



ADMINISTRATIVE GUIDELINE

School Generated Funds and Fundraising

Effective Date: January 14, 2025

Responsibility: Superintendent of

Revised Date:

Business

INTRODUCTION

The Near North District School Board recognizes that schools and school communities raise funds to enhance or compliment programming and enrich student learning experiences. The generation and use of school generated funds should align with the Board's Mission, Vision, Values and Multi-Year Strategic Plan. School generated funds are all funds raised, generated, collected and disbursed in the name of the school under the direct authority, supervision and accountability of the school principal.

OBJECTIVE

Students that generate, raise or contribute to school funds in any given year should benefit from the corresponding expenditures. To fulfill this objective, funds generated at the school level shall be expended within the school year, with the following exceptions. Schools will be permitted to carry forward a surplus of up to a maximum of \$50 per student (based on the March 31 count date of the current year) without Superintendent of Education approval. Surpluses exceeding the limit will require a documented plan for expenditure that is to be approved by a Superintendent of Education. The surplus expenditure plan cannot extend beyond a two-year period.

Multi-year fundraising initiatives that require funds be carried forward for more than two years (for example those required for playground equipment) must have documented Superintendent approval prior to the commencement of the specific fundraiser. These roll over funds will be excluded from the surplus carry forward calculation noted above.

The generation, collection and disbursement of school generated funds should be in accordance with all applicable statutory regulations, public accounting requirements, and Board and Ministry of Education guidelines and procedures.



GENERAL CLASSIFICATIONS of SCHOOL GENERATED FUNDS for REPORTING PURPOSES

It is a requirement under the Public Sector Accounting Board (PSAB) standards that school boards report and consolidate into the board's annual financial statements all funds generated and expensed at the school level. All school generated funds are subject to the school board's regular audit and accountability requirements. Current school generated funds financial reporting requirements on funds received and expensed are based on the following categories:

Field Trip and Excursions

- Funds raised/received and disbursed that support fields trips or excursions that take place locally, provincially, or internationally.

External Charities

- Funds raised in support of an external charity; the charity must be registered with the Canada Revenue Agency. The school provides the administrative support for the collection and remittance of the funds to the charity.

Student Activities and Resources

- Funds collected and expensed relating to student activities and enhanced learning materials/services not funded through the allocated board provided school budget. Activities recorded under this category would include athletic activities, student fees, yearbooks and extracurricular activities.

Capital Projects

- Funds raised/received for the purpose of capital items. Most common capital projects are school yard enhancements (playgrounds, gardens) and sports facilities improvements, as well as the purchase of items such as band equipment and technology investments. School generated funds supported capital projects should not result in an increase to the student capacity of a school nor result in significant school or board current or future operating or capital costs.

Other

- Includes all funds that do not fit under the previously noted categories. Examples include general fundraising, bank interest and/or charges, donated funds (general or specific purpose) and third-party revenue generating contracts.



ROLES and RESPONSIBILITIES

The board has a responsibility to ensure all school generated funds are collected and disbursed in accordance with board polices and municipal, provincial and federal regulations. This includes safeguarding and controlling funds through proper accounting procedures and accountability.

Superintendent of Business

- Establish a School Generated Funds Administrative Guideline.
- Develop procedures for recording, reporting and safeguarding school generated funds, including a fundraising procedure.
- Ensure accurate and timely completion of Ministry reporting requirements.
- Ensure training is available to staff on the appropriate application of the guideline, procedures and accounting system used for administering school generated funds.
- Follow up on audit, review or reported concerns raised with regards to school generated funds.

Superintendents of Schools

- Ensure and reinforce to school administrative staff compliance with the School Generated Funds Administrative Guideline and procedures
- Review, approve and monitor implementation of the annual fundraising plan and surplus plan submitted by schools. Consult with Superintendent of Business with questions or concerns arising from submitted plans.
- Notify the Superintendent of Business regarding lost or stolen funds, misuse of funds and/or failure to follow the administrative guideline or procedures.

Principal

- Establish processes and procedures that ensure the administration of school generated funds is compliant with the board's administrative guideline and procedures.
- Communicate with and train all staff, school council members and/or volunteers that are involved with school generated funds and/or fundraising initiatives on the processes and procedures for school generated funds and fundraising activities.
- Ensure school generated funds and fundraising initiatives have a designated purpose that align and are consistent with the school board's values and Multi-Year Strategic Plan, as well as the school's improvement plan.
- Ensure that funds are spent on the designated purpose for which they were raised.
- Act as one of the approved signing officers on the school's bank account(s).
- Appoint a school office staff member (Administrative Assistant/Office Assistant/Secretary) the responsibility for the administration of the accounting procedures



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including the accounting system for school generated funds, receipts, disbursements, banking and record keeping.

- Ensure processes are in place for the safeguarding and control of cash, cheques/cheque stock and financial records within the school.
- In consultation with School Council and school staff determine the appropriate number of fundraising activities and scheduling of the activities, fund collections and expenditures prior to the development and submission of the Annual School Fundraising Plan.
- Develop the Annual School Fundraising Plan (and Surplus Plan if required) and ensure that funds collected and disbursed are in compliance with the intent for which the funds were raised or collected.
- Ensure that there are no staff members, school council members or volunteers collecting and managing funds in a personal or separate bank account outside of those managed by the school.
- Review, sign and date the monthly bank reconciliation. Review the financial records and reports, address concerns and questions that may arise, as well as any shortages or overages associated with various fund balances.
- Determine the course of action for positive residual balances in one-time activity/event and yearly extracurriculars categories.
- Review, sign and date the Annual Financial Reports.
- Notify Superintendent of Education and Superintendent of Business if funds are lost or stolen.
- Ensure that the school or members of the school community do not enter into contracts in the name of the school or the board.
- Ensure that no staff members, volunteers, school council members or relatives of a member of any of the aforementioned groups receive any personal benefits or gain from any school generated funds activities.
- Provide reports to School Council as required.
- Participate in audits/reviews of school generated funds and ensure recommendations are implemented.

Appointed Office Staff Member – (Administrative Assistant/Secretary)

- Comply with school generated funds administrative guideline and procedures. Bring any deviations to the attention of the school principal.
- Act as one of the signatories on the school bank account
- Conduct administrative duties and procedures associated with school generated funds such as:
 - Development of cheques ensuring proper support and documentation



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- Verify funds received for deposit and prepare bank deposits in a timely manner.
- Record transactions in a timely manner
- Prepare monthly bank reconciliations within 30 days of the following month.
- Maintain and retain appropriate supporting documentation in an organized system.
- Prepare transaction reports as required for the school principal, school council and staff.
- Prepare Annual Financial Report
- Inform the school principal of shortages/overages, unusual transactions and/or any concerns identified with school generated funds.
- Assist during audits/reviews.

Staff Members

- Follow the processes and procedures for school generated funds, fundraising, fee collection and expenditures as informed by the school principal.
- Ensure cash is counted, documented and turned into the office administrator in a timely manner where funds are unable to be collected through the online process.
- Ensure invoices have appropriate approval and supporting documentation for timely delivery to the office administrator for payment.
- Request and review transaction reports on a regular basis to ensure details of the financial activity related to your club or activity accurately reflect that the funds received and disbursed were as per the intent of the funds raised or collected. Advise office administrator and/or principal of any discrepancy.

School Council Chair

- Comply with the School Generated Funds and Fundraising Administrative Guideline.
- Comply with the school processes and procedures developed for the administration of school generated funds and fundraising activities.
- Comply with all relevant Board Administrative Guidelines.

Board Office Finance Staff



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- Provide support and direction to school staff and other Board employees with respect to the School Generated Funds and Fundraising Administrative Guideline.
- Provide support and direction on board standards and recommended financial procedures for school generated funds.
- Provide support, direction and training, on board prescribed school generated funds software.
- Respond to queries and provide guidance regarding processes and procedures.
- Respond to requests for software assistance.
- Escalate discrepancies, abnormalities or concerns identified with processes or procedures to the school principal and Superintendent of Business.
- Monitor and analyze school generated funds activities for compliance.
- Consolidate school generated funds for reporting in the annual Financial Statements.

SOURCES OF REVENUE

School generated funds is a broad term which includes any and all funds collected and/or disbursed through school bank accounts and associated records. School generated funds are from sources other than the operating or capital budgets allocated from provincial grants. Funds can be derived from fundraising activities, fees for enhanced learning materials/activities, contributions/donations and corporate contracts/partnerships. All sources of revenue should have a designated purpose and an intended use.

Fees for Learning Material and Activities:

Fees related to school curriculum should only be collected for enhanced or optional learning materials and programming. These should be voluntary optional upgrades beyond what is necessary to meet curriculum expectations and that which is provided for with provincial funding. For example, the use of premium quality of wood in woodworking class compared to the standard of wood supplied from a school budget would be an acceptable differential fee charged. Fees charged for the creation of discretionary accounts by teachers or departments is prohibited.

Student activity fees are also voluntary optional fees that are intended to enhance a student's school experience should they choose. Fees may be charged for experiences/extracurricular events and items such as school trips, school dances, year books and extracurricular activities (team sports, clubs).



All students should have an equal opportunity to participate in school activities and to access resources/materials regardless of economic or financial circumstances. Schools should be mindful of this during the fee collection process, treating those families experiencing financial constraints with dignity, discretion and assistance.

Fees collected or charged should be on a cost recovery basis with maintenance of records showing amounts collected and expensed.

Fundraising:

Fundraising activities should support and reflect the values and expectations of public education, the school community, the Board, students and staff. Fundraising should only be undertaken for a specific purpose, which is clearly communicated to those participating and contributing. All proceeds raised should only be spent on the intended purpose.

It is the responsibility of the school principal on behalf of the Board to ensure that all fundraising activities involving students and/or the school are in compliance with the Board's administrative guideline. Board guidelines for school fundraising and reporting requirements can be found as part of "*Appendix A – Procedures for School Generated Funds*".

Contributions/Donations:

These are funds that are received directly by the schools from individuals and organizations. The contributors usually advise the schools as to the purpose of the funds. Schools should only accept those funds that align and support the Board's mission and values. Contributions or donations to the school nutrition program, to assist with the purchase of enhanced learning materials or school field trips would be examples of approved uses of such funds.

Donations made directly to individual schools which are not a registered charity with Canada Revenue Agency are not eligible for charitable donation income tax receipts.

Corporate contracts/partnerships:

Schools may benefit from an agreement or partnership with vending machine/cafeteria vendor(s) or photographer(s) and receive a commission based on school sales. These would be an approved contract/partnership as a source of school generated funds.

All revenue streams regardless of the source need to follow the accounting procedures and internal controls contained within "*Appendix A – Procedures for School Generated Funds*".

APPROVED AND INELIGIBLE USE OF SCHOOL GENERATED FUNDS



Principal judgement should be exercised at all times to ensure that funds are expended for the purposes for which they were collected and that the purpose is in accordance with board administrative guidelines. All school equipment of a perpetual or capital nature purchased with school generated funds as well as donated equipment becomes the property of the school/board.

Approved Uses of School Generated Funds

- Fund expenditures must be used for the benefit of the school and must be in compliance with board administrative guidelines and procedures.
- The use of funds from approved contracts and general fundraising events (ie. pizza days, fall fairs) must be clearly defined.
- Specific purpose fundraising must be spent on the intended purpose detailed at the commencement of the fundraising plan.
- Extracurricular events, activities and trips (ie. costs directly associated with team sports, clubs, school dances and field trips/trips abroad).
- Optional enhanced or premium quality learning materials and supplies (ie. art supplies or woodworking materials)
- Supplies, equipment and/or services that complement items or programs that are provincially funded
- Student financial assistance (subsidizing or providing assistance for class trips to those students experiencing financial challenges).
- Student recognition such as awards, plaques, trophies, scholarships or bursaries.
- Enhancements to programming such as guest speakers and presentations.
- Playground equipment. Playground equipment of a structural/capital nature would require prior approval from various departments/personnel such as the Manager of Facilities and Operations and the Health and Safety Officer regarding placement and safety standards of the equipment.
- Fundraising for external registered charities (ie. Terry Fox Run, Heart and Stroke Foundation).
- Refunds should be considered where large surpluses remain in one-time events or activities (ie. field trips) or annual activities (ie. annual extracurriculars – teams, school band).
- Deficits in any category should not be permitted, unless subsidized by other sources of revenue (ie. a general source of revenue such as vending machine commissions, bank interest). Where general funds are not readily available a plan to address the deficit in a timely manner should be documented and put in place.
- Fundraising or fee collection for general purpose with no specific intent is discouraged.



Ineligible Uses of School Generated Funds

- Items, activities, resources and materials that are funded by the allocated school budget (provincial funding).
- Credit courses that offer enhanced programming where additional fees are charged should not be processed through school generated funds.
- Items on the Board's Health and Safety Banned list.
- Staff professional development and training.
- Administrative expenses not associated with fundraising.
- Staff gifts, awards, celebrations, mileage or monetary payment for services.
- The creation of discretionary accounts for teams, departments or teachers.
- Payment of expenses, receipts, invoices or claims that were denied reimbursement by the board office due to guidelines, policies and/or processes.
- Investments
- Gift cards or gift certificates.
- Capital infrastructure improvements, maintenance or upgrades.
- Purchase of goods and/or services from employees that would contravene the Education Act (Section 17).
- School bank accounts and accounting software should not be used for board supplied petty cash funds or staff social funds (funds collected from staff for staff gifts, parties, sympathy tributes, etc.).
- Support for political activity, groups or candidates.

RESIDUAL BALANCES IN SPECIFIC CATEGORIES

Fees and fund collection for one-time events/activities and yearly extracurricular activities are to be conducted on a cost recovery basis. It is recognized however that residual balances will occur where funds collected do not precisely balance with the costs incurred. Positive residual balances in one-time event/activity and extra-curricular categories are expected to be minimal. If a positive residual balance is minimal, it can be redirected to a similar intended purpose. However, if the positive remaining balance is significant, for example it would result in a refund per student of \$20 or more, the principal should consider issuing the students a refund.

Where a student refund is warranted but issuing the refunds is not practical, every effort should be made to ensure that the funds are spent on the students it was collected from.

REPORTING REQUIREMENTS



- Submission of a school approved “Annual School Fundraising Plan” by **October 31** to the school’s designated Superintendent of Education (*Attached - Appendix B – Annual Fundraising Plan*).
- Where required submission of the “Surplus Plan” by **October 31** to the school’s designated Superintendent of Education (*Attached – Appendix C – Plan for Spending Surplus*).
- Submit by July 31 of each year a “School Generated Funds Summary” to the Superintendent of Education, with circulation to school council and the school community (*Attached – Appendix D – Annual School Generated Funds Summary*).
- Annual Financial Reporting – Annually schools will receive notification from the Finance Department detailing the required reports for year end review and financial statement purposes. These reports should be submitted to the finance department no later than **September 30**. All school generated funds received and disbursed are subject to the board’s audit and accountability requirements, including both internal and external audit(s).

ACCOUNTING PROCEDURES AND PRACTICES

It is the responsibility of the Principal and the Board to ensure that all funds received from all external sources is controlled through proper accounting procedures to ensure accountability of funds raised and disbursed. *Appendix A – Procedures for School Generated Funds* details accounting procedures and internal controls that should be followed to ensure the safeguarding and accountability of all school generated funds.

LOST/STOLEN/MISAPPROPRIATED FUNDS

The reporting of lost, stolen or alleged misappropriation of funds should be reflected in the annual financial statements submitted to the Finance Department with a commentary regarding the situation. Anyone who suspects or discovers that there has been stolen funds or suspects a potential alleged misappropriation of school generated funds must report this to the principal. It is then the principal’s responsibility to report the situation either to the Superintendent of Education and/or Superintendent of Business. Under no circumstances should such situations be ignored or resolved independently without senior administration involvement. Lost or stolen school generated funds will not be replaced by board operating, capital or any other board related funding.



Reference Documents:

Ontario Association of School Business Officials – Finance Committee-Guidelines for School Generated Funds (2014)

Ontario Ministry of Education Fees for Learning Materials and Activities Guideline (2011)

Ontario Ministry of Education Fundraising Guideline (2012)

Education Act, Section 265 Duties of Principal: reports

Education Act, Section 17 Promotion or sale of books, etc.

Ontario Regulation 298, Section 25: Canvassing and Fund-Raising

Ontario Regulation 612 – Section 22: Fundraising, Section 23: Consultation with Parents, Section 24: Annual Report

Ontario Ministry of Education - Policy/Program Memorandum 150



APPENDIX A

PROCEDURES FOR

SCHOOL GENERATED FUNDS



FUNDRAISING GUIDELINES

The Board recognizes that the school community may choose to engage in occasional fundraising activities to support specific school activities, initiatives and enhancements. Fundraising activities should align with the Board's Mission, Vision, Values, Multi-Year Strategic Plan and administrative guidelines, as well as comply with all laws governing such activities (ie. regulations for lotteries and bingos). All fundraising activities conducted under or in conjunction with the name of the school on either the school's behalf or on behalf of an external charitable organization (ie. Terry Fox Run, Heart and Stroke Foundation, etc.) must be approved by the principal and disclosed in the "Annual School Fundraising Plan". Foremost in any fundraising plan must be the consideration of the safety and well being of participating students.

GENERAL PARAMETERS

- Student safety should be the primary consideration, recognizing appropriate age levels for participants in the activities.
- Participation in fundraising should be strictly voluntary. Those choosing not to participate should not be penalized nor be denied any of the benefits resulting from the fundraising activity.
- Door-to-door fundraising by students should be minimized.
- Schools are not to use commercial organizations for canvassing homes or individuals.
- Fundraising should have a clear designated purpose that is shared with the community. Funds collected must only be spent on the intended purpose of the fundraiser.
- Fundraising activities should not benefit either materially or financially any one person, including staff, volunteers, and students. For example, fundraising for a class trip should subsidize all students in the class equally; funds should not be allotted to individual students based on their fundraising sales.
- Fundraising activities should not contravene any contractual agreements (ie. contracts for cafeteria services).
- All participating students should be well trained before participating in the fundraising event and have a clear understanding of appropriate etiquette.
- Fundraising activities that include the serving or selling of food must comply with PPM 150 and Regulation 200/08.
- The principal of the school is responsible for completing and following all licensing, legal and reporting requirements for games of chance (lottery, bingo, break open tickets, raffle tickets).



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- Schools must demonstrate and report transparent financial practices with proceeds and disbursements of funds raised. Schools are required to follow the accounting procedures and internal controls set forth under “Accounting Procedures and Internal Controls” when handling fundraising proceeds.
- Fundraising for a specific group event or purpose (not fee based generated) that is subsequently cancelled due to unforeseen circumstances will not be returned or distributed to the affected class/students. These funds will be retained by the school and be redirected to a similar intended purpose.
- Use of “Go Fund Me” webpages are not permitted.

LOTTERIES AND GAMES OF CHANCE

- Lotteries and games of chance such as Bingos, break open tickets (Nevadas), raffle tickets, 50/50 draws and other social gaming activities (wheels of fortune) require a license for each particular gaming activity. Licenses are issued by either the municipal or provincial regulatory body depending on the gaming activity and the activity’s prize value. Schools contemplating a gaming activity or are unsure if an activity requires a gaming license should have the principal contact the local municipality, detail the type of activity under consideration and follow their instructions. If a licensing application is required by a regulatory body it should be prepared in the name of the school and signed by the school principal.
- All licenses require that a separate bank account be used for revenue and expenses. Detailed financial reporting requirements will also be outlined in the license and must be adhered to.
- Caution should be exercised when operating or considering operating gaming activities as without proper licensing or compliance with license requirements penalties could result such as monetary penalties or in extreme instances charges under the criminal code.
- Games of chance fall under a school’s fundraising umbrella and therefore, must be included in the school’s annual financial reporting to the board for consolidation purposes under PSAB (Public Sector Accounting Board) Standards.

EXTERNAL CHARITIES

- School may raise funds in support of an external charity, the chosen charity must be registered with the Canada Revenue Agency.
- It is strongly encouraged that where the registered charity chosen offers fundraising capabilities through their website that the school seize this opportunity and use this platform to support the charity of their choice. The school would enrol as a team and



promote the charity link to the school team through various communication means to the school community. This opportunity enhances student safety, eliminates cash handling and eligible donors are issued an immediate charitable receipt.

- Where the school is providing the administrative process for collecting funds the procedures for the safe handling and internal controls contained within this document should be followed. The external charity may have additional instructions for the collection of funds that must be followed as well.
- All funds collected must be paid directly to the charity by cheque issued in the name of the charity no later than 30 days after the conclusion of the fundraiser.

DONATIONS

Donations can be made directly to the school provided the donor does not expect a charitable tax receipt in return. The Near North District School Board Charity is a registered charitable organization that can accept donations and issue charitable donation receipts on behalf of the Board and its schools. Charitable donation receipts can be issued provided the transfer of cash or property is voluntary without benefit of any kind being received by the donor and provided the donation is made directly to the charity. Donations made to the Board's Charity can be subject to general direction (ie. to the benefit of a specific school), specific direction (ie. a bursary or a specific school's playground/equipment) but it cannot be directed to the benefit of a specific individual.

Prior to indicating to a prospective donor the possibility of the issuance of a tax receipt principals must contact the Finance Department at the Board Office to determine if a transaction qualifies for a charitable donation receipt. Donations made to the charity should have cheques made out to "Near North District School Board Charity" or can be made on-line using the Charity Link. Donations made using School Cash Online will receive an electronic charitable receipt sent to the donor's provided email address. Donors do not have to be registered with School Cash Online, as a "Guest Checkout" option is available. Receipts for donations made not using School Cash Online under \$20.00 will only be issued upon request. Schools wanting to use School Cash Online to receive donations for their school must work with the Finance Department to follow the process.

CORPORATE CONTRACTS/PARTNERSHIPS

Corporate contracts, community partnerships and sponsorship agreements can form legally binding agreements and as such should not be approved by the school principal, as this is outside their scope of authority. Contractual agreements such as these as well as long term contracts



should be signed by a Board signing officer. Should a school be considering such contracts or agreements please consult with and forward these to the Superintendent of Business.

Schools are able to enter into agreements or contracts at the school level for day-to-day operations or activities such as picture days, yearbooks and busing (individual events). Should a school level activity contract exceed \$10,000 in value (expense and/or revenue) over the life of the contract approval from the Superintendent of Business is required.

HOSPITALITY AND SERVICE PROGRAMS

- Schools at the secondary level that sell food, goods or services produced by or part of class curriculum such as lunches, sheds and picnic tables, must strictly adhere to all governing safety standards, regulations, policies, and procedures during the production and sale of these goods and services.
- The items and services anticipated to be sold during the school year from school programs should be disclosed in the school's annual fundraising plan.
- The expenditure and retention of funds generated from these programs shall follow the same guidelines and procedures of this Administrative Guideline.

ANNUAL SCHOOL FUNDRAISING PLAN

- The principal shall consult with and consider the input of school council in the development of the Annual School Fundraising Plan.
- Plan development should consider the previous years' fundraising efforts and any surpluses carried forward on the Annual Surplus Plan.
- Consideration should be given to what should happen if there is a shortfall/excess of funds raised for the intended purpose.
- By October 31 of each year principals shall submit to the Superintendent of Education an "Annual School Fundraising Plan" on the template provided.
- By October 31 of each year principals shall submit to the Superintendent of Education an "Annual Surplus Plan" (if applicable).
- Superintendents will notify schools of plan approvals by November 15 of each year. Fundraising activities taking place prior to this date may only occur under the approval/discretion of the principal and must take into consideration all fundraising and school generated funds policies, guidelines and parameters.
- Principals will notify school council of plan approval and/or modifications.
- The principal will, in writing, inform the students, parents and school community of the intended use of the funds for all fundraising activities.



- Any additional fundraising activities not identified in the Annual Fundraising Plan can only occur by submitting a revised “Annual Fundraising Plan” for Superintendent approval.

ACCOUNTING PROCEDURES AND INTERNAL CONTROLS

The principal is responsible for ensuring that all funds received and disbursed in the name of the school are controlled, monitored and reported through proper accounting procedures in compliance with all applicable policies, procedures and regulations to ensure the safeguarding and accountability of all funds. This authority includes communicating with all staff and school community members involved with school generated funds their responsibility to uphold and comply with these same procedures. The intent of standard practices, procedures and internal controls is to ensure proper administration of funds, the protection of staff and school community members, and that accurate, current, useful, and transparent records are maintained.

FINANCIAL MANAGEMENT

Banking

- Each school should only have one bank account in the name of the school to be used for all school generated funds. The exception would be the need to have additional bank accounts in order to comply with lottery licensing requirements (ie. separate bank accounts for Bingo, Nevada tickets, etc.).
- Use of client cards, bank machines or on-line banking are not permitted.
- Bank statements must run from the first day of the month to the last day of the month (must cut off the last day of the month).
- All bank agreements should stipulate a minimum of two signing authorities is required for a cheque to be cleared by the bank. Of the two signing authorities at least one should be either the principal or vice-principal. It is suggested that in order to provide some flexibility that three to four individuals be identified in the banking agreement as signatories.
- Monthly bank statements should be either picked up or mailed directly to the principal. The principal should scrutinize the statement and cancelled/cashed cheques to ensure all transactions appear to be in order and authorized. The bank statement and cancelled cheques should then be given to the person responsible for completing the monthly bank reconciliation, which should be completed within 30 days of the end of the month. Once completed the principal should review the monthly bank reconciliation and sign off his/her approval.

Accounting Software

- The software prescribed by the board will be used to record and report all financial transactions concerning school generated funds. Recording of the various transactions will be completed using a fund accounting model (using categories) in order to maintain accurate records displaying that these specific purpose funds were generated and disbursed as intended.
- Cash/cheque collection should be eliminated where possible and any cash/cheque collections should be kept to a minimum. Use of the on-line catalogue features of the school generated funds software should be utilized.
- Using detailed descriptions when entering information into the accounting system is highly recommended to support the accuracy and completeness of information recorded which supports a good audit trail.
- Records should be kept up to date and errors corrected promptly.

General Procedures

- Petty cash and purchasing cards cannot be used to support or supplement fundraising activities.
- Supporting documents such as invoices, receipts, vouchers, bank statements, deposit books, bank reconciliations and accounting records must be retained at the school for a period of seven years.
- School generated funds financial records are subject to internal review/audit by the Finance Department or the regional internal audit team and external audit by the board's external auditors as required.
- Where possible a division of duties is recommended in order to maintain adequate internal controls (for example where administrative assistant staffing permits the duties of signing cheques and the maintaining of school records should be separated).
- Internal controls are only effective if followed and enforced. Internal controls ensure the protection of staff, demonstrates accountability with the management of funds (both receipt and disbursements) and supports a detailed audit trail.
- Principals should review the records and reports of school generated funds monthly in conjunction with the monthly bank reconciliation.

FINANCIAL PROCESSES-INTERNAL CONTROLS

Receipt of Funds

- The on-line catalogue and fund collection features within the accounting software should be utilized at all times. Use of these features is an excellent internal control for the safeguarding and tracking of funds, the protection of staff and minimizing exposure to loss or theft. The on-line school catalogue should be used for all fundraising activities such as pizza days, milk sales, spirit wear, year books, fees for learning materials and activities, field trips and team sports. Exceptional circumstances will occur where the use of the software catalogue is not possible such as fundraising activities involving school bazaars and public performances/activities (theatre/drama events, sporting event cover charge).
- When cash is collected staff members collecting the funds should complete a “Funds Received Form” (*template included in this Appendix*) and where possible two individuals should be present for the count. The form along with the cash is then forwarded to the individual in the school office responsible for completing deposits. Once the cash is re-counted by office staff and readied for deposit (using the accounting software for prompt recording) an initialed copy of the “Funds Received Form” (noting if any discrepancies found) is returned to the submitting staff member. This same process can be used for school volunteers. The “Funds Received Form” should be retained for supporting deposit documentation.
- All cash received should be verified and the deposit prepared the day it is received. While on site cash is to be stored in a designated locked safe/safe location which has limited access by staff. Cash collected should be deposited daily where possible to minimize exposure to loss or theft.

Disbursements

- All cheques issued should have two signatures one of which is either the principal or vice-principal.
- Blank cheques are NOT to be signed. All signing authorities have a fiduciary responsibility to ensure payments are supported with the appropriate documentation prior to signature.
- There should not be any cash disbursements or payments made using cash collected. All disbursements should be made in the form of a cheque to ensure a strong audit trail.



- All expenditures should be supported by original detailed receipts/invoices and be approved by the principal prior to payment using the completed School Cheque Requisition form (*template included in this Appendix*). No payments should be made without the proper supporting documentation. The corresponding cheque number used for payment should be written on the supporting document along with the date and marking of “PAID”. Only original detailed receipts/invoices should be used for supporting documentation, company statements should not be used for payment approval/support.
- Reimbursements to principals must be approved by their assigned Superintendent of Education.
- If cheques are not generated by the accounting software all paper cheques should be pre-numbered. Unused cheques and cheque stock paper should be controlled by authorized personnel and stored in a locked cabinet or desk. Where paper cheques are used the payment should be entered into the accounting software immediately. It is recommended that the writing/production of cheques be prepared by only one individual to ensure all payments are recorded and to avoid duplication of payments.
- Voided cheques should be clearly marked “VOID” across the face of the cheque, have the signature lines removed and be retained for audit purposes.
- Cheques that are not cashed after 6 months from the date of issue are considered stale-dated and should be reversed in the accounting software.

Review of Bank Reconciliations by Principal

- The bank reconciliation should be prepared monthly no later than the last day of the following month, and should be reviewed, signed and dated by the principal. The principal will complete the following:
 - Confirm the bank statement balance agrees with the amount on the bank reconciliation (the reconciled balance).
 - Validate that the amount recorded as the bank balance in the school’s accounting records matches that reflected on the bank reconciliation.
 - Review outstanding cheques, deposits, bank/miscellaneous charges and any unusual transactions, ensure follow-up where necessary.

Ensure the approved bank reconciliation has all supporting documentation attached (bank statement, cancelled cheques) for filing and retention.



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School Generated Funds Cheque Requisition Form

School Name: _____

*All cheque requisitions **must** have the detailed invoice(s) attached and be authorized by the principal. If reimbursement is to the principal, the Superintendent of Education must authorize the cheque requisition.*

Name of Staff Member (Parent Council Member) requesting: _____

Payable to: _____

Address: _____

Reason for cheque: _____

Amount \$ _____

Charge to Category: _____

Authorization of Principal: _____

Date: _____

Superintendent Authorization: _____

Date: _____

(If cheque is to be payable to the principal, authorization of the Superintendent of Education is required).

For Accounting Purposes Only

Cheque Date: _____

Cheque #: _____

Prepared by: _____



Near North
District School Board

SUMMARY OF FUNDS RECEIVED FORM

Name: _____

Date: _____

Amount of Funds: \$ _____

Activity: _____

Signature: _____

Verified By: _____

Submit this completed form with funds appropriately secured to the designated office administrator.

BILLS			ROLLED COIN			LOOSE COIN		
Amount	Quantity	Total	Amount	Quantity	Total	Amount	Quantity	Total
\$5			0.05			0.05		
\$10			0.10			0.10		
\$20			0.25			0.25		
\$50			\$1			\$1		
\$100			\$2			\$2		
Total			Total			Total		

RECEIVED FROM			
Name	Cash	Cheque	Amount



Additional

Appendices

Reporting Templates



Appendix B

Due: October 31

(SCHOOL NAME) **ANNUAL FUNDRAISING PLAN FOR THE SCHOOL YEAR (202X/202X)**

No.	Timeline (Date/Schedule)	Activity Description	Estimated Profits	Purpose for which profits will be used	School/School Community Liaison	Additional Comments

Please list all agreements/contracts, selling of food and beverage sales for the purpose of fundraising with the intended use/purpose of these funds.

By signing the Principal is attesting that the plan has been discussed with and approved by Parent Council.

Signature of Principal/Date

Superintendent Approval Signature/Date



Near North
District School Board

Appendix C

Due: October 31

(SCHOOL NAME) **PLAN FOR SPENDING SURPLUS FUNDS FOR THE SCHOOL YEAR ENDING (202X/202X)**

Please indicate the total amount of surplus funds over that which is permitted in the guideline: \$_____.

Below please list the primary funds contributing to the surplus and the plan to expend these excess funds over a period of no more than two years.

Fund	Surplus Amount	Original intent for which the funds were raised	Plan for Spending Excess Funds (including timeline)

Principal Signature/Date

Superintendent Approval Signature/Date



(SCHOOL NAME) **ANNUAL SCHOOL GENERATED FUNDS SUMMARY FOR THE SCHOOL YEAR ENDING (202X/202X)**

Activity	Purpose for which funds were raised	Total Funds Raised	Total Funds Disbursed	Comments (summary of the fundraising activity, duration, plans for spending the remaining funds, etc.)

By signing the Principal is attesting that the summary has been presented to Parent Council.

Principal Signature/Date