



I. Policy Statement

The Board of Education of Howard County recognizes that schools, as well as student and parent organizations, sometimes provide financial support for school-related activities. The Board further believes that these funds must be managed in a way that is both fiscally and educationally responsible.

II. Purpose

The purpose of this policy is to establish parameters for the accountability of school activity funds.

III. Definitions

A. School Activity Funds – All cash funds in bank accounts and investments held in the name of a school. This includes fund raising proceeds, cash donations and any other funds provided to the school that are not allocated through the Board of Education budget.

IV. Standards

A. Unless other ownership is specifically designated, school activity funds are public funds entrusted to the school for the benefit of the students currently in the school.

B. School activity funds are public school funds and must be accounted for in a manner commensurate with Generally Accepted Accounting Principles (GAAP) as defined in the Manual of Policies and Procedures for Administration of School Activity Funds.

C. School activity funds may only be spent for legitimate education-related purposes. This includes:

1. Materials of Instruction
2. Equipment
3. Supplies
4. Meeting expenses, including food and beverage costs
5. Technology
6. Defraying costs or charges for students

7. Classroom supplies
8. Staff Development expenses
9. Extra-curricular activities
10. Co-Curricular activities (e.g., school trips)
11. Books/Media equipment
12. Improvements to real property
13. Student recognition, awards, or incentives
14. Student snacks
15. Staff recognition or appreciation, excluding cash awards

Expenditures for other purposes require the advance approval of the Assistant Superintendent for School Administration.

- D. If funds are to be used for a specific purpose, the purpose must be identified to the donor prior to collection and monies spent on that item.

V. Compliance

- A. The school principal is the fiduciary agent for school activity funds and as such is responsible for maintaining these funds in accordance with accepted accounting principles, Board of Education procedures and for ensuring that their use is for legitimate education-related purposes.
- B. The Superintendent/designee is responsible for ensuring that the fiduciary responsibilities for all schools are met.

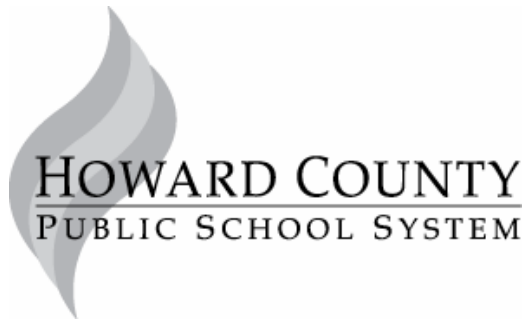
VI. Delegation of Authority

- A. The Superintendent is authorized to develop implementation procedures to carry out this policy.

VII. References

- A. Legal
- B. Board of Education Policies
Policy 4010 Donations
Policy 4020 Fund Raising

ADOPTED: January 27, 2005
AMENDED:
EFFECTIVE: July 1, 2005



POLICY 4030-PR
IMPLEMENTATION PROCEDURES
ACCOUNTABILITY OF SCHOOL
ACTIVITY FUNDS

Effective: July 1, 2005

I. General

- A. The Superintendent/designee is responsible for the development and implementation of a comprehensive manual of policies and procedures for the accountability of school activity funds.
- B. The comprehensive manual of policies and procedures for the accountability of school activity funds will include processes for the handling of these funds and the designation of individuals or offices responsible for those processes.
- C. The manual will reflect the principle that, unless otherwise specifically designated, School Activity Funds are public funds entrusted to the school for the benefit of the student body currently in attendance at a school and may not be used to benefit individual staff members or particular student groups.

II. Manual of Policies and Procedures for Administering School Activity Funds - Contents

- A. Topics to be addressed in the Manual of Policies and Procedures for Administering School Activity Funds will include, but not be limited to:
 - 1. Principles Governing School Activity Funds
 - 2. Disbursements of School Activity Funds
 - 3. Management of School Activity Funds
 - 4. Internal Controls Over School Activity Funds
 - 5. Accounting Procedures
 - 6. Business Activities
- B. Distribution of Manual will begin in March 2005
- C. The Superintendent/designee will conduct an annual review of the manual and make revisions as appropriate.

ADOPTED: January 27, 2005

AMENDED:

EFFECTIVE: July 1, 2005