

Student Activity Accounts



June 20, 2019

Required Changes

- The Governmental Accounting Standards Board (GASB) issued Statement 84, known as GASB 84, that will require funds for extra curricular activities to be “under board control” starting in the 2019-20 school year.
- The MN Legislature also adopted the changes in GASB84 during special session (Minnesota Session Laws 2019, 1st Special Session, CH. 11, Art. 1, Sec. 5).

What are student activity accounts?

- Student activity accounts are for extracurricular activities where funds are raised BY students and FOR students that are currently enrolled.
- Each approved student activity account must have an advisor who is charged with the oversight of the student activity account.
- The advisor's role is to advise and guide the student activity yet not influence or direct the decisions of the students.

Examples of current student activity accounts

High School

- Various Sports Teams
- Culinary Club
- Debate
- DECA
- FFA
- Forensics Club
- Healthy Minds
- Rangers Helping Rangers
- Rotary Interact

Middle School

- Band/Choir/Orchestra
- Drama
- Empowerment Club
- Science Club
- Sewing Club
- Ski Club
- Student Council
- Spanish Club
- Strategy Club

Where are the funds currently held?

- First Resource Bank - Forest Lake Area High School, Forest Lake Area Middle School and Lino Lakes Elementary
- First State Bank of Marine in Scanida - Scandia Elementary
- First State Bank of Wyoming - Linwood Elementary and Wyoming Elementary
- Mainstreet Bank - ALC
- MidwestOne Bank - Columbus Elementary, Forest View Elementary
- Wells Fargo - Forest Lake Elementary

What needs to happen next?

- The finance department is currently collecting information on uncleared checks and working to get accounts ready to close in June or July 2019
- The MSBA draft policy will be presented to the school board tonight for possible adoption on June 27th or later in July.
- The finance department will work to set-up coding structure for High School and Middle School activities that will continue to use student activity accounts
- In August the school board will start to see and approve expenditures out of the new student activity accounts as part of the check approval process currently done by the board.

Draft Policy 713 by MSBA

I. PURPOSE

The school board recognizes the need to provide alternative paths to learning, skill development for its students, and activities for student enjoyment. It also understands its commitment to and obligation for assuring maximum accountability for public funds and student activity funds. For these reasons, the school board will assume control over and/or oversee funds for student activities as set forth in this policy.

II. GENERAL STATEMENT OF POLICY

A. Curricular and Cocurricular Activities

The school board shall take charge of, control over, and account for all student activity funds that relate to curricular and cocurricular activities.

B. Extracurricular Activities

The school board shall take charge of and control over all student activity accounting that relates to extracurricular activities.

C. Non-Student Activities

In overseeing student activity accounts under this policy, the school board shall not maintain or account for funds generated by non-students including, but not limited to, convenience funds of staff members, booster club funds, parent-teacher organization or association funds, or funds donated to the school district for specified purposes other than student activities.

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III. DEFINITIONS

A. Cocurricular Activity

A “cocurricular activity” means those portions of the school-sponsored and directed activities designed to provide opportunities for students to participate in such experiences on an individual basis or in groups, at school and at public events, for improvement of skills (i.e., interscholastic sports, band, etc.). Cocurricular activities are not offered for school credit, cannot be counted toward graduation, and have *one or more* of the following characteristics:

1. They are conducted at regular and uniform times during school hours, or at times established by school authorities;
2. They are directed or supervised by instructional staff in a learning environment similar to that found in courses offered for credit; and
3. They are partially, primarily, or totally funded by public moneys for general instructional purposes under direction and control of the school board.

B. Curricular Activity

A “curricular activity” means those portions of the school program for which credit is granted, whether the activity is part of a required or elective program.

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C. Extracurricular (Noncurricular/Supplementary) Activity

An “extracurricular (noncurricular/supplementary) activity” means all direct and personal services for students for their enjoyment that are managed and operated under the guidance of an adult or staff member. Extracurricular activities have *all* of the following characteristics:

1. They are not offered for school credit nor required for graduation;
2. They generally are conducted outside school hours or, if partly during school hours, at times agreed by the participants and approved by school authorities;
3. The content of the activities is determined primarily by the student participants under the guidance of a staff member or other adult.

D. Public Purpose Expenditure

A “public purpose expenditure” is one which benefits the community as a whole, is directly related to the functions of the school district, and does not have as its primary objective the benefit of private interest.

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IV. MANAGEMENT AND CONTROL OF ACTIVITY FUNDS

A. Curricular and Cocurricular Activities

1. All money received on account of cocurricular activities shall be turned over to the treasurer, who shall deposit such funds in the general fund, to be disbursed for expenses and salaries connected with the activities, or otherwise, by the school board upon properly allowed itemized claims.
2. The treasurer shall account for all revenues and expenditures related to curricular and cocurricular activities in accordance with the Uniform Financial Accounting and Reporting Standards (UFARS) and school district policies and procedures.

B. Extracurricular Activities

1. Any and all costs of extracurricular activities may be provided from school revenues.
2. All money received or expended for extracurricular activities shall be recorded in the same manner as other revenues and expenditures of the school district and shall be turned over to the treasurer, who shall deposit such funds in the general fund, to be disbursed for expenses and salaries connected with the activities, or otherwise, by the school board upon properly allowed itemized claims.
3. The treasurer shall account for all revenues and expenditures related to extracurricular activities in accordance with UFARS and school district policies and procedures.

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4. All student activity funds will be collected and expended:
 - a. in compliance with school district policies and procedures;
 - b. under the general direction of the principal and with the participation of students and faculty members who are responsible for generating the revenue;
 - c. in a manner which does not produce a deficit or an unreasonably large accumulation of money to a particular student activity fund;
 - d. for activities which directly benefit the majority of those students making the contributions in the year the contributions were made whenever possible; and
 - e. in a manner which meets a public purpose.
5. Activity accounts of a graduated class will be terminated prior to the start of the school year following graduation. Any residual money from a graduating class activity fund will remain in the general fund and may be used for any school district purpose. Prior to depositing such accounts, all donations or gifts accepted for the specific purpose of the student activity account shall be administered in accordance with the terms of the gift or donation and school district policy.

Questions