ASSOCIATED/UNITED STUDENT BODY TRAINING FOR ADMINISTRATION & ACTIVITY DIRECTORS

PSUSD
PALM SPRINGS UNIFIED SCHOOL DISTRICT

Presented by Tony Carrillo and Lesley Nichols

Purpose For Workshop

- Answer questions in areas of the Associated Student Body (ASB)/United Student Body (USB) roles and responsibilities related to management level positions.
- Discuss good practices and top-down approach.
- Identify the dos and don'ts of ASB/USB.
- Clarify District responsibility versus Site responsibility.

Roles and Responsibilities

The governing board of the district is ultimately responsible for everything that happens in the district, including the activities of student organizations.

The Superintendent is responsible for ensuring that board policies are implemented and that staff follow these policies.

The district's business office (fiscal services) is responsible for general oversight of student body activities, as well as:

- Serve as a resource of information and answer questions
- Provide annual trainings
- Review financial reports and bank reconciliations
- Assist with audit reviews and provide support and resolutions to issues, findings, and deficiencies
- Review and revise policies and procedures to ensure student activities are appropriate and foster student success

See pages 5 – 12 of the FCMAT ASB Manual for complete roles and responsibilities:
https://www.fcmat.org/2015-asb-accounting-manual-fraud-prevention-guide-and-desk-reference

Organized ASB/USB

The site administrator is responsible for the following major duties:

- Communicate and enforce policies and procedures to the staff and students.
- Ensure that a student council is established and that each club has a certificated advisor.
- Provide supervision to the advisors and the bookkeeper (or similar position).
- Review and approve constitutions for each club on campus and make certain that minutes meet the FCMAT ASB manual guidelines and are kept for all ASB/USB and club meetings.
- Review budgets, financial reports, and bank reconciliations.
- Decide how many fund-raising events will be held each year and ensure funds raised are spent in accordance with applicable laws and district policies.
- Schedule and receive proper approval for fund-raising events.
- Work with the business office regarding training, implementation of good business practices, internal controls and resolution of audit findings.
- Ensure proper cash control procedures are established and followed.
- Report any suspected fraud or abuse to the business office.

Organized ASB/USB
(continued)

The ASB/USB Advisor, and club advisors are responsible for the following major duties:

- Provide guidance and direction to the students.
- Oversee election/selection of officers and committee chairs and ensure they understand and carry out their duties.
- Ensure every organized club has and follows a constitution and/or by-laws.
- Approve activities and expenditures along with the student representative(s).
- Help prepare and review budgets, financial reports, and transactions.
- Ensure proper cash control procedures are always followed.
- Report suspected fraud or abuse to the business office.

Organized ASB/USB
(continued)

The ASB bookkeeper is responsible for ensuring the following:

- Receipted funds are properly counted, confirmed, documented and safeguarded, then deposited timely.
- Financial records are prepared and maintained in accordance with district policies.
- Expenditures have proper authorizations and payments are processed timely.
- Policies, procedures, and internal controls related to ASB are known and followed.
- Any suspected fraud or abuse is reported to the business office

Unorganized ASB

The site administrator is responsible for the activities at the school as the students do not govern themselves, so the site administrator is responsible for all ASB activities including the following major duties:

- Assigning and supervising a school staff member to perform school financial tasks related to ASB.
- Receiving and reviewing the monthly bank reconciliation.
- Deciding how many fundraising events will be held each year.
- Making decisions about how the funds raised will be spent.
- Ensuring that all ASB funds are raised and spent in accordance with applicable laws and the district's policies and procedures.
- Working with district's business office to provide training, implement good business practices, ensure internal controls and resolve audit findings.

Biggest Risks Affecting ASB/USB

Fraud, abuse, waste and human error

Things to consider:

- What systems are in place to ensure funds are properly collected, deposited, recorded, and expended?

  Use the ARC method to determine proper separation of duties:

  A – Authorization/Approval: Who reviews and approves

  R – Recording: Who records transactions

  C – Custody of Cash: Who touches the money

  No one person should have two or more of these roles. If they do, potential for fraud exists and procedures need to be revised.

- Are governing documents updated and retained?

  All clubs must have a constitution, by-laws or both. These should be reviewed annually, revised as necessary, and kept as a permanent record.

  - Constitution: outlines the fundamental principles of an organization, such as its membership, elections, finances, and discipline.
  - By-Laws: the detailed rules and procedures that govern the day-to-day operations of an organization.

General Business Practices and Internal Controls

Chapter 5

The basic components of internal controls:

- Segregation of duties
- System of checks and balances
- Staff cross training
- Use of pre-numbered documents
- Asset security
- Timely reconciliations
- Inventory records
- Comprehensive annual budget

Budgets and Budget Management

Chapter 6

Budgets are usually prepared for a one-year period. The general student council and each individual club should develop a budget document with their annual goals and a plan for achieving those goals by deciding the following:

- Estimated revenues: What fund-raisers will we have?
- Estimated expenses: What will the fund-raisers cost us to hold?
- Estimated ending reserves and club carryover: Is there enough left over to accomplish the goals we've outlined?

Carryover of Unexpended Balances

The site administrator, advisor and students should ensure that the funds raised by students during a given school year are spent on behalf of those students while they are at the same school site. Carryover should be minimal or should have a clearly defined purpose that is approved by the students.

Accounting and Financial Management

Chapter 7

Financial Reports

- Balance Sheet – summary of assets and liabilities (bank balances, inventory, etc.)
- Profit & Loss – compares revenue and expense (financial activity for a given period)

Site Administrator: The site administrator must review and sign for approval all financial reports throughout the year and ensure that all required reports and submissions are made to the District's business office as requested.

Students: The student council must approve and enter into the minutes the monthly and annual financial reports.

Accounting and Financial Management

Chapter 7 (continued)

Bank Accounts

- Accounts are approved by the PSUSD Board of Education
- Two signatures are required on all checks
- Accounts should be reconciled monthly, within two weeks of statement closing
- Deposits must be made timely, on a regular basis
- Bank reconciliations are reviewed by the advisor, administrator and business services (fiscal)

Do **NOT** commingle funds.

- No PTA/Booster/Foundation money
- No personal funds

Do **NOT** deposit ASB/USB funds in personal account.

Fundraising

Chapter 8

The basics:

- Must contribute to the educational experience.
- Must not conflict with educational programs.
- Must have voluntary student participation

  If students do not want to fundraise, they can not be excluded from an activity
- Must benefit the entire ASB or club.

  Proceeds cannot be attributed to a specific student based on what they raised.
- The fundraisers must be approved before the event!
- Cash overages or shortages must be completely researched with two parties.

  Unresolved items must be documented and reported to higher authorities.

Cash Receipt Management

Chapter 13

Control Procedure	Types of Events
Prenumbered Tickets Ticket Control Form	Dances Entertainment events Car washes Athletic events Festivals
Cash Register	Student store Concession stands
Prenumbered Receipt Books	Most sale activities
Tally Sheets	Dances Car washes Bake sales
Inventory Control	Vending machines Candy sales
Cash Box Cash Count Form Tamper-Evident Bank Bag	Any Event

Cash Receipt Management

Chapter 13 (continued)

Collection to deposit:

- Cash should always be counted by two people
  - Proper documentation
  - Tamper proof bags
- Timely delivery to the bookkeeper/safe
  - Recount of cash
  - Research/notate discrepancies
  - Issue receipts
- Timely deposit to the bank

Never leave cash unattended – even for a short time. Lock it up!

Allowable and Questionable Expenses

Chapter 14

Allowability of Expenditures

- Must comply with district policy
- Must benefit entire student body or group of students
- Must support the purpose of the student organization
- Must be voted on and recorded in the minutes
  - Activity Request Form
  - Payment Request Form
  - Purchase Order
- Should be something the students really want

Allowable and Questionable Expenses

Chapter 14 (continued)

Examples of Prohibited Purchases

- Salaries or supplies that are the responsibility of the district.
- Repair and maintenance of district-owned facilities and equipment.
- Articles for the personal use of district employees.
- Expenses for faculty meetings.
- Expenses for parent-teacher organizations such as the PTA or boosters.
- Large awards, unless board policy states otherwise.
- Gifts of any kind including gift cards/certificates.
- Employee appreciation meals (unless approved by student council and noted in meeting minutes).
- Employee clothing/attire.
- Donations to other organizations, except in special circumstances.
- Donations to families or students in need, no matter how worthy the cause may seem.
- Cash awards to anyone including gift cards/certificates, because internal controls cannot be established and documented.

Allowable and Questionable Expenses

Chapter 14 (continued)

Donations from Others

- Have ASB/USB executive council acknowledge/accept gifts and donations and record in the minutes.
- Notify Kris Murphy in Business Services at (760) 883-2710 ext. 4806052 or kmurphy4@psusd.us on all donations.
- Types of donations include cash, equipment, supplies
- Make sure you want it, and it is acceptable to Risk Management

Allowable and Questionable Expenses

Chapter 14 (continued)

Scholarships

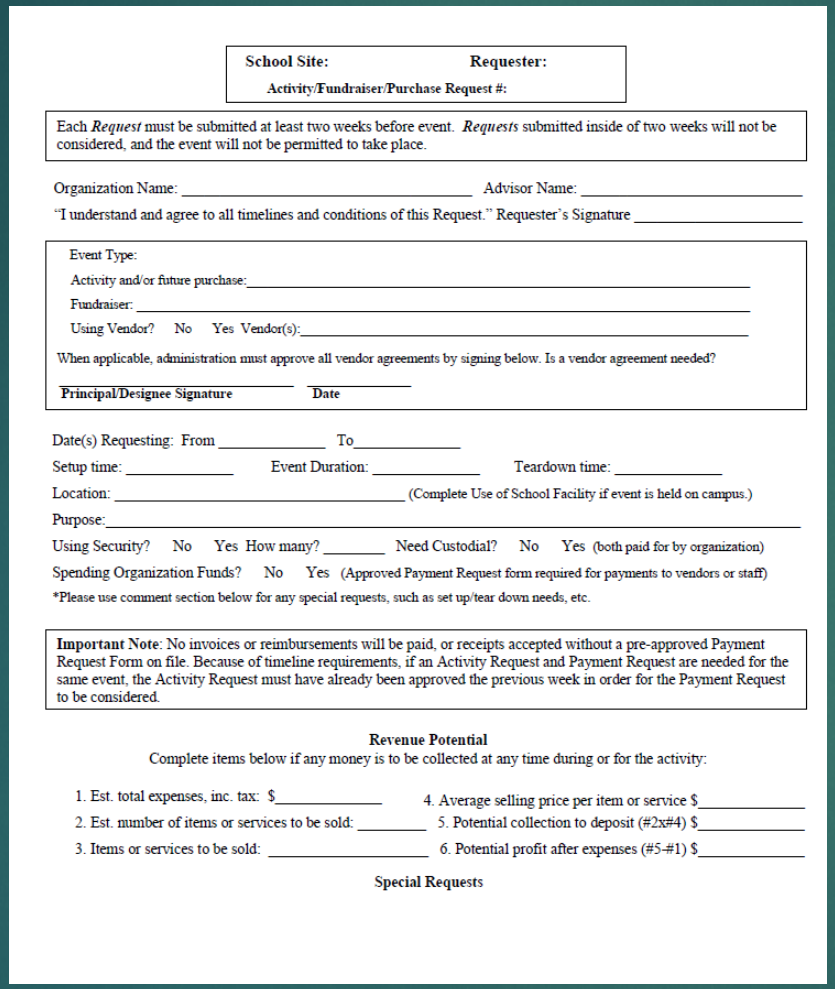
The ASB/USB executive council may accept scholarships and trusts from outside donors (individuals or organizations) with the approval of the governing board or authorized designee.

These funds should be accounted for separately in a trust account within ASB/USB and used specifically for scholarships.

Cash awards issued by the ASB/USB are not allowed to be issued directly to the recipient; rather, scholarship checks shall be made payable to an institution of higher learning or a college bookstore, to be used toward tuition or books and supplies.

Activity Requests – Organized ASB

- Activity Request Form
- Tutorial Video



School Site: **Requester:**

Activity/Fundraiser/Purchase Request #:

Each *Request* must be submitted at least two weeks before event. *Requests* submitted inside of two weeks will not be considered, and the event will not be permitted to take place.

Organization Name: _____ Advisor Name: _____

"I understand and agree to all timelines and conditions of this Request." Requester's Signature _____

Event Type:

Activity and/or future purchase:_____

Fundraiser: _____

Using Vendor? No Yes Vendor(s):_____

When applicable, administration must approve all vendor agreements by signing below. Is a vendor agreement needed?

_____ _____

Principal/Designee Signature **Date**

Date(s) Requesting: From _____ To_____

Setup time: _____ Event Duration: _____ Teardown time: _____

Location: _____ (Complete Use of School Facility if event is held on campus.)

Purpose:_____

Using Security? No Yes How many? _____ Need Custodial? No Yes (both paid for by organization)

Spending Organization Funds? No Yes (Approved Payment Request form required for payments to vendors or staff)

*Please use comment section below for any special requests, such as set up/tear down needs, etc.

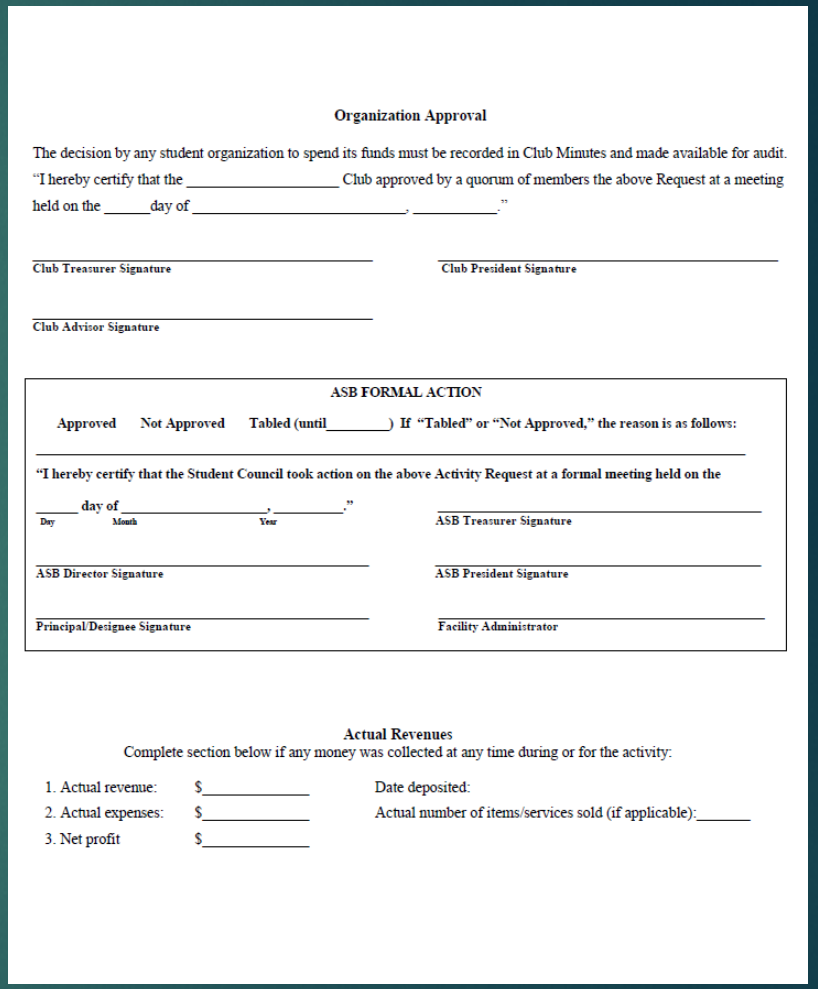
Important Note: No invoices or reimbursements will be paid, or receipts accepted without a pre-approved Payment Request Form on file. Because of timeline requirements, if an Activity Request and Payment Request are needed for the same event, the Activity Request must have already been approved the previous week in order for the Payment Request to be considered.

Revenue Potential

Complete items below if any money is to be collected at any time during or for the activity:

1. Est. total expenses, inc. tax: $_____
2. Est. number of items or services to be sold: _____
3. Items or services to be sold: _____
4. Average selling price per item or service $_____
5. Potential collection to deposit (#2x#4) $_____
6. Potential profit after expenses (#5-#1) $_____

Special Requests



Organization Approval

The decision by any student organization to spend its funds must be recorded in Club Minutes and made available for audit.

"I hereby certify that the _____ Club approved by a quorum of members the above Request at a meeting held on the _____day of _____, _____."

_____ _____

Club Treasurer Signature **Club President Signature**

_____

Club Advisor Signature

ASB FORMAL ACTION

Approved **Not Approved** **Tabled (until_____) If "Tabled" or "Not Approved," the reason is as follows:**

_____

"I hereby certify that the Student Council took action on the above Activity Request at a formal meeting held on the

_____ **day of** _____, _____." _____

Day **Month** **Year** **ASB Treasurer Signature**

_____ _____

ASB Director Signature **ASB President Signature**

_____ _____

Principal/Designee Signature **Facility Administrator**

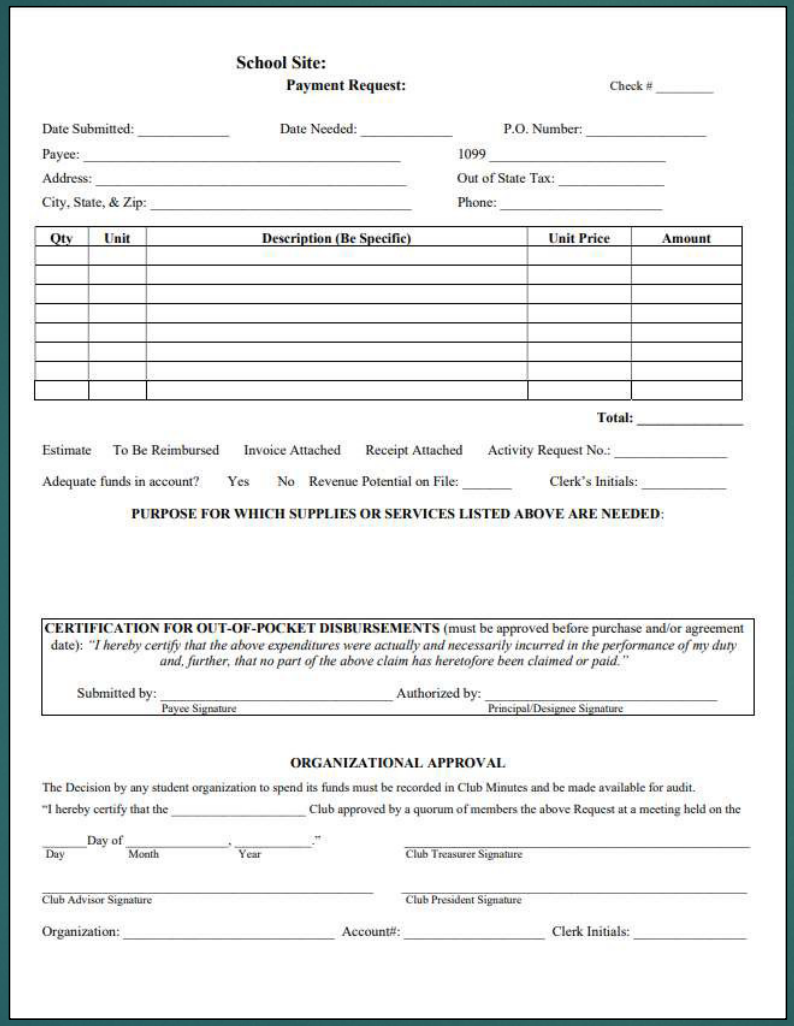
Actual Revenues

Complete section below if any money was collected at any time during or for the activity:

1. Actual revenue: $_____ Date deposited:
2. Actual expenses: $_____ Actual number of items/services sold (if applicable):_____
3. Net profit $_____

Payment Requests – Organized ASB

- Payment Request Form
- Tutorial Video



School Site:

Payment Request: Check # _____

Date Submitted: _____ Date Needed: _____ P.O. Number: _____

Payee: _____ 1099 _____

Address: _____ Out of State Tax: _____

City, State, & Zip: _____ Phone: _____

Qty	Unit	Description (Be Specific)	Unit Price	Amount

Total: _____

Estimate To Be Reimbursed Invoice Attached Receipt Attached Activity Request No.: _____

Adequate funds in account? Yes No Revenue Potential on File: _____ Clerk's Initials: _____

PURPOSE FOR WHICH SUPPLIES OR SERVICES LISTED ABOVE ARE NEEDED:

CERTIFICATION FOR OUT-OF-POCKET DISBURSEMENTS (must be approved before purchase and/or agreement date): *"I hereby certify that the above expenditures were actually and necessarily incurred in the performance of my duty and, further, that no part of the above claim has heretofore been claimed or paid."*

Submitted by: _____ Payee Signature Authorized by: _____ Principal/Designee Signature

ORGANIZATIONAL APPROVAL

The Decision by any student organization to spend its funds must be recorded in Club Minutes and be made available for audit.

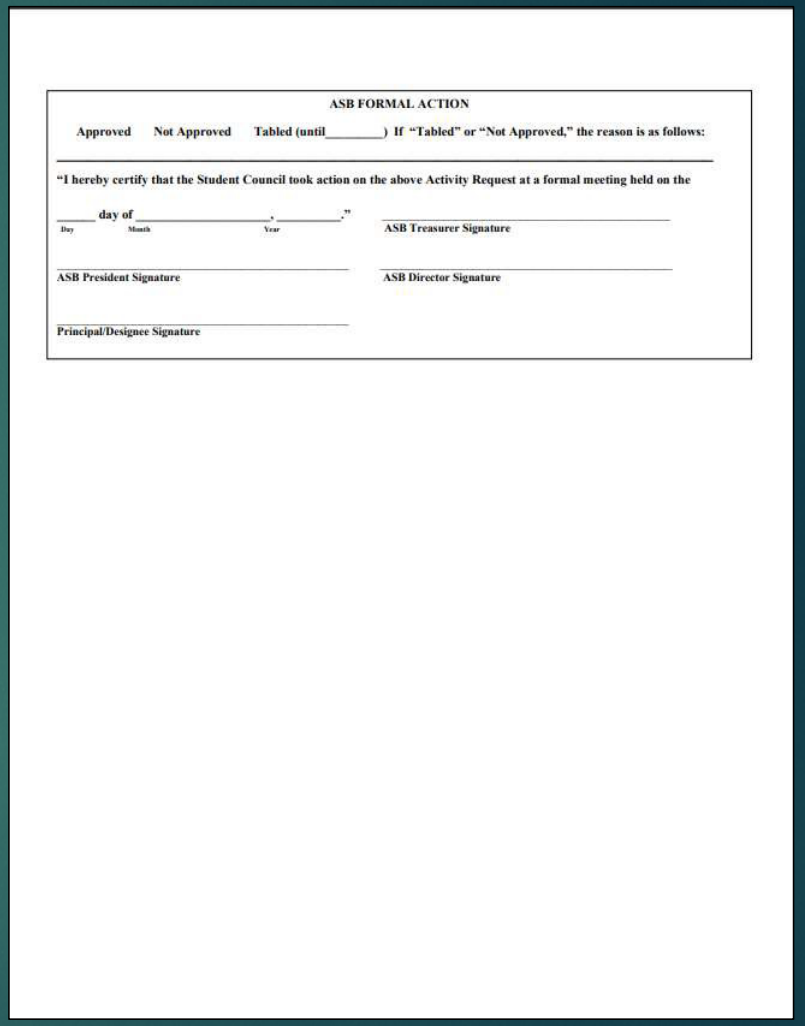
"I hereby certify that the _____ Club approved by a quorum of members the above Request at a meeting held on the

_____ Day of _____, _____." _____ Club Treasurer Signature

Day Month Year

_____ Club Advisor Signature _____ Club President Signature

Organization: _____ Account#: _____ Clerk Initials: _____



ASB FORMAL ACTION

Approved Not Approved Tabled (until_____) If "Tabled" or "Not Approved," the reason is as follows:

_____

"I hereby certify that the Student Council took action on the above Activity Request at a formal meeting held on the

_____ day of _____, _____." _____ **ASB Treasurer Signature**

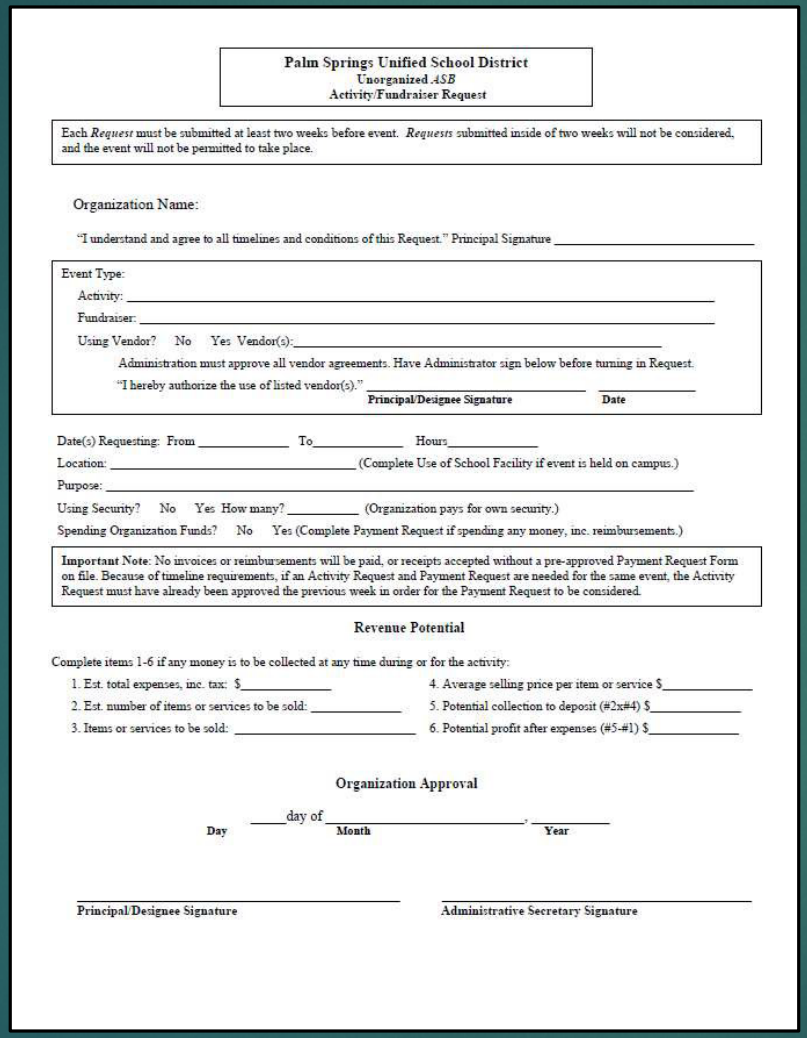
Day Month Year

_____ **ASB President Signature** _____ **ASB Director Signature**

_____ **Principal/Designee Signature**

Request Forms – Unorganized ASB

- Activity Request Form
- Payment Request Form



Palm Springs Unified School District
Unorganized *ASB*
Activity/Fundraiser Request

Each *Request* must be submitted at least two weeks before event. *Requests* submitted inside of two weeks will not be considered, and the event will not be permitted to take place.

Organization Name:

"I understand and agree to all timelines and conditions of this Request." Principal Signature _____

Event Type:
Activity: _____
Fundraiser: _____
Using Vendor? No Yes Vendor(s):_____
Administration must approve all vendor agreements. Have Administrator sign below before turning in Request.
"I hereby authorize the use of listed vendor(s)." _____ _____
Principal/Designee Signature **Date**

Date(s) Requesting: From _____ To_____ Hours_____
Location: _____ (Complete Use of School Facility if event is held on campus.)
Purpose: _____
Using Security? No Yes How many? _____ (Organization pays for own security.)
Spending Organization Funds? No Yes (Complete Payment Request if spending any money, inc. reimbursements.)

Important Note: No invoices or reimbursements will be paid, or receipts accepted without a pre-approved Payment Request Form on file. Because of timeline requirements, if an Activity Request and Payment Request are needed for the same event, the Activity Request must have already been approved the previous week in order for the Payment Request to be considered.

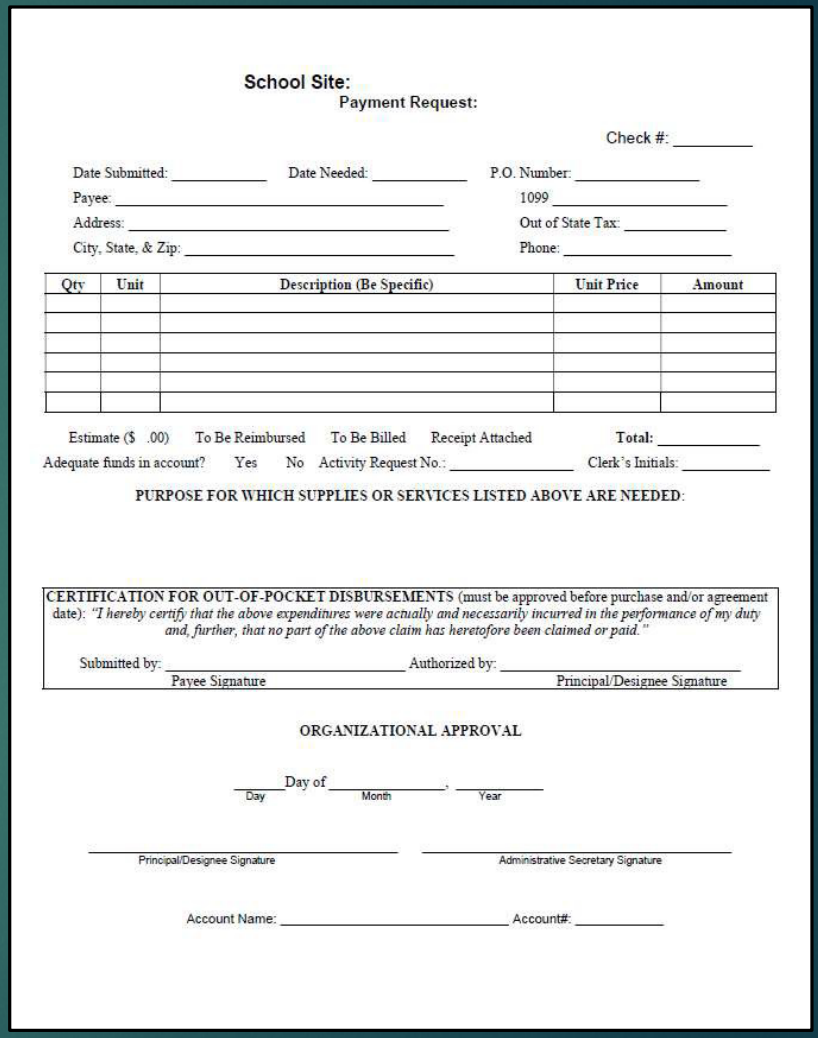
Revenue Potential

Complete items 1-6 if any money is to be collected at any time during or for the activity:
1. Est. total expenses, inc. tax: $_____
2. Est. number of items or services to be sold: _____
3. Items or services to be sold: _____
4. Average selling price per item or service $_____
5. Potential collection to deposit (#2x#4) $_____
6. Potential profit after expenses (#5-#1) $_____

Organization Approval

_____day of _____, _____
Day **Month** **Year**

_____ _____
Principal/Designee Signature **Administrative Secretary Signature**



School Site:
Payment Request:

Check #: _____

Date Submitted: _____ Date Needed: _____ P.O. Number: _____
Payee: _____ 1099 _____
Address: _____ Out of State Tax: _____
City, State, & Zip: _____ Phone: _____

Qty	Unit	Description (Be Specific)	Unit Price	Amount

Estimate ($ .00) To Be Reimbursed To Be Billed Receipt Attached **Total:** _____
Adequate funds in account? Yes No Activity Request No.: _____ Clerk's Initials: _____

PURPOSE FOR WHICH SUPPLIES OR SERVICES LISTED ABOVE ARE NEEDED:

CERTIFICATION FOR OUT-OF-POCKET DISBURSEMENTS (must be approved before purchase and/or agreement date): *"I hereby certify that the above expenditures were actually and necessarily incurred in the performance of my duty and, further, that no part of the above claim has heretofore been claimed or paid."*

Submitted by: _____ Authorized by: _____
Payee Signature Principal/Designee Signature

ORGANIZATIONAL APPROVAL

_____Day of _____, _____
Day Month Year

_____ _____
Principal/Designee Signature Administrative Secretary Signature

Account Name: _____ Account#: _____

Contracts

Chapter 15

ASB/USB must follow district policies and procedures for issuing contracts.

- Examples of contracts:
  - Dance DJ/Entertainment
  - Magazine sale or other fundraiser
  - Fieldtrip agreements (e.g.: Science Camp)

- Contracts for vendors entering campus and vending machine contracts are always required to be reviewed and approved by Business Services or Purchasing.
  - Request for Board Approval form

Potential Problem Situations

- Some ASB/USB organizations have found that the contracts they executed did not adequately protect their interests and the organization lost money.

- ASB/USB organization also often find that the employee signing the contract did not have the authority to do so.

- Please contact Purchasing Services at 760-883-2710 for contract assistance.

Cash Disbursement Management and Procedures

Chapter 18

Ensuring adequate internal controls for the disbursement of ASB funds

- All disbursements are for items that were included in the budget.
- All disbursements are for items preapproved for expenditure from ASB funds, supported by documents indicating the approval.
- The ASB bookkeeper pays only for goods or services that were authorized and received.
- The ASB bookkeeper maintains adequate records of all expenses, including original detailed receipts.
- All disbursements must come from deposited funds. They should never be paid from cash receipts.
- For Unorganized ASBs, the principal should establish a process to allow other school employees to get approval to use ASB funds.

Form 1099

An IRS form W-9 is required from all vendors before conducting business with the district.

- Individuals and entities use form W-9 to provide their taxpayer identification number to entities that will pay them income during the tax year.
- Vendors providing services totaling $600 or more to the ASB/USB will receive a form 1099 (issued by the district) in January of the subsequent calendar year.
- High School ASB/USB need to keep track of all payments made to vendors providing services and submit this information to Fiscal Services each year, before leaving for winter break.
- Fiscal Services tracks all Middle School ASB/USB payments made to vendors for services

Cash Controls and Fraud

Chapter 19

For everyone's protection, do the following:

- Never leave money unattended
- Retain duplicate cash count forms
- Always provide receipts for deposits
- Always count money with a witness
- Reconcile bank statements monthly
- Provide monthly account summaries to clubs
- Ensure that the ASB/USB bookkeeper is never afraid to ask questions. The ASB/USB bookkeeper should feel comfortable refusing an incorrect deposit or improper authorization for disbursement. Provide guidance and assistance as needed.
- Ensure disbursements are made after student council approval and all check requests contain all necessary signatures.
- ASB/USB deposits are to be picked up by armored carrier on a regular basis (depending on site). On very rare occasion, deposits are transported directly to branch offices by two people.
- Purchased items are verified and counted indicating all items are received and invoices/receiving documents are noted with an "OK to pay" or "received with a date".
- Ensure that all tickets for sale are secured, master ticket log is updated and sales recap form contains explanations of any overages & shortages.
- Conduct monthly inventory counts, locate discrepancies and calculate ending valuations.

Record Retention

Record	Retention Period
ASB/USB Constitution, Bylaws and Charters	Permanent
Equipment Inventory	Permanent
Club and Council Minutes	4 Years
Budgets	4 Years
Invoices and Approval Documents	4 Years
Banking Records	4 Years
Financial Statements/Accounting Records	4 Years

Food and Beverage on Campus

The following applies to all food and beverage served or sold on any campus, from 30 minutes before school starts to 30 minutes after then end of the school day.

- Sales must not compete with the school lunch program and may only be conducted by approved student organizations.
- Items sold must be pre-approved by Nutrition Services to ensure compliance with Federal, State and Local regulations.
- All food and beverage served or sold on campus must comply with Health Department regulations.
- *For more details see the Nutrition Services Quick Reference

  https://www.cde.ca.gov/ls/nu/he/compfoodsrefpub.asp

Food and Beverage on Campus
(continued)

Elementary	Secondary (MS/HS)
Only one food or beverage item per sale.	Only one student organization per day is allowed to sell each day.
Sale must occur after the last lunch period.	Up to 3 categories can be sold. (beverage, snack, dessert).
Food or beverage item cannot be prepared on campus.	Food/beverage cannot be prepared on campus.
Each school is allowed only four sales per year.	Cannot be the same food sold during the noon meal service that day.
Cannot be the same food sold during the noon meal service that day.	Any and all student organizations may sell on the same four predesignated days per year.

Reconciliations and Internal Audits

High Schools and Alternative Schools

- Bank reconciliations must be completed monthly and submitted to Fiscal Services no later than the 20th of each month.
- Monthly audits beginning in September

District Fraud Hotline

- Two ways to report suspected fraud
  - www.eidebailly.com/hotline
  - 1-866-912-5378
- Reporters may choose to remain anonymous or disclose their name.
- Each report will be reviewed by a third-party fraud investigation specialist.

866.91.ALERT

YOU have the ability to report fraudulent and wrongful behavior 24 hours a day, seven days a week through this confidential service.

Protect yourself and your company by reporting:

- Fraudulent behavior
- Falsification of company records
- Tampering of data
- Theft
- Misuse of company assets
- Theft of trade secrets
- Violations of state or federal laws

Employees do not always feel comfortable telling management about improper behavior, but they DO feel comfortable using a confidential third-party source like Hotline Reporting.

It is estimated that employee fraud costs our nation $660 billion annually. By utilizing the hotline, you can help:

- Prevent fraudulent and illegal behavior
- Detect issues before they become serious
- Reduce losses that can hurt the company
- Maintain a healthy work environment

Hotline Reporting is simple to use:

- During business hours (CST), call the toll-free number **866.912.5378.**
- Complete an anonymous report anytime on the 24-7 hotline at **www.eidebailly.com/hotline.**
- Talk to a trained Eide Bailly forensic professional.

EideBailly

Teamwork Makes the Dream Work!

- Remember, the District is here to help!
- Tony Carrillo, Director of Fiscal Services (760) 883-2710 ext. 4806055
  tcarrillo@psusd.us
- Lesley Nichols, Accounting Supervisor (760) 883-2710 ext. 4806069
  lnichols@psusd.us
- CASBO Training Available: Legal Aspects & Hands-On Accounting for ASB

Questions?