

1 SENATE BILL NO. 32

2 INTRODUCED BY T. FACEY

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING EXCESS MONEY IN A SCHOOL EXTRACURRICULAR
5 FUND TO BE INVESTED; PROVIDING FOR USE OF THE INTEREST EARNED; CLARIFYING WHO MAY
6 ESTABLISH AN EXTRACURRICULAR FUND; AND AMENDING SECTION 20-9-504, MCA."

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8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

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10 **Section 1.** Section 20-9-504, MCA, is amended to read:
11 **"20-9-504. Extracurricular fund for pupil functions.** (1) ~~The government of the pupils of the school~~
12 ~~within trustees of a district or the administration of a school on behalf of the pupils~~ may establish an
13 extracurricular fund for the purposes of ~~the receipts and expenditures of~~ receiving and expending money collected
14 for pupil extracurricular functions ~~with the approval of the trustees of the district~~. All extracurricular money of a
15 pupil organization of the school must be deposited and expended by check from a bank account maintained for
16 the extracurricular fund.

17 (2) An accounting system for the extracurricular fund recommended by the superintendent of public
18 instruction must be implemented by the trustees. The accounting system must provide for:

- 19 (a) the internal control of the cash receipts and expenditures of the money; and
20 (b) a general account that can be reconciled with the bank account for the extracurricular fund and
21 reconciled with the detailed accounts within the extracurricular fund maintained for each student function.

22 (3) The trustees may invest any excess money in the extracurricular fund in accordance with the
23 provisions of 20-9-213(4). Interest earned as a result of the investments may either be:

24 (a) credited to a general operating account within the fund to be used to offset expenses incurred in
25 administering the fund; or

26 (b) distributed to the fund from which the money was withdrawn for investment."

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