1953

Practical student association accounting system

Ray G. Baker
The University of Montana

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A PRACTICAL STUDENT ASSOCIATION ACCOUNTING SYSTEM

by

RAY G. BAKER

B. S. North Dakota University, 1941

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the degree of Master of Education

MONTANA STATE UNIVERSITY

1953

Approved by:

[Signatures]

Chairman, Board of Examiners

Dean, Graduate School

Aug 17, 1953
ACKNOWLEDGMENT

The author would like to express
a sincere thank you to his wife, Orell,
for the wonderful assistance given in
preparing this paper.

R. G. B.
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CHAPTER I

INTRODUCTION

There is a definite need for a Practical Student Association Accounting System in Montana. This year the state legislature has passed a law that all student association funds be audited annually. An amendment, number 45, is being added to the law in section 1015, School Law Book, and reads as follows:

To provide for a system of bookkeeping and annual auditing of extra-curricular funds; such bookkeeping system to be recommended by the State Bank Examiner and such audit to be made by a qualified accountant or by the State Bank Examiner if so requested. If the audit is made by the State Bank Examiner, then there shall be upon completion of the audit, be paid from the extra-curricular funds a fee of thirty dollars ($30.00) per day per man, together with actual transportation expenses, into the state treasury, and the State Treasurer shall accredit such payment to the special examiners fund. A certified copy of such audit will be filed with the county superintendent of schools, and shall be published by said superintendent in the publication of a newspaper published within the district, or in case there is no paper published within the district, in a newspaper published within the county, if any, and if none in the county, then in the nearest newspaper published in an adjoining county, and payments of such publication shall be made from the extra-curricular funds.1

The legislature, in this respect, is making the administrator's position more secure by giving the general public one less thing to find fault with in school administration. The State Bank Examiner is going to recommend good bookkeeping systems. Such a system is being presented here.

Montana is not alone in passing laws dealing with student association funds, as many states have previously passed such laws, and many more will follow. Loring C. Halberstadt informs us that many states have passed laws that govern the deposits and protection of extra-curricular activity funds. Indiana's law states that when any funds are collected and expended for the purpose of paying any expense which may be incurred in conducting any athletic, social, or other school function, reporting and accounting of such funds must be a public record open to inspection by interested persons. This law also provides for an appointed treasurer of such funds who is bonded. The State Board of Accounts inspects and supervises all forms and records.

The funds to pay for the audit, as the law states, shall come from the student association funds; therefore, the administrator should keep the accounting system as easily accessible as possible. Some superintendents going into their first administrative position do not realize the importance of a good, simple, well administered student accounting system.

If a person would take time to examine several systems being used in surrounding schools, he would find the time spent worthwhile, and he would be repaid time and time again in the prevention of possible embarrassment. He might find that a visit with a neighboring administrator who had a

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good plan and who showed willingness to discuss his ideas would be sufficient.

Cecil V. Millard tells us that there must be a central organization for auditing all extra-curricular activity funds, and the means of checking should be specific and definite. In carrying on an investigation in parts of Montana, a person would find some schools could benefit by following Mr. Millard's suggestion.

There are very few superintendents in the state today prepared to do an outstanding job of accounting so any work done in this line should be a big aid to administrators, especially to the young ones. Arthur B. Moehlman makes this point clearly by stressing that the superintendent is not expected to be an expert cost accountant, but he ought to understand the general principles and the mechanics of accounting in order to enable him to recognize accounts and interpret them. A few dollars misplaced or credited to another account can give a student a doubtful impression of the superintendent. Regardless of a person's honesty or ability to find his mistake within a matter of minutes or by the following morning, he should take every precaution to maintain the trust of all with whom he makes contact. By so doing, there is little chance of students or others accusing


the superintendent of misappropriating funds.

The young administrator going into a school for the first time finds himself busy doing many things. Earl Sifert tells us the administrator must deal with: (1) keeping and making records of all kinds, (2) selection, training and supervising of the school and maintenance personnel, (3) housing problems, (4) the problems of finance, including budgeting, school debts, activity finance, (5) pupil accounting, (6) research affording many varied opportunities for local answers, (7) guidance in all of its far reaching aspects, (8) pupil control and directing, (9) the exacting and extensive extra-curricular programs, (10) administrative organization, (11) curricular planning and direction, (12) school interpretation, especially for school patrons.

The high school administrator to be completely educated must be a "jack-of-all-trades" and a "master-of-all" if the students are to be served adequately. With this fine coverage of the things expected of a young administrator, the real purpose of this problem is brought to light with the hope that some of the questions will be answered concerning the Student Association Accounting System.

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CHAPTER II

PREVIOUS WORK ON THE PROBLEM

There has been some work done on this all important problem, and there is literature available, mostly written in the late twenties and the early thirties. These materials are needed in forming a background for this problem today.

One of the outstanding up-to-date pieces of work done on this problem was completed by Victor G. Davidson\(^1\) in which he explains the Park County High School accounting system. In his professional paper he states, "To place the accounting of Extra Curricular Activities Funds on a sound basis is an administrator's responsibility which can no longer be ignored." His problem dealt with a Class A school where there is help available for such a big task as these large schools have. Park County High School does have a good system, and the principal gives due credit to the vice principal and the bookkeeping teacher for doing a fine job.

Our smaller schools today are not as fortunate as the larger schools in having personnel to carry on this job. As a rule, this task is left up to the administrator himself, and even if he is fortunate enough to find a person in his system interested in helping him, he still must be the guide to this all important work. Any administrator in the vicinity

of Livingston could see Mr. Davidson, who contends that the program is a very important one. The Livingston principal does not mind giving assistance and is willing to accept any suggestions that may better his own system.

Paul Terry emphasized very strongly the need of a general treasurer's plan where there is a single bank account and the bonding of the faculty member in charge. He also stressed the need of a monthly statement of the accounts to all organizations. This plan is rapidly eliminating the decentralized plan still used in a few schools today where each class handles its own funds and accounts with the assistance of a class advisor.

Unreh and Wehling think that students should be allowed to handle money and plan for expenditures in the proper manner. Here is a ready made situation for the life experiences of handling finances.

Cecil V. Millard believes that student treasurers should be given the responsibility of collecting class money which is to be handed in to the central treasurer.

Ward G. Reeder writes that no school organization

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can justly claim that, since they have earned their own money, they should be permitted to expend it in any manner chosen. There should be school supervision for two reasons: supervision (1) begets a more economical expenditure of funds, and (2) guarantees the financial integrity and protects the reputation of those persons handling funds.

One of the outstanding books in the field of student finance is by Harold D. Meyers⁶ and stresses two important criteria being used: first, the methods and systems must meet the modern educational principles; and second, the materials must be adaptable to any situation. Mr. Meyers formulated four systems to be used, and the one that fits most Montana schools has the superintendent in charge with the assistance of others but never shifts the full responsibility to someone else. The principal or superintendent, whichever may be the case, places his approval on all orders and places his signature on all checks. All monies are kept in one general fund, and records are kept in one general account book; written orders are needed for all purchases and should be in duplicate. The bookkeeping system can all be kept in the one simple account book with each activity having a column of its own.

Charles Foster⁷ gives a suggested plan that meets all

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the requirements of good business sense: (1) all money from the high school organizations is deposited with the school treasurer as soon as it is acquired by any club or class treasurer; (2) the treasurer will pay all bills incurred by these organizations when ordered on signature of president and sponsor; (3) day by day he deposits his receipts in a local bank; (4) he keeps the funds of each organization in separate accounts and can give information in a moment's notice with regard to the balance any organization may have in its treasury. There is no overlapping of funds, no misappropriations; (5) the treasurer submits a complete report to the principal at the close of each semester in addition to a report rendered by the auditing committee on condition of the books; and (6) the treasurer is under bond.

There are many systems used today for raising money for the activity account, and this, of course, plays a very important part in any school program. To continuously ask the people of a community for donations, contributions, or to buy something for the school's benefit is tiring for the patrons and brings much criticism to the school and personnel. Most of the writers agree that some of this type of work is good for students since it gives them a chance to talk to the public in a different aspect than just the ordinary greeting on the street.

Albert Mock⁸ presents the financial problem of extra

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curricular activities usually centering around securing funds, caring for them, and expending them, and he makes sixteen suggestions for raising funds: (1) activity fee, (2) membership fees, (3) season tickets, (4) admission tickets, (5) commissions for selling magazines, (6) profits from the cafeteria, (7) people are asked for donations, (8) food sales, (9) tag days, (10) P. T. A. contributions, (11) commissions from movies, (12) popularity contests, (13) various suppers, (14) carnivals, (15) raffles, and (16) donkey basketball. Of course, in the different communities there are factors that decide which systems are to be used for raising money. Some school boards consider that all school activities are a part of the education; therefore, there should be no charge for the student body, and those schools will not have activity tickets. Other communities believe that anything pertaining to gambling such as carnivals, raffles, and any other games of chance should be outlawed. Popularity contests are banned in places because some girl's feelings may be hurt if she did not win a certain contest. Local business men think that schools are cutting in on their business and ask the schools not to have magazine or candy sales of any kind. Tag days are nothing more than legalized soliciting so the taxpayer that complains about high taxes is ready to condemn the school for this action. Under such circumstances, the administrator's best move would be to drop these activities. If any of the suggested plans work out satisfactorily in a community, do
not hesitate to use them. For the sake of the school, use only the systems that fit in with the community. A good administrative policy is to be respectful of the likes and dislikes of the taxpayer.

Meyers\(^9\) thinks of carnivals differently than most people. He gives the advantages of using a carnival as a fund raising activity: (1) they require comparatively little time and labor, considering returns, (2) less time is taken out of class work than in other systems, (3) they provide adequate funds for an extensive extra-curricular program, (4) they create a "we" feeling among students and teachers, (5) school and community are drawn closer together through mutual cooperation. The following committees will ease the work for all involved and make the carnival a much better program: (a) supervising, (b) advertising, (c) financing, (d) dance, (e) vaudeville, (f) stunts, and (g) police.

There has been a wide selection of suggestions made in the use of books, requisition forms, ledgers and receipt forms in the field of student association accounting. Arthur Moehlman\(^10\) has these to suggest: (1) general ledger, as the book to carry a summary of all accounts, is preserved and forms the control account, (2) appropriation ledger carries a detailed record of all sub-accounts and activities. In smaller places, these two books may be combined into one.

\(^9\)Meyers, op. cit., p. 11.

(3) The cash book is essential in the recording of cash receipts and expenditures. The ledgers, general and appropriations, and the cash books are the essential books in school accounting.

Of course, there must be subsidiary records which, in most cases, would be the requisition forms, purchase orders, voucher-checks, inventory, and stock records.

Paul Terry11 shows a usable system of bookkeeping: (1) a cash journal is kept by the general treasurer to show all receipts and disbursements and the status of the school accounts at any time; (2) the ledger book is kept by the general treasurer; (a) separate pages are used for each organization where the status of each can be determined at any time, (b) a separate page is used for each merchant on which are recorded all bills as authorized and all payments made; (3) a receipt book is kept by the general treasurer with receipts made out in duplicate, giving the person making the deposit the original and the second copy kept by the general treasurer; (4) voucher checks are used by the general treasurer for all disbursements on which appear the specifications as to the goods purchased and the signatures of all responsible parties; (5) requisitions are to be used by all organizations when purchases are to be made. Space is provided for the name of the firm, specifications of the goods, and the signatures of all the responsible parties. Requisitions are

11Terry, op. cit., p. 399.
made out in triplicate; one each for the general treasurer, the organization, and the rendering firm; (6) organization books are to be kept by the pupil treasurers. Each book records all receipts and disbursements and should balance with the organization's account with the general treasurer.

The material presented in this chapter has been a general summary of the findings of the readings of authors interested in this field of student accounting. Some of the material found in these books will be used in the plan presented, and other findings will be left for the decision of administrators as to the importance for their student accounting systems.
CHAPTER III

STUDENT AND FACULTY PARTICIPATION

Extra-curricular activities have proven themselves to be a valuable and necessary part of our educational system. Things added to the extra-curricular program to further its educational value are, indeed, going to prove aids in the benefits derived from the program. John J. Kirkendall throws some light on this important subject in an article stating:

The principal of the school is responsible for the supervision of collecting and handling all school funds. This responsibility is usually handled in such a way that the child is deprived of the many educational values available in this important educational experience. Student participation in the selling and collecting of tickets at school sponsored activities is a must. Use a careful system of checking tickets in and out. Students should also prepare money for deposit. Counting money and preparing deposit slips with extreme care is excellent training.

In the student accounting phase of the extra-curricular program is found an ideal place to institute different portions of financial matters before the student body. Educators will find it a good practice to turn over some of the financial duties of the student association funds to the students. The administrator will be relieved of these duties and in so doing, the students will be given a sense of responsibility. People in the community will also have confidence that a democratic system is being carried on in that system.

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B. C. Tighe\textsuperscript{2} brings out this factor very well in a brief statement, "Extra curricular activities must be organized to incorporate as many life demands and situations as possible." Educators must admit that this is a very worthwhile statement and that problems dealing with finances in our student association are real-life situations. The sooner more situations are put into effect where students are getting a chance to deal with financial matters in our activity accounts, the sooner true-life situations will be brought into teaching.

Minard W. Stout contends that there must be proper supervision when students are given authority to handle any money with the following suggestions:

The competent administration of pupil activity finances constitutes one of the important duties of the high school administrator. Nevertheless, in many high schools there is very little financial administration of the various activities. Young students have sometimes yielded to the temptations to which they have constantly been subjected and have misappropriated funds. Thus, students have gone from the school trained in lax and irresponsible methods of handling public money.

All accounts should be so kept that no one at any time or at any place could legitimately question the fidelity to their trust of the person who keeps them. The school that provides a favorable situation for loose practices in handling money is little short of criminal.\textsuperscript{3}


Administrators do wrong by making out the budgets for activities and organizations and informing classes of the amount of money they should raise and spend for the coming year. If there is faith in the administrator by the student bodies, undoubtedly they will accept and follow the budget to the best of their ability. A much better educational project would be to organize the classes at one of their first meetings and follow the reasons set forth by E. K. Fretwell for a student planned budget:

(1) requiring organization on a business basis and to follow a definite well understood business method,
(2) requiring activities to live within their income,
(3) tends to develop a better balanced extra curricular program,
(4) intending to encourage worthy non-revenue producing activities by providing for them,
(5) conserves time and energy by eliminating many drives put on to raise money,
(6) prevents raiding of financial resources of the school by popular activities that come early in the year.4

Fretwell has in mind a big money raising project to take place early in the year to make enough money to carry the classes through the year with fewer financial undertakings.

Earl Gehrig5 presents his views in permitting student groups to conduct their own financial affairs, offering


valuable experiences to the organization members and to the officers in particular. A definite and easily understood financial system for student organizations must be installed. Basically, the plan should include: (1) preparation of a budget, (2) a uniform system of record keeping, (3) a uniform system of financial procedure, and (4) a periodic audit of the organization's records. To back up his thinking, J. C. Christy\(^6\) brings out the important factor that the central treasurer does not take the place of the organization treasurer. The organization treasurer still functions in the collection and disbursements of his own organization funds and the keeping of proper financial records.

The central treasurer also audits the individual treasurer's books every month. Here, the organization treasurer knows there is a double check, because his deposits and expenditures must agree with the balance of that account in the central treasurer's books. Therefore, with this double check an accusation of dishonesty would be improbable.

When a class meets to plan the budget, thought should be given to the full four year program. To plan for the single year would not be feasible as a junior class might have difficulty financing the junior year in one year's money-raising activities. A very important problem to give thought also at this meeting is the amount to be accumulated by the end of the senior year for a class memorial or a senior trip.

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To get students involved in extra-curricular work in all respects and most definitely the financial phase is highly essential. Class and club meetings play an important part in our educational program today. A good financial report each month to the class from the treasurer informs the class members how they stand financially and what must be done throughout the remaining year.

Class organizations cannot function to the best of their ability without class advisors or sponsors. Galen Jones writes that teachers who are skillful sponsors find that sponsoring yields returns by ways of discovering pupils' interests, aptitudes and ability that likely would not reveal themselves in classwork alone. Teachers, today, expect a certain amount of extra-curricular duties in connection with teaching assignments. Some, however, take more interest in extra-curricular work than others.

Administrators would do well before making any selections for sponsors to pay heed to Gladys Bender's advice that: (1) administrators do not provide the necessary policies for effective functioning, (2) faculty suggestions are not asked for, (3) teaching loads are not adjusted, (4) sponsors are not consulted on student matters, (5) a sponsor hears of a plan for his organization from someone else, (6) the


teachers are asked to give up evenings for meetings when time could be allowed during the day, (7) lack of internal public relations, (8) a great deal of directing, but not enough working with faculty, (9) teachers like to share planning, (10) activity program competes with classroom activities.

The administrators might mean well in most of these particular fields, but in many cases do a lot of things without consulting the sponsors of these classes or organizations. Consideration for the sponsor should be included in the superintendent's planning, and using Benerd's check list may be an assistance to many who have overlooked the sponsor in the past.

Summing up the value of student and faculty participation in student activity accounting systems, schools of all sizes should be encouraged to develop class and organization secretary-treasurer positions. The position should not be in name alone, but secretaries should be required to keep a set of books of their own. A set like those used on pages 19 and 20 could be included in the secretary-treasurer's books. The material could be kept in a loose-leaf notebook and the pages removed each fall to give the new secretary-treasurer a start in her own set of books. These sheets could be removed and filed in the vault without taking up much space and thus be available for future reference. Bound record books that could take the place of the loose-leaf style can be purchased. One such record book
FIGURE 1

CLASS CASH RECEIPTS

Class Treasurer's Book

CLASS CASH RECEIPTS

For Period __________ to __________

<table>
<thead>
<tr>
<th>Date</th>
<th>Item</th>
<th>Received from</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
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</table>

Totals forwarded

Total $
FIGURE 2

CLASS DISBURSEMENTS

<table>
<thead>
<tr>
<th>Date</th>
<th>Check No.</th>
<th>Item</th>
<th>Paid to</th>
<th>Amount</th>
<th>Cash Balance</th>
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</tbody>
</table>

Signed ___________________________  Secretary

Signed ___________________________  Date

Sponsor

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is: Form 385, Activity Fund Treasurer's Record Book, Fremont, Nebraska, Hammond and Stephens Company.

The treasurer should be instructed to check her books with the central treasurer each month. If this is impossible to do, the books should not be allowed to go unchecked for more than a three month period. Student treasurers should be given some assignments in dealing with the finances such as collecting money from the respective organizations and selling and collecting tickets at school events.

At the end of each school year, the student treasurer should make an appointment with the central treasurer. At that meeting, an unofficial audit to make the books coincide can be made between the treasurers. The balance left in the account could be written in ink at the bottom of the last sheet and initialed or signed by both treasurers. The balance would be a true starting balance for the next fall.

The following chapter will go into detail on the proposed system and will cover the duties of the organization treasurer in a practical accounting system.
CHAPTER IV

A PRACTICAL SYSTEM

From the survey made on student association accounting, many practical ideas and suggestions have been found. There is a low percentage of superintendents, especially in the smaller schools, who have made studies of good and poor accounting systems. In some cases, the method used by the superintendent's predecessor seemed satisfactory so that system was adopted. In so doing, a clear picture of that particular accounting system was never fully accomplished.

Many helpful suggestions have been achieved in this research for a practical student accounting system. If the material is of any value to administrators in Montana, the project will have proven to be worthwhile and most assuredly will be a shortcut in one phase of the administrator's duties.

The following questions were asked during interviews with some twenty administrators of various sized schools in Montana:

1. Would you mind acquainting me with the system of accounting used for student funds?
2. Does the system include a petty cash, book deposit, or such an account to pay small bills for the school?
3. Are the checks co-signed; if so, by whom?
4. Is a cash book filled out each day, and how often is the data recorded in the register?
5. Do you, the administrator, do the bookwork, or is student or faculty assistance used?
6. Approximately, how much money goes through the activity fund each year?
7. Are the books audited annually, and by whom?
8. Who handles the ticket sales at school events?
9. Who handles the money in the fund?
10. Is change kept on hand for ball games and other activities?

11. What are some good books or articles published lately on student activity accounts?

12. Could I have sample copies of the different forms you use?

From this interview type of discussion, many valuable suggestions were secured.

STUDENT ORGANIZATIONS

The first problem of the schools in this regard is to properly organize the classes and clubs in a systematic way so there will be an incentive for each student in high school to appreciate the factor of finance. There is no organization, household or school, that can operate without finances so why then do we not start teaching this all important factor in one of the most logical places for such teaching—the public schools.

The classes could be taught the use of budgets, requisitions, receipts, disbursements, income, checks, ledgers, account balances, and anything else that will go into a practical accounting system. Although many of the individuals of a class will not be elected treasurers, they will still have use for many of the factors in every day living. Teaching such things outside of the regular classes could be more effective, and all students, besides the ones taking commercial courses, would be dealing in finance.

The school student council should be elected at an early date. The council should consist of class representatives as well as the other elected officers of a student
council. The main task of the organization should be to make plans for the school activity calendar for the year.

**BUDGETING**

Each class should decide on the amount of money needed for operation during the coming year, but first the classes must organize, the sponsors must be elected, and the student council must meet and present a varied assortment of money-making activities for the classes for the entire year. The following suggestions could have been made by the council as means of raising money: (1) magazine sales, (2) school sponsored fair, (3) carnival, (4) ticket sales for games, (5) plays, (6) amateur programs, (7) band and music concerts, (8) gym night, (9) suppers, chili feed, socials, and other suggestions, and (10) activity ticket to be divided among the different organizations. The council could also recommend that no dues be charged to any of the classes, class parties should be free to all the students, and admission to shows and assemblies should be free and sponsored by the student council. With the preceding activities in mind, the classes should meet to decide on the budget for the year. Events to be considered regarding the money-making responsibility for the classes are: parties for the year, athletic expenses, junior prom and banquet, athletic banquet, movies, national assemblies, picnics, and other expenses pertaining to the individual classes and organizations.

Under the supervision of the sponsor, the class must decide the amount of money needed for the year. The class
representative is informed of the needs and desires of the class in promoting activities for the year. The student council, the clearing house for all class activities, should take into consideration all of the organization needs from the budgets presented and designate, accordingly, to whom shall be given the most important projects. It is understood the student council will use unbiased opinion in deciding which organization should be given preference. When the student council announces the calendar for the year, the classes can again meet and decide if the provisions made will meet the class needs, and if not, further plans will have to be made for extra increment.

An example of how to use the accounting system would be as follows: (1) The athletic department received $108.00 for gate receipts from the Moore basketball game. An example of the receipt is shown on page 30. The officials were paid a total of $29.50 shown on the check form on page 36. The amounts are recorded in the journal-ledger on page 38. (2) The carnival had a total receipt of $929.00, and the full amount was credited to the student council who sponsored the affair. The amount paid out of the total receipts came to $585.00 and was paid as follows: Rodin Novelty Co. $170.00, Western Novelty Co. $125.00, Ryan Wholesale Co. $105.00, School Supply Co. $30.00, Montana Lumber Co. $25.00, Spudnut Shop $40.00, Grocery Store $60.00, and Hardware Store $30.00. The classes and organizations shared in the profits as follows: $54.00 remained in the Student Council fund,
Senior Class $35.00, Junior Class $32.00, Sophomore Class $56.00, Freshman Class $55.00, Athletic Club $60.00, Home Economics Club $55.00, Pep Club $15.00, Band Club $25.00, and Junior High Class $15.00. The preceding entrées are also found in the journal-ledger on page 58. (3) The Freshman Class sponsored an amateur program and needed a requisition form to purchase three prizes for the winners. A sample requisition form is illustrated on page 28. The receipts for the evening amounted to $82.00, and the expenditures totaled $20.00. The two figures can be found on the journal-ledger sheet on page 58.

The student council, as well as the classes, can be considered as a money-making group in the school. Some of the expenses will be for movies, national assemblies and to pay for advertising and auditing of accounts in the spring.

REQUISITION FORMS

Schools of all sizes should be rigid on the purchase of materials and the issuing of checks. The classes should be informed of the value of requisitions. A school policy should be established whereby the only means of purchasing supplies shall be by requisition form signed by the principal and sponsor or treasurer. To make the policy easier to enforce, a letter should be sent to all businessmen informing them the school will not pay for any articles purchased without a requisition form. The requisition forms should be made out in triplicate and numbered. The original copy should
be delivered to the merchant, the second should remain filed in the office, and the third copy should be held by the organization, sponsor, or treasurer. When the bill is returned with the requisition, a check should be paid to the concern, and the bill should be filed in the organization files.

Regardless of the size of the school or the amount of assistance the administrator may have, the enforcement of the use of requisition forms is essential for good school procedure. There will never be any repercussion as to the authorization to buy supplies so long as the form is properly signed and triplicate copies are on hand.

There are many types of requisition forms, but one originated to meet the particular needs of a school would be the most adequate. The sample copies found on pages 28\textsuperscript{1} and 29\textsuperscript{2} could be used to obtain ideas for developing a suitable requisition form. There will be no perfect form, but with some ingenuity a good form can be developed.

\textbf{CASH RECEIPTS}

The central treasurer should never find himself too busy to accept money into the student treasury without issuing a cash receipt for the deposit. This rule should be followed by student treasurers who receive money into the class funds. The class treasurers will then get in the

\begin{enumerate}
\item Requisition Form, Park County High School, Livingston, Montana, p. 28.
\item Requisition Form, Flathead County High School, Kalispell, Montana, p. 29.
\end{enumerate}
**FIGURE 3**  
**REQUISITION FORM**

<table>
<thead>
<tr>
<th>PURCHASE AND DISBURSEMENT</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>VOUCHER</td>
<td></td>
</tr>
<tr>
<td>ASSOCIATED STUDENTS</td>
<td></td>
</tr>
<tr>
<td>High School</td>
<td></td>
</tr>
<tr>
<td>Date 19</td>
<td></td>
</tr>
</tbody>
</table>

| To                         |  |
| (Name of Merchant)         |  |

**INSTRUCTION TO STUDENTS:**
Present white voucher to merchant, calling his attention to the number and "Instructions to Merchant."

**INSTRUCTIONS TO MERCHANT:**
Please attach this voucher to your monthly statement and charge to ASSOCIATED STUDENTS High School

We must have the voucher number in order to charge the organization obtaining this merchandise.

**To**
(Name of Organization)  

**Sponsor**  

Payment approved:  
Date 19  

Principal.
Requisition Form

**Denton**

H. S. ASSOCIATED STUDENTS

Denton, Montana No. 1701

Requisition on the funds of the Freshman Class which are on deposit with the treasurer of Denton H. S. Assoc. Students.

**Twenty Dollars and 00/100**

Amount

For the purchase of:

- Ten Dollar Purchase Order
- Seven Dollar Purchase Order
- Three Dollar Purchase Order

Payable to:

Graham Drug Store

NOT AUTHORIZED UNLESS SIGNED

Date __8-60__ 1958 Treasurer Freshman Treasurer

Sponsor Superintendent
habit of placing the money into the hands of the central treasurer after balancing the total with the receipts. A receipt will be obtained from the office for the amount deposited, and the receipt should be kept by the class treasurer.

The student receipts could be of the general duplicate receipt form shown on page 32. The student making the payment would receive the original copy, and the treasurer would keep the duplicate in the receipt book. The central treasurer's receipts should be in triplicate form. The depositor should receive the original, the second copy should be filed in student folders and used for the office or central treasurer's needs, and the third retained to simplify auditing.

Different types of receipt forms are presented on pages 51, 32, and 33, but regardless of the style of the cash receipts used, it is very important to number the sheets, and all void copies are kept in order with the rest of the used receipts. When the time for the auditing of the books arrives, it will be a time saver to have all the receipts, from the first to the last, filed in order.

An excellent procedure would be as follows: to count the money handed in by the student treasurer, to make out a receipt for the amount and give the depositor the original

3Official Receipt, Denton Schools, Dentor, Montana.
4Cash Receipt, Harlowton Schools, Harlowton, Montana.
5Cash Receipt, Moore Schools, Moore, Montana.
FIGURE 5

CASH RECEIPTS

OFFICIAL RECEIPT

School District $4

Denton, Montana, Jan. 1953

Rec'd From Athletic Department

Class Moore Game

AMOUNT

One hundred and Eight dollars

Organization

Class

School lunch

Athletic Fund X 100.00

Remarks: Gate receipts for Moore game

Receipt No. 1922

Rec'd By

1922
FIGURE 6

CASH RECEIPTS

Receipt

STUDENT TREASURER
of
HIGH SCHOOL
, Montana

$_________  Date _____19_____

Received from

To Be Credited as Follows:

Remarks

How Paid  Received by

Cash

Check

No. 10484
**FIGURE 7**

**CASH RECEIPTS A.**

<table>
<thead>
<tr>
<th>No.</th>
<th>Date</th>
<th>From</th>
<th>Received</th>
<th>Dollars</th>
</tr>
</thead>
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<tr>
<td></td>
<td></td>
<td></td>
<td>In payment for:</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Activity Ticket</td>
<td>Locker Deposit</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Lab Fees</td>
<td>Athletic Ticket</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Shop Fees</td>
<td>Locker Deposit</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Book Rental</td>
<td>Towel Dues</td>
</tr>
</tbody>
</table>

$ ____________

**CASH RECEIPTS B.**

<table>
<thead>
<tr>
<th>Date</th>
<th>19</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Received of ____________________________

Amount _______________________________

For _________________________________

No. 113 ___________________________ High School

__________, Montana

$ ____________ By _______________________
copy, to file the second copy in a special container, and to place the third, with the cash received, in the vault or in a drawer for money.

CHECKS

The major concensus resulting from this survey is that all checks of the student accounting system should be co-signed. In smaller schools, it may be found that the best solution is to have checks co-signed by the treasurer of the student council and the central treasurer, usually the superintendent. Co-signing of checks acts as good protection for the superintendent as it shows he is not taking the authority of writing checks in his own name.

In the larger schools, when a man is hired to spend part of his time handling student account books, he should be a co-signer of all checks. He is held responsible, by the superintendent, for all of the money passing through the student accounting system. The second signer should be either the principal or superintendent, whomever has charge of the high school, as he is responsible for that phase of the school operation.

Some check forms are made out with a carbon and duplicate sheet to handle the recording of information usually handled by the stub form of a check blank. An example of this form is shown on page 36.  The other check on page 37

6Check Form, Park County High School, Livingston, Montana.
is a typical check blank with provisions made for co-signers.\footnote{Check Form, White Sulphur Springs High School, White Sulphur Springs, Montana.}

Both the check and the stub should be numbered, and the stubs should be accurate, as this could be a checking system for the auditor. The cancelled check should be stapled to the paid statement and also to the requisition form. The stapled material should then be placed in the files under the particular organization charged for the purchase.

**STUDENT ACCOUNTING FILES**

A student accounting file can be a time saver with the material being sought at a person's finger tips when needed. Very few schools are using this method, but the file is one of the best places for storing materials such as cancelled checks and accounting aids.

A folder is made for each organization in the school, and a filing cabinet is provided for them. In this file, all the duplicates are filed for each organization including: cancelled checks, requisitions, paid bills, deposit slips, and any other material pertaining to that organization.

**JOURNAL-LEDGERS**

With the many styles of ledgers and the completeness of the books, there should be no excuse for handling the accounts in the make-shift manner used in some schools.
FIGURE 8

CHECK FORMS

---

THE NATIONAL PARK BANK

Pay to the order of ____________ DOLLARS

Associated Students ______ High School

For

Org. _______ Amt. _______ TREASURER

Org. _______ Amt. _______ PRINCIPAL

Auth. Nos. _________

---

DUPLICATE

THE NATIONAL PARK BANK

Pay to the order of ____________ DOLLARS

Associated Students ______ High School

For

Org. _______ Amt. _______ TREASURER

Org. _______ Amt. _______ PRINCIPAL

Auth. Nos. _________
FIGURE 9
CHECK FORMS

ASSOCIATED STUDENTS
Denton High School

Pay to the order of Dom Patch $29.50
Twenty Nine and 50/100 DOLLARS
Charter No. 3376 Associated Students

THE FIRST NATIONAL BANK
Denton, Montana
established 1883

By Superintendant
By Student Council Treasurer

No. 601 BAL.
BRO'T FOR'D Jan 18 1953
ORDER OF Dom Patch

FOR Officials for Moore
Basketball Game

TOTAL
AMOUNT THIS CHECK 29.50
BALANCE
The cost of the books is within reason for all the schools; the time saving element is more than enough to offset the price. The cost of a big leather covered book with metal edges, plus one hundred pages, is $15.15.8 These sheets include a large space to make the entry, a small space for the number of the organization, spaces for requisition numbers, check numbers, receipt numbers, bank deposits, the amount of income, expenditure, bank balance, cash on hand, and, on the same double page, enough space for fifteen organization entries.

8National Lock Master Binder, Number 9788, Tribune Office Printing Supply Company, Great Falls, Montana.
### FIGURE 10
**JOURNAL-LEDGER SHEET WITH TYPICAL ENTRIES**

<table>
<thead>
<tr>
<th>Date</th>
<th>Entry</th>
<th>Organization No.</th>
<th>Registration No.</th>
<th>Check No.</th>
<th>Receipt No.</th>
<th>Deduced</th>
<th>Income</th>
<th>Expenditure</th>
<th>Bank Balance</th>
<th>Cash on Hand</th>
<th>1 Class of 1954</th>
<th>2 Class of 1955</th>
<th>3 Class of 1956</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-10-53</td>
<td>Moore B.B. Receipts</td>
<td>6</td>
<td>1822</td>
<td>108</td>
<td>900</td>
<td>150</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>20</td>
<td>200</td>
<td>100</td>
</tr>
<tr>
<td>1-14-53</td>
<td>Officials- Moore</td>
<td>6</td>
<td>601</td>
<td>185</td>
<td>998</td>
<td>950</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>20</td>
<td>200</td>
<td>100</td>
</tr>
<tr>
<td>2-10-53</td>
<td>Carnival Receipts</td>
<td>10</td>
<td>1923</td>
<td>929</td>
<td>979</td>
<td>979</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>20</td>
<td>200</td>
<td>100</td>
</tr>
<tr>
<td>2-10-53</td>
<td>Radio Novelty</td>
<td>10</td>
<td>1493</td>
<td>602</td>
<td>929</td>
<td>929</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>20</td>
<td>200</td>
<td>100</td>
</tr>
<tr>
<td>3-11-53</td>
<td>Western Novelty</td>
<td>10</td>
<td>1494</td>
<td>603</td>
<td>105</td>
<td>105</td>
<td></td>
<td></td>
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<td>20</td>
<td>200</td>
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</tr>
<tr>
<td>3-11-53</td>
<td>Ryan Wholesale</td>
<td>10</td>
<td>1495</td>
<td>604</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>20</td>
<td>200</td>
<td>100</td>
</tr>
<tr>
<td>4-11-53</td>
<td>School Supply</td>
<td>10</td>
<td>1496</td>
<td>605</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>20</td>
<td>200</td>
<td>100</td>
</tr>
<tr>
<td>5-11-53</td>
<td>Mont. Lab. Co.</td>
<td>10</td>
<td>1497</td>
<td>606</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>20</td>
<td>200</td>
<td>100</td>
</tr>
<tr>
<td>6-11-53</td>
<td>Grocery Store</td>
<td>10</td>
<td>1498</td>
<td>607</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>20</td>
<td>200</td>
<td>100</td>
</tr>
<tr>
<td>7-11-53</td>
<td>Hardware Store</td>
<td>10</td>
<td>1499</td>
<td>608</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>20</td>
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<tr>
<td>8-11-53</td>
<td>Student Shop</td>
<td>10</td>
<td>1700</td>
<td>609</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
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<td>200</td>
<td>100</td>
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<tr>
<td>8-11-53</td>
<td>Class and Class and</td>
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<td>100</td>
</tr>
<tr>
<td>8-11-53</td>
<td>Organ. Share</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
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<td>100</td>
</tr>
<tr>
<td>8-11-53</td>
<td>Amateur Program</td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>20</td>
<td>200</td>
<td>100</td>
</tr>
</tbody>
</table>

(Continued on next page)
**FIGURE 10**

**JOURNAL-LEDGER SHEET (cont.)**

<table>
<thead>
<tr>
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<td>Inc</td>
<td>Exp</td>
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<td>40</td>
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<td>75</td>
<td>25</td>
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</tr>
</tbody>
</table>
CHAPTER V

SUMMARY AND RECOMMENDATIONS

SUMMARY

The purpose of this paper has been to present a practical student activity accounting system that will meet the standards of the State Bank Examiner. The contents are a summary of the findings from accounting systems used by schools of different sizes in Montana.

The survey conducted has served an intended purpose in discovering that a number of administrators were using impractical systems and were interested in suggested improvements. The improvements have been gathered from the many good systems discovered in this research.

Most of the administrators contacted in this survey were of the opinion that the strong points of a practical student association accounting system were as follows:

1. The students should play an important part in the student accounting system.
2. Budgeting should be given a fair trial.
3. Purchases should not be made, by students or members of the faculty, without using a requisition form.
4. A cash receipt should be given with each deposit.
5. All checks should be co-signed.
6. A filing system for storage of used account-
7. A select ledger should be used to assure a satisfactory audit of the accounts.

RECOMMENDATIONS

The value received from this survey was of great assistance in developing a practical accounting system. A more widespread survey should be carried on, perhaps even as far as the state level. At the state administrators' meeting, a committee could be named to keep the work active. With the committee and State Department of Public Instruction working together, valuable information could be forwarded to superintendents by use of the state bulletins. Timely reading material could be brought to the attention of school leaders. The State Bank Examiner's requirements should be placed in the hands of the administrators at an early date to allow sufficient time to develop a practical extra-curricular accounting system.
BIBLIOGRAPHY
A. BOOKS


B. PERIODICAL ARTICLES


C. UNPUBLISHED MATERIALS


D. PUBLISHED THESIS
