

Purposes

- To comply with formal requirements for organizing Associated Student Bodies and establishing an Associated Student Body program fund.
- To provide for the efficient administration, management and control of money, records and reports of the Associated Student Bodies organized in the school district.
- To encourage the supervised self-government of Associated Student Bodies. The Board of Directors should develop policies and procedures to promote this goal.

Final approval of Associated Student Body activities rests with the Board of Directors, but the students determine what activities will constitute the Associated Student Body program. Although no student activity may be a part of the Associated Student Body program without the approval of the Board of Directors, the board has no power to initiate Associated Student Body activities.

Budgeting

Introduction

Budgeting is the process of realistically estimating the beginning fund balance the revenue and expenditures for ASB activities for the coming school year. **Accuracy is important since the approved expenditure budget cannot be exceeded. Excessive overestimation can be seen as a failure to be good stewards of public moneys.** A budget is a plan approved by the ASB Governing Body and the Board of Directors and sets the maximum amount of expenditures for the school year.

Procedures

Budget Development And Approval

Each ASB must annually prepare, with the guidance of the primary advisor or designee and prior to the completion of the school year, a budget for the following fiscal year (September-August). Individual activity account budgets are combined to become the preliminary ASB budget for the school. This requires documented approval by the student council, the principal, and the primary advisor.

Preliminary ASB budgets (including forms and supporting documentation) from the individual schools, after principal's or designee approval, are sent to the district office for review. After the district office approves the preliminary budgets, final forms are prepared, signed and dated by the ASB. The final forms are returned to the district office to be combined with all ASB school budgets. This becomes the District's ASB Fund Budget and is presented to the Board of Directors for approval. Once approved by the Board, this becomes the official plan for the ASB for the year. The schedule for completing the budget process is determined by the district office. The process provides for necessary student participation as stated in [WAC 392-138-110](#).

Budget Preparation

A. Review of Accounts

Review current year ASB budget reports, considering the following:

1. **Continuing Accounts** – Activity accounts that are actively being used and will continue next school year.

2. **Inactive Accounts** – For activity accounts that are not being used, determine if the account should remain active. If so, include it in the ASB budget. If not, the student council should take action to close the account and transfer any money remaining into the general student body account according to the applicable constitution ensuring that all outstanding invoices are paid. Money remaining in accounts for classes that have graduated cannot be carried forward into the new school year and must be closed to a general student body account by action of the student body. ([WAC 392-138-021](#))
3. **New Account Codes** – Activity account codes that are not currently in the budget and are anticipated for the next school year should be included. New activity accounts must be set up following the bylaws of the ASB Constitution by action of the student council. Contact the district office for new account codes.
4. **Non-Associated Student Body Private Moneys** – The Board of Directors of a school district may permit student groups to raise moneys through fundraising or solicitation in their private capacities subject to certain conditions, including prior board approval ([WAC 392-138-200](#)).

[RCW 28A.325.030](#) permits these non-associated student body private moneys to be held either in trust within the associated student body fund or held in a trust fund. If such funds are held in a trust fund, they are not budgeted.

If, however, the moneys are held in trust within the associated student body fund they are budgeted in the same manner as other ASB funds pursuant to [WAC 392-138-200](#) and disbursed as provided for in the approved budget ([WAC 392-138-210](#) and [WAC 392-138-110](#)). Money the district intends to hold in trust within the ASB Fund may be budgeted in account 6000 private money in anticipation of activities that involve collecting contributions for scholarship, student exchange and charitable purposes, even if specific plans have not been set.

It is strongly recommended that you contact the district office prior to collecting contributions to review the district policy governing private money. Any contributions collected from activities that do not follow proper procedure cannot be expended for charitable purposes. ([WAC 392-138-200](#))

B. Activity Budgets ([WAC 392-138-110](#))

The following items are important in developing activity budgets:

It is recommended that the fundraiser approval form be utilized to assist in the budget process. ([Fundraising/Activity Form](#))

1. **Beginning Fund Balance as of 09-01-20XX** – Estimate the fund balance available as of 08-31-20XX. Estimate all revenues, expenditures and any transfers to the end of the fiscal year. You cannot have a negative beginning balance.
2. **Revenues** – List estimated revenues expected during the next school year. Be sure that the estimated revenues from fundraisers include the TOTAL amount received from the sale of items, and NOT the net profit. For example, if you expect to collect \$5,000 for the goods that cost \$3,000, you would include \$5,000 in the revenue column and \$3,000 in the expenditure column.
3. **Interactivity Transfers** – List any money that may be transferred in from another activity account (+) or transferred out to another activity account (-). The source and recipient of transfer must be identified.
4. **Expenditures** – List estimated expenditures during the next school year. Keep in mind that you are NOT allowed to spend more than your total budgeted expenditures.
5. **Ending Fund Balance 08-31-20XX** – The ending fund balance is a residual balance. It is equal to the beginning fund balance plus revenues, plus or minus interactivity transfers, less expenditures. The ending fund balance must be greater than or equal to zero.

C. ASB Budget

After collecting budgets from each of the activities, athletics, classes, and clubs, review for reasonableness and verify calculations. The ASB budget must then be approved by the student council, the principal, the primary advisor, and documented in the student council minutes. Depending upon your district's procedures, the budget could be compiled by the Athletic Director, the Activity Coordination, or the ASB Bookkeeper into one complete budget.

Submission to District Office

Submit the completed ASB budget to the district office. For each activity, include a brief description of funding sources and expenditures. This will provide supporting information for the presentation of ASB activities for Board of Director approval ([WAC 392-138-013](#)).

BOARD OF DIRECTOR'S APPROVAL

The Board of Director's must approve the school district ASB Fund Budget before any disbursements are made.

Procedures

A. Receipt Forms

Receipt forms must be standard throughout the district. **Generic receipts are not acceptable.** Receipt books should be obtained from the district supply. Cash register receipts are acceptable as an alternative to the handwritten receipt.

Items that must be included on the receipt:

- Pre-numbered receipts.
- Pre-printed with district or school name.
- Date of transaction.
- From whom money is received.
- Signature of person receiving money.
- Indication of cash and/or check amounts.
- Applicable revenue codes.

B. Receipting

An authorized ASB representative shall receipt all money at the time of collection by either a District authorized receipt book, cash register, or point of sale program.

- Receipts must be issued in numeric order.
- Checks may NOT be cashed from ASB funds.
- Checks may NOT be written for more than the amount of purchase.
- ASB money may NOT be used to make change.
- The “Cash” or “Check” box on the receipt must be marked to indicate whether money received was in the form of cash or check. If a mixture of cash and checks is received, note the amount of each on the receipt.
- Checks must be endorsed immediately upon receipt.

Note: Do NOT hold any person’s check. Do NOT accept post-dated checks.

Hand-written district receipts are to be prepared in a minimum of two parts with copies as follows:

- Original to Customer.
- Second copy is Numerical File (left in book or put in a file).
- Voided receipts are to be noted as such; i.e., write the word “VOID” across the face of all copies and **save**. Staple payee copy to all other copies of the receipt and leave in numerical file.

Constitutions

Sample Constitution and Bylaws of the Association Student Body

An Associated Student Body shall be formed in each school within the district whenever one or more students in that school engage in money-raising activities with the approval and at the direction or under the supervision of the district. An Associated Student Body shall be a formal organization of students, including sub-components or affiliated student groups, and each Associated Student Body program to the board of directors for approval. All property and money acquired by Associated Student Bodies shall be district funds and shall be deposited and disbursed from the Associated Student Body program fund.

CONSTITUTION OF THE STUDENT BODY OF _____ SCHOOL

Preamble

We, the students of _____ High School, with equal representation, respect, value and recognition of all students and staff, and for the promotion of good government, good sports- manship, student activities, and the general welfare of the students of _____ High School, establish this Constitution of the Student Body of _____ High School.

Article 1. Name of Organization/Mascot & Colors

Section A. It is resolved that the name of this organization shall be the Associated Student Body of _____ High School.

Section B. The name of the mascot for all extracurricular activities shall be the _____.

Section C. The school colors shall be _____, _____, and _____.

Article 2. Purpose

The principle purpose of this organization shall be:

Section A. To unify all student organizations under one general contract.

Section B. To increase student involvement in school management.

Section C. To develop in all students an understanding and appreciation of the

democratic process.

Section D. To promote mutual respect and communication.

Section E. To encourage student involvement and enthusiasm in all school activities.

Section F. To discuss and settle disputes which arise between organizations and activities.

Section G. To establish traditions & responsibilities that promote a positive atmosphere.

Article 3. The Student Council shall have powers to:

Section A. Help make rules and/or guidelines for the betterment of the school, its life, or its interests. For example:

- Student Council
- Social Activities
- Assemblies
- Preservation of school and personal property.

Section B. Grant charters to clubs and organizations.

Section C. Investigate and report on matters referred to it by the student body or faculty.

Section D. Approve all student body financing and spending.

Section E. The powers of the Council are delegated to it by the principal, who shall have the power to veto any measure adopted by the council, if he/she feels the measure unreasonable, unsafe, or in violation of the Washington State Code, school policies, or law.

Article 4. Membership

Section A. The student body of the _____ High School shall consist of all the students from the ninth, tenth, eleventh and twelfth grades and the members of the faculty of those grades.

Section B. The Student Council shall be comprised of _____ executive members plus class representatives, homeroom representatives, one faculty member

[list others]

Section C. The Executive Council shall consist of the following:

1. President
2. Vice President
3. Treasurer
4. Secretary

Article 5. Duties of Student Council Members

Section A. Duties of the ASB President

1. Enforce the Constitution.
2. Veto an issue with reason.
3. Receive committee reports.
4. Appoint committees.
5. Be a rep. at school related community functions.
6. Be a non-voting member at Student council meeting, except in the event of breaking a tie vote.

Section B. Duties of the ASB Vice President

1. To fulfill the duties of the president in the president's absence or in case or resignation or incapacity of the president.
2. To be an ex-officio member of all committees.
3. To be a representative at all school related functions, in the president's absence.

Section C. Duties of the ASB Secretary

1. To keep accurate and up-to-date minutes of all regular and special student council and executive meetings.
2. To make copies of the minutes for all members of Student council and the faculty office.
3. To be responsible for all correspondence from student council and the faculty.
4. To supply members with the agenda prior to meetings.

Section D. Duties of the ASB Treasurer:

1. Approve all bills authorized by the Student Council.
2. To make financial reports and accounts for all ASB expenditures.
3. Assist with ASB finances.
4. Chair the ASB Budget Committee.

Section E. Duties of Homeroom Representatives:

1. To represent the views of the people in his/her homeroom.
2. To report all Student Council actions to the homeroom.
3. To assist in student body activities.
4. To keep an up-to-date notebook of all student council meetings and correspondence.

Section A. Major Officers:

1. President (elected)
2. Vice President (elected)
3. Treasurer(s) (appointed)
4. Secretary (elected)

Section B. Intermediate Offices:

1. Class Officers
2. Interning Representative

Section C. Minor Offices:

1. Class representatives
2. Club representatives
3. Homeroom representative
4. Club non-representative officers
5. Class non-representative officers

Section D. A major officer may not hold an intermediate office, but may hold one minor office.

Section E. An intermediate officer may not hold a major office but may hold two minor offices.

Section F. A student may not hold three minor offices.

Article 7. Eligibility of Student Council Members

Section A. All Student Council members must have and maintain a cumulative _____ grade point average.

Section B. Requirements for all Student Council Members during their period of service shall be:

Section 1. President, Vice President, Secretary and Treasurer must be Juniors or Seniors while holding the office.

Section C. A student must have been in attendance no less than 85% of the school year during the year he/she chooses to run for an office. Attendance requirement may be waived for certain specific conditions. Attendance at student council meetings is required. If absent, a substitute should be appointed.

Article 8. Jurisdiction over Vacant Offices

Section A. Any officer or member of Student Council missing three or more meetings without a reasonable and acceptable excuse may be suspended from the Council. Due process will be observed as related to Student Rights and Responsibilities.

Section B. Any student who drops below the required GPA shall be suspended from the office or position. Due process will be observed as related to Student Rights and Responsibilities.

Section C. In the event of permanent vacancies in offices:

Section 1. New major officers will be appointed by Student Council.

Section 2. Intermediate and minor officers will be re-elected by the group they represent.

Article 9. ASB Card

Section A. The cost of the ASB card will be determined by the finance committee, and approved by the School Board.

Article 10. Voting

Section A. Each member of the student council is allowed one vote for the office/organization he/she represents.

Section B. A person may represent only one organization at student council.

Section C. Any student may attend a student council meeting (with teacher's permission prior to the meeting) but may not vote unless a member.

Article 11. Meetings

Section A. The Executive Council will meet prior to every Student Council meeting to plan the agenda. All persons must request a place on the agenda at that time. Agendas will be given to all members at least two days prior to the meeting.

Section B. All Homeroom Representatives will hold a meeting before the scheduled student council meeting in order to gather input for the next meeting to report on that meeting.

Article 12. Elections

Section A. All ASB officers shall be for a twelve-month period beginning the day of inauguration and continuing to the next inauguration.

Section B. Any student who wishes to run for an office may do by filing a declaration of candidacy with the ASB Advisor.

Section C. Appointed officers include:

- Treasurer
 - Chosen by the faculty and confirmed by the principal.

Section D. A student may run for only ___ major position(s) each year.

Section E. A primary election shall be held for the purpose of selecting two candidates to run for each office in the general election.

Section F. All students enrolled in _____ High School have the right to vote in the ASB officers elections. Middle School students shall {shall not} vote.

Section J. Voting for officers will be held on _____.

Article 13. Amendments to student body constitution.

Section A. A petition for an amendment must be signed by one-third of the student body and presented to the council for approval in the form of an amendment. A copy of the petition shall be presented to the Principal.

Section B. The amendment must be visibly posted for one week around campus.

Section C. Homerooms will vote on all amendments. In order to pass, the amendment must be carried by a three-fourths majority of the student body and is subject to approval by the Principal.

Article 14. Dissolution of ASB

Section A. If the _____ (complete school name) ASB was ever dissolved by the _____ (school district name and number), the ASB funds would revert to the _____ School District under the control of the District's School Board of Directors.

Section B. WAC 392-138-021: Title to Property - Dissolution of an ASB. Title to all property acquired through the expenditure of an ASB's public moneys shall be vested in the school district. In the event...the ASB ceases to exist for any reason, then (a) the school district and parent associated student body shall cease carrying any money or account on behalf of or to the credit of the organization, and (b) the records of the organization shall be retained and disposed of in accordance with applicable state law regarding the retention and destruction of public records.

Section C. The records of the school's ASB Constitution and the ASB Council Minutes shall be kept in perpetuity (never to be destroyed) in a safe and central location and per the applicable state laws regarding retention can be sent to the state archives.

Signatures of Intended Members/Date Signed

Signature of President of District Board of Directors/Date Signed

Sample Constitution and Bylaws Of An ASB Club

CONSTITUTION OF THE _____ CLUB OF _____ SCHOOL

Preamble

We, the students, for the promotion of good government, good sportsmanship, student activities, and the general welfare of the students of _____ High School, establish this Constitution of the _____ Club.

Article 1. Name of Organization

Section A. It is resolved that the name of this organization shall be the _____ Club of _____ High School.

Article 2. Purpose

The purposes of this organization shall be to:

Section A.

1. To create
2. To achieve

Section B.

- 1.
- 2.

Article 3. Membership

Section A. Membership in _____ Club is established by

Section B. Membership in _____ Club is maintained by

Article 4. Duties

Section A. Duties of _____ Club

1. To create
2. To assist
3. To achieve
4. To organize
5. To attend

- 6. To support
- 7. To raise funds for

Article 5. Eligibility

Section A. To be eligible to participate in the _____ Club, all Club members must have and maintain a cumulative _____ grade point average.

Section B. Requirements for all _____ Club members during their period of service shall be required to:

Article 6. Amendments

Section A. This Constitution shall be amended by a two-thirds majority vote of the membership provided...

Article 7. Dissolution of the Club

Section A. If the _____ (name) Club was ever dissolved and there were remaining moneys in the account, the Club funds would revert to the school's Associated Student Body general account. Guidance for dissolution is per the school's Associated Student Body Constitution.

Section B. All records of the Club and Club Minutes shall be kept in a safe and central location never to be destroyed and per applicable state laws regarding retention can be sent to the state archives.

Adopted on this _____ day of _____, 20_____.

By:

Approved by:

Consultant/Contractual Service Agreement

Introduction

Personal service contracts are used to initiate an agreement with an independent contractor to provide services to the ASB. An **independent contractor** is a person/company, **not acting as an employee of the district**, involved in their own business contracting to provide services to the district.

Examples of services for which an ASB might require a contractual agreement are artists, performers, guest speakers, disc jockeys, musicians, assembly presentations, drama coaches, equestrian coaches, rifle club coaches, etc.

Procedure

1. An employee of the District working as an employee cannot be paid as an independent contractor. Employees may legitimately have an independent business outside of their normal employee activities, but would need to ensure that other criteria are met before contracting with the District – e.g. conflict of interest, bid law compliance, district policy, etc.
2. Workers who are determined to actually be employees must be processed through the Human Resources Department (certificated/classified) and paid at a rate that has been approved for that activity by the Board of Directors.
3. All personal service contracts must have prior approval in accordance with district policy, which is usually the board of directors or their designee. Without prior approval, risk associated with services provided could create potential for personal liability to District staff. The form must include the contractors unified business identifier (UBI).
4. If the contractor has a business name and a federal ID number, all payments will be made payable to the business name.
5. Contractors need to submit requests for payment on business invoices as prescribed by district policy
6. The District business office should be contacted for additional requirements.

Contractors are required to have a UBI number issued by the Washington State Department of Revenue. If a specific contractor should challenge your request for a UBI number, you should contact your district business office.

Independent contractors must sign a personal services contract. Check with your district business office for available forms.

NOTE: Independent contractors who will have regularly scheduled, unsupervised access to children **must** have a criminal background check, including fingerprinting. Check with your Human Resources office for information.

NOTE: Consider conflicts of interest, or beneficial interest situations, those situations where the employee may benefit or appear to benefit.

WAC 180-87-050 - Misrepresentation or falsification in the course of professional practice.

Any falsification or deliberate misrepresentation, including omission, of a material fact by an education practitioner concerning any of the following is an act of unprofessional conduct:

1. Statement of professional qualifications.
2. Application or recommendation for professional employment, promotion, certification, or an endorsement.
3. Application or recommendation for college or university admission, scholarship, grant, academic award, or similar benefit.
4. Representation of completion of in-service or continuing education credit hours.
5. Evaluations or grading of students and/or personnel.
6. Financial or program compliance reports submitted to state, federal, or other governmental agencies.
7. Information submitted in the course of an official inquiry by the superintendent of public instruction related to the following:
 - Good moral character or personal fitness.
 - Acts of unprofessional conduct.
8. Information submitted in the course of an investigation by a law enforcement agency or by child protective services regarding school related criminal activity.
9. Assessments leading to certification.

10. An education practitioner who aids, encourages, and/or abets another educator in any falsification or deliberate misrepresentation, including omission, of a material fact in conjunction with the acts listed above commits misrepresentation in the course of professional practice.

RCW 42.23.030 - Interest in Contracts Prohibited

No municipal officer shall be beneficially interested, directly, or indirectly, in any contract which may be made by, through or under the supervision of such officer, in whole or in part, or which may be made for the benefit of his or her office, or accept, directly or indirectly, any compensation, gratuity or reward in connection with such contract from any other person beneficially interested therein.

RCW 42.23.070 - Prohibited acts

1. No municipal officer may use his or her position to secure special privileges or exemptions for himself, herself, or others.
2. No municipal officer may, directly or indirectly, give or receive or agree to receive any compensation, gift, reward, or gratuity from a source except the employing municipality, for a matter connected with or related to the officer's services as such an officer unless otherwise provided for by law.
3. No municipal officer may accept employment or engage in business or professional activity that the officer might reasonably expect would require or induce him/her by reason of his/her official position to disclose confidential information acquired by reason of his or her official position.
4. No municipal officer may disclose confidential information gained by reason of the officer's position, nor may the officer otherwise use such information for his or her personal gain or benefit.

Many people think that because they can make a donation to a school or a school district, that the school district must have a 501(c)3 federal tax designation, but that isn't the case.

RCW

RCW 28A.320.030 ~ Gifts, conveyances, etc., for scholarship and student aid purposes, receipt and administration.

The board of directors of any school district may accept, receive and administer for scholarship and student aid purposes such gifts, grants, conveyances, devises and bequests of personal or real property, in trust or otherwise, for the use or benefit of the school district or its students; and sell, lease, rent or exchange and invest or expend the same or the proceeds, rents, profits and income thereof according to the terms and conditions thereof, if any, for the foregoing purposes; and enter into contracts and adopt regulations deemed necessary by the board to provide for the receipt and expenditure of the foregoing.

The amount a donor can deduct is equal to the cash or check they donate to the school district programs.

Gift Form

The District's Gift Donation Form should specify:

- The donor and their address.
- The type of the gift & amount (if a check, include the check number).
- The school or program benefactor.
- A description of the gift and any timeline for implementation.
- Origination signature and date.
- District acceptance per the gift criteria.
- Board approval per gift policy.

Private Purpose Trust

These funds are used to report trust arrangements under which the income and principal benefits individuals or programs in the school district. They are supervised by the district Business Office.

Examples are moneys or other assets donated to school districts for graduating seniors' scholarships for college or career tuition, athletic scholarships, academic scholarships, books & supplies, and other like uses depending upon the trust's terms.

InvestED

An example of a Private Purpose Trust Fund is the InvestED fund. It is one example of a grant distributed to public and private secondary schools so that school personnel, using their discretion, can identify and immediately respond to individual student needs.

InvestED's model is unique. It serves 660 secondary schools in the state of Washington.

Each year they help over 20,000 students for items like shoes, college applications, eyeglasses, yearbooks for Seniors, athletic equipment and more.

Money comes into InvestED from individual donors, foundations, corporations, events and local fundraising. Schools apply and complete year end paperwork for the help they've given students throughout the school year. InvestED then sends a check in the Fall for the new school year.

Donations

Donations to the ASB are also considered tax deductible. Often, the parent support groups such as the PTA or Booster Club will donate to a specific ASB cause such as the environmental camps, transportation for field trips, entry fees for competitions, band instruments, yearbook cameras, etc.

Have donors write a check to the school or to the school district rather than have them pay the fees directly to the vendor.

Under Washington state and federal laws, the benefits and treatment of the athletic program for girls and boys must be equitable.

School districts that receive federal funding (as most do) need to consider that donations given to the ASB athletic program must comply with Title IX which prohibits discrimination between boys' and girls' sports.

RCW 28A.640.020 (c) also forbids discrimination in the athletic program.

ASB 6xxx Accounts

WAC 392-138-010 (5) "Nonassociated student body private moneys" means moneys generated by fundraising activities or solicitation of donations by student groups in their private capacities for private purposes and/or private gifts and contributions.

There must be school board policy for students to fundraise or solicit donations for the nonassociated private moneys.

Per state law, nonassociated private moneys can be deposited into the 6xxx account for charitable purposes.

A specific 6xxx account for scholarship needs for students can be created to receive donations to this account and be used as determined to help students per school board policy and procedures.

The scholarship account must have budget capacity.

It is recommended that the 6xxx Scholarship donated moneys be used during the current school year.

Ethics

The Expectations

Interest in contracts prohibited: No municipal officer shall be beneficially interested, directly or indirectly, in any contract which may be made by, through or under the supervision of such officer, in whole or in part, or which may be made for the benefit of his or her office, or accept, directly or indirectly, any compensation, gratuity or reward in connection with such contract from any other person beneficially interested therein.

RCW 42.23.070 - Prohibited acts.

1. No municipal officer may use his or her position to secure special privileges or exemptions for himself, herself, or others.
2. No municipal officer may, directly or indirectly, give or receive or agree to receive any compensation, gift, reward, or gratuity from a source except the employing municipality, for a matter connected with or related to the officer's services as such an officer unless otherwise provided for by law.
3. No municipal officer may accept employment or engage in business or professional activity that the officer might reasonably expect would require or induce him or her by reason of his or her official position to disclose confidential information acquired by reason of his or her official position.
4. No municipal officer may disclose confidential information gained by reason of the officer's position, nor may the officer otherwise use such information for his or her personal gain or benefit.

WAC 180-87-050 - Misrepresentation or falsification in the course of professional conduct

Any performance of professional practice in flagrant disregard or clear abandonment of generally recognized professional standards in the course of any of the following professional practices is an act of unprofessional conduct...

The Components

1. The Law - RCW & WAC.
2. OSPI Code of Professional Conduct.
3. Community Perceptions.
 - They drive our voter approved funding levels (levy, bonds).

- Unfavorable news articles. Public education can be a target for the media and the perception of wrongdoing makes great press. ***A negative headline in a local paper about a neighboring school district taints your district's image too.***
- 4. Purchasing actions protested at board meetings.
- 5. Community members express lack of trust of managing funds.
- 6. Un-informed staff and parents.

The Issues

1. Administrator hired family members and paid them through ASB.
2. Coaches get free meals at McDonalds if they take athletes there.
3. Supervisor **required** employee to sell fundraising items for family member.
4. Teachers get cash from the Parent Support Group.
5. Bonus rewards from vendors kept personally, e.g. Entertainment Books.
6. Teacher selling items at school and keeping the profits.
7. Parent Support Groups using district-buying power.
8. Staff using school equipment at home or other business.

Legal Yet Inappropriate

1. Wearing school logo shirts to establishments that do not reflect district standards
2. Driving a district vehicle to the store or eatery
3. Dating employees of contractors that do business with the District
4. Attending highly visible recreational events with vendors. Close friendship with a vendor
5. Coach's family has exclusive access to gym or pool

General State Requirements

- A. By state law, all school districts are required to have policies in place regarding ASB Funds and accounts.
- B. ASB money is considered to be "public money", (that is money generated by a public institution) and is therefore subject to close scrutiny and review in regard to record keeping and financial records (State Auditor's Office).
- C. ASB officers, with the guidance and supervision of the primary advisor, develop an ASB operating budget annually with projected income and expenses for the next school year. This is accomplished each spring.

1. **All** ASB, Clubs, Classes, & Athletics participate in the budget process.
 2. **All** ASB, Clubs, Classes, & Athletics must provide the Student Council information so that an informed fiscal decision can be made for the allocation of funds in building the annual budget (expenses, income, etc.)
 3. The Student Council approved ASB budget is then submitted to the building Principal. After Principal approval, it is then submitted to the business office and lastly the school district's Board of Directors has final approval of the ASB budget.
- D. The use of any ASB funds must be for **current Students** of the schools ASB
1. All expenditures require prior approval. If using the ASB Purchasing Form, it keeps all required information together.
 2. Meeting minutes from the ASB Council and Club must show the discussion and voted on approval of the expenditure. Minutes need to be available upon request. Council meeting minutes are permanent record and need to hold indefinitely.
 3. School District Board Policies and Procedures, District Business office, along with Local, State and Federal law are to be upheld by building administration, bookkeeper and district business services office.
 4. All ASB fees must have School Board approval

Fundraising – Charitable (Private Money)

Introduction

Student fundraising activities are governed by RCW 28A.325.030. The statute clarifies the difference between activities to raise public funds, such as money for school sports programs and school clubs, from fundraising activities which result in private money for charitable causes.

The statute includes a provision to permit student groups **in their private capacity** to conduct fundraising activities for scholarships, student exchange programs or charitable purposes. If certain conditions are met these funds are considered **nonassociated** student body funds ([WAC 392-138-010](#)) and are not public money under section 7, article VIII of the state constitution.

All fundraiser and expenditures for the fundraisers need to be recognized and include detailed cost expenditures in meeting minutes. These meeting minutes need to be signed off by ASB, an Advisor, and administrator.

Requirements

(RCW 28A.325.030, WAC 392-138-200, 205, 210)

Board policy must be in place defining the scope and nature of allowable fundraising and must include provisions to ensure appropriate accountability for these funds.

Funds must be held in trust by the school district and accounted for separate from public money.

- The 6XXX account is used for Charitable/Private Money (if your district's charitable/private money is less than 5% of your district's annual ASB expenditures.)
- District private purpose trust fund (if it exists) may also be used.

Contact your district office for more information.

Budget approval and capacity is required if deposited to the ASB funds. No budget is required if using a trust fund.

Notice must be given to potential customers identifying the intended use of the proceeds. The notice shall also state that the proceeds are non-associated student body funds to be held in trust by the school district exclusively for the intended purpose.

Deposit and investment practices follow the same requirements as public funds of the district. All money must be receipted, deposited intact and transferred to the county treasurer.

Direct costs of the fundraiser are withheld by the district or otherwise compensated.

Pre-approval for disbursement is required by the ASB or other authority designated in school district policy or procedures.

Use of funds must be only for the advertised purpose. Examples of charitable fundraisers may include: funding scholarships and student exchange programs, assisting families whose homes have been destroyed, supporting bonafide charitable organizations, community projects. Charitable purposes do not include any activity related to assisting a campaign for election of a person to an office or promotion or opposition to a ballot proposition.

Considerations

Raising Enough - There is risk of not raising enough to cover the cost of the activity. This can be problematic since district/public funds CANNOT be used to finance the event. Plan carefully to ensure a profitable event. Running a second fundraiser would be an option to break even.

Nonprofit Organizations - Some nonprofit organizations desire to use students and class time to raise funds for their cause. Districts need to review the activities and determine if they are consistent with the district mission and policies. It is recommended that charitable fundraising be done outside of the class day.

Accepting Checks - If accepting checks, wait until all deposits have cleared before remitting proceeds. Checks that are returned as “non-sufficient funds” must be deducted from the amount available. Matching donations may arrive late and must be processed in the same manner as the other donations.

Prizes, Commissions, Incentives - Consider whether prizes, commissions, and incentives will be permitted in conjunction with charitable fundraising. Some districts have taken the approach that student involvement in these types of events should be the result

of the student's desire to participate in a good cause. These types of expenses may also lessen the amount available for the charitable purpose. ASB funds cannot be used to support private charitable functions.

Awarding of Student Apparel

Individuals in certain groups within the District's ASB provide leadership, encourage sportsmanship and promote school recognition and school spirit within the school setting and community. In recognition of this service, apparel that no longer has a monetary value may be awarded to these individuals.

It is also legal to give prizes in a raffle designed to raise funds for the student body, provided the money collected is at least as much as the value of the prize(s) being raffled. The ASB must own the prize prior to the start of the raffle. There are specific requirements that must be followed in holding a raffle per the Washington State Gambling Commission. ([See Fundraising Section.](#))

Imprest Checking Accounts

Introduction

An ASB imprest fund is a district checking account established at a local commercial bank to allow schools to make **minor** disbursements by check for **certain approved purchases**. Some districts are using P-Cards as an alternative to Imprest accounts.

Each school may establish an ASB imprest fund checking account up to the maximum established by the Board of Directors for the convenience and efficiency of expediting disbursement, subject to the following: (See WAC 392-138-120)

1. The maximum amount of the imprest fund checking account shall be no more than is necessary for the highest month's disbursements.
2. The imprest fund checking account shall be initiated by deposit of, and replenishment of, a warrant drawn on the school's ASB fund. (GL 200)
3. Disbursements from the imprest fund checking account must be by check and shall be restricted to payment of invoices approved by the ASB Governing Body and the ASB advisor and those allowed by the central business office.
4. All imprest requests must show evidence of student approval.
5. Imprest requests must be accompanied by forms, **original** receipts or invoices showing the exact amount requested for payment.
6. The imprest fund checking account shall be replenished at least once a month by a warrant drawn on the ASB fund in the sum total of the disbursements made in the imprest fund checking account during the preceding month.

Procedures

A. Check Signers of the Imprest Account

- **Authorized signers are school administrators and possibly the Activity Coordinator.** The custodian of the imprest account should not be a signer on the account. Each time an administrator is replaced the bank signature card must be renewed. (If the custodian signs checks, an additional signature is required.)

B. Opening an Imprest Fund Checking Account

- After the Board of Directors has approved an imprest fund, it is opened by issuing a district warrant from the ASB fund. The Board of Directors must

approve a resolution authorizing the maximum amount of the imprest fund before the district office can establish the checking account.

C. When to Use the Imprest Fund Checking Account

- Upon direction of the district business office, a check can be written for the convenience and expediency of payment for ASB goods and services. Expenditures cannot exceed the balance of the account. District policy and procedure may determine which payments must be made through the district accounts payable system and which payments may be made through the imprest fund checking account.
- **Suggested uses are:**
 - Memberships
 - Registrations
 - Dues
 - Deposits

(Forms must be filled out in their entirety prior to issuing a check.

Forms must indicate amount due, i.e., price per team, individual, etc.)

- Restrictions on the use of the imprest fund checking account are:
 - Bids: The district office may have bids or contracts that require products be purchased from a particular vendor.
 - Wages: All employee wages, including those paid for student employees or temporary employees, **must** be paid through the district payroll system by district warrant.
 - Personal Services: Independent contractors are frequently considered employees by one or more regulatory agencies. For tax purposes, payment must be made by the district accounts payable system.

D. How to Use the Imprest Fund Checking Account

- Each expenditure made from the ASB imprest fund checking account must show prior approval of the ASB Governing Body and the ASB advisor.
- Student approval and original itemized vendor invoices, receipts and forms must be on file for each imprest check written. These items are attached to the request for imprest check form and submitted with the replenishment to Accts Payable.
- Each check must be recorded in a check register by check number; this is easily done with computer software. All checks, including voids, must be accounted for in the register. Voided checks must be kept on file.

All voided checks must have the signature area removed.

E. Depositing Into the Imprest Fund Checking Account

- The only deposits allowed to the imprest fund checking account are replenishment warrants and/or a return of change fund. Deposit change returned from checks written for travel expenses to the activity account.

F. Replenishing the Imprest Fund Checking Account

- An imprest fund checking account replenishment request must be completed at least once a month by statute.
- **DO NOT** overdraw an imprest fund checking account.
- The district office will issue a replenishment warrant in the name of the account custodian and school. Deposit directly to the imprest fund account.

G. Bank Statement Reconciliation

- Complete the bank statement reconciliation monthly and file according to district procedures. The bank reconciliation should be completed by someone other than the custodian of the imprest fund checking account and may be completed by the district office.
- Unredeemed checks are added back into the imprest fund account after a certain period of time has passed. Check with the district office. Remember to credit unredeemed checks on the replenishment form by checking number, payee, account code, and amount.

Internal Controls

Introduction

Internal control is a plan of organization under which employees' duties are arranged and records and procedures are designed to make it possible to exercise effective accounting control over assets, liabilities, revenues, and expenditures. Good internal controls are designed to:

- Safeguard assets.
- Ensure the accuracy and reliability of accounting data.
- Promote operational efficiency.
- Ensure adherence to managerial policies and state and federal statutes.
- Assign accountability.

Written Policies and Procedures

Each district should develop written policies and procedures for the ASB. Policies provide Board authorization for ASB activities. Procedures provide instructions in the correct method for processing transactions and identify critical checks and balances that must be included to ensure accuracy.

Segregation of Duties

Employee responsibilities should be subdivided so that no single employee is responsible for authorizing, processing, recording and reviewing a single transaction. This system helps ensure that errors and irregularities do not occur or that if they do occur, they are identified and corrected promptly. In a one-person office, it is critical that management routinely reviews and approves individual transactions to maintain the required segregation of duties. It is recommended that students be trained and perform some of these functions.

Documentation

All ASB transactions should be promptly and accurately recorded on district authorized pre-numbered documents. The numeric sequence of documents should be accounted for.

Routine Reconciliations

An independent party should routinely compare recorded figures to actual assets. Some reconciliations such as deposit reconciliations and bank reconciliations are prepared on a monthly basis by building and/or district personnel. Other reconciliations are the responsibility of an independent, outside party such as routine reviews by internal auditors or state examiners. All reconciliations are designed to ensure that documents accurately reflect the value of district assets.

Security

Physical access to cash, checks, pre-numbered documents, fundraising products, ASB records, and other ASB assets should be limited to authorized individuals. Limited access protects assets and assigns responsibility in the event of missing items.

When an employee leaves the district or changes position, some things to consider:

- Change the safe combination.
- Alarm codes and passwords.
- Keys.
- Procurement/Credit Cards.
- Bank Accounts/Signature Cards/Online Banking.
- Accounting and Student Information System access.

Records Retention

The Washington State Division of Archives and Records Management establishes the time period for retaining all documents. Retention of documents is necessary for future review by state examiners and to provide supporting documentation for future research of previous transactions. See the [Records Retention](#) section for archiving guidelines.

Inventory

Note: Also See Ticket Sales and Student Stores

Introduction

Inventory procedures should be followed for student stores, vending machines and any fundraisers that includes selling a product. **Inventory is required for all equipment, uniforms, and any small and attractive assets.** Inventory must be performed, at the minimum, on an annual basis by students, coaches/advisors and/or the Athletic/Activities Director.

Procedures

A. Order and Receipt of Goods

All merchandise must be ordered on a district ASB purchase order or by a district purchasing card. See the Purchasing section for details.

When merchandise is received, a comparison should be made between the items received versus ordered and note any differences on the packing slip or invoice. Follow your district's Accounts Payable process to ensure timely payment.

B. Safeguarding Assets

School inventory should always be stored in a locked, secured area. Only a limited number of people should have access to the storage area.

If designated people who had responsibility for keys and combinations leave the district or change positions, locks should be changed. See [Internal Controls](#) for other items to be addressed.

C. Reconciliation

1. A physical inventory of resale items should be performed monthly. Inventory can be taken less frequently for small operations like those in an elementary school. The frequency of taking inventory must be increased if significant shortages are discovered.
2. Complete an Inventory [Reconciliation Form](#).

Parent Support Groups

Introduction

Parent support groups such as PTA and PTSA, in cooperation with the school administrative staff, are very helpful, needed, and can be an enriching component to the school climate encouragement to involve parents comes from the local school board and the superintendent. Their volunteer involvement provides added resources for both students and staff.

PTA and PTSA are proprietary names and are registered service marks. (This is the same legal status as a trademark, but is the designation used for services). Groups may only use “PTA/PTSA” if they are registered with the National Congress of Parents and Teachers and the Washington State PTA.

A PTA is not a “school-related organization.” Each PTA is a local, self-governing, nonprofit (and usually, tax-exempt) membership association with their own set of bylaws, elected officers and membership. PTA’s pass an annual budget and are subject to the Articles of Incorporation and the Bylaws, but PTA’s are also subject to the Washington State PTA to which they pay membership dues. PTA’s are encouraged to obtain 501(C)3 status and must carry liability insurance.

Washington State PTA offers assistance to local units. Publications such as *Washington State PTA Money Matters* and *PTA and the Law* outline the requirements for the proper handling of PTA funds and how PTAs operate.

Staff participation, cooperation and support of PTA’s are encouraged. However, employees are discouraged from holding an official position or having signature authority with a PTA due to potential conflicts of interest.

(RCW 42.23)

If the PTA holds a fundraising activity at a school, on or off school district property, or involving students, AND is conducted at the **direction or under the supervision of the PTA**, the money belongs to the PTA.

Although the responsibility for handling and accounting for funds can be assigned to one or more board members, typically but not always the treasurer, assuring that all funds are properly handled and accounted for is one aspect of the fiduciary duty that all board members assume by agreeing to serve.

Contractual liability

A nonprofit is liable on its contracts just like any person or other entity. Contracts can be made orally or in writing, and if the person with whom the contract is made reasonably believes that the person making the contract on behalf of the nonprofit has authority to do so, it can be enforced against the nonprofit. To guard against unwise contracting actions, a nonprofit should have clear policies about who is authorized to contract on behalf of the nonprofit and under what circumstances.

Insurance to Cover the Nonprofit's Personal Injury Liability

Nonprofits can be held liable for injuries resulting from the negligent actions of its volunteers and employees, just like any other legal entity.⁴⁹ To minimize the risk to the nonprofit's viability the nonprofit should maintain adequate liability insurance to protect its assets from such liability. Many school districts require that nonprofits using their facilities provide proof of such insurance and in some instances that the school district be named as an additional insured on the nonprofits' liability insurance coverage.

Other kinds of insurance

- **Medical payments** insurance reimburses medical expenses of persons injured at events conducted by the nonprofit without requiring a showing that the nonprofit was at fault in causing the injury.
- **Property damage** insurance will cover any property owned by the nonprofit, including items that may only be in the nonprofits' possession for a short time things such as donated auction items, spirit wear inventories, etc. School district insurance will not cover such items nor will many home owners' policies.
- **Errors and omissions** insurance protects board members from claims that they have violated their fiduciary duty to the association.
- **Fidelity bonds** will cover financial losses resulting from diversion of funds. However such bonds often are conditioned on a requirement that certain procedures for the handling of funds be followed as a condition of the insurance.

⁴⁹ *Pierce v. Yakima Valley Memorial Hosp. Ass'n*, 260 P.2d 765, 43 Wn.2d 162 (1953) (overruling prior cases holding charities immune from tort liability because the widespread availability of insurance negates the policy justification for such immu

Other Resources

Washington State PTA, <http://www.wastatepta.org/>, a nonprofit that charters approximately 900 local chapters in Washington, and is affiliated with the National PTA, <http://www.pta.org/>. 1300 South Fawcett, Suite 300, Tacoma WA 98402.

PTO Today, <http://www.ptotoday.com/>, a for-profit company that sells services to parent organizations. 100 Stonewall Blvd., Suite 3, Wrentham, MA 02093.

Better Booster Clubs, <http://www.betterboosterclubs.com/>, 1601 East Highway 13, Suite 200, Burnsville, MN 55337-6848.

Purchasing

Introduction

All purchases must follow district policy and procedures which require the issuance of a purchase order, or if Board approved, use of a **purchase/procurement** card.

Procedures

These procedures outline issuance of purchase orders at the school level and at the district level recognizing that specific procedures may vary from district to district.

To make an ASB purchase:

1. Determine budget capacity.
2. Prior approval of ASB governing body.
3. Prepare a requisition and/or purchase order.
4. Receive approval signatures.
5. Review state bid laws and district policy.

In some cases, an employee may receive prior approval to purchase miscellaneous items with a personal check or credit card. The original receipt(s), not a charge card statement, must be attached to a district authorized reimbursement form and submitted for reimbursement accompanied by the appropriate student and administrative signatures.

Refer to [WAC 392-138-125](#) and [WAC 392-138-210](#) which govern disbursements by ASB's.

Contact your district office for further district purchasing procedures.

Refunds

Introduction

A refund is a return of funds. There are two types of refunds, a refund of revenue and a refund of expenditure.

Procedures

A refund of revenue is returning funds that have been previously receipted and deposited by the ASB. Sufficient documentation showing original receipt of funds must be supplied to issue a refund. A refund can be issued by imprest check or district warrant, but should never be made from current cash on hand. Consult your district office for board-authorized procedures.

A refund of expenditure is when the ASB returns merchandise to the vendor. The vendor issues a credit invoice or refund check. Consult your district office for the correct procedures to follow when this type of transaction occurs. Consult your district office for board-authorized procedures.

Refunds for receipted checks should not be issued until sufficient time has passed to ensure the check has cleared the bank. Consult your district office for board-authorized procedures.

The ASB Bookkeeper should verify which fund and account the original transaction occurred in to ensure that the refund comes from that same fund and account. *(If the revenue was deposited in a revenue General Ledger account, the refund should come back out of that same revenue General Ledger account).*

Refunds must be recorded in the point of sale system or student records to ensure a double refund is not issued and proper internal controls are followed.

ASB Resources

- Washington Interscholastic Activities Association: [ASB Fund Guidelines](#)
- State Auditor's Office: <http://www.sao.wa.gov> for school district audit reports and fraud findings.
- Washington Association of School Business Officials: [WASBO](#) to download the **ASB Procedures Manual**.
- Association of Fund Raising Distributors and Suppliers <http://www.afrds.org> for tips on fund raising.
- All state agencies: www.access.wa.gov
- Internal Revenue Service: <http://www.irs.gov> for federal tax information.
- Office of Superintendent of Public Instruction: www.k12.wa.us – search for the current year Accounting Manual or search WAC's.

Questions???

- ✓ Check first with your school district business office...

Office of the Superintendent of Public Instruction (OSPI)	360-725-6000
Washington Association of School Business Officials (WASBO)	360-528-2025
Washington State Gambling Commission	360-486-3440
Washington State Auditor's Office (SAO)	360-902-0370
Washington State Department of Revenue (DOR)	800-647-7706
Association of Washington School Principals (AWSP)	360-357-7951
Washington Interscholastic Activities Association (WIAA)	425-687-8585
Washington Association of Student Leaders	360-497-5323

Risk Management

Introduction

A risk management plan is a document that the district Administration prepares to foresee risks, estimate impacts, and define responses to issues. It also contains a risk assessment matrix. A risk is "an uncertain event or condition that, if it occurs, has a positive or negative effect on a program's objectives."

Procedures

Your school district works very hard to minimize risk, create safe school plans and procedures, hold safety drills, and respond to emergency situations, but whenever there are employees and students involved, accidents and incidents will occur. The school district has to take into consideration the safety & internal workings of all of the school buildings, including the kinds of chemicals used for cleaning, maintenance of district grounds, playgrounds, the parking lots, roof conditions, alarm systems, the bus garage where school buses are stored, field trips including day and overnight, the back-up of the IT system, and much more. The safety of the staff and students is the highest priority in a school district. There are legal expectations that a school district must have in place. These are:

- The duty to warn and inform.
- The duty to provide proper instruction.
- The duty to condition and equip participants properly.
- The duty to provide proper supervision.
- The duty to provide safe facilities.
- The duty to provide safe equipment.
- The duty to provide prompt and appropriate post injury care.

In addition, there are four basic ways to handle a risk.

Avoid: The best thing you can do with a risk is avoid it. If you can prevent it from happening, it definitely won't hurt your program or activity.

Mitigate: If you can't avoid the risk, you can mitigate it. This means taking some sort of action that will cause it to do as little damage to your activity as possible.

Transfer: One effective way to deal with a risk is to pay someone else to accept it for you. The most common way to do this is to buy insurance.

Accept: When you can't avoid, mitigate, or transfer a risk, then you have to accept it. But even when you accept a risk, at least you've looked at the alternatives and you know what will happen if it occurs. If you can't avoid the risk, and there's nothing you can do to reduce its impact, then accepting it is your only choice.

By the time a risk actually occurs, it's too late to do anything about it. That's why you need to plan for risks from the beginning and keep coming back to do more planning throughout the project or activity. It's good to ask the question *"Are we going to embrace this activity and its potential liability or "divorce" our involvement due to the nature of the activity?"* Our obligation is to protect the staff, students, and volunteers on and off our school grounds if it's a school sponsored activity...and protect the district's liability as well. When we reduce the risk involved we create a safer environment and reduce the district's financial liability.

With regards to the ASB, all of these areas are also applicable. It's important for a teacher, an Advisor, the Activity Coordinator and the Principal to review the activities and field trips that are being planned and to make certain that that unsafe or inappropriate conditions do not occur. If something may be questionable, it's a good plan to contact the district Risk Manager to find out if an activity is covered or not covered under the district's insurance policy.

With some companies, powder puff football is not allowed nor are inflatable bouncy houses or dunk tanks, so this would be a risk to "Avoid." Another example of "Avoidance" is to not allow students on a school sponsored trip the use of a swimming pool at a hotel without the hotel's authorized on duty life guard. A teacher, parent, or an advisor cannot substitute as a lifeguard.

An example to "Mitigate" risk for a field trip would be to use school district buses, have permission slips and medications for students, an appropriate ratio of students to chaperones, and make sure the trip is age appropriate. An example to "Transfer" risk is to contract the risk to another company or group. A school district would contract with a private insurance company or join the Washington Schools Risk Management Pool. Policies are reviewed as to what is covered and what is not covered as well as a deductible amount that is reached before the loss is covered.

Always consider the risks that could be involved with any activity whether it's a field day activity at school or an off-site field trip activity. For example, if the band is going to

Disneyland to perform, there are a number of things that have to take place before the kids and chaperones board the airplane such as:

- Has the school board approved the overnight field trip?
- Have airline tickets and hotel accommodations been made? And sufficient chaperones confirmed?
- Have permission slips been signed by the students and parents? (these may include medical needs as well)
- Have all monies owed for the trip been paid by the students/parents?
- How many staff members are going?
- Have substitutes been assigned?
- Has staff requested an Advance Travel check (if needed) from the district fiscal office for trip expenses?
- Has an agenda of activities & times been prepared and communicated to students/parents, school administration, staff, and chaperones?
- How are band instruments getting to California?
- Schedule a meeting to inform the chaperones of their supervisory obligations and non-alcohol consumption during the trip, no cell-phone check-in with the school staff, but face to face check-in if there is “free time” with adult chaperones to explore the Disneyland grounds, and no additional activities (such as side trips) that haven’t been authorized, etc.
- These kinds of trips can be a wonderful experience for the students, staff and chaperones if it’s done with good pre-planning and taking into account what might happen in case of an emergency or if a student needs to be sent home.

Unfortunately, negligence can happen. Negligence involves four elements, and all four must be present to be found negligent in a court of law.

- Duty: an official or reasonable expectation
- Breach of duty: the expectation was not met
- Proximate cause: that initial action which set in motion a sequence of events resulting in an accident.
- Damages: the accident caused someone to be hurt or something to be damaged

As previously mentioned, school districts are insured to cover potential risks. They can carry insurance through a private insurance carrier or join a Risk Management Pool. A Risk Management Pool is not an insurance company but a self-funded group of school districts and educational service districts that have joined together to prevent, control and pay for liability and property risks.

What makes a Risk Management Pool different from a private insurance carrier is the fact that:

- Members control the coverage; coverage is tailored not only to schools in Washington State, but to the particular membership. Pool staff usually make the coverage decisions and those decisions can be appealed to the Executive Board, who is elected by the membership.
- Coverage is only part of the solution. More emphasis is placed on risk control measures, such as training in liability prone areas and on-site review of facilities, policies and procedures.
- Members control their own rates. Rates are modified by each members' own loss experience, so a member with a favorable loss record can earn a favorable premium rate.

The top 10 loss pitfalls in schools are:

1. Unsafe Facilities: Examples include slips, trips and falls, improper maintenance and vandalism.
2. Unsafe Equipment: Includes playground equipment, shop machines, science labs, and furniture.
3. Deliberate Indifference: This includes discrimination, student-to-teacher assault and sexual harassment.
4. Failure to Protect Students: Examples include fighting and classroom accidents.
5. Failure to provide safe transportation: This includes bus accidents, loading/unloading issues and other vehicles.
6. High Risk Activities: Examples include field trips, P.E. accidents, and inflatable toys and games.
7. Failure to Communicate: Includes employment issues, contractual signatory authorization and reporting procedures.
8. Failure to Render Appropriate First Aid: When to call 911, health room issues/training and athletic injuries.
9. Failure to Instruct Students and Staff: Examples include deficient substitute training, special education claims and documentation.
10. Failure to Supervise: This includes, care, custody and control, direct oversight of activities and unattended classrooms.

Other considerations of risk include the following:

Afterschool meetings/practices:

- Music
- Drama
- Debate
- Yearbook
- Newspaper
- Cheer
- Dance

Athletic Practices:

- Pre-season
- In-season
- Off-season

Non sponsored

WIAA:

- Water Polo
- Equestrian
- Lacrosse

CTE Club Activities:

- FFA
- FBLA
- FCCLA
- DECA/Student Stores
- TSA
- Skills USA
- Culinary Arts catering/social meals

Athletic Games and Contests:

- Players
- Student spectators
- Adult spectators
- Invitationals

Dances and Socials:

- On campus
- Off campus
- End of season celebrations
- Food

Music/Drama/Dance performances:

- On campus
- Off campus

Weight Room:

- Equipment

School Assemblies:

- Speakers
- Guests
- Competitions
- Crowd considerations

Field Trips:

- Day trips
- Overnight
- Challenge Courses
- Parades
- Interhigh activities
- Lock-ins
- Sports camps
- Leadership Camps

Fund Raising:

- Product inventory
- Vendor selection
- Services Agreement/Contracts
- Student involvement
- Daily deposits/Reconciliation

Coach/ Advisor Concerns/Considerations:

- Permission slips
- Background checks
- Driving

Student privacy:

- Family Educational Rights and Privacy Act (FERPA)
- Photos

Cash Handling & Chain of Custody

References: [RCW 28A.320.060](#); [RCW 28A.320.070](#); [RCW 28A.320.125](#); [RCW 28A.320.126](#); [WAC 200-110-150](#); [WAC 200-110-200](#) as well as your own school district policies and procedures.

Student Involvement

Introduction

All activities of a secondary school ASB's, in grades 7 through 12, must have student approval and supporting documentation must bear evidence of student engagement. Student authorization may be satisfied by signatures on requisitions, purchase orders, payment orders, or disclosure in the minutes of the ASB student council. Students authorized to approve transactions in the cultural, athletic, social and recreational areas of the ASB should be designated by the ASB governing body.

For schools with grades lower than sixth grade, the board may designate the Principal to act as the ASB. Refer to [RCW 28A.325.020](#).

Responsibilities

The ASB fund is for the extracurricular benefit of the students and their involvement in the decision making process is an integral part of associated student body government. The students must have adult supervision to properly administer the associated student body programs, but that supervision must not exclude student participation in determining the use of the money. Refer to [WAC 392-138-120](#), [WAC 392-138-125](#) and [WAC 392-138-210](#). The following events must show evidence of student approval in schools with 7th grade and above:

- Budget
- Collection of private money
- Constitution and By-laws
- Disbursements
- Election of student officers
- Fundraisers
- Transfers

Empowerment and Authority of The Student Council

A student council needs to understand the parameters within which it functions at school. Failure to understand these can lead to a breakdown in communication between the principal and the council. The result can be discontent and frustration. Positive school climate may become impossible under such circumstances. Ultimately, the public is “in charge” in a public school system. Their desires are reflected in the policies adopted by the Board of Education and executed by the administration. State and federal laws also impact the system. With this in mind, a student council can actually function on three participatory levels within the school.

Level One: Students have been “empowered” by the principal to conduct their activities with nearly complete authority. Nearly complete because they are subject to the approval of their advisor and the principal.

Level Two: Students have been empowered by the principal to share authority with the staff and administration.

Level Three: Students have been empowered to give input, but have no control over decision making.

Levels of empowerment in most schools include:

Authority

Council Projects
Elections
Homecoming
Constitutional Revision
Council Operation
Publicity
Evaluation
Dances

Shared Authority

School Climate
Event Scheduling
Student Scheduling
Fund Raising
Athletic Expenditures
Announcements
Assemblies
Traditions

Input Authority

(No Authority)

Grades
Discipline
Hiring/Firing
Cafeteria
Maintenance
Vacation
National Organizations
Day Length
Credit Requirements

Student Stores

Introduction

Student stores are traditionally a component of the Career and Technical Education department and are the lab portion of the advanced marketing classes. It is important, however, that the student store works hand-in-hand with the ASB since the account operates under the umbrella of ASB law. Successful stores can and should be a great source of revenue for the ASB as well. It is up to the ASB officers to determine distribution of the net profit based on the school's Constitution.

In addition, it is also imperative that the store maintain a positive working relationship with the district's food service provider. It is recommended that student stores purchase items from the district's food service program as well as other vendors. Vending, the student store, and the food service program should compliment each other; not be a cause of antagonism and resentment. As part of the leadership aspect of the store, students should be involved in the decision making as to healthy food choices, vendors, what they think students will purchase, and the price of those items.

A well run student store should be more than a place where students can purchase a snack. It should become a part of the cultural backbone of the school; a place where all students and staff feel welcome and comfortable. Having students write up a store manual will educate and enforce some of these procedures.

Be sure to check with your district office regarding how to work with your district's food service program and the guidelines for OSPI and the district's healthy nutrition policy and procedures. For more guidance, please visit this site for nutrition guidelines and calculation tool. Please keep the documentation for Nutrition Services audit review.

[OSPI Nutrition Services Resources](#)

Procedures

A. Supervision Of Workers

1. A student store best practice should have **adult supervision** when in operation.
2. A student manager should select and schedule all student workers which is reviewed and monitored by an adult supervisor. The adult should review all written policies for

handling money (cash and checks) with the designated students to ensure good internal controls and reconciliation at the end of a shift.

3. A minimum of two people should be present when the student store is operating.
4. The number of student workers should be limited to allow for proper supervision and control.
5. Student workers are not allowed to eat or drink while working in the store.
6. Student workers must have segregated duties in order to have the necessary accounting controls and efficiency.
7. Specific duties:
 - One person should take the customer's order, receive the cash due for the purchase, and provide the appropriate change.
 - The second person should retrieve the product from the shelf, verify the price with the cashier, and deliver the product to the customer.
8. The person who is responsible for cashier duties:
 - Receive the correct amount of money from the customer for the purchases.
 - Count the money received from the customer and return the necessary change before placing any money received into the cash drawer.
9. If hot and cold food is being prepared and sold, all workers may be required to have a Food Handler's Card in compliance with the local health department regulations. Check your local county requirements. In addition to food, the student store can sell spirit wear and school supplies.

B. Student Store Security

1. Student store operations should only take place in a secure surrounding (an office, secured room, etc.) where customers are unable to reach money or merchandise or easily walk behind the counter.
2. As a best practice, an adult supervisor is to observe the operation at all times.
3. All student stores should use cash registers or other accounting methods, such as an electronic point of sale program. Records must be maintained to reconcile receipts.
4. Cash boxes are not recommended due to risk and lack of inventory controls.
5. Each student worker should be assigned a password to be used for login which assigns the responsibility of the till to that student worker for the duration of their shift (one student worker per till per shift). **Passwords should be controlled by someone that does not have access to the system. Passwords should not be easily obtainable, i.e. do not use easily identifiable passwords such as names.** Money should NOT be left exposed at any time, except when receiving payment or giving change to the customer. At the end of every shift, each student

worker must reconcile their day's sales, which are verified by the adult supervisor prior to the next shift starting.

6. All money must be stored in a safe at the end of each shift and then transported by two students or one adult supervisor to the ASB Bookkeeper. The ASB Bookkeeper should receipt the proceeds and provide a copy back to the student store supervisor.
7. The student store must be locked when not open for business. When it is open, only designated workers and/or adult supervisors are to be behind the sales counter.
8. Designated workers are not to leave the store unattended at any time while open for business. In case of emergency or emergency drills, the adult supervisor should secure and lock the store before leaving the premises.
9. Only the adult supervisor and school management will have keys to the student store. When an adult supervisor changes position, the safe combination must be changed and keys inventoried and key access reviewed.
10. If the student store is opened after school hours the monies collected must be secured in a locked safe.
11. It is recommended that video surveillance cameras be installed for additional security.
12. The student store should be restricted to student store use only. It should not be used by other groups or for concessions.

C. Cash Handling

1. Cash registers or an electronic point of sale program are recommended to track purchases and for inventory control.
2. Sales are to take place only when the store is open for business.
3. Receipt correct mode of payment – cash, check or credit/debit cards as available in your district.
4. All sales require a form of payment at the time of purchase. No IOU's.
5. All sales should be rung up on the register or recorded on a transaction register or log at the time of sale.
6. If checks are accepted, they are to be endorsed with an endorsement stamp immediately upon receipt. Checks are to be for the purchase price only - not more or less than the posted purchase price.
7. The adult supervisor or student manager must document all returns at the time of the transaction. Refunds can only be given during the current shift. Otherwise, instore credit can be offered and must be documented.
8. The adult supervisor or student manager must document all "over rings" or

voided transactions at the time of the transaction. Cash in the store register is not to be used for personal convenience (i.e. make change or cash a check when no sale has been made.)

9. No student or staff member should take the merchandise without paying for it.
10. The price of merchandise can be reduced for sale when conditions warrant. For example, expiration dates or old merchandise. “Buy one, get one free” cannot be used but individual items can be reduced for a quick sale.
11. If a student worker is going to purchase a store item, they must do so at the end of their shift and another student worker must transact the sale.
12. No cash should be kept in the student store register when the store is not in operation.
13. A minimum of two people, including the shift cashier, will count all cash at the end of each shift. The adult supervisor should oversee the cash counting.
 - After the cash has been counted, a reconciliation report or completed form should be signed by the students and adult supervisor who counted the cash.
 - A copy of the sales report must be submitted with the cash and checks to the ASB Bookkeeper.
14. The ASB Bookkeeper, upon receiving the cash receipts and sales report from the student store, should:
 - Count the cash receipts in the presence of the person submitting the cash and checks then compare to the sales report.
 - Receipt all cash and checks received through a ‘point of sale’ program or district issued receipt book. (See the [Cash Handling](#) section.)
 - The ASB Bookkeeper should return the receipt produced above to the adult supervisor or student store manager.
Deposit the cash receipts within 24 hours ([RCW 43.09.240](#)) and send documentation to the district office.

D. Change Fund/Startup Cash

1. The initial change fund/startup cash for the student store is to be issued by the district office from the ASB’s General Ledger “200” account with a Purchase Order. The change fund is not created by holding back cash from sales or deposits. Do not deposit or reimburse a change fund.
2. The change fund/startup cash is to be stored in a school safe.
3. If your change fund needs to be increased or decreased, contact your district office. At the end of the school year, the change fund should be returned to ASB Bookkeeper or district office per procedure.

E. Inventory and Permanent Records

1. A complete physical inventory count of the goods for sale in the student store must be performed at the beginning and ending of each school year. Physical counts should also be completed periodically throughout the school year.(For example, at the quarter or semester breaks)
2. In addition, a physical inventory should be done of the equipment and supplies at the beginning and ending of each school year.
3. At the end of the year, a list of this inventory must be sent to the district office.
4. The student manager, with adult supervision, should always complete a physical count of the inventory before adding new items. This should be reconciled to the existing inventory.
5. Student store accounting records are public records and are to be retained according to the State guidelines for records retention. For further information, refer to the [Records Retention](#) and [Inventory](#) sections.

Ticket Sales

Introduction

Ticket sales procedures are to ensure the proper accounting and deposit of cash from ticket sales. No complimentary tickets may be given.

Procedures

A. Safeguarding Tickets

1. Tickets represent cash and must be safeguarded accordingly.
2. They must be secured in a locked safe or cabinet until issued to a ticket seller.

B. Use Pre-numbered Tickets

1. Pre-numbered tickets must be used for all activities for which admission is charged.
2. It is recommended that different colored tickets be used for different admission fees.

C. Issue Tickets

1. Prepare a ticket log (Attachment A) of the tickets to be issued. Record the ticket number sequence, purpose, name and signature of the ticket seller responsible.
2. Issue each ticket seller the tickets, daily ticket sales form (Attachment B) and change fund. Record the name, event, beginning ticket number and amount of change fund issued on the sales form.

D. Ticket Sales and Admissions

1. It is recommended that two individuals control admissions. One collects money and the other issues tickets.
2. Tickets must be sold in number sequence.

For example: The ticket collector will tear the ticket in half, place the numbered half in a box and give the other half to the purchaser. Tearing prevents tickets from being reused and the numbered half of the ticket provides a way to reconcile receipts.

Allowing individuals to enter an ASB event-when the event charges admission- without paying the posted fee, is a violation of the state law.

I. School districts may have a gate list for those individuals who are performing services during regular season events. A Pass gate is designed for those who have a legitimate reason to be in the event without paying for admission. The term pass is a misnomer- the correct term would be identification card, the holder would then have to identify their job at the event.

Depending on District policies, a “Pass” gate might include these:

- Game Officials.
- Scouts. (Using inter-local agreements between Districts.)
- Official Supervisors. (This could include faculty and board members for home events if they agree to help supervise.)
- Band Members.
- Scorekeepers.
- Announcers.
- Media professionals.
- Cheerleaders and/or Dance team.
- Concession stand workers.
- Half-time entertainment.

Retirement passes for employees, Booster Club passes, Bus Drivers, and family members of any of the above are not entitled to enter without paying or having a job to perform. Note that a student with an ASB card actually has paid for the admittance at a reduced rate as approved by the student government and school board.

II. In the matter of season tickets (aka passes) purchased by individuals or families, the WAC and RCW allow the board to approve fee structures for this purpose.

WAC 392-138-105 Associated student body public moneys—Fees optional noncredit extracurricular events.

The board of directors of any common school district may establish and collect a fee from students and nonstudents as a condition to their attendance at any optional noncredit extracurricular event of the district which is of a cultural, social, recreational, or athletic nature:

RCW 28A.325.010 Fees for optional noncredit extracurricular events--Disposition.

The board of directors of any common school district may establish and collect a fee from students and nonstudents as a condition to their attendance at any optional noncredit extracurricular event of the district which is of a cultural, social, recreational, or athletic nature: PROVIDED, that in so establishing such fee or fees, the district shall adopt regulations for waiving and reducing such fees in the cases of those students whose families, by reason of their low income, would have difficulty in paying the entire amount of such fees and may likewise waive or reduce such fees for nonstudents of the age of sixty-five or over who, by reason of their low income, would have difficulty in paying the entire amount of such fees. An optional comprehensive fee may be established and collected for any combination or all of such events or, in the alternative, a fee may be established and collected as a condition to attendance at any single event. Fees collected pursuant to this section shall be deposited in the associated student body program fund of the school district, and may be expended to defray the costs of optional noncredit extracurricular events of such a cultural, social, recreational, or athletic nature, or to otherwise support the activities and programs of associated student bodies.

E. Daily Sales Report

- Count money and complete cash summary on ticket sales form daily.
- Ticket value should equal cash summary total. Any difference must be explained.
- To calculate the number of tickets sold, take the ending ticket number minus the beginning ticket number plus one and multiply by the selling price. Return the completed daily ticket sales form and all money collected to the ASB bookkeeper.
- Follow district procedures to safely secure monies collected after school hours.

F. Completion of Event

- Return all unused tickets and change fund to ASB bookkeeper or secretary with the final daily ticket sales form.
- The ASB bookkeeper logs in and verifies all tickets are accounted for and that the change fund has been returned intact.

Travel

Introduction

Travel by district employees, students, chaperones and volunteer coaches (anyone supervising students) shall be consistent with district travel policy and regulation. Payment of claims for travel and expenses shall be consistent with State Law ([RCW 42.24](#)).

Necessary travel expenses for ASB activities are an allowable cost of the ASB fund. Travel expenses for ASB advisors are allowable. As with all disbursements, ASB travel expenses must have the prior approval of the ASB governing body, and adequate documentation.

Travel may require Board approval prior to taking place (refer to your District Board policy.)

Chaperones – Travel expenses of accompanying adults (advisors or approved chaperones) are a justifiable and reimbursable expense of the activity, but must have prior student council approval. Chaperones must meet district volunteer protocols and guidelines. Overnight travel may require chaperones to be fingerprinted (must allow 6-8 week processing time).

Vending Machines District Managed

Introduction

The following procedures are for the operation of district managed ASB vending machines in the school district. These procedures are to ensure controls over vending machines.

Procedures

A. Physical Controls

1. Inventory – See the Inventory Section of the manual
2. Cash – See the Cash Handling Section of the manual

B. Accounting Controls

1. Inventory – Unique to vending machine transactions are:
 - Each different inventory unit must be accounted for separately (i.e. soda, candy, etc.)
 - The use of item counters for the vending machines provide a quick count of the transaction totals for a given period. Remember, counters are not absolutely fail proof; counter data must be compared to actual physical inventory counts on a periodic basis to ensure the integrity of the counters.
2. Cash – The building administrator:
 - Shall assign responsibility for the collection of cash and the restocking of vending machines to specific employees or supervised students.
 - Ensure that a meaningful comparison of cash sales to changes in the inventory is prepared.
 - Shall periodically review procedures to ensure compliance with written directions.

Vending Machines Vendor Managed

Introduction

The following procedures are for the operation of vendor managed ASB vending machines in the school district. These procedures are to ensure accounting controls over vending machines.

Procedures

A. Management of Vending Machines:

1. It is recommended that the vendor manage all vending machines operated in the district for the benefit of the ASB. A contract shall be secured between the district office and the vendor for a specified length of service and terms of the contract. In addition to the terms of the contract the vendor is responsible for:
 - Ownership of the machine(s).
 - Proof of insurance.
 - Machines shall be installed to meet earthquake safety standards.
 - Stocking the machine(s) with USDA/district compliant products and limiting student access to USDA/noncompliant products.
 - (see Appendix B for Smart Snack compliance).
 - Keeping the machine(s) clean and maintained.
 - A change or loss fund for the machine(s).
 - Withdrawing all cash from the machine(s).
 - Paying the district, a commission for the sales through the machine(s).
 - Providing an accounting of how the commission was calculated.
2. All contractor vehicles must be easily identified as belonging to the contractor. All contract employees accessing school district property must wear a vendor's uniform and/or vendor's identification badge. It is optional if a district requires the vending machine contractor to be bonded.

The vendor is responsible in the assignment of staff to the schools and shall prohibit any employee on school property that have pled guilty to or been convicted of any felony crime specified in [RCW 28A.400.322](#).

B. Accounting Controls

1. If possible, it is recommended that item counters be used in the machine(s) as a means to count the number of items sold and a basis for the commission to be received.
2. The responsibility of district management over the vending machine(s) includes:
 - Review of vendor reports for each machine to validate the commission received.
 - The ASB Bookkeeper should validate the ID number and the reading on the item counter(s) that are recorded by the vendor's service record or review vendor reports that tie the product sold to the commissions received.
 - The ASB Bookkeeper should sign the service record and retain a copy for the ASB school files.
3. The above procedures must be followed:
 - When the machine is installed.
 - At the end of each district reconciliation cycle.
 - When a machine is removed.
 - When the selling price for an item is changed.
 - Upon change of district staffing.

C. Vending Machine Receipts

Checks received from the vendor for commissions on vending machines shall be receipted and deposited immediately.

Washington Administrative Codes (WAC's)

WAC 392-138-003 Authority

WAC 392-138-005 Purposes

WAC 392-138-010 Definitions

WAC 392-138-011 Formation of associated student bodies required

WAC 392-138-013 Powers – Authority and policy of board of directors

WAC 392-138-014 Accounting procedures and records

WAC 392-138-017 Segregation of public and private moneys

WAC 392-138-018 Petty cash funds

WAC 392-138-019 Compliance with bid law require.

WAC 392-138-021 Title to property – Dissolution of associated student body or affiliated group

WAC 392-138-105 Associated student body public moneys – Fees optional noncredit extracurricular events

WAC 392-138-110 Associated student body public moneys – Associated student body program budget.

WAC 392-138-115 Associated student body public moneys – Deposit and investment

WAC 392-138-120 Associated student body public moneys – Imprest bank checking account

WAC 392-138-125 Associated student body public moneys – Disbursement approval – Total disbursements

WAC 392-138-130 Associated student body public moneys – League and other joint activities

WAC 392-138-200 Nonassociated student body private moneys

WAC 392-138-205 Nonassociated student body private moneys – Deposit and investment

WAC 392-138-210 Nonassociated student body private moneys – Disbursement approval – Total disbursements

WAC 392-138-003 Authority

The authority for this chapter is [RCW 28A.325.020](#) which authorizes the superintendent of public instruction to adopt rules and regulations regarding the administration and control of associated student body moneys.

WAC 392-138-005 Purposes

The purposes of this chapter are to: (1) Implement [RCW 28A.325.020](#), (2) designate the powers and responsibilities of the board of directors of each school district regarding the efficient administration, management, and control of moneys, records, and reports of associated student body funds, (3) encourage the supervised self-government of associated student bodies, and (4) permit fundraising activities by students in their private capacities for the purpose of generating nonassociated student body private moneys.

WAC 392-138-010 Definitions

(1) "Associated student body organization" means a formal organization of students, including subcomponents or affiliated student groups such as student clubs, which is formed with the approval, and operated subject to the control, of the board of directors of a school district in compliance with this chapter.

(2) "Associated student body program" means any activity which (a) is conducted in whole or part by or in behalf of an associated student body during or outside regular school hours and within or outside school grounds and facilities, and (b) is conducted with the approval, and at the direction or under the supervision, of the school district.

(3) "Central district office" means the board of directors and/or their official designee to whom authority has been delegated to act in their behalf.

(4) "Associated student body public moneys" means fees collected from students and nonstudents as a condition to their attendance at any optional noncredit extracurricular event of the school district which is of a cultural, social, recreational or athletic nature, revenues derived from "associated student body programs" as defined in subsection (2) of this section, and any other moneys received by an associated student body, not specified in subsection (5) of this section and [WAC 392-138-100](#), for the support of an associated student body program.

(5) "Nonassociated student body private moneys" means moneys generated by fundraising activities or solicitation of donations by student groups in their private capacities for private purposes and/or private gifts and contributions.

(6) "Associated student body governing body" means the student council, student activities board, or other officially recognized group of students appointed or elected to

represent the entire associated student body within a school in accordance with procedures established by the board of directors of the school district.

(7) "Trust fund" means a fund used to account for assets held by the district in a trustee capacity for the specific purpose designated by the fundraising group and described in the notice provided to donors prior to the fundraising event. Such moneys must be accounted for separately from associated student body public moneys

(8) "Held in trust" means held as private moneys either within a separate account within the associated student body fund or in a trust fund to be disbursed exclusively for an intended purpose.

[Statutory Authority: RCW 28A.58.115. 84-13-025 (Order 84-15), § 392-138-010, filed 6/13/84; Order 4-76, § 392-138-010, filed 3/4/76, effective 7/1/76.]

WAC 392-138-011 Formation of associated student bodies required

The formation of an associated student body shall be mandatory and a prerequisite whenever one or more students of a school district engage in money-raising activities with the approval and at the direction or under the supervision of the district: *Provided*, That the board of directors of a school district may act, or delegate the authority to an employee(s) of the district to act, as the associated student body governing body for any school facility within the district containing no grade higher than the sixth grade.

WAC 392-138-013 Powers – Authority and policy of board of directors

(1) The board of directors of each school district shall:

(a) Retain and exercise the general powers, authority, and duties expressed and implied in law with respect to the administration of a school district and regulation of actions and activities of the associated student bodies of the district including, but not limited to [RCW 28A.320.010](#) (Corporate powers), [RCW 28A.150.070](#) (General public school system administration), [RCW 28A.320.030](#) (Gifts, conveyances, etc., for scholarship and student aid purposes, receipts and administration), [RCW 28A.600.010](#) (Government of schools, pupils, and employees), [RCW 28A.320.040](#) (Bylaws of board and school government), [RCW 28A.400.030](#) (2) and (3) (Superintendent's duties), [RCW 28A.600.040](#) (Pupils to comply with rules and regulations), [RCW 43.09.200](#) (Local Government Accounting—Uniform system of accounting), [RCW 36.22.090](#) (Warrants of political subdivisions), and chapter [28A.505 RCW](#) (School district budgets);

(b) Approve the constitution and bylaws of each district associated student body and establish policies and guidelines relative to:

- (i) The identification of those activities which shall constitute the associated student body program;
- (ii) The establishment of an official governing body representing the associated student body;
- (iii) The methods and means by which students shall be permitted to raise and otherwise acquire associated student body moneys; and
- (iv) The designation of the primary advisor to each associated student body and the authority of the primary advisor to designate advisors to the various student subgroup organizations affiliated with an associated student body;

(c) Assign accounting functions, or portions thereof, to the school building level to be performed by a designated representative of an associated student body or centralize the accounting functions at the district central administrative office level

(d) Provide for the participation of the associated student body or bodies of the school district in the determination of the purposes for which associated student body public moneys and nonassociated student body private moneys if held as private moneys within the associated student body fund shall be budgeted and disbursed; and

(2) If the district permits students to conduct fundraising activities and solicitation of donations in their private capacities they shall establish policies to permit such activities and the allowable uses of such moneys. The board policy and/or procedures must include the approval process for such activities as well as provisions to ensure appropriate accountability for these funds, which are required to be held in trust.

WAC 392-138-014 Accounting procedures and records

Associated student body public and nonassociated student body private moneys shall be accounted for as follows:

(1) Accounting methods and procedures shall comply with such rules and regulations and/or guidelines as are developed by the state auditor and the superintendent of public instruction and published in the Accounting Manual for Public Schools in the State of Washington and/or other publications;

(2) Whenever two or more associated student bodies exist within a school district, the accounting records shall be maintained in such a manner as to provide a separate accounting for the transactions of each associated student body in the associated student body program fund;

(3) The fiscal and accounting records of associated student body program moneys shall constitute public records of the school district, shall be available for examination by the

state auditor, and shall be preserved in accordance with statutory provisions governing the retention of public records; and

(4) Nonassociated student body private moneys shall be held in trust by the school within the associated student body fund or within a trust fund and be disbursed exclusively for such purposes as the student group conducting the fundraising activity shall determine, subject to applicable school board policies. The district shall either withhold or otherwise be compensated an amount from such moneys to pay its direct costs in providing the service. Such funds are private moneys, not public moneys under section 7, Article VIII of the state Constitution.

WAC 392-138-017 Segregation of public and private moneys

When a school district has associated student body organizations that receive both public and private moneys as defined in WAC 392-138-010 (4) and (5), two separate sets of accounts shall be maintained. In addition, separate accounting records should be maintained by organization or purpose including clubs, classes, athletic activities, private purpose fundraising events, and general associated student body.

WAC 392-138-018 Petty cash funds

The board of directors of a school district may authorize the establishment and maintenance of associated student body petty cash funds for use in instances when it is impractical to make disbursement by warrant or check, subject to the following conditions:

- (1) A petty cash fund shall be initiated by warrant or check;
- (2) Paid-out receipts shall constitute invoices for the purpose of vouchering; and
- (3) An upper limit of the amount of the petty cash fund shall be established by the board of directors.

WAC 392-138-019 Compliance with bid law required

The statutory provisions of RCW 28A.335.190, the so-called "bid law" governing school district purchasing procedures, shall govern purchases payable from the associated student body funds.

[Statutory Authority: 1990 c 33. 90-16-002 (Order 18), § 392-138-065, filed 7/19/90, effective 8/19/90; Order 4-76, § 392-138-065, filed 3/4/76, effective 7/1/76.]

WAC 392-138-021 Title to property—Dissolution of associated student body or affiliated group

Title to all property acquired through the expenditure of associated student body public moneys shall be vested in the school district. In the event a member organization affiliated with an associated student body elects to disband or ceases to exist for any reason, then (1) the school district and parent associated student body shall cease carrying any money or account on behalf of or to the credit of the organization, and (2) the records of the organization shall be retained and disposed of in accordance with applicable state law regarding the retention and destruction of public records.

WAC 392-138-105 Associated student body public moneys—Fees optional noncredit extracurricular events

The board of directors of any common school district may establish and collect a fee from students and nonstudents as a condition to their attendance at any optional noncredit extracurricular event of the district which is of a cultural, social, recreational, or athletic nature: *Provided*, That in so establishing such fee or fees, the district shall adopt regulations for waiving and reducing such fees in the cases of those students whose families, by reason of their low income, would have difficulty in paying the entire amount of such fees and may likewise waive or reduce such fees for nonstudents of the age of sixty-five or over who, by reason of their low income, would have difficulty in paying the entire amount of such fees.

An optional comprehensive fee may be established and collected for any combination or all of such events or, in the alternative, a fee may be established and collected as a condition to attendance at any single event. The board of directors shall adopt policies which state that: (1) Attendance and the fee are optional, and (2) the district will waive and reduce fees for students whose families, by reason of their low income, would have difficulty in paying the entire amount of such fees.

Fees collected pursuant to this section shall be designated as associated student body public moneys and shall be deposited in the associated student body program fund of the school district. Such funds may be expended to defray the costs of optional noncredit extracurricular events of such a cultural, social, recreational, or athletic nature, or to otherwise support the public activities and programs of associated student bodies.

WAC 392-138-110 Associated student body public moneys—Associated student body program budget

(1) Each associated student body of a school district, with the guidance of the primary advisor, and at such time as is designated by the central district office, annually shall

prepare and submit a financial plan (budget) for support of the associated student body program to the district superintendent or his/her designee for consolidation into a district associated student body program fund budget and then present such budget to the board of directors of the district for its review, revision, and approval: Provided, That revisions of the budget submitted by an associated student body and revisions of the budget approved by the board of directors shall first be reviewed by the associated student body and, in the case of an approved budget, shall be subject to the requirements of chapter 28A.505 RCW regarding emergency expenditures or budget extensions. The budget as approved shall constitute an appropriation and authorization for the disbursement of funds for the purposes established in the budget.

(2) Each associated student body of a charter school, with the guidance of the primary advisor, and at such time as is designated by the charter school's lead administrator, annually shall prepare and submit a financial plan (budget) for support of the associated student body program to the lead administrator or his/her designee for consolidation into a charter school associated student body program fund budget and then present such budget to the charter school board for its review, revision, and approval: Provided, That revisions of the budget submitted by an associated student body and revisions of the budget approved by the charter school board shall first be reviewed by the associated student body and, in the case of an approved budget, shall be subject to the requirements of [chapter WAC 392-123](#) regarding emergency expenditures or budget extensions. The budget as approved shall constitute an appropriation and authorization for the disbursement of funds for the purposes established in the budget.

WAC 392-138-115 Associated student body public moneys—Deposit and investment

All associated student body public moneys, upon receipt, shall be transmitted intact to the district depository bank and then to the county treasurer or directly to the county treasurer for deposit to the credit of the "associated student body program fund" of the school district and shall be accounted for, expended, and invested subject to the practices and procedures governing other moneys of the district except as such practices and procedures are modified by or pursuant to this chapter.

WAC 392-138-120 Associated student body public moneys—Imprest bank checking account

The board of directors of a school district may authorize the establishment and maintenance of an associated student body imprest bank checking account for

convenience and efficiency in expediting disbursements, subject to the following conditions:

- (1) The maximum amount of such an account shall be no more than is necessary to provide for disbursements at the level of the month of highest estimated demand for disbursements;
- (2) An imprest bank checking account shall be initiated by deposit of, and replenished by, a warrant drawn on the associated student body program fund;
- (3) Disbursements from an imprest bank checking account shall be by check and shall be restricted to payments of invoices bearing evidence of student approval in accordance with associated student body bylaws;
- (4) An imprest bank checking account shall be replenished at least once each month by a warrant drawn on the associated student body program fund in payment of an approved voucher in an amount equal to the sum total of the disbursements made by check from the imprest bank checking account during the preceding interval; and
- (5) The replenishment voucher shall reflect such information as the central district office shall prescribe relative to identification of invoices, invoice approvals, codification of expenditures, cancelled checks, and other information deemed pertinent.

WAC 392-138-125 Associated student body public moneys—Disbursement approval – Total disbursements

Associated student body public moneys shall be disbursed subject to the following conditions:

- (1) No disbursements shall be made except as provided for in the budget approved pursuant to;
- (2) Disbursements shall occur only upon presentation of properly prepared vouchers in such format and design as the central district office shall prescribe;
- (3) All disbursements from the associated student body program fund or any imprest bank account established there under shall have the prior approval of the appropriate governing body representing the associated student body. Supporting documentation of the vouchers shall bear evidence of approval by the associated student body governing body in accordance with associated student body bylaws;
- (4) When an account within the fund balance of an associated student body organization does not contain a sufficient balance to meet a proposed disbursement, such disbursement shall be limited to the fund balance: Provided, That a transfer of fund balance between associated student body organizations may be made pursuant to

the associated student body bylaws and as approved by the associated student body governing body;

(5) Warrants shall not be issued in excess of the moneys on deposit with the county treasurer in the associated student body program fund; and

(6) All disbursements shall be made by warrant except for disbursements from imprest bank accounts and petty cash funds provided for in this chapter.

WAC 392-138-130 Associated student body public moneys – League and other joint activities

Athletic league and other forms of joint inter and intra school district associated student body programs are not precluded by this chapter. In the case of such joint programs, a single school district or associated student body or a board representing the participating associated student bodies shall manage associated student body moneys made available to it for the support of the joint program and received as a result of the conduct of such program, in compliance with this chapter and a written cooperative agreement authorized by the board(s) of directors of the district(s).

WAC 392-138-200 Nonassociated student body private moneys

The board of directors of a school district may permit student groups to raise moneys through fundraising or solicitation in their private capacities when the following conditions are met:

(1) Prior to solicitation of such funds, the school board approves policies defining the scope and nature of fundraising permitted. School board policy includes provisions to ensure appropriate accountability, including prompt deposit, holding the moneys in trust, and disbursement only for the intended purpose of the fund-raiser;

(2) Such funds are used for scholarship, student exchange, and/or charitable purposes. Charitable purposes do not include any activity related to assisting a campaign for election of a person to an office or promotion or opposition to a ballot proposition;

(3) Prior to solicitation of such funds notice is given. Such notice identifies the intended purpose of the fundraiser, further it states the proceeds are nonassociated student body funds to be held in trust by the school district exclusively for the intended purposes;

(4) The school district withholds or otherwise is compensated an amount adequate to reimburse the district for its direct costs in handling these private moneys; and

(5) WAC 392-138-205 applies to moneys received, deposited, invested, and accounted for under this section.

Nonassociated student body private moneys shall not be deemed public moneys under section 7, Article VIII of the state Constitution.

WAC 392-138-205 Nonassociated student body private moneys—Deposit and investment

All nonassociated student body private moneys, upon receipt, shall be transmitted intact to the district depository bank and then to the county treasurer or directly to the county treasurer for deposit to the credit of the school district's trust fund or the associated student body fund, if held in trust within that fund within accounts as defined in WAC 392-138-010 and shall be accounted for, expended, and invested subject to applicable school board policy and/or procedures pursuant to WAC 392-138-200.

WAC 392-138-210 Nonassociated student body private moneys—Disbursement approval—Total disbursements

Nonassociated student body private moneys shall be disbursed subject to the following conditions:

- (1) If such funds are held in trust within the associated student body fund they shall be budgeted pursuant to WAC 392-138-013(1)(d). No disbursements shall be made except as provided for in the budget approved pursuant to WAC 392-138-110. All disbursements shall have the prior written approval of the associated student body or such other authority designated in school district policy or procedures;
- (2) If such funds are held in a trust fund they are not budgeted. Disbursements shall occur only upon presentation of properly prepared vouchers in such format and design as the central district office shall prescribe, and as provided for in subsection (3) of this section;
- (3) Vouchers authorizing disbursements shall be accompanied by written evidence of approval of disbursement by the associated student body or other authority designated in the school district's policies and procedures;
- (4) Disbursements shall be made only for the intended purposes pursuant to WAC 392-138-200.

Acknowledgments

2017 Version

Brianne King, WASBO	Mat Knott, Mead SD
Candy Manthey, North Shore SD	Patti Leverenz, Highline SD
Dara Sellars, Central Kitsap SD	Renee Polly, Orting SD
Jan Hamilton, Bainbridge Island SD	Rick Bonner, Tumwater
Joanne Klein, WA State Auditor's Office	Robin Bessey, Orting SD
Kathleen Perry, Vancouver SD	Sharon Suver-Jones, Shoreline SD
Latanya Figueroa, Clover Park SD	Shelley Lyons, White River SD
Marty Fortin, CISPUS Learning Group	

2006 Version

Bonnie Gerber, Yelm SD	Louella Adams, SAO
Candy Manthey, Northshore SD	Marty Fortin, CISPUS Learning Center
Debra Podesta, Auburn SD	Rick Bonner, SAO
Dianne Linden, Monroe SD	Sharon Schmidt, Central Kitsap SD
Karla Smith, Montesano SD	Sharon Suver-Jones, Issaquah SD
Kelly Hawkins, South Kitsap SD	Shelley Lyons, White River SD
Lora Lee, Franklin-Pierce SD	Toni Cassman, Federal Way SD

2000 Version

Judy Blakely, Federal Way SD	Petrea Stoddard, OSPI
Karilyn Lindley, North Thurston SD	Renee Schertzer, North Kitsap SD
Lynn Uglick, SAO	Sharon Schmidt, Central Kitsap SD
Marge Santee, Chehalis SD	Sharon Suver-Jones, Issaquah SD
Marsha Hunt, Bethel SD	Shawn Lewis, SAO
Marty Fortin, CISPUS Learning Center	Shelley Lyons, Kent SD
Patt Anderson, Chehalis SD	

1995 Version

Barbara Posthumus, Lake Washington SD	Judy Blakely, Federal Way SD
Barbara Thomas, Centralia SD	Karilyn Lindley, North Thurston SD
Barbara White, Tacoma SD	Kathleen Paul, Cascade SD
Ben Foreman, SAO	Kent Simpson, Vancouver SD
Beth Wilson, East Valley SD	Kevin Fuhrer, Wenatchee SD
Carla Anderson, Moses Lake SD	Luana Ditty, Othello SD
Carole Newberry, Wenatchee SD	Mariann Woods, South Kitsap SD
Cathy Lamas, Peninsula SD	Martha Ashenbrenner, Yelm SD
Charlene Vidovic, Tacoma SD	Mary Scott, Battleground SD
Cheryl Wilson, Moses Lake SD	Patt Anderson, Chehalis SD
Chris Sutherland, Chelan SD	Ramona Moan, Orting SD
Chuck Hole, ESD 113	Rose Harrington, Northshore SD
Dave Snook, North Central SD	Rosemary Hawkins, Burlington-Edison SD
David Wilson, ESD 114	Ryan Fujiwara, Lk Washington SD
DeeDee Sargent, Sumner SD	Sandra Attebery, Clover Park SD
Deni Wiggins, East Valley SD	Scott Blomberg, Edmonds SD
Diane Lutovsky, Marysville SD	Sharon Schmidt, Central Kitsap SD
Dianne Linden, Monroe SD	Shelia Aris, WSIPC
Herb Miller, OSPI	Sue Rose, Cashmere SD
Holly Burlingame, Lk Washington SD	Susan Toepel, Tenino SD
Irene Robinette, Chehalis SD	Susanne McKay, Bremerton SD
John Kleine, Castle Rock SD	

Washington Association of School Business

284 Lee Street SW, Suite 132 – Tumwater, WA 98501

Office: 360-528-2025 Email: admin@wasbo.org

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