



DRYDEN

CENTRAL SCHOOL DISTRICT

Student Treasurer & Faculty Advisor Handbook

For Operating
Extra Classroom Activities

Extra Classroom Activity Student/Advisor Handbook
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What are Extra Classroom Activities?

The Extra Classroom activity fund provides learning experiences in the business procedures needed to safeguard the collection, deposit, and disbursement of money along with the filing of sales tax revenues.

The operation of an Extra Classroom activity is guided by many governing boards including the Commissioner of Education, the Board of Education and the activity officers and advisors.

Extra Classroom activity funds are defined in the Regulations of the Commissioner of Education as "Funds raised other than by taxation or through charges of a board of education, for, by or in the name of a school, student body or any subdivision thereof." Basically, Extra Classroom activity funds are those operated by and for the students. These funds are usually collected voluntarily by pupils and are spent by them as they see fit so long as they abide by established regulations.

The Regulations of the Commissioner of Education were formulated not only to safeguard the funds of the organization but also to provide schools with the opportunity to teach pupils good business procedures through participation in handling such funds and operating a successful business. For many students, this may be the only business training they will receive in school.

The Board of Education plays an important role in establishing both policies and procedures for Extra Classroom activities to follow. As the elected governing board, the Board retains oversight responsibilities for Extra Classroom activities.

As the Student Treasurer and the Faculty Advisor, you work closely together as a team to assure that all funds collected and expended are appropriately accounted for. This is a critical task to the success of your organization.

This handbook is designed to assist you in accomplishing this task.

Getting Started

Remember, the Board of Education retains oversight responsibility for all extra classroom activities.

At the beginning of each school year, you need to seek Board of Education recognition as an Extra Classroom Activity before you begin ANY financial activities such as fundraisers or spending money.

The Board of Education usually meets twice a month, so plan on seeking recognition well in advance of any financial activity.

Please use the form on page 5 to obtain this annual authorization.



Dryden Central School District
Annual Board of Education Approval
Extra Classroom Activity

Fiscal Year:

Activity or Club
Name:

Primary purpose of activity:

Faculty Advisor

Signature _____

Name _____

President

Signature _____

Name _____

Vice-President

Signature _____

Name _____

Treasurer

Signature _____

Name _____

Secretary

Signature _____

Name _____

If activity or club dissolves or becomes inactive, transfer funds to: _____

Approved at the Board of Education meeting of:

Copy to Central Treasurer following approval by the Board of Education.

PLANNING YOUR ACTIVITIES



When your club or activity was recognized by the Board of Education, a primary purpose or function was stated. To fulfill this purpose or function will require you to prepare an operational plan for the year.

If your purpose is to take a class trip to Washington, D.C. in the spring you will need to start planning now. Many questions need to be answered before you start fundraising such as,

- How many days will we be gone?
- How many of us will be going?
- How much will it cost to get there?
- How much will it cost to stay there and to see the things we want to see?
- How many chaperones will we need?
- Will the Board of Education approve the trip?

Hopefully it is obvious that these things do not occur overnight and require discussions with many individuals! Once your plans begin to take shape you need to develop a budget that includes all anticipated expenses and potential revenue sources. Depending on the size of your budget, you may need to plan several fundraisers during the course of the year.

PLANNING A FUNDRAISER

Board of Education Policy requires that each fundraiser be approved by your Building Administrator and the Superintendent **before** you start a fundraising activity. If there will be door-to-door sales, the fundraiser is moved to the Board of Education for final approval. Since the Board typically meets twice a month, you will need to do some advance planning to obtain Board approval. The form you need to complete this is found on pages 7 and 8.

Dryden Central School District
Request to Conduct a Student Fundraiser

*This form must be **completely** filled out and approved in advance of ALL sales. Your supervising principal or director signs for approval of the date and the fund raiser. The form is then forwarded to the Superintendent for approval. Please Note: If there will be door-to-door sales, the fundraiser is moved forward to the Board of Education for final approval.*

After the approval process is complete, a copy of this form is returned to the advisor and supervising principal or director. The fundraiser is added to the District fundraiser calendar by the Secretary to the Superintendent.

School Year: _____

Activity/Club: _____ Advisor: _____

Financial Goal of the Activity/Club: \$_____ Purpose: _____

Current Cash Balance of the Activity/Club: \$_____ Date: _____

Nature of Fundraiser: _____

Dates of Fundraiser: _____

- Will there be door to door sales? _____

Fundraiser Budget:

Revenue Source:	Amount Estimated:	Vendor Payments	Amount Estimated:
Total Est. Revenues (A)	\$	Total Est. Costs (B)	\$
	Est. Profit (A minus B)	\$	

Describe how sales will be accounted for: _____

(Examples: Pre-Numbered Tickets, Student Sales Sheets, etc)

Is the fundraiser subject to sales tax? _____

By submitting this Request to Conduct a Student Fundraiser I hereby certify that:

- All information included is accurate to the best of my understanding.
- I am familiar with all Board of Education Policies and Regulations regarding Extra Classroom Activities, Student Fundraising and Cash in School Buildings.
- No funds will be raised until administrative approval has been given.
- Documentation supporting all sales will be retained for audit purposes for a period of three years from the date of the fund raiser. (i.e. tickets, sales sheets, etc.).
- All contracts for sales have been reviewed by the appropriate administrative staff.
- All cash, checks and inventories of products will be secured in accordance with Board of Education Policies and Regulations.
- A Profit and Loss Statement will be prepared and forwarded to the Central Treasurer within five days of the conclusion of the fundraiser.
- I am familiar with NYS Sales Tax rules and will segregate all appropriate sales tax on each deposit of sales.
- The organization submitting this request has been approved by the Board of Education and has student officers and conducts regular meetings.
- No cash will be used to offset expenses of the fundraiser.

Name of Advisor (Please Print): _____

Signature of Advisor: _____

Date: _____

Administrator Action (Approved or Disapproved): _____ Date: _____

Superintendent Action (Approved or Disapproved): _____ Date: _____

Board of Education (Approved or Disapproved): _____ Date: _____
(For Door to Door Sales)

Date forwarded to Central Treasurer: _____

Date added to fund raising calendar: _____

Keeping Track of Your Cash Balance

As the Student Treasurer, it is your responsibility to keep track of the cash balance of the club. Your Faculty Advisor will help you with maintaining this record.

This record is required by the Regulations of the Commissioner of Education. You will be asked to provide your cash balance when you seek approval for a fundraiser or when you ask for a check to be written. Also, from time to time, the District Office will ask you to send a copy of your record so that it can be compared to the balance the Central Treasurer has recorded.

Once your activity has received its annual approval, you will receive a ledger with your beginning balance recorded on it by the Central Treasurer.

Keep your ledger current and accurate! The following example is provided to assist you in accomplishing this task.

Using the example on page 11, follow along:

Opening Balance

On September 7, the Central Treasurer received notification that your club or activity has been approved for the year. The Central Activity Treasurer provides you with a ledger page with the Beginning Balance of your club or activity already recorded. This amount is the balance of the account at the end of last year, if there was a balance. The beginning balance in the example is \$614.53.

Recording a Cash Receipt

When you prepare a deposit from activities that you have conducted, enter the date of the activity, a brief description of the activity and the total amount of the deposit on the form in the column labeled "Total Receipts". If the deposit includes sales tax that you have collected, record that amount in the column labeled "Sales Tax". Enter the difference between the number in the "Total Receipts" column and "Sales Tax" column in the column labeled "Net".

The "Net" amount is what will be added to your account balance. Add the amount you entered in the "Net Balance" column to the previous "Running Balance" column to record the new running balance for the activity.

The Central Treasurer will provide you with a receipt for the amount of money deposited for your activity. When you receive the receipt, enter the receipt number in the "Receipt or Order No." column and retain the receipt for your records.

In the example, on September 17, you deposited \$400.00 for the sale of prom tickets. Of this amount, \$29.63 was collected as Sales Tax and is not added to your account balance. Following

this transaction the running balance of your activity is \$984.90. (Beginning balance of \$614.53 plus \$370.37). The Central Treasurer will send this to New York State for you.

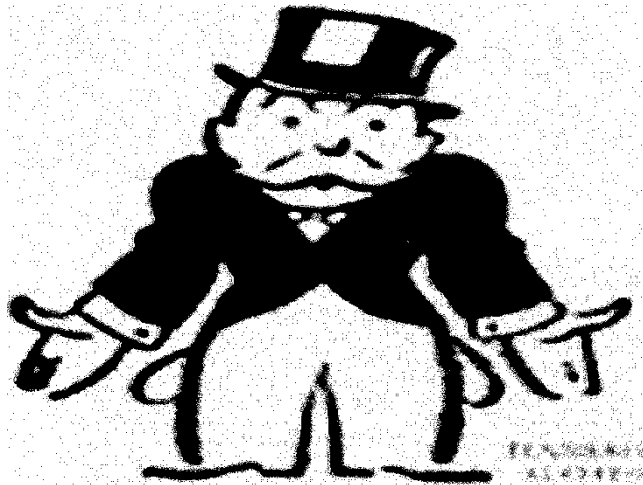
Recording a Cash Payment

When you have completed a Payment Order and have provided it to the Central Treasurer, enter the information in the student ledger including the date, description and amount of the pay order in the appropriate columns. The amount of the pay order is also entered in the "Total Payment" Column. Subtract this amount from the previous balance to determine the new running balance for your activity and record the new balance of the activity.

When you receive the check from the Central Treasurer as a result of your pay order, record the check number in the "Voucher No. or Code" column.

Again, in the example on page 11, your club has issued a payment order to pay for a D-J on 10/4 in the amount of \$200.00. The new running balance of your club is now \$784.90.

REMINDER: YOU CAN NEVER HAVE A NEGATIVE BALANCE IN YOUR ACCOUNT!

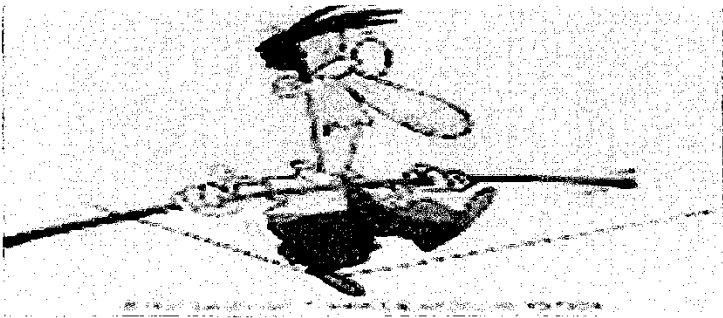


**DRYDEN CENTRAL SCHOOL DISTRICT
STUDENT TREASURER LEDGER**

Individual Financial Record For: STUDENT COUNCIL School Year: 2020/21
Name of Activity/Club

Date	From Whom Or To Whom	Receipt or Order No.	Voucher No. or Code	Total Receipts	Distribution Of Receipts			Total Payments	Distribution Of Expenditures			Running Balance
					Sales Tax	Net						
	Brought Forward			\$614.53								\$614.53
9/17/20	20 Semi-Formal Tickets			\$400.00	\$29.63	\$370.37						\$984.90
10/4/20	Sonic De-Jay Services							\$200.00				\$784.90
TOTAL RECEIPTS				\$								\$
TOTAL EXPENDITURES				\$								
BALANCE ON HAND – END OF MONTH				\$								
					The Activities Ledger should be balanced and presented at the end of periods established for the Audit.							
					(Date of Audit) _____			(Signature of Auditor Approving Balance) _____				

Your Ledger Should Always Balance With the Central Treasurer.



TO Tax or Not to Tax? That is the Sales Tax Question

Extra Classroom activities are not exempt from New York State Sales Tax.

As you plan and conduct your fundraisers, you will need to determine whether your sales are subject to New York State Sales Tax. If they are, collect the sales tax and record it in the student ledger. When you deposit your money, advise the Central Treasurer how much of the deposit is sales tax and how much should be added to your account.

REMEMBER - THE SALES TAX YOU COLLECT IS NOT ADDED TO YOUR ACCOUNT BALANCE. THIS IS MONEY YOU COLLECTED AND OWED NEW YORK STATE.

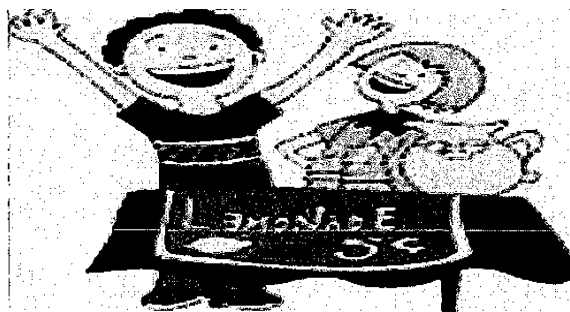


Now that you know that you have to collect and pay sales tax, you will need to know what sales are subject to sales tax. The chart on page 13 is provided to help you answer this question. If the chart does not answer your question please contact NYS Taxation and Finance before you conduct the activity.

When student organizations purchase merchandise for resale, vendors selling the resale merchandise are required to collect the sales tax from you unless they receive a resale certificate from you. The Central Treasurer has these certificates for your use.

If you do pay sales tax on items you have purchased for resale, you do not have to collect sales tax on those sales when you sell those items.

Sale of Candy, Soda and Soft Drinks	Taxable, except for certain drinks	Tax Law §1115(a)(l) generally provides an exemption for the sales and purchases of food, food products, beverages sold for human consumption. However, the exemption does not apply to candy, sodas or soft drinks, and fruit drinks that contain less than 70% natural fruit juice.
Spaghetti dinners and catered meals	Taxable	Tax Law §1115(a)(l) generally provides an exemption for the sales and purchases of food, food products, beverages sold for human consumption. However, the exemption does not apply to catered situations, where the students of the club would be serving, assisting in serving, cooking, or otherwise providing services with respect to the food items in question.
Bake Sales	Non-Taxable	Tax Law §1115(a)(l) generally provides an exemption for the sales and purchases of food, food products, beverages sold for human consumption. This provision exempts bake sales from the collection of sales tax.
Vending Machine Sales - Food Items	Taxable, generally	Where tables, chairs, benches, etc. are provided where the vending machine operations are conducted, the sales through the vending machine are taxable. Where no eating facilities are provided, the sales are exempt from sales tax.
Pizza, Chicken, Popcorn, Coffee, Tea, etc.	Taxable	All sales of prepared food sold in a heated state (where the food is maintained at a temperature warmer than surrounding air temperature) are subject to sales tax, including those sold for off-premises consumption.
Admission Charges	Taxable, except for certain events	Exemption is provided from sales tax for admissions to dramatic or musical arts performances, which do not include variety shows, magic shows, circuses, ice shows, dances, and similar performances. Included in the exemption is an admission charge to choreographed performances to music, which may exempt color guard admissions.
Sale of Newspapers and Magazines	Non-Taxable	
Sale of shrubs, plants and trees	Taxable	
Sale of Yearbook	Taxable, generally.	If the entire cost of the yearbook is underwritten by the Board of Education and the revenue is recognized as a General Fund item, the sale becomes an exempt transaction, not subject to sales tax.
Sale of Yearbook Advertising Space	Non-Taxable	
Sale of Sweatshirts, T - shirts, Jackets, Jewelry	Taxable	Tax Law §1105(a) provides that sales tax is imposed on the sale of tangible personal property.
Book Store Sales	Taxable	Unless specifically exempt.
Pre-packaged Popcorn, Potato Chips, Pretzels	Non-Taxable, generally	When packaged and sold in a cold state, prepackaged snack foods are exempt. This exemption does not apply to caramel or other candy coated snack foods.
Hair Cuts and Styling	Non-Taxable	The cutting and styling of hairpieces is not included in this exemption.
Repair/Maintenance Services, Car Washes	Taxable, generally	An exemption is provided for the repair



ACCOUNTING for YOUR FUNDRAISERS

Confusion and sometimes loss of money can be traced to a lax pre-audit of receipts and recording of money taken in than to any other single cause. For this reason, every possible precaution should be taken to protect the individuals involved and the money collected. The most important functions are the prompt checking, recording, and depositing of receipts. Not all of the possible protective measures are described here, but a number of them are mentioned to show the type of procedures that should be incorporated in any accounting system.

Admissions

Various methods may be employed to insure accurate pre-audit of admissions. Usually pre-numbered tickets should be used so that the auditor may, by reference to the beginning and ending numbers, determine the amount, which should be collected. In some cases, as an added precaution, the ticket collector should be required to deposit the tickets in a locked receptacle so that they may be counted and later destroyed. In other cases where tickets are purchased in a variety of colors, a different color should be used for each occasion, thus making it difficult for anyone to use old tickets. Still another device used to avoid the reuse of tickets is to require the ticket collector to destroy each ticket by tearing it in two, giving one part to the customer and retaining one. Any of these devices or any combination, properly supervised, will insure reasonably honest and accurate results. None of them will guarantee accuracy, especially when adult supervision is lacking. In summary:

- Use pre-numbered tickets and take steps to prevent fraudulent reuse
- Charge each ticket seller with a definite number of tickets and a definite amount of change.
- Provide sufficient number of ticket sellers to avoid undue haste.
- Do not ask the ticket seller to watch the gate.
- Provide a responsible adult ticket taker.
- Require each ticket seller to promptly return all unused tickets, the full amount of change, proceeds from the sale, along with an accounting of moneys turned in.



Membership Dues

The pre-audit of membership dues should be relatively easy if plans are carefully worked out in advance. A few simple rules are suggested:

- Provide pre-numbered receipts or membership cards.
- Charge each solicitor with a definite number of receipts or membership cards. (Make a record of the numbers issued to each solicitor.)
- Require each solicitor to return all unused receipts or cards and the exact amount of money due for each membership sold.
- Designate an adult to supervise the membership campaign and to insist upon a complete and accurate report at the close of the campaign.
- Do not permit solicitors to issue receipts or cards on credit. Require pupils wishing credit to make arrangements with the designated adult officer.
- If memberships are given free or on credit to any pupils, have these issued by the designated adult officer after all the solicitors have turned in their reports, cash, and unsold cards.

Sales and Campaigns

Pupils collecting money should, whenever possible, issue pre-numbered receipts in duplicate, the original to be given to the purchaser and the carbon to the pupil treasurer of the activity. In those cases where receipts are not practical, for example, a candy sale, the activity treasurer with the assistance of the advisor should devise a method whereby the exact amount to be realized by the sale is determined in advance. Each salesman should be given a statement showing the amount he/she is to receive. After the sale, each salesman should then turn in that amount in cash and unsold goods.

Inventory Control

Items on-hand and held for resale or return should be adequately safeguarded against loss, theft or damage by securing them in an appropriate location with limited access. In addition, during sales campaigns inventory should be controlled through the use of an Inventory Control Form on the next page.

Dryden Central School District
 Extra Classroom Activity Fund
 Inventory Control Form

Activity/Club Name: _____

Fundraiser: _____ Dates: _____

Total Number of Items Purchased for Resale: _____

Less: Total Number of Items Sold: _____

Total Number of Items Unsold: _____

Less: Actual Inventory of Items: _____

Number of Items Unaccounted For: _____

STUDENT NAME	DATE	# OF ITEMS TAKEN	DATE	# OF ITEMS RETURNED

DEPOSITING YOUR SALES

The proceeds from your fundraiser must be deposited with the Central Treasurer as soon as possible. If cash or checks cannot be deposited quickly, it is your responsibility to make sure it is placed in one of the safes at the school. Proceeds must be deposited within 5 business days.

When making a deposit, always have at least two individuals present to count the money and complete the deposit slip. Take the money to the Central Treasurer along with your deposit slip. The Central Treasurer will make sure that the money is deposited and will provide you with a receipt. When you get the receipt, remember to record the receipt number in your ledger.



KEEP ALL OF YOUR DOCUMENTS REGARDING THE FUNDRAISER

Once a year, the financial records of the Extra Classroom Activity Fund are audited by a Certified Public Accountant. The report of that audit is made to the Board of Education as well as the New York State Education Department and the Office of the State Comptroller.

Make sure that all documents related to your fundraiser are saved and delivered to the Central Treasurer when you complete your Profit and Loss Statement.

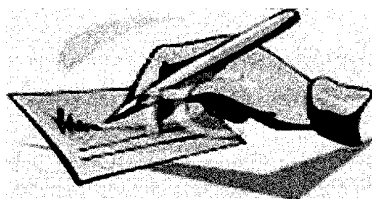
EXPENDING THE MONEY YOU HAVE EARNED

The only way that you can expend money from your account is by completing a payment order and sending it to the Central Treasurer. Both the Student Treasurer and the Faculty Advisor need to sign the payment order.

The Central Treasurer cannot make a check out if there is no supporting documentation. Any invoices or bills associated with the payment order must be attached.

Never pay a vendor in cash!!!!

Once the check is prepared, the Central Treasurer will send you the check for you to give to the vendor. Remember to record the check number in the student ledger.



REPORTING YOUR PROFIT OR LOSS

When you asked for permission to hold a fundraiser, you completed a budget. You estimated what you thought your revenues and expenses were going to be and any profit you thought you would earn.

Once your fundraiser is completed, you need to determine the actual results of the fundraiser by completing the Profit and Loss Statement on page 19. Page 21 is provided for extra Notes.

In completing this form, use the actual numbers from the fundraiser. When reporting actual sales, it may be easier to attach documents to the Profit and Loss Statement rather than trying to fit them into a limited space on a form.

For example, if you sold candy bars, you could attach the individual sales total from each member of your organization. Remember, you need to turn in all documentation concerning your fundraiser to the Central Treasurer.

The Central Treasurer cannot issue you a check from your profits until the Profit and Loss Statement has been completed and filed with the Central Treasurer.



DRYDEN CENTRAL SCHOOL DISTRICT
Extra Classroom Activity Fund
Profit and Loss Statement

Activity/Club Name: _____ Fundraiser: _____

Dates of Fundraiser: _____

Subject to NYS Sales Tax? _____

RECEIPTS

Date	Description	Gross Deposit	Sales Tax	Net Revenue
			Total	

EXPENSES

Date	Payee	Check #	Purpose	Amount
			Total	

	ESTIMATED	ACTUAL
Revenues		
Expenses		
Net Profit or Loss		

Signature of Treasurer: _____

Signature of Adviser: _____

Date Completed: _____

REMINDER: THIS FORM MUST BE COMPLETED AND SENT TO THE CENTRAL TREASURER AT THE CONCLUSION OF EACH FUNDRAISER. ALL PROCEEDS FROM THE FUNDRAISER WILL BE IMPOUNDED UNTIL THE FORM IS RECEIVED.

OTHER IMPORTANT THINGS YOU NEED TO KNOW

MEETING MINUTES

All Extra Classroom activities shall meet at least once monthly while school is in session. These meetings shall be held on school property. Extra Classroom activities shall not meet outside school property unless they have received the consent of their school principal. **Minutes must be taken and kept securely with each activity to support any decisions made and recommendations brought up.** These shall be provided to the Central Treasurer monthly or before the end of the school year.

INACTIVE CLUBS AND LEFTOVER FUNDS

An inactive club or activity is one having no financial activity for one full school year. When a club is identified as inactive, the Central Treasurer will transfer any funds in the account of the inactive club to the account of the Student Council unless you have indicated otherwise on the Extra Classroom Activity Form.

EQUIPMENT PURCHASES

All equipment purchased with Extra Classroom activity funds are the property of the Dryden Central School District. The equipment will reside on district property and be inventoried and insured by the Dryden Central School District.

CONTRACTS, COMMITMENTS and GUARANTEES

All commitments and contracts shall be the sole responsibility of the Extra Classroom activity club that entered into the contract, regardless of change in advisers, membership or officers.

RISK MANAGEMENT

Each activity will work with the district administrative team to assure that the district's exposure to any risk resulting from club activities or fundraisers is minimized. In all cases where a vendor will be using district facilities to conduct its event, the district requires a certificate of insurance, with the district being named as an additional insured.

From time to time, the district may request that its primary liability insurance carrier conduct a review of Extra Classroom activities and may prohibit certain events based on the review results.

