
506 Business Services AP – School Funds

Principals are responsible for all funds received at the school and for all accounts held at the school level.

CATEGORIES OF FUNDS

1. Category 1 - Remitted Funds are moneys collected by schools and remitted to the central office to cover expenditures that are charged against the school budget.
 - a) Remitted funds include textbook rentals, instructional materials fees, band instrument rentals and lunch supervision fees where the Division pays the supervisor.
 - b) The amounts collected and remitted are included in the school's revenue allocation and are used in calculating the surplus or deficits carry forward.
 - c) Instructional Materials Fees are not "voluntary" in nature.
2. Category 2 – School Generated Funds (SGF) are funds raised in the school or community that come under the control and responsibility of the principal and are for student activities.
 - a) School Generated Funds include student union and club activity fees, yearbook sales, photograph sales and field trip fees.
 - b) The amounts collected are retained at the school and expenditures for these activities are paid at the school level.
 - c) SGF revenues and expenditures are not taken into account in calculating the school's surplus or deficit to be carried forward.
 - d) Prior to the collection of SGF, principals shall ensure that students or their parents are informed of the optional nature of such fees.
3. Category 3 - Special Project Funds are those funds received as donations, government grants or proceeds from sales and are raised for specific projects of a capital nature.
 - a) "Special projects" include all purchases of equipment exceeding \$5,000 and all construction or renovation-type projects. Examples include computer equipment, playground equipment and grounds upgrading projects. Assets acquired under this policy become the property of the Division.
 - b) It is the responsibility of the principal to obtain the approval of the Secretary-Treasurer for all Category 3 "Special Projects" which include the construction or upgrading of school facilities and equipment and which may involve the input of Division resources. This approval must be obtained prior to the initiation of the fund-raising activity.
 - c) Prior to the collection of Category 3 funds, principals shall ensure that students or their parents are informed of the optional nature of such fees.

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- d) While not prohibited, games of chance and door-to-door canvassing by children should only be undertaken with due consideration of community attitudes toward such activities.
- e) All funds raised or donated for a specified purpose shall be used only for that purpose.
- f) Any surplus funds may be spent on other student related activities, provided this intent is communicated prior to the collection of money or as otherwise mutually agreed upon by the principal and the fund-raising group or donor.
- g) At the conclusion of the fund-raising activity, a statement of revenues and expenditures for the project must be submitted to the Secretary-Treasurer.
- h) Special Project revenues or expenditures are not considered to be part of the school budget and are not taken into account in calculating the school's surplus or deficit to be carried forward.

PRINCIPALS' RESPONSIBILITIES

1. Maintain an auditable accounting system for the receipt, deposit, recording and disbursement of all funds collected by the school.
2. Ensure that all Category 1 funds are receipted and remitted to the Division Office on a timely basis.
3. Ensure that funds held at the school are invested in accordance with the Education Act.
4. Prior to September 15 of each year, provide the Secretary Treasurer with an annual financial report on school funds and a copy of bank statements at August 31 for the previous school year.
5. Provide records and information requested for a periodic internal or external audit.
6. Prior to April 15 of each year, report to the Secretary-Treasurer the estimated school generated revenues and expenditures, by category, for the next school year.
7. Approve any school, staff and/or student involvement in fund-raising activities conducted by the school.
8. Consult with any individual or group raising funds for the school, regarding the proposed use of the funds, publicity methods to be used, and the timeliness of the activity or appeal.
9. Approve the proposed use of all school generated funds, including funds donated by school councils and community groups, and communicate this approval to the school council and community groups prior to the collection of any funds.

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10. Identify the party(s) responsible for a fund-raising activity and communicate this to the community prior to the activity. It is important to distinguish between activities conducted by the school in which parents may participate or volunteer and activities conducted by school council or community groups in which the school participates or assists in promoting.
11. Obtain the approval of the Secretary-Treasurer for all Category 3 Special Projects which include the construction or upgrading of school facilities and equipment and which may involve the input of Division resources.

FUNDS RAISED BY SCHOOL COUNCILS

- a) School councils that raise funds for donation to the school shall retain all responsibility for financial accounting and reporting and any attendant liability for its activities until the funds are accepted by the school.
- b) The principal and staff shall not have signing authority or financial responsibility for the school council's accounts.
- c) The school council shall obtain the principal's approval for all fund-raising projects prior to the collection of any funds. Projects that include the construction or upgrading of school facilities and equipment, including playground upgrades, required the approval of the Secretary-Treasurer.
- d) At the time a school council, student group or community group donates funds to the school, the funds shall be entered into the school's records and be accounted for separately as Category 2 funds.
- e) If the donated funds are for facility or equipment upgrades, a statement of revenues and expenditures must be submitted to the Secretary-Treasurer at the conclusion of the project.

CENTRAL OFFICE RESPONSIBILITIES

1. The Secretary-Treasurer shall ensure that schools have in place an auditable accounting system for the receipt, deposit, recording and disbursement of funds collected by the school.
2. The Secretary-Treasurer shall develop and implement appropriate procedures for the internal audit of individual school financial records.
3. The Secretary-Treasurer shall arrange for the internal audit of individual school financial records on an annual basis and shall submit a report on such audits to the Board.

Reference: School Generated Funds Procedures Manual
3rd Edition January 2005

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