



## CONSOLIDATED SCHOOL DISTRICT OF NEW BRITAIN

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### **Board Policy Statement**

#### **3453.01 - Student Activity Funds**

Approved on May 1, 1995 | Revised &

Approved on June 2, 2025

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The basic purpose of education is to prepare each generation of children for life's experiences. An important segment of the educational program are extracurricular activities. These programs represent experiences which should be available to all students.

The various extracurricular programs which have been established by the New Britain Board of Education should ensure that young people have an opportunity to participate in these experiences.

The raising and expending of activity money by student bodies should have but one purpose-to promote the general welfare, education and morale of the students and to finance the normal legitimate extracurricular activities of the student body organization. The management of student activity funds shall be in accordance with sound business practices, including sound budgetary and accounting procedures and through audits.

# **Administrative Procedure**

## **3453.01 – Student Activity Funds**

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### **I. Principles Governing Activity Fund Accounting**

The accounting procedures outlined in this section are based on the following principles:

- A. The administration of the activity funds shall be governed by rules and regulations prescribed by the State of Connecticut and the New Britain Board of Education.
- B. The principal of the school, as trustee for the fund, shall be directly responsible for the conduct of the student financial activities in accordance with policies, rules, and procedures set forth by the State, the Board of Education, and Central Administration.
- C. The principal of the school, as trustee for the fund, shall be directly responsible for all student activity funds within the school and shall be responsible for the maintenance of records and administration of procedures as prescribed by Central Administration.

### **II. Management of Student Activity Funds**

- A. Student activity funds and financial procedures shall be subject to periodic audits by internal personnel and annual audits by outside independent auditors. Audit reports shall be referred to the principal and Central Administration for informative purposes and possible improvement of procedures.
- B. Student activity funds shall not be used for any purpose which represents an accommodation, loan, or credit to any person.
- C. The principal of each school shall designate one person, in addition to himself or herself, who shall be authorized to receive, deposit and account for funds. At least two signatures shall be required for all withdrawals. Supporting evidence shall be required prior to signing the check or withdrawal slip. Blank checks shall never be signed. Such action makes the signer personally liable for anything recorded over his/her signature.
- D. Interest should be earned on savings accounts and checking accounts whenever possible.
- E. Each account must be so accounted for that the identity of its resources, obligations, revenues, and expenditures are continually maintained.
- F. The Chief Financial Officer (CFO) must be notified immediately in writing of any modifications to bank procedures (i.e., changing signatures).

### **III. General Procedures for Receiving and Disbursing Money**

#### **1. Collection and Deposit of Cash**

- A. All monies collected from any source must be substantiated by duplicate copy receipts. A receipt will be issued immediately upon receipt of funds by the Student Activity Account manager. The first copy of the receipt is to be given to the person from whom the money is received. The second copy is to be retained by the principal or his/her designee as a permanent record of money received.
- B. Collections should be deposited daily, if reasonable, but no later than within 3 business days. Money should never be left in the school over weekends or holidays. All monies collected shall be placed in the school safe for safekeeping. Said monies shall remain in the school safe only until such time as a deposit can be reasonably completed. All checks to be deposited in the student activity bank account shall be endorsed immediately upon receipt, showing a restrictive endorsement.
- C. For control purposes there must be two adults involved in the collecting and depositing of cash. These adults must initial all forms.
  - Students are not allowed to count or reconcile cash.
  - All money collected will be deposited into the account within 3 business days.
- D. Money is not to be held and must not be used to pay expenses; all disbursements must be made with a check.

#### **2. Documentation of Receipts**

Cash receipts must include supporting documentation. For example, if teacher "X" is organizing a field trip and collecting money from students, the deposit receipt should include a class list indicating those students who have paid and/or a narrative of funding transactions. Other examples, would include the number of tickets, gifts, etc. sold. At the very least, the receipt must include a brief summary of the reason for the deposit.

#### **3. Disbursements**

- A. All disbursements shall be made on pre-numbered checks which serve as the basis for making an entry recording the disbursement. Disbursements shall be supported by invoice or documentation bearing signatures certifying to receipt of merchandise or service. Accuracy of prices, extensions and totals should be checked prior to payment. When a check has been written, the invoice and supporting documents shall be marked "PAID BY CHECK NUMBER ---" and "DATE OF PAYMENT ---" and shall be filed for auditing purposes. TWO signatures shall be required for all disbursements
- B. All student activity monies will be deposited in an appropriate bank account by the principal of the school. Each account must have a designated account manager. All withdrawals from the student activity account will require two signatures: the school principal and the account manager. In those cases where the principal is the account manager, a second person must be designated by the school principal as a signer on the account.
- C. All monetary donations to the School District in excess of \$500 will be officially accepted by the Board of Education through a resolution and deposited in an appropriate bank account by the school principal. All withdrawals from the account will require two signatures. The two signatures will be the school principal and the account manager, Donated monies shall be subject to the same

policies and procedures as Student Activity Funds.

#### **4. Monthly Reconciliation of Bank Statements**

Monthly bank statements shall be reconciled by the school principal or his/her designee in the district's approved accounting system with a copy of the bank statement and signed system generated reconciliation report attached. The designee performing the bank reconciliation is not to be authorized to make withdrawals nor shall he/she have any duties with respect to handling student activity account cash. Record of Transactions

#### **5. Record of Transactions**

The principal or his/her designee shall maintain a complete set of books recording all monies deposited and disbursed. The Cash Receipts Journal and the Cash Disbursements Journal shall serve as a control whereby the total amount of money deposited and expended for all funds is maintained continuously. All transactions shall be entered into a district approved accounting system and categorized to permit appropriate analysis.

#### **6. Audit**

An annual audit shall be conducted each year by the city auditor in the same manner as all other city accounts. Copies of the audit report shall be maintained as permanent record.

#### **7. Scholarship Funds**

Any scholarship funds, which are under the control of the building principal, shall be made available to the auditors on an annual basis.

#### **8. Class, Club and Other Approved Activity Accounts**

**Activity accounts that are classified as "Class of" will remain open as long as there is ongoing activity. It is the obligation of the Senior Class Advisor to assure that the senior class and its officers are advised on this policy. If an account has not financial or operational activity for a period of five consecutive years, it shall be deemed inactive. Inactive account balances will be transferred to the school's general fund.**

**Student activity accounts that are classified as clubs or other approved categories shall remain open as long as there is ongoing activity. If an account has no financial or operational activity for a period of two consecutive years, it shall be deemed inactive. Inactive account balances will be transferred to the school's general fund.**