



Buckeye Career Center
Student Activities

2016-2017 School Year

GUIDELINES FOR STUDENT ACTIVITIES

BUCKEYE CAREER CENTER

The Role of the Main Chapter Treasurer

1. A Student organization may not have a separate bank account or petty cash fund. All income and expenditures must be processed through the activity fund account.
2. To record all receipts.
3. To record all expenditures after receiving checks from the Treasurer's office.
4. To check all balances from each individual class when presented a requisition and to certify by signing the requisition that they have the money to make that expenditure.
5. To keep all copies of all purchase orders and Student Activities Spreadsheets at both a class level and the Main Chapter level.
6. To keep all bills in safe-keeping until time for payment.
7. To balance monthly with the Treasurer's Office.

Forms

Budgets – Form 1

Fund Raising Project Request – Form 2

Sales Project Potential – Form 3

Activity Budget – Form 4

Purchase Order – Form 5

Invoice (Memo) – Form 6

Final Sales Project Report – Form 7

Monthly Reports. – Form 8

Most of these forms are contained within the newly created “Student Activities” Spreadsheet, prepared by the Treasurer. It can be found on the BCC website under “staff forms” along with this document named: “Guidelines for Student Activities” If you can't find it on the website contact Becky Marsh in the Treasurer's Office: rmarsh@buckeyecareercenter.org

The newly created “Student Activities” Spreadsheet must be utilized to create all the above mentioned forms. The spreadsheet should be renamed as follows: *Teacher Name_Club Name_type of sale*. Ex: *Mann_HOSA_Fall candy bar*. Additionally, this name must be printed on all the deposit slips for each activity receipt.

After the creation of the following 3 forms: Project Request Form, Sales Potential Form and the Activity Budget Form, the Student Activities Spreadsheet should be e-mailed to the Club Advisor. The Club Advisor should open/review each tab to ensure their approval of the sales event. After their approval, the spreadsheet should be then e-mailed to Gale Stull, she will go into the RAM System and create a Requisition, she will attach the student activity spreadsheet to the RAM Requisition. The RAM System will then notify the Club Advisor to approve the requisition. *The Club Advisor is approving all the generated forms within the spreadsheet with their approval of the RAM requisition.* The Principal will then be notified by RAM of the pending requisition for their approval. The Principal should open the spreadsheet and the above mentioned tabs to ensure their approval. *The Principal is approving all of the generated forms within the spreadsheet with their approval of the RAM requisition.* The Superintendent will then be notified by RAM of the pending requisition for his approval. The Superintendent should open the spreadsheet and the above mentioned tabs to ensure his approval. *The Superintendent is approving all the generated forms within the spreadsheet with his approval of the RAM requisition.* The Treasurer will then be notified by Ram of the pending requisition for her approval. *The Treasurer is approving all the generated forms within the spreadsheet with her approval of the RAM requisition.*

Once everyone has approved the RAM Requisition a Multi-Vendor PO will be processed, a copy of the PO will be given back to the Club Advisor for disbursement to the Teacher signaling the project can begin. When the project has come to an end the Teacher must go back into the original spreadsheet and fill out the Final Sales Potential Form and then resubmit it back to the Club Advisor. The Club Advisor must then ensure everything balances. Once everything is balanced the Club Advisor will then e-mail the finalized spreadsheet to Becky Marsh in the Treasurer’s Office along with any supporting documentation. Becky will go over the spreadsheet to ensure it balances with the Treasurer’s records, *if it does not balance it will be sent back to the Club Advisor Un-Approved*. The Club Advisor must do whatever is necessary to reconcile to the Treasurer’s books and re-submit to Becky Marsh.

Note: There are a few print-outs that the Treasurer's Office can run for the Advisor to make balancing easier, as follows: FINDET – which will list all receipts within the club's fund. CHEKPY – which will list all checks written against their Multi-Vendor PO.

The following is a listing of the forms included in the newly created “Student Activity Spreadsheet”. These forms must be completed and submitted electronically to Becky Marsh for the project to be completely finalized.

Budgets – Form 1

Student Activity Budgets should be completed and approved as soon as possible after the beginning of the school year. No requisition/purchase order can be approved for which there is no budget on file. The Budget Form is part of the newly created Student Activities Spreadsheet.

Fund Raising Requests – Form 2

Fund Raising Request Form - this form is the approval from your Principal to go ahead with the fundraising activity. No fund raising activity can begin until the Student Activity PO has been generated by the Treasurer's Office. The Fund Raising Request Form is part of the newly created Student Activities Spreadsheet.

Sales Potential Form – Form 3

The Sales Potential Form - This form is an estimate of your expected profit from the project. No fund raising activity can begin until the Student Activity PO has been generated by the Treasurer's Office. The Sales Potential Form is part of the Student Activities Spreadsheet.

Activity Budget – Form 4

The purpose of an Activity Budget is to support the PO. The PO is to obtain approval to purchase all supplies, awards, sales project items, etc. This is part of the Student Activities Spreadsheet, to be prepared by the teacher and e-mailed to the Chapter Advisor in excel format for his/her approval.

Purchase Order – Form 5

Upon generation of the purchase order a copy of the P.O. will be given to the Main Chapter Advisor for disbursement to the teacher signaling the fundraising activity may begin. This P.O. number is important as it must appear on all invoices turned in for payment to the Treasurer's Office.

Deposits

All receipts are to be deposited in the Treasurer's Office daily.

1. The Teacher is to bring money to the treasurer's office.
2. Money is to have been already counted, wrapped, put into a locked bag along with the white copy of the deposit slip. The yellow copy of the deposit slip is to be given to the treasurer's office staff along with the locked bag. *The deposit slip must have the teacher's name, club name and type of sale, Ex: Mann_HOSA_Fall candy bar.*
3. The Treasurer's Office will give the Club Advisor a Monthly FINDET of their fund and Monthly CHEKPY of each of their PO's. The Club Advisor is to review the FINDET and CHEKPY for accuracy and record the receipt numbers for their records and ledgers. Additionally, they are to give a copy to the Club Treasurer.

Invoices – Form 6

After the material has been received and is ready for payment, a copy of the original invoice (not a statement) should be taken to the Treasurer's Office. On this invoice, the corresponding P.O. number **MUST** be written. These invoices must be received no later than the Friday before the week needed for payment. A memo invoice should be submitted when a bill or invoice is not available (example – donation).

Check Payment

The Treasurer's Office needs at least one week for payment after the P.O. has been completed and the invoice is received. Anything that needs to be paid, including payments to Buckeye Career Center programs needs a bill or invoice so that it can be submitted for payment.

Final Sales Project Form – Form 7

The Final Sales Project Form should be completed once the fund raising project is complete. This form is contained within the Student Activities Spreadsheet. This should be submitted (electronically) to Becky Marsh – rmarsh@buckeyecareercenter.org, along with any supporting documentation and explanations of any discrepancies.

Monthly REPORTS 8:

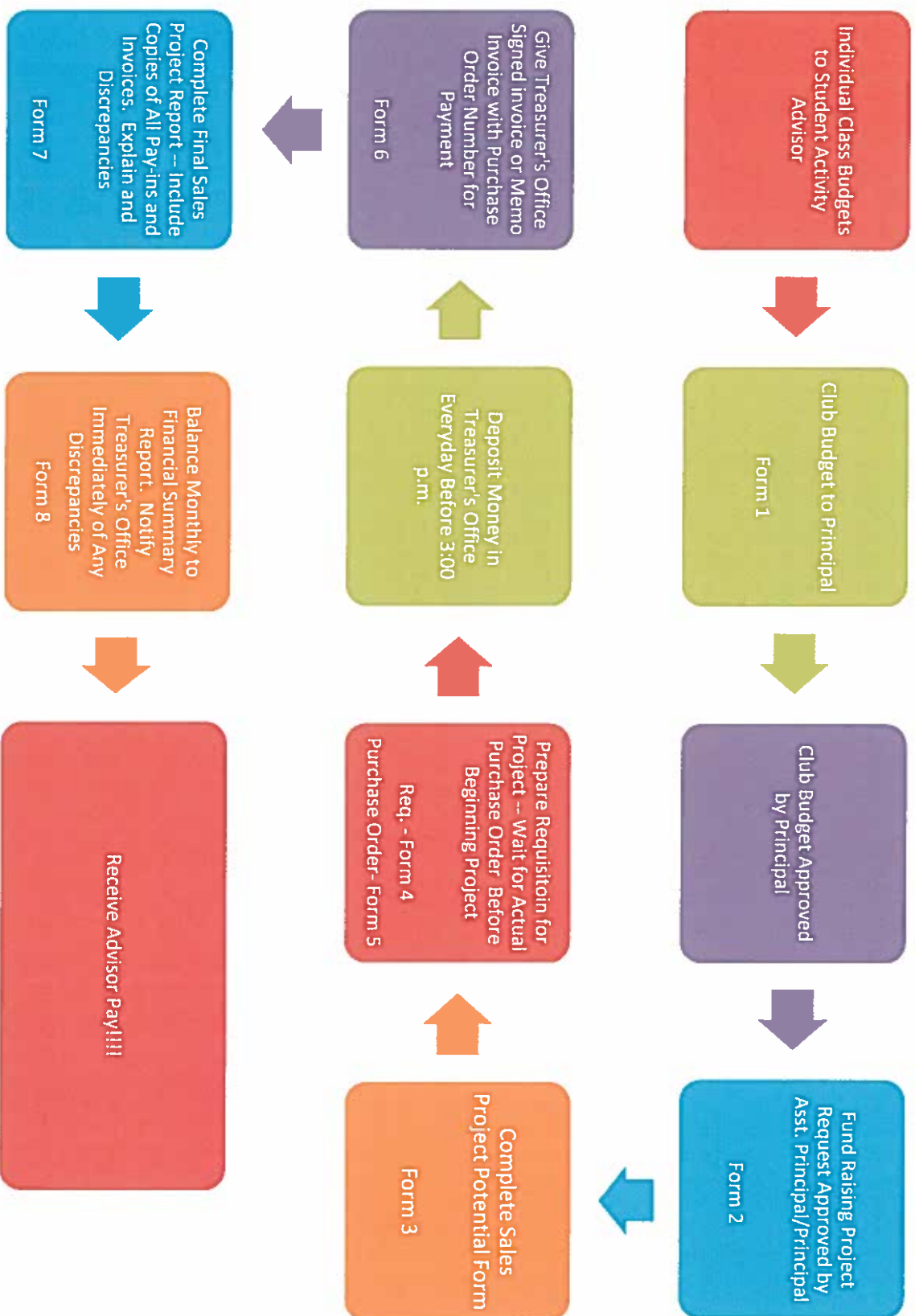
The advisor will receive the monthly FINDET AND CHEKPY to review/verify and to give to the Chapter Treasurer, listing all expenditures and receipts for that particular month. The Chapter Treasurer will balance monthly with the Treasurer's Office and make any necessary corrections.

Rules and Regulations for Student Activities

1. A student organization may not have a separate bank account or petty cash fund. All income and expenditures must be processed through the activity fund account.
2. Funds collected are not to be locked in desk drawers or taken home overnight but rather deposited daily with the Treasurer's Office.
3. Sales tax cannot be reimbursed. We are exempt from tax and it is illegal for us to reimburse sales tax on any items for any reason. We do have tax exemption forms available in the Treasurer's Office if needed.
4. The following list includes examples of expenditures deemed unacceptable by the Bureau of Inspection and Supervision of Public Offices:
 - Paying dues to a professional organization for the distinct benefit of an individual.
 - Purchasing gifts, flowers, or paying honorariums unless for a purpose specifically stated in the policy and/or purpose of an activity group and designated on the Club's budget.
 - Installment purchases.
 - Purchasing articles of clothing or uniforms unless it is clearly understood that such property is to be returned at the end of a school year to the responsible school representative.
 - Establishing a fee based upon a percent of receipts from an activity fund to a "miscellaneous" fund so as to provide a source of income for such "miscellaneous" fund.
 - Lending or advancing money to individuals or agencies.
 - Deficit spending.
 - Authorizing expenses related to employee's group activity meetings unless such meetings are within the policy and/or purpose of the "organization group."
 - Making donations to non-profit organizations unless specifically stated in the policy and/or purpose or budget of an activity group and approved by the Board or their designee for a public purpose.

- Reimbursing an individual for the replacement of a personal article which has been lost, destroyed or damaged while participating in an activity function.
- Acceptance of donations from any source if such donation is designated for a purpose which is not authorized in accordance with the regulations governing public Monies.
- Tips of any kind.
- Equipment, supplies, forms, postage for curricular or classroom use or for district business. Repairs and maintenance of district owned equipment or property unless used by the current activity group and these expenditures are specifically included in the purpose clauses and begets approved by the Superintendent or their designee.

Student Activity



CLUB BUDGET TO PRINCIPAL
Form 1

SCHOOL YEAR _____
ACTIVITY BUDGET _____
ACCOUNT # _____
ORGANIZATION _____
ADVISORS _____

PROPOSED INCOME			ESTIMATED EXPENDITURES		
ACTIVITY	DATE	INCOME	PURCHASES	DATE	EXPENSES

TOTALS: \$. \$. .

_____ APPROVED

_____ REJECTED/WHY

SIGNATURE

This form must be completed by all organizations planning fundraising activities this year

NO ACTIVITIES WILL BE APPROVED UNTIL THIS FORM HAS BEEN COMPLETED

BUCKEYE CAREER CENTER

YOUTH ORGANIZATION FUNDRAISER

**PROJECT REQUEST
FORM 2**

Name of Organization: _____
Person in Charge: _____
Nature of Activity: _____
Amount of Anticipated Funds: _____
Anticipated Use of Funds: _____
Date of Activity: _____

President: _____ Date _____

Treasurer: _____ Date _____

Approval/Advisor (Teacher) _____ Date _____

Approval/Activity Advisor _____ Date _____

Approval/Supervisor _____ Date _____

Approval/Director _____ Date _____

**SALES PROJECT POTENTIAL FORM
FORM 3**

**THE SALES PROJECT POTENTIAL REPORT IS ISSUED TO ACCOUNT FOR PROJECTED AND ACTUAL INCOME
FROM A STUDENT ACTIVITY SALES PROJECT.**

ORGANIZATION _____

PROPOSED SALES PROJECT _____

NAME OF COMPANY PROVIDING PRODUCT: _____

ADDRESS: _____

COMPANY REPRESENTATIVE _____ PHONE# _____

ITEM DESCRIPTION	QUANTITY PURCHASED		PURCHASE PRICE EACH ITEM	PURCHASE TOTAL	SALES PRICE EACH ITEM
				\$ -	
				\$ -	
				\$ -	
				\$ -	
				\$ -	
				\$ -	
				\$ -	
				\$ -	
				\$ -	
				\$ -	
				\$ -	
				\$ -	
				\$ -	
				\$ -	
Total Purchase Price:				\$ -	

_____ Requested By _____ Date _____

Activity Advisor

FINAL SALES PROJECT REPORT MUST BE COMPLETED UPON END OF PROJECT

Send All Invoices

PURCHASE ORDER

Date
09/30/2014

Purchase Order No.
106272
Page
001

To BUCKEYE JOINT VOCATIONAL
TREASURERS OFFICE
545 UNIVERSITY DR., N.E.
NEW PHILADELPHIA, OH 44663

THIS NUMBER MUST APPEAR ON ALL INVOICES, PACKING SLIPS, LABELS AND CORRESPONDENCE. ALL GOODS MUST BE ACCOMPANIED BY A PACKING LIST AND DELIVERED TO THE RECEIVING AREA.
SHIP PREPAID BEST WAY
(SAME AS ABOVE UNLESS OTHERWISE INDICATED.)

I
S
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T
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001306 FAX:
COUNTRY MEATS
5750 SW 1ST LANE
OCALA FL 34474

S
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P

T
O

mail/Kelly Chapman/

ATTN:
TERMS:
REQUISITION NO. K628

QUANTITY	UNIT	DESCRIPTION	UNIT PRICE	AMOUNT					
32	cases	Country Smoked Snacks for Fundraising							
				PAGE TOTAL					
				GRAND TOTAL 0.00					
TI	FUND	FUNC.	OBJ.	SPCC.	SUBJ.	OPU	IL	JOB	AMOUNT
05	200	4390	551	9217	000000	012	00	000	

IT IS HEREBY CERTIFIED THAT THE AMOUNT ABOVE REQUIRED TO MEET THE CONTRACT, AGREEMENT, OBLIGATION, PAYMENT OR EXPENDITURE FOR THE ABOVE, HAS BEEN LAWFULLY APPROPRIATED OR AUTHORIZED OR DIRECTED FOR SUCH PURPOSE AND IS IN THE TREASURY OR IN PROCESS OF COLLECTION TO THE CREDIT OF THE APPROPRIATE FUND FREE FROM ANY OBLIGATION OR CERTIFICATION NOW OUTSTANDING.

School Districts Are Exempt From Federal Excise Taxes And Ohio Sales Tax. **TAX EXEMPT** STATE ID: 51276418 FED ID: 34-1089502

THIS ORDER VOID UNLESS TREASURER'S CERTIFICATE IS SIGNED

Carla Cooper
Treasurer, Board of Education

Bob Alsept
Superintendent

ORIGINAL COPY

**MEMO INVOICE
FORM 6**

BUCKEYE CAREER CENTER

STUDENT ACTIVITY

This form is to be used if payment is for supplies and/or services for which no invoices will be received.

DATE: _____

ACTIVITY FUND: _____

PO#: _____

TO: _____

AMOUNT: _____

FOR: _____

SIGNED

Date: 10/07/2014
 Time: 12:50 pm

BUCKEYE JOINT VOCATIONAL
 Financial Detail Report for 12/01/2013 - 12/31/2013 by FUND-SCC

Page: 1
 (FINDET)

Check#/ Date	Rcpt#	PO #	Description	TI	FND	FURC	OBJ	SCC	SUBJECT	OPU	IL	JOB	Receipts	Expenditures	Current Fund Balance
FUND-SCC: 200 9217 (V I C A STUDENT ACTIVITY FUND)														17,719.43	
12 13	106542		DEP/MICKLEY/SKILLS USA	03	200	1623		9217	000000	012			225.50		17,944.93
12 13	106543		DEP/K.MICKLEY/SKILLS/A	03	200	1623		9217	000000	012			93.00		18,037.93
12 30	106649		POST ERROR/REC #106630	03	200	1623		9217	000000	012			10.00-		18,027.93
TOTAL FOR FUND-SCC 200 9217 (V I C A STUDENT ACTIVITY FUND):													308.50	0.00	18,027.93

Form 8.1

Date: 08/17/2016
Time: 11:06 am

BUCKEYE JOINT VOCATIONAL
SORT BY CHECK NUMBER
ALL ACTIVITY
WARRANT CHECKS

Page: 1
(CHECKPY)

SEQ	DESCRIPTION	TRAN NUMBER	P.O. NUMBER	IT NO	INVOICE NUMBER	TRAN DATE	ACCOUNT CODE DISTRIBUTION						ITEM	AMOUNT			
							TI	FND	FUNC	OBJ	SCC	SUBJ	OU	IL	JOB		
Check: 115896 Type: W Date: 08/10/16 Vendor: BURMAX CO, INC.							Vendor#: 000711 Stat/Date: RECONCILED:08/16/16 Bank:										
0001	LAB SUPPLIES		0170005	0001	768373-00	08/10/16	05	001	1316	511	9001	172602	012	00	001		5,963.55
0002	RESALE TO STUDENTS		0170005	0002	768373-00	08/10/16	05	009	1310	551	0012	000000	012	00	000		5,690.68
0003	LAB SUPPLIES		0170005	0001	768373-01	08/10/16	05	001	1316	511	9001	172602	012	00	001		113.74
Check total:																\$11,767.97	
Check: 115931 Type: W Date: 08/10/16 Vendor: HEDLUX							Vendor#: 002371 Stat/Date: RECONCILED:08/16/16 Bank:										
0001	RESALE TO STUDENTS		0170005	0002	0016162	08/10/16	05	009	1310	551	0012	000000	012	00	000		2,116.33
Check total:																\$2,116.33	
V	VOIDED CHECKS		0		CHECK TOTALS												0.00
R	RECONCILED CHECKS		2		CHECK TOTALS												13,884.30

W	HARRANT CHECKS		2		CHECK TOTALS												13,884.30
M	MEMO CHECKS		0		CHECK TOTALS												0.00
B	REFUND CHECKS		0		CHECK TOTALS												0.00
I	INVESTMENT CHECKS		0		CHECK TOTALS												0.00
T	TRANSFER CHECKS		0		CHECK TOTALS												0.00
D	DISTRIBUTION CHECKS		0		CHECK TOTALS												0.00
C	PAYROLL CHECKS		0		CHECK TOTALS												0.00
	MISSING CHECKS		0		CHECK TOTALS												0.00
**	TOTAL CHECKS (LESS VOIDED)		2		** TOTAL NET												13,884.30
***	TOTAL CHECKS WRITTEN		2		*** GRAND TOTALS												13,884.30

All checks written against PO # 170005 by vendor

Memo

To: Student Activity Advisors
From: Carla Cooper
Date: August 1, 2000
Subject: Travel Vendor Compensation

I received the attached memo from the Auditor of State. The bulletin states "any compensation paid by a private travel vendor to a school district official or employee after the official or employee has participated in selecting the vendor to provide a field trip is "public money" and must be remitted to the school district." "Public money" refers to any compensation received by the school official or employee including cash compensation, gifts or other things of value.

I realize that most of your field trips are not planned through an outside agency, but if they are, you are not to receive any form of compensation from them. If an official or employee has received any type of compensation for a field trip it would be advisable for them to contact my office to make arrangements to pay these funds back to the school district to avoid any problems with the Auditor of State.

If anyone has any questions please feel free to contact my office.

AUDITOR OF STATE BULLETIN 2000-006

MARCH 9, 2000

TO: ALL SCHOOL DISTRICT TREASURERS
ALL SCHOOL DISTRICT SUPERINTENDENTS •
ALL COMMUNITY SCHOOLS
ALL INDEPENDENT PUBLIC ACCOUNTANTS

SUBJECT: COMPENSATION OF SCHOOL DISTRICT OFFICIALS OR EMPLOYEES
BY PRIVATE TRAVEL VENDORS

It has recently come to our attention that some public school district officials and employees who arranged out-of-state or overnight field trips for students may have received cash compensation, gifts or other things of value (hereafter collectively referred to as "compensation") from the private travel agents, tour operators and/or bus companies (hereafter "private travel vendors") with whom the field trips were booked. Public school district officials and employees should be aware that the receipt and acceptance of such compensation poses significant auditing issues and may possibly pose significant legal issues as well.

Ohio Rev. Code § 117.01(C) defines "public money" to be "any money received, collected by, or due a public official under color of office, . . ." School district board members, superintendents, administrators, principals and teachers are all "public officials" for the purposes of that definition. Ohio Rev. Code § 117.01(E). When arranging, booking or approving field trips through or with private travel vendors, school district officials and employees are acting under "color of office" as that term is defined in Ohio Rev. Code § 117.01(A). In the situations that have come to the attention of the Auditor of State's Office, the compensation paid to the school district official or employee by the private travel vendor would not have been paid but for the official or employee using the authority of his or her public office to choose the vendor, which is then paid for the field trip with public money. For these reasons, the Auditor of State's Office is taking the position that any compensation paid by a private travel vendor to a school district official or employee after the official or employee has participated in selecting the vendor to provide a field trip is "public money" and must be remitted to the school district.

The Auditor of State's Office will be scrutinizing such field trips in all school district audits for the fiscal year ending June 30, 2000. In advance of our audits, Boards of Education, superintendents and treasurers should identify all field

trips that were arranged or taken since July 1, 1999 and assure themselves that any compensation received by any school district official or employee is or has been remitted to the district. Auditors will also be examining district policies and procedures regarding school district officials' or employees' receipt of compensation from any individuals or entities that do business with the district.

School districts also should be aware that an individual district official's or employee's receipt of compensation from private vendors doing business with the district may raise serious issues under one or more of Ohio's ethics laws, particularly Ohio Rev. Code §§ 102.03, 2921.42 and 2921.43. The Auditor of State's Office has requested more definite guidance from the Ohio Ethics Commission on the issue of whether a school district official's or employee's receipt of compensation from a private travel vendor where the official or employee had a role in selecting the vendor for a field trip violates any of the criminal statutes under Ohio's ethics law and related statutes.

For the purposes of Ohio's ethics laws, the Ohio Ethics Commission has ruled that Board of Education members,⁽¹⁾ school district superintendents,⁽²⁾ principals,⁽³⁾ and teachers⁽⁴⁾ are subject to Ohio's ethics laws.⁽⁵⁾ In addition, community schools created pursuant to Chapter 3314 of the Revised Code are subject to the ethics laws, with some limited exceptions. Ohio Rev. Code § 3314.03(A)(11)(e). Generally, the ethics laws prohibit a public official or a public employee from (a) using the authority or influence of his or her public office to receive additional compensation for performing their ordinary duties, (b) securing any interest in a public contract, or (c) receiving anything of value that may serve to improperly influence the official in the conduct of his or her duties. See Ohio Rev. Code §§ 2921.43(A), 2921.42(A) and 102.03(D), (E) and (F). These statutes are **criminal** statutes and violators may be subject to jail time, fines or both.

When the Ethics Commission's guidance is obtained, our Office will disseminate the guidance in a future Bulletin. If you have any questions regarding any of the issues raised in this Bulletin, contact your regional Auditor of State office or contact our Legal Division in Columbus at (800) 282-0370.

1. Ohio Ethics Commission Advisory Opinion Nos. 89-005 and 82-003
2. Ohio Ethics Commission Advisory Opinion No. 98-003
3. Ohio Ethics Commission Advisory Opinion No. 91-006
4. Ohio Ethics Commission Advisory Opinion Nos. 94-002 and 93-017
5. It must be noted that the Ethics Commission has opined that teachers are

considered "public officials" under Ohio Rev. Code § 102.03 only if they perform or have the authority to perform administrative or supervisory duties. However, teachers are considered "public officials" under Ohio Rev. Code §§ 2921.42 and 2921.43 regardless of whether they perform or have the authority to perform such duties. Ohio Ethics Commission Advisory Opinion No. 93-017.

LEGAL BULLETIN

THOMAS E. FERGUSON

Auditor of State
88 East Broad Street
P. O. Box 1140
Columbus, Ohio 43266-0040



Department of Administration
McCullough A. Williams, III, Deputy Au
Joseph H. Willis, Chief Counsel
Melissa J. Iannotta, Municipalities, Village
John F. Kinkela, Schools/Libraries
Martha Payne Meyer, Counties/Township

Date: August 1, 1991

08-01-91
1 of 5

LEGAL BULLETIN

TO: Audit Staff
School District Treasurers

FROM: Legal Department *OL*

RE: LEGAL COMPLIANCE AUDITING: STUDENT ACTIVITY FUNDS.

Audits of public offices conducted or authorized by the Auditor of State pursuant to Section 117.11, Revised Code, must include inquiry into "whether the laws, ordinances and orders pertaining to the office have been observed, and whether the requirements and rules of the Auditor of State have been complied with." If an audit report states that any public money has been illegally expended, that the public office has not accounted for all public moneys collected, that any public money due has not been collected, or that any public property has been converted or misappropriated, the statutory legal counsel of the public office and the attorney general must be notified, and legal action may be taken to recover the money or property (Section 117.28, Revised Code). The following discussion applies these legal compliance concepts to student activity funds:

1. Public money has been illegally expended.

The establishment of student activity funds is required by Section 3315.062, Revised Code. This section requires the approval of the board of education before expenditures may be made from a student activity fund. The determination of whether any expenditure is proper lies within the sound discretion of the board of education, which must look at the facts concerning a proposed expenditure and determine whether such expenditure serves a valid public purpose. 1975 O.A.G. No. 75-009.

A rule or policy which generally approves the type of expenditure, or a resolution which specifically authorizes a particular expenditure, must have been adopted by the board in an open meeting. Section 121.22, Revised Code. Furthermore, any moneys paid out should be on a check signed by the treasurer. Section 3313.51, Revised Code.

Boards of Education have broad discretion in determining what constitutes a public purpose, and their decisions are not usually questioned unless a decision appears arbitrary or unreasonable. However, it would be wrong for a board of education to transfer student activity money to a private individual or group, to be held by them for an indefinite period of time (1986 O.A.G. No. 86-013: A board of education may not disburse moneys in a student activity fund to a school class, upon graduation, where such moneys would be held by members of the class for an indefinite period of time for the purpose of holding future class reunions.) The legislature has given the responsibility for deciding the propriety of expenditures to the school board, and this responsibility cannot be delegated or relinquished.

In audits of student activity programs, the circumstances which most often are found which raise questions about the legality of expenditures are the result of the lack of any approval by the board of education of the expenditures in question. For example, sponsors or advisors may improperly spend fund-raiser receipts on prizes instead of depositing them with the treasurer.

In conclusion, the operative fact in reviewing the legality of expenditures of student activity moneys is whether the expenditure was properly authorized. This determination requires an analysis of board meeting minutes, policies and purpose statements, sales project forms, requisitions, purchase orders and other documents which connect an expenditure with an official deliberation and action of the school board.

2. Public money that has been collected has not been accounted for.

Section 9.38, Revised Code, states in part: "A public official . . . shall deposit all public moneys received by him with the treasurer of the public office or properly designated depository once every twenty-four consecutive hours." "Public money" is defined as ". . . any money received, collected by, or due a public official under color of office, as well as any money collected by any individual on behalf of a public office or as a purported representative or agent of the public office." Section 117.01(C), Revised Code. Public officials are liable for public money received or collected by them or their subordinates. Section 9.39, Revised Code.

There are many different situations in the context of student activities which involve the collection of money. Proper record keeping of each transaction involving the receipt or collection of money is critical. Section 3315.062, Revised Code, creates a duty on the part of a board of education to adopt a ". . . system of accounting to separate and verify each transaction and to show the sources from which the [student activity] fund revenue is received, the amount collected from each source, and the amount expended for each purpose"

Therefore, an audit finding that public money has been received but not accounted for may involve various parties under various theories of liability. A student might be named as a party if the student was acting as an agent of the school in collecting student activity moneys. A teacher who is an advisor to a student group might be named as a party if the advisor was responsible for the collection of student activity moneys, and the teacher did not keep reliable records to account for the moneys between the time of collection and the time of deposit with the treasurer of the school district. As the person responsible for school district moneys (Section 3313.51, Revised Code), the treasurer is liable for missing money, even if the loss occurred while the money was in the custody of another (See, 1980 O.A.G. No. 80-074). Finally, if regulations are not in place to account for the receipt and collection of student activity moneys, the individual members of the board of education may also be named as parties to a finding for recovery.

A public official is accountable for the moneys that he or she receives as an official. It is not necessary to show that the official was negligent or that the official is guilty of any wrongdoing for liability to attach. State ex rel. Village of Linndale v. Masten, 18 Ohio St. 3d 228 (1985). The legal responsibility for public moneys is connected with the office. Even if the treasurer of a school district did not actually receive the public money collected, the treasurer is nevertheless legally responsible (in addition to those persons who actually collected the money) for the money collected. Unless the treasurer is exonerated from liability by the school board pursuant to Section 131.18, Revised Code (where loss of public money results from fire, robbery, burglary, flood or inability of a bank to refund money lawfully in its possession), the treasurer generally is named as a party to a finding for recovery for public money collected that has not been accounted for.

3. Public money which is due has not been collected.

With respect to student activity fund-raisers, money usually becomes due to a school district by way of contract. Typically, students agree to sell certain products at a pre-determined sale price. The amount due the school district is the sale price of products sold, less returns.

A board of education is without authority to withhold grades or credits because of a student's failure to return the product or other remittance to cover the sale price. 1984 O.A.G. No. 84-027. However, boards of education are encouraged to adopt policies which include steps for debt collection from students. As a policy matter, a board of education could legitimately decide (with the advice of legal counsel) that, at some point, collection efforts become futile and that a public purpose is served by allowing the school treasurer to write off the debt.

If there has been no effort to collect student activity money which is due, a finding for recovery may be appropriate (See, Audit Bulletin No. 87-006: Findings for Recovery; Adjustments).

4. Public property has been converted or misappropriated.

"Conversion" is any exercise of dominion or control wrongfully exerted over personal property of another in denial of or under claim inconsistent with his rights. Ohio Telephone Equipment v. Hadler Realty Co., 24 Ohio App. 3d 91, 493 NE2d 289 (Ohio App. 1985). Property may be converted even if it has not been appropriated for the wrongdoer's own particular use and benefit. Any wrongful act which deprives an owner of possession of his property, even if the wrongdoer is mistaken, constitutes conversion. Railroad Co. v. O'Donnell, 49 Ohio St. 489 (1892).

Anyone, who, without right, takes, detains, misuses, disposes of or receives the direct benefits of the personal property of another may be held liable in an action for conversion. 18 O. Jur. 3d, Section 28, at 502.

In the student activities context, assistant auditors may inquire as to the methods used to keep track of school property and products used in connection with fund-raisers. It is an uncommon fact pattern which results in a finding for recovery of public money or property which has been converted or misappropriated. In order to substantiate such a finding, it is necessary to show more than nonfeasance, neglect of duty

or failure to perform a contractual obligation. In other words, intent by the wrongdoer to deprive the school district of the money or property must be shown. Normally, this will require proof that a crime has taken place. Assistant auditors should consult with Auditor of State legal counsel whenever conversion or misappropriation of school property is suspected.

§ 9.38 Payment or deposit of public moneys.

As used in this section and section 9.39 of the Revised Code:

(1) "Color of office," "public office," and "public official" have the same meanings as in section 117.01 of the Revised Code.

(2) "Legislative authority" means a board of county commissioners[,] a board of township trustees, the legislative authority of a municipal corporation, or the board of education of a school district.

A person who is a state officer, employee, or agent shall pay to the treasurer of state all public moneys received by that person as required by rule of the treasurer of state adopted pursuant to section 113.09 of the Revised Code. A person who is a public official other than a state officer, employee, or agent shall deposit all public moneys received by that person with the treasurer of the public office or properly designated depository on the business day next following the day of receipt, if the total amount of such moneys received exceeds one thousand dollars. If the total amount of the public moneys so received does not exceed one thousand dollars, the person shall deposit the moneys on the business day next following the day of receipt, unless the public office of which that person is a public official adopts a policy permitting a different time period, not to exceed three business days next following the day of receipt, for making such deposits, and the person is able to safeguard the moneys until such time as the moneys are deposited. The policy shall include provisions and procedures to safeguard the public moneys until they are deposited. If the public office of which the person is a public official is governed by a legislative authority, only the legislative authority may adopt such a policy; in the case of a board of county commissioners, the board may adopt such a policy with respect to public offices under the board's direct supervision and the offices of the prosecuting attorney, sheriff, coroner, county engineer, county recorder, county auditor, county treasurer, or clerk of the court of common pleas. If a person who is a public official receives public moneys for a public office of which that person is not a public official, that person shall, during the first business day of the next week, pay to the proper public official of the proper public office the moneys so received during the current week.

HISTORY: RS § 181a-6; 95 v 513; 97 v 273, § 6; GC § 289; Bureau of Code Revision, RC § 117.17, 10-1-53; RC § 9.38, 141 v H 201 (Eff 7-1-85); 148 v H 220. Eff 11-2-99.

[§ 3315.06.2] § 3315.062 Student activity programs; accident insurance or self-insurance for athletic programs.

(A) The board of education of any school district may expend moneys from its general revenue fund for the operation of such student activity programs included in the program of each school district as authorized by its board of education. Such expenditure shall not exceed five-tenths of one per cent of the board's annual operating budget.

(B) If more than fifty dollars a year is received through a student activity program, the moneys from such program shall be paid into an activity fund established by the board of education of the school district. The board shall adopt regulations governing the establishment and maintenance of such fund, including a system of accounting to separate and verify each transaction and to show the sources from which the fund revenue is received, the amount collected from each source, and the amount expended for each purpose. Expenditures from the fund shall be subject to approval of the board.

(C) The board of education of any school district may purchase accident insurance for pupils participating in school athletic programs for which the school district is authorized to expend public money. The board also may, to the extent it considers necessary, establish a self-insurance plan for the protection of such pupils against loss or expense resulting from bodily injury or death by accident, or for the payment of any deductible under a policy of accident insurance procured pursuant to this division.

HISTORY: 132 v H 279 (Eff 12-11-67); 136 v S 528 (Eff 8-19-76); 138 v S 186 (Eff 8-1-79); 146 v H 223. Eff 11-15-95.