

SCHOOL DISTRICT NO. 48 (SEA TO SKY)

ADMINISTRATIVE PROCEDURES SERIES 800 - BUSINESS PROCEDURES

AP 802 FUNDS

AP 802.2 School Generated Funds

These Administrative Procedures provide specific direction for the management of School Generated Funds.

1. GENERAL PRINCIPLES

- 1.1. All funds collected by a school or by any of its student groups, clubs or organizations shall be placed in a bank account under the name of the school.
- 1.2. All funds are public funds, and shall be accounted for in a manner consistent with School Board Policy 800.1, Statement of Guiding Principles for Business Procedures.
- 1.3. Parent Advisory Councils are separate from the school and as such, the Council maintains separate accounting records in accordance with their constitution and bylaws.

2. CASH RECEIPTS

- 2.1. All cash is to be kept in a secure location, preferably a safe.
- 2.2. Pre-numbered, sequential receipts are to be issued promptly to the person presenting the money. Where funds are collected on a classroom basis, a class list indicating student payments may be retained, and used in place of individual receipts, and this total amount receipted to the teacher.
- 2.3. A copy of all receipts will be kept on file. Void receipts must be retained.
- 2.4. All cash receipts must be recorded using the same number sequence as above.
- 2.5. Deposits are to be made regularly, at least every 2 weeks and more often when required to reduce the cash kept on site.
- 2.6. There must be a series of sequential records from the receipt of cash through to the bank deposit and entry into the financial records.
- 2.7. Blank receipt books, if used, should be securely stored when not in use.

3. CASH DISBURSEMENTS

- 3.1. Pre-numbered cheques are to be issued for all disbursements. Void cheques must be retained.
- 3.2. Disbursements from funds must be appropriate to the purpose ~~with~~ **for** which the funds were collected.
- 3.3. Appropriate documentation, such as original invoice, cheque requisition or other third party evidence must be kept in support of all cheques.

- 3.4. There are to be a minimum of 2 signing authorities, one of which is the school principal or vice principal. Both cheque signatories are responsible for the propriety of supporting documentation. Cheques are not to be signed before the supporting documentation is examined. Cheques are not to be signed in blank form.
- 3.5. School funds must not be used to cash personal cheques.
- 3.6. School funds shall not be used to pay for purchases that will subsequently be claimed for reimbursement from board allocated funds, except in very unusual situations. It is an inappropriate to use school funds for such a purpose when they were collected for a specific school purpose.
- 3.7. Scholarship payments and contracts for service provided by individuals should be paid by the School Board office as these must be reported pursuant to the Income Tax Act. In the unusual situation that payments to individuals are paid through the school bank account, they are to be reported to the School Board Office at the end of the calendar year so that a T4A can be issued. The following information is required:
 - Name
 - Address
 - Amount
 - Nature and date of payment
 - Social Insurance NumberWCB will be remitted by the School Board office for payments to contractors included in the above information.
- 3.8. No payments to employees, other than reimbursement of school funds related expenses, can be made through the School Bank Account.
- 3.9. A GST rebate of 68% (100% on books) can be claimed on purchases where GST has been paid. GST is to be claimed from Canada Revenue Agency on Form GST66 (or GST284, the personalized version) annually, usually at the end of June.
- 3.10. Blank cheques should be securely stored when not in use.

4. FINANCIAL RECORDS

- 4.1. Bank accounts are to be reconciled promptly after month end.
- 4.2. The principal must review the monthly bank reconciliation, and initial & date evidencing this. Review includes:
 - 4.2.1. Ensure prepared promptly after month end, at least within 30 days.
 - 4.2.2. Ensure the balance per bank statement agrees to the actual statement from the bank.
 - 4.2.3. Check the list of outstanding cheques for reasonableness and to ensure none are stale dated.
 - 4.2.4. Check the list of outstanding deposits for reasonableness and to ensure they are not outstanding more than 2 weeks after receipt of funds.
 - 4.2.5. Ensure adjusting items, if any, make sense and are not carried forward from previous month's bank reconciliation.

- 4.2.6. Check that the reconciled balance agrees to the Fund Account Statement.
- 4.3. Periodically, a Fund Account Ledger showing all transactions in detail for the year should be reviewed by the principal. A summary Fund Account Statement (showing opening balance, receipts, disbursements, and closing balance, by fund account) should also be made available for review by the Principal.
- 4.4. School generated funds are public funds and as such are included with the quarterly and annual government reporting requirements. They are subject to audit by the Board's auditors. Schools will submit quarterly reports as requested, and submit their financial records annually for review by the Secretary Treasurer's office in conjunction with the audit by the Board's auditors.
- 4.5. The Secretary Treasurer's office will prepare an annual summary by school to present to the Board, showing opening balance, receipts, disbursements, and closing balance of School funds on hand at year end.
- 4.6. Financial records for School Generated Funds are to be kept for 7 years in accordance with Board Policy and Regulation 805.1.