



ADMINISTRATIVE PROCEDURE

SCHOOL ACCOUNTING MANUAL

3420

Procedure No.

August 15, 2016

Date

- I. **PURPOSE:** To identify the manual that documents information on school activity fund accounting, previously referred to as student activity funds.
- II. **BACKGROUND:** School Activity Funds (SAF) are largely extracurricular funds owned and operated by clubs or groups within the student body and directed by the Principal, faculty or staff members, with students taking part in decision-making. Also included in SAF are: Principal-Sponsored Activities (PSA), Employee Sunshine, and similar accounts, used to account for discretionary expenditures incurred for school staff. The Principal supervises the staff person performing bookkeeping for the SAF based on procedures contained in the *Accounting Procedures Manual for School Activity Funds*.
- III. **INFORMATION:** The School Accounting Manual: a) establishes responsibilities of parties involved in the collection, handling, record keeping and oversight of the SAF; and b) contains policies and procedures that parties must adhere to when dealing with these funds.
- IV. **PROCEDURES:**
 - A. All schools will receive a hard copy of the Manual. Soft copies are also on web sites of the Internal Auditing and Accounting & Financial Reporting Offices.
 - B. The School System is a trustee for assets in the SAF, and as such, ensures that assets are used for the intended purposes, not to finance School System's operations. Furthermore, through policies and procedures contained in the Manual, fiduciary funds of the SAF are accounted for and reported separately. School Activity Funds are not included in government fund statements.
 - C. **Non-local travel:** School Activity Funds should not be used to finance non-local travel. However, the Deputy Superintendent can make exceptions to this procedure for SAF use for non-local travel connected to professional development. This exception to the procedure also requires review by the Chief Financial Officer. In the event of a moratorium on non-local travel using Board (unrestricted) funds, this freeze shall extend to the SAF.
- V. **CANCELLATIONS AND SUPERSEDURES:** This Administrative Procedure cancels and supersedes Administrative Procedure 3420, Classifications of Expenditures, dated August 1, 1975; and Administrative Procedure 3420.1, dated November 15, 1976.
- VI. **EFFECTIVE DATE:** August 15, 2016



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Distribution: Lists 1, 2, 3, 4, 5, 9 and 10