

Policies and Regulations

NEPN Code: DIA-R/STI

Fiscal Management

Accounting System

Trust and Agency Funds

All activities involved in collecting monies from students will establish a Trust and Agency Fund. Within the Trust and Agency Fund there may be established separate trust or agency accounts. All monies collected within STC shall be deposited to this fund's appropriate account and disbursed by check according to established procedure. The only exceptions to this requirement are funds collected for approved outside organizations and approved events. In no case will STC staff collect money from students, parents, or the general public and not deposit these funds into either a Trust and Agency Fund or the appropriate STC fund.

Trust funds are monies held in trust for student or unincorporated clubs, or for collecting and making donations on behalf of a group or an individual. Student clubs have a faculty advisor. The monies are raised through various fund raising activities by the students, and decisions on how the money is spent are made primarily by the club. Any expenditure made from a club trust account must be authorized by STC administration and designated officer of the club.

Agency funds serve as clearing accounts before the monies are deposited into the proper STC fund. No program expenditure shall be made out of an agency fund. However, costs associated with fund raising activities shall be from agency funds. The Business Manager or designee will identify which sub-funds are trust funds and which are agency funds.

The Trust and Agency Fund is to be set up and administered according to the following procedures.

1. The School Board shall appoint an administrator, faculty member, or other designated employee, as treasurer of the Trust and Agency Fund. An assistant treasurer may be appointed to carry on business in the absence of the treasurer. All references to the treasurer are binding upon the assistant treasurer. The treasurer shall be responsible for the proper care, handling and accounting for the fund, as required by law.
2. The treasurer shall be bonded by the Sioux Falls School District as required by law.
3. The Board shall authorize a depository for the fund, and the treasurer shall be authorized to establish a checking account in the authorized depository.

4. The treasurer shall issue pre-numbered checks in payment of approved vouchers.
5. The treasurer upon receipt of any money shall prepare a pre-numbered receipt in duplicate. Any money received shall be deposited in the authorized depository and recorded in the proper account.
6. Funds should not be permitted to accumulate in the respective buildings in any amount greater than is needed for day-to-day operation.
7. The fiscal year for Trust and Agency Funds shall begin on July 1 and end June 30.
8. The Board shall authorize the Sioux Falls School District Business Manager to establish the accounting procedures and forms that shall be used in conjunction with the operation of the fund.
9. The overall fiscal policy shall be as follows:
 - a. The STC Vice President of Finance and Operations shall be responsible for establishing accounts as he/she deems necessary within the fund.
 - b. An STC Administrator shall be responsible for the approval of all purchases. A voucher to which invoices and statements have been attached shall support payment. Payments by the treasurer are contingent upon the receipt of a voucher that has been signed by a faculty advisor and approved by an administrator in the absence of the Vice President of Finance and Operations.
 - c. To prevent accounts from becoming overdrawn, no purchase shall be made unless sufficient funds are on hand in the fund and appropriate account to pay the cost of the purchase. Any commitment which would create a debt in the fund and appropriate account shall be submitted by the Sioux Falls School District Business Manager to the Board for prior authorization.
 - d. All purchases of items greater than \$1,000 each shall be submitted by the treasurer to the Sioux Falls School District Business Manager or designee for prior authorization. All purchases of \$15,000 or more shall be submitted to the Board for prior authorization. Prior authorization is not required for internal reimbursement of previously authorized expenditures.
 - e. All obligations shall be submitted to the treasurer for payment by the end of the fiscal year in which the obligations were incurred.
 - f. The treasurer shall not transfer any money raised for a specific purpose or assigned to a particular account to another account without the approval of the Vice President of Finance and Operations. The approval shall be in writing and made a part of the files of the treasurer, subject to audit.
 - g. The treasurer shall prepare a monthly financial report when the fund is on a non-suspended basis setting forth the assets and a list of account balances of the fund. Copies shall be filed with the STC Administration and the Business Manager.

- h. The treasurer shall prepare a monthly financial report for the faculty advisor of each account. The report shall show monthly activity of the account and ending account balance.
- i. U.S. bonds or other investments shall be held in the STC business office of the school making the purchase.
- j. With authorization from the Vice President of Finance and Operations, the treasurer may make loans from trust and agency funds to the school's incidental account. All loans shall be reimbursed prior to the end of the fiscal year.
- k. A detailed audit shall be made at the close of each fiscal year by the auditor employed by the Board or by Sioux Falls School District personnel. Major findings of such audits will be reported to the Board.

Regulation		Board Action	(formerly 3410)
approved:	05-28-68	13052	
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