

## **RULES AND REGULATIONS FOR THE ESTABLISHMENT, CONDUCT, OPERATION, AND MAINTENANCE OF EXTRACLASSROOM ACTIVITIES**

### **Purpose**

Student extraclassroom activities or clubs may only be formed for educational, school, or community service purposes, by students in grades 6 through 12, in compliance with applicable laws and regulations, in order to provide learning experiences in business procedures. All extraclassroom activities or clubs shall be approved by the board of education.

### **Definition**

Extraclassroom activity funds are money 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.

### **Organizational Procedures**

Students desiring to form an extraclassroom activity or club shall petition their principal in writing. The petition, or charter, shall state the purpose of and describe the activities of the proposed extraclassroom activity or club, and shall be signed by at least ten students (recommended in Finance Pamphlet #2) before it is presented to the principal for action. If the purpose of the proposed extraclassroom activity or club meets an educational, school, or community service purpose and if the necessary space and equipment are available, the principal, in conjunction with the petitioning students, shall seek an activity or club advisor. When these procedures have been accomplished, the building principal shall recommend to the superintendent that the extraclassroom activity or club's petition or charter be approved by the board of education.

### **Approved Extraclassroom Activities**

All extraclassroom activities shall be approved by the board of education. All approved extraclassroom activities must also be reauthorized at the district's annual reorganization meeting. The clerk of the board shall maintain an up-to-date register of all extraclassroom activities that are approved or discontinued.

### **Meetings**

All extraclassroom activities shall meet at least once quarterly while school is in session. Meetings shall be held on school property. Extraclassroom activities shall not meet outside school property unless they have received the consent of their school principal.

**Extraclassroom Activity Officers**

*Faculty Advisor* - Each extraclassroom activity or club shall have a faculty adviser recommended by the superintendent and appointed by the board of education. The faculty advisor shall attend all meetings of the extraclassroom activity or club. The faculty advisor shall assume the primary responsibility for directly supervising the operation of the extraclassroom activity or club by guiding and advising the student officers in planning extraclassroom activities, planning the financial budgets, and preparing the statements of profit and loss. Each faculty advisor shall report to the board of education annually on the activities of his/her activity or club.

*Central Treasurer* - A central treasurer for each building, appointed by the board of education, maintains custody of all extraclassroom activity or club funds.

*Chief Faculty Counselor* - A chief faculty counselor is appointed for each building by the board of education (usually the building principal) to coordinate the financial planning of all projects of the extraclassroom activities in his/her building.

*Extra Classroom Activity Auditor* - An activity auditor, appointed by the board of education, shall review the cash receipt slips and cash disbursement orders on a sample basis, periodically throughout the year for compliance with the procedures outlined herein. He/she will also verify, on a sample basis, that the central treasurers at the High School and Junior High School are verifying their balances with the individual clubs periodically during the year.

**Student Officers**

Each extraclassroom activity or club shall, at a minimum, have a president, secretary, and treasurer. These officers shall be elected annually from among the activity or club's membership by secret ballot.

*Activity Treasurer* - The activity treasurer (as supervised by the Faculty Advisor) shall receive all money raised by his/her activity or club and shall immediately deposit such funds with the central treasurer, using duplicate deposit tickets; pay all bills by issuing disbursement order forms (duplicate); and maintain a ledger showing all receipts and disbursements and indicating a daily running balance.

**Financial Procedures**

All extraclassroom activity or club funds shall be handled in accordance with the administrative regulations for the safeguarding, accounting, and auditing of these funds as shown in Finance Pamphlet 2, *The Safeguarding, Accounting, and Auditing of Extraclassroom Activity Funds*. The pamphlet presents a description of a plan for the management and accounting of extraclassroom activity or club funds. The plan meets the

requirements of the Regulations of the Commissioner of Education and has the approval of the State Education Department.

**Inactive Clubs and Leftover Funds**

An inactive extraclassroom activity or club shall be defined as an activity or club having no financial transactions for three full school years. If an inactive extraclassroom activity or club is identified, its central treasurer is directed to liquidate the leftover funds of this extraclassroom activity or club as follows: leftover funds of inactive or discontinued extraclassroom activities or clubs and of graduating classes (after an appropriate waiting period) shall automatically revert to the account of the Student Government. Inactive extraclassroom activities or clubs must follow the organizational procedures set forth in this policy to re-activate previously existing activities or clubs.

For example, upon graduation, all funds in the Senior Class Treasury will remain in the custody of the central treasurer for twelve months and then be transferred to the account of the Student Government.

**Interest Earnings**

The central treasurer shall deposit extraclassroom activity or club funds in an interest-bearing account. Interest earned at Shaker High School shall be distributed at least annually to the Student Board of Finance. Interest earned at Shaker Junior High School shall be prorated and distributed annually based on end of year account balances of each extraclassroom activity or club.

**Sales, Campaigns, and Fundraising Activities**

The faculty advisor shall provide information to the faculty counselor (principal) and, upon request, to the superintendent or her designee, on sales, campaigns, and fundraising activities of all extraclassroom activities, including the nature of the event, dates of operation, duration of sale or campaign, and means of solicitation (i.e., direct mailing, etc.).

**Travel and Transportation**

All overnight trips and foreign travel by any extraclassroom activity or club must receive approval in advance from the board of education. The chief faculty counselor (principal), and/or his/her designee shall provide a written itinerary to each student, along with a copy of the code of acceptable conduct and secure written permission from each student's parent/guardian for all overnight and foreign travel. Every effort should be made to provide the educational travel opportunity to all eligible students. The faculty adviser must assure that there is sufficient adult supervision at all times.

District transportation may be provided, upon timely and proper request, at cost. Each extraclassroom activity or club will be invoiced for the actual cost upon trip completion. Trip cost estimates may be obtained from the transportation department. Although use of commercial private carriers is permitted, the faculty advisor is required to request the transportation department ascertain that the driver(s) are properly insured, properly licensed, and that the vehicle is appropriate, legal, and safe. The commercial private carrier must guarantee the safety of all students and adults.

### **Risk Management**

The chief faculty counselor (principal) shall work with the assistant superintendent for business to assure that the district's exposure to any risk resulting from extraclassroom activities or fundraisers is minimized. In all cases, where an outside vendor will be using district facilities to conduct its event, the district requires a certificate of insurance with the district named as an additional insured. Periodically, the district may request that its primary liability insurance carrier conduct a review of the events of its extraclassroom activities and clubs and may prohibit certain events based on the review of results.

### **Equipment Acquisitions**

All equipment purchases, defined as having value in excess of \$500, shall be approved by official action of a majority of the extraclassroom activity or club members. Title to all equipment acquired with extraclassroom activity or club funds shall reside with the district and be carried as an insurable asset and be insured according to district policy. All equipment shall be operated on district property, unless permission from the chief faculty counselor (principal) is secured to use the equipment or have it reside off premises. Such equipment shall be tagged as district property but is available for the exclusive use by the extraclassroom activity or club acquiring the item.

### **Tax Exempt Status**

Extraclassroom activities and clubs of the district are not included in the exemption from sales tax granted to the district from New York State. Without exception, extraclassroom activities and clubs are prohibited from using the district's tax exemption.

If the extraclassroom activities and clubs routinely conduct fundraising events involving the resale of goods or merchandise, each building's central treasurer should register with the NYS Department of Taxation and Finance as a vendor by filing an application. Only one application is required for all extraclassroom activities or clubs of the building. As a registered vendor, the extraclassroom activity or club's central treasurer will receive a certificate of authority and the extraclassroom activities or clubs for that building may then issue Resale Certificates to their suppliers and make tax-free purchases for the student fundraising events if such purchases are intended for resale.

The central treasurer at each building should prepare and distribute a list of common types of extraclassroom activity or club fundraising and social events, indicating their taxable status. Any activity or club's events not specifically listed shall be deemed taxable unless a written determination that it is non-taxable has been issued from the district's treasurer to the central treasurer. Each faculty advisor should know which activities his/her activity or club undertakes are subject to sales tax and take steps to see that all sales tax information is accurately recorded and sent to the central treasurer.

It is strongly recommended that activities and clubs pay sales tax in the first instance, when possible, and avoid the possibility of error in collecting and reporting sales tax for resale items. However, the central treasurer, at each building, shall be responsible for filing the periodic sales tax returns for his/her extraclassroom activities or clubs.

### **Contracts, Commitments and Guarantees**

All commitments and contracts shall be the sole responsibility of the extraclassroom activity or club, initiating the transaction, regardless of change in advisors, membership, or officers. The district's treasurer is available to provide guidance and assistance, when needed.

### **Audit**

An independent auditor, appointed by the board of education, must audit the extraclassroom activity or club funds annually. The audit should include a statement of receipts, disbursements, and balances for each extraclassroom activity or club together with a reconciliation of cash.

January 28, 2008

