

## SCHOOL ACTIVITY FUNDS

All funds derived from extracurricular school activities, including, but not limited to, entertainment, athletic contests, facilities fees, club dues, vending machine proceeds that are not deposited in the school nutrition program account, and from any and all activities of the school involving personnel, students or property are considered school activity funds.

Each school keeps an accurate record of all receipts and disbursements of school activity funds so that a clear and concise statement of the condition of each fund may be determined at all times. It is the duty of each principal to see that such records are maintained in accordance with regulations of the Virginia Board of Education and the Tazewell County School Board. The principal or principal's designee performs the duties of school finance officer. The school finance officer is bonded, and the school board prescribes rules governing such bonds for employees who are responsible for school activity funds.

School activity funds are audited at least once a year by a duly qualified accountant or accounting firm approved by the school board. A copy of the audit report is filed in the superintendent's office. Monthly reports of such funds are prepared and filed in the principal's office and annual reports are filed in the office of the principal or division superintendent. The cost of such audits are a proper charge against the school activity funds.

Adopted: April 8, 2019

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Legal Refs.: Code of Virginia, 1950, as amended, § 22.1-17.

8 VAC 20-240-10.

8 VAC 20-240-20.

8 VAC 20-240-40.

Cross Refs.: DG Custody and Disbursement of School Funds  
DM Cash in School Buildings

## BUSINESS AND NONINSTRUCTIONAL OPERATIONS

### School Activity Funds

#### A. Generally

Virginia Board of Education regulations define School Activity Funds as, "All funds received from extracurricular school activities, including, but not limited to, entertainment, athletic contests, facility fees, club dues, vending machine proceeds that are not deposited in the school nutrition program account, and from any and all activities of the school involving personnel, students, or property are considered school activity funds.

#### B. Guidelines

The Superintendent is delegated and directed by the School Board to supervise the operation of these accounts and to ensure that they are operated according to these guidelines:

1. No School Board funds or accounts are to be commingled with School Activity Funds or accounts.
2. Each school shall keep an accurate record of all receipts and disbursements so that a clear and concise statement of the condition of each fund may be determined at all times. Monthly reports of such funds shall be prepared and filed in the office of the principal and Supervisor of Finance.
3. It shall be the duty of each principal to see that such records are maintained in accordance with School Board Policy, Regulations promulgated by the Superintendent, and State Board of Education Regulations.
4. The principal, or person so designated by the principal, shall perform the duties of school finance officer. The principal is to review bank statements, initialing and dating after review.
5. The school finance officer and principal shall be bonded.
6. Specific forms, as prescribed by the Virginia Board of Education, shall be used to record entries and transactions of the student activities funds.
7. School Activity Funds (internal accounts) must be audited at least once each year by a certified public accountant, duly qualified accountant, or accounting firm approved by the School Board. The cost of such audit is a proper charge against the School Division Operating Fund. This annual audit shall result in an Annual Audit Report as referenced in item number eight.
8. A copy of a school's Annual Audit Report must be maintained in the office of the principal and in the office of the Division Superintendent. Following the completion of all schools' Annual Audit Reports, a report containing a summary of all such reports will be presented to each School Board member at the School Board meeting immediately following the presentation of such report to the Audit Committee.

9. No account is to be overdrawn for any reason, unless receipts are forthcoming. No school activity fund shall end the fiscal year (June 30) or begin the fiscal year (July 1) with a deficit balance.
10. Specific activity sub-accounts are not to accumulate balances in excess of one year's basic operating expenses unless written justification is provided and approval is secured from the Division Superintendent or a designee.
11. School Activity Funds shall not be used for salary supplements or similar payments to compensate school employees for any activity related to school resources or students.
12. Financial records of School Activity Funds shall be retained and disposed of in accordance with regulations concerning financial records retention and disposition promulgated pursuant to the Virginia Public Records Act (§ 42.1-76, *et. seq.*) by the State Library Board; however, records pertaining to non-appropriated school activity funds need not be retained longer than five (5) years.
13. The principal shall secure and maintain an annual financial report from each support/booster organization. This report is to be obtained by July 25 of each school term, for the year ending June 30.

### **DONATIONS**

Donations received directly at the local school are to be listed and submitted to the Division Superintendent at the close of each fiscal year.

### **FUND-RAISING ACTIVITIES**

1. School-wide fund-raising activities must be approved by the Division Superintendent/designee.
2. The principal is to ensure that fund-raising activities contribute to the educational experience of students enrolled in school and are not in conflict with the instructional program.
3. Fund-raising activities should not conflict with the implementation of Title IX responsibilities.

### **STUDENT FEE AND CHARGES**

1. All student fees and charges, including class dues, shall be approved by the Board.
2. Student fees approved by the Board shall be used for the purposes set forth in the motion and shall not be spent for any other purpose.

### **HANDLING OF CASH**

1. All money collected by a teacher/sponsor shall be given to the school bookkeeper on the day collected.

2. Pre-numbered receipts shall be issued any time money is received, and all receipt numbers shall be accounted for.
3. Generally, all monies collected should be deposited on a daily basis. In the event that less than \$100 is on hand to deposit, smaller amounts may be held in a secure location until \$100 is collected. At a minimum, deposits shall be made on a weekly basis, even if the deposit amount is less than \$100.
4. Personal checks shall not be cashed using cash on hand for deposit. The school is not to operate as a bank.
5. Charging a fee for checks returned for insufficient funds is permissible if such policy is clearly advertised.
6. An employee, other than the person preparing the deposit slips, shall verify the amount on the deposit ticket agrees with the amount of receipts recorded in the ledger sheets and that the deposit ticket has been stamped by the bank. Discrepancies shall be reported immediately to the district Supervisor of Finance.

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**Legal Reference:**

Code of Va., 1950, as amended, § 22.1-122.1

Library of Virginia Records, Management Division, General Schedule No.2, "Fiscal Records," <http://leo.vsla.edu/records/schedules/gs-2.html>

**Cross Reference:**

DG Custody and Disbursement of School Funds

DM Cash in School Buildings