SECTION 14: CLUB FINANCIAL RECORDS

14.1 SPONSOR'S RESPONSIBILITY

1. A club is defined as a school organization whose sponsor is a district employee (not hourly) and its membership consists of enrolled students, and whose activities (projects, goals, objectives, purpose, financial) complement the District’s and school's goals and objectives. These activities require the principal’s approval. See Board Policy GKG (Regulation)

2. The sponsor must ensure that the club’s activities and transactions are in compliance with Federal, State and Local (Board) Policies, administrative bulletins and the guidelines illustrated in the Campus Accounting Manual.

3. The sponsor of each school club is required to maintain adequate financial records which attest to the proper maintenance and supervision of the club's financial activities. See club financial records listing at Section 14.13 #2.

4. The sponsor is responsible for all club activities and financial transactions. The sponsor is accountable for funds and activities entrusted into his/her care. Sponsors will be held liable for the mismanagement/loss of funds.

5. The sponsor, not the campus financial clerk, is responsible for preparing and submitting accurate financial records to the campus financial clerk. The campus financial clerk acts as a resource person and is responsible for “recording” the club’s activities.

6. The club’s permanent records are maintained by the sponsor. These records are held on campus and may not be taken home. Club financial records (current and prior years) are subject to an unannounced audit.

7. The club sponsor must maintain a roster of club members in the club’s permanent records. This roster should be readily available for review.

8. School affiliated clubs, organizations, club sponsors, and club members are not authorized to open or maintain separate checking, savings or credit accounts. They are restricted to using the school’s accounting system.

9. Due to Wage and Hour concerns, administration has prohibited all hourly (non-exempt) employees from serving in the capacity of a club sponsor, coach or chaperone at their or any EPISD school/activity.
14.2 TRAINING FOR CLUB SPONSORS

1. The principal is responsible for ensuring that club sponsors are provided with adequate training on District guidelines governing club activities.

2. Training for Student Activities Managers (SAMs) will be provided by Campus Accounting as needed.

3. Sponsor training will be provided by the Student Activities Manager (SAM) and/or the campus financial clerk. Campus Accounting may provide assistance as needed.

4. The principal is required to keep written records (Sponsor’s Training Log) whereby sponsor acknowledges receipt of the “SPONSORS MANUAL” and that training was provided.

14.3 FORMATION OF A CLUB/NEW CLUBS

1. Clubs may be formed at any level.

2. The campus chart of accounts illustrates approved account numbers for club use. Formation of a club, which has an assigned account number, requires the principal’s written approval ONLY!

3. The written approval is used by the campus financial clerk to assign an account number (from the campus chart of accounts). The written approval becomes part of the club’s permanent records. Send a copy to Campus Accounting with a request to add the club to the campus’s chart of accounts.

4. A new club is defined as one not previously recognized by the District. These clubs have not been assigned a standard account number in the campus chart of accounts. Formation of this type of organization requires the written approval of the campus principal and the appropriate Associate Superintendent.

5. The written approval is used by Campus Accounting to assign an account number. The written approval, including the assigned club account number, is mailed to the campus financial clerk. The written approval becomes part of the club’s permanent records. A copy is kept by Campus Accounting.

6. In both cases illustrated above, formation of the club is documented by completing the Club Sponsor Application.
14.4 UNAUTHORIZED CLUBS

The District does not authorize clubs who meet the following criteria:

1. Clubs who are required to submit funds earned to an outside organization;

2. Clubs whose activities have a high level of risk/liability (motorcycling, canoeing, etc.);

3. Clubs who have unacceptable conditions in the parent organization's charter/bylaws. Examples include conditions requiring specific guidelines regarding a club's position on sex and/or sexual orientation.

14.5 CLUB ASSETS & EQUIPMENT - DISPOSALS

1. Sponsors moving from one campus to another are not authorized to move club funds from one school to another.

2. Employees, including sponsors, moving from one location to another are not authorized to move district property from one school to another.

3. Employees, including sponsors, are not authorized to engage in "trade in" deals with vendors or organizations.

4. Employees (including administration) are not authorized to sell or dispose of any district property (donated or purchased).

5. Please refer to Section 27, SURPLUS PROPERTY/SALES, for specific policies which govern the disposal of district property.

14.6 CLUB RECEIPTS

1. Clubs may generate money by participating in fund raising activities (refer to Section 13) or soliciting donations (see Section 7). Clubs can not generate money by charging other clubs/students/outside organizations for use of district facilities.

2. ALL CASH/CHECKS collected/received by the club must be receipted in accordance with the guidelines illustrated in Section 5, CASH RECEIPTS, Campus Accounting Manual. Please refer to this Section of the CAM for specific receipt guidelines!

3. The sponsor must use the District’s pre-numbered Miscellaneous Receipts to record cash/checks receipts greater than $10.00.
4. The sponsor may use a “Collection Log” to record collections less than or equal to $10.00.

5. The sponsor is responsible for using only those Miscellaneous Receipts issued by the campus financial clerk. The sponsor must account for all receipts issued to him/her.

6. BOARD POLICY FP (REGULATION) requires that “a receipt must be issued to the person turning in money at the collection point.”

7. The sponsor must ensure that the Office Receipt issued by the campus financial clerk is kept with the corresponding Miscellaneous Receipts/Collection Log(s). The Office Receipt should be attached to the last Miscellaneous Receipt/Collection Log of the deposit.

8. The sponsor/club members/club parents cannot use the funds held in custody to cash personal checks, make cash refunds, or make cash purchases. Additionally, these funds cannot be borrowed or lent.

9. The sponsor is responsible for recording the required information on the front of personal checks which they accept/receipt. Refer to Section 12, RETURNED CHECKS for specific details.

14.7 CASH REMITTANCE

1. Once cash has been received and receipted, the sponsor remits the cash as follows:

   a. The sponsor verifies that the amount turned in for deposit agrees with the total of the corresponding Miscellaneous Receipts/Collection Log(s).

   b. The sponsor submits the Miscellaneous Receipts/Collection Log(s), an adding machine tape (which totals the Miscellaneous Receipts), and the money to the financial clerk.

   c. After remitting cash for deposit, the sponsor should never walk away without having received the original Office Receipt. This receipt is prepared by the financial clerk and should agree to the total cash remitted.

   d. Funds should be remitted to the campus financial clerk on or before 2:00 P.M.
2. The campus financial clerk:
   a. Reconciles funds remitted for deposit to the Miscellaneous Receipts/Collection Log(s).
   b. Issues an Office Receipt for the total cash received. Any differences should be noted on the Office Receipt. The financial clerk should work, immediately, with the sponsor to resolve variances found. All significant losses must be immediately reported to campus administration, Campus Accounting, and Police Services.

   NOTE: The sponsor is liable for all shortages (difference between Miscellaneous Receipts and amount submitted for deposit).
   c. The original Office Receipt is given to the sponsor.

3. **BOARD POLICY FP (REGULATION)** requires that classroom teachers and other personnel handle funds collected as follows:
   a. The money collected must be turned over to the senior clerk, business agent, or the principal when the aggregate amount collected exceeds $25.00 or a minimum of once a week.
   b. Employees are discouraged from leaving any monies in desks or file cabinets.
   c. Employees who hold funds (in those cases where cash on hand does not exceed $25.00) and remit them for deposit at a later date are responsible for said funds.
   d. Any employee who does not follow the above procedures will be held accountable and expected to reimburse the school in case of loss or theft.

**14.8 CLUB DISBURSEMENTS**

1. The sponsor must ensure that all disbursements are processed and handled in accordance with federal, state and local policies and guidelines as illustrated in Board Policy, Financial Services Bulletins, and the Campus Accounting Manual.

2. At a minimum, sponsors should refer to the following CAM Sections for specific disbursement guidelines: 7 (Donations & Gifts), 9 (Disbursements - Campus), 13 (Fund Raising), 25 (Travel), 26 (Technology), 31 (Purchasing), 33 (External Funding), and 36 (Fine Arts).
3. Refer to the **Disbursement Approval Matrix** in CAM Section 9 for the levels of approval required when acquiring products or services.

4. All disbursements (campus checking, petty cash, 1290, budget accounts) require:
   
   a. **PRIOR APPROVAL**
      
      CAMPUS BASED - (campus checking/petty cash) require prior approval from the principal.
      
      DISTRICT BASED - (1290 and budget accounts) require prior approval from the principal and the Purchasing Department Director.
      
   b. **ORIGINAL invoice, sales ticket or register receipt.** Expenditures without proper documentation may be disallowed. These support documents must be turned in to the campus financial clerk on a timely basis (i.e., no longer than five working days after the activity).
      
   c. **A SIGNED (by a District employee) invoice, receiving slip, packing slip, etc.** acknowledging receipt must be submitted before the District or school can process payment to the vendor.
      
   d. **That FUNDS AVAILABLE in the club account are sufficient to cover the cost of the goods or services being ordered or received.** NOTE: The District does not encourage DEFICIT SPENDING!

5. Sponsors are not allowed to engage in any "CASH TRANSACTIONS!" All disbursements must be processed through the school's business office and paid with a campus or District check.

6. Sponsors should plan ahead. In order to avoid delays or problems, requests requiring more than one level of administrative approval should be submitted two weeks prior to the activity.

7. Purchased or donated capital assets/equipment becomes property of the district. These assets should be tagged and inventoried like any other fixed asset.

8. Call the District’s Travel Office for information on travel related procedures.

9. Working with contracts requires that the campus principal and sponsor exercise due professional care. The process to have a contract approved starts with the sponsor, is approved by the principal and is then subject to district administrative approval. Campus employees are not authorized (must first obtain administrative approval) to:
a. Approve any short term or long-term contracts or leases.

b. Approve any waivers or contracts.

c. Approve changes to contracts which have already been approved.

NOTE: The principal/sponsor may be liable for any transactions he/she approved without receiving prior approval. When in doubt call Campus Accounting or the Director for Auditing Services.

14.9 FUND RAISING ACTIVITIES

1. Please refer to Section 13, FUND RAISING ACTIVITIES, for specific policies and procedures which govern these types of activities.

a. The Fund Raising Application and Fund Raising Recap, page 1 and page 2 are used by the sponsor to request permission to have a fundraising activity and to account for the activity. These forms can be found in the on-line Campus Accounting Manual (@ my.episd.org), or from Campus Financial Clerk.

b. The fund raising activity approval process is initiated by submitting a completed Fund Raising Application to Campus Accounting. For details on completing a fund raising application see CAM, Section 13.5.3

c. The FRA must be approved before the product or services are ordered or received.

d. When food items are being sold, the time of day, portion size and nutritional content must be specified on the fund raiser application. Homemade baked items are prohibited as fund raisers during the school day.

2. Funds generated must be used in accordance with the purpose illustrated on the Fund Raising Application.

3. Service clubs, such as Student Council, may earmark the revenue earned on a specific fund raising project (PURPOSE section, Fund Raising Application) for school service projects. For fund raising activities which benefit outside organizations see Board Policy CFD (Local) and FJ (Local)

4. Clubs are discouraged from participating in interschool and intraschool joint venture fund raising activities.
14.10 SOLICITING DONATIONS

1. Please refer to Section 7, DONATIONS, which illustrates the specific policies and procedures which govern donations.

2. Sponsor should prepare and submit a "Donation Approval Request" to the principal, for approval, before starting the solicitation process. The approved Donation Approval Request is then submitted to the respective Associate Superintendent for approval. The Associate Superintendent remits the approved donation forms to Campus Accounting for filing/distribution.

3. A club cannot own equipment. Therefore, donations are accepted on behalf of the District and become EPISD property.

4. The District is not responsible for replacing or repairing items which have been donated or purchased with club funds.

5. Donated funds must be utilized for the purpose identified on the donation request.

6. Monies deposited by parents for a specific purpose (i.e., for son's or daughter's orchestra trip) are:
   a. Not considered a donation;
   b. Deposited in the club account;
   c. Subject to refund if the activity (example - trip) is cancelled by the school. Cancellation refunds requested by the parents (personal reasons) are made at the principal’s discretion. All associated costs are deducted before processing the refund.

14.11 UTILIZATION OF CLUB FUNDS

1. School clubs generate funds (fund raising activities, donations) for the exclusive use and benefit of the club members as a whole.

   The use of club funds for the benefit of one individual member is restricted. Emergency cases may be considered on an individual basis. These cases must be presented in writing and must be approved by the principal, sponsor, and club officers.

2. Club funds cannot be used by the principal to subsidize the general fund!
3. Club funds:
   a. Cannot be used by the sponsor for professional travel or staff development.
   b. Cannot be used to pay the sponsor’s membership fees.
   c. Can be used to pay for the sponsor’s travel expenses when sponsor is acting as chaperone on a District approved trip (TRIP REQUEST required). In cases where the students pay their own way, the sponsor must pay his/her own way. Cannot be used to purchase uniforms for the sponsor (band, orchestra, coaches, etc.).

4. Schools and clubs cannot donate funds to any other club (including general fund) or outside organization(s). All funds raised by student organizations must be expended for the benefit of the students. For exceptions see Policy CFD (Local) Accounting: Activity Funds Management and Policy FJ (Local) Gifts and Solicitations.

5. A club may donate services. These services may include singing at a retirement home, collecting canned goods for the food bank, or collecting jackets for the needy, etc.

14.12 TRANSFER OF FUNDS

Bookkeeping errors will be corrected through the use of a journal voucher. The club sponsors must sign the journal voucher form, or supporting documentation, before it can be approved and posted.

14.13 CLUB FINANCIAL RECORDS

1. In accordance with TEA directives, each sponsor must be provided with a summary of the club’s monthly financial activities (illustrates beginning balance, plus deposits, less expenses equals ending balance). Campus Accounting provides this to the campus financial clerk each month as part of the campus’s financial package. The campus financial clerk must:
   a. Distribute these statements to the club sponsors.
   b. Document compliance by having the sponsor sign his/her copy of the MCFAS. The financial clerk may opt to use the MCFAS Log or the MCFAS Affidavit.
   c. Provide the first report, to the sponsor, in September for August activity. The last report is due in August for May/June activity.
2. Club financial records include but are not limited to the following: Written authorization to start the club, club minutes, member roster listing, Monthly Club Activity Summaries, Club receipts and disbursements register, fund raising records (application, recaps, inventory), Miscellaneous Receipts, trip requests, tax free day forms, special waivers/permissions, etc.

3. The club maintained financial register should be reconciled to the summary provided by the campus financial clerk. Variances should be identified and corrected immediately.

4. The sponsor is responsible for keeping club records (subject to the records retention requirements) on campus. The sponsor is restricted from disposing of any club related records.

5. The complexity of the club's activities will determine if additional records are needed.

6. At a minimum, sponsors should be familiar with the following sections in this manual: CAM Sections 5 (Cash Receipts) and those listed above in Section 14.8 #2. In some cases sponsors should be familiar with Section 15 (PTA & Booster Clubs).

7. Students may participate in the maintenance of the club's financial activities. However, the sponsor is ultimately responsible for the integrity, accuracy and propriety of the club's financial activities.

8. Club financial records must be remitted for summer audit at fiscal year end.

14.14 CRIME STOPPERS

Crime Stoppers By-Laws template available for use.

14.15 BOOSTER CLUBS

Please refer to CAM Section 15, PTA & Booster Clubs, for specific guidelines for these organizations.