

ELIDA LOCAL SCHOOL



ACTIVITY FUND MANUAL

Created February 2007

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Activity Fund Purchasing Procedure:

1. An activity group wants to purchase an item. The advisor fills out a requisition completely and gives it to the principal to approve.
2. The principal approves the requisition and the secretary enters it in the accounting system on the computer.
3. The requisition then gets forwarded to the accounts payable clerk who converts the requisition into a purchase order.
4. The treasurer and superintendent approve this purchase order and return it to the accounts payable clerk.
5. The accounts payable clerk orders the item unless it states that the advisor will be taking care of it. Normally the order is faxed for faster service so please provide the fax number if you have it. If the advisor is placing the order or picking up the item, please make sure a note is on the requisition explaining this.
6. Once the item is ordered, the accounts payable clerk writes a note on the green copy of the purchase order stating how and when the item was ordered and returns it to the advisor. If the advisor will be ordering the item, the green copy will be returned stating that the item was not ordered.
7. The advisor or building representative then checks the goods in when they arrive.
8. When the accounts receivable clerk receives the invoice, she forwards it to the advisor.
9. Once the goods have been received and you receive the invoice, please sign it stating that it is fine to pay. If there is a problem with the invoice or order, please do not sign it until the issue is resolved. The invoice is then forwarded to the principal for approval. The principal then forwards the invoice to the accounts payable clerk.
10. Once the invoice has the required signatures, the accounts payable clerk pays the invoice. This completes the purchasing process.

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General Information Regarding Activity Fund Purchase Orders:

- Every purchase for the activity fund must have a purchase order.
- All purchases made by the advisor on behalf of the activity fund must have prior approval even if the school district is reimbursing the advisor.
- Prior approval means it must have the approval of the superintendent and treasurer AND a purchase order should be done before the item is ordered or purchased. It is not legal to order or purchase materials before a purchase order has been approved. This procedure is set by the State of Ohio and is mandatory that it be followed.
- It is important that the purchase order date is prior to or the same date as the invoice date. The auditors watch this closely and will issue a citation to the school district if they find instances where this is not followed.
- It is important to include shipping and handling charges. This is part of the cost of the item. This should be included on the requisition. If there are no shipping and handling charges, please list no shipping or free shipping on the requisition so the secretary and accounts payable clerk are aware that you checked on the shipping. The requisition may be returned to you if you do not list any shipping.
- If the invoice is different from the requisition by a small percentage, it is still fine to approve it. If however the difference is greater than 10%, please write an explanation on the invoice so the accounts payable clerk knows it is fine to pay as is. If no explanation is written, you may receive an email for verification that it is fine to pay.
- When turning in a Sales Project Approval Form, you may attach the requisitions you need for the sales project. If you turn them in at the same time, it will ensure they get done in a timely manner. This is not mandatory, just a helpful suggestion.
- Another helpful suggestion is at the beginning of the fiscal year, the requisitions could be done for the items that you know for sure. For example, if you are the Student Council advisor the homecoming dance takes place every year. Certain expenses will be incurred for the homecoming dance such as a DJ, crown, tiara, and flowers to name a few. If an activity fund does a certain fundraiser every year such as selling Valentine's Day flowers, the requisitions could be done for them. The purchase order is only a good estimate so use last year's amounts.

- A nice feature of the accounting system is the use of a multi-vendor. This feature permits you to do one purchase order but allows you to pay several different people from that one purchase order. For example, say you are working on the homecoming float for senior class. Student A goes to get some supplies, the advisor wants to pick up some supplies and Parent A will picking up some supplies. Before any supplies are purchased, you could do a multi-vendor purchase order for \$100 for the senior class. This would allow the accounts payable clerk to reimburse several different people using one purchase order. The nice thing about this would be when you are working on the float, you already have the purchase order in for supplies for the float so you can run up town and get what you need because you know you have the purchase order for supplies. The major thing you will need to be careful about is that you do not go over the amount by more than 10%. Also, make sure everyone keeps their receipts so that they can be reimbursed. If they lose the receipts, they will not be reimbursed.
- Another word of caution, do not use the actual cash you took in from a fundraiser to pay cash for invoices you have incurred. The auditors want to see the gross amounts coming in and the proper expenses that have been incurred. This really protects the advisor because if you purchased 100 bulldog hats to sell and you sold them all but only turned in money for 90 because you paid for pizza for the kids that were helping sell them, the auditors will question you as to what happened to that money. The activity could pay for the pizza but they want to see the actual check pay for the pizza and the money turned in for the 100 hats.

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Activity Fund Receipt Procedure:

1. When money is collected, please complete a Pay-In Order. This should be filled out completely. There is an example in this booklet that shows what should be listed on each line. If you need the account number for your activity, please contact the accounts receivable clerk or treasurer.
2. After the Pay-In Order is completed, the advisor should keep the pink copy. Please take the white & yellow copies along with the actual deposit to the accounts receivable clerk. The accounts receivable clerk verifies the deposit and a deposit ticket is completed.
3. The accounts receivable clerk gives the deposit to the treasurer and it is taken to the bank.
4. The treasurer returns a copy of the deposit ticket to the accounts receivable clerk. It is entered in the accounting system on the computer. A computer printed receipt is generated.
5. The accounts receivable clerk keeps the white copy of the pay-in and a computer generated receipt for the office files. The advisor will receive a yellow copy of the Pay-In Order back along with a copy of the computer printed receipt.
6. The advisor should make sure the computer generated receipt matches the pink copy of the Pay-In Order the advisor originally retained. Normally if there is a difference, the accounts receivable clerk will have a note on it explaining the difference.

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General Information Regarding Activity Fund Receipts:

- Make sure to keep proper records to show the amounts that each student sold. Please verify that the student then took the correct amount of goods they sold to distribute.
- Students should be given receipts for the amount of money they turn in. This allows the advisor and students to be accountable for the money received.
- The money is to be deposited with the treasurer within 24 hours of receipt. One thing to keep in mind, the sooner the money is given to the treasurer, the less time you are liable for it. Also, if you hold the checks for some time, this may upset the people you are selling items to. When the people balance their checkbooks, the checks will still show as outstanding and they may not like that the school is holding on to their checks. They may view this negatively and not buy things in the future or feel the school does not need the money when the next levy is being voted on. Let's work together to keep a positive school image.
- Advisors who fail to turn in money to the Treasurer could be held liable for a finding for recovery.
- It is good practice to write down the name on the check and check number. This is beneficial for the advisor and the accounts receivable clerk in case the check comes back as a non-sufficient fund check.
- If the school receives notification of a non-sufficient fund check, the accounts receivable clerk will notify the advisor. The accounts receivable clerk notifies the individual that wrote the non-sufficient check and tries to work out a payment plan. Once the money is collected, the accounts receivable clerk will notify the advisor that the money has been put back in the account.

ELIDA LOCAL SCHOOLS

SALES PROJECT POTENTIAL

GUIDELINES

All student activities and fundraisers(except for PTO events) are required to file Sales Project Potential forms. Regardless of the fundraiser size, these forms must be filed.

The forms are used to meet the audit requirements that fundraisers are conducted in accordance with Board policy and reviewed for accuracy. The form filing process consists of the following:

Step 1: File "Approval Form" with Superintendent two months prior to sales project.

Step 2: File "Reconciliation Form" with Treasurer, within two weeks after completion of the project.

General Guidelines

Receipts

1. Student rosters should be maintained and reviewed. Advisor should be able to document what happened to student's inventory of product.
2. All money is to be deposited,(with a "Pay-In") with the Treasurer within a 24 hour period.
3. Students should be given receipts for money turned in or documented on a student roster.
4. Advisors who fail to turn money into the Treasurer could be held liable for a finding for recovery.
5. Advisors should keep all "Pay-In" copies(pink) for their records.

Disbursements

1. POs (purchase orders) must be used for every purchase.
2. It is not legal to order or purchase materials before a PO has been approved.
3. Prior to the issuance of a purchase order, a requisition must be filled out and approved by the Principal.
4. Allow one week for the requisition to be turned into a PO and approved by the Treasurer and Director of Business.
5. Once a PO is approved, the green copy is returned to the advisor to be filed and the advisor is free to order the materials/services.
6. When the invoice arrives, the advisor should approve the invoice, and forward to Treasurer for payment.

KEEP ALL RECORDS INVOLVED WITH STUDENT ACTIVITIES

ALL RECORDS FOR STUDENT ACTIVITIES SHOULD BE KEPT ON FILE FOR TWO YEARS

**ELIDA LOCAL SCHOOLS
SALES PROJECT POTENTIAL
APPROVAL FORM**

This form is designed to obtain approval of the sales project.
To allow ample time for board approval, this form should be submitted two months before the actual event.

The information on this form should contain your best estimate of the project's activity.

Organization:	HS Student Council	Vendor Address:	3107 W Elm St, Lima OH 45805
Sales Project:	Homecoming T-Shirt Sale	Vendor Rep:	_____
Starting Date:	Sept 11, 2006	Units Ordered:	Will order exact number sold
Ending Date:	Sept 22, 2006	Cost per Unit:	* 7.75 to 11.00
Vendor:	Cappie Sportswear	Sale Price/Unit:	10.00 to 15.00

Requested By:

Student Council Adviser
Sponsor Signature/Date 7-1-06

Approved By:

Principal or Bldg. Administrator/Date

Superintendent Signature/Date

* Units Ordered - May order so many units and then sell what ordered. For example, order 200 bracelets and sell them until they are gone.

* Units Ordered - This could be an estimation also.

**ELIDA LOCAL SCHOOLS
SALES PROJECT POTENTIAL
RECONCILIATION FORM**

This form is to be completed once the sales project is finished. Please return to the Treasurer's office. The information on this form lists the actual outcome of the sales project.

Organization: HS Student Council
Sales Project: Homecoming T-Shirt Sale

Cost per Unit: T-Shirt - 7.75 (ex: cost per product for resale)
2x T-Shirt - 8.75
3x T-Shirt - 9.75
Long Sleeve T-Shirt - 11.00

Reconciliation
A. Units purchased for sale: 210 x 7.75 = 1860.00 (ex: total product purchased for resale)
5 x 8.75 = 43.75
4 x 9.75 = 39.00
15 x 11.00 = 165.00

B. Less returns: 0 (ex: damaged goods returned)

C. Total units to account for (A-B): Same As A

D. Sale Price/Unit 240 x 10 = 2400 (ex: sale price per unit of product)
5 x 11 = 55
4 x 12 = 48
15 x 15 = 225

E. Total revenue to account for: (Cx D) 2728 (ex: product available to sell x sale price)

F. Total revenue deposited with Treasurer 2728 (ex: total of pay-ins maintained by advisor)

G. Variance (E-F) 0 (ex: explain below all variances)

Variance Explained (ex: product lost or not returned by student)

* In some instances, there will be
a variance. For example, the top
seller received a free t-shirt.

Approved by:

Student Council Advisor
Sponsor/Date 10/6/06

Principal or Bldg. Administrator/Date

Treasurer/Date

Superintendent Signature/Date

**ELIDA LOCAL SCHOOLS
SALES PROJECT POTENTIAL
APPROVAL FORM**

This form is designed to obtain approval of the sales project.
To allow ample time for board approval, this form should be submitted two months before the actual event.

The information on this form should contain your best estimate of the project's activity.

Organization: _____

Vendor Address: _____

Sales Project: _____

Vendor Rep: _____

Starting Date: _____

Units Ordered: _____

Ending Date: _____

Cost per Unit: _____

Vendor: _____

Sale Price/Unit: _____

Requested By:

Approved By:

Sponsor Signature/Date

Principal or Bldg. Administrator/Date

Superintendent Signature/Date

**ELIDA LOCAL SCHOOLS
SALES PROJECT POTENTIAL
RECONCILIATION FORM**

This form is to be completed once the sales project is finished. Please return to the Treasurer's office. The information on this form lists the actual outcome of the sales project.

Organization: _____
Sales Project: _____

Cost per Unit: _____ (ex: cost per product for resale)

Reconciliation

A. Units purchased for sale: _____ (ex: total product purchased for resale)

B. Less returns: _____ (ex: damaged goods returned)

C. Total units to account for(A-B): _____

D. Sale Price/Unit _____ (ex: sale price per unit of product)

E. Total revenue to account for:
(CxD) _____ (ex: product available to sell x sale price)

F. Total revenue deposited with
Treasurer _____ (ex: total of pay-ins maintained by advisor)

G. Variance (E-F) _____ (ex: explain below all variances)

Variance Explained _____ (ex: product lost or not returned by student)

Approved by:

Sponsor/Date

Principal or Bldg. Administrator/Date

Treasurer/Date

Superintendent Signature/Date