

ADMINISTRATIVE RESPONSIBILITIES BOARD OF TRUSTEES

1. The admission of new clubs or activities to the extracurricular fund must be submitted to and approved by the board or its designated representative.
2. The cancellation of extracurricular fund checks will require prior approval from the board or its designate. Outstanding checks can be canceled after one year of date of issue.
3. Non-sufficient fund checks cannot be written off without first obtaining approval of the board or its designate.
4. Inactive fund accounts should be reviewed by the board or its designate each June, and those determined to be discontinued should have any remaining balance transferred to a related account.
5. Fund accounts should not be permitted to become overdrawn, in that the overdraft becomes a liability to other funds and to future classes. Whenever a fund account becomes nearly depleted, remedial action should be ordered immediately by the board or its designate.
6. The board or its designate should direct the individual clubs to maintain separate financial records and see that each club's fund balance is in agreement with the general control records maintained by the fund custodian. This would provide better internal control of the fund accounting operation.
7. The board should review the adequacy of insurance policies regarding burglary coverage, messenger and forcible seizure coverage and verify that the coverage includes extracurricular fund moneys.
8. The board should review existing official bond coverage to verify that the extracurricular fund is included. The original applications for official bonds must include the handling of these activity funds. Otherwise, coverage may not be extended by the bonding company.
9. Each May the board or its designate should direct the senior class to dispose of any money remaining in the senior class fund account. Such disposition should be accomplished by one of two methods:
  - A. The senior class could designate the balance remaining in the fund for a specific purpose and authorize the expenditure immediately.
  - B. The senior class could authorize the balance remaining in the fund to be transferred to a designated fund account.
  - C. Student activity funds are intended to finance programs within the school and must be expended in a manner to benefit the student body as a whole. No personal gain is to come from student activity funds.

DESIGNATING PRIOR YEAR SENIOR CLASS FUND BALANCE: There is no actual law or rule stating how this money can be used or expended. However, because of Section 20-9-504, MCA, which allows school districts the right to establish an extra-curricular fund, it is reasonable to assume Trustees would have some control on how the money is designated. Each school board should address this issue and set the parameters for expending or using this money.

10. The practice of making direct or lump sum payments to the extracurricular fund from the school district funds should be restricted. Such transfers weaken internal control. A direct payment will be permitted to reimburse the student activity fund if the claim against the general fund is properly documented and easily traced into the extracurricular fund records. The preferred method to subsidize the extracurricular fund is to pay extracurricular expenses directly from