

<b>Procedure Title</b>	<b>School Generated Funds - Sources and Uses</b>		
<b>Date of Issue</b>	March 8, 2006	<b>Related Policy</b>	BP 4655-D
<b>Revision Dates</b>	October 31, 2012; September 17, 2019	<b>Related Forms</b>	
<b>Review Date</b>		<b>Originator</b>	Administrative-Council
<b>References</b>			
BP 3501-D "Purchasing"; Education Act; AP 4105-D "Charitable Donations and Receipts";			

**1.0 RATIONALE**

Funds are generated in schools from a number of different sources and used in a number of different ways. This procedure applies to all funds that are received, raised, or collected in the name of the school or school activity. These funds are under the direction and control of the school principal. This will generally apply to all funds available to the school, other than funds provided by the approved budget of the board.

**2.0 PROCEDURE**

**2.1 Categories of School Generated Funds**

School generated funds shall be reported under the following five (5) categories:

**a) Field Trips/Excursions**

- i. Revenue – All amounts raised/received to support the costs of excursions or field trips.
- ii. Expenses – Costs related to the excursion or field trip

**b) Fundraising for External Charities**

- i. Revenue (Fundraising) - All amounts raised/received in support of an external charity where the school provides the administrative process for collecting the funds. The charity would be registered with the Canada Revenue Agency (CRA).
- ii. Expenses (Donations) – Expenses in support of an external charity where the school provides the administrative process for collecting the funds. The charity would be registered with the CRA. The intent of the donation should be clearly communicated (from the donor’s wishes or instructions, and by the school when reporting on how donations were spent.)

**c) Student Activities and Resources**

- i. Revenue – All monies raised/received related to student activities and resources such as activity fees support for student council/governments, extracurricular activities including sports. Examples: student activity fees, athletic fees, yearbooks, student clubs.
- ii. Expenses – Costs associated with student activities and resources. Examples: purchase of locks, purchase of team uniforms

**d) Capital Assets**

- i. Revenue – Funds raised specifically to purchase capital assets, if the items meet the capitalization threshold as per the Tangible Capital Asset Guide
- ii. Expenses – Funds spent on purchasing capital assets for which there was specific fundraising.

**e) Other**

Includes all items that do not fit under categories above.

- i. Examples of school generated funds include:
  - Pizza days, nutrition days, bake sales, etc.
  - Chocolate bar campaigns
  - Walk-a-thons, dance-a-thons, swim-a-thons, read-a-thons etc.
  - Dress down days
  - School dances
  - School plays and concerts
  - Juice and milk sales
  - School clothing sales (e.g. gym uniforms) and school memorabilia
  - photo commissions
  - Excursion fees
  - Book (non-textbook) and magazine sales
  - Special school luncheons
  - Games of Chance (raffles)
  - Interest on accounts

**2.2 Guidelines for Uses of School Generated Funds**

- a) The Province of Ontario provides capital funding for the construction of new schools and additions, for repairs and renovations, and for the operation and maintenance of schools, including heating, lighting and cleaning. Funds raised for school purposes are to be used to complement, not replace, public funding for education. Furthermore, funds raised for school purposes should not be used to support items funded through provincial grants, such as classroom learning materials or textbooks; nor for repairs and maintenance, or facility renewal.
- b) Other examples of unacceptable uses of school generated funds would include:
  - Goods or services from employees, where such purchase would contravene section 217 of the Education Act.
  - Administrative expenses not associated with the fundraising activity
  - Mileage reimbursement to employees.
  - Profession development including support for teacher attendance at professional development activities.
  - Monetary payments to employees for services.
  - Investments other than those permitted by the board and regulation 471/97 of the Education Act (Eligible Investments).
  - Support for partisan political activity, groups or candidates
- c) Funds raised for a specific purpose must be used for the intended purpose. For example, student activity fees charged for locks, yearbooks and agendas should be used for the purchase of these items. The accounting records should track each category accordingly. If the category is of an ongoing nature (like student activity fees), residual amounts in that category at the end of one school year should roll forward to the next year, and not be used for another purpose. Residual amounts in one-time categories should be disclosed as such, if they are to be transferred to other categories. Refunds should be considered where large surpluses remain in one-time categories. Deficits for any category should not be permitted, unless subsidized by other general fundraising activities.
- d) Capital Projects
  - i. When schools are planning and selecting capital projects which will be supported by fundraising activities the following best practices should be considered:

1. Requiring a viability review that examines alignment with the school board's overall capital priorities and planning processes, the school improvement plan, and Ministry priorities;
  2. Analyzing costs for future maintenance and repairs; and
  3. Restrictions related to conflict of interest and procurement policies.
- ii. Capital projects supported by fundraising proceeds should:
1. Be complementary to publicly funded education;
  2. Not result in an increase in the student capacity of a school; and
  3. Not result in a significant increase in school or board operating or capital costs.