

**Franklin Public Schools
Franklin, Massachusetts 02038**

Action Required

Subject: Policy

Date: October 24, 2017

Dept: School Committee

Reason: Required Vote

Enclosure: yes

Recommendation:

I recommend moving policy JJF-R - Student Activity Accounts to a second reading at the next meeting.

Action Requested of the School Committee:

Majority vote of the School Committee is required.

<u>Vote Tabulator</u>	
C.Douglas: Y / N	A. Bergen: Y / N
MJ Scofield: Y / N	V. Bilello: Y / N
J. Jewell: Y / N	K. O'Malley: Y / N
D. Schultz: Y / N	Action: _____

STUDENT ACTIVITY ACCOUNTS

Massachusetts General Law Chapter 71, § 47 allows Principals to maintain a checking account for "student activity" purposes and an agency account for deposit of all monies received in connection with these student activities.

Account Maintenance

Two accounts will be established for each school. One Agency Account where all monies shall be deposited by the Treasurer, and one Checking Account for use by each Principal. A maximum balance has been established for each checking account and the Treasurer is authorized to deposit advances from the agency accounts into these checking accounts for use by the principals. These advances have been established as follows:

High School	\$ 35,000
Middle Schools	\$ 7,500
Elementary Schools	\$ 5,000

Two signatures will be required for each checking account, the Principal being one of the two. Cards are to be signed where noted and returned to the Treasurer immediately.

The amended law requires that each Principal give bond to the municipality in such amount as the Treasurer shall determine. These amounts are established as follows:

High School Principal	\$ 35,000
Middle School Principals	\$ 7,500
Elementary School Principals	\$ 5,000

Once signature cards are returned with signatures and are submitted, the accounts will be opened and checks will be ordered and sent to each Principal. Once the new accounts have been established, the Treasurer will notify principals to close any unauthorized bank accounts and turn funds over to the Treasurer. All future monies received should be handled as follows.

Student Activity Advisors who collect funds shall turn over such funds to the Principal or Principal's designee within twenty-four hours of receipt. The Principal shall then turn over same to the School Business Office which will then turn them over to the Town Treasurer with "Schedule of Departmental Payments to Treasurer" form. Deposits to the Treasurer must be made at least weekly, if not more frequently. No monies should be deposited directly into the checking account.

Funds will be transferred into the Principal's checking account up to the amounts stated above. The Principals should spend monies for school activities out of the checking account. To replenish the checking account up to the established level, the Principal should do the following:

Submit a voucher to the Business Office, which will then forward it to the Town Comptroller. The voucher must have receipts, invoices and/or other supporting documentation attached for monies to be paid out of the checking account. When this voucher has been processed through the warrant process, the Treasurer will transfer funds into the checking account and notify the Principal.

Form 1099-MISC shall be issued to those qualifying individual and eligible business entities receiving total annual payments in excess of \$600 from student activity accounts. The Principal or Principal's designee shall provide a separate voucher for each entity and the Business Office shall provide such information to the Town Comptroller for final issuance of form 1099-MISC.

Deficit account balances shall be prohibited. The Principal shall not allow accounts to have deficit balances and shall immediately resolve actual deficit account balances that are not the result of temporary timing issues. Such resolution may include reallocation of funds from a schoolwide account.

The Principal or Principal's designee shall, on a monthly basis, provide financial reporting of all student activity fund revenues, expenditures, and balances to the School Business Office, Town Comptroller, and Town Treasurer, and School Committee. All monthly bank reconciliations shall be signed by the preparer and the Principal to maintain proper accountability and oversight of student activity funds.

In addition, the Principal or Principal's designee shall, on a monthly basis, provide financial reporting of individual student activity fund receipts, disbursements, and balances to the in charge class or club advisor.

Activity advisors shall maintain receipt logs in order to provide an audit trail from the point of collection to the remittance of monies to the student activity account bookkeeper. Advisors shall reconcile to receipt log with the report of account receipts provided by the student activity account bookkeeper. Advisors shall review account balances and provide signature confirming the accuracy for those account balances periodically, but no less than annually prior to the end of each school year.

Any student activity account that funds travel costs shall be required to provide a written statement of final accountability from trip leaders for all travel-related receipts and expenditures.

Reviewed; no revisions 8/7/12; 11/1/14

Reviewed, revised, adopted by School Committee 9/13/16