

File : JJF - STUDENT ACTIVITY ACCOUNTS

Student funds may be raised to finance the activities of authorized student organizations. Student activity funds are considered a part of the total fiscal operation of the District and are subject to policies established by the School Committee and the Office of the Superintendent. The funds shall be only for the benefit of students and managed in accordance with sound business practices, which include accepted budgetary, accounting, and internal control practices. The goal of these activities is to provide students with experiences that offer motivation, enjoyment, and improvement of skills. Student activity funds are moneys raised by an approved student organization by student efforts. The Superintendent shall approve these student organizations and ensure that student activity funds are raised by students, spent by those students, for their benefit and no staff member shall benefit from any student activity funds. The purpose of student activity funds are to provide financial support for approved extra-curricular activities.

The Superintendent shall ensure that, annually, all Principals and student organizations receive a copy of this policy as well as a copy of established procedures for control of receipts and expenditures that meet or exceed DESE guidelines. The Superintendent of Schools, or his designee shall have the responsibility and authority to implement all policies and rules pertaining to the supervision and administration of student activity funds in accordance with the statutes of the Commonwealth of Massachusetts and procedures developed by the Massachusetts Association of School Business Officials and the Massachusetts Department of Elementary and Secondary Education.

In compliance with Massachusetts General Law, the School Committee:

1. Authorizes the Principals to accept money for recognized student activity organizations, which currently exist, or as from time to time may be revised. All funds received for student activities must be deposited into the Student Activity Agency Account and no funds shall be directly deposited to a Student Activity Checking Account except from the Student Activity Agency Account .
2. Authorizes the City and/or District Treasurer to establish and maintain a Student Activity Agency Account (s) which is to be audited as part of the City's annual audit. The interest that is earned on such accounts shall be maintained in the Agency Account and distributed annually among the Student Activity Checking Accounts as directed by the procedures established by the Superintendent.
3. Authorizes Student Activity Checking Accounts for use by the Principals with specific

maximum balances established annually for each school by vote of the School Committee. Payments for expenditures shall be made, whenever possible, by check, debit, or EFT directly from the Student Activity Checking Account . Reimbursements to personal credit card holders shall require the prior authorization of the Superintendent. Signatory authorization for Student Activity Checking Accounts shall be restricted to the Principal and (Superintendent or Treasurer). Student Activity Checking Accounts shall be audited annually in accordance with DESE guidelines.

4. Directs Principals to provide the Treasurer with a bond in an amount agreeable to the Treasurer.

5. Shall annually, prior to the start of each school year, vote to establish or change the maximum balance that may be on deposit in each Student Activity Checking Account .

For accounts with maximum balance limits that exceed \$25,000.00, the School Committee shall, in accordance with DESE guidelines, conduct an audit by an outside audit firm every three years. The Student activity records and financial procedures shall be subject to audit by staff of the Framingham Public Schools or outside independent auditors as the School Committee may prescribe.

The Principal of each school that has a student activity account shall designate one person, in addition to himself or herself, who shall be authorized to receive and deposit funds into the Student Activity Agency Account following procedures established by the City Treasurer and providing detailed documentation to the Treasurer for each deposit. Two signatures, the Principal and the Student Activity Treasurer, shall be required for all checks drawn on the Student Activity Checking Account. Supporting evidence shall be required prior to signing the check. Blank checks shall never be signed.

Interest earned of the Student Activity Agency Accounts and the Student Activity Checking Accounts shall be accounted for separately from the individual student activity fund accounts and may be used to pay for bonding costs, bank account fees, bookkeeping costs, the costs of checks, or any audit costs that may be required. Interest earned not for these purposes may be distributed to the individual subsidiary accounts if documented methodology is maintained by the Student Activity Treasurer.

Fundraising activities such as commissions on sale of yearbooks, rings, pictures must be conducted in connection with approved student activities and the proceeds shall be handled as other student activity revenue and deposited and expended by the students involved in those activities. Other earnings, if based on student use, must be distributed to student activity accounts in a manner that may be determined and documented by the principal.

Graduating Class Funds

Funds held on behalf of graduating classes are to be held within the Student Activity Checking Account for the High School. Such funds shall be designated by the class' Year of Graduation.

Once a class has graduated from High School, their funds should be removed from the High School Student Activity Checking Account no later than two years from the date of graduation. It is the responsibility of the class officers to arrange for these funds to be removed from the High School Activity Checking Account . When requested, and once all outstanding financial obligations of the graduating class have been met, the remaining balance should be removed from the fund by check transfer payable to the Class of XXXX. Checks payable to individual members of the graduating class are not permitted.

Should the class officers not request to have their funds removed from the Student Activity Checking Account within two years of their graduating, the funds will be forfeited by the class and transferred into the General Sub-fund portion of the Student Activity Agency Account. These funds will then be allocated by a vote of the School Committee.

Class officers should be given a copy of this policy during the course of their senior year to ensure their knowledge of their obligations to perform under this policy.

Inactive Student Activities

When a student activity ceases to be active for a period of three years or more the Principal or other authorized administrator shall require the following actions:

1. obtain written notice from the faculty advisor or student officer that the activity will cease to be a viable account . If unable to obtain such notification the Principal shall request action to close the account from the School Committee.
2. Identify in writing all assets of the student activity . The disposition of any assets shall be determined by the School Committee and may not benefit specific individuals.
3. Annually notify all students of the required actions if an activity ceases to exist.

Student Activity Deficits

Individual student activity accounts are not permitted to be in a deficit position. Whenever a deficit exists that is not the result of timing, the Superintendent shall recommend remedial action to the School Committee in a timely manner.

SOURCE: MASC July 2018

LEGAL REFS: MGL
71:47

CROSS REFS: JJA - Student
Organizations

NOTE: DESE audit guidelines for Student Activity Checking Accounts require an annual audit. In regional districts these accounts may be a part of the annual audit by a third party auditor. In municipal districts the audits may be conducted by a district or municipal employee but not by the Principal, Treasurer, Superintendent, or any authorized signatory on the accounts. Districts with large numbers of schools may rotate the schools through the audit process.