



Addison Northwest

SCHOOL DISTRICT

ADDISON | FERRISBURGH | PANTON | VERGENNES | WALTHAM

Procedure Name: Student Activity Account

Related to which policy: F51

Date Last Updated: May 09, 2025

Overview:

The school district will maintain one separate bank account for controlling funds raised by groups in all schools for student activities. Student Activity Accounts are used to account for those resources owned, operated and managed by the student body, under the guidance of a faculty member for educational, recreational or cultural purposes. These are now considered Special Revenue Funds as defined in the Handbook for Financial Accounting for Vermont School Systems.

All activity accounts must be designated for direct student-related activities. This pertains to how funds are generated for the accounts and how they are dispersed from the accounts. Booster Club and Parent Teacher Club accounts must operate externally from the School District accounts and cannot be commingled with Student Activity Accounts. Donations can be received for activity accounts; however, they must be documented and listed for the Board of the School District to approve at monthly scheduled meetings. Grants are seldom applicable to Student Activity Accounts unless they are small in size, directly related to a student activity, and require no financial reporting.

Student Class Accounts can be established for each class for the purpose of receiving funds and paying class obligations. All invoices or obligations incurred by a Senior Class must be paid out of the Senior Class Fund no later than the opening day of the following school year. No new obligations may be incurred any later than one week after graduation. The Senior class can decide to use their remaining funds in one of three ways. They can donate funds to an organization of their choice, transfer the funds to the incoming 7th grade class, or designate the funds to be given to the class president with the intent that they will use it towards future reunion costs. The Senior class will need to decide and document the decision before graduation. If no choice is designated, the funds will automatically transfer to the incoming 7th grade class. It is the obligation of the Senior Class Advisor to assure that the Senior Class is advised of this procedure.

Guidelines:

All Student Activity Accounts will be processed and tracked using the district's financial software.

A Student Activity Account is established for each club or activity when separate tracking of funds is required. The Business Office will be responsible for approval and set up for all new activity accounts. Principals may request a new activity account by using the Student Activity New Account Request Form.

All club accounts within the student activity accounts must maintain a positive balance at all times. Transfers cannot be made between activity accounts unless authorized by both the Principal and the Business Office. Only the Business Office staff can physically enter transfers.

**Disbursements:**

All payment requests must include a withdrawal request form properly filled out and approved by the principal with proper documentation for the encumbrance of funds. Approval from the principal should be received prior to purchases or services ordered. All request forms with proper backup must be entered as a requisition using the normal requisition entry process. This will generate an approved purchase order. It does not follow the same approval path in the software, therefore the withdrawal request form is necessary. Proper documentation for the requisition entry would be a quote, correspondence, estimate, or unsigned agreement. Proper documentation for payment required is the Purchase order and invoices or receipts. Consistent with all payments, notation on the purchase order indicating the payment is ok to be made and to close or leave open the purchase order, means that you are acknowledging receipt of services or goods.

The district financial software must be used to process all payments for student activities. This will require the payee to be a vendor in that software. If the payee is not a current vendor, a [W9 and Vendor Acknowledgement Letter](#) will need to be acquired from the company or individual. These forms are submitted to Accounts Payable at the Business Office to enter as a new vendor. Payments to employees for reimbursement of purchases can be processed through the Student Activity Accounts with the employee as a vendor. However, if any employee is to be paid for services rendered or time worked they must be submitted to the Payroll Department at the Business Office and cannot be processed through the Student Activity Accounts. Anyone who does not operate a professional business of their own should be considered an employee instead of a vendor. This includes students who are to be paid for their time worked. If the individual is not a current employee of the district, they need to contact Human Resources at the Business Office to start the hiring process before performing any work for the district. Once the employee has cleared all requirements from Human Resources and is in our system as an employee, the Business Office will pay these employees via payroll in a line specified for student activities. Once a month the activity account will be billed for the total amount of salaries of benefits paid to these individuals so that a check can be cut to reimburse the general operating account.

Sales Tax, Alcohol, and Tobacco products cannot be paid for or reimbursed from any school district account including Student Activities. If individuals pay sales tax on purchases they are liable for that portion of the cost. The vendor may request a copy of our [Tax Exempt Certificate](#) and/or an S-3 form. If a S-3 form is requested, please contact the Director of Finance & Operations.

Student Activity Funds shall not be used for any purpose that represents an accommodation, loan or credit to any person.

All disbursements with proper documentation will be entered into the financial software by the Accounts Payable Specialist. Accuracy of prices, extensions and totals should be checked prior to sending your documentation to the Accounts Payable Specialist. The checks will be processed according to the normal cycle of Accounts Payable. The checks will be signed by the school district Treasurer who typically comes to the office once a week. The second authorized signer on the account will be the Director of Finance & Operations in the event that the Treasurer is unavailable. Once warrants are signed by the Treasurer, checks will be disbursed from the Business Office along with the normal General Fund Check runs weekly, in the same manner. If you have specific requests for checks to be disbursed in a different manner such as returning them to the school that needs to be clearly marked on the requests.



Prepayments or Requests for Cash:

Blank checks shall never be issued. Cash withdrawals are not allowed. Debit cards are prohibited on the Student Activity Account. If cash is needed, a check must be issued to an individual who is a faculty member of the district who can then cash the check. The following are examples of when this might be applicable:

Occasionally, funds are needed for field trips or other activity events before having documented receipts. An example of this is a field trip for (10) students who have raised (\$200) each. A faculty member can request a check cut to themselves as an individual for this total amount (\$2000) with the understanding that upon return from the trip all money and/or receipts must be turned in that add up to the total of the check that was given to them.

Occasionally funds are needed to make change for student activity events held. A faculty member can request a check cut to themselves for an amount not to exceed (\$200). This check should be cashed and used solely to make change for the event. Once the event is over, the (\$200) cash must be returned to the school office staff responsible for depositing student activity funds. Proceeds from the event are discussed later in this document.

Reimbursements to Students and Parents:

Funds are collected from students on occasion for contributions towards trips or events. In some cases it is later determined that the amount paid was higher than necessary. In these rare cases, we will need to cut checks to each individual student for the amount they overpaid. W9's and Vendor Acknowledgements in this situation are not required, however after payments are processed the Accounts Payable Specialist will inactivate the vendor file so that no requisitions or payments can be entered to them by accident.

Collection of Funds and Deposits:

Receipts must be maintained for all money collected from any source. The individual collecting the funds will issue a receipt immediately upon receipt of such funds. The original copy of the receipt is to be given to the person from whom the money is received. The second copy is to be retained in the records for the Student Activity Account. Cash received should come with a Cash Count Sheet. If Cash is being returned from a cash box as noted above, the original startup cash amount should be clearly noted on the cash count sheet as a separate amount from the proceeds of the event. If checks are received, they should be copied and endorsed immediately showing a restrictive endorsement that includes "FOR DEPOSIT ONLY". The copies of checks and count sheets for cash should be kept with the deposit paperwork.

All collected funds must be turned in to Administrative Assistants immediately upon receipt. **Any checks Administrative Assistants receive with dates more than one week old will be returned to advisors, and new checks will need to be obtained from the payor.** All Administrative Assistants must deposit all funds collected in a timely manner. Timely is considered within 7 days. The money collected shall be placed in a school safe or other locked repository until deposits can be made. Deposits for field trips, or other money to be re-disbursed, must be in the bank and recorded as a deposit in the accounting software before check requests drawn against the funds collected will be processed.



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All receipts of funds should include supporting documentation. For example, if Ms. Jane is organizing a field trip and collecting money from students, the deposit receipt should be attached to a class list of those students who have paid. Other examples would include details of items sold, receipts given for donations, or cash count sheets from events.

The deposits will be entered into the accounting software at the school building level. Deposits entered must be batched out at the same time and for the same amount of actual deposits made to the bank. The deposits to the bank will also be made at the school building level. Once deposited, the bank deposit slip and all documentation for the deposit should be stapled together and sent to Accounts Payable at the Business Office.

Funds collected for Student Activity Accounts should be from fundraising efforts on behalf of students. On rare occasions, donations may be received. Donations for Student Activity Accounts can only be accepted and deposited to an activity account if they specify what event or student club they are intended to fund. Donations given that are for any educational purpose need to be forwarded to the Business Office and deposited to the General Checking. If you are questioning the reason for any donation received please contact the Business Office before depositing the funds.

Annual Audit:

Student Activity account records are subject to the annual audit by the School District's external independent auditors. The Business Office will retain files for all disbursements, deposits, and bank reconciliations each fiscal year for audit review.

Bank Statements:

The Accounting Supervisor will receive monthly bank statements on the Student Activity Account. The bank account will be reconciled against the accounting software general ledger accounts as well as matching to the fund balance reports for each activity on a monthly basis. Copies of the reconciliations will be provided to the School District Treasurer on a quarterly basis electronically at a minimum.

Forms Needed:

[Student Activity Account Withdrawal Authorization](#)

[New Student Activity Account Request Form](#)

[Student Activity Account Deposit Receipt](#)

[Student Activity Account Transfer Request Form](#)

[Cash Count Sheet](#)



Useful Examples:

- Examples of expenses that **may** legitimately be charged against school activity funds:
 - Costs of student club activities
 - Payment of class or club activity fees for students who cannot afford those fees
 - Field Trip costs for students
 - Celebrations for students such as a Pizza Party
 - Rewards to students such as Crème coupons for PBIS
 - Small one time scholarships for students that do not have designee restrictions
 - Student Support costs for supplies or other needs that are not typically provided for the group of all students by the General Operating Budget. For instance, supplies are purchased for all students in the General Operating Budget, however some items like folders or binders may be required by the school and expected to be purchased by parents of the student. In cases where a student cannot afford those required items, the principal can decide to use the Support Services account within their activity account to pay for the expenses on an individual basis.
- Examples of expenses that **may not** be charged against school activity funds:
 - Costs of faculty activities such as “sunshine funds” or staff luncheons
 - Costs of gifts given to nonstudents in recognition of service to the school district such as a plaque.
 - Normal education operating expenses that are to be funded from the regular school budget. For example, funds cannot be used to purchase furniture, school supplies, postage, books for the library, music sheets for band or chorus, or payment for fees such as water coolers.
 - Gift Cards cannot be purchased for any reason.

Please see the attached step by step instructions below to use the financial software for Student Activity Accounts.

[Entering Student Activities in School ERP Pro](#)

Clarification: This most recent procedure is the one that is to be used. All prior drafts are null and void.