Policy 3452: Student Activity Funds

Original Adopted Date: 3/13/2024

The Governing Board recognizes that student organizations can provide students with an opportunity to conduct worthwhile cocurricular activities while helping students learn about effective financial practices and develop leadership and management skills. To that end, the Board may approve the formation of associated student body organizations which are composed entirely of students, operate under the oversight of the principal or other district-employed advisor, and are subject to the control and regulation of the Board. Student organizations may raise and spend funds to support activities that promote the general welfare, morale, and educational experiences of the student body.

Fundraising

At the beginning of each school year, each principal or designee shall submit to the Superintendent or designee a list of the fundraising events that each student organization proposes to hold that year. The Superintendent or designee shall review the proposed events and determine whether the events contribute to the educational experience and do not conflict with or detract from the school's educational program. When reviewing proposed events, the Superintendent or designee shall consider the effects of the activities on student health and safety, evaluate the risk of liability to the district, and ensure that the proposed activities are in compliance with law, Board policy, and administrative regulation.

Fundraising events that involve the sale of food and/or beverages shall comply with applicable state and/or federal nutrition standards and BP/AR 3554 - Other Food Sales. If the fundraising event involves the sale of noncompliant food and/or beverages, it shall not take place from midnight until at least one-half hour after the end of the school day, or not be conducted on school premises.

Management and Reporting of Funds

Student body funds shall be managed in accordance with law, regulations, Board policies, and sound business procedures designed to encourage the largest possible educational return to students without sacrificing the security of funds.

The Superintendent or designee shall develop internal control procedures to safeguard the organization's assets, promote the success of fundraising ventures, provide reliable financial information, protect employees and volunteers from accusations of impropriety, and reduce the risk and promote the detection of fraud and abuse. These procedures shall detail the oversight of activities and funds including, but not limited to, the appropriate role and provision of training for staff and students, parameters for events on campus, appropriate and prohibited uses of funds, and accounting and record-keeping processes, including procedures for handling questionable expenditures.

The principal or designee shall be responsible for the proper conduct of all student organization financial activities. The budget adopted by the student body organization should serve as the financial plan for the school year and shall be submitted to the Superintendent or designee at the beginning of each school year. The Superintendent or designee shall monitor the budget and periodically review the organization's use of funds to ensure compliance with the district's internal control procedures.

Funds derived from the student body shall be expended according to procedures established by the student organization. All expenditures must be approved by a Board-designated employee or official, the certificated employee who is the designated student organization advisor, and a student organization representative. (Education Code 48933)

When student body funds are expended for equipment, supplies, or activities that support the district's athletic program, the Superintendent or designee shall ensure that the expenditures are aligned with the district's commitment to provide equitable opportunities for males and females.

Because of the district's administrative and/or direct financial involvement in the assets of the student organization, the student activity fund shall be reported within the district's fund in accordance with Governmental Accounting Standards Board Statement 84.

The Board shall provide an annual audit of student organization accounts by a certified public accountant or licensed public accountant. The cost of the audit shall be paid from district funds. (Education Code 41020)

Policy Reference Disclaimer:
These references are not intended to be part of the policy itself, nor do they indicate the basis or authority for the board to enact this policy. Instead, they are provided as additional resources for those interested in the subject matter of the policy.

State	**Description**
5 CCR 15500	Food sales in elementary schools
5 CCR 15501	Food sales in high schools and junior high schools
5 CCR 4920-4922	Nondiscrimination in intramural, interscholastic, and club activities
Ed. Code 35182.5	Contracts for advertising
Ed. Code 35564	Funds; obligations of the student body
Ed. Code 41020	Requirement for annual audit
Ed. Code 48930-48938	Student organizations
Ed. Code 49431	Sale of food; elementary school
Ed. Code 49431.2	Sale of food; middle and high schools
Ed. Code 49431.5	Sale of beverages; elementary, middle, and high schools
Ed. Code 51520	Prohibited solicitations on school premises
Ed. Code 51521	Fundraising projects

Federal	**Description**
34 CFR 106.41	Nondiscrimination in athletic programs

Management Resources	**Description**
Court Decision	Prince v. Jacoby, (2002) 303 F.3d 1074

Fiscal Crisis & Management Assistance Team Pub.	Associated Student Body Accounting Manual, Fraud Prevention Guide and Desk Reference, 2015
Fiscal Crisis Management & Assistance Team Pub.	Fiscal Alert: GASB 84 and Its Impact on Associated Student Body Accounts, May 2020
Governmental Accounting Standards Board Pub.	Statement No. 84, January 2017
Governmental Accounting Standards Board Pub.	Implementation Guide No. 2019-2, Fiduciary Activities, June 2019
Website	CSBA District and County Office of Education Legal Services
Website	Governmental Accounting Standards Board
Website	California Department of Education
Website	Fiscal Crisis and Management Assistance Team

Cross References

Code	Description
1230	School-Connected Organizations
1230	School-Connected Organizations
1321	Solicitation Of Funds From And By Students
1321	Solicitation Of Funds From And By Students
3260	Fees And Charges
3260	Fees And Charges
3290	Gifts, Grants And Bequests
3400	Management Of District Assets/Accounts
3400	Management Of District Assets/Accounts
3460	Financial Reports And Accountability
3460	Financial Reports And Accountability
3530	Risk Management/Insurance
3530	Risk Management/Insurance
3554	Other Food Sales
3554	Other Food Sales
3580	District Records
3580	District Records
5000	Concepts And Roles
5030	Student Wellness
5142	Safety

5142	Safety
5143	Insurance
5143	Insurance
6145	Extracurricular And Cocurricular Activities
6145	Extracurricular And Cocurricular Activities
6145.2	Athletic Competition
6145.2	Athletic Competition
6145.5	Student Organizations And Equal Access
6145.5	Student Organizations And Equal Access