

<b>Procedure Title</b>	<b>School Generated Funds - Banking/Receipts/Disbursements</b>		
<b>Date of Issue</b>	March 8, 2006	<b>Related Policy</b>	BP 4655-D
<b>Revision Dates</b>	October 31, 2012; May 7, 2014; September 17, 2019	<b>Related Forms</b>	AF 4659; AF 4610
<b>Review Date</b>		<b>Originator</b>	Administrative Council
<b>References</b>			
BP 3501-D "Purchasing"; Bluewater District School Board Classification and Retention Schedule			

**1.0 RATIONALE**

All schools must have a bank account for school generated funds and a process to record transactions. It is essential that controls be in place to assist in the management of these funds.

**2.0 PROCEDURE**

**2.1 Establishing a Bank Account**

- a) The school should have only one "school generated funds" bank account.
- b) The bank account(s) shall be in the name of the school.
- c) Cheques for the school bank account should be pre-numbered.
- d) The account must require two signatures on all cheques; one must be that of an administrator
- e) It is acceptable to have up to four signing officers. The principal must be one of the four.
- f) The bank account established should be such that statements are issued on a monthly basis along with returned cheques.
- g) The bank statement should cut off on the last day of the month.
- h) Arms-length funds with acceptable provisions (i.e., student council, cafeterias).

**2.2 Receipts**

- a) All money received at the school is to be stored on site in a designated locked and safe location which has limited access.
- b) All money collected is to be deposited intact to the bank account promptly. This means that expenditures are not paid from the cash collected. The total funds are deposited to the bank and a cheque written to pay for an expenditure.
- c) All staff collecting money are encouraged, for their own protection, to complete AF 4659 "School Generated Funds - Funds Received Record" and forward both funds received and the supporting documentation (e.g., class list, permission forms etc.) to the designated individual in the school office.
- d) Collection forms (AF 4659) should be filled out completely (e.g., name, signature, amount and date of completion).
- e) Where possible, money should be counted in the presence of two individuals. Where it is not practical for a peer review and count of the money, the principal should provide periodic spot checks throughout the year.
- f) When the funds have been counted and prepared for deposit by the designated individual, it is recommended that a receipt be issued to acknowledge that the funds have been received.
- g) The same procedure may be used for receipting funds received directly from individuals, or groups not employed by the board.
- h) AF 4659 "School Generated Funds - Funds Received Record" should be filed with the school copy of the bank deposit form.
- i) All handwritten collection documentation should be recorded in pen rather than pencil.
- j) The school copy of the bank deposit form should be date stamped by the bank.

- k) AF 4610 "School Cash Online Allocation" should be used to compile item setup information, for School Cash Online catalogue items.

### 2.3 Disbursements

- a) All disbursements should be recorded promptly.
- b) All payments must be made by computerized (printed) cheque or through approved petty cash.
- c) Pre-signing of "blank" cheques is NOT acceptable. The use of signature stamps is strictly prohibited.
- d) Payments should only be made upon the presentation of original invoices, receipts or other appropriate supporting documentation approved by the principal.
- e) When a cheque is issued, the invoice must be marked "PAID" with the use of a rubberized stamp and the cheque number, date recorded and initials of the preparer of the cheque recorded on the original documentation or the remittance portion of cheque voucher attached. Payments should not be made from company statements.
- f) Cheques made payable to "cash" are not acceptable.
- g) All cheques MUST BE accounted for in numerical sequence. A numeric log of cheques should be maintained from the schoolcash.net program. Voided cheques must be retained.
- h) Unused cheques should be stored in a designated, secure location in order to prevent loss or theft.
- i) The use of "handwritten" cheques is strictly prohibited.
- j) Reimbursements to principals and or employees of the board from school generated funds should be less than \$500, and must still comply with Broader Public Sector Procurement directives and the Bluewater District School Board purchasing guidelines (BP 3501-D).
- k) Reimbursements for staff wages, mileage or travel expense related to school budgetary expenditures must be submitted through board SmartFind and payroll procedures and/or board travel related reimbursement policies and procedures (Travel Expense Reimbursement Claim).

### 2.4 Investments

- a) Where a school has excess funds, they may be invested in the name of the school as permitted by Reg. 471/97 of the Education Act (Eligible Investments) and board practices (e.g., term deposits, GIC's, etc.). These funds should be invested on a short term basis.
- b) All investment of excess funds by a school must be reported through the SchoolCash.net financial software.

### 2.5 Bank Reconciliation

- a) Monthly bank reconciliations must be completed.
- b) Cheques not cashed within six months are stale-dated and should be voided in the records.
- c) The principal shall review the monthly bank reconciliation, sign it and retain on file.
- d) The bank reconciliation report generated by SchoolCash.net must include the date and signature of both the preparer of the bank reconciliation (usually the office manager) and the approver (usually the principal). Updates to the software will be made in an upcoming release by the vendor, however schools should ensure the signatures are recorded on the existing monthly reports.
- e) Bank reconciliations should be done on a monthly basis. Administrators should ensure they are reviewing these reports in a timely manner.
- f) Bank reconciliations should be cut-off on the last day of the month. Principals should contact their local bank branch manager to request realignment of their monthly bank statement if necessary.
- g) Internet banking is permitted for viewing online balances and downloaded of transactional information only. No active deposits, transfers or withdrawal functionality should be used in online or internet banking setup.

**2.6 Supporting Documentation Retention**

- a) The school office retains all /any supporting documentation according to the following timelines (e.g., class lists, pledge forms, bus manifests, permission forms, cheque requisitions, invoices):
  - i. Financial records for a period of seven (7) years
  - ii. Operational documents for the current year plus one year prior.
- b) Schools are encouraged to ensure records are boxed, labelled and stored in a safe /secure and dry location within the school.
- c) If not noted above, please refer to the Bluewater District School Board Classification and Retention Schedule (found on SharePoint) for any additional retention requirements.