

## **ADMINISTRATION OF SCHOOL GENERATED FUNDS**

### **Background**

The activities of schools often involve the collection and management of funds (fees and/or sales) in addition to funds decentralized to the schools through the allocation process, and all fees approved by the Board. Ensuring these funds are appropriately accounted for is an important responsibility of the District.

The District requires that generally accepted standards of accounting practice be applied to the management of all funds collected by schools.

### **Guidelines**

1. Schools will keep records of all funds/fees collected at the school level as well as records of the related expenditure of these funds.
2. Individual school accounts will be designated either as “Externally Restricted” or “Non-Externally Restricted”.
3. Schools should prepare to submit their financial records to the Secretary-Treasurer for annual audit when requested.
4. All monies collected by the school for a designated purpose must be used for the purpose so designated.
5. All funds designated as “Non-Externally Restricted” will be transferred to District Office by mid-June of each year, for inclusion on the Instructional Materials (IM) Deployment Report of the school.
6. General revenue funds may be designated for a specific purpose by the Principal in consultation with staff and the school council.
7. All school accounts designated as “Externally Restricted” shall have supporting documentation that includes details on the related stakeholders for the funds, the purpose the funds are being collected for, the timeframe in which the funds will be used, and the targeted use of any surplus funds. Such documentation shall be maintained at the school level and forwarded to District Office at the time the account is created.
8. Temporary cash surpluses arising during the year may be invested for short periods in saving accounts and/or guaranteed term deposits. Interest earned is to be classified as general revenue.

9. A school may be permitted to enter into loans (from the District) or time payment plans subject to approval by the Secretary-Treasurer.
10. Use of the school name for fund-raising purposes must be approved by the Principal.
11. Funds should normally be collected and expended during a school year.

### **Procedures**

1. Assistance in establishing budgets, proper accounting records and the maintenance thereof will be provided by the Secretary-Treasurer's office as required.
2. An annual financial report of the school year, September 1 to August 31, will be submitted to the Secretary-Treasurer by the end of September following.
3. An internal auditor shall visit schools periodically to review the accounting records and procedures. Principals are encouraged to contact the Secretary-Treasurer at any time to request an audit of the school accounts.
4. Principals shall provide for the proper security of funds.
5. The Principal is responsible for the administration of all school-collected funds.
6. All transactions must be recorded in the books of account of the school.

Reference: Bill 1, School Fee Regulation, Board Policy 2 (s.6)

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