

Policy

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### SCHOOL ACTIVITY FUNDS

School activity funds (funds derived from pupils' activities) shall be audited annually along with other district funds and shall be administered, expended, and accounted for according to rules of the state board of education.

The pupil activity funds shall be kept in separate accounts, supervised by the building principal\*. Separate and complete records shall be maintained for each pupil organization. All receipts from pupil fund-raising projects, athletic events, and other events for which admission is charged will be deposited promptly. Bank deposits shall agree with the receipts in the case receipt book and shall be traceable to definite receipts or groups of receipts.

Disbursements must be made by check signed by the building principal and supported by a claim, bill or written order to persons supervising the fund. Checks shall bear two or more authorized signatures. All disbursements shall be recorded chronologically showing the date, vendor, check number, purpose and amount.

Borrowing from the pupil activity accounts is prohibited.

An account shall be submitted monthly to the board secretary and shall include a listing of all receipts and disbursements. Book balances shall be reconciled with bank balances. Cancelled checks and bank statements shall be retained for examination as part of the annual audit required by law and code.

Prior to consideration by the Board of whether an event funded through student activity fees will be approved (i.e. school musical) a budget of the estimated expenditures and receipts will be given to the Board. A summary of income and expenses shall be completed by the Business Office for each event shortly after its completion.

As of August 1st immediately following any school year where funds that were collected by a sixth grade class remain unexpended, the sixth grade parents who collected the funds shall either turn those funds over to the fifth grade class, to be used to offset their sixth grade fundraising needs; or they may purchase a gift card for each member of the same sixth grade class that raised those funds; or they may use the funds to purchase a gift for the school.

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NJSBA Review/Update:  
Revised: May 9, 2018  
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#### Key Words

School Activity Funds, Athletic Funds, Class Funds

SCHOOL ACTIVITY FUNDS (continued)

N.J.S.A. 18A:232                      Scope of audit  
 N.J.A.C. 6A:23A-16.1 et **Prescribed** system of double-entry bookkeeping and  
 See particularly:                      GAAP accounting  
 N.J.A.C. 6A:23A-16.12(c)      School activity funds

**Possible**

- Cross References:** \*3280      Gifts, grants and bequests  
 \*3400      Accounts  
 \*3450      Money in school buildings  
 3571      Financial reports  
 \*3571.4      Audit  
 \*5136      Fundraising activities

\*Indicates policy is included in the Critical Policy Reference Manual.