

- **Building Activity Account Purchase Request Procedure**

All activity funds are official accounting funds and subject to all legal expectations of those funds. Each activity fund is an independent accounting entity, its purpose being to segregate its financial activity from that of other funds because of special restrictions or limitations on how its money can be spent. Activity accounts (total or individual) may NOT have a **negative balance** at any time for any reason. The *Office Manager* (with *Principal* oversight) of each building is the manager of that building's Activity Account. Activity funds are unique to school districts. They manage and account for moneys related to co-curricular activities. Co-curricular activities are those activities outside the classroom which complement the curriculum. Co-curricular activities include those of student clubs and organizations, as well as district-administered activities such as sports events, drama productions, and music concerts. There are two types of activity funds. The distinction between these two types lies in *who* the money belongs to including who controls how the money is spent? The two types of activity funds are:

A. Student Activity Funds Student activity funds consist of those student activities that revolve around a *student organization*. The students in the organization not only participate in the activities of the organization, but also “own” the money and are involved in the management of the organization's activities. Further, disbursement of the organization's moneys is always subject to the approval of the student organization (and its *sponsor*), and not the BOE or its designee. If it isn't a “student” organization, it should not be classified as a student activity fund.

B. District Activity Funds District activity funds consist of co-curricular activities that have student participation in the activity, but are administered by the district. The most important factor that distinguishes this type of activity fund from student activity funds is that approval for disbursement of district activity fund moneys rests with the school's Board, not the students. In other words, the district controls how district activity fund moneys are spent.

All activity funds regardless of fund ownership must be managed and reported in the school district's monthly and annual financial statements. This includes student activity funds, even though such funds do not theoretically “belong” to the district. The consistent and expected process and procedure for the accounting of all district activity accounts (credit and debit) is specified in this handbook ([Appendix-I](#)).