

CAMBRIAN SCHOOL DISTRICT
Board Policy

Procedure 3302
Adopted: January 22, 2002
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BUSINESS AND NON-INSTRUCTIONAL OPERATIONS

Types of Funds

I. Revolving Cash Fund

- A. The name of the fund is "The Revolving Cash Fund Account of the Cambrian School District."
- B. The custodian of this account shall be the Chief Financial Officer.
- C. Checks drawn on this account will be signed by either the Chief Financial Officer or the District Superintendent.
- D. The revolving cash fund will have a \$1,600.00 limit.
- E. The revolving cash fund will be disbursed by check not to exceed \$100.00, tax and freight included for any one transaction.
- F. Petty cash fund will not exceed \$300.00.

II. Student Body Fund Procedures

A. Administration of Student Body Financial Activities

1. Principal

- a. The school principal shall be directly responsible for student body organization financial activities and must make sure they conform to established policies and procedures as herein set forth. He/she shall have the prerogative to override any action of the student governing body deemed contrary to the best interest of the school.
- b. The Principal in each K-5 school will act as trustee for the unorganized student service fund.

2. Finance Committee for Middle Schools

In an organized student body, a finance committee will be made up of the school principal, the student body faculty advisor, financial advisor, and elected student body officers. The committee shall prepare a student body budget for adoption and shall inform the council of the requirement that the council maintain records of its actions and act in an advisory capacity to the student body.

3. Financial Secretary

The school secretary, designated financial secretary, shall be responsible under the direction of the Principal for the accounting of all student body funds and shall maintain records and follow procedures as required by the district auditors and the Chief Financial Officer.

4. Student Council

The student council is responsible for the adoption of a budget, approval of expenditures, and authorization of fund raising activities.

B. Establishment of a Student Body Organization

1. Constitution

A constitution shall be adopted by the student body.

2. Minutes of Meetings

The organization shall maintain minutes for each meeting. The minutes should include motions and details of financial matters pertaining to the budget, approval of fund raising ventures, expenditure authorizations, date, time of meeting, number of members and officers present.

3. Budget Control

- a. Preparation of the budget by the finance committee and adoption by the student council shall be completed and submitted to Business Services in October.

- b. Three types of trust accounts shall be used: class accounts, club accounts, and general student body accounts.
- c. All money collected from any source must be substantiated by prenumbered receipts.
- d. All expenditures of funds must have evidence of merchandise or services received and supported by invoices or other acceptable documentation.
- e. Disbursements must be made with pre-numbered checks with two signatures required on checks.
- f. The Board is responsible for the annual audit by a certified public accountant. A continuing audit and internal control shall be provided by Business Services.

C. Accounting for General Student Body Accounts

1. Establishing Bank Accounts

Student body funds will be deposited at a bank approved by the District. Each school student body shall maintain a checking and/or business savings account.

2. Internal Control of Accounting

a. Cash Receipts

- 1) Records must be maintained of all receipt books and other numbered forms used in acknowledging the receipt of cash.
- 2) Cash turned in by individuals and activities must be identified with the numbered receipts acknowledging initial receipts of the monies.
- 3) All cash receipts must be recorded promptly when received.
- 4) Checks held for deposit must be endorsed with the bank endorsement stamp at the time they are received.

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- 5) Details as to the number of items received and the unit price per item must be included in the receipt.
- 6) Cash deposits must be made promptly and shall be intact.

b. Cash Disbursements

- 1) Cash balances must be reconciled with bank balances monthly, and detailed items listed on bank statements must be recorded on the books.
- 2) Voided checks must be retained and must have the signature space cut off.
- 3) Expenditures must be approved by the student council and the proper three persons: the faculty advisor together with student and trustee (principal).
- 4) Cash expenditures must be supported by a vendor's invoice and a notation indicating receipt of materials or services and any authenticated purchase orders.
- 5) Disbursements by check must be properly signed and must be in agreement with the information recorded in the journal.
- 6) Authorized expenditures for which no disbursement has been made must be reviewed periodically for current status.
- 7) Distribution of cash expenditures must be correctly charged to the proper accounts.

c. Sales and Activities

- 1) All activities including revenue-producing activities must be in accordance with those approved by the District.
- 2) Adequate control must be exercised by supervisory personnel over student fund raising activities to ensure that such activities are in keeping with the intent of the program.

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- 3) Control of associated student body card sales must be maintained, including the number of cards issued and the beginning and ending numbers of the cards sold.
 - 4) Prenumbered documents must not be printed in the school by students or employees.
 - 5) All activities must be approved by the school principal or his/her designated representative and must be endorsed by the student council.
 - 6) Complete minutes of the student council meetings must be prepared on a timely basis. They must properly reflect approval of sales and activities.
- d. Purchases
- 1) Items of purchase must be in accordance with the intentions of the student program and must be reflected in the associated student body minutes.
 - 2) Student body monies must be spent to enhance the welfare of the general student body, not a particular group.
 - 3) Approved purchase orders, whether voided or not, must be maintained numerically in a file.
 - 4) All contractual obligations must be properly authorized and kept within the established limits.
 - 5) The purchase of equipment must be recorded in the equipment account to afford control and inventory.
 - 6) Proper controls must be exercised to prevent expenditures in excess of funds available to any particular activity.
 - 7) Timely payments must be made on all purchases on account.

e. Financial Statements

- 1) Monthly reports of financial transactions of various trust and club accounts must be prepared and must be submitted to the school principal and other appropriate officials and students.
- 2) Periodic financial statements of budgeted and actual revenues and expenditures must be prepared and must be submitted to appropriate management.
- 3) A formal balance sheet must be prepared at least at year's end.
- 4) The funds and annual financial report of the student organization must be audited annually by an independent auditor.

f. Reconciliations

Bank account statements must be reconciled monthly. Standard methods for reconciliation shall be used.