

AN ABSTRACT OF THE THESIS OF

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(Name) (Degree) (Major)

Date Thesis presented July 27, 1937

Title BUDGETING AND ACCOUNTING PRACTICES FOR EXTRA-CURRICULAR
ACTIVITIES IN SELECTED OREGON HIGH SCHOOLS: A PROPOSED SYSTEM

Abstract Approved:

Redacted for Privacy

(Major Professor)

The problem involved in this study is to determine the current practices that are being used for budgeting and accounting of extra-curricular finances in selected secondary schools of Oregon. The author is to propose a system, based upon the information gained from this study of selected secondary schools in Oregon and from a study of the opinions of authorities in this field.

The writer prepared a questionnaire on budgeting and accounting practices and sent it to every principal or superintendent of high schools in Oregon with an enrollment of 100 or more, using the 1936-1937 Oregon High School Directory as a guide in the selection of schools. The writer made a careful study of materials in books, magazines, and theses on file in the Oregon State Library. In addition, he obtained sample material from commercial institutions engaged in the preparation of school accounting forms. Also, he interviewed school men interested in the extra-curricular finance field.

The data of the study showed a real need for work in this field. Budgets are being used in less than half of the secondary schools above 100 in enrollment. Only 4% of the principals, who are using the budget, doubted its beneficial effect. Fifty-four principals do not require each extra-curricular activity to be self supporting, which is in agreement with authorities in the field. The study indicated a definite trend toward the use of budgets in Oregon high schools.

The study revealed a real need for more standardization in accounting practices, which relate to extra-curricular activities. Requisitions should be used by all schools. This study revealed that 16% of the schools are not using requisitions. Since it is a well-established principle that schools should provide real laboratory practice when possible, the writer's survey brought to light a condition that should be corrected. Too few secondary school principals are making use of the opportunity offered in extra-curricular financial problems to train students in real budgeting and accounting methods.

It is the writer's belief that the study shows the need for a system of budgeting and accounting for secondary schools in Oregon, so the author has carefully worked out a system that

he believes will meet the standards set up by experts in the field. The system is not entirely new, since much of it has been in successful operation in certain high schools for several years. Chapter V is devoted entirely to the explanation of the proposed system and how to use the accounting forms shown.

A list of forms developed in this budgeting and accounting study are:

1. High school budget form.
2. High school budget complete.
3. Budget summary sheet.
4. Individual activity record form.
5. Student deposit slip.
6. Memorandum of payment.
7. Regular requisition.
8. Requisition-receipt.
9. Progressive ledger.
10. Monthly report.
11. Voucher check.
12. Petty cash book.
13. Student Body Ticket.
14. Report on sale of tickets.

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A PROPOSED SYSTEM

by

PRESTON FRANKLIN DOUGHTON

A THESIS

submitted to the

OREGON STATE AGRICULTURAL COLLEGE

in partial fulfillment of
the requirements for the
degree of

MASTER OF SCIENCE

July 1937

APPROVED:

Redacted for Privacy

Professor of Education

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ACKNOWLEDGMENT

The writer wishes to take this opportunity to thank the many people who have cooperated in making this study possible. Especially the principals and superintendents who so kindly filled out the questionnaires and sent so much helpful material.

The writer appreciates the many suggestions and the inspiration given by the faculty of the School of Education on Oregon State college and in particular his major professor, Dr. R. J. Clinton, Professor of Education, who has given so liberally of his time and knowledge to assist him in this study.

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BUDGETING AND ACCOUNTING PRACTICES FOR EXTRA-CURRICULAR
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A PROPOSED SYSTEM

Chapter I

INTRODUCTION

Problem of the Study. The problem involved in this study is to find out what current practices are being carried out in budgeting and accounting in extra-curricular activities in the secondary schools of Oregon. These current practices are to be checked against what authorities consider criteria or good current practices in this field. Then the writer is to propose a system that would seem to be adaptable to the majority of Oregon secondary schools.

Purposes of the Study. A study of this type must keep in mind a dual purpose. One could propose a very fine system that would work in a large school that handles thousands of dollars a year and hires a competent accountant to administer the funds such as is done in any large business. On the other hand, the system could be merely a list of income and expenditures. This is more than one found in many schools a few years ago. The dual purpose of the study is to attempt to find out the current practices and needs of the present administrators and to propose a system that might be used now--not an ideal system in any ideal secondary school, but a practical system in schools such as we

have in the state of Oregon.

In some states, the law requires the school board to demand a monthly report and a yearly audit of all funds handled through the extra-curricular channels. In California, courts have held that the sponsor of an activity is responsible for the financial obligations incurred by the organization that he or she advises.⁽¹⁾ Under conditions where the law requires such reports, the purpose of such a system would be to meet that condition. In this state, to date, the supervision of financial records of extra-curricular activities is left largely to the judgment of the chief administrative officers of the school system. In the state of Oregon, there seems to be a lack of policy in defining the status of a superintendent or a principal. In some Oregon school systems, the term seems to be interchangeable.

Questions concerning lighted athletic fields were inserted, because this is a new feature that materially affects student body finances. It increases greatly the receipts and expenditures and makes the problem of handling increased crowds intensively more complicated. The lighted field is a much discussed question by the major secondary schools; so some account must be taken of this new factor in any new system proposed.

(1) Paulsen, O. B., "Budgeting and Accounting Methods for Extra-curricular Activities," Calif. Jr. of Sec. Ed., V. 7, p. 365-75.

Method of collecting data. A carefully prepared questionnaire was worked out after study and experience in handling all extra-curricular funds for the Dallas High School. Much reading of literature upon the subject of extra-curricular finances was done. Conferences were held with others having the responsibility of handling school finances, and personal investigation was made of systems that have been working for a period of years. Letters were written to the University Publishing Company at Lincoln Nebraska, and Southwestern Publishing Co. of San Francisco, in which they were asked to send materials that would be of aid in such a study.

A questionnaire of 34 questions, (copy included in the appendix) was sent to all principals or superintendents of schools having an enrollment of 100 or more according to the 1936-37 Directory of Oregon Secondary Schools as prepared by state superintendent of public instruction. This made a mailing list of 98. A letter explaining this questionnaire was enclosed. (copy in appendix) The writer also enclosed a self-addressed envelope. Returns were made by 76 which is 77.6 per cent. Of those who returned questionnaires and other material; all were considered satisfactory except one that said the school had no budget or accounting system. It was one of the smaller schools.

The writer was very pleased with the cooperation shown

by the administrators. In some cases they sent very complete illustrative material, and in almost every case sent along some added materials or comments to aid in the study. This was particularly noticeable of the medium-sized schools which have 300 to 500 students. In very few cases did the writer get added information other than a student body ticket from schools under 200 enrollment. One very courteous principal of a school with nearly 400 enrollment appended two full typewritten pages of explanatory material. Many of the comments indicated interest in the study, denoting that the handling of extra-curricular finances is of major importance. The state of Oregon has 163 schools with less than 100 enrollment. In very few of these schools do they have extensive funds to handle. Due to the small amount of money handled by the smaller schools and the limited major extra-curricular activities, the writer felt justified in assuming that little added information would come from these schools. This is not meant to indicate that they are not important, but a system that will work for 105 students will also work for one with 25 students, if the principal has the time, inclination, or training to carry out good accounting practices. It is not felt that any system can be proposed that will meet all conditions without some adjustment to meet local situations.

Chapter II

HISTORICAL OPINION

Extra-curricular activities, until about the time of the World War, consisted largely of such activities as literary societies, debate, and oratory. There was some money involved in the carrying out of these activities, but it was usually of small amounts and solicited only as the need for funds arose and largely from the group engaged in the activity. There would be some athletic activity, but the cost of equipment was small and those engaged in the physical activities did so largely because of their own interest in the game and consequently spectators were few and monies handled very small.

When the rapid growth of secondary schools started about 1910, along with the increased enrollment came an increased public interest in athletics, dramatics, and general secondary school extra-curricular activities. The United States census shows that in 1880 there were 215,616 pupils in high school and in 1930 the number had increased to 4,514,008. If only population had entered into this Cole (1) estimates that in 1930 there would have been 361,069 instead of the much larger actual figure.

(1) Cole, Luella, Psychology of Adolescence, p. 6-8.

Along with this rapid growth in school population came an even greater amount of money handled in extra-curricular activities. A recent survey by the Oregon High School Athletic Association (1) shows that the one sport of football alone calls for the expenditure of \$3,000 or more in some of our medium sized Oregon high schools. One Oregon high school recently installed two lighted fields, one for football and the other for baseball and softball. Where the revenues had formerly been counted by dollars, they are now counted in hundreds of dollars. Under conditions such as this, school authorities can no longer justify haphazard methods of keeping extra-curricular activity records than they can regular school records.

Roemer and Allen (2) say, "As the number and extent of school activities have increased, the matter of internal accounting has become more and more a real problem for the school administrator who is rightfully held responsible for a business-like handling of the various finances of the many school activities. There are many opportunities for criticism of loosely handled funds; and there is much educational value in rightfully handled school finances. The problem is as applicable to grammar schools and the higher institutions as it is to secondary schools."

(1) Oregon High School Athletic Association, February, 1937, Report to Member Schools.

(2) Roemer, Joseph and Allen, C. F., Extra-curricular Activities in High School, p. 188.

Administrators may at times resent the suggestion that it is their duty and obligation to see that the money is handled efficiently. Fretwell has this to say, (1)

"Instead of being annoyed by the difficulties of extra-curricular finances in high schools, principals and teachers should welcome the opportunities these difficulties present for the education of both teachers and pupils. It is the business of the school to organize these extra-curricular finances so that they may furnish favorable opportunities for the members of the school to practice with satisfaction now the earning, safekeeping, and wise spending of money."

When the principal or the teacher takes into consideration; why a school?--the extra burden of seeing that all extra-curricular funds are handled wisely will cease to become a burden and become an objective of education. McKown (2) says, "Many values of sound financial organization of the extra-curricular activities might be mentioned. Most of them are so obvious that little discussion is needed.....Good Business organization teaches the student to use good methods in his own financial matters. All of the students in the school will go into positions of trust and confidence in which they will handle funds of employers or of the public. The very best methods of

(1) Fretwell, Elbert K., Extra-curricular Activities in Secondary Schools, p. 444.

(2) McKown, Harry C., Extra-curricular Activities, p. 547-8.

handling money are the least we should expect our students to participate in or to witness."

It would be difficult to find any authority on extra-curricular activities or in secondary education that would justify the careless handling of school funds, regular or extra-curricular, upon the grounds that it takes too much time, or that they lack the training or lack trained teachers to handle the entire fiscal program of extra-curricular activities. It would be just as logical to excuse poor or inefficient methods of teaching upon the alibi that it requires more effort to make the change to modern methods.

Use of the budget. Authorities seem to be in agreement that there should be one centralized budget for the entire school. This seems to be an accepted custom for our federal government, our various state governments, county, city, and school districts. Any student of government would agree that the use of budgets has brought much order out of former chaotic spending and more efficient use of public funds by the use of the budget. The many objections that are now raised against the use of the centralized budget for extra-curricular activities have been used against these governmental budgets. The public school is a public institution and as such is required by law to budget its receipts and expenditures. All funds from extra-curricular activities are derived in a sense from the public, while

the sums may be smaller the principle is the same.

McKown says, (1) "The council, finance committee, or other competent body should make a budget for the year, this budget to include all recognized activities of the school. Each activity should prepare its own budget and the committee should then make its budget upon these smaller budgets. This general budget after adoption becomes the financial guide of the school for the year. This is in accord with good business principles."

Much of our poverty is traced to the fact that so often people incur expenditures beyond their ability to pay and in turn lose much of what they have accumulated. Fretwell says, (2) "The aim of the school is to arrange the situation so that the pupil, by living consciously in a scheme of budgeted finances, will form the habits and develop the skills necessary for such living, and do this with such satisfaction that he will be intelligent financially so far as budgets are concerned now and in later life."

One must caution the administrator who has just started the use of the budget to be reminded that the task will become correspondingly easier and more exact as it is used. Also it is wise to exclude at first or even segregate personal activities such as lettermen clubs, science clubs, and other organizations that make no appeal to the

(1) McKown, Harry C., Op. cit., p. 566.

(2) Fretwell, E. R., Op. cit., p. 469.

general public or student body. In these minor financially important clubs, the report of funds received and spent under the supervision of capable sponsors is thought to be sufficient. Carey says, (1)

Extra-curricular activities were grouped into two types:

- a. Those that were not of a general interest to whole group as a unit such as a class organization, hobby clubs, societies of personal nature. It was thought that the sponsor and one annual report could handle this class.
- b. The second group consisted of those that appeal to the public in general and the whole student body, such as athletics, debate, dramatics, annual, newspaper, and musical organizations.

The responsibility of making the budget, or at least appointing the faculty member, usually from the commercial department, lies with the principal as chief administrative officer of the school. In the larger systems this is nearly always delegated, but in the smaller systems he usually acts as chairman of the budget committee.

Roemer and Allen have this to say, (2) "Budgets must be under the general supervision of the principal, superintendent, or the school board.....No organization shall be authorized or permitted to collect or disburse funds un-

- (1) Carey, R. B., "Budget Control Plan for Handling Student Activity Funds," Nations Schools, V. 11, p. 61-3.
- (2) Roemer, Joseph and Allen, C. F., Op. cit., p. 192.

less chartered by the school board, the superintendent, and principal,unless the provisions herein contained are complied with."

Since the school is operated as a unit, there is little more argument for having a whole series of separate budgets operated independently, than there would be in having the English department set itself up as a separate unit and be administered through the regular budget as such. The principal must insist upon one master or centralized budget for the entire school and train the secondary pupils that they are operating a cooperative enterprise and not to assume that the money belongs to the first ones who get it or have the vested means to keep it.

Carey said that in his study of generally accepted principles he found: (1)

- a. Democratic participation in control is desirable.
- b. That centralization of financial management in the hands of one person or a small executive committee gives a core around which a program may be built as a unit.
- c. That a general fund through which all money must pass makes possible the expenditures of the total funds for a balanced program.

It would seem to be the consensus of opinion that each activity must be under budgetary control, but it is not absolutely essential that every activity be commer-

(1) Carey, R. B., Op. cit., p. 61-3.

cialized to the extent that it individually must raise the amount of money budgeted. An example to show injustice of this would be a school orchestra or band. These two organizations cooperate closely with athletics, dramatics, assembly programs, yet they are not as a rule considered to be the money raising activities. The other extra-curricular activities get the credit and the money, and spend it unless a centralized general budget is used. It takes very little argument to get the student finance committee to see that some activities should share in general funds even though they have no separate fiscal revenue program.

Accounting practices. It is such a well defined principle that no charge accounts should be permitted to be opened by a student without written or oral permission of an adult advisory officer, that one finds this principle generally well accepted and practised in the larger school systems. As a general rule, the business houses cooperate very well. In the case of the faculty member, the necessity of obtaining a requisition or permission of some central accounting agency is not so generally recognized. Jordan says, (1)

"The plan which seems to have the best results is a

- (1) Jordan, R. H., Extra-classroom Activities in Elementary and Secondary Schools, p. 226.

central control of all funds, vested in a faculty treasurer, who is protected by a system of checks."

Carey set up the following principle, (1)".....centralization of financial management in the hands of one person or a small executive committee gives a core around which a program may be built as a unit."

To have complete unification and control and to aid the sponsors to make their activities financial successes, it would seem that there should be a central officer to sign all purchase requisitions, cash or otherwise. This requisition should be signed by two individuals, the faculty sponsor and a person designated by the principal, if not the principal himself. There are, of course, exceptions to this in real emergencies, but it should be understood that the person violating the requisition rule is personally liable for the cost of the articles purchased until the proper authority has been granted. In most systems a method is provided to care for small incidental items, usually amounts less than one dollar. This is known as a petty cash fund and should be administered by some faculty member, but it should only be replenished by regular requisition and upon presentation to the fac-

(1) Carey, R. B., "Budget Control Plan for Handling School Activity Funds," Nations Schools, V. 11, p. 61-3.

ulty treasurer or properly receipted statements. This petty cash fund becomes particularly important especially in places where a check tax is placed upon the number of checks written.

The use of a cash book or a day book would be the minimum accepted standard even for the smallest schools and sub-divisions in those schools. In it a record is made of all cash received and cash paid, even though no effort is made to classify items into their various activities. Jordan sets up this rule, (1)

"Keep three books, a cash or a day book, a journal, and a ledger."

It is agreed that the responsibility of proposing a system to keep proper cash records lies with the principal, but it is thought that the actual record keeping should be delegated to the commercial department, if the school has one, if not to some teacher who has had previous training. It is just as much the duty of the principal to select individuals to see to it that proper cash records are kept as it is to select teachers of English or mathematics.

McKown says that, (2) ".....the finances should be handled through the commercial department since they have the training along this line, and it may act as a valuable

- (1) Jordan, R. H., Extra-classroom Activities in Elementary and Secondary Schools, p. 227.
- (2) McKown, Harry C., Extra-Curricular Activities, P. 565.

business experience for both faculty and student."

This principle is further supported by Fretwell who says, (1) "All members of the school are of necessity concerned with extra-curricular finances, but the leadership in these finances can, and should be, a part of and grow out of, the department of business education in the school."

The writing and signing of checks by faculty or students seems to be a disputed question. This one principle all seem to agree upon, they should be signed by at least one faculty member and in no case should students have authority to write checks alone. The trend of expert opinion seems to support the principle that all records should be open to students, student may sign a requisition, and even act as a co-signer on the check, but the final authority for spending of money must rest with authority of principal or his delegated representative. Roemer and Allen say, (2) ".....all treasurers who actually handle money should be selected, usually by principal."

Jordan says, (3) "The funds must not be in the hands of pupils alone; they must not be entrusted to any single teacher or principal: their management must be open to in-

- (1) Fretwell, E. K., Extra-curricular Activities in the Secondary Schools, p. 444.
- (2) Roemer, Joseph and Allen, C. F., Extra-curricular Activities in High School, p. 192.
- (3) Jordan, R. H., Extra-classroom Activities in Elementary and Secondary Schools, p. 226.

spection at all times; and frequent public reports of all accounts must be made."

Carey says, (1) "use centralized control. The principal is head of the financial department." He brings out further that all checks must have at least one countersigned signature of a faculty member designated by the principal.

The responsibility of money until deposited rests with the proper designated faculty sponsor until it is turned over to the principal or his representative. Many times it is thought to be a good plan to have one set of officers actually deposit the money and merely turn over the records to the person responsible for keeping accounts. In other words, have a separate receiving and disbursing department. In larger systems this will be necessary due to great amounts of labor involved. In the smaller systems it is thought open records, and each extra-curricular activity keeping separate records will provide all the necessary checks. This keeping of records by each activity is oftentimes not done, but going back to the principles and purposes of education in secondary schools, the principal is overlooking an excellent opportunity to give laboratory practice in connection with the commercial department if each activity does not keep separate records.

- (1) Carey, R. B., "Budget Control Plan for Handling Student Activity Funds," Nations Schools, V. 11, p. 61.

This at once acts as a safeguard and an actual life situation to teach good record keeping.

The position of all-school treasurer is so frequently mentioned as a faculty member and the work so exacting that it would appear obvious that the treasurer should be one adept in the art of record-keeping and usually under the direction of the commercial department. The tendency seems to be to have student treasurers for the activity itself under the supervision of the commercial department, but the all-school treasurer to be a member of the faculty or a paid employee of the school board: such as the board clerk or administrator's secretary. Carey reporting his study of budgeting and accounting practices in a mid-western state reported the prevailing practice of having the faculty treasurer appointed and in many cases the principal's secretary kept the actual funds and deposited them. (1)

Just as it is the practice to levy one tax to support all regular functions of the school, it seems to meet with approval of extra-curricular authorities that one student activity ticket cover all regular extra-curricular activities that are of general public and student interest. It would leave out such organizations that are of personal nature such as hobby clubs, lettermens' club, dramatic

- (1) Carey, R. B., "Budget Control Plan for Handling Student Activity Funds," Nations Schools, V. 11, p. 61-3.

club, and special funds such as shop or home economic fees. Too often the student body ticket has been merely a method of subsidizing athletics or a school paper. It is a well-recognized fact that large groups have a tendency to encourage greater attendance on part of other students and the parent. If the student holds a general activity ticket to admit the holder to all regularly scheduled extra-curricular activities it not only aids the holder, but it acts as an excellent agency to arouse interest in the home and get the parents to come to the game or the play. Consequently the per capita cost is greatly reduced, and in turn more money is made for the activity and more students become encouraged to participate. The common sense rule is that it is better to have 300 students see a football game at a fee of ten cents than to have 100 see the same game at 25 cents. The 300 will attract more adult customers and a much better feeling will prevail in the student body and community.

Very little was found about making the ticket compulsory, but there seems to be somewhat of a trend to consider the all-school ticket just as much a part of the secondary school as a textbook. If extra-curricular activities can be justified in school, and little dispute is made over this point, then it would seem logical that a program of education and propaganda should be carried on to have as

near 100% student body financial aid as is possible without incurring local hostility. This will be a local problem to decide, but a small percentage of students buying tickets would be an indication of a weak extra-curricular program.

Chapter III

DATA OF THIS STUDY

In presenting the data, tables were made where they seemed to show the facts better. In some places percentages were worked out, especially where it was thought that percentages would give a truer picture than the numbers alone.

Budget Study Data

Table I gives the results of the question asked in number four: do you have a centralized budget for your school?

Table I

Does Your School Use a Centralized Budget

yes	percent	no	percent	no answer	percent
44	60%	24	32%	6	8%

One principal reported that he used separate budgets for each organization and one other principal said that he felt his situation was unusual in that it was a girls' school only and had no regular extra-curricular activities. What money they needed came from the regular school funds, handled by a paid accountant. This report would then in-

dicates that 45 schools are making use of budgets and assuming that those who failed to answer are not, then 31 are not using budgets.

In the schools that reported upon the question, what activities are required to work under a budget, 54 or 71% replied in such a way that shows they are using the budget for some activities, but not a centralized budget. This indicates that 9 or more schools use separate budgets rather than centralized budgets. Table II shows the answer to the foregoing question.

Table II

Activities are Required to Work under a Budget

Name of Activity	No. Schools Reporting
All	36
Athletics	12
Music	5
Miscellaneous	6
None	21

The miscellaneous included one for classes only, one for annual, two for dramatics, one for literary societies and one principal replied that he makes tentative estimates at the beginning of the year. This shows

that 57 schools out of the 76 are using budgets in one form or another.

In answer to the question, do you find that the budget aids in the financial success of the activity, 56 principals reported "yes", and of those who are using budgets in one form or another 3 principals reported "no".

Table III shows those in the 59 schools, which use some form of budget, that are responsible for the preparation of the budget.

Table III

Person or Group Responsible for Budget Preparation?

Name of Person or Group	Schools
Principal	39
Student Council	27
Financial Director or Adviser	26
Budget Committee	10
Student Body Treasurer	8
Athletic Director	10
Student Body President	3
Class Officers	2

To get a view of what is done in case the amounts budgeted must be increased due to an emergency, Table IV is shown.

Table IV

Budgets Increased Due to Emergency

Replies Tabulated	No. of Schools
Give special play or program	11
Have emergency funds	13
Student Council decides	12
Activity goes into debt	2
School Board aids	2
Pay as they go or stop	2
Principal may change budget	1

Of the schools who use budgets part or complete, 31 or 46% hold each activity responsible for raising amounts of money budgeted, while 36 or 54% do not.

Accounting Practices

In answer to the question, do you require a requisition before a purchase can be made, 64 principals or 84% replies "yes", 11 principals or 14% replied "no", and one principal or 2% did not answer. One principal said all amounts purchased must be approved by the council first, but no requisition was required, and another principal replied "yes" for music and athletics, but sponsors handle all other purchases.

Table V is made to show who signs the requisitions in the 64 schools which use them.

Table V

Who Must Sign the Requisition

Person or Persons	No. of Schools
Principal (#)	23
Principal plus student manager	2
Principal plus S.B. Treasurer and Pres.	3
Principal, Vice-principal or Adviser	13
Sponsor or Faculty Adviser	7
Financial Director or Fin. Adviser	3
Student Treasurer	5
Faculty Treasurer	3
School Clerk	1
Faculty Adviser and S.B. Treasurer	4

(#) Principal or Superintendent counted as the same person.

Thirty two principals reported the use of a petty cash fund. This is 42% of all principals who replied. Thirty nine principals or 51% indicated they did not use a petty cash fund. Five principals did not reply to this question. Of the 32 schools that do, use a petty

cash fund, Table VI is made to show the maximum sums permitted to be paid by petty cash.

Table VI

Maximum Sums to be Paid by Petty Cash

Amounts	No. of Schools
12.51-no limit	6
7.51-12.50	4
2.51-7.50	6
1.51-2.50	1
.51-1.50	13
.0-.50	1

Of the 76 principals who replied 59 or 78% reported the use of a cash book. Nine or 12% said "no", while 8 or 10% did not answer the question.

Very few are using copyrighted systems, only 10 said "yes". Seven of the 9 said they were using a system called "Ideal," put out by the Ideal Publishing Company of Seattle, Washington. Most of the answers to this question were blank, 8 said they were using their own.

The responsibility for keeping proper cash records

is a task that seems to be divided. Table VII will show who seems to have this job.

Table VII

Who is Responsible for Proper Cash Records

Person or Group	No. of Schools
Principal alone	3
Principal plus treasurer	6
Student body treasurer	24
Faculty treasurer	12
Commercial department	6
Faculty adviser each group	2
Professional auditor or bookkeeper	3
Financial director	6
Each organization	2
Faculty and student treasurer	7
Not checked	6

The old problem of having unpaid bills turn up and no one knowing about them will soon be a thing of the past if the present trend is continued. In answer to the question, do you permit students to open a charge account without a requisition, 71 or 93% of the

principals answered "no". Four or 5% said yes and one did not answer. In two cases remarks were written in, "most certainly not," and "no, no, no." Forty or 53% said that they had students write the checks. Thirty-five or 46% said no and one was left blank. Of the 40 who permitted students to write checks, it appeared that 19 must be countersigned by the principal or a faculty member, while 21 schools permitted student treasurers to make out checks without other signature. The 35 principals who did not allow students to write checks plus the 19 schools who must have faculty or principal countersign makes a group of 54 or 71% of the total schools reporting. In most cases the principal or financial director was the person to sign the check.

In any secondary school, the responsibility for cash until deposited is one of the most dangerous places to induce petty crimes or breaking into schools. Table VIII shows how the principals reported upon this problem.

Table VIII

Who is Responsible for Money Until Deposited

Name of person	No. of Schools
Principal	22
Vice-principal	3
Faculty adviser or sponsor	6
Student Body Treasurer (student)	14
" " " (faculty)	9
Financial Director	3
S.B. Treasurer plus faculty member or principal	9
Commercial Department Head	2
Individual who collects	3
No answer	4

The opinion concerning bonding of persons in charge of cash was divided. As a rule the principals of larger schools thought it best. In direct answer to the question, do you feel that the person or persons in charge of cash should be under bond, 25 principals answered "yes" and 45 principals answered "no". Two answered in such a way that it could not be decided whether they meant "yes" or "no". Four principals did not answer this question.

Balance sheets are usually looked upon with horror and as a nuisance, but to keep proper records they are a necessary part of any system. Table IX is made to show the frequency of reporting to the student body by a balance sheet.

Table IX

How Often are Balance Sheets Required

Period of Time	No. of Schools
Weekly	1
Monthly	48
Every two months	2
Every three months	5
Once a semester	9
Once a year	4
No set time	1
Not answered	6

In answer to the question, do you use a cash register 60 principals indicated "no", while 11 principals answered "yes", and 3 principals failed to answer. Two schools are using a cash register in the cafeteria only.

The keeping of cash records by one faculty member and an all-school treasurer is a good principle, but

much valuable experience is being lost by not requiring each separate activity to keep individual records and to check regularly with the all-school treasurer. Twenty-six principals or 34% did not require separate records to be kept while 47 or 62% of the principals do require separate records. Three principals left this question blank.

Cafeteria funds are found in 48 of the schools and of these that have cafeteria funds 5 schools include the money in the regular student funds. One principal keeps the cafeteria funds separate, but the profits accrued to the general school fund. It seems to be the general custom to class the cafeteria as a regular school function, which seems logical.

Table X is made to show the practices employed in selection of student body treasurer and qualifications.

Table X

Student Body Treasurer Practices and Qualifications

Require bookkeeping	Yes 46	No 26
Manner of selection	Elect 57	Appoint 15
Manner of nomination-No restrictions	48	Restricted 24
Faculty Treasurer	Yes 6	
Student Treasurer	Yes 62	
Professional Treasurer	Yes 4	
No answer to this question	4	

It is evident that student treasurers are a common practice. From the questions, it was impossible to determine the duties of the student treasurer. It would appear that very few follow the loose practice of permitting students to write checks without being countersigned by some faculty member. It was noted that in the larger schools more care was given to the selection of student body treasurer. In fact, those schools of a 1000 or over enrollment as a rule had faculty or professional treasurers.

The price of student body tickets varied from 25 cents to \$5.00. The price of the ticket alone does not give the complete picture, since a student body ticket

means anything from a card merely to represent membership to a detailed ticket that entitled the holder to all regular scheduled events. To give an idea of the variations in price of student body tickets, Table XI is shown.

Table XI

Price of Student Body Tickets

Price of Ticket	No. of Schools
4.51-5.00	1
4.01-4.50	0
3.51-4.00	0
3.01-3.50	0
2.51-3.00	5
2.01-2.50	8
1.51-2.00	19
1.01-1.50	20
.51-1.00	15
.26-.50	2
.00-.25	4

It was found that 14 schools issue tickets that admit holder to all regularly scheduled school extra-

curricular activities. The mean price of the 14 schools was \$2.39 and the most frequent cost was \$2.00. A large number of student body tickets should be called athletic tickets, since 34 schools out of the 72 that have tickets admit holder to athletics only. The mean price of this group was \$1.77 per ticket, the largest number selling for \$1.50, and the next most frequent group was \$2.00

Four schools allow admission to plays in addition to athletics, their mean price was \$2.37, or only 2 cents below the mean of \$2.39, for the 14 schools that permitted admission to all activities with the purchase of one ticket. The other schools seem to have a varied combination. As a rule if the ticket sold for less than \$1.50, it included only part of athletics, school paper, or a discount to all activities. The combinations were many, but it is safe to state that any ticket selling below \$1.50 would usually have restrictions since it would only allow admission to activities that ordinarily do not pay very well such as debate or the school paper.

In reply to the question, is the ticket compulsory, 10 principals or 13% reported having a compulsory student ticket, while 61 or 80% did not. Four schools have no tickets and one did not answer. The mean price of the ten schools requiring student body tickets was \$2.09,

while the mean price of the 61 schools not requiring tickets to be purchased was \$1.66.

Table XII

Showing Per Cent of Students Who Purchase Tickets

Per Cent	No. of Schools
41-50%	4
51-60%	8
61-70%	9
71-80%	14
81-90%	12
91-100%	22
Left blank	3
No ticket	4

No relationship could be found between the price of the ticket and the number purchasing in those schools where the purchase of a ticket was optional. The one school, reporting that 40% of students buy tickets, had a little over 500 enrollment and price was one dollar and it allowed discounts on all games and plays. Four schools reported tickets selling for \$2.00 or more and 95% or more of the students purchased these. Of the

four, all said it admitted students to all activities, so it would indicate this practice aids in the sale of tickets. Only one school reported 100% in the non-compulsory group and the ticket cost \$1.00 and admitted to basketball and baseball.

Thirty-eight principals or 50% who reported enclosed current student body tickets. The tickets ranged from just plain tags with name of school, to very complicated printing giving the schedules, and a set of key numbers so that all events and school papers handed to holders could be checked. Twenty schools sent requisitions, deposit forms, check blanks, and incidental material that aided in the study materially.

Sixteen principals included written comments, all the way from a short sentence to a full page. One principal sent a complete handbook explaining in detail his entire school system and the financial forms. Three school principals said they were eager to find out the results of such a survey. One principal reported that he had only used a centralized system one year, but during that time the finances of the school had been materially benefited.

Seventeen principals reported that they have lighted athletic fields. Two more said they plan to have

before 1938. Of the seventeen lighted athletic fields, principals of 15 reported that it had been profitable, the other two answered by saying that they were only recently installed. It would be safe to report that this new activity will prove economically profitable to those schools who have only operating expenses to pay, but it is questionable if it will soon pay out the capital cost of installation in cities that do not draw crowds of 200 adults or more. The financing of most fields seem to be outside the regular student body program, usually donations of \$10.00 or non-interest bearing courtesy notes of \$10.00 were issued these being paid off by allowing the holder admission to games. All of the seventeen fields were lighted for football, three were lighted for football and baseball, five for football and softball. One town with high school enrollment of about 350 reported two lighted fields, one for football and the other for softball and baseball. It would be well to add that the softball and baseball are town activities and not secondary school activities. One school reported that it requires much more electricity to light for baseball than it does for softball or football. The smallest school, reporting a lighted field, had an enrollment of about 200 and this field is used by the town for many other activities and was financed entirely

by other than extra-curricular funds.

Chapter IV

SUMMARY AND CONCLUSION

Budgetary Methods

Since it is a generally accepted principle that the budget should be used for extra-curricular activities in secondary schools, Oregon schools above 100 enrollment are only 60% efficient. Thirty-two per cent answered "no" and 8% did not answer. This leaves much for improvement in this field.

The budget will do much to remedy existing evils in loose handling of funds. This is testified to by the fact that only 4% of schools using budgets doubted if they were of benefit. This Oregon study correlates with findings in other states and every principal should include the use of a budget as a part of his regular routine in handling of the student funds. Allowing the student to have a voice in budget making is a valuable preparation for life activity and a teaching aid in business education. Every commercial department should ask for the opportunity to aid in setting up a budgetary control system of student finances.

The schools surveyed seem to be using accepted practices concerning budget preparation, because the principal or his duly appointed faculty member should be responsible

for budget preparation. Oregon schools who use budgets seem to be doing this. A budget committee should contain generous number of students to keep the interest of students in this valuable activity. Thirteen schools report an emergency fund to care for emergency expenditures, this practice should be more generally adopted. As the budget committee gains experience in this activity, it will find the task of forecasting future spending of money easier. All schools must give their committees power to handle emergencies as they arise, upon their merits and to allow some activities to get along with the money left is valuable experience if it can be done without personal injury.

It is thought that some activities would be severely crippled or squeezed out entirely if they had to depend upon their own individual financial returns; so it is in line with current progressive thought that some activities should share funds with the highly important ones that do not have so much popular appeal. Fifty-four schools reported that they did not require each activity to be self-supporting.

Summary of Accounting Practices

Very few parents would approve of unsupervised charge accounts by their children. In school many false ideas may originate about the use of credit. It is noted that 84% of the reporting schools require a requisition before permitting a purchase of any kind and 93% of the

principals said that they did not allow charge accounts without properly signed requisitions. This one important accounting feature seems to be generally accepted.

It is generally thought best to have one person, either principal or person designated by principal, to handle all incoming cash and to make deposits. This should be an adult, preferably a member of the faculty. Thirty-two schools left this task to students, which is a condition not consistent with good principles. A student of high school age is rarely given large sums of money to administer in the home or in business, unless under very close adult supervision. Less than the best is not good enough for school administrators.

The survey indicated that 71% of the schools require the signature of a principal or a faculty member before money can be spent. The other 29% come largely from schools below 200 in enrollment. Only 3 schools with enrollment over 200 permitted money to be expended by check without faculty or principal's signature. The record here can easily be improved.

No student should have money belonging to school in his possession any longer than absolutely necessary. Business houses insist that money be placed in the cash register or safe immediately. Due to the nature of our school program that would be rather rigid, but surely a

check-up once a day would be the minimum and this check-up must be supervised by a faculty member or a regular employed person of the school. Seventeen schools or 22% delegated this authority to students and held the student responsible for money until deposited. In case of a shortage, severe criticism would be leveled against principals permitting this loose handling of funds.

It is the usual custom to require monthly reports from those handling public funds. Since the extra-curricular funds are quasi-public, it is wise to follow this current practice. Forty-nine principals reported they required balance sheets monthly or oftener. Under a budget system, statements must be given out frequently, especially when the funds are running low, and these statements should be made available to the student body. The schools have much room for improvement here. Also an opportunity is being overlooked by the commercial department to get some real laboratory practice in record keeping and reporting of funds.

Little material is found upon the need of using cash registers in the school. Eleven principals reported they were using them, 60 reported "no". A good cash register is costly, but no more so than much other equipment so often found in a school. It would be a poor business concern that did not use a cash register and this would

give added training and supervision of funds to both students and faculty.

By all means each organization in the school should keep separate records, even though they have a faculty treasurer or a paid bookkeeper. The training alone would justify the added expense and it provides each extra-curricular activity with a more personal interest in the finances of the activity when they are required to keep records. This also acts as a check upon the professional bookkeeper who occasionally makes an unintentional error. One weakness of separate records is that too often each activity hates to place any of its funds into the general fund for non-sustaining activities.

Authorities are generally agreed that the student body ticket should cover entrance costs to all regularly scheduled events. This practice has been accepted in private schools and higher institutions for many years. Too many of the Oregon high schools surveyed are using the student body ticket to feature athletic games. The trend in Oregon schools seems to be gradually toward the one ticket to cover all events. This will cause the ticket to increase in price, but it will increase the income in the long run. Very few schools which offer a ticket good to all events seem to be able to do so under \$2.00 per annum. On the other hand, much valuable experience is lost if there is a tendency to make the ticket just another book or school

expense and to allow the students to have little or no voice in the financial affairs. There is a tendency for the student of organizations to think less seriously of expenditures if appropriated out of student body ticket funds. The survey brought out the need of improvement in defining a student body ticket and more generally standardizing the rights obtained from its purchase.

The writer found no evidence to justify a compulsory student body ticket purchase, although 10 principals reported that they required purchase of tickets. Extra-curricular activities have not yet reached a place in the public's mind so that it is generally wise or expedient to arbitrarily require the purchase of this ticket. Those schools reporting its compulsory use gave no indication of public resentment in their general remarks. Much student and public education needs to be done to justify the compulsory purchase of tickets. From the percentage reporting successful student body ticket sales, it would indicate that the tickets are very popular or much advertising is done to stimulate the sale. Table XII showed that 22 schools reported from 91% to 100% of students bought tickets. Excluding the 10 schools that compelled students to buy tickets this still leaves 12 schools that reported sales over 90%. Thirty-four of the 69 principals, who reported percentages, said over 80% of their students pur-

chased tickets. This would indicate that the ticket campaigns are successful and students really purchase them. One-hundred per cent is the goal to reach, since it is better for every student to feel that he or she is on the inside. In a few cases principals reported a plan decided upon by the council to care for worthy, poor students.

From the student body tickets and the accounting materials enclosed the indications are that the schools need some uniform methods of budgeting and accounting. It would seem that in colleges, especially where administrators are trained, accounting, as it relates to school finances, regular and extra-curricular activities should be a required course. In the next chapter the writer will set up a proposed system based on 10 years of accounting study and teaching, this study of budgeting and accounting practices, and actual experience as financial director of Dallas High School for four years.

Proposed Further Studies in this Field

1. The effect of lighted athletic fields upon the extra-curricular activities in the secondary schools.
2. Should school district funds raised by taxation be used to aid extra-curricular activities?
3. A survey to determine the training offered secondary school administrators in extra-curricular finances by our teacher training colleges.

4. A study of systematic extra-curricular activity financing to determine the contribution made to secondary education.

Chapter V

A PROPOSED SYSTEM

Any system, installed for budgeting and accounting practices, that is generally approved will need to be sold to the faculty advisers and the student officers. The responsibility of this will rest with the principal or some appointed faculty member with extra-curricular and accounting experience. It is very necessary to first obtain the cooperation of the faculty, because upon the advisers of the various groups will fall the task of carrying out the successful coordinated program.

After the plan has been explained to the advisers, the next step is to call a meeting of all student body officers, presidents and treasurers of clubs, and advisers. The plan is carefully explained to this group. Probably the next action would be to get the approval of the school governing body council or executive committee and then at a meeting of the student body have a general outline of the plan and its aims presented.

The principal must appoint a manager or act as a financial manager, and appoint or have a faculty and student budget committee appointed. It will be the duty of this budget or finance committee to outline the general plan for the school to follow. This first committee

should be small and set about to thoroughly master the financial problems involved in the school. Forms will need to be printed, or if other methods are available such as mimeograph, multigraph or hectograph they may be used. The first important form will be the budget. This budget will need to be adapted to the separate activities.

Budget Forms and Their Use

It would be difficult to standardize a budget form, but the essentials of a budget are: records of previous year if possible, estimates of receipts and expenditure for current year and total to be raised by student body or balance to aid the general fund to support emergencies or those activities unable to be self-sustaining. A general form is shown in Figure 1.

BLANK HIGH SCHOOL BUDGET

Please list your amounts below as indicated. Fill out completely as possible, use added sheets for items and explanations if necessary. Return to Principal not later than_____.

Expenditures 1936-37 \$_____ Est. 1937-38

Receipts 1936-37 \$_____ Est. 1937-38

Add or subtract to general fund in 1936-37 \$_____ Est. 1937-38
(cross out word not needed)

Itemize:

1937-38 Expenditures

1937-38 Receipts

a.
b.
c.
d.

a.
b.
c.
d.

Use added sheets for explanations or more room,

Activity_____Principal_____

(Figure 1)

The first year will be largely an estimate, if no records have been kept, but nearly all schools will have some type of records. These blanks and appended sheets for extra-curricular activities such as athletics or dramatics should be filled out promptly by the advisers of the groups with presidents and treasurers of the groups and

returned to principal or appointed faculty representative.

The budget committee will be composed of the principal or faculty treasurer as chairman, student body president, secretary and treasurer of student body and selected advisers of groups, probably one from each major group and one or two to represent the minor groups. The committee will have power to rule out items, raise or lower items and finally pass it to the council in approved form. This budget committee will then make a master budget for the entire school, giving the records by totals for past year and the estimates by totals for the current year. A suggested form is shown by Figure 2.

BLANK HIGH SCHOOL BUDGET For the Years _____ To _____			
1936-37 From Records		1937-38 Estimates	
Athletics:			
Expended	\$ _____	Expenditures	\$ _____
Receipts	\$ _____	Receipts	\$ _____
To or From		To or From Gen.	
General Fund	\$ _____	Fund	\$ _____
Dramatics:			

(Figure 2)

This blank will be continued until all extra-curricular activities are listed. It would be hardly worthwhile to print or mimeograph this form, but merely use blank sheets of paper and have final budget summary typed.

The all-school budget summary would be modeled after Figure 3.

BLANK HIGH SCHOOL Summary Sheet for 1937-38 Budget		
Activity	Total Expense	Total Receipts
1. Athletics	\$ _____	\$ _____
2. Dramatics	\$ _____	\$ _____
3. Glee Club	\$ _____	\$ _____
4. Debate	\$ _____	\$ _____
5. Emergency	\$ _____	\$ _____
	_____	_____
Grand Totals	\$4000.	\$3000.
Difference between expenses and receipts-----		\$1000.
To be raised by Student Body Ticket Sale-----		\$ 700.
School board appropriation-----		\$ 300.
Extra Funds Total to Raise		\$1000.

(Figure 3)

This final form and individual budget sheets can be approved by the student council or principal, superintendent or all of them. In many schools it is the custom to aid some of the extra-curricular activities by the school board funds and this form allows for such practices. If the student body finances must be entirely self-supporting, then the entire \$1000. must be raised by the ticket sale. In some schools the Superintendent may object to placing \$300 into the high school fund, in such cases those

expenses that the school board has been paying will be turned over to the Superintendent and paid in the regular manner. The budget committee should include all activities in the budget and make estimates accordingly. This gives the student in that activity a feeling that the activity really belongs to the student body and it is not a beggar having to live entirely upon outside support.

After the budget is finally approved, typed copies should be kept by the adviser of each club or activity and by the financial budget chairman or faculty treasurer; so that each has a financial guide for the school year. Deviations from this budget should not be allowed except by action of the principal in extreme emergency and usually only by action of the entire student council after it has been studied by the chairman of the budget committee. The first year will show up many weaknesses, but in two or three years estimates and expenditures will match very closely if careful attention and cooperation by all concerned is given.

Accounting Forms and Their Uses

Accounting forms will vary in different systems to fit the needs of that particular school. One principle must prevail throughout the entire school, namely; this is not just another idea of some "crack-pot" to make life more miserable for school administrators and school fac-

ulty. You are in charge of public funds and individual pupils. It is not the things taught in classes that always make the greatest impression upon the minds of the plastic, adolescent youth. Here is a given situation to teach proper administration of public funds and to develop attitudes that may become ideals toward a better handling of their own money and the money of others. The handling of all money must be supervised by a mature adult. The school should avoid all practices that are conducive to dishonesty.

The system must be built around a responsible finance committee. Probably the Principal as chairman, or if not the principal a designated faculty representative. This finance committee must not be too large or there will be too much divided responsibility of money and records. It will appoint or select all students and faculty to have charge of the financial conduct of any extra-curricular activity. This committee will require each activity to keep separate records and to check monthly with the central treasurer. This finance committee may or may not be the same group that makes up the budget committee.

The essential accounting forms for a proper budgeting and accounting system would be a receipt book, a cash book or a journal and a ledger, monthly report blanks, a voucher checkbook, requisition and order blanks, and spec-

ial deposit records.

To start the separate records for each individual activity, probably the best form for the activity would be to purchase a notebook or a journal and have merely two columns as shown in Figure 4.

BLANK HIGH SCHOOL DEBATE CLUB			
Date	Explanation	Receipts	Paid
Sept. 24	Budget Allowance	60.00	
" 28	Tickets from Albany Debate	5.40	
" 28	Judges for Albany Debate		7.50
" 30	Totals	<u>65.40</u>	<u>7.50</u>
Oct. 1	New balance (Checked P.D.)	57.90	

(Figure 4)

This account will be checked once a month with the all-school treasurer or financial director and, if correct, will be approved by faculty representative. The "budget allowance" item entered will give the club adviser and the club treasurer a current check upon their financial status with the central treasurer and they will never overdraw without special action of the budget committee or student council.

The next form to explain will be the organization deposit slip. This slip is given to each activity as a receipt for money turned into principal's office or to the

faculty treasurer. In some schools a duplicate receipt is used instead. Figure 5 shows the student deposit slip.

BLANK HIGH SCHOOL Student Deposit Slip	
Date _____, 193_____	\$ _____
Organization _____	
Deposited by _____	
Received by _____	

(Figure 5)

This slip should be made out in duplicate, one copy goes to treasurer of club organization, and the other goes to faculty treasurer to keep club fund receipts separate. When a duplicate receipt is used it acts in the same way. If the school is small and duplicate receipt books are hard to obtain, any receipt book with stubs will do. Give the original to the club treasurer and the record of stubs are reported to faculty treasurer each day.

When the faculty treasurer pays for goods or services upon proper requisition, a memorandum of payment will be sent to the club treasurer and from this memorandum the club treasurer makes all disbursing entries. The memorandum can be a simple notice such as is shown by Figure 6.

MEMORANDUM OF PAYMENT To Club Treasurer	
Date _____, 193____	\$ _____
Charged to _____	
For _____	
Paid to _____	Check No. _____
By _____ Treasurer	

(Figure 6)

Very little explanation will be needed in the space provided to give nature of expenditure since the faculty treasurer will have the original bill and the receipt. The name of company and check number will be helpful in checking information in case an error is made in head office.

The faculty treasurer appointed by the principal, usually from the commercial department, will have charge of all general records for the centralized system. If sums of money handled are large at any one time it would be wise to have a fidelity bond. Upon this faculty treasurer will fall the task of keeping accurate record of all money, unpaid accounts, and notify the principal when the activity overdraws or deviates from the budget. The responsibility of the faculty treasurer is somewhat

like the bookkeeper in a bank. He has funds of many activities under his care and the mixing of funds will create distrust in the entire system.

When money is received by the Principal or treasurer, the memorandum deposit slip acts as a notice to give proper credit in the journal to the correct activity. Money should be promptly deposited in the bank. The treasurer must check accurately to see that the total sum agrees with the total of memorandum student deposit slips.

It is a well established principle that no money is to be paid out, without proper requisitions having been signed. The requisitions should always be made out in duplicate and signed by adviser of the activity and the principal. In most cases, it is well to have a statement to the effect that a requisition is void unless signed by the adviser or the principal. To have the requisition-system work properly, most systems will have both signatures. A useful requisition form is shown in Figure 7.

REQUISITION
BLANK HIGH SCHOOL

Date _____, 193____ No. 000

Activity fund _____

To _____

Please deliver following articles or services
to _____

_____	\$
_____	_____
_____	_____
_____	_____
_____	_____

Send bill to _____, Blank
High School treasurer.

_____ Adviser

_____ Principal

This requisition is void unless signed by the
Principal or adviser.

(Figure 7)

The bill will be directed to be sent to the principal or treasurer. In all cases where the cost is known, it is well to insert price. Many times arguments will be given to avoid the requisition "nuisance," as some call it.

What is a coach to do if a boy is in need of emergency medical attention and he has no requisition blanks?" Of

course such an attitude is foolish, any system will deviate from rules to save needless suffering or risk of fatal injury. He should take care of the emergency and make out a requisition later. Other times a person will merely want a postage stamp, "must we get a requisition?" The answer is "no". A petty cash fund will be used or have stamps paid for out of general funds and left with principal. The requisition is to be used when purchases are made outside the school.

There are times when the person will not wait for the end of month, or the custom is to pay immediately, such as having athletic officials. In this case, the coach or adviser of the activity will know this in advance and can have a simple form such as in Figure 8 to take care of checks in advance of games.

REQUISITION-RECEIPT	
Date _____,	193_____
Please make check to _____	
Amount \$ _____	for _____

and charge to _____ activity.	
_____ adviser	

Received payment.	Date _____ Check No. _____
	_____ Signature

(Figure 8)

This is handed to treasurer before the game and a check is drawn, then the adviser takes the check and order, and gets a signed receipt from the person and returns the receipt and order to the treasurer for the files.

The treasurer purchases a good bound journal at a bookstore and makes a typewritten list of organizations and account names. This list is to be pasted in the front of journal to act as a reminder of the proper names of the activities. Since the all-school treasurer will in nearly every case be one who has had some experience, detailed explanation of bookkeeping practices will be un-

necessary. In the left column and always on the first line, place the name of the debit and on the second line credit the activity that made the transaction. In expenditures, you will debit the activity and credit cash or account title. Since nearly all schools will operate on a cash basis, one can have two columns headed first cash receipts and second cash disbursements, and use the lines to tell the name of the organization to receive credit or to be charged. This would be a form of cash book of single entry type. It will be necessary to have a ledger with accounts for every activity that will receive or disburse money. A progressive form of ledger will probably be the easiest to use. This progressive ledger can be obtained by purchasing a 4 column journal and use as shown by Figure 9.

PROGRESSIVE LEDGER FOOTBALL ORGANIZATION					
Date	Explanation	Check No.	Receipts	Paid	Balance
Sept. 9	Arlington Gate		.45		
Sept. 10	2 footballs-Wilson Co.	27		.16	29.00

(Figure 9)

If thought desirable one can use regular ledger paper and make entries in conventional form. In any event the balances of accounts should be shown monthly and a

statement made out as follows in Figure 10.

BLANK HIGH SCHOOL REPORT			
For the period from _____ to _____			
Name Organization	Receipts	Expenditures	Balance
Football	\$ 360	\$ 320	\$ 40
Glee Club	50	30	20
Student Body			
General Fund	560	160	400
.....			
.....	<u>\$ 1100</u>	<u>\$ 600</u>	<u>\$ 500</u>
Bank Balance	540		
Checks Out	40		
Cash Book Balance	<u>\$ 500</u>		
			Treasurer
			Principal

(Figure 10)

This statement can be typed out in duplicate and a copy posted upon the bulletin board. Once a year an annual statement should be made and audited by a committee selected by the superintendent or chairman of the school board.

It is a wise plan to keep a student body upon a cash basis, but at times this seems impossible, especially at the beginning of the school year when heavy purchases

need to be made for fall athletics. In cases where it has been impossible to build up a reserve, it is a good plan to have a general account called accounts payable. When an activity makes purchases according to its budget plan and the money is not available, the requisition will be signed as usual, but when the bill for goods arrives, charge the activity for the purchase and credit accounts payable and make this notation upon the bill. Then when money is received to take care of this bill, pay the amount upon the Principal's order and debit accounts payable. This should be shown in the monthly statement so that the true financial standing of the activities may be seen. While this suggestion is put in here, this does not mean that it is a good financial principle for a student organization to incur debts with no funds available.

Before any bill or invoice is paid, the faculty treasurer must check with requisition to see if they agree, and to have the signature of the adviser or principal so that no invoice will be paid for goods that have not been received or of quality inferior to that ordered.

In almost all towns which have a bank, one will find that the bank will furnish the paper for the checkbook and all that the school needs to pay is the cost of printing. This cost is small and it is so much more satisfactory to have a special voucher check, than the ordinary

bank check. The bank is usually very glad to have all extra-curricular funds kept in one bank account since it causes much less confusion and expense to them. Figure 11 shows one very satisfactory voucher check form.

Check Stub	Left Portion of Voucher Check		
No. 66 _____	This check is payment in full of the following account. The payee accepts it as such by endorsement.		
Date _____			
To _____			
For _____			
	Total of invoices		
	Less Discount		
Charge to _____			
\$ _____	Total deduction		
	Amount of check		
	If not correct return without alterations.		

Right Portion of Voucher Check

Local, Oregon _____ 193 _____ No. _____	
THE ASSOCIATED STUDENT BODY of Blank High School	
Pay to the order of _____	\$ _____
	_____ Dollars
To Local City Bank Local, Oregon	
Charge to _____ Activity	_____ Faculty Treasurer
	_____ S.B. Treasurer

(Figure 11)

It will be noticed that this has a place for two signatures, one for the student body treasurer, and the other for the faculty treasurer. Arrangements must be made at the bank so that no check will be honored that does not have the faculty treasurer's or the Principal's signature. It is best to have the student body treasurer sign if available, also have the student body treasurer do much of the reporting and posting of accounts under the faculty treasurer's supervision.

The handling of petty cash is a vexing problem. It is a method used to eliminate the need for writing small checks, usually one dollar or less. The office secretary, or some faculty member should have a fund of \$10.00 or less to care for the small items that come up. A small journal book is all that is necessary. The sum should not be paid unless ordered by the faculty adviser or principal. The nature of the expense and the activity charged is entered in the book. The person paying out petty cash should get the payee's signature after the record of each payment. Each month this petty cash book is turned over to faculty treasurer and proper charges made to clubs. Then a new check is made out to bring the petty cash fund back to \$10.00. Figure 12 is an example of one form used.

Date	Explanation	Charge to	Amt.	Received by
Sept. 10	5-3 cent stamps	Glee Club	.15	Joe Brown
Sept. 15	1 doz. Dixie cups	Dramatics	.20	Sue Smith

(Figure 12)

Student Body Ticket

The student body ticket should be so worded that it gives the holder exactly the privileges mentioned. Many times unusual events are scheduled during the year, and if the ticket is worded to include all activities, the student body ticket managers will have a hard time collecting extra money. The writer studied the many forms sent in by the schools and chose Figure 13 as the most likely ticket to meet all conditions. The stub on the printed form should be one inch wider than the illustration.

1937-38 No. 00 Student _____ Fee paid _____ For _____ Sold by _____ Class _____ Home Room _____ _____ _____	<div style="text-align: center;">1937-38 No.000</div> BLANK HIGH SCHOOL Student Body Ticket _____ is a member of B.H.S. Student Body. This ticket signed and held by owner admits the holder to all regularly scheduled home games and the reg- ular plays, debates, musical programs, school paper, benefits of student member- ship, and other usual extra-curricular activities. <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> JACK BROWN S. B. President </div> <div style="width: 45%; text-align: right;"> _____ S. B. Treasurer </div> </div>
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Stub
Ticket

(Figure 13)

It is a good plan to have each room sell tickets and give receipts, but only the ticket issued from the office. In this way a careful check of tickets will be made and they will be sold in consecutive order. The stub will act as a check for journal entries and the audit. It will also permit a school record to be made in alphabetical order and by classes so that the principal and all advisers will have a record of those who are members of the student body. Some schools have both the presidents's and secretaries' name printed on the student ticket. It probably is a good plan to leave one name out and have it personally signed. This acts as a safe-guard against stolen tickets being used. It is a good plan to use a good grade of paper and have the tickets bound in books of 25. This will prevent loss and make stub records more permanent. By using different colors, one can have the same printing on semester or year tickets. Use blue for first semester, red for year, and green for second semester.

Preparation for sale of tickets should be made at the same time the budget is made, which should be in the spring just after new officers have been elected. Then have these tickets ready for sale the first week of school.

All ticket sales of any kind must be closely supervised by principal's office. In many schools, there is a ticket committee with a faculty adviser that handles all

tickets and they are requisitioned the same as purchases and must be carefully checked. Roll tickets numbered consecutively and in different colors can be purchased very reasonably by inquiry at any theater supply house. When the tickets go out, a record of number, color, and to whom given must be kept, then when tickets and money are returned they must be checked. This is a task that should fall upon a specially selected committee and should not be the work of the faculty treasurer alone. Figure 14 is a form that can be mimeographed and used very satisfactorily.

REPORT ON SALE OF TICKETS					
For _____					
Tickets to	No. Given	No. Sold	No. Ret.	Cash Rec.	Cash & Tickets Received by
John Doe	1--10	5	5	1.25	P.F.D.
James Sims	11--20	8	2	2.00	P.F.D.
<p>Summary:</p> <p>Total Tickets given _____</p> <p>Total Sold _____</p> <p>Total Unsold Returned _____</p> <p>Complimentary _____</p> <p style="text-align: right;">Signed _____</p> <p style="text-align: right;">Color Ticket _____</p> <p style="text-align: right;">Remarks _____</p>					

(Figure 14)

All money should be deposited in the bank by the faculty treasurer. Most banks are glad to furnish duplicate deposit book forms. When the deposit is made on the deposit blank, record the organization to which the funds are to go. This acts as a double check upon receipt books, duplicate organization deposit slips, and reports of money from ticket sales.

Most of the forms shown will need to be adapted to the equipment that the school or community has at hand. At first it may seem that all this material will cost too much. If a mimeograph is used or similar equipment and the commercial department cooperates, the cost will be quite low. The advanced typing classes or the better first year students can do most of the work except the student body tickets and the numbered tickets. When the plan is in operation it will cost about \$10.00 a year for the small schools and \$25.00 or \$30.00 for the larger schools. In the writer's school, with an enrollment of about 350, it is found that \$15.00 a year will take care of all financial supplies including regularly printed tickets. Some additional forms may be preferred by some administrators, and others will be eliminated. The joy of having your extra-curricular funds systematically handled will more than offset the added expense and trouble involved. The task may seem too great at first, but in the end you will be

grateful for the change, if the experience of the author is any indication of what will happen in other schools.

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Dallas High School

PRESTON F. DOUGHTON, Assistant Principal

Dallas, Oregon

April 30, 1937

This study is a follow-up of a similar survey made a few years ago. It is under the supervision of Dr. R. J. Clinton, Professor of Education, at Oregon State College. The purpose of this survey is to discover the budgeting and accounting practices and needs in extra-curricular activities for the secondary schools of Oregon.

May I have your early cooperation in answering the enclosed questionnaire as quickly as possible? From this and other data I hope to set up a budgeting and accounting system that should be of value to our secondary schools. All data will be treated confidentially and without reference to any school by name.

The results of this study will be made available to all through professional educational sources when it is complete.

Sincerely,

Preston F. Doughton

BUDGETING AND ACCOUNTING PRACTICES FOR EXTRA-CURRICULAR
ACTIVITIES IN SELECTED OREGON HIGH SCHOOLS:
A PROPOSED SYSTEM

High School _____ City _____ Enrollment _____

Superintendent or Principal _____

Underline or fill in space that most nearly fits your individual school.

1. What extra-curricular activities are required to work under a budget? _____
2. Do you find that the budget aids in the financial success of the activity? Yes No
3. Who is responsible for the preparation of the budget-Principal-financial director-faculty sponsor-student council-budget committee-student body treasurer-president of student body-athletic director. _____
4. Do you have a centralized budget for the entire school? Yes No
5. What is done in case the budget must be increased due to emergency? _____
6. Do you hold each activity responsible for raising amounts of money budgeted? Yes No
7. Do you require a requisition before a purchase can be made? Yes No
8. Who signs this requisition? _____
9. Do you have a petty cash fund? Yes No
10. What is the maximum sum to pay by petty cash? _____
11. Do you use a cash book? Yes No
12. If you use a copyrighted system please give name and address of the publisher. _____
13. Who is held responsible for proper cash records? _____
14. Do you permit students to open a charge account without

- a requisition? Yes No
15. Do you have students write the checks? Yes No
If so give name or names of officers permitted to
do so. _____
16. Who is responsible for money until it is deposited?__

17. Do you feel that person or persons in charge of cash
should be under bond? Yes No
18. How often are balance sheets required? _____
19. Do you use a cash register? Yes No
20. Do you require every activity to keep separate cash
records? Yes No
21. Do you include the cafeteria fund in the regular
student funds? Yes No
22. Do you require the all-school treasurer to have had
bookkeeping? Yes No
23. Do you elect or appoint student body treasurers? _____
24. Do you have a lighted athletic field? Yes No
25. If so, has it proved profitable? Yes No
26. What sports is it lighted for? _____
27. How was it financed? _____
28. What is the price of your student body tickets? _____
29. What activities does it admit holder to? Football,
basketball, baseball, track, others? _____
30. Is the ticket compulsory? Yes No
31. What per cent of students purchase ticket? _____
32. A facsimile or sample of your student body ticket
would be very helpful.
33. Please return any forms or material that you have
found successful in handling of extra-curricular funds.
34. Any comments or suggestions that you have on this
problem will be appreciated. (Use back of sheet.)