

**School Board Meeting/Workshop Date:**

**July 22, 2019**

**Subject:**

RESOLUTION REGARDING  
BOARD CONTROL OF  
EXTRACURRICULAR ACTIVITIES

**Presenter:**

**Gary Kawlewski, Director  
Finance and Operations**

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**SUGGESTED SCHOOL BOARD ACTION:**

Discussion only

**DESCRIPTION:**

In the past, we have had a number of student activities that we did not treat as a part of the general fund and we did not treat those accounts as under board control. We have maintained those accounts separately from the general fund. Annually, our auditors have audited those accounts as a part of our annual audit and issued a separate report in addition to our regular audit report.

The 2019 legislature, in response to Government Accounting Standards Board Statement 84, is now requiring schools districts to bring those student activity accounts into the general fund and under board control. The attached resolution from the Minnesota School Boards Association, directs the district's administration to implement the provisions of this new legislation effective with the 2019-20 fiscal year.

The affected accounts are as follows:

- Arts Magnet program
- BHS Bounceback
- Classes of 2020 through 2023 - each has a separate account
- FFA
- National Honor Society
- Student Council

The accounts will operate similar to the previous requirements but now will be reported in the general fund and included in the regular audit report. My understanding is that there will no longer be a separate student activity report issued.

We will bring the resolution back to the board on August 26, 2019 for final approval.

**ATTACHMENTS:**

- Resolution Regarding Board Control of Extracurricular Activities