

## Activity Fund Types

Campuses and campus organizations frequently have a need for activity funds in addition to their normal operating budget to carry out their goals, purposes, activities, and functions. Activity funds consist of monies received and held by the campus to be expended or invested for the benefit of students in accordance with district policy. See [PISD Local Policy CFD \(Activity Funds Management\)](#).

To secure the deposit of public funds, all activity funds must be deposited with the district's banking institution. Additional bank accounts are strictly prohibited.

The following should be considered when determining the proper method and funds in which activity funds should be accounted:

- Does local board policy allow for recall of excess or unused fund balances into the general fund for general school district use? If so, these activity funds should be accounted for in **Fund 199 - General Fund**, and revenues and expenditures should be budgeted.
- Do persons besides the students involved in the activity fund (teachers, sponsors, principals, administrators, etc.) have access to the activity fund? If so, this money should be accounted for in **Fund 461 – Campus Activity Funds**.
- Do activity fund financial decisions rest solely with the students? If so, this money should be accounted for in **Fund 865 – Student Activity Funds**.

**CAMPUS ACTIVITY FUNDS (Fund 461)** are **public** funds used to promote the general welfare of the school and the educational development and morale of all students and are controlled by the campus principal. Persons other than the students make the financial decisions on how these funds will be used. The use of these funds generally does not directly benefit the students of a particular group.

See [Allowable and Prohibited Uses of Campus Activity Funds](#).

These funds are centralized – meaning they are controlled and disbursed through the district's central office. These funds are not subject to recall by the School Board into the General Funds for general school district use. The generation and expenditure of campus activity funds shall be held to the same standard and scrutiny as that of appropriated operating budget funds. These funds shall be audited and must adhere to accepted business practices.

**STUDENT ACTIVITY FUNDS (Fund 865)** are **not public** funds since they are the property of student groups, under the supervision of a member of the professional staff, and are overseen by the campus principal. The school district is required to provide stewardship by properly accounting for these funds.

Decisions on the use of these funds are the concern of the specific student groups to whom the funds belong, as long as the decisions regarding the use of the funds do not conflict with Board policy and/or legal regulations or restrictions. The members and sponsors of the student group must approve these expenditures. The ultimate financial decisions should rest solely with the students, and the funds should be expended in a manner that directly benefits the student group that raised the funds.

These funds are decentralized – meaning they are accounted for and controlled at the campus level. These funds are not subject to recall by the School Board into the General Funds for general school district use.

TEA guidelines also allow a limited number of other types of accounts to be accounted for as Student Activity Funds. These include funds received from teachers or other employees as **voluntary** contributions to a **faculty hospitality/sunshine fund**, provided that **no student-generated revenue** is used to supplement these funds. These funds are not district funds and may be used in any manner. Purchases with these funds are **subject to taxes** as they represent **personal** purchases and not district purchases.