

5.0. General Business Administration

5.0. SCHOOL FUND RAISING GUIDELINES/ACCOUNTING & REPORTING

Adopted: April 8, 1997

Reviewed by Committee: September 26, 2006; May 30, 2017

Policy Reference: EL-1.3

The Principal is responsible for all school funds. The Principal must authorize all fund-raising activities and retains final responsibility for all fund-raising activities in the school.

School Funds:

- are all funds raised or collected in the name of the school/school division by principals, teachers, other employees or pupils for a school sponsored or school related activity
- do not include staff funds or parent council funds.
- purpose and use must be communicated to school staff members, student body, and parent community as appropriate.

The guidelines below are applicable to collection, receipt, deposits, records, disbursing, and reporting of school funds.

Complete and accurate records must be maintained for all receipts and disbursements.

Budgets must be submitted and approved by the Principal before fundraising begins. When the funds to be raised exceeds \$5,000, a copy of the budget must be filed with the divisional Secretary-Treasurer at the Board office.

The divisional Secretary-Treasurer must approve a contract and/or agreement for goods or services to be paid from school funds.

School Funds Accounting Procedures:

1. Financial Record

Cash Receipts and Disbursements Records must be maintained for all fundraising activities.

2. Receipt of Funds

- a) Duplicate receipts must be issued for all monies received. The original should be given to the payer and the second copy retained in the receipt book.
- b) At the discretion of the Principal, the writing of a receipt to an individual student may be waived and a "Master Receipt" used when significant numbers of students are required to pay for a specific activity or a "Daily Cash Report" for repetitive food and/or supply sales.

Collections must be turned into the school office every twenty-four hours.

- c) For events where cash collections are made, monies are to be counted by two individuals, and an appropriate cash count form (see school receipt book) prepared and signed by both individuals. The monies and form should be forwarded to the school office to verify the monies received, issue a receipt, and prepare the monies for deposit.
- d) Where pre-numbered tickets are used for any event, an accounting by ticket number for the tickets issued, sold, and returned is required. Ticket sales must be reconciled with cash received and the school treasurer shall verify such reports and make appropriate entries in all related records.
- e) On occasions where large sums of money are to be handled in the evening, arrangements must be made to use the bank's night depository.

3. Deposit of Funds

Cash must not be left in the school building overnight.

Procedures for deposit:

- Verify the amount for deposit by actual count.
- Agree this amount with the total of receipts issued from the receipt book since the previous deposit.
- Prepare bank deposit slip in duplicate.
- Submit money and both copies of deposit slip to bank daily.
- Submit original deposit slip to division office (keep copy at the school)

4. Loss of Funds

Any loss of cash, including cheques, must be promptly reported to the Principal, the Secretary-Treasurer and to the appropriate law enforcement authorities if theft is involved or suspected. A written report must be subsequently be submitted to the Secretary-Treasurer within 48 hours.

5. Disbursements

- All disbursements must be made by cheque (through division office), recorded, and supported with invoices or purchase orders where appropriate.
- Disbursements to vendors shall be supported by original invoice and signed for approval by the Principal or designate.
- Disbursements to reimburse individuals must be supported by vendor's receipt and/or expenditure voucher, and shall contain all information related to the payment.

~~— All invoices and expenditure vouchers must be marked or stamped “PAID” and have the date, cheque number and signature of the Principal or designate approving the payment recorded on the invoice.~~

~~— Cheque book stubs should be completed when the cheque is written.~~

~~— Bank service charges must be recorded in the Cash Receipts and Disbursements Record.~~

~~— Any returned cheques must be filed numerically and retained with the monthly bank statement.~~

6. Purchases

- Under \$3,000, at Principal’s (or designate) discretion.
- \$3,000 - \$9,999, a minimum of 3 telephone or written quotations
- Over \$10,000, purchases to be conducted through competitive sealed bidding specifications and handled through the Division’s purchasing agent/clerk and upon approval of the Superintendent.

All purchases of capital equipment must be processed through the Secretary-Treasurer. Upon payment, the Division will be reimbursed from the school funds for the purchases.

C. Financial Reporting Requirements

1. A summary of Cash Receipts and Disbursements should be prepared monthly and a copy provided to the Principal for his/her review and files. The principal may wish to post this report for the information of other staff members. In some instances the monthly reports may be excessive as no or very few transactions will have taken place. In these instances the principal may increase the time period of the report. However in no instance can the requirement for this financial report be for a period greater than 3 months.
2. As of June 30 of each year, the school funds accounts will be closed. At that time the division office will prepare a Cash Receipts and Disbursements Statement for the year. This financial report will include a) the opening bank balance (July 1), (b) total receipts for the year, (c) total disbursements for the year and (d) closing bank balance (June 30).
3. ~~School year end: The principal will appoint an audit/review committee of two individuals to carry out a review of the school records, in accordance with the audit program. (See Forms 11.0) Such an audit/review shall also be carried out upon change of Treasurer and/or principal whenever such takes place. Any concerns resulting from such audit/review should be reported to the Secretary Treasurer immediately.~~

4. ~~Upon completion of the review:~~

- ~~–the Cash Receipts and Disbursements report for the fiscal year must be signed and dated by the Principal and the audit/ review committee~~
- ~~–the report must then be forwarded to the Secretary-Treasurer along with a copy of the June 30th bank reconciliation.~~

D. Retention of Financial Records

The following schedules specify minimum periods for retaining the school funds' financial records.

1. Permanently:

Cash Receipts & Disbursements Record

Annual Cash Receipts and Disbursements Financial Report

2. Held seven years from the end of the fiscal year in which the last entry is made:

Duplicated deposit slips

Cash receipts

Master receipt reports and/or daily cash reports

Vendors' invoices, shipping reports, purchase orders, etc.

Monthly or other periodic financial reports.

E. Other

- At no time shall a principal permit an overdraft in any school funds account unless there has been a specific clearly identified plan for removing same. Such a plan shall be made in writing by the principal and submitted to the Secretary-Treasurer for approval prior to the deficit.
- Purchase of items by the schools fund account for individual staff members is not permitted.
- If a cheque paid to the school is returned N.S.F., the party issuing the cheque should be contacted by telephone and where necessary, followed up in writing. If collected, this money should be deposited separately and marked as a "Redeposit". No entry is required for the transaction. If payment has not been received at the end of ten days, the original cheque and a list of efforts made to obtain voluntary payment should be forwarded to the Secretary-Treasurer with a copy being retained for the school records. The amount of the returned cheque should be entered as a reduction to receipts and posted in the Cash Receipts and Disbursements Record.

- ~~If a cheque issued from the school fund is lost, a stop payment authorization must be completed at the bank and any costs related to the stop payment should be borne by the payee. A stale dated cheque may be replaced by a new cheque. In both instances, an entry should be made in the Cash Receipts and Disbursements Records as a reduction before the new cheque is written and recorded. A complete explanation should be included in the financial records and on the cheque book stub.~~
- If a cheque issued from the school funds remains outstanding for more than one year without being cashed, it should be canceled and an entry made to the Cash Receipts and Disbursements Record with a complete explanation.
- If a decision is made to discontinue a fund raising body or group, the Principal of such school should plan for disposition of any residual. As a general rule, residual funds should be disbursed using guidelines decided upon by the group who did the fundraising. Otherwise, the principal should present a written proposal for the disposition of the funds to the Superintendent for approval.
- Cashing of personal cheques for activities not pertaining to the school, from cash received is prohibited.
- Post-dated cheques are not to be accepted.