

	<p align="center">State of Hawaii Department of Education Standard Practice (SP) Document</p>	<p align="center">Office of Fiscal Services</p>
<p>Document No. SP 1901</p>	<p>Distribution: CASs, Principals, SASAs, School Office Personnel, CABMs, ASAs</p>	<p>Release Date: 3/14/2017</p>
<p>SUBJECT</p>	<p>Non-Appropriated Student Activity Fund; Bank Accounts</p>	

1. Purpose

To provide information and policies about the bank accounts used for Student Activity Funds.

2. Effective

Immediately.

3. Applies to

All schools.

4. Overview of Bank Accounts

Schools are authorized to establish and maintain one (1) checking account for the Non-Appropriated Student Activity Fund (SAF), and this SAF checking account must be established at Bank of Hawaii, an FDIC-insured financial institution.

Reason for the restriction of choice of banks: Bank of Hawaii is used for DOE State Appropriated checking accounts, and armored carrier services are contracted to provide services to only one bank per school. A written exception to this rule may be granted by the Assistant Superintendent of the Office of Fiscal Services & Chief Financial Officer. Bank accounts schools had at other institutions prior to the release of this SP may be continued and do not require exceptions.

The State of Hawaii, Department of Education's Federal Employer Identification Number (EIN) is 99-0266482. This EIN number is required when applying for a SAF checking account.

1. Bank Signatory Card

Schools must maintain a current bank signature card of personnel authorized to sign checks and represent the school for banking transactions. The bank signature card of the SAF checking account will generally include three or more of the following individuals: Principal, Vice-Principal, SASA, Account Clerk, and Office Assistant (for smaller schools). The Principal must be on the signature card. If the Principal has delegated authority to another

administrator in writing (per paragraph 9 of this document) that person must be added to the bank signatory card. All SAF checks must be signed by two of the signatories on this card.

When an employee who had check-signing authority no longer has that authority, that person's name shall be removed immediately from the bank signature card in order to reduce the risk of a theft of SAF funds.

2. Bank Statements and Communications

Schools shall maintain files of hard copy bank documents which could include: monthly bank statements, copies of cancelled checks, bank notices, and any other significant bank communications sent in hard copy by the bank. The current records retention policy says "Bank Deposit Slips / Receipts; Check Registers; Passbooks; and Cancelled Checks" must be maintained for three years if they have been audited, and six years if they have not been audited.

Bank statements for the Bank of Hawaii's Bankoh Business Connections services are available online for 180 days, or a 6 month statement cycle. The school should create backups of electronic documents regularly.

Schools may contact BOH local branch staff directly if there are questions about bank procedures, requests for current signature cards on file, deposit slips not returned, or other matters. If the school wants to go straight to the main office, contact the DOE's BOH Relationship Manager or the Service Representative directly. Current contact information is included in the References section below.

3. Security Tokens

The Bank of Hawaii issues security devices called Bankoh Business Connection (BBC) tokens. A BBC token is needed to get an access code every time the school's bank account is accessed by phone or online, such as to get an online bank statement. Each school has a token for one BBC user. The References section of this SP contains additional information about adding and deleting a token user, and getting a replacement token. If a token is not used for 30 days the password must be reset.

4. Deposit Slips and Checks

Checks and deposit slips should be imprinted with certain required identifying information—State of Hawaii Department of Education, Student Activity Fund, School Name and FMS 3-digit Org ID number, and School Address. Example as follows:

State of Hawaii Department of Education
Student Activity Fund
King Kaunauli'i Elementary School #457
4380 Hanamaulu Road
Lihue, HI 96766

SAF checks and deposit slips that will work with the KEV System must be ordered from the approved price list. Please refer to the official price list released by DOE OFS Procurement and Contracts Branch titled "Checks and Deposit Slips for Student Activity Fund (SAF)" for additional information. Paper stock for SAF Cash Receipts can also be ordered from a price

list titled “SAF Cash Receipt Stock.” The stock is perforated to be easily separated into 3 copies of the receipt.

Schools should only issue bank checks printed through the SAF System. Manual checks (handwritten or typed) are highly discouraged because checks written outside the SAF System may not get recorded or could be recorded in an incorrect amount or account when entered into the SAF System, resulting in discrepancies between the actual bank balances and the balances showing in the SAF System. Further potential discrepancies could result from entering a different vendor into SAF System than the payee indicated on the manual check.

One of the benefits of the SAF System is the ability to print checks. This is an important internal control measure which ensures the check information and balances in SAF are correct. The FAQs for this SP include suggestions for procedures to avoid the need for manual checks.

5. Principal’s Role

The Principal of the school serves as trustee for the bank account, and is directly responsible for all activities and expenditures related to the non-appropriated Student Activity Fund in accordance with the rules, policies, and procedures set forth by the DOE in these Standard Practice documents (SPs), number series 1900 through 1921. If the Principal will be out of the office for an extended length of time and has delegated authority to another administrator in writing, the references to Principal in these SPs include the designee.

School administrators, SASAs, Account Clerks, and Office Assistants are prohibited from advancing funds to, or cashing checks for, staff members from the Non-Appropriated Student Activity Fund.

6. Beneficiaries

The students intended to benefit from specific monies shall receive direct benefit from these monies. The parents of such students shall be informed about the planned use of any excess funds ahead of time. The plan shall be stated on the initial Money-Raising Activity (Form 422) to be approved by the Principal, as well as any promotional materials or communications about the fundraising activity.

5. SP Maintenance Responsibility

The Accounting Services Branch in the Office of Fiscal Services is responsible for maintenance, administration, and questions regarding this SP.

6. References, Resources, and Forms

The following resources may provide access to statutory, policy, and contractual authorities; and closely related SPs, procedures, and forms.

- (a) SP 1900 Student Activity Funds, Description of and General Purpose and SPs from 1900 through 1921
- (b) Student Activity Fund
<https://intranet.hawaiipublicschools.org/offices/ofs/saf>
- (c) Accounting Services Branch

- <https://intranet.hawaiipublicschools.org/offices/ofs/accounting>
- (d) DOE price list for checks and deposit slips
<https://lilinode.k12.hi.us/STATE/OBS/mand1.nsf>
- (e) Money-Raising Activity (Form 422)
<https://intranet.hawaiipublicschools.org/offices/ofs/saf/Forms/MONEY-RAISING%20ACTIVITY.pdf>
- (f) DOE price list for cash receipt stock
<https://lilinode.k12.hi.us/STATE/OBS/mand1.nsf/f74f08394404f2970a256855006c19b2/d5730fd64783a8250a257e9100667a2b?OpenDocument>
- (g) BBC Token:
<https://lilinode.k12.hi.us/STATE/OBS/mand1.nsf/038049422dbb59720a25689300699654/3633102ed5e948a00a257d02006d5516?OpenDocument> instructions and forms
- (1) BOH Token Balance Inquiry
https://intranet.hawaiipublicschools.org/offices/ofs/saf/SAF_resources/Shared%20Documents/BOH%20Token%20Info/BOH%20Token_Balance%20Inquiry.pdf
- (2) BOH Token How to Log In
https://intranet.hawaiipublicschools.org/offices/ofs/saf/SAF_resources/Shared%20Documents/BOH%20Token%20Info/BOH%20Token_How%20to%20Log%20In.pdf
- (3) BOH Token Information Reporting
https://intranet.hawaiipublicschools.org/offices/ofs/saf/SAF_resources/Shared%20Documents/BOH%20Token%20Info/BOH%20Token_Information%20Reporting.pdf
- (4) BBC Company User Setup form
https://intranet.hawaiipublicschools.org/offices/ofs/saf/SAF_resources/Shared%20Documents/BOH%20Token%20Info/BBC%20User%20Set-up%204-2014.doc
- (5) BBC Security Token form (for Additional Security Token Order Form and Unassign Existing Tokens)
[https://intranet.hawaiipublicschools.org/offices/ofs/saf/SAF_resources/Shared%20Documents/BOH%20Token%20Info/BBC%20Security%20Token%20\(3\).doc](https://intranet.hawaiipublicschools.org/offices/ofs/saf/SAF_resources/Shared%20Documents/BOH%20Token%20Info/BBC%20Security%20Token%20(3).doc)
- (h) Current contact information for Bank of Hawaii main office

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