



## 6.01 School Funds

### 6. Finance- Administrative Procedure Manual

School funds are monies that the Principal of the school, subject to the rules of the School Board, may raise, hold, administer and expend for the purpose of operations within the school. The two types of funds that are maintained at the school level are accounted for in separate bank accounts. Additional accounts must be approved by the Secretary-Treasurer. Funds are divided into two classifications, as per Manitoba Education and Training Finance and Statistics.

<http://www.edu.gov.mb.ca/k12/finance/schfundpolicy.html>

#### **Type A - School Generated Funds**

These funds are used to promote the education and morale of students, to finance co-curricular activities of the student body and to provide additional supplies and equipment not available through the Division School Budgets.

All fundraising activities must be approved by the Principal. Examples of these activities include but are not limited to: bake sales, raffles, dances, canteen sales, hot lunch days, school fees, extracurricular fees, etc.

These school fund accounts are incorporated into the Division's Special Purpose Fund Account on the financial yearend statement.

#### Student Council Funds

These funds are those of the student council and could include fundraising activities as listed in #1 above as well as graduation, student membership fees and yearbook sales. Student councils in Pine Creek School Division schools are required to have a staff adviser as a co-signing officer for student council funds.

#### **Type B – Divisional School Budget**

Type B school funds include allocations from the school division (per capita grants, budget allocations, specific purpose grants, etc.), vocational revenues (auto shop repairs and service, cosmetology, business education initiatives, etc.), and revenues from cafeterias and vending machines that are operated by or contracted out by the school division. These moneys are often administered by the school division on behalf of the school, but in cases where the school administers them they are considered to be Type B school funds and would fall under the guidelines for school funds. These funds are included in the school division's financial statements as school division moneys.

#### **Responsibility**

The Principal is responsible for the management of all School Funds. Proper accounting consists of:

1. Following prescribed procedures in managing school funds.
2. Maintaining complete and accurate records for all receipts and disbursements.

The Principal may delegate the duties of Treasurer to the School Admin Assistant.

### **Accounting Guidelines**

#### Bank Accounts

- a) Bank accounts should be established as chequing accounts only.
- b) Bank accounts require two signatures on all cheques, one being the principal/vice-principal/delegate and the second being either another professional staff representative or student representative, IE. Student Council President.
- c) No new bank account should be established without the prior approval of the Secretary-Treasurer.

#### Deposit of Funds

Any monies not deposited on the day they are received are to be stored in the office safe, which are safeguarded by the Principal or Treasurer.

In making a deposit the Treasurer will:

- a) Prepare a bank deposit slip in duplicate.
- b) The School's copy of the deposit is to be validated by bank stamp.
- c) Deposits are to be entered in the financial records.

#### Disbursements

School funds are not used to purchase items for individual staff members, staff luncheons, etc. Disbursements are to benefit the school or student body.

Disbursements for personal expenses that could be seen as a conflict of interest is prohibited.

- a) All disbursements must be made by cheque, numbered and issued sequentially.
- b) All cheques must have two signatures. The signing of blank cheques is prohibited.
- c) All disbursements must be supported by invoices, receipts or approved vouchers.
- d) All invoices shall be checked for numeric accuracy.
- e) Each cheque disbursement is to be reordered in the financial records in cheque number order so that a running bank balance can be maintained.
- f) Miscellaneous items such as interest expense, interest income or bank cheques is to be recorded in the financial records on a monthly basis.

#### Financial Reporting

- a) The bank statement shall be reconciled with the financial records and cheque book balance on a monthly basis when received. The Principal is to review the bank reconciliation, summary of receipts and summary of disbursements at this time.
- b) The time period for the review of the above may be extended if there are few transactions but the bank reconciliation is required monthly.

- c) As of March 31st and June 30th of each year, the bank reconciliation and supporting documents will be forwarded to the Division's Secretary-Treasurer for inclusion in the Division's Financial Statements.

### Surplus Funds

Both types of School Funds are held and managed for the specific purpose of supplementing the education experience of students and financing co-curricular activities of the student body. As such, funds raised in a school year are for the purpose of financing specific planned activities or events within that same school year.

Teacher supervisors will submit the completed budget plan for fundraising activities to the School Principal for approval prior to commencing fundraising efforts. The Budget plan will include a detailed description of the activity, estimated revenues (student fees, fundraising revenues, donations, etc.), estimated expenses (transportation fees, admissions fees, registration costs, etc.) and the estimated financial loss or gain.

At the completion of the planned activity the account's Treasurer shall report an actual accounting of revenues, expenses and net financial loss or gain. The Principal of the school will follow up with the Teacher Supervisor on significant variances between budget and actual expenditures.

As emergent and non-planned issues may arise, the Board recognizes the need for Schools to hold a balance in their School Funds to react immediately to such needs.

Multi-year planning for larger projects or initiatives is recognized by the Board. Schools may carry forward a surplus for Type A funds in excess of 30% or for Type B funds in excess of 10% with an approved plan and budget submitted to the Division's Secretary-Treasurer. Additional carry forwards of this nature shall be approved by Resolution of the Board.