing the order.**
2. Approved, signed PO is routed to the school Bookkeeper who verifies that funds are available in the particular authorized activity account.
3. If funds are available, Bookkeeper places the order and sends the original signed Purchase Order to vendor, if required.
4. Bookkeeper keeps a copy of the signed authorized Purchase Order in the pending file.
5. After materials are received packing slips are initialed, and dated, then forwarded to Bookkeeper. If no packing slip is received, the purchaser will initial and date the invoice as proof that the items were received.
6. Bookkeeper receives the invoice and matches it up to the approved Purchase Order, verifying items, extensions, and totals for mathematical accuracy. If the documents agree, attach the Invoice, Purchase Order, and Packing Slip together as documentation for the check and file maintenance.
7. Bookkeeper writes a check for the approved invoice and submits the check to the Principal for authorized signature.
8. Principal reviews all backup documentation for reasonableness and signs the check.

DISBURSEMENT GUIDELINES

Prepare checks in strict preprinted complete numeric sequence to pay invoices by the due date and in time to take advantage of any cash discount offered.

Do not write checks which are not adequately covered by cash in the checking account.

Do not write checks which would cause an individual student body fund balance to be negative, without obtaining the Principal's specific **written** authorization.

If any error is made in writing a check, do not erase or alter it; mark it "VOID" tear out the signature portion and file the check with other checks in numerical order. Be sure voided checks are entered in EPES.

An issued check is to be voided if the check has been lost or never received and needs to be reissued. A VOID must be entered in the EPES system and all voided checks sequentially accounted for.

Arrange to stop payment with the bank only if the check amount exceeds the stop payment charge (generally about \$25).

DISBURSEMENT DOCUMENTATION REQUIREMENTS

Never write a check without adequate evidential documentation and approval. If a vendor insists on prepayment and will not take a Purchase Order or District credit card, the Club Advisor must fill out a standardized Check Request Form, which must be approved and signed by the Principal before the disbursement is made. The Club Advisor must bring an invoice or other receipt to the Principal for documentation within 48 hours.

When student clubs are participating in out of town events, they may need a funds advance for per diem meals. This is allowed, as long as the Club Advisor provides a list of all students attending and the Principal approves. Schools have the option to set a student per diem rate for meals as long as it doesn't exceed the per diem rates set by the District. However, most schools will want to set a lesser per diem for student travel. The School District suggests a per diem rate for students as follows:

- \$5.00 for breakfast
- \$5.00 for lunch
- \$10.00 for dinner

Upon return, the Club Advisor should provide the Principal with a list of the students who attended and each student should initial beside their name to indicate that they received meals on the trip.

1099 REPORTING

All payments to **service providers or contractors** must be reported to the School District Business Office each year on a quarterly basis. All payments must be reported regardless of the amount paid. The District is required to add up all student body fund payments to determine whether an individual contractor must be issued a Form 1099. Note that the amounts to be reported are for the **calendar year**, not the school year which necessitates the quarterly reporting.

You will be reminded in early January of each year to provide the following information:

1. The name of the vendor
2. The total payments for each vendor
3. A completed Form W-9 for each vendor, which requires their social security or federal ID number, address, etc.

CREDIT CARDS

Credit cards issued to the individual schools for use with student body related disbursements are allowed, with some limitations and required monitoring. The credit card should have the school's name on the front of the card.

Generally, reimbursements for district purchases paid personally by a staff member or volunteer will only be made if the documented purchase was paid for using cash or personal check.

Credit card accounts may not be opened without the approval of the Business Manager.

All purchases must be pre-approved by the principal or designee in advance of purchase. Users must fill out the standardized Request for Use form in advance of using the card. Users must return the card, along with all receipts and backup documentation to the Bookkeeper within two business days after use of the card. The forms must be filled out completely; detailed receipts and sufficient evidential documentation are required for all purchases.

Approved uses include:

- Use at businesses for student activity related purchases for which the business does not accept a purchase order. User must obtain prior approval and verify that there are funds available for the activity prior to activating the card's purchase.
- Use to pay for travel related expenses for student activities for which there is prior authorization and approval and funds available. Detailed receipts and backup documentation are required.

Uses that are **not permitted**:

- Use for non-student activity purposes to be reimbursed by District check or outside organization (i.e. the parent-student organization).
- Use for student activity related purchases at a vendor that accepts purchase orders. If they accept a purchase order, use a purchase order and follow the required Purchase Order process.
- Any use for which there are no specific funds allocated in the student body accounts. This includes using the credit card for student body accounts that have a zero or negative balance, or unauthorized or unapproved purchases.

PETTY CASH

Petty cash reimbursements may be made to staff members, volunteers or students for supplies and/or services received if properly authorized and documentation is presented. Petty cash reimbursements may not exceed \$50 per purchase. Invoices or receipts must be provided and approved before payment is made.

PETTY CASH PROCESS - DISBURSEMENTS

1. Requestor fills out a Petty Cash Reimbursement Request standardized Form and attaches original receipts and documentation to the request. Bookkeeper issues cash reimbursement upon approval and signing.
2. Requestor fills out a Petty Cash Advance Form and gets approval of the Principal or designee and turns it in to the Bookkeeper. Bookkeeper gives the requestor the approved petty cash advance who signs receipting document. Requestor makes purchase and turns in receipts and any left over cash by the next business day.
 - Forms will include
 1. Name and signature or initial of Requestor
 2. Amount and purpose of expenditure
 3. Account name and account number
 4. Approval of Principal or designee

PETTY CASH PROCESS – RECONCILIATION

As needed, the Bookkeeper will reconcile petty cash and request replenishment from the Business Office. **You must reconcile your petty cash at least once per month**, even if you do not need to replenish your cash.

1. Bookkeeper records and reconciles petty cash activity using the Petty Cash Reconciliation Form. An example is provided in the Forms Section of this handbook. You can obtain an electronic version of this form from the Business Office.
2. Bookkeeper prepares an approved purchase order, and attaches the reconciliation form and receipts to the purchase order.
3. Bookkeeper prepares a check drawn on the Student Body checking account, payable to the custodial of Petty Cash, and submits the completed, approved package to the Principal.
4. Principal reviews and approves the purchase order, and signs the check.
5. Bundle the following documentation together and file in the petty cash file:
 - Copy of Check executed
 - Purchase Order authorized
 - Petty Cash Reconciliation signed
 - Receipts and Invoices approved

SECTION FOUR
FINANCIAL ACCOUNTING, AUDITS AND RECORD RETENTION

ADJUSTMENTS AND TRANSFERS OF FUNDS

ADJUSTMENTS

An adjustment might be necessary when reconciling the bank statement.

For all entries involving an adjustment to the bank account:

- Prepare an Adjustment of Funds form, listing and specifically identifying and describing all adjustments for that month
- Obtain signed approval of Principal
- Enter in OSAS or Quicken as a JOURNAL ADJUSTMENT, noting the reason and details for the adjustment with the appropriate date, amount and approval
- Attach any backup documentation and approval to the Adjustment of Funds form.
- File the completed and initialed adjustment documents in chronological order

BANK ACCOUNT RECONCILIATION

All financial institution bank statements should contain a cutoff date of the last day of the month.

1. Bank reconciliations must be performed on the OSAS or Quicken system by the 15th of each month.
2. Print a bank reconciliation detail summary for each bank account.
3. Print a list of Outstanding Checks from the Reports option.
4. Bundle together in the following order:
 - a. Bank Reconciliation Report
 - b. List of Outstanding Checks
 - c. Bank Statement
 - d. Ledger Report
5. Present the documentation to the Principal for review, approval, and signatures.
6. Send approved, signed copies of the following documents to the Business Office by the 20th day of each month:
 - Bank Reconciliation Report
 - List of Outstanding Checks
 - First page of Bank Statement
 - Ledger Report
7. File the original documentation in the appropriate location.

FINANCIAL STATEMENTS

The School District's Bookkeeper is responsible for providing complete, accurate, and reconciled financial reports in a timely manner to the Principal, advisors, coaches, School District Business Office and district auditors. The financial statements include:

- bank reconciliation report, signed after review and approval
- general ledger report of all transactions in all activity accounts (receipts, distributions, and transfers), and,
- reconciliation report in summary and in detail of specific accounts for the activity advisor signed after review and approval

The Principal is responsible for reviewing, approving, and signing the monthly financial statements prior to distributing them to club advisors and other interested individuals.

FINANCIAL STATEMENT PREPARATION PROCESS

- 1 The Bookkeeper verifies that totals from the Cash Receipts and Cash Disbursements Journals, and individual account entries from the General Journal, are posted to the General Ledger by the 15th of the following month.

(NOTE: "Receipts" and "Disbursements" columns should contain only actual cash receipts and disbursements plus any adjusting journal entries that also affect a cash account (checking, savings, or investment). Examples are to record interest income, to correct errors in recording cash receipts or disbursements as uncovered through the bank reconciliation, voiding of checks, etc.

The "Transfer In (Out)" column should contain only journal entries that were actually transfers between accounts. Examples include a club or department purchasing something from another, or the Junior Class donating \$200 to a Memorial Fund.

- 2 Bookkeeper prepares a monthly Ledger Report when all posting have been completed to assure that there is still an equality of debits and credits.
- 3 Bookkeeper prepares the signed bank reconciliation report that verifies bank statement(s) agree to the General Ledger cash accounts (checking account).
- 4 Bookkeeper submits all accurately completed reports to the respective school's Principal for review, and signature by the 15th working day of the month.

- 5 The Principal of each respective school carefully reviews, approves, and signs the reports for completeness, accuracy and overall reasonableness. Monthly procedures should include:
 - Check that bank accounts have been reconciled and if cash and investments on the bank statements agree to the student body fund ledger and books of record.
 - Note any club account which has a zero or negative balance. If so, inform the respective group that they must make up the deficit or approve a transfer of funds.
 - Investigate and document items that come to your attention during the review and have the Bookkeeper record any necessary corrections or revisions for consideration. Resolve all questions arising during your review.
 - Initial the statement to indicate your approval and attach a memorandum containing any explanations or comments as you believe necessary.
- 6 Bookkeeper prepares and distributes notices giving current reconciled cash balances to advisors, directors, or others responsible for individual accounts.
- 7 By the 20th day of the month, submit to the School District Business Office the following:
 - Approved bank reconciliation signed by the Principal
 - Copy of the first page of the bank statement
 - Approved ledger report signed off after approval.
 - List of outstanding checks
 - Identified deposits-in-transit

AUDIT PREPARATION

Each year, the student body accounts will be audited internally by the School District Business Office staff. The purpose of the audit is to ensure that internal controls are in place (designed properly) and working properly to safeguard, and provide accountability for, the District's assets. Secondary goals of the audit include providing training, education, and opportunities for bookkeepers and office managers, and for gaining insight into ways the schools and School District may be able to improve or enhance controls or revise them to make them work more effectively and efficiently in the schools.

Audits will generally take place in the Spring and Fall. All schools will be audited every year. We will notify you approximately two week prior to your scheduled annual audit, and provide you with a list of reports and other required documentation we will need.

To prepare for the audit you should do the following:

1. Review student body accounting handbook and board policies regarding student body accounting and requirements.
2. Review prior year's auditor's report.
3. Prepare the following approved and reconciled materials and have them readily available for review:
 - Cash disbursements journal
 - Cash receipts journal
 - General journal
 - General ledger
 - Cash receipt tickets/deposits
 - Cancelled checks
 - Sequential List of Checks by check number
 - Sequential List of Receipts
 - List of adjustments with identification and descriptions
 - Ledger Report
 - Bank statements/reconciliations
 - Paid invoices, check requests, receiving records, purchase orders or requests.
 - Student body and District petty cash records
 - Financial statements
 - Investment records

RECORD RETENTION POLICY

DISTRICT BUSINESS OFFICE RESPONSIBILITY

The Business Office will retain the following documents permanently in locked, preferably fire-resistant files:

- Annual Financial Reports
- Copies of Management Letters
- Trust records

SCHOOL RESPONSIBILITY

The following documents must be retained for **ten years**:

- General Ledger

The following documents must be retained for **five years**:

- Cancelled checks
- Cash Receipt tickets
- Paid invoices
- Bank account reconciliation
- Fund adjustment documents
- Monthly Financial statements
- Cash Disbursements Journal
- Cash Receipts Journal
- General Journal
- Investment records
- Petty cash

SECTION FIVE
FREQUENTLY ASKED QUESTIONS

FREQUENTLY ASKED QUESTIONS (FAQ)

USE OF STUDENT BODY FUNDS

My Principal would like to use student body funds for a staff appreciation luncheon. Is this permitted?

In general, the answer is no. Student body funds can't be used for staff member purchases, such as appreciation lunches or staff meetings, office equipment or coffee room supplies.

There are limited circumstances where a student club may want to recognize or reward a group of staff members, but this must be initiated and approved by the students in the club. An example of this is when the dance team wishes to thank the custodians for their extra efforts in cleaning up after their practices, by buying them pizza. For this type of expenditure, you must have the signature of the student leader on the documentation, as well the club advisor's signature.

The Varsity football coach turned in a travel reimbursement request for a scouting trip. May I reimburse him out of student body funds?

No. Travel reimbursements for athletic funds should not be paid out of student body funds unless the travel was for a trip that students attended. For instance, reimbursing travel for an out of town athletic event, when the coach is accompanying the team, is permitted.

Traveling for scouting trips cannot be reimbursed out of student body funds. You may reimburse these types of travel out of your district athletic fund, if approved by the Principal.

Four of our basketball coaching staff members attended the OSAA state basketball tournament in Eugene this year. They turned in reimbursement requests for lodging, meals and mileage to this event and asked me to reimburse it out of the Boys' Basketball fund. Our team did not make the playoffs this year. Is this an appropriate use of student body funds?

No. Staff travel can only be reimbursed using student body funds when the coaches travel with the team to out of town athletic events. Because the team did not participate in the tournament, student body funds cannot be used.

You may reimburse this type of expense out of your district athletic fund, if approved by the Principal.

Each year our athletic director purchases discount tickets from OSAA for various state tournaments. Can these tickets be purchased using student body funds?

No. Admission fees to OSAA state tournaments can only be paid from student body funds if the team is involved in the tournaments, to the extent that OSAA requires the coaching staff to pay a participant fee.

USE OF STUDENT BODY FUNDS (CONT.)

During our Volunteer Appreciation luncheon, all volunteers were given a small plant in appreciation of their help. Is this OK? Also, can I pay for the plants out of student body funds?

Yes. Small gifts are permitted to show appreciation. This is because a small gift is not considered to be an equivalent to cash as a gift certificate would be.

However, this should **not** be paid for from student body funds because it does not meet the definition of an appropriate use of student body funds.

Our softball coach purchased a sympathy arrangement for a fellow staff member and has asked me to reimburse her out of the Girls' Softball student body account. Is this an appropriate use of student body funds?

In general, this is not permitted, because it is a purchase made on behalf of a staff member. Student body funds are to be spent only on activities that benefit the club as a whole.

An exception is if the team wishes to send a sympathy arrangement on behalf of the entire softball team. If that's the case, you may use student body funds, but the request must be signed by the team captain in addition to the club advisor.

Our dance team went out and had pedicures, which they charged to the Dance Team student body account. Is this an appropriate use of student body funds?

Because the pedicures were for the entire dance team, this activity would somewhat meet the definition of a student body fund expense as it benefited the students involved in the activity.

However, please keep in mind that student body funds are provided by members of our community. These community members generously donate to your school to help raise funds for the needs of the team, such as uniforms, camps and travel, so you and your Principal should provide club advisors with guidelines for what is actually an appropriate use of these funds, in addition to the requirements set forth in this handbook.

You might begin by asking yourself if the club would be able to raise funds for that specific purpose, and if not, it is probably not a good use of the money. In this case, it is unlikely that many community members would donate their money to a fund to buy pedicures for the dance team. You can also call the Business Office for assistance on setting guidelines.

Our Cheerleading advisor had dinner with a coach who put on a camp for our cheerleaders. May I reimburse her using student body funds?

No. Because the dinner was not attended by the students, this is an inappropriate use of student body funds.

USE OF STUDENT BODY FUNDS (CONT.)

The parents of some of our baseball players opened up an account to raise funds for the baseball program. They would like our Varsity baseball coach to be able to write checks for the teams' needs using this account. Is this permitted?

No. Club advisors may not participate in the management or disbursement of funds raised by an outside organization for their club. The parent group may raise funds and donate them to the club; however the group may NOT use the District's tax identification number when raising these funds.

CASH DISBURSEMENT DOCUMENTATION REQUIREMENTS

One of our club advisors used the school's Visa and turned in a \$120 receipt from Red Robin for a team event. The receipt was not itemized, so I don't know what was purchased. What should I do?

Itemized receipts are required for all purchases, including those charged to a district or school Visa. You should contact the club advisor and request that he or she contact the vendor for an itemized receipt. It is a good idea to put this request in writing, and copy your Principal so that everyone is aware of the situation. Many vendors are able to provide an itemized receipt using the reference number on the Visa. If they cannot, you should contact the Business Office for further assistance.

The Dance Team went on a trip to Las Vegas for a competition. The advisor requested cash to cover the per diem for each day's meals for the students. What type of documentation should I have for this?

Before advancing the funds, you will need to have a list of each student who is attending, along with documentation of the number of meals for each day they are at the competition. Suggested student per diem rates are \$5.00 breakfast, \$5.00 lunch, and \$10.00 dinner. However, your school can specify any student per diem rate as long as it doesn't exceed the district employee per diem rate.

When the team returns from the trip, you should obtain a second list of those who attended, along with each student's initial that he or she received the number of meals they were advanced for.

This afternoon, one of our club advisors came to me with a request for payment to a vendor for services, but did not have an invoice or other documentation. She told me that she had to have a check immediately, and would bring an invoice to me later. Should I cut the check?

You should not write a check without proper documentation. First, you should have the advisor contact the vendor and arrange with them to accept a purchase order. Many vendors will accept a purchase order when asked. For those that won't, you could use a credit card or petty cash (if it's under \$50) to make the purchase.

If the vendor will not accept a purchase order, you do not have a credit card, and the disbursement is over \$50, you should have the club advisor fill out a Check Request Form. Make sure the request is signed by the Principal before you write the check. The Club Advisor is required to return the documentation by the next business day. This should only be done as a last resort and only for vendors who do not accept purchase orders.

CASH DISBURSEMENT DOCUMENTATION REQUIREMENTS (CONT.)

I recently received a reimbursement request for a meal. The receipt was itemized; however the expense was for a \$10 lunch, and the employee left an \$8 tip, for a total charge of \$18. What is the district policy on tipping?

District policy states that tipping must be reasonable, which is defined as 15-20% of the restaurant check. When you receive a request with an excessive tip, you should calculate a 20% tip and reimburse only that amount. In this case, you would reimburse only \$12. The remaining \$6 should be picked up by the employee.

STUDENT BODY FUND CREDIT CARD USE

We have two Visa cards for our account. One card is kept in the office for check out, and one is used by the Activity Director. Does the Activity Director have to fill out a request to use the card in his possession?

Yes. All credit card purchases **MUST** be pre-authorized by the Principal. An alternative to having the Activity Director fill out a credit card request form would be to obtain permission from the Principal via email. The email must indicate the purpose, estimated amount, and vendor. Attach a copy of the email to the receipt to indicate pre-approval.

One of our teachers would like me to order some supplies that she found on the internet. Can I use the school credit card to make this purchase?

No. Schools are prohibited from using their credit cards to make purchases over the internet. All internet purchases must go through the Purchasing Department.

GIFT CERTIFICATES

We purchased gift certificates for some of our volunteers and staff members who stayed late and helped clean up after a school dance. Is this OK?

No. Gift certificates cannot be purchased to compensate any individual for time or extra effort spent during a school sponsored event. This includes volunteers, students and all district employees.

A classroom teacher purchased ten \$5 gift certificates to an ice cream shop as rewards for a classroom spelling bee. Is this OK?

Yes. Small gift certificates can be purchased to be used for student rewards or prizes for classroom or extra curricular activities. Some examples include a door prize at a student activity night, or as prizes for classroom or extra-curricular activities. If you are not sure whether a planned use qualifies, please contact the Business Office.

Our track coach handed out \$25 gift certificates to several students who helped with event timing at our latest track meet. Is this OK?

No. This would be considered “compensation for time spent”, rather than a reward or prize. An acceptable alternative would be to give all the helpers a school t-shirt or something small from the student store.

GIFTS AND USE OF PERSONAL CREDIT CARDS

One of our teachers purchased classroom supplies using his personal Visa card and has asked to be reimbursed from her classroom account. This card earns airline miles for every dollar spent. May I reimburse him?

No. It is an Oregon Ethics violation to obtain personal gain due to being a public employee. This includes receiving personal airline miles for purchases made on behalf of the school district.

Our Vice Principal purchased student incentives using her personal Visa card. The Vice Principal tells me that this card does not earn airline miles or other perks. May I reimburse her?

Yes. However, you need to have the employee sign a statement that clearly says no perks are received on the card. This statement must be retained with the receipt in the accounting records.

One of the parents in our school wants to give \$100 to her son's teacher in appreciation of her hard work. Is she permitted to accept this gift?

No. Under Oregon ethics rules, government employees may not accept gifts or gratuities, other than those that are inconsequential or of minimal value (less than \$25). However, if the parent would like to donate the amount to the teacher's classroom fund, the teacher would be allowed to use these funds to benefit purchase items to benefit the students in her classroom.

FORMS

CLUB/ORGANIZATION FORM
Marshfield High School
2008/09

This form is to be completed annually for all student clubs or organizations operated within the school.

Instructions: Fill out form and submit to Principal. Principal will forward approved form to Bookkeeper.

Name:

Purpose/Mission: Explain your club/org purpose and mission

Staff Advisor(s):

Student Officers: If there are not student officers, you should state who makes the decision (group vote, class vote, etc.)

Estimated Student Membership:

Will the club/org be raising and spending money?

If yes, estimated annual expenditures: \$

Signature of Organizer: _____

Date: _____

Approved By Principal: _____

Date: _____

To be filled in by Bookkeeper:

Account #: _____

Request to Conduct Fundraising Activities Marshfield High School

This form is to be used by clubs or other groups planning to conduct fundraising activities

- **Name of Club/Organization Conducting Fundraising Activities**
- **Date(s) and Time(s) of Fundraising Activity:**
- **Location of Fundraising Activity:**
- **Describe the fundraising activity:**
- **For what purpose is the fundraising activity being conducted?**
- **Who is responsible for the fundraising activity?**

Name:

Phone Number:

Approved By Principal: _____

Signature

Date: _____

Money raised, donations, etc. has been submitted to Bookkeeper's Office.

Deposit: \$ _____

Date: _____

Fundraising/Activity Receipt Report

Marshfield High School

This form is to be used by clubs or other groups to recording receipts for any event.

Instructions: This form is to be filled out at either the completion of an activity or, if the fundraiser occurs over a longer period of time, on a regular basis and submitted with the receipts to the Bookkeeper. **NEVER DEPOSIT TO A PERSONAL ACCOUNT!**

1- If given a cash box for change, count the change before sales begins. If there is a discrepancy, notify the bookkeeper. 2- At the close of sales, arrange money in denominations indicated above. 3- Place all bills **face up** and in the **same direction**. 4- Count and enter amounts on the Activity Receipt Report form. 5- Rolled coins. **Do not open** rolled coin unless needed. 6- **Sign** this report as seller or advisor below and return with deposit to bookkeeper.

Club: _____

Event: _____

Advisor: _____

Event Date(s): _____

CHECKS: (#) _____ Checks ----->

TOTAL CHECKS: \$ _____

CASH: _____ X 100's = _____

_____ X 50's = _____

_____ X 20's = _____

_____ X 10's = _____

_____ X 5's = _____

_____ X 2's = _____

_____ X 1's = _____

TOTAL CASH: \$ _____

COIN: _____ X 1's = _____

_____ X .50 = _____

_____ X .25 = _____

_____ X .10 = _____

_____ X .05 = _____

_____ X .01 = _____

TOTAL COIN: \$ _____

Verified: _____

TOTAL CHECKS/CASH/COIN: \$ _____

Advisor: _____

LESS TILL CHANGE: (\$ _____)

DEPOSIT TOTAL: \$ _____

Bookkeeper: _____

Received Date: _____

Change Fund Request Marshfield High School

This form is to be used to request cash for a giving change at school events.

Instructions:

Fill out form and submit to Principal. Principal will forward approved form to Bookkeeper.

- **Name of Club/Organization requesting change fund:**
- **Who is responsible (custodian) for the change fund?**

Name:

Phone Number:

- **Date(s) funds needed:**
- **Amount requested \$**
- **Where will funds be used:**
- **How will the funds be secured/protected:**
- **Date change will be returned to Bookkeeper:**

Approved By Principal: _____ *Date:* _____
Signature

To be filled out when funds distributed

Amount disbursed to custodian: \$ _____

Custodian's acknowledgement of receipt: _____
Signature

Bookkeeper's acknowledgement of disbursement: _____
Signature

Change fund has been returned to Bookkeeper's Office.

Deposit: \$ _____ **Date:** _____

MARSHFIELD HIGH SCHOOL
10th & Ingersoll Coos Bay, OR 97420

**PURCHASE
ORDER**

Ordered For: _____ (person placing order) P.O. # _____

Club/Acct # : _____ Date: _____

Comments:

Quantity	Item(s) Description	Vendor	Unit Cost	Total Cost
			Total	

Orderer/advisor

Club Student Representative/Team Captain (If club account)

Date: _____

Approved: Principal/Administrator