

**POLICY**

It is the policy of the Upper Grand District School Board to permit schools to raise funds from approved sources for the benefit of students, the community and recognized charitable causes. The accounting and control of the proceeds of School Generated Funds must be conducted in accordance with the procedures outlined in this policy.

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**Administrative Detail**

1. It is the responsibility of the appropriate Superintendent(s) to administer this policy in accordance with the School Generated Funds Procedures Manual 102-A, and the School Generated Funds Resource Handbook.
2. It is the responsibility of Principals to implement this policy.
3. This policy applies to funds received, raised or collected in the name of a school or school activity, or on behalf of the Board by a school, family of schools, school council, or the Board.
4. This policy operates in conjunction with the *Education Act* and its Regulations including Regulation 298 – Operation of Schools, and Regulation 612 – School Councils, Board Policy 201 – School Councils, Board Policy 302 – Purchasing and other relevant Municipal, Provincial and Federal legislation.

**A. SOURCES OF SCHOOL GENERATED FUNDS**

Sources of School Generated Funds may include:

- a) student activity fees for school services, athletics, personal course supplies and similar student-specific benefits;
- b) staff-led school and class fundraising for recognized charities and community causes, and to provide funds for specific school events, activities and initiatives;
- c) School Councils, Student Councils and recognized student groups (such as Arts Councils, school teams, clubs, classes) raising funds for charitable and community causes, and to provide funds for specific school events, activities and initiatives;
- d) Board-wide initiatives approved by the Director of Education;
- e) local school initiatives;
- f) donations to schools and/or the Board through registered charitable organizations;
- g) other school activities (such as pizza days, milk sales, school clothing sales, dances, etc.), and/or
- h) Families of Schools joint fundraising activities (approved by the appropriate Superintendent).

**B. PROCEDURES FOR GENERATING FUNDS**

1. All fundraising activities shall have a purpose that falls within the overall objectives of the Board, benefits students, enhances the development of educational programs and supports school initiatives.

2. The Principal shall approve all school fundraising activities.
3. The Principal or designate(s) shall supervise all school fundraising activities.
4. All groups involved in fundraising shall work in co-operation with the Principal and school staff.
5. Participation in fundraising activities shall be voluntary for students, staff and parents.
6. School fundraising activities shall ensure the dignity of and not exploit students.
7. The following shall be considered in approving fundraising activities:
  - a) notification of and/or consultation and communication with participants, parents and the school community;
  - b) the socio-economic make up of the school community;
  - c) health, safety and supervision of students;
  - d) age appropriateness of activities involving students;
  - e) impact on classroom time for students and staff;
  - f) co-ordination with other schools and community events;
  - g) proposed use of funds;
  - h) type of activity;
  - i) appropriateness of incentives for students;

- j) sensitivity to local businesses;
  - k) timing and frequency of fundraising;
  - l) Municipal and Provincial regulations regarding licenses and permits; and
  - m) insurance and liability issues.
8. The Principal shall be responsible for ensuring all insurance and liability issues arising from contracts for goods, services and/or equipment are adequately addressed.
  9. In order to avoid unnecessary expenditures, violation of any existing Board agreements, or possible litigation, all contractual agreements required to obtain goods and/or services must be forwarded to the Purchasing Manager for review.
  10. Any contractual agreement required to obtain goods and/or services shall be approved by the Superintendent of Finance or designate.
  11. To ensure accountability, complete and accurate financial records must be kept for all fundraising activities and shall follow the reporting procedures outlined in this policy and the School Generated Funds Resource Handbook.
  12. The Principal, in consultation with the fundraising group, shall approve incentives for student participation. Class and group incentives are preferred over individual student incentives. Incentives based on total sales by students are discouraged.
  13. School fundraising should not involve games of chance (bingos, lotteries, Nevada tickets).

14. Organizers of fundraising activities must comply with all Municipal and Provincial laws and obtain licenses and permits as required. (See the School Generated Funds Resource Handbook for information.)
15. The Principal shall be responsible for ensuring that proper licensing is in place.

**C. USE OF PROCEEDS**

1. School Generated Funds are considered “non-Board funds” in that they are not part of Board revenues received from the Ministry of Education through grants.
2. School Generated Funds shall be used for the benefit of the school environment and students.
3. School Generated Funds may be used to supplement but not replace the Board’s budget.
4. Proceeds from fundraising may be used to support recognized charitable organizations and community causes.
5. Expenditures for items purchased from School Generated Funds must be determined jointly by the Principal (or designate) and the group involved in the fundraising event or activity.
6. School Generated Funds should normally be used within a two-year period unless designated for a specific, approved longer-term use.
7. All items purchased with School Generated Funds shall become the property of the Upper Grand District School Board.
8. Goods and services purchased from School Generated Funds shall meet the policy standards and guidelines of the Board’s Purchasing Policy #302 and Handbook.

9. All purchases must meet Board specifications and standards, be compatible with other Board equipment and any current and/or future plans of the Board for the school building and its grounds.
10. Principals shall inform and seek approval from the appropriate Superintendent(s), and authorized Board Staff as required for plans to purchase:
  - a) furniture and equipment for the school and related goods and services, and
  - b) goods and services that will alter the school building and the school grounds.
11. The purchase of the following with School Generated Funds is not permitted:
  - a) goods and services from employees because such purchase would contravene Section 217 of the *Education Act*;
  - b) goods and services from individuals and/or companies where such purchase(s) would contravene the School Council's by-laws on conflict of interest;
  - c) mileage reimbursements, and monetary payments to employees for services, and
  - d) investments other than those permitted by the Board and Regulation 471/97 of the *Education Act*. (*Eligible Investments*)

**D. ACCOUNTABILITY - ACCOUNTING AND CONTROL**1. Banking

- a) Bank Accounts must be established for School Generated Funds. They shall be either in the name of the school, the School Council, or the Student Council.
- b) Elementary and Secondary schools should establish no more than three (3) bank accounts, subject to item c) below.
- c) Under certain circumstances as described in the Handbook, Secondary schools may be allowed an additional account with written permission from the Superintendent of Finance or designate.
- d) All cheques drawn on such bank accounts shall require two (2) signatures, one of which shall be the Principal or designate.
- e) Each bank account should generate a monthly statement with returned cancelled cheques or cheque images.
- f) It is recommended that such accounts be opened at a branch of the Board's Bank, where possible.

2. Accounting Procedures

- a) A general ledger that distinguishes each fundraising activity must be maintained in a Bank Account, with appropriate back-up.
- b) All deposits and disbursements must be recorded in the general ledger and balanced monthly.

- c) All accounting records including invoices must be kept on file for seven (7) years to comply with the *Canada Revenue Agency Acts and Regulations*.
- d) All School Generated Funds are subject to internal and external audits to ensure that all records are in proper order and that policies and procedures are understood and correctly implemented.

3. Goods and Services Tax (GST)

- a) Schools and fundraising groups will collect GST on sales, where required, as described in the School Generated Funds Resource Handbook.
- b) Schools and fundraising groups are eligible for a GST rebate as outlined in the School Generated Funds Resource Handbook.
- c) GST reports shall be prepared and signed by the Principal and submitted to the Board Office at least annually.
- d) The Board will claim the rebate and provide a refund cheque to the school or fundraising group.

4. Receipt of Funds

- a) All School Generated Funds shall be deposited in their entirety into the appropriate account. Monies shall not be withheld for payment of related expenses or for petty cash.
- b) Bank deposits must have sufficient detail/documentation to ensure completeness of each deposit. All cash collected must be counted and turned in directly to the treasurer or designated record keeper for the event and be accompanied by a summary sheet of monies collected.

- c) All funds received must be entered into the general ledger in chronological order.
- d) Cheques and cash for deposits must be summarized on a bank deposit slip.
- e) Bank deposits and monies collected must be stored in a designated secure location at all times.
- f) Monies collected, and in particular, cash, must be deposited as soon as possible.

5. Disbursement of Funds

- a) All disbursements must have a supporting invoice or receipt to substantiate incurred expenditure approval, and be paid by cheque.
- b) All invoices or receipts must be identified with the corresponding cheque number, payment date and approval signature.
- c) All disbursements must be entered into the general ledger in chronological order with brief descriptions along with the names of payees.
- d) All NSF cheques must be listed and investigated.
- e) Voided cheques must be stated on the general ledger as such, identified by their cheque number.
- f) Petty cash funds should be replenished by cheque and recorded in the general ledger. A receipt/invoice or petty cash voucher must support distribution of petty cash. This fund should be balanced on a regular basis.

6. Financial Reporting

- a) A bank reconciliation must be prepared on a monthly basis.
- b) Year End Financial Reports must be prepared annually for all school fundraising accounts, "As At" June 30<sup>th</sup>. Information needed to prepare these reports must be submitted to the Board no later than July 31<sup>st</sup> of each year.
- c) School Councils are required by Regulation #612/00 to report financial details of all fundraising done by the School Council to the Board on an annual basis.