

Board Policy Document

BUSINESS PROCEDURE

Series 800

Policy Title: Accounting Policy for Student Activity Funds

Code Number: 871.5

1. Building student activity funds cannot directly pay substitute teachers, instructional assistants, employees who officiate at athletic events, or perform additional duties for extracurricular activities.
 - It is illegal, since it violates the Internal Revenue Code provisions, to withhold income and Social Security taxes. Temporary personnel are part-time employees of the District and must be part of our payroll system. When substitutes are paid from an Activity Fund, their income is not included on their W-2. Willfully failing to withhold payroll taxes, could result in the principal being personally responsible for 100 percent of any penalties incurred by the District.
 - Any person who works for the district must be paid by the payroll department and, therefore, must be contracted on a daily basis or have turned in a time card.
2. When buildings request reimbursement from District funds for Activity Fund expenditures, a purchase requisition must have the following information (example attached):
 - Building name and fund
 - Account number to be reimbursed
 - Copy of invoice
 - Copy of activity fund voucher, if used by the building, with reference Number(s) or check number(s) for the expenditure(s) and a brief description of the expenditure(s).

First Adoption: July 10, 1984
Revision Adoption: January 27, 1998/February 9, 1999
Legal Reference: Iowa Code Chapter 11.23, .279.8 (1997)

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3. Monthly financial statements are to be sent to the Business Office by the 15th of the following month. It is not acceptable to hold them until the end of the school year. Reporting on a monthly basis allows you the opportunity to check the status of your funds. You will have a current picture of money available to be used for activities or projects you may wish to accomplish.
4. In addition to monthly statements, a list of receipts and checks written during the month must be attached.