

## **The MASTERS Program Activity Fund Guidelines**

The MASTERS Program (TMP) adheres to guidelines mandated by the New Mexico Public Education Department (NMPED) regarding Student Activity Funds. Those guidelines are contained in the “Manual of Procedures for Public School Accounting and Budgeting (PSAB)” Supplement 18.

### **Types of Activity Funds**

**Student activity funds** represent the monies raised or collected by and/or for school sponsored student activities. These groups may include school clubs, classes or other related activities which are organized to raise money and/or promote certain programs or projects. These funds are used for a wide range of activities that include cultural, educational or recreational use.

Student activity fund expenditures and financial decisions are determined by the student with the guidance of and approval by the assigned faculty advisor; however, they must comply with the established rules for purchasing and other regulations.

The faculty advisor is responsible for supervising all activities of the group. The faculty advisor, at his/her discretion, approves, modifies or rejects student requested expenditures. Advisors should be employees of the District and under the direct control of the Head of School.

Examples of TMP authorized Student Activity Funds: School Trips, Student Government/Dance Committee, Chess Club, Wildlife Conservation.

**District activity funds** represent monies that belong to the school district and are collected for activities not supported by public funds for eventual payment to vendors. These funds are administered by the District and are used to support its co-curricular and extra-curricular activities.

District activity fund expenditures and financial decisions are determined by the Head of School or designated faculty advisor; however, they must comply with the established rules for purchasing and other regulations.

The Head of School or faculty advisor, at his/her discretion, approves, modifies or rejects requested expenditures. Advisors should be employees of the District and under the direct control of the Head of School.

Examples of District Activity Funds: Student Activity Fees, PSAT, Yearbook, Graduation, PTO.

Activity funds remain under the control of the Head of School or designated faculty advisor and are accounted for at the school site. The Head of School has overall responsibility for accounting for and reporting of all activity funds, including collecting and depositing activity fund monies; approving disbursements of student and district activity funds; and adequately supervising all bookkeeping responsibilities.

### **General Policies for the Establishment and Operation of Activity Funds**

Each new activity fund should be established by Board approval. Application should include the assigned school Advisor, a statement of the organization’s purpose and proposed fundraising activities.

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All fundraising activities require advance approval by the Board and must be updated and approved annually.

Fundraising projects shall contribute to the educational experiences of students and should not conflict with instructional programs.

All activity funds are subject to sound internal control procedures as specified in the PSAB Supplement 18.

All activity funds shall be accounted for in the District's financial management system and on the same fiscal year basis as all other District funds.

All activity funds must be reported in the district's financial statements and are subject to the District's audit.

All activity funds shall operate on a cash basis and no activity fund account shall ever be permitted to incur a deficit.

Residual funds from inactive student activity funds shall revert to the student government fund unless otherwise designated.