

FINANCIAL ACCOUNTABILITY FOR SCHOOL GENERATED FUNDS

Background

The financial affairs of the school division must be managed in a manner that demonstrates sound financial management and in accordance with recognized accounting practices. All schools will keep verifiable records of School Generated Funds as they form an integral part of the school division's financial accountability.

Procedures

1. General Considerations

- 1.1 All School Generated Funds and accounts, co-curricular and extracurricular accounts and student governance accounts are part of the total financial package the school must report to the school division annually.
- 1.2 Schools may be subject to an internal or external audit of funds and accounts at the discretion of the Chief Financial Officer.
- 1.3 School Generated Funds must be utilized in a timely fashion and strictly for the purpose they were collected unless alternative uses have been communicated to, and approved by the person(s) from whom funds were collected.

2. School-Based Accounting Procedures

2.1 Responsibility of the Principal

- 2.1.1 The principal is accountable for implementing proper accounting procedures and controls to adequately safeguard School Generated Funds.
- 2.1.2 All transfers of funds shall be authorized by the principal and a written record of this authorization shall be kept at the school for audit purposes.
- 2.1.3 The Principal will develop procedures to ensure an annual financial report of all funds and accounts for the period of September 1 – August 31 related to the school is filed with the Division by September 30 of each year.

2.2 School Division Requirements

- 2.2.1 All accounts shall be available for inspection by the school division at any time.
- 2.2.2 Schools must utilize the school division standard computerized accounting software to keep school based financial records.
- 2.2.3 Funds raised for the purchase of equipment shall be turned over to the Board at the time the purchase is made. The purchase will be made and

recorded by division office in order to properly record all capital purchases.

2.2.4 Schools must follow the procedures set out by division office.

2.3 Bank Accounts

2.3.1 In order to ensure that school division records are up to date, all school bank accounts shall have the prior approval of the Chief Financial Officer. The name of each account shall incorporate the name of the school/activity.

2.3.2 A minimum of two signing officers, one of whom is the principal, shall be required on all bank accounts.

2.3.3 Schools are to limit the number of bank accounts to one general school account. Any additional bank accounts must be approved by the Chief Financial Officer.

2.4 Payments and Receipts

2.4.1 The school shall issue duplicate, numbered receipts for monies received, with the original given to the individual paying and the duplicate filed at the school for audit purposes. This requirement does not refer to petty sales or cash collections (e.g. pencils, chocolate sales, snack bars, or other small food item sales). In these situations a basic transmittal sheet is acceptable.

2.4.2 All cash received shall be reconciled to the receipts and deposited in the school bank account on a regular basis. Any cash in the school shall be kept in a safe. Schools should make arrangements to utilize night deposit services when necessary.

2.4.3 All expenditures should be referenced to invoices or some form of request for payment. Authorization for payment shall ultimately rest with the principal. The principal may delegate this responsibility, with a copy of the written delegation of authority provided to the Business Systems Manager.

2.4.4 All payments are to be made by cheque.

2.4.5 Records of expenditures shall be kept on file at the school for audit purposes, as per *The Records Retention and Disposal Guide for Saskatchewan School Divisions*.

Reference: Sections 85, 87 Education Act
The School Division Administration Regulations 45, 48
The Records Retention and Disposal Guide for Saskatchewan School Divisions

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