

SCHOOL GENERATED FUNDS

Background

School generated funds are funds that are raised in the community for student activities that come under the control and responsibility of school management.

The Secretary-Treasurer will implement a program of internal audits to ensure that generally accepted accounting practices have been applied to the management of all funds collected by the school.

Definitions

School generated funds are funds collected by the school and fall into two (2) categories: Budget funds and School Project funds.

Budget Funds are funds collected at the school and forwarded to the Central Learning Services to cover expenditures which are charged against the school budget. (textbook rentals, registrations, etc.).

School Project Funds are funds collected for specific purposes or activities. These funds are deposited in the Division Bank Account and expenditures for these activities are charged against the revenues in the school's project accounts. School Project Funds include:

- Funds collected as voluntary fees where the costs are paid out of funds collected and retained at school. For example, student union and club activity fees, yearbook sales, lock sales, T-shirt sales, graduation fees, field trip fees, kindergarten fees (if any), and other similar items.
- Funds, including gifts and donations, raised by means of an activity or appeal to the public for a specified education purpose.
- Funds held in trust and administered by the school for a school parent and/or community group.
- Funds raised from investments, commissions and vending machines. For example, term deposit interest earned, bank current account interest, commissions received.
- Funds raised in the school by the sale of goods and services when costs are paid by the school out of school project funds. For example, book sales, canteen or other customer services.

Procedures

1. Principals are to ensure that all funds are deposited and there is accurate accounting for school generated funds.
2. Schools shall not have any separate bank accounts and all funds shall be deposited into the Division's bank account.
3. The Secretary-Treasurer or designate is authorized to audit the school's accounts as deemed prudent by acceptable accounting standards.
4. All projects, prior to the collection of money, shall have a project plan as show in Appendix A that documents the following:
 - Person responsible
 - Project Purpose and Timelines
 - Sources of Revenue
 - What will be purchased from the project
 - Instructions for any surplus or deficit at the end of the project
 - How this will all be communicated to stakeholders who contribute funds
5. School generated funds shall not be used for the benefit of the school staff unless the funds have been collected from staff.
6. Prior to the collection of funds by means of a voluntary per-student fee, Principals shall ensure that students and/or their parents are informed of the optional nature of such fees.
7. All school project funds raised, held in trust for a school parent and community group, or donated for a specific purpose shall be used only for that purpose unless mutually agreed by the Principal and the fund-raising group or donor.
8. Any unplanned surplus funds may be spent on other student related activities, provided this intent is communicated to stakeholders prior to the collection of money.
9. Financial Services must be immediately notified of any funds paid for services performed by employees or scholarships paid from school project accounts.
10. The charitable collection of funds from individual students and staff on school premises shall be at the discretion of the Principal in consultation with the School Council.
11. Games of chance are forbidden for fundraising.

12. Funds Raised by School Council and Community Groups:

- 12.1. A School Council or community group raising funds to donate to the school shall retain all responsibility until the funds are accepted by the school.
- 12.2. Acceptance of funds by the school shall be by way of a receipt issued by the school secretary.
- 12.3. Once accepted, funds will be tracked in separate school project accounts. The Principal shall provide the school council with monthly financial reports of the funds and a council representative may pre-authorize the disbursement of funds.

13. Group Administration of Funds

- 13.1. Groups choosing to administer their funds independently must register under the Societies Act which has prescribed reporting requirements. If a school, parent or community group intends to raise funds for the school through games of chance regulated by the Alberta Gaming Commission the group, or subcommittee thereof, is required to be incorporated under the Societies Act for licensing purposes.
- 13.2. The Principal and staff shall not have signing authority or financial responsibility for the group's accounts.

14. School Administration of Funds Held in Trust

- 14.1. The Principal may authorize groups, so requesting, to have their funds administered by the school.
- 14.2. The funds shall be entered into the school's records and be accounted for in a separate project account.
- 14.3. The Principal shall provide the group with monthly financial reports of the funds and a group representative may pre-authorize the disbursement of funds.

15. School Administration of Donated Funds

- 15.1. When a group donates funds to the school, at that time the funds shall be entered into the school's records and be accounted for in a separate project account.
- 15.2. If the funds are donated for a specified purpose, the Principal shall provide the group with monthly financial reports of the funds.

Reference: *Education Act*, SA 2012, c E-0.3, ss 33, 52, 53, 55, 68, 137, 138, 139,140, 141, 143, 197,
222
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