Extra-Classroom Activity Fund

Northern Adirondack Central School
September 2014
GUIDELINES

- The State University of New York, State Education Department, “The Safeguarding, Accounting, and Auditing of Extra-Classroom Activity Funds,” Finance Pamphlet #2, 2008

Forms

- Receipt and Disbursement Ledger
- Fundraising Activity Request Form
- Statement of Profit and Loss
- Inventory Control Form
- Activity Treasurer’s Receipt
- Fundraising Deposit Detail
- Deposit Slip
- Disbursement Form
PURPOSE

To teach students good business procedures through participation in the handling of funds collected and disbursed by the organization.
Extra-classroom activity funds are to be operated by and for the benefit of students.
BASIC PRINCIPLES

• The accounting system shall be designed to yield the greatest possible educational return to students without sacrificing the safety of the funds.

• The Central Treasurer and Activity Treasurer (for each club) shall maintain separate sets of records.

• All accounts shall be audited annually.
ACTIVITY TREASURER

• Elected by the students of each club.
• Receives all monies collected by the club and immediately deposits such funds with the Central Treasurer.
• Pays all bills by issuing payment orders signed by him/herself and the Faculty Advisor.
• Maintains ledger showing all receipts and disbursements and shows a daily running balance of the funds available.
• Maintains a file of supporting documentation for all entries made in the ledger.
PROCEDURES
• Go to www.nacs1.org

• Choose the Middle/High tab

• Click on Clubs

• Scroll down and Click here to access resources and tutorials.
Receipt and Disbursement Ledger

Each club should record every transaction in the ledger. The template may be downloaded on the school website or see Mrs. Lord for a paper version.

<table>
<thead>
<tr>
<th>NAME OF ACTIVITY/CLUB GOES HERE</th>
<th>SCHOOL YEAR 2014-2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>DATE</strong></td>
<td><strong>SOURCE OF RECEIPTS</strong></td>
</tr>
<tr>
<td>Brought Forward Balance</td>
<td></td>
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<td>$</td>
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</table>
SOURCES OF FUNDS

1. *Admissions (Dance or Drama/Musical Event)*
2. *Sales and Fundraising Campaigns*
3. *Donations*
• Pre-numbered tickets with the beginning and ending numbers are to be used.
• A different color ticket shall be used for each event.
• Do not ask the ticket seller to watch the door.
• The ticket collector should tear each ticket in two to not allow for double use.
• Require each ticket seller to return all unused tickets, the cash collected and an accounting of monies returned.
• Complete a Fundraising Deposit Detail Form and place with the Deposit Slip along with the cash being deposited.
Fundraising Activity Request Form

Every fundraising event MUST be approved by administration.

1. Download the form located to the right from our school website.
2. The fillable PDF form can be printed out when completed.
3. Submit to administration for approval.
Every fundraising event must complete a Statement of Profit and Loss.

- Download the form located to the right from our school website.
- Before the fundraising event begins complete the “Anticipated Receipts, Disbursements and Profit(Loss)”
- The remaining part of the form should be completed after the event is finished.
- Keep this document on file with the corresponding fundraising documents.

### Statement of Profit and Loss

| Club Name: | |
| Activity: | Activity Date(s): |
| Subject to NYS Sales Tax? | Yes ☐ No ☐ |

#### Receipts

<table>
<thead>
<tr>
<th>Date of Sale</th>
<th>Description of Sale Item(s) or See Attached Documentation</th>
<th>Ticket Numbers</th>
</tr>
</thead>
<tbody>
<tr>
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</tr>
</tbody>
</table>

Anticipated Receipts $_________  Total Actual Receipts $_________

#### Disbursements

<table>
<thead>
<tr>
<th>Date</th>
<th>Payee</th>
<th>Check #</th>
<th>Purpose</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
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</tbody>
</table>

Anticipated Disbursements $_________  Total Actual Disbursements $_________

PROFIT/(LOSS) $_________  PROFIT/(LOSS) $_________

Club Treasurer ________________________  Advisor ________________________  Date ____________

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INVENTORY CONTROL

• The Activity Treasurer with the assistance of the Faculty Advisor, should devise a method for tracking goods given to each seller and amount turned in by each seller (inventory control).

• Items purchased for resale should be adequately safeguarded against loss, theft or damage by storing them in a secure location with limited access.

• During fundraising campaigns, inventory should be controlled using an Inventory Control Form.
Inventory Control Form

All fundraising events that sell merchandise must complete this form.

1. Download the form located to the right from our school website.
2. The fillable PDF form can be printed out when completed.
3. Keep this document on file with any corresponding documents.
Activity Treasurer’s Receipt

This form should be completed when receiving money. The purpose is to have a record for proof of receipt.

- Obtain the duplicate Activity Treasurer’s Receipt forms from Mrs. Lord.
- Complete the forms as needed.
- Give a copy to the seller.
- Give the original to the Central Treasurer.
- Keep a copy on file with any corresponding documents.
1. The Activity Treasurer is responsible for preparing a deposit slip for all money to be deposited into the club account and recording the deposit in the club’s ledger.

2. The Central Treasurer is responsible for depositing the funds into the correct account.

3. The Central Treasurer shall provide the club with a duplicate copy of the deposit slip.

4. The Activity Treasurer shall file the duplicate copy of the Deposit Slip, Fundraising Deposit Detail with a copy of the Profit/Loss Statement in a club folder.
Fundraising Deposit Detail Form

Every deposit requires a Fundraising Deposit Detail form.

1. Download the form located to the right from our school website.
2. The fillable PDF form can be printed out when completed.
3. Submit the form with the deposit to Mrs. Lord.

**Fundraising Deposit Detail**

**This form must accompany every fundraising deposit**

<table>
<thead>
<tr>
<th>Club/Organization Name:</th>
<th>Fundraising Event:</th>
</tr>
</thead>
</table>

**Breakdown for Bank Deposit**

<table>
<thead>
<tr>
<th>Item Sold Description or See Attached Documentation</th>
<th>Quantity Sold</th>
<th>Price per Item (Including tax)</th>
<th>Total $ Collected (Including tax)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</tbody>
</table>

**OR**

<table>
<thead>
<tr>
<th>Tickets Sold</th>
</tr>
</thead>
<tbody>
<tr>
<td>Starting Ticket #</td>
</tr>
<tr>
<td>Ending Ticket #</td>
</tr>
<tr>
<td>Total Tickets Sold</td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>

**A. TOTAL DEPOSIT $__________**

**B. LESS $ Amount for NYS Sales Tax $__________**

*Refer to page 12 – Sales Tax Guide*

**C. NET DEPOSITED TO Club Account $__________**

**Send completed form along with deposit to Mrs. Lord**
Deposit Slip

Every deposit requires a deposit slip.

• Obtain duplicate deposit slip forms from Mrs. Lord.
• Complete the deposit slip.
• Submit the form with the money to Mrs. Lord.

**Don’t forget to submit a completed Fundraising Deposit Detail Form with the deposit. Record the deposit in the ledger.**
1. When an invoice needs to be paid (or a receipt has been turned in for reimbursement), the Activity Treasurer under the supervision of the Faculty Advisor, shall determine if all goods were received that were invoiced (or on the receipt).

2. Once it is determined that there are no discrepancies, a payment order should be completed and signed by the Activity Treasurer and Faculty Advisor.

3. The completed payment order form along with the original invoice or receipt should be forwarded to the Central Treasurer who will prepare the check.
4. The Central Treasurer will review the completed payment order to ensure proper documentation has been received and process the check.

5. The Central Treasurer will maintain a file of the original payment order form, original invoice and a copy of the check.

6. The Central Treasurer will forward a copy of the payment order form and any back-up to the Activity Treasurer.

7. The Activity Treasurer files this documentation and records the payment in the club’s ledger.
Disbursement Form

Every disbursement of funds requires a disbursement form.

• Obtain duplicate disbursement forms from Mrs. Lord.
• Complete the form.
• Submit the form with the original invoice to Mrs. Lord.

**Don’t forget to make a copy of the invoice and record the transaction in the ledger.**
SALES TAX
SALES TAX

• The extra-classroom activity funds are not exempt from the provisions of the sales tax law.

• It is the responsibility of each Faculty Advisor to know which of the activities that a club undertakes are subject to sales tax and ensure that all sales tax information is accurately recorded and forwarded to the Central Treasurer.

• Student organizations must collect sales tax on receipts for all sales of taxable merchandise.
SALES TAX

• Fundraising involving resale of goods:
• As a registered vendor, the extra-classroom activity fund may issue a Resale Certificate (Form ST-20) to its suppliers and make tax-free purchases for the student organizations if such purchases are intended for resale. Sales Tax for these goods will be collected and remitted at the time of the resale.
• The extra-classroom activity fund must periodically file a sales tax return and pay any tax due at the time.
• The Central Treasurer is responsible for filing such returns and maintaining the necessary documentation detailing the club’s activity and sales tax being remitted.
Sales Tax Guide

REFERENCE

- The State University of New York, State Education Department, “The Safeguarding, Accounting, and Auditing of Extra-Classroom Activity Funds,” Finance Pamphlet #2, 2008 (Pg. 10-12)

### Sales Tax Guide

<table>
<thead>
<tr>
<th>Item</th>
<th>Taxable Status</th>
<th>Reason</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sale of Candy, Soda and Soft Drinks</td>
<td>Taxable, except for certain drinks.</td>
<td>Tax Law §1115(a)(1) generally provides an exemption for the sales and purchases of food, food products, beverages sold for human consumption. However, the exemption does not apply to candy, sodas or soft drinks, and fruit drinks that contain less than 70% natural fruit juice.</td>
</tr>
<tr>
<td>Spaghetti dinners and catered meals</td>
<td>Taxable, generally.</td>
<td>Tax Law §1115(a)(1) generally provides an exemption for the sales and purchases of food, food products, beverages sold for human consumption. However, the exemption does not apply to catered situations, where the students of the club would be serving, assisting in serving, cooking, or otherwise providing services with respect to the food items in question.</td>
</tr>
<tr>
<td>Bake Sales</td>
<td>Non-Taxable.</td>
<td>Tax Law §1115(a)(1) generally provides an exemption for the sales and purchases of food, food products, beverages sold for human consumption. This provision exempts bake sales from the collection of sales tax.</td>
</tr>
<tr>
<td>Vending Machine Sales – Food Items</td>
<td>Taxable, generally.</td>
<td>Where tables, chairs, benches, etc. are provided where the vending machine operations are conducted, the sales through the vending machine are taxable. Where no eating facilities are provided, the sales are exempt from sales tax.</td>
</tr>
<tr>
<td>Pizza, Chicken, Popcorn, Coffee, Tea, etc.</td>
<td>Taxable.</td>
<td>All sales of prepared food sold in a heated state (where the food is maintained at a temperature warmer than surrounding air temperature) are subject to sales tax, including those sold for off-premises consumption.</td>
</tr>
<tr>
<td>Admission Charges</td>
<td>Taxable, except for certain events.</td>
<td>Exemption is provided from sales tax for admissions to dramatic or musical arts performances, which do not include variety shows, magic shows, circuses, ice shows, dances, and similar performances. Included in the exemption is admission charge to choreographed performances to music, which may exempt color guard admissions.</td>
</tr>
<tr>
<td>Sale of Newspapers and Magazines</td>
<td>Non-Taxable.</td>
<td></td>
</tr>
<tr>
<td>Sale of Shrubs, plants and trees</td>
<td>Taxable.</td>
<td></td>
</tr>
<tr>
<td>Sale of Yearbook</td>
<td>Taxable, generally.</td>
<td>If the entire cost of the yearbook is underwritten by the Board of Education and the revenue is recognized as a General Fund item, the sale becomes an exempt transaction, not subject to sales tax.</td>
</tr>
<tr>
<td>Sale of Yearbook Advertising Space</td>
<td>Non-Taxable.</td>
<td></td>
</tr>
<tr>
<td>Sale of Sweatshirts, T-shirts, Jackets, Jewelry</td>
<td>Taxable.</td>
<td>Tax Law §1105(a) provides that sales tax is imposed on the sale of tangible personal property.</td>
</tr>
<tr>
<td>Book Store Sales</td>
<td>Taxable.</td>
<td>Unless specifically exempt.</td>
</tr>
<tr>
<td>Pre-packaged Popcorn, Popcorn Chips, Pretzels</td>
<td>Non-Taxable, generally.</td>
<td>When packaged and sold in a cold state, prepackaged snack foods are exempt. This exemption does not apply to canned or other candy coated snack foods.</td>
</tr>
<tr>
<td>Hair Cuts and Styling</td>
<td>Non-Taxable.</td>
<td>The cutting and styling of hairpieces is not included in this exemption.</td>
</tr>
<tr>
<td>Repair/Maintenance Services, Car Washers</td>
<td>Taxable, generally.</td>
<td>An exemption is provided for the repair, maintenance or service of farm machinery.</td>
</tr>
</tbody>
</table>
CALCULATING SALES TAX

- Total Taxable Funds/1.08 = Taxable Sales
- Total Taxable Funds – Taxable Sales = Sales Tax
  (to be remitted)

**EXAMPLE:**

1. $900 in Total Taxable Funds/1.08 = $833.33
   (Taxable Sales)
2. $900 - $833.33 = $66.67 (Sales Tax to be remitted)
3. Double check $833.33 x 8% = $66.67
Transfers

All transfers from club to club need to complete a payment order.

• Obtain duplicate disbursement forms from Mrs. Lord.
• Complete the form.
• Submit the form to Mrs. Lord.

*Don’t forget to record the entry in the ledger and file the payment order and the inter-organization form when returned by Mrs. Lord.
Donations

Should be accepted and recorded in the club’s minutes.

• The activity treasurer or advisor should issue an activity treasurer’s receipt.
• Complete a deposit slip.
*Don’t forget to record the transaction in the ledger and file the receipt and deposit copies.
WEBSITE

Materials and forms can be found on the school district website at www.nacs1.org.
Template Provided By

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