



Chico Unified School District

1163 East Seventh Street, Chico, CA 95928-5999
(530) 891-3000

**Administrative
Regulation:**

#3452

Section: 3000

**Business and
Noninstructional
Operations
Page 1 of 4**

STUDENT ACTIVITY FUNDS

Student Body Organization

The Board of Education is authorized to establish regulations for the proper conduct of student body activities and to serve as the controlling authority for all student body funds. In response to this authority, the district has established the following control procedures which shall be followed by each authorized student body:

1. The establishment of a student body organization
2. The administration of the activities of the student body
3. The operation and management of the student body finances

Establishment of the Student Body Organization

Students in elementary and secondary schools are authorized to establish a student body association subject to the control of district policy and procedures and under the direction of the school principal. A student body organization shall conduct its activities as approved by the principal on behalf of the students at the school.

Student body organizations shall adhere to the following procedures:

1. Student body funds must be used to promote and finance a program of worthwhile co-curricular activities beyond those provided by the district.
2. Fund-raising projects must contribute to sound educational principles and should not be in conflict with the educational program of the district.
3. Funds derived from student body activities must be expended in a manner approved by the student governing board.
4. The accumulation of large student body reserves is discouraged. Student body funds must be expended for the benefit of those students currently enrolled in the school who have contributed in one way or another to the accumulation of such funds. Well-planned, long-range programs may be carried forward from year to year.
5. Prior approval by the student governing body and principal must be obtained in fund raising and expending student body funds. Board approval is required for major fund-raising activities.
6. Student body funds are to be managed in accordance with sound business practices, including adherence to accepted budget procedures.
7. Student body business, including fund raising and expending of funds, will be conducted so that competition with local business firms is kept to a minimum.
8. The school principals, through the authority delegated to them, are responsible for the proper conduct of the financial activities of the student body.
9. Principals and their delegates must participate in the preparation, modification and interpretation of procedures and regulations affecting student body affairs.

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**Administrative
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#3452

Section: 3000

**Business and
Noninstructional
Operations
Page 2 of 4**

Administration of the Activities of the Student Body

The administration of student body activities is the responsibility of the following:

Board of Education: The Board is responsible to establish policy to ensure proper supervision and controls of the student body, specifically financial control.

Superintendent: The Superintendent is responsible to establish procedures necessary to implement district policy.

Assistant Superintendent-Business Services: The Assistant Superintendent of Business Services is the consultant on student body organization financial matters.

School Principal: The school principal is directly responsible for all student body financial activities at the school site. The principal/designee shall work closely with the student body advisor to make sure that the correct procedures are followed. The principal shall establish a student body finance committee made up of the school principal/designee, student body advisor, and the appropriate student body officers.

Accounting Technician: The accounting technician for the student body organization is responsible to the principal for keeping the financial records, including the appropriate tax reports. The student body accounts are to be made in accordance with the established system that encompasses elements of internal control and good accounting practices. The accounting system for student body organizations shall follow the prescribed methods outlined in the manual. Fiscal Crisis Management Assistance Team (FCMAT): Accounting Manual.

Student Council: According to the constitution of the student body, the student council is responsible for the adoption of a budget, approval of expenditures, and the authorization of fund-raising activities as approved by the principal/designee.

Internal Audit: The district will provide internal auditing services on an as-needed basis.

Management of the Student Body Finances

All food sales and other fund-raising activities by student groups are subject to district policies and procedures and are not to interfere with the normal conduct of the instructional program at the school. Funds generated by any student organization shall be deposited or invested in one or more of the following ways:

1. Deposits in a bank or banks whose accounts are insured by the FDIC.
2. Investment certificates or withdrawable shares at State chartered savings and loan associations and savings accounts at Federal savings and loan associations.
3. Purchase of repurchase agreements issued by savings and loan associations or banks.
4. Purchase of bonds, notes, bills, certificates, debentures or any other obligations issued by the United States of America.
5. Shares or certificates for funds received or any form of evidence of interest or indebtedness issued by any appropriately insured credit union in the State.

The following procedures for student body funds shall be followed:

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#3452

Section: 3000

**Business and
Noninstructional
Operations
Page 3 of 4**

1. Reconciled bank statements using district-approved Associated Student Body software shall be submitted monthly to the Director of Fiscal Services along with general ledger activity reports.
2. Pre-numbered receipts are to be used for all cash receipt transactions. Details of the number of items receipted and the unit price of each item to be noted on the receipt.
3. When practical, pre-numbered auxiliary receipt books are to be issued to club advisors for all cash collections at student activities.
4. A monthly reconciliation of all receipts is to be conducted to ensure accuracy. Deposits are to be made intact.
5. Report all Associated Student Body overages and shortages to the principal to ensure appropriate follow through.
6. Maintain activity records on all Associated Student Body vending machines. Conduct periodic physical inventories to ensure proper control of all merchandise.
7. Establish a billing system for Associated Student Body advertising, i.e., newspaper and yearbook, to ensure that all payments are received, recorded and deposited in a timely fashion.
8. Utilize approved purchase orders and requisitions with appropriate administrator, advisor and student signatures.
9. Personal checks will not be cashed with student body monies.
10. Bank deposits shall be made daily when practical, however in no event shall they be made less than weekly when the amount exceeds \$100.
11. All receipts shall be deposited in the student body account.
12. Disbursements for authorized expenditures will be made by check only.
13. Based on limitations of insurance for banks and savings and loans, no student body shall deposit more than \$250,000 in any single financial institution.

Student body funds shall not be used for the following:

1. Purchase of equipment and supplies which are normally purchased by the district, forms and postage for curricular or classroom use or for district business
2. Repairs and maintenance of district-owned equipment
3. Salaries or supplies which are the responsibility of the district
4. Articles for the personal use of district employees
5. Gifts, loans, credit or the purchase of accommodations for district employees or others



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Operations
Page 4 of 4**

Student body funds shall be expended subject to such procedures as may be established by the student body organization, subject to the approval of each of the following three individuals prior to the expenditure of any of the funds:

1. The principal or designee of the school
2. The certificated employee who is a designated advisor of the particular student body organization
3. A representative of the particular student body organization

Student body funds of elementary schools may be used to finance activities for non-instructional periods or to augment or to enrich the programs provided by the district.

In elementary schools and continuation high school, where the student body is not organized, the principal shall be the trustee of the student funds and shall receive such funds in accordance with proper district procedures. The funds shall be deposited in a district account and shall be spent subject to the approval of the principal.