



ADMINISTRATIVE PROCEDURE 521 SCHOOL GENERATED FUNDS

Background

All revenues are revenues of the Division. The Division supports the generation of funds at the school level to support the ability of schools to provide enhanced educational opportunities for students. As revenue of the Division, although in the custody of the school, they must adhere to Division policy and procedures.

Procedures

1. School Generated Funds (SGF) are defined as funds collected and disbursed at the school level that are subject to the control or significant influence of the principal or designate as part of their assigned duties, and are used for specific curricular or non-curricular purposes and activities. Control or significant influence includes such activities as authority for the collection and distribution of funds; maintaining the records (bookkeeping) of the funds, and financial reporting on the funds.
2. The Division authorizes school and community participation in procuring SGF provided that all fundraising is done in compliance with Administrative Procedure 520 – School Fundraising.
3. All funds raised are revenues of the Division. All accumulated funds are assets of the Division.
4. All materials and equipment purchased from SGF shall become the property of the Division but remain at the school where the funds were raised.
 - 4.1 Disposal of these items will occur as outlined in Administrative Procedure 515 – Inventory.
5. All capital assets must be purchased by the Division and recorded as an asset in the accounting records. The school is to reimburse the Division from its SGF account for the purchase. Capital assets are defined as follows:
 - 5.1 Are held for use in the production or supply of goods and services, for rental to others, for administrative purposes or for the development, construction, maintenance or repair of other capital assets;
 - 5.2 Have useful economic lives extending beyond an accounting period;
 - 5.3 Are to be used on a continuing basis;

- 5.4 Are not for sale in the ordinary course of operations; and
 - 5.5 Have an individual value of more than \$5,000.
6. Schools must account for SGF using generally accepted accounting principles and acceptable internal controls and will be subject to periodic audit.
7. Administrative Procedure 505 – School Fees
- 7.1 Instructional Material Fees are not school generated funds and must be remitted to Financial Services.
 - 7.2 School Fees, as outlined in AP 505, section 3 and 4, are school generated funds, and may be remitted to Financial Services for inclusion in the school’s budget.
8. Borrowing
- 8.1 A school shall not borrow money.
 - 8.2 A school may make purchases on time payment plans or lend money subject to the approval by the Assistant Superintendent – Business Services.
9. Banking
- 9.1 All SGF bank accounts must be registered in the name of Grande Yellowhead Public School Division with the school listed as a secondary name on the account.
 - 9.2 All bank accounts must provide for two (2) signatures on all cheques, on (1) of which must be the Principal.
10. Disbursements
- 10.1 All monies collected by the school for a designated purpose must be used for the purpose so designated.
 - 10.2 SGF must not be used to provide salary or expense reimbursement to any division employees, including casual employees. All employee salaries and expense reimbursement must be processed through the division financial system.
 - 10.3 Funds should normally be collected and expended during a school year. The Principal may establish reserves for the purpose of future purchases in accordance with school policy.
 - 10.4 Temporary cash surpluses arising during the year should be invested in secured financial instruments for short periods with a chartered bank, credit union or the Alberta Treasury Branch.

- 10.5 All losses of SGF shall be reported to the Assistant Superintendent – Business Services or designate immediately.

11. Reporting

- 11.1 A final statement of revenue and expenses and expected revenue calculation, signed (certified correct) by the supervising staff member, must be submitted to the Principal upon completion of each fundraising project.

Effective September 1, 2014, for the 2014-2015 school year

- 11.2 A summary of fund accounts, transactions, and ending balances, (see Appendix 521-01) for the previous fiscal year is to be submitted to the Assistant Superintendent – Business Services or designate, by September 30th.
- 11.2.1 The report format is to be specified by the Assistant Superintendent – Business Services or designate by April 30 of the preceding year.
- 11.2.2 The report is to be supported by:
- 11.2.2.1 Copy of the bank statement, pass book or deposit certificate for each account.
- 11.2.2.2 The reconciliation for each bank account or deposit certificate to the school's general ledger.
- 11.3 A narrative and summary of financial information (See Appendix 521-2) for the previous fiscal year is to be submitted to the Assistant Superintendent – Business Services or designate, by November 30th.
- 11.3.1 The report shall include the following information for each fund or subgroup for each bank account:
- 11.3.1.1 A description of the fund or subgroup;
- 11.3.1.2 Mandatory fees charged (if any)
- 11.3.1.3 A description of the fundraising activities undertaken during the year;
- 11.3.1.4 The total amount of funds raised (receipts);
- 11.3.1.5 A description of the uses of the funds;
- 11.3.1.6 The total amount of funds dispersed;
- 11.3.1.7 The surplus (deficit) of funds;

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- 11.3.1.8 The opening balance of the funds;
- 11.3.1.9 The transfers to/from other funds;
- 11.3.1.10 The final balance of the fund; and
- 11.3.1.11 A description of how the surplus funds will be utilized. An example of the format required is included in the Site Based Management Manual.
- 11.3.2 The financial report of the School Generated Fund is subject to audit by the internal and external auditors.
- 11.3.3 Each page of the report must clearly state “The report has been released without audit.”
- 11.3.4 A cover page should be attached with the following information:
 - 11.3.4.1 School Name;
 - 11.3.4.2 “Report of School Generated Funds”
 - 11.3.4.3 “Year ending August 31, 20xx”; and
 - 11.3.4.4 Signature of the Principal.

- 12. Schools must keep SGF records as required in Administrative Procedure 181 – Records Management.
- 13. Goods & Services Tax (GST), when collected as a result of SGF revenue generation, shall be remitted for each fiscal quarter prior to the 20th of the month following.
- 14. Provision of Services
 - 14.1 If income is generated from school labs/shop sales and services, the Principal shall ensure that customers clearly understand that the service provided is being undertaken for educational experience and carries no implied or explicit warranty or responsibility for consequences on the part of the Board, its employees, or its students.
 - 14.2 A waiver of liability/work order will be signed and maintained at the school.
- 15. Grants
 - 15.1 Schools are not a legal entity therefore cannot independently apply for a grant. Grant applications can be completed by school personnel or volunteers and must

be appropriately authorized by the school Principal or the Assistant Superintendent – Business Services.

- 15.2 Schools applying for grants must provide a copy of the grant approval, and final reporting on the grant to the Assistant Superintendent – Business Services.
 - 15.3 If the grant application is accepted for a designated purpose, they must be used for the purpose so designated.
 - 15.4 The use of grant funds must be consistent with Administrative Procedure 516 – Purchasing.
16. Fundraising activities by external agencies are recognized as revenue as follows:
- 16.1 For external agencies who fall within the requirements of Administrative Procedure 520 – School Fundraising, section 19, SGF revenue is recognized as donations when received from the agency.
 - 16.2 For external agencies who fail any one of the requirements of Administrative Procedure 520 – School Fundraising, section 19, SGF revenue is recognized as collected, SGF expenses recognized as disbursed.
17. Fundraising for other Charities
- 17.1 Principals may from time-to-time give approval for organizations of charitable or service nature such as UNICEF, Terry Fox or Canadian Legion Poppy Fund to conduct fundraising activities within or through the school. These funds are not SGF.
 - 17.2 If the school receives a commission for fundraising from these organizations, the commission is considered SGF.

References: s.21(1), 60(2)(h), 60(2)(j), School Act
Guide to Accounting for and Reporting Tangible Capital Assets, Canadian Institute of Chartered Accountants
Policy 11 – Board Delegation of Authority
AP 108 – Signing Authority and Controls
AP 181 – Records Retention
AP 505 – School Fees
AP 516 – Purchasing
AP 520 – School Fundraising

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