

# Student Activity Training



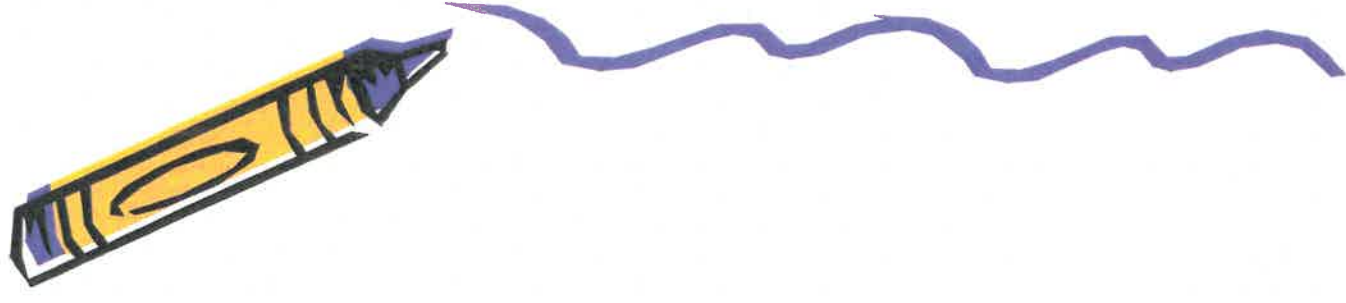
**Salmon River Central School District**

**Natascha L. Jock, School Business Executive**

**Shawn Martin, Central Treasurer**

# What are these activities for?

- For students by students
- Learn proper business practices and procedures
  - Budgeting
  - Business planning
  - Profit and loss
- Acquire money handling skills
- School community service



# Organizational Requirements

- By-laws (Charter)
- Elected Officers:
  - President
  - Vice-President
  - Treasurer
  - Secretary
- Faculty Advisor
- Central Treasurers
- Regular Meetings
- Business plan
- Profit & Loss Statements



# Student Activity Books

- Policies & Procedures
- Cash Ledger
- Manual
- Copies of all receipts & payment orders
- By-laws (Charter)
- Annual Business Plan
- Minutes from meetings
- List of officers



# Faculty Advisor Job Duties

- Guide & advise students
- Safeguard monies & verify deposits
- Review purchase requests
- Assist with profit & loss statements
- Does NOT prepare deposits, cash ledgers, requisition or voucher forms
- Advisor should NOT treat activity as their own





# Student Activity Treasurer Job Duties

- Receive & deposit all money to Central Treasurer in Central Business Office
- Follow purchasing policies & procedures
- Maintain accurate cash ledger balances
- Determine availability of sufficient funds
- Follow NYS Sales Tax guidelines
- Complete Fundraiser Request Forms & Profit and Loss Statements



# Central Treasurer Job Duties

- Maintain custody of cash for all clubs
- Prepare & pay sales tax
- Prepare bank reconciliations for activity accounts
- Submit reports to Student Activity Treasurers
- Maintain separate cash records for all activities
- Collect & prepare annual audit information



# Central Business Office Functions

- Bank Reconciliation
- Disburse Central Treasurer's Report to all Student Activities
- Audit all payments & receipts
- Maintain records annually.





# Business Plan

Should answer the following questions:

- What will the function of the club be?
- What kind of activities do we want to do?
- How much will these activities cost?
- How can we raise funds?
- Who is our competition?
- Where is your market & location?



# Cash Ledger

- Can be done in Excel if signed by Activity Treasurer
- Treat as checkbook register
- Reconcile at least quarterly
- Must include:
  - Receipt # or PO #
  - Complete description
  - Running Balance



## Cash Collection Procedures

- Collected by the Student Activity Treasurer
- Counted by two people from the club
- NO money taken home or left unsecured
- Checks must be made out to "the Student Activity's name"
- NO personal check cashing or transactions

**Deposits must be accurate**



# Deposit Procedures

- Cash must be wrapped appropriately.
- List check numbers & amounts in Excel
- Deposits brought to the Central Treasurer immediately after cash collection.
- Call Central Treasurer to make appointment to give her money.



# Deposit Form

- Indicate if taxable sales
- Must reconcile sales to cash
- Verified & signed by Advisor & Student Treasurer
- Central Treasurer will issue a pre-numbered receipt when money is received
- Record deposit in activity ledger book





## Tax Exempt Status

Clubs are NOT included in the District's tax exemption. Clubs are subject to sales tax per NYS law. Without exception, it is illegal for clubs to use the District's exemption certificate and/or number.



# Sales Tax

- Must be collected on all taxable fundraisers/sales
- Must be paid on all taxable purchases
- Sales tax paid and collected should be reported to the Central Treasurer
- If not reported, it will be charged to your account quarterly



# Examples of Sales Tax

## Non-Taxable

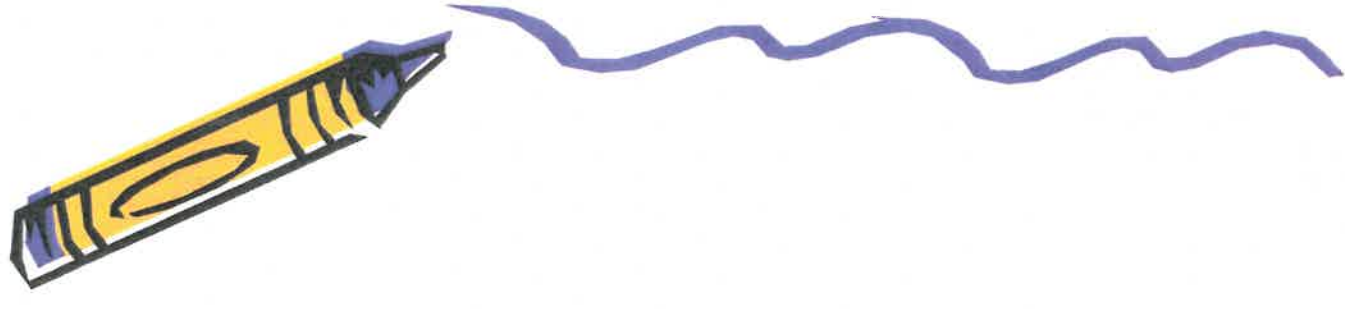
- Sale of newspapers or periodicals
- Admission to dramatic or musical arts performances
- Bake sales
- Advertising
- Entry fees
- Food sales

## Taxable

- Prepared food sold in heated state
- Candy bars sales
- Clothing or jewelry
- Admission to dances
- Yearbook sales
- Car washes
- Plant sales

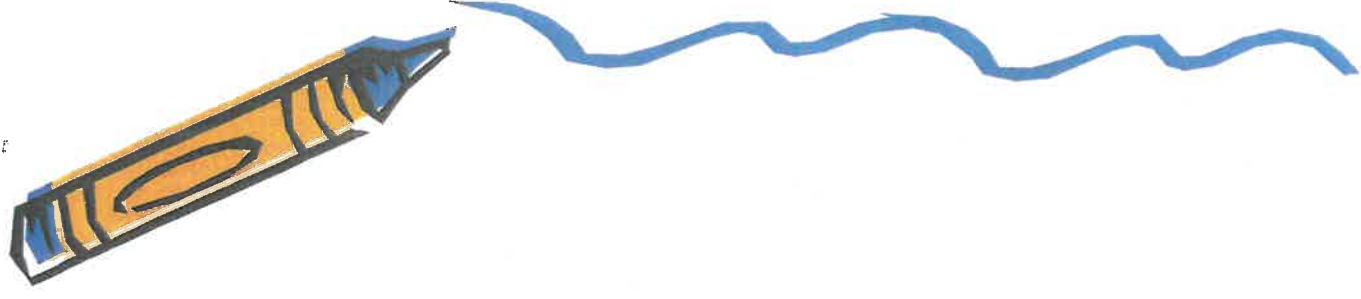


When in doubt, ask the Central Treasurer



# Disbursement Forms

- All Payment Orders must be filled out appropriately and in a timely fashion.
- All signatures must be on the Payment Orders before a check can be written.
- An original bill must accompany the Payment Order in order for a check to be written.



# Fundraiser Request Form

- Submitted & approved 2 weeks prior to fundraiser
- Approved by Principal and Central Treasurer
- Include meeting minutes with all details





# STUDENT ACTIVITY FUNDRAISER REQUEST FORM

Organization Name: \_\_\_\_\_ Date: \_\_\_\_\_

Account No: \_\_\_\_\_ Submitted By: \_\_\_\_\_

Complete one form for each activity your Organization is planning

The above group is requesting permission to conduct the following activity in compliance with the extra classroom activity procedures, regulations and policies of the Massena Central School District. All receipts and disbursements of funds will be made in accordance with the Massena Central School District procedures, regulations and policies.

ACTIVITY PLANNED: \_\_\_\_\_

Indicate one: \_\_\_ FUND RAISING EVENT \_\_\_ SERVICE PROJECT \_\_\_ OTHER

ACTIVITY/SALE DATES: Begin \_\_\_\_\_ End \_\_\_\_\_

Subject to NYS Sales Tax? Yes No (Circle One)

Receipts	
Description	Projected Receipt
<b>Total Receipts</b>	
Expenses	
Description	Projected Expense
<b>Total Expenses</b>	
<b>Projected Profit</b>	\$

The student officers of the above named Organization understand the above activity and assume responsibility for its fiscal conduct.

Faculty Adviser: \_\_\_\_\_ Signature \_\_\_\_\_ Date \_\_\_\_\_

Activity Treasurer: \_\_\_\_\_ Signature \_\_\_\_\_ Date \_\_\_\_\_

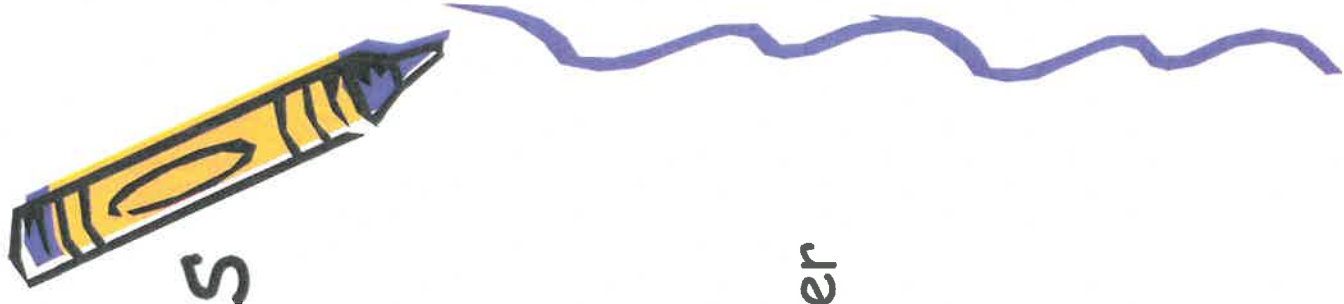
Principal/Director: \_\_\_\_\_ Signature \_\_\_\_\_ Date \_\_\_\_\_

Central Treasurer: \_\_\_\_\_ Signature \_\_\_\_\_ Date \_\_\_\_\_

**After each fundraiser is complete fill out the Fundraiser Profit and Loss Statement and submit to the Central Treasurer within 1 week of the fundraiser**

# Profit and Loss Statements

- Submit 1 week after the end of fundraiser
- Indicate fundraiser performance
- Fundraiser must be well planned & monitored
- Detail all revenues & expenditures
- Must include original estimates from fundraiser request form



# FUNDRAISER PROFIT AND LOSS STATEMENT

Organization Name: \_\_\_\_\_ Account No.: \_\_\_\_\_

Fundraiser: \_\_\_\_\_ Activity Date: \_\_\_\_\_

Complete one form for each fundraiser held

Subject to NYS Sales Tax?    Yes    No    **(Circle One)**

**Receipts**

Date of Sale	Receipt #	Total Items Sold	Price Per Item	Description of Sales Item (s)	Total Receipts
<b>Estimated Receipts \$</b>				<b>Total Actual Receipts \$</b>	<b>\$</b>

**Expenditures**

Date	Payee	PO #	Purpose	Amount	
<b>Estimated Expense \$</b>				<b>Total Actual Expenses \$</b>	<b>\$</b>
<b>Estimated PROFIT (LOSS) \$</b>				<b>Actual PROFIT (LOSS) \$</b>	<b>\$</b>

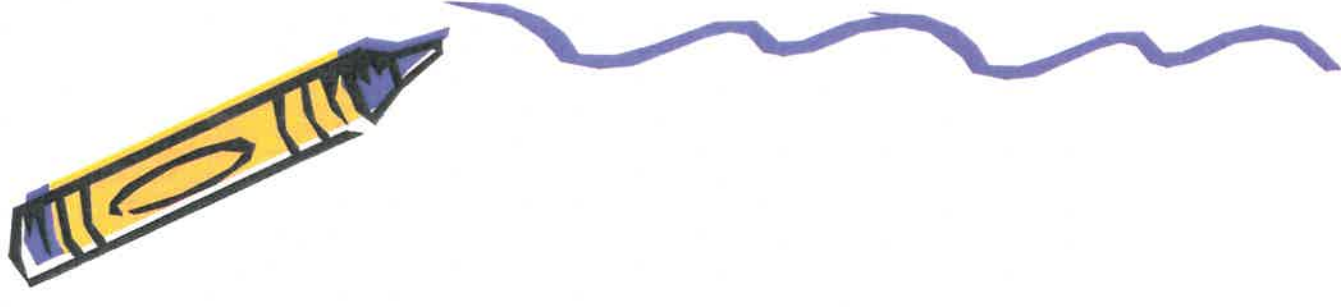
Activity Treasurer: \_\_\_\_\_ Signature \_\_\_\_\_ Date \_\_\_\_\_

Activity Advisor: \_\_\_\_\_ Signature \_\_\_\_\_ Date \_\_\_\_\_

See Reverse Side for Instructions

# Club Meetings

- Should be held monthly
- Minutes for all important decisions must be maintained:
  - Business Plan
  - Fundraisers
  - Donations
  - Purchases
  - Profit and Loss Reports
  - Voting results (Majority Rules)



# Miscellaneous Rules

- Cash must be deposited in a timely manner
- Deposits must be accurate
- No outside bank accounts allowed
- Purchase through proper procedures only
- All monies must go through the Central Treasurer





# Audit Requirements

- NYS Comptroller mandates annual audits by an external audit firm to safeguard funds
- The Internal Claims Auditor audits all expenses
- The Central Treasurer audits all deposits
- Semi-annual audits of activity books performed (December and June)
- Audits ensure that proper procedures are followed & funds are handled appropriately



## Issues That Could Lead to Fraud or Other Accusations

- Unauthorized bank accounts/petty cash
- Personal check cashing
- Unauthorized purchases
- The expense is more than the cost of goods sold
- Missing funds
- Goods shipped to personal addresses

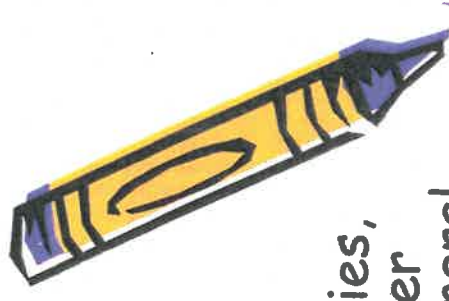


# External Audit Finding

## 2008-2011

**Condition:** During our discussion of Extra Classroom Activities, we noted that some of the activities do not maintain proper by-laws, constitutions, minutes of meetings or student general ledgers. Many of the ledgers are being kept by advisors and not filled out until the treasurer sends the treasurer's report to the club. If accounts are not reconciled on a monthly basis, fraud or misappropriation of money could occur during the year without being noticed. Without proper documentation of minutes and constitutions, there is no proof that the money is actually being spent for what the students want and agree upon. This could also lead to potential misappropriation of student funds. During the year 08-09, we noted that at least one club did not submit cash receipts to the Central Treasurer in a timely manner. Also, cash receipts from fundraisers were not deposited, but rather spent to purchase items for the club.

Carl Seyfarth, CPA



# External Audit Finding

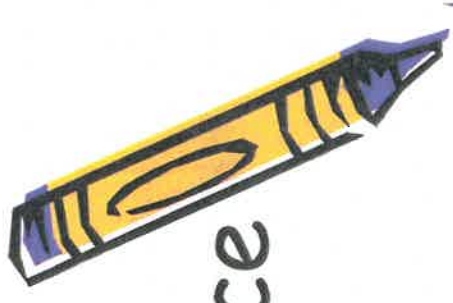
## 2008-2011



**Recommendation:** We recommend that there be a discussion with all student activities regarding the requirements they should be following. All clubs should draft constitutions, maintain minutes to all meetings and a student general ledger. Treasurer's reports should be sent to the student activities at least once a month and reconciled to the student general ledger by the treasurer of the activity. The students should maintain student ledgers in a timely fashion and entries should be made prior to receiving the treasurer's report. All cash receipts should be submitted by students to the Central Treasurer in a timely manner. All purchases should be made using the proper procedures and disbursements should be made by the Central Treasurer. Advisors should not use personal funds or credit cards for club activities.



Carl Seyfarth, CPA



# Consequences for Noncompliance

Failure to comply with any of the policies & procedures set forth may jeopardize the existence of your club and the ability to participate in future fundraising activities.





# Resources and Contacts



Advisor	<u>Mrs. French</u>	Ext. <u>6586</u>
Principal	Ms. Baron	Ext. 6620
Central Treasurer	Maureen Dustin	Ext. 6615
Dep. Central Treasurer	Kim Treptow	Ext. 6614
School Bus. Executive	Natascha Jock	Ext. 6608



We are here to assist you!!





When in doubt.....  
Check with the Central  
Treasurer!!!

The only stupid question is  
the question not asked!!!!

