**Memorandum**

**To: Mr. Adams, Superintendent**

**From: Vicki Goodlett, Finance Officer**

**RE: Redbook – District Activity Funds**

**Mr. Adams, in follow up of our discussion concerning the changes to Redbook and particularly the recognition of district activity funds versus school activity funds, I submit the following explanation for the board’s consideration;**

**One of the primary purposes for the change in the Redbook rules is to make certain that students are not fundraising for the purpose of supporting their education in the classroom or district operational costs. All funds deposited to the school accounts are to be spent for the direct benefit of the students for which the funds are raised. School activity funds are defined as funds derived from fundraising activities and fees sponsored under the auspices of the school by student clubs or student organizations, such as, Art Club, Drama Club, Debate Club, FFA, FBLA, National Honor Society, Marching Band, Class of 2014, etc…**

**All other funds are considered District activity funds. When District activity funds are deposited into the district bank account, the funds are not subject to the Redbook and may be expended with more flexibility than school activity funds but must meet the educational purpose as with all district expenditures.**

**Funds we are requesting the board to designate as district activity funds are listed on the attached spreadsheet. A Redbook discussion occurred with school bookkeepers on March 11th, prior to making these recommendations.**

**A formal policy will be presented to the board at a later date after we have had the opportunity to work with KSBA on preparing a policy for review.**