



**Section:** FINANCES  
**Title:** SPECIAL PURPOSE FUNDS  
**Adopted:** August 19, 2003  
**Revised:** June 17, 2008

	<b>616. SPECIAL PURPOSE FUNDS</b>	
1. Purpose	It is the purpose of this policy to establish financial supervision and controls for the administration of the various activities that involve Special Purpose Funds.	
2. Authority	<p>The Special Purpose Funds of this school are:</p> <ul style="list-style-type: none"> <li>➤ Student Activity Account</li> <li>➤ Capital Reserve Fund</li> </ul> <p>Student Activity Funds are not part of the school funds but shall be supervised by the Assistant Principal. On all checks drawn on Lebanon County Career and Technology Center Student Activity Fund account, two signatures will be required from any combination of the following four LCCTC Administrators – Business Administrator, Assistant Principal, Administrative Director, and Assistant Director.</p>	§511(d)
3. Definition	<p>For purposes of this policy, the Student Activity Funds shall include the following activities: Vocational Student Youth Organizations, student entertainment, student publications and other activities approved by student officers, faculty advisor(s) and Principal.</p> <p>Each student body activity covered by this policy must be recognized and authorized by the student organization before funds can be collected or disbursed in the name of said activity. Said committee shall be composed of a school administrator, advisor, and elected student officers.</p> <p>Other Special Purpose Funds shall be controlled and budgeted in accordance with this policy and P.G. 808.</p>	P.G. 808
4. Guidelines	<p>In order to ensure proper supervision of all Special Purpose Funds using the name of the school, the Joint Operating Committee establishes the following guidelines:</p> <ul style="list-style-type: none"> <li>➤ Funds of any student organization may be deposited or invested in banks whose accounts are insured by FDIC.</li> <li>➤ Funds collected shall be submitted to the Custodian of the Fund before the end of each school day to be safeguarded until they are deposited as soon thereafter as possible.</li> </ul> <p>Records shall be maintained of the receipts and disbursement of all such funds in designated accounts according to the activity involved.</p>	§ 511 § 511(d)

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	<p>Disbursements from special purpose funds shall be made by check only upon the request of authorized persons and the approval of the Principal.</p> <p>All checks shall be signed by the person(s) authorized to approve such disbursements.</p> <p>Contracts for materials or supplies whether on purchase or rental may be made for a one-year period only by the Business Administrator or his/her designee.</p> <p>No student activity funds shall be expended without the approval of the faculty advisor of the organization, a student representative of the organization and the Principal.</p> <p>A financial report of the condition of the Student Activity organization shall be submitted to the Joint Operating Committee upon request.</p> <p style="text-align: center;"><b><u>CAPITAL RESERVE FUND</u></b></p> <p><b>Capital Reserve Fund.</b> The Joint Operating Committee has created a capital reserve fund consisting of monies that the JOC may transfer during any fiscal year from appropriations made for the purpose of purchasing equipment and/or maintaining facilities and of unencumbered funds remaining from the current and/or prior years' general fund. Pursuant to the authority of the participating school districts and the delegated authority of the Lebanon County Area Vocational-Technical School Board, the JOC hereby creates a special fund designated as a capital reserve fund and authorizes the accumulation therein of monies to be expended, in accordance with the provisions of 24 P.S. §18-1850.4, during a period not to exceed five (5) years from the date when the first payment was made into the special fund, for the purpose of purchasing equipment or maintaining facilities.</p> <p><b>Expenditure of Funds.</b> The monies in any such capital reserve fund may be expended by the Center only for the purchase of equipment and for the maintenance of facilities, including, but not limited to, capital improvements, replacement of and additions to improvements for deferred maintenance thereof, for the replacement of and purchase of furnishings and equipment.</p> <p><b>Limitation of Amount of Fund.</b> In any fiscal year, the capital reserve fund shall not exceed an amount equal to ten percent (10%) of the annual budget of the Center. At the end of any fiscal year in which the funds remain in the capital reserve fund exceed ten percent (10%) of the budget for the following year, the excess shall be returned pro-rata to the participating school districts on the basis set forth in the Articles of Agreement.</p>	<p>§ 511</p> <p>§ 511(e)</p> <p>§ 511(d)</p>

	<p style="text-align: center;"><b>616. SPECIAL PURPOSE FUNDS</b></p> <p><b>Investment of Fund.</b> The monies in the capital reserve fund shall be kept separate and apart from any other fund by the treasurer of the Center and the monies in the fund may be invested by the Center in securities legal for the investment of sinking fund monies of the participating school districts. Any investments of the monies in the capital reserve fund shall be in compliance with all applicable statutes and regulations, including but not limited to 53 Pa.C.S.A. §§8224 and 8225, 53 Pa.C.S.A. §8125, 53 Pa.C.S.A. §§8821 et seq. and 24 P.S. §4-440.1. The interest earnings on investments shall be paid into the capital reserve fund. The Center shall annually show in its financial report the amount of monies in the capital reserve fund, which shall at all times be properly identified as to purpose. The Center may sell any such securities and reinvest the monies in other securities legal for the investment of sinking fund monies or convert such securities into cash as the same may be needed for expenditure pursuant to the provisions of this resolution.</p> <p><b>General Authorization.</b> Officers, officials and administrators of the Center are hereby authorized and directed to take any action necessary or appropriate in order to effect this Resolution.</p> <p><b>Limitation on Expenditure of Funds.</b> The monies in any such capital reserve fund may be expended only upon approval of a majority of the members of the JOC only during the period of time for which the fund was created and only for equipment purchases or facilities maintenance projects and for no other purpose.</p> <p><b>Plan for Capital Improvements.</b> The Administrative Director shall annually present to the JOC a long-term plan for five years setting forth the needs of the Center to maintain its facilities and for the purchase of equipment.</p> <p><b>Notice.</b> The Administrative Director of the Center shall provide a copy of this Resolution to the Superintendent of each of the participating School Districts and request all superintendents to advise their respective boards of school directors of the JOC's exercise of its delegated powers and its creation of the special capital reserve fund.</p>	
	<p style="text-align: right;">School Code</p> <p style="text-align: right;">Other Cites</p>	<p style="text-align: right;">§ 440.1, 504, 511, 511(d)(e)</p> <p style="text-align: right;">P.G. 808</p>