

SCHOOL-BASED FUNDS

GOVERNANCE POLICY

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1.0 PRINCIPLES

The South Shore Regional Centre for Education (SSRCE) is committed to safeguarding the interests of the SSRCE, school principals, school administrative assistants, teachers and students, by establishing procedures for the administration of school-based funds.

2.0 POLICY FRAMEWORK

2.1. This policy complies with the Education Act and other related provincial acts and policies.

2.1.1. Public Sector Accounting Board Policies

2.1.2. SSRCE School-Based Funds Handbook

2.1.3. SSRCE Policy 550: Procurement

3.0 AUTHORIZATION

The Regional Executive Director is authorized to issue procedures in support of this policy.

SCHOOL-BASED FUNDS

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1.0 DEFINITION

- 1.1 School-Based Funds are those raised by, or donated to, a school. Fundraising methods shall be in keeping with the general objectives of public education and shall be consistent with any laws governing fundraising methods. School-based funds include proceeds from various fundraising efforts, fees, collections, donations, cafeteria/canteen sales, scholarship funds or trust funds, etc. School-based funds do not include the funds of School Advisory Councils, Staff Funds, Home and School Associations, other School Parent Support Groups, or any Society of the SSRCE governed by a Society agreement.

2.0 ADMINISTRATION

The school principal shall oversee the administration of school-based funds and ensure that accurate records are kept of receipts and disbursements of all money collected, raised, or donated to the school. The school principal shall be responsible for any and all school funds and must approve any account opened in the school's name. The Director of Finance (or designate) shall have the authority to limit the number and purpose of bank accounts that are opened or are planned to be opened for each school.

3.0 REPORTING

- 3.1 Schools may obtain bank convenience cards to enable them to access online banking for reporting only.
- 3.2 The school Principal shall ensure that an annual consolidated report of all school-based funds is prepared for the fiscal year April 1 to March 31 as outlined in *Chapter 9 of the School Based Funds Handbook*.
- 3.3. The school Principal shall ensure that monthly reporting of all school-based funds is prepared as outlined in *Chapter 3&4 of the School Based Funds Handbook*.
- 3.4 The Director of Finance or designate from the Finance Department may audit/review accounts of the school at any time. School staff shall provide information and assistance as required. A school funds audit report may be issued as a result of this work.

4.0 FUNDRAISING

The school principal must annually, at the beginning of the school year, approve all proposed major fundraising activities by the school, students and/or student governments.

5.0 BANK ACCOUNTS

- 5.1. All money collected by a school shall be deposited to an account set up in a financial institution.
- 5.2. Consideration shall be given to make deposits in interest bearing accounts, or other non-risk financial instruments with transfer made to the chequing account when required. Other types of acceptable investments include: Term Deposits or GICs of Chartered Banks. Lock in periods for these investments will be short enough to avoid cash flow problems.
- 5.3. Any investments shall have prior written approval of the Director of Finance before such investments are made.

6.0 SIGNING AUTHORITY

- 6.1. School accounts shall have at least three signing officers, and two authorized signatures shall appear on each cheque issued. One of those signatures must be the Principal or designate. If this person is a designate by the Principal, then such authorization must be in writing and maintained at the school at all times showing such approved designation.
 - 6.1.1. Under no circumstances are cheques to be pre-signed by one or both of the signing officers. Signature stamps are not be used on cheques at any time.
 - 6.1.2. Cheques made out to individuals who are signing officers, requires alternate designated signatures.

7.0 BANK DEPOSITS

- 7.1. Bank deposits shall be made on a regular basis. Under no condition are school-based funds to be removed from the deposit for payment of expenses nor are any funds to be deposited to personal bank accounts.
 - 7.1.1. School principals shall ensure that significant amounts of cash are not left in the school overnight.
 - 7.1.2. Cash in excess of \$1,000 shall not be left in the school on weekends or holidays.
 - 7.1.3. All schools shall have a fire-rated safe installed and properly secured.

- 7.1.4. All deposits shall be supported by a bank deposit slip copy as well as documentation pertaining to a breakdown of the deposit.

8.0 PURCHASES

- 8.1. All purchases of supplies, equipment, material, services, transportation etc., shall be supported by invoice or proper documentation. All such purchases must be made in compliance with SSRCE Policy 550: Procurement.
 - 8.1.1. All disbursements shall be reviewed and signed for approval by the Principal or designate prior to payment being made.
 - 8.1.2. All disbursements shall be supported by supporting documentation.
 - 8.1.3. A voucher that contains vendor name, date, description of payment, and a signature of the party requesting a cheque shall support any disbursement issued to individuals.
 - 8.1.4. All expenditures must be paid on a timely basis.
 - 8.1.5. HST rebates are to be claimed on a monthly basis, with rebate paid directly to the School, as a branch of the SSRCE.
 - 8.1.6. All expenditures must not only be reasonable in nature for school purposes but must not result in a conflict of interest (as defined in the “Ministerial Education Act Regulations Section 70 – Provincial Conflict of Interest Policy”)
 - 8.1.7. Any items purchased from school funds remain the property of the school and/or SSRCE, with the exception of items which are meant to be small gifts for staff or presenters, small incentives for students, items of a consumable nature and similar expenditures.
 - 8.1.8. Funds raised by NSTU staff performing supervision duties shall be used in a manner consistent with the NSTU contract.

9.0 FORMS

All schools will use standard forms developed and provided by the Finance Department which are available on the website for printing. They will be revised periodically as required. These forms are to ensure proper internal controls within the schools as well as to protect all SSRCE employees. Special purpose forms may be created and used only if they have been approved by the Director of Finance.

10.0 AUDIT COMMITTEE

- 10.1. Each school with an enrolment of more than 500 shall have an Audit Committee comprised of three members other than the School Principal and administrative assistant that assists with the management of the school-based funds.
 - 10.1.1. The Principal shall request volunteers to serve on the Audit Committee from the School Advisory Council, Home and School Association, Parent Support Group, school staff, or community members.
 - 10.1.2. Signing Officers for school-based funds should not be members of the Audit Committee.

10.2. A school shall form an Audit Committee should the Principal, SAC, or Director of Finance request one.

10.3. The duties of the Audit Committee are:

10.3.1. To receive and review the budget for school accounts from the school principal.

10.3.2. To receive and review the Annual Statements of all school-based funds (as outlined above) that shall be forwarded to the Director of Finance by April 15 of each year.

12.4.3 To receive a School Funds Audit Report(s), if completed for the applicable school.

12.4.4 To review recommendations in a School Funds Audit Report(s).

12.4.5 To advise the school principal, based on the information provided in the School Funds Audit Report(s), on:

12.4.5.1. Improving the budget development process.

12.4.5.2. Improving the accountability for funds raised and spent.

11.0 SCHOLARSHIPS OR TRUST FUNDS

Any funds held in trust by a school for a specific purpose such as scholarships or student awards are to be considered school-based funds and must be included in the annual report. These scholarships or trust funds held by a school cannot exceed \$5,000 for any individual scholarship or student award. Any amounts greater than \$5,000 must be held in trust by the SSRCE in a specific trust fund for the scholarship or student award with signed guidelines. Trust Funds, such as scholarship funds, which are maintained at the school level, are also subject to the guidelines noted above and subject to audit. Payment of such funds must conform to the guidelines of the specific Scholarship when available.

12.0 RESPONSIBILITIES

It shall be the responsibility of the Regional Executive Director to ensure these administrative procedures are followed.

13.0 DELIVERABLES

SSRCE Finance Staff shall provide a report to the SSRCE Senior Team by June 30 of each year, indicating which schools had compliance audits performed by SSRCE staff or the external auditors and what the results were of those audits.