



## Chinook's Edge School Division – Administrative Procedure

### AP 5 – 01 School Generated Funds

<b>Related Policies:</b>	<b>Initial Approval:</b>
<b>Related Procedures:</b>	<b>Last Amended:</b> 2025 March 14
<b>Exhibits:</b>	<b>Last Reviewed:</b> 2025 March 14

#### PURPOSE

The Division recognizes that schools may deal with substantial sums of money gained through fundraising. Alberta Education has declared that it is the Board's responsibility to develop and maintain appropriate procedures to provide assurance that monies related to School Generated Funds (SGF) are safeguarded and proper records are maintained. Alberta Education requires information pertaining to SGF in the Budget Report Form and the Audited Financial Statements.

The April 1996 Task Force Report on School Board Reporting in Alberta qualifies SGF with the following statement: If School jurisdiction management and /or employees are accountable and are in roles whereby the activities of these organizations are controlled by them (majority of directors, sole/joint bank signing authority, etc.) then the organization's activities are most likely SGF. Funds that are raised by a registered society or are held outside of the school's accounts with no direct involvement of school or jurisdiction staff are not defined as SGF.

#### SCOPE

This administrative procedure applies to all staff.

#### DEFINITIONS

SGF are funds raised in the school and community that come under the control and responsibility of the school principal and are for student activities. These funds are collected and retained at the school for expenditures paid at the school level (e.g., student union, yearbook sales, graduation fees, field trip fees, etc.). Fees for instructional supplies or materials charged under section 57 of the Education Act are not SGF, nor does registered society revenue fall under the definition of SGF.

#### PROCEDURES

1. The principal is accountable for all SGF collected at the school. Funds shall be adequately safeguarded through standardized accounting procedures and controls. SGF shall be accounted for in a manner consistent with the Division's accounting procedures (SGF Accounting Instructions). These procedures have been put in place to direct and protect fundraisers, parents, school staff and school administrators in carrying out their responsibilities.
2. SGF must be utilized strictly for the purpose they were collected unless alternative uses have been communicated to, and approved by, the persons from whom the funds were collected.
3. SGF shall normally be used within a two-year period. If the funds are not spent within this timeframe, they can be moved or transferred to the school's general SGF account and utilized with input from the School Council (or Advisory Committee, as described in the School Councils Regulation).
4. SGF shall normally be used for students who were in the school when the funds were raised.

Schools are encouraged to allocate the funds within that time frame.

5. SGF shall not be used for the direct benefit of school staff, except as outlined in our Staff Recognition Guidelines.
6. SGF funds shall be remitted to the division office when designated for capital purposes and will be held in the Capital Fundraising account for that school.
7. Money received for scholarships or similar purposes shall be segregated from SGF and administered centrally by the Division.
8. The principal shall provide to the Finance Department and the school administrative support a report describing each SGF fund category by **September 30th** of each school year and when a new fund category is established.
9. An SGF report, summarizing the activity in each project to date, shall be submitted during the operational year to the Finance department for the months of February and August. Reports shall be submitted by the due date communicated by the Finance Department. The reports shall be presented in the format specified by the Finance Department, which may be revised periodically.
10. All transactions shall be controlled and recorded in the division office accounting system under the individual school department code.
11. The principal may contact the Finance Department to request an audit of school accounts.
12. School financial records may be audited in the event of a change of school administration or the school administrative assistant.
13. The principal and staff shall not have signing authority or financial responsibility for groups choosing to administer their funds independently.
14. The school account activities & balances will be reported two times during the year, by the principal, to the School Council/Advisory Committee and the staff, or upon request at any time during the year. These reports will be dated August 31st and February 28th. The reporting will be consistent to the standardized format referred to in the SGF Accounting Manual.
15. To ensure compliance with audit requirements, each school in the Division shall implement internal controls over the administration of its SGF
  - a) Schools are not permitted to open a separate bank account for SGF. All SGF funds shall be deposited into the Division bank account provided to them.
  - b) The school office shall issue receipts for all monies received.
  - c) When funds are collected in classrooms, a summary list shall be remitted with the funds to the school office. The school list should include the name and signature of the person who collected the funds, the date the funds were collected, and the purpose for which the funds were collected. The funds shall be counted again in the school office and initiated **by another person** to confirm that the funds received agree to the amounts listed.
  - d) All cash received shall be reconciled to the receipts and deposited in the **Division Bank** account on a regular basis. All cash or cheques are to remain in the school and shall be kept in a safe or locked cabinet, until they are taken to the bank for deposit. Schools should make arrangements to utilize night deposit services when necessary. A deposit shall be made as frequently as necessary, but not less than weekly.
  - e) All expenditures shall be referenced to invoices or some form of request for payment. Authorization for payment shall ultimately rest with the principal. The principal may, however, delegate this responsibility if he /she so wishes to someone other than the School Administrative Assistant.

- f) All payments shall be made by cheque issued by the Division office. Under no circumstances will payments be made by cash held at school.
- g) The Principal shall authorize all transfer of funds. Written records of this authorization shall be kept at the school for audit purposes.
- h) All losses of SGF shall be reported immediately to the Finance Department.
- i) Quarterly project reports, showing all revenues and expenditures for each project, shall be provided to the project administrator (the staff member overseeing the project). The project administrator shall review for accuracy and return a signed copy to the school office.

## **REFERENCE AND LINKS**

SGF Accounting Instructions

Cross Reference

AP 5-08 School Fundraising

AP 5-10 Purchasing Procedure

AP 5-12 Authorized Signatures

## **HISTORY**

2019 May 28 Reviewed

2019 Dec 17 Reviewed

2025 Mar 25 Revised