

Administrative Procedure 511

SCHOOL GENERATED FUNDS

Background

An independent review and audit of School Generated Funds, which are administered at the school level, and form part of the Division's Audited Financial Statements, is essential for maintaining credibility and financial accountability for the funds that are generated.

Procedures

1. The Division requires that the general principles of accounting practice be applied to the management of all funds collected by schools.
2. The Principal will be responsible for the administration of School Generated Funds and will submit a financial statement including balance sheet and statement of profit/loss to the Associate Superintendent, Business and Finance or designate each year in early October.
3. Principals will use an accounting system in the format prescribed by the Associate Superintendent, Business and Finance or designate.
4. All transactions will be controlled and recorded in the school's accounting system and bank account, and are subject to audit by the Division's internal and external auditors.
 - 4.1 Disbursements from each account must have supporting documentation and will be maintained on file for audit purposes.
 - 4.2 All revenues are to be recorded in pre-numbered receipt books and reconciled to the bank deposit books.
 - 4.3 The school bank accounts will be reconciled each month, verifying all deposits and disbursements.
5. There will be a minimum of two (2) signing authorities for each bank account, one (1) of which must be the Principal or designate. Each cheque will require two (2) signatures.
 - 5.1 An audit of the school accounts will be conducted when one (1) of the school signing authorities leaves the school.
6. All monies collected by the school for a designated purpose must be used for the purpose so designated.
7. All undesignated monies collected by the school are to be recorded as revenue and may be spent in the manner determined by the Principal in consultation with staff and the School Council.
8. Money from School Generated Funds is not for the personal use of staff, students or others.

9. Cash surpluses may be invested in savings accounts and/or guaranteed term deposits. Interest earned is to be recorded as revenue.
10. An internal auditor will visit each school on a regular schedule as determined by the Finance Department to review the accounting records and procedures.
 - 10.1 Internal process and control will also be subject to review during the audit process.
11. Refer to Appendix for School Generated Funds Manual.

Reference: Section 20, 22, 60, 61, 113, 116, 145, 146, 147, 148, 149, 150, 151, 152 School Act
Societies Act
Funding Manual for School Authorities
Guide to Education ECS to Grade 12
Policy and Requirements for School Board Planning and Reporting
School Authority Planning and Reporting Reference Guide
School General Funds Manual