



## **SECTION VI: BUSINESS, TECHNOLOGY & OPERATIONS POLICY 6000**

### ACTIVITY FUND ACCOUNTING AND EXPENDITURE PROCEDURES

The Board of Education is directed by state law to exercise control over all funds on hand or received from students or other extracurricular activities conducted in the school district. In compliance with Section 5-129 of the Oklahoma School Code (Okla. Stat. tit. 70, §5-129) the following local policies are established to govern Activity Fund Accounting and Expenditures.

Any funds derived from sources specified in Section 5-129 (B) which have been designated by the Board of Education as "Activity Funds" shall be deposited with the Chief Financial Officer of Broken Arrow Public Schools for further credit to specific sub-accounts within the Administrative Office Activity Fund as may be directed by the Board of Education in accordance with the guidelines and procedures established in the Policy. Each school within the District shall have an activity fund designated as that site's School Activity Fund for receipt of such revenues. Any Activity Funds received by the Chief Financial Officer which are not allocated by Board of Education resolution for distribution to specific School Activity Fund site accounts shall be retained in the Administrative Office Activity Fund. The Board of Education may direct, by written resolution, that any balance in excess of the amount needed to fulfill the function or purpose for which the Administrative Office Activity Fund was established may be transferred to another account. The Chief Financial officer shall be the Custodian of the Administrative Office Activity Fund.

Custodians of Activity Funds shall be the principals of each school in the district or such other persons as may be designated from time to time by the Board of Education. All Activity Fund Custodians must become familiar with all provisions of activity fund accounting under the requirements of Section 5-129.

In addition to the accounting procedures and requirements set forth by Section 5-129, the Board of Education has adopted the following additional guidelines and policies which must be observed carefully by all Activity Fund Custodians.

#### Deposit of Funds

The Board of Education designates that revenues generated from the following sources shall be designated as Activity Funds:

1. Admissions to athletic contests, school or class plays, carnivals, parties, dances and all summer camps.
2. Sale of student activity tickets.
3. Concession sales.
4. Dues, fees, donations to student clubs or other organizations provided that membership in such clubs or organizations shall not be mandatory.
5. Income or Revenue resulting from the operation of student organizations or club projects, provided such revenue is not derived from the sale of property, supplies, products or other assets belonging to the school district.



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6. Deposits for or collections for the purchase of class pictures, rings, pins, announcements, calling cards, annuals, banquets, student insurance, and other such personal items; provided the cost of such items shall not be charged against other school funds.
7. Other income collected for use by school personnel and other school-related adult functions.

All other income, revenue, deposits or collections of any nature, including but not limited to: laboratory fees, fees for the use of equipment owned by or rented by the school district; deposits or assessments for breakage or supplies used in instructional courses; sale, exchange, lease or rental of property, supplies or products originally acquired from funds belonging to the school district or through the management, use of production of property belonging to the school district; shall be deposited in accordance with the provisions of Section 335 of Title 62 of the Oklahoma Statutes.

Disbursements from the School Activity Funds shall be made by check signed by the Activity Fund Custodian and countersigned by the Co-Custodian of the School Activity Fund. Activity Funds shall not be used for any purpose other than that for which the account was originally created. The Board of Education, at the beginning of each fiscal year and as needed during each fiscal year, shall approve all School Activity Fund sub-accounts, all sub-account fund-raising activities and all purposes for which the monies collected in each sub-account can be expended. Provided, the Board of Education may direct by written resolution that any balance in excess of the amount needed to fulfill the function or purpose for which the Administrative Office Activity Fund, any School Activity Fund or sub-account within any School Activity Fund was established, may be transferred to another account or sub-account by the Custodian of the fund.

Funds in other Activity Funds and similar organizations are subject to control of the Board of Education as part of the district's activity funds if the activities are actually those of students acting under the guidance and direction of adults.

#### Regulations for Administration of Activity Funds

The State Board of Education and the Broken Arrow Board of Education establish the following regulations for the administration of activity funds:

The Board of Education may appoint a Custodian for each school to administer the school's School Activity Fund sub-account. Unless otherwise specified by the board, the building principal shall serve in that capacity and the building secretary shall serve as treasurer of the fund.

The Administrative Office Activity Fund Custodian and each School Activity Custodian shall give a Surety Bond of not less than \$1,000.00, and such bond shall be filed with the clerk of the Board of Education. Payment for the bond is to be made from the General Fund.

Deposits to or transfers from any account may be authorized by the Board of Education except that no transfers shall be made from the School Lunch Account, Clearing Account, and Petty Cash Account.



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The School Activity Fund Custodian shall not use funds in one account for another purpose unless a transfer is granted as provided by law. (This requires a written resolution by the Board of Education as authority for the transfer.)

Sub-accounts for the Administrative Office Activity Fund or for any School Activity Fund may be established by the Board of Education by whatever name or style deemed best suited to fit needs for which the revenue was collected. When approved by the Board of Education, student organizations or club projects may include fund raising activities, the revenues from which may be used for the purpose of purchasing goods or services otherwise considered to be General Fund Expenditures. Balances in sub-accounts that have been inactive for 3 years may be transferred to the General student activity account with approval by the Board of Education.

Separate bank accounts may be established for School Lunch (Child Nutrition Fund) or other programs, but funds shall be accounted for by the Activity Fund Custodian in charge, and disbursements shall be made as provided by law.

A general or miscellaneous account may be established within the Administrative Office activity fund or any School Activity Fund to which all unobligated or uncommitted monies may be transferred.

Receipts for collections shall be given by the School Activity Fund Custodian and should be given in all other cases where possible. Tickets shall be used for admissions in order to establish an internal control and check system for the activity fund.

#### Restrictions on Use of Activity Fund Accounts

The following restrictions are imposed by the Board of Education as local requirements:

Funds deposited into the picture fund or a similar sub-account within the School Activity Fund shall be expended only for purchases which may be used or appreciated by all the students or a large group of students in the school.

Funds deposited into a sub-account which is derived directly from profits solely obtained through the work efforts of teachers or through purchase of items by teachers, may be expended for purchases which may be used or appreciated by the teaching faculty.

Purchase of any property for personal use (i.e., a gift for teacher, individual, etc.) is prohibited from any activity account funded by student efforts unless said funds were raised with the express intent to make such purchases and this fund purpose was approved by the Board. Accounts established by and for adults may be used to buy gifts of a personal nature within established guidelines.

Source: *Administrative Policy effective December, 1985.*  
*Broken Arrow Board of Education policy revised, June 20, 1988.*  
*Broken Arrow Board of Education policy revised, February 15, 1999.*  
*Broken Arrow Board of Education policy revised, July 13, 2009.*  
*Broken Arrow Board of Education policy revised, July 10, 2017.*



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*Broken Arrow Board of Education policy revised, May 13, 2019.*

*Broken Arrow Board of Education policy revised, July 17, 2023.*