FISCAL MANAGEMENT

Reimbursement to Appropriated Funds from Student Activity Funds

This regulation defines the circumstances under which schools may incur expenditures within Student Activity Funds (SAF) and be reimbursed from Appropriated Funds. Appropriated Funds are provided to schools for the purpose of funding the educational program of the school division. Student Activity Funds (SAF) are authorized to facilitate the operation of supplemental and enrichment programs for students. The Financial Guidelines Manual (FGM), pursuant to the Code of Virginia and School Board Policy, prescribes the regulations and procedures for operation of Student Activity Funds. There are circumstances in which it may be appropriate to incur an expense within a Student Activity Fund account that will be reimbursed at a later date from Appropriated Funds.

Principals and bookkeepers shall be aware that while expedient, the use of Student Activities Funds to procure items for reimbursement by appropriated funds has several detrimental effects:

1. The SAF procurement process bypasses the normal approval process for Appropriated Funds.
2. The reimbursement process results in the loss of vendor data related to the procurement.
3. The reimbursement process doubles the personnel effort required to complete the procurement.
4. The Student Activity Fund loses interest earnings that would otherwise be earned on the funds.

Generally, schools may reimburse Student Activity Funds from Appropriated Funds:

1. When the item(s) purchased are part of a program that operates in both financial areas i.e., instructional accounts, yearbook or newspaper as they interact with a Journalism class, field trips, etc;
2. For instructional supplies/materials with a single purchase amount below the threshold for competitive procurement;
3. Purchase of postage; and
4. For high volume, low cost purchases, which may be accumulated into a single reimbursement, i.e., groceries for Work and Family Studies.
Reimbursement from Appropriated Funds is specifically prohibited for:

1. Items chargeable to Appropriated Funds that are related to employee benefits; i.e., association memberships;

2. Items chargeable to Appropriated Funds that are related to employee travel, including conference expenses, lodging, meals, airfare, etc.;

3. Items chargeable to Appropriated Funds, including equipment, that are defined as fixed assets; and

4. Items chargeable to Appropriated Funds that are reimbursements for employee expenses.

The Director of Finance is responsible for the implementation and monitoring of this regulation.