

STUDENT ACTIVITY ACCOUNTS

Student funds may be raised to finance the activities of authorized student organizations. Student activity funds are considered a part of the total fiscal operation of the District and are subject to policies established by the School Committee and the Superintendent. The funds will be only for the benefit of students and managed in accordance with sound business practices, including accepted budgetary, accounting, and internal control practices. The Superintendent will ensure all Principals and student organization advisors receive annually a copy of this policy as well as a copy of established procedures for control of receipts and expenditures that meet or exceed DESE guidelines.

In compliance with Massachusetts General Law Chapter 71, Section 47, the School Committee:

1. Authorizes the Principals to accept money for recognized student activity organizations, which currently exist, or as from time to time may be revised. All funds received for student activities must be deposited into the Student Activity Agency Account and no funds will be directly deposited to a Student Activity Checking Account except from the Student Activity Agency Account.
2. Authorizes the Town of Mansfield Treasurer to establish and maintain a Student Activity Agency Account(s).
3. Authorizes Student Activity Checking Accounts for use by the Principals with specific maximum balances established annually for each school by vote of the School Committee. Payments for expenditures will be made, whenever possible, by check, debit, or EFT directly from the Student Activity Checking Account. Reimbursements to personal credit card holders will require the prior authorization of the Superintendent. Signatory authorization for Student Activity Checking Accounts will be restricted to the Principal and Assistant Principal.
4. Directs Principals to provide the Treasurer with a bond in an amount agreeable to the Treasurer, or in lieu of a bond, the school district will have adequate coverage provided under the "crime & fidelity coverage" of the Town of Mansfield's general liability insurance plan.

Student Activity Account Maximum Balances

The School Committee will annually, prior to the start of each school year, vote to establish or change the maximum balance that may be on deposit in each Student Activity Checking Account.

Interest

The interest that is earned on such accounts will be maintained in the Agency Account and distributed annually among the Student Activity Checking Accounts as directed by the procedures established by the Superintendent.

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Audits

There will be an annual audit of the student activity funds that will be conducted in accordance procedures as agreed upon between the School Committee and the auditor; the audit will be conducted by a district or municipal employee but not by the Principal, Town Treasurer, Superintendent, or any authorized signatory on the accounts. Such audit will be conducted in accordance with Massachusetts Department of Elementary and Secondary Education (DESE) guidelines.

For accounts with maximum balance limits that exceed \$25,000, an outside audit firm will conduct an audit every three years, in accordance with DESE guidelines.

Training and Education

The School Business Administrator will arrange for training and educating of school officials on internal controls and management of student activity funds on a periodic basis, including establishing a formal process to onboard new school officials or to handoff knowledge / documentation from outgoing school officials in case of turnover.

Establishment of a Student Activity

Approval for all student organizations that raise their own funds must be granted prior to establishment. Principals will have discretion to approve student organizations that are not raising/receiving funds or spending funds and which does not include the use of the student activity account (e.g. clubs.) Approval for student activities is initiated at the school level through the principal with final approval being granted by the School Committee. No organization is allowed to establish a student activity, which includes the use of the student activity account, without approval from the School Committee.

Donations to Charitable Organizations

Fundraising that involve student activity account proceeds being donated to charity must be approved in advance by the Superintendent. Payments to charitable organizations must include documentation explaining the nature of the donation, the relationship to Mansfield Public Schools, and a copy of the organization's 501(c)3 certificate or other written verification of such status. All such payment requests must be approved by the Superintendent.

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Tax-Exempt Status

All student activity account purchases will be under the tax-exempt number of the Town of Mansfield tax exempt number through the Treasurer's office. Monies not under the control of the school system (ex. PTO, Booster Clubs, staff monies, etc.) are not considered student activity monies and are not eligible to use the tax-exempt number.

Closing out Abandoned Accounts

Any student activity inactive for a period of three (3) years or more, and for which there has been no receipts or disbursements recorded on its behalf, will require the following actions in order to be closed:

1. Written notification by the advisor or student officer to the School Principal or other authorized administrator that the activity will cease to be a viable account. If an advisor or student officer is not available, such discontinuance will be by vote of the School Committee.
2. All assets of the recognized student activity will be identified and stated in writing.
3. The School Committee will determine any disposition of assets of an inactive recognized student activity. In no case shall the disposition benefit specific individuals.

Such policy will be communicated to the students who contribute to the accounts, when possible.

Graduating Class Funds

Funds held on behalf of graduating classes are to be held within the Student Activity Checking Account for the High School. Such funds will be designated by the class' year of graduation (e.g. Class of 1998, etc.)

Once a class has graduated from Mansfield High School, its funds should be removed from the High School Student Activity Checking Account no later than two years from the date of graduation. It is the responsibility of class officers to arrange for these funds to be removed from the High School Activity Checking Account. When requested, and once all outstanding financial obligations of the graduating class have been met, the remaining balance should be removed from the fund by check transfer payable to the Class of XXXX. Checks payable to individual members of the graduating class are not permitted.

Should the class officers not request to have their funds removed from the Student Activity Checking Account within two years of their graduating, the funds will be forfeited by the class and transferred into the General Sub-fund portion of the Student

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Activity Agency Account. These funds will then be allocated by a vote of the School Committee.

Class officers should be given a copy of this policy at the start of each school year to ensure their knowledge of their obligations to perform under this policy.

The Superintendent or designee will develop procedures aligned with the Massachusetts Department of Elementary and Secondary Education (DESE) Student Activity Account audit guidelines and The Massachusetts Association of School Business Officials (MASBO) Student Activity Accounts Guidelines For Massachusetts School Districts.

Revised: October 30, 2018
 September 12, 2016

SOURCE: MASC

LEGAL REF.: M.G.L. 71:47 Athletics programs; School Organizations; Student Activity Accounts

OTHER REF.: MA DESE *Agreed Upon Procedures and Audit Guidelines: Student Activity Funds*

Massachusetts Association of School Business Officials (MASBO)
Student Activity Accounts Guidelines For Massachusetts School Districts.

NOTE: DESE audit guidelines for Student Activity Checking Accounts require an annual audit. In regional districts these accounts may be a part of the annual audit by a third party auditor. In municipal districts the audits may be conducted by a district or municipal employee but not by the Principal, Treasurer, Superintendent, or any authorized signatory on the accounts. Districts with large numbers of schools may rotate the schools through the audit process.