



602.13AP School Generated Funds

APPROVED: 2015.10.21

AMENDED:

REVIEWED:

POLICY:

Buffalo Trail Public Schools is responsible to its students, parents, stakeholders, contributors and to Alberta Education, for the appropriate management of and accountability for school generated funds. As each school within the Division is part of the corporate body of the Division, each school's balance sheet (assets, liabilities, and retained funds) is part of the Division's balance sheet and is to be included in the Division's annual audited financial statement. In keeping with Public Sector Accounting Principles, adequate processes and controls will be implemented and maintained.

1. All monies collected in the school from students, parents or other sources are considered public funds and shall be remitted to, and accounted for, by the school office.
2. Internal control procedures shall be implemented and maintained in all schools to safeguard school generated funds.
3. The safekeeping of school generated funds shall be the responsibility of the school Principal and bank deposits are to be made as frequently as possible.
4. School generated funds shall be expended for the purposes for which they were received, therefore, for each fund there is to be a written guideline describing how money is raised and why money is raised. This is to be discussed and approved by the Principal and in some cases this approval process involves the Parent Council or Students Union. When monies are received through fundraising or donations, at the time of receipt there is to be documentation as to how the dollars are to be spent.
5. Funds collected through general fundraising activities or raised beyond what is required for a specific purpose shall be expended on student activities.

PROCEDURES:

1) General

- a) The Principal will approve, in advance, all activities involving the collection and/or disbursement of school generated funds.
- b) If BTPS staff have no signing authority or financial responsibility for the account, it is not a school generated fund. As such there is no reporting requirement.
- c) The Chart of Accounts for school generated funds must be consistent with Alberta Education reporting requirements.
- d) The Principal or Assistant Principal shall review the journal entries for numerical sequence of cheques, receipts, and for reasonableness of the transactions and amounts recorded.
- e) Both expenses and income for any fundraising activity must be recorded.
- f) Account balances are periodically reviewed by the Principal or designate.

2) Banking Requirements

- a) Each school will establish one operating bank account, registered in the name of the school, for school generated funds that provides a monthly bank statement and cancelled cheques.
- b) Short-term investments, registered in the name of the school, will be restricted to guaranteed investment certificates or term deposits with a bank, trust company, or credit union (ie: international fieldtrips).
- c) Cheques shall not be pre-signed.
- d) Two signatures will be required for each cheque, authorizing the payment. One of the signatures on each cheque will be that of the Principal. The Principal will authorize two other staff members (designates) as cheque signing authorities. If the cheque is issued to a signing authority, alternate signers will sign the cheque.
- e) Monthly bank reconciliations will be completed and retained in the school office. Bank reconciliations must be supported by cancelled cheques (printed or electronic). The monthly bank reconciliation will be reviewed and initialed by the Principal.

3) Cash Receipts

- a) All monies collected by school generated fund activities will be counted by one individual and reconciled by another, one of which must be a staff member. A pre-numbered receipt will be issued to the Activity Coordinator. Unresolved discrepancies will be promptly referred to the Principal for resolution.
- b) All cash and cheques collected will be forwarded directly to the school office.
- c) All cheques are to be stamped "for deposit only" upon receipt and "pay to the order of" will be filled in immediately. Deposits are recorded as income.
- d) All cash and cheques will be kept secure in the school office safe or lock box. Only the Principal, Assistant Principal and designate should have access to these funds.
- e) Deposits should preferably be deposited to the school bank account daily, but at a minimum, weekly and recorded promptly in the accounting records. Principals will authorize each deposit before it is taken to the bank.
- f) Unless an exception is granted in writing by the Secretary Treasurer a maximum of \$200 cash will be kept in school overnight in an office safe or locked cabinet. Under no circumstances should money be left overnight in the teacher's desk or school office desk.
- g) During school hours, cash shall be kept in a cash register or lockable cash box and access must be restricted to individuals designated by the Principal.

- h) Cash boxes shall be kept locked and out of sight. Keys for the cash box and shall be kept in a secure place. Cash shall not be taken home by staff members.
 - i) Daily cash summaries are to be kept indicating the source of the cash.
 - j) A listing of all cheques included in each deposit, reconciled to the total deposit, shall be maintained and balanced with the cash receipts.
 - k) Duplicate bank deposit slips will be maintained in the school office.
- 4) Cash Disbursements
- a) All payments are properly substantiated with an unaltered supplier's invoice or receipt. All invoices or receipts will be approved by the signature of the Principal before payment. Once payment has been made, the documentation is effectively cancelled (i.e. stamped paid) and a reference of the cheque provided.
 - b) The purpose of the disbursement will be recorded.
 - c) GST registration number is stated on all invoices for payment that have applied the 5% GST. GST paid is to be identified in the accounting records.
 - d) All payments will be made by cheque.
 - e) Invoices and receipts will, once paid, be clearly marked as such or voided in some other manner to prevent duplicate payments.
 - f) Cheques will be pre-numbered and accounted for. All spoiled or void cheques will be retained. The void cheque signature area is removed from the cheque immediately and destroyed.
 - g) Suppliers' statements are to be reconciled monthly for indication of overpayment or unpaid invoices. Payments must never be made from a suppliers' statement. The appropriate documentation is the suppliers' original invoice or receipt.
 - h) Cheques are adequately safeguarded.
 - i) All payments for wages / salaries are being made through BTPS Central Services Payroll with the appropriate payroll deductions.
- 5) GST
- a) Schools will file one rebate application for the claim period of September 1 to February 28 and another rebate application for the claim period of March 1 to August 31. These must be filed within 60 days of the claim period.
- 6) Records to be Maintained
- a) Schools will record transactions by activity or project. All receipts for an activity or project will be recorded as well as the corresponding disbursements for such activity or project.
 - b) A record of the purpose of each activity, project, or trust fund, along with the name of the staff member (Activity Coordinator) responsible for it shall be maintained and reviewed annually by the Principal.
 - c) Investment income shall be allocated to the activities and projects that generated the investment income. This allocation will be net of any bank charges.
 - d) The Principal will review, initial, and date monthly reports.
 - e) Activity Coordinators shall receive monthly reports for the activities, projects, or trust funds they are responsible for. They will report any discrepancies or concerns to the Principal.
 - f) All documents and records will be retained for a period of seven years.

- 7) Financial Reporting
 - a) The school generated funds account will be reconciled each month. Reconciliation is a process of agreeing with the bank account balance in the accounting records to the bank statement balance. This involves listing all outstanding cheques, cleared cheques, deposits and other reconciling items.
 - b) The Principal or Assistant Principal will review and approve monthly reconciliations consisting of the bank statement along with the reconciliation report and submit to Central Services Finance by the 20th of the following month, e.g. September month end due October 20, October month end due November 20, etc.
 - c) August reconciliation consisting of the August bank statement and August reconciliation report will be submitted to the Finance Department by September 30 for completion of BTPS year end financial statement.
 - d) Principals will review school-generated funds annual reports prepared by the Finance Department for accuracy and completeness and will sign such reports to evidence their approval of same and include with school generated funds records.
 - e) In cases where the Principal of a school is changing, the school generated funds annual report will be approved by the outgoing Principal prior to the end of June of the school year. The incoming Principal will review the annual report in consultation with the Secretary Treasurer prior to the start of the school year.
- 8) Surplus and Deficit Funds
 - a) Activities, projects, or events that include fee revenue shall be managed on a cost recovery basis.
- 9) Audits
 - b) Internal audits may be conducted by the Finance Department at any time.