

Non-Instructional/Business Operations

SUBJECT: EXTRACLASSROOM ACTIVITY FUND

Any organization within the District whose activities are conducted by students, and whose financial support is raised other than by taxation or through charges of the Board, is an extraclassroom activity (ECA). The monies raised by these organizations are referred to as ECA funds. ECA fund management provides students with the opportunity to learn proper business practices and how to operate a successful business. The Board and designated District staff will protect and provide oversight of ECA funds. All ECAs will be approved by the Board.

The Board will appoint an ECA Central Treasurer, a Faculty Auditor, and a chief faculty counselor (appointed for each building in the District, typically the building principal). Each ECA will have a faculty advisor appointed by the chief faculty counselor. Additionally, each ECA will have a student activity treasurer elected by the members of the ECA.

All ECA funds will generally be handled in accordance with the financial procedures set forth in The Safeguarding, Accounting, and Auditing of Extraclassroom Activity Funds, Revised 2019, published by the New York State Education Department. All monies received from the conduct, operation, or maintenance of any ECA will be deposited with the ECA Central Treasurer. Two separate and independent sets of records of receipts and expenditures will be maintained, one by the ECA Central Treasurer and one by the ECA's student activity treasurer. On a quarterly basis, the ECA Central Treasurer will submit to the Board a financial report relating to the receipts and expenditures for all ECA accounts. The authority to expend monies will be distinct and separate from the custody of these monies. The District will invest ECA funds in accordance with its investment policy.

ECAs are prohibited from using the District's New York State sales tax exemption. The ECA Central Treasurer is responsible for filing the periodic sales tax returns for ECA funds.

All commitments and contracts will be the sole responsibility of the ECA incurring the transaction, regardless of a change in faculty advisors, membership, or officers.

In conjunction with the annual audit of District records, the Independent Auditor will audit all ECA funds. This audit will include a statement of receipts, disbursements, and balances for each ECA, together with a reconciliation of cash.[1]

When an ECA becomes inactive or is discontinued, the ECA Central Treasurer is directed to expend the leftover ECA funds as voted by the organization controlling these funds. If this designation does not exist, then leftover funds of inactive or discontinued ECAs and of graduating classes will automatically revert to the account of the general student organization or student council after two years of inactivity. To reactivate, inactive or discontinued ECAs must follow the start-up procedures for new ECAs.[2]

8 NYCRR Part 172

NYSED Finance Pamphlet, The Safeguarding, Accounting, and Auditing of Extraclassroom Activity Funds, Revised 2019

(Continued)

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SUBJECT: EXTRACLASSROOM ACTIVITY FUND (Cont'd.)

NOTE: Refer also to Policies #1330 -- Appointments and Designations by the Board

#1334 -- Duties of the External (Independent) Auditor

#1336 -- Duties of the Extraclassroom Activity Fund Central
Treasurer and Faculty Auditor

#3280 -- Use of School Facilities, Materials, and Equipment

#5220 -- District Investments

#5530 -- Petty Cash Funds and Cash in School Buildings

#5620 -- Fixed Asset Inventories, Accounting, and Tracking

#7410 -- Extracurricular Activities

#7450 -- Fundraising by Students