

713 STUDENT ACTIVITY ACCOUNTING

I. PURPOSE

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

[Note: The charter school board is required by Minnesota Statutes section 123B.49, subdivision 2, to take charge of and control over all cocurricular activities, including all money received for such activities.]

B. Extracurricular Activities

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

[Note: The charter school board is required by Minnesota Statutes section 123B.49, subdivision 4, to take charge of and control over all extracurricular activities, including all money received for such activities.]

C. Non-Student Activities

In overseeing student activity accounts under this policy, the charter 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 charter school for specified purposes other than student activities.

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 charter 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.

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 charter school, and does not have as its primary objective the benefit of private interest.

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 charter 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 charter school 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 charter school 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 charter 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 charter school policies and procedures.
4. All student activity funds will be collected and expended:
 - a. in compliance with charter school 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 charter school 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 charter school policy.

V. DEMONSTRATION OF ACCOUNTABILITY

A. Annual External Audit

The charter school board shall direct its independent certified public accountants to audit, examine, and report upon student activity accounts as part of its annual charter school audit in accordance with state law.

B. Fundraiser Report

The administration will prepare a fundraising report semi-annually which will be reviewed by the charter school board in May and November. The report will list the activity, type of fundraisers, timing, purpose, and results.

[Note: The charter school board should conduct periodic reviews of student fundraising. The manner in which such reviews are conducted is in the discretion of the charter school board.]

Legal References: Minn. Stat. § 123B.35 (General Policy)
Minn. Stat. § 123B.36 (Authorized Fees)
Minn. Stat. § 123B.37 (Prohibited Fees)
Minn. Stat. § 123B.38 (Hearing)
Minn. Stat. § 123B.49 (Extracurricular Activities; Insurance)
Minn. Stat. § 123B.52 (Contracts)
Minn. Stat. § 123B.76 (Expenditures; Reporting)
Minn. Stat. § 123B.77 (Accounting, Budgeting, and Reporting Requirement)
Minn. Stat. 124E.03 (Applicable Law)
Minn. Stat. 124E.07 (Board of Directors)
Minn. Rules Part 3500.1050 (Definitions for Pupil Fees)
Visina v. Freeman, 252 Minn. 177, 89 N.W.2d 635 (1958)
Minn. Op. Atty. Gen. 159a-16 (May 10, 1966)

Cross References: Uniform Financial Accounting and Reporting Standards (UFARS)
MSBA/MASA Model Policy 510 (School Activities)
MSBA/MASA Model Policy 511 (Student Fundraising)
MSBA/MASA Model Policy 701 (Establishment and Adoption of Charter School Budget)
MSBA/MASA Model Policy 701.1 (Modification of Charter School Budget)
MSBA/MASA Model Policy 702 (Accounting)
MSBA/MASA Model Policy 703 (Annual Audit)
MSBA/MASA Model Policy 704 (Development and Maintenance of an Inventory of Fixed Assets and a Fixed Asset Accounting System)
MSBA/MASA Model Policy 706 (Acceptance of Gifts)