

# **Diocese of La Crosse Unified Catholic School Systems Accounting Policies and Procedures Manual**

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## ***Chapter Seven: Student Activity Funds (Custodial Accounts)***

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### ***A. Policies***

#### Overview

Student activity funds (SAF) are maintained for a variety of purposes and vary by school system. Some common SAF's are the Booster Club, Music Club, Spanish Club, class clubs, etc. SAF support the mission of the System and use the federal tax identification number of the System. Accounting for the transactions of an SAF presents a challenge from an internal control viewpoint. This is because cash is being handled by many different people, and events often take place outside of normal working hours.

To maintain good internal accounting controls, these policies should be followed for all SAF's:

- All cash activity is processed through either the operating checking account of the school system or a separate Fund if the checking account is maintained by the group and was established prior to 2014.

#### Accounts Maintained by System

- A monthly statement of activity is to be provided to each club representative by the Central Office.
- After 2014 any new SAF checking account must be created and maintained by the system.

#### Accounts Maintained by SAF

- The President of the system must be an authorized signer on all checking accounts. SAF's that manage their own checking account should require two signatures: 1) SAF-Fund Treasurer; and 2) System President.
- SAF bank statements must be mailed by the bank to the Central Office.
- A statement of activity is to be provided to the Central Office by the SAF treasurer. The preferred timing is monthly. At a minimum annually.
- A statement of activity is to be provided to each club representative by the Central Office. The preferred timing is monthly. At a minimum quarterly.
- The SAF officer provides an annual projected budget for income and expenses to the Central Office.
- Each club is responsible to provide a list of Club Officers to the Central Office annually and when changes in officers occur during the year.
- After 2014 any new SAF checking account must be created and maintained by the system.

### ***B. SAF Procedures***

#### Cash Receipts

People authorized to accept cash on behalf of an SAF should follow the procedures outlined in **Chapter 5 - Cash Receipts – Deposit Procedures – Event Collection**. All cash receipt policies outlined in Chapter 5 also hold true for SAF cash receipts.

#### Cash Disbursements

Purchases must be handled according to the Cash Disbursement policies and procedures outlined in **Chapter 6 - Cash Disbursements**.

