



NON-INSTRUCTIONAL SERVICES: Non-Instructional Services

School Activity Funds

I. Purpose

To provide guidelines for the proper management and handling of school activity funds.

II. Definitions

- A. *School Activity Funds* – Funds generated by school-sponsored activities, managed by school staff and maintained in a school bank account.
- B. *School-Sponsored Activity* – An activity that is sponsored, approved, conducted, planned and/or supervised by school personnel, regardless of whether the activity takes place on or off school property or during regular instructional hours.

III. Management of Funds

- A. The financial management of all school activity funds shall be the responsibility of the school principal. Financial management shall include:
 - 1. Maintaining sound accounting practices;
 - 2. Recording the receipt and expenditure of funds using a uniform chart of accounts;
 - 3. Authorizing expenditures;
 - 4. Reporting to school administration, parents and students on the use of student activity funds; and
 - 5. Complying with regulations issued by the Internal Revenue Service and the Comptroller of Maryland, Sales and Use Tax Division.
- B. All funds collected by school employees and by student treasurers shall be receipted, accounted for and directed, without delay, to the proper location of deposit on a daily basis.
 - 1. All schools shall make arrangements for making bank deposits after regular banking hours in order to avoid leaving money in the school overnight.

2. In no case shall funds be left overnight in schools, except in safes provided for safekeeping of valuables.
 3. School activity funds may not be disbursed as cash payments under any circumstances.
- C. Schools are encouraged to maintain school activity funds in a single checking/savings account. Funds not needed to meet current obligations may be invested by the Department of Fiscal Services.
- D. Funds belonging to external organizations such as parent-teacher associations and booster clubs are not considered school activity funds and shall not be commingled with school funds.
- E. External organizations may not conduct fundraising activities or establish an admission fee schedule that supersedes or diminishes a school's claim to receipts generated by school-sponsored activities.
- F. External organizations may contribute funds to schools. All contributions shall be deposited into school activity funds.
- G. Cafeteria funds are not considered school activity funds and shall be maintained by the Office of Food and Nutrition Services.
- H. Guidelines for judging the appropriateness of any fundraising activity shall include the following:
1. The activity shall be open to all students;
 2. The activity should not be held on school time;
 3. The activity shall not use students to sell products in the community;
 4. The activity shall not involve physical competition (contact sports) between students and faculty;
 5. Activities must not place undue burdens on students or staff; and
 6. Cost of participation in the activity must be nominal.

IV. Responsibilities

- A. The Department of Fiscal Services shall maintain the *Accounting Manual for School Activity Funds* to guide and direct the management of these funds.

RULE 3125

- B. The Department of Fiscal Services shall provide training related to the proper management of school activity funds including accounting procedures and responsibilities.
- C. Employees are responsible for ensuring the collection and management of all funds complies with the Baltimore County Public Schools *Accounting Manual for School Activity Funds*.

Related Policies: Board of Education Policy 3000, *Non-Instructional Services*
Board of Education Policy 3160, *Review and Approval of School-Sponsored Activities*
Board of Education Policy 4104, *Technology Acceptable Use Policy (TAUP) for Employees and Approved Non-Employees*
Board of Education Policy 5320, *Student Organizations and Clubs*
Board of Education Policy 6702, *Extracurricular Activities*
Board of Education Policy 8400, Office of *Internal Audit*

Related Rule: Superintendent's Rule 4104, *Technology Acceptable Use Policy (TAUP) for Employees and Approved Non-Employees*

Rule		Superintendent of Schools
Approved:	07/11/06	
Revised:	09/18/07	
Revised:	12/04/12	
Revised:	05/08/18	