SUBJECT: Extraclassroom Activity Fund

An extraclassroom activity fund shall be established for activities conducted by students whose financial support is raised other than by taxation or through charges of the Board of Education.

All extraclassroom activities shall be approved by the Board of Education. The Building Principal shall maintain an up to date register of all extraclassroom activities that are approved or discontinued. Each extraclassroom activity shall have a faculty advisor appointed by the Building Principal. Each extraclassroom activity shall have a constitution or charter setting forth the purposes of the activity, and the purposes for which its funds may be spent; and each such constitution shall be approved at the start of each year by the Faculty Advisor and the Building Principal. A Central Treasurer and a Faculty Auditor shall oversee all financial aspects of extraclassroom activities. The annual District audit will include all extraclassroom activity funds.

All extraclassroom activity funds shall be handled in accordance with the financial procedures illustrated by the most current edition of Finance Pamphlet No. 2, the Safeguarding, Accounting and Auditing of Extraclassroom Activity Funds, published by the New York State Education Department.

All commitments and contracts shall be the sole responsibility of the extraclassroom activity club giving rise to the transaction, regardless of a change in advisors, membership, or officers. All funds raised for purposes of extraclassroom activities, whether by fundraising, events, or charity, shall be deemed to be the assets of the fund itself, and no individual shall be deemed to have any right, claim or interest in any such assets of the extraclassroom activity; except as follows:

(a) Events Funded by Sales of Goods or Services to Fund Activities. Consistent with past practice, the Superintendent of Schools shall have authority, which may be delegated to the Building Principal, to determine that it is in the best interests for the students eligible for any particular extraclassroom activity, that students be allowed to perform services or engage in fundraising sales to be credited first to offset the cost of their own participation and only funds in excess of that amount shall be immediately credited to the extraclassroom activity fund as a whole. In the event that the event is cancelled, the administrative regulations may provide that such credited funds may be used for the benefit of that student for another event sponsored by that extraclassroom activity; provided, however, that that money raised is an asset of the extraclass fund.
itself, and if unused prior to the termination of the organization (e.g., before graduation of a particular class) shall be disposed of as provided below in this policy. No student shall have any right, claim, or interest in a refund or return of such amounts for personal use. In making the determination that a particular fundraising event may provide for individual crediting, the Superintendent or Building Principal is expected to take reasonable steps to assure that funds for the activity will be adequate to assure participation by all eligible students and none are excluded due to economic hardships, disability or similar special circumstances.

(b) Events Funded by Direct Payments. On occasion, the Building Principal may authorize a voluntary, optional class activity (e.g. a specific event or trip) where funds are raised not by sales or service activities, but are rather funded by direct payments by students or their families or friends for collection and direct disbursement to a vendor for that individual student’s participation. Such funds should be paid out for that specific purpose and shall not carry a balance. The rules regarding depository and disbursement processes shall be the same as Extraclassroom Activity Funds but shall not be confused with such funds. Where the purpose of the fund cannot be realized (e.g., the trip or other activity is cancelled due to a public health or safety emergency), the person who tendered funds for the benefit of a particular student may apply to return of such dedicated funds as were not disbursed pursuant to the contract with any vendor, prior to the cancellation. In such a case, the student has no interest in such funds unless he or she was the direct donor.

Proper books will be kept, and all moneys deposited in appropriate accounts as set up by the Board of Education. These accounts shall be subject to audit. All transactions involving extraclassroom funds shall be on a cash basis and no accounts shall remain unpaid at the end of the school year.

The extraclassroom activities of the District are not included in the exemption granted to the School District from New York State sales tax. Without exception, clubs and activities are prohibited from using the school’s tax exemption. The Central Treasurer shall be responsible for filing the periodic sales tax returns for the extraclassroom activity funds.

Prior to termination of a student organization, all funds remaining in the treasury must be disposed of in one of the following ways: (1) expended by a majority vote of the organization, as provided by its constitution; or (2) transferred to another student organization to another permissible purpose, as determined by the
membership of the student organization. If no action is taken by the student organization, then the funds of discontinued extraclassroom activities, of those inactive for one (1) year; and those of graduating classes shall revert to the account of the general student organization or student council.

The Administration is directed to adopt and maintain regulations to give effect to this policy, and to provide guidance and appropriate training to students, teachers and administrators; and to establish the parameters for any contracts or disbursements to be made by any extraclassroom activity fund.

References:

8 New York Code of Rules and Regulations (NYCRR) Part 172
The Safeguarding Accounting and Auditing of Extraclassroom Activity Funds, New York State Education Department (Revised 2019)

Approved: Board of Education
May 12, 1999

Approved: Board of Education
June 26, 2002

Approved: Board of Education
December 6, 2006

Approved: Board of Education
February 16, 2011

Approved: Board of Education
January 28, 2015

Approved: Board of Education
January 27, 2021