

*Section 10*

**FUNDRAISING, ADMINISTRATION  
AND FINANCIAL REPORTING**

**Dufferin-**

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## **FUNDRAISING, ADMINISTRATION AND FINANCIAL REPORTING**

In this section of the resource binder for school councils you will find:

The General Administrative Procedure **GAP 704.02** that details expectations regarding accounting and administration of School Generated Funds.

**GAP 722.00** that details the expectations regarding administration of Catholic School Council funds.

**GAP 538.00** and **Board Policy 4.20** that detail Fundraising activities in the schools.

An “**Annual Report**” template that every Catholic school council is required to complete at the end of its term of office

**For additional information and clarification, please consult with the Principal of your school.**

## ANNUAL REPORT & TRANSITION

### Annual Report

At the end of your term (one year) your Catholic School Council must prepare and submit a written report to your school, your community and to your school board.

An annual report is used by an organization to communicate to its investors, stakeholders, members and participants. Sometimes an annual report may be used as a marketing tool to recruit new members or to educate your community.

The annual report must include a form of financial statement of income and expenses occur as a result of the activities of the school council. The financial statement should name the financial “year-end” of the council’s activities. For example:

Financial Statements for *(name school)* Catholic School Council  
For the Year Ending September 30<sup>th</sup>, *(the year)*

There should also be a clear listing of the income and expense by activity. This will allow the board to be compliant in their year-end audit. A sample statement is included in GAP 722 attached.

At a minimum, the annual report should have an opening letter, statement or address. This should include a report on council activities; accomplishments; challenges; goals and perhaps, plans for the future. As a Catholic School Council, it is important to share any opportunities your council had to strengthen your faith through retreats, special discussions, prayer meetings and liturgies. As well, a list of the names of the council members should also be included with positions and an explanation of roles. There should be recognition of outgoing council members and volunteers in the community who have contributed to the council’s success. You should provide information concerning council meetings in terms of meeting times and location, as well as an open invitation for all to attend future meetings. Financial statements must also be included with the annual report to ensure transparency of school council funds.

The principal, on behalf of the school council, must ensure that a copy of this annual report is provided to every parent who has a child enrolled in your school.

### Transition

The term of office for membership on a Catholic School Council is one year. It is important that the transfer of procedures and documents be completed before each new term begins. Meeting minutes, financial statements, records, annual reports, handbook bylaws and other documents should be filed and stored at the school in a central location.



**SECTION 1: INTRODUCTION**





**A. Roles and Responsibilities of the Superintendent, Financial Services and Treasurer or**

9. Ensure that there is a primary contact for each club or classroom, grade, involved with financial transactions.
10. Review, initial and date the monthly bank reconciliation and other reports per item #2 in Section 6: Financial Reporting.
11. Ensure that SchoolCash.Net reports are reviewed with Departmental Heads at least quarterly (once every three months) and Teachers as required and at least annually.
12. Notify the Family of Schools Superintendent and the Superintendent, Financial Services immediately about any suspicion, fraud attempt, or for any failure to follow Board policy and/or procedures.
13. Ensure that all expenses paid personally by the principal or by Board procurement card are approved by the Family of schools superintendent.
14. Do independent physical verification of safe contents at random intervals and document results.
15. Ensure that this GAP and all referenced materials associated with this GAP on Page 1 are reviewed once a year to refresh the knowledge of requirements.
16. Prepare an annual plan for school generated funds and have it approved by the Family of Schools Superintendent. (se

sealed envelope – “Funds Received Envelope (GF 267) with signatures over the seal. The Head Secretary should immediately place the sealed envelope in the safe. In secondary schools, if the Head Secretary is not in the main office at the time the staff member brings the funds, the Funds Received Envelope may be placed in a locked drop box until the Head Secretary returns and places it in the safe. This is only intended as a temporary holding place for the funds and must not be left in the drop box overnight. Later, when the envelopes are removed from the safe and opened by the Head Secretary for counting and deposit purposes, it should be done in the presence of the principal or designate. Although it is considered best practice to have the money counted in the presence of two individuals there may be some exceptions in some single administrator schools when this is not possible. In these circumstances, once the Head Secretary counts the money they should inform the staff member via email, with a copy to the principal, of any discrepancy.

3. Count money collected and record amount and intended use of the funds on the Funds Received Envelope GF 267 as indicated in Section 5 on Banking/Receipts/Disbursements/Bank Reconciliations.
4. Ensure funds collected are delivered intact to the Head Secretary on a daily basis with all supporting deposit documentation as explained in Section 5 – Banking/Receipts/Disbursements/Bank Reconciliations. Any money collected during the day needs to be locked up or placed in a secure location. Funds handed over to the Head Secretary will be placed in the safe. Please note that expenditures are not to be paid from the cash collected. The total funds are deposited to the bank and a cheque is written to pay for expenditures.
5. Complete the Deposit Log book (GF 268) before handing over the funds to the Head Secretary. Request that money is counted in their presence. If Head Secretary is not able to count at that immediate time, it should be handed over in a sealed Funds Received Envelope (GF 267) with the teacher's signature over the seal. In secondary schools, if the Head Secretary is not in the main office at the time the staff member brings the funds, the Funds Received Envelope may be placed in a locked drop box until the Head Secretary returns and places it in the safe. This is only intended as a temporary holding place for the funds and must not be left in the drop box overnight.
6. Request and review transaction reports (Report # 2 - Detailed Category Summary Report from School Cash.Net system) on a quarterly basis and advise the Head Secretary of any discrepancy.
7. Staff requesting reimbursement or payment of an invoice must indicate that the charge on the invoice is for goods that have been received or for services performed and must indicate approval with a signature on the invoice. In addition, a School Cheque Requisition (GF 269) will be completed by the staff member indicating the invoice information including

**SECTION 5: BANKING/RECEIPTS/DISBURSEMENTS/BANK RECONCILIATIONS**

**Background**

8. Copies of bank documents to support the authorized signatories and specifications for all banking services should be retained in a permanent file.

## **B. Receipts**

1. All money received at the school is to be stored on site in a designated locked safe, which has limited and secure access. Appropriate safes can be purchased from vendors as listed in the Supply Chain Catalogue. Safe must be bolted to the floor and it should be located in a secured area with very limited access.
2. All schools must maintain a Deposit Log Book (GF 268 is available from Financial Services) The information regarding the money collected will be entered in the Deposit Log Book (GF 268) by a staff member before handing over the funds. The Head Secretary enters the deposit date and the SchoolCash.Net deposit # in the Deposit Log Book (GF 268).
3. The school should document and implement a deposit process plan (sample is located in the Blue Binder “Financial Support Tool for Schools” which indicates the timing of deposits and the maximum amount of money that can be maintained at the school before it must be deposited.
4. All money collected is to be deposited intact to the bank account promptly and in line with the deposit process plan. Expenditures are not to be paid from the cash collected. The total funds are deposited to the bank and a cheque is written to pay for expenditures. All staff collecting money must complete and sign a Funds Received Envelope (GF 267) that indicates the amounts of cash and cheques collected. The funds along with all supporting information including the class roster/team list and the trip details, as appropriate, to be given to the Head Secretary. The staff member ensures that the approval of the principal or the designate is obtained on the class roster for students requiring financial assistance before providing it to the Head Secretary. Staff must enter the deposit information into the Deposit Log Book (GF 268) before submitting the Head Secretary.
5. Counting Money: Optimally, money should be counted in the presence of two individuals

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The reports shall be kept with the records for the school generated funds for seven years.

All schools are using a common accounting software program for school generated funds (SchoolCash.Net). The system can generate a number of pre-formatted reports in order to:

Meet the information and reporting needs of the Principal at each school

Meet the reporting needs of the Family of Schools Superintendent's annual plan and annual report review of each schools fund activity and balances.

Meet the needs, under the Public Sector Accounting Board Standards (PSAB), for inclusion in the Board's financial statements.

Meet the needs of the Ministry's

The Family of Schools Superintendent should review and return a signed copy of the Plan to the school by October 31. In the interim period (September 1 – October 31), activities similar to those in previous years may be undertaken.

A copy of the approved Plan will be kept in the school and used in conjunction with the review of the monthly and annual financial reports. It is suggested that the approved Plan be communicated to the school community. Please refer to the Financial Support Tool (blue binder) for a sample.

**2. Monthly Bank Reconciliation including Overview summary of all categories (Report #11L – Reconciliations Overview Summary of All Categories Report and 11M – Reconciliation Detail Report)**

Each month, the bank account balance will be reconciled to the School Cash.Net balance at month end. Once the monthly bank reconciliation is completed and printed, the School Cash.Net system also prints with it the Reconciliation - Overview summary of all categories. The form and content of this report is discussed in Section 5 - “Banking/Receipts/Disbursements/Bank Reconciliations”. Please refer to the blue binder for sample reports and guidelines on how to review bank reconciliation.

The Reconciliation – Overview summary of all categories (Report #11L) will show for each category:

- Beginning balance – total for the fund at the end of the previous year
- Total receipts during the period
- Total disbursements during the period
- Net proceeds
- Total transfers to/from other categories
- Closing balance

This report along with the bank statement(s) should be sent to the Accounting Department at the end of next month after its review by the Principal.

**3. Detailed Category Summary - All transactions to date (Report # 2 –**







## GAP 722.00 ADMINISTRATION OF SCHOOL COUNCIL FUNDS

<b>SECTION:</b>	<b>700 FACILITIES, EQUIPMENT, FINANCE</b>
<b>GAP NUMBER:</b>	<b>722.00</b>
<b>SUBJECT:</b>	<b>Administration of School Council Funds</b>
<b>REFERENCE:</b>	Education Act Regulation 612 Policy 4.20 Fundraising Policy 5.30 Supply Chain Management GAP 538.00 Fundraising GAP 704.02 Administration of School Generated Funds GAP 706.00 Supply Chain Management Administrative Procedures
<b>EFFECTIVE:</b>	September 2, 2008
<b>REVISED/AMENDED</b>	Admin Council, December 15, 2008; Admin Council, October 28, 2013
<b>REPLACES:</b>	722.00
<b>PAGE</b>	1 of 13

### **Background**

Under the *Education Act Regulation 612*, school boards in Ontario are required to establish a School Council for each school within the board. These School Councils are advisory bodies that may make recommendations to the school Principal or the board on any matter.

Many School Councils perform fundraising activities in the name of the school and as such are required to conform to the appropriate sections of *Regulation 612* that deal with fundraising issues. The Principal is ultimately responsible for activities related to the school and therefore is also responsible for School Council activities.

These guidelines apply to all funds that are received, raised, or collected in the name of the school or School Council.

#### **A. Ownership of School Council Funds**

The Ministry of Education’s document, *School Councils a Guide for Members (2002)*, states **“School Councils should be aware that, because the school board is a corporate entity and the school is not, any funds raised by the School Council (and any assets purchased with**

**those funds) belong, legally, to the board”.** Fundraising for schools by School Councils is a partnership between the school, the board and the fundraising group.

Each board determines acceptable and unacceptable uses of School Generated funds activity of School Councils.

- A 1. A description of the types of revenues and expenditures that comprise School Generated funds are found in the board’s GAP 704.02 – Accounting – The Administration of School Generated Funds.
- A 2. Policy 4.20 – Fundraising and GAP 538.00 Fundraising
- A 3. All purchases made using School Generated funds must comply with board policy and procedures.
- A 4. Catholic School Council Resource Handbook, 2002
- A 5. Any relevant board policies with which to ensure compliance.

## **B. Accountability – Roles and Responsibilities**

### **Background**

The Board has a responsibility to ensure that all School Generated funds are collected in accordance with Board policies and municipal, provincial and federal laws and regulations. This responsibility includes ensuring that all funds are adequately protected, that they are controlled through proper accounting procedures and that accountability for the funds is maintained.

### **Objectives**

To clarify the roles and responsibilities of individuals involved in School Generated funds.

#### **Roles and Responsibilities of the Senior Business Official or Designate:**

- B 1. Refer to Accounting – The Administration of School Generated Funds (GAP 704.02).

#### **Roles and Responsibilities of the Family of Schools Superintendent:**

- B 2. Refer to Accounting – The Administration of School Generated Funds (GAP 704.02).

#### **Roles and Responsibilities of the Principal (as they relate to School Council):**

- B 3. **Ensure that the Administration of School Generated Funds (GAP 704.02) and Administration of School Council Funds (GAP 722.00) are implemented in compliance with Board Policy.**
- B 4. Act as one of the approved signing officers on the School Council bank account.
- B 5. Review, date and sign the monthly Bank Statement, Bank Reconciliation (KEV 1) and School Council Treasurer’s Report (SC 1).
- B 6. Review, date and sign the semi-annual and annual School Council Summary of Financial Activities Report (SC 2).







## **C. Banking/Receipts/Disbursements**

### **Background**

All schools will have a bank account for School Council Funds and a process to record transactions. It is essential that controls be in place to assist in the management of these funds.

### **Objectives**

To simplify banking practices while maintaining compliance with Ministry regulations:



- C 23. Using the number control feature, all cheques should be accounted for. Voided cheques should be retained on file for audit purposes.
- C 24. Unused cheques should be stored in a designated, secure location in order to prevent loss or theft.

## **D. Financial Reporting**

### **Background**

A substantial amount of money is generated in schools for the benefit of students. The Principal is accountable for the money to both the school community and the Board. Financial statements demonstrate accountability and, at the same time provide information for decision-making needed by the school community and the Board. To enable the School Council to manage and monitor School Council funds and fundraising activities, current financial information is required. To achieve this goal, monthly reports outlining the sources and uses of the funds and the current





RECONCILIATION - OVERVIEW SUMMARY OF ALL CATEGORIES

Sep 20, 2007-May 30, 2008  
Date ... Range

Expense	Revenue	Transfers Out	Category	Opening Bal	...	...	...
<b>School Council</b>							
Administrative General			7000	\$11,512.14			\$11,842.14
Agendas			7005	-\$1,852.31			-\$1,852.31
Class Allotments			7010	\$1,259.74			\$1,259.74
Cultural Enrichment			7015	\$363.60			\$363.60
Donations			7020	\$1,150.63			-\$1,150.63
...							\$15,134.72
...							6519.13
...							-\$1,938.07
...							-\$12,804.55
...							\$1,757.63
	\$7,890.00	\$542.00		\$8,990.76	\$8,990.76	\$8,990.76	
							\$4,757.63
Total Investments							\$4,757.63
...							\$4,757.63

Sample SC 1

(Name of School Council)

Month End (Month/Year):

Opening Cash Balance per books: \$ (A)

Add: Sources of Revenue (during month):

_____	\$	_____
_____	\$	_____
_____	\$	



Sample SC 2

5,103.56  
5,000.00

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10,103.56

12,515.00

\$
,300
,000
,000
300
,500

## **PUBLIC SECTOR ACCOUNTING BOARD AND SCHOOL BOARD FINANCIAL REPORTING**

### **Introduction and Background**

Those given control of public money face two great tasks. First, they must make sure that the public's money is spent wisely. Second, and nearly as important, they must be able to show that it has been spent wisely. Financial statements, clearly presented and externally verified, make an important contribution to this second role. With this in mind, in March 2004, following significant discussion and input from school boards, the boards' external auditors, and the Canadian Institute

## **SCHOOL COUNCILS, FUNDRAISING, ANNUAL REPORTS AND FINANCIAL STATEMENTS**

**SOURCE:** Extracts from “School Councils – A Guide for Members, 1995, Revised 2002”

### **FUNDRAISING**

Some School Councils may decide to include fundraising as one of their priorities. Fundraising activities may be conducted as long as they are in accordance with board policies and procedures and the funds raised are to be used for a purpose approved by the board. A School Council may find that it is unable to continue a fundraising activity in which it was previously involved, as the funds raised are not used for a purpose approved by the board. Similarly, a School Council may find that it must change the way in which it fund-raises for an approved purpose to comply with board policies and procedures.

School Councils should be aware that, because the school board is a corporate entity and the school is not, any funds raised by the School Council (and any assets purchased with those funds) belong, legally, to the board. The board may have policies specifying that all monies raised by the School Council (and any assets purchased by the School Council) will remain with the school. However, such policies are not legally binding in the event that the school is closed.

All fundraising activities conducted by the School Council must be included in the Annual Report prepared by the School Council. (See Section 10: Accountability).

### **ANNUAL REPORTS**

At the end of its term, your School Council must prepare and submit a written report to the school and to the board, outlining the School Council’s goals, activities, and achievements, including any fundraising activities.

The Annual Report will also include the annual financial statements.

The principal, on behalf of the School Council, must ensure that a copy of this Annual Report is provided to every parent who has a child enrolled in the school.





2. Facility renewal, maintenance, or upgrades normally funded through the provincial grants such as structural repairs, sanitation, emergency repairs, or replacing flooring due to wear and tear;
3. Infrastructure improvements which are funded by provincial grants or which increase the student capacity of a school;
4. Goods or services for employees, where such purchases would contravene the

b) In addition to parental consent, student fundraising activities require supervision and should be age-appropriate.

5.

## BOARD POLICY 4.20 - FUNDRAISING

<b><u>DUFFERIN-PEEL CATHOLIC DISTRICT SCHOOL BOARD</u></b> <b><u>BOARD POLICY</u></b>	
<b>Board Policy Number:</b>	<b>4.20</b>
<b>Subject:</b>	<b>Fundraising</b>
<b>Reference:</b>	GAP 538.00, Fundraising; GAP 547.00, School Food and Beverage; GAP 514.02, Anaphylactic Reactions – Epi-Pen Use; Policy 1.01, Code of Ethics; Policy 5.30, Supply Chain Management
<b>Effective Date:</b>	Revised (511) October 18, 1994; Revised (074) January 25, 2011; Revised (164) August 28, 2012

Supporting charity and social justice is a constitutive element of the Dufferin-Peel Catholic District School Board. The Board may allow fundraising initiatives for charitable and social







Other community representatives:

