



School Generated Funds

Process Manual

For Schools

And

School Councils

(Last Updated March 2020)

Department ORGANIZATIONAL SUPPORT SERVICES - FINANCE

Reference(s)

- Policy & Procedure: School Generated Funds
- Policy & Procedure: Fundraising Projects for Schools
- Policy & Procedure: Acceptance of Gifts and Equipment
- Policy & Procedure: Fundraising Activities and Donations for School Projects, Enhancements, Equipment, and Programs
- Policy & Procedure: Student Activity Fees and Fees for Learning Materials and Activities
- Policy & Procedure : Purchasing
- *Education Act, Section 217*
- *Ontario Regulation 298, Operation of Schools, Section 11*
- *Ontario Regulation 612, School Councils and Parent Involvement Committees, Sections 22 & 24*

TABLE OF CONTENTS

1.0 ROLES AND RESPONSIBILITIES

- 1.1** TVDSB Staff Member or School Council Designate
- 1.2** School Council Chair
- 1.3** Fund Administrator
- 1.4** Principal
- 1.5** Superintendent of Student Achievement
- 1.6** Financial Services Department
- 1.7** Internal Audit Department

2.0 MANAGEMENT AND REPORTING

- 2.1** Financial Statements
- 2.2** Accounting Records
- 2.3** Documentation
- 2.4** Records Retention
- 2.5** Filing of Documentation
- 2.6** Description of SGF Category / Detail Event Activity Form
- 2.7** Residual Balances in School Generated Funds Categories
- 2.8** School Audits
- 2.9** HST Procedures
- 2.10** Lost or Stolen School Generated Funds

3.0 RECEIPT OF FUNDS

- 3.1** Receipts (Cash and Cheques)
- 3.2** Post-Dated Cheques
- 3.3** Preparing Bank Deposits
- 3.4** Deposits to the Bank
- 3.5** "Night Deposit" Process
- 3.6** Receipt of Funds from Another School
- 3.7** Receipt of Funds After Hours

4.0 DISBURSEMENT OF FUNDS

- 4.1** Cheque Requests
- 4.2** Advance of Funds
- 4.3** Voided or Damaged Cheques
- 4.4** Replacement Cheques

5.0 Banking

- 5.1** Bank Account
- 5.2** Board Banking Arrangements
- 5.3** Banking Protocols

6.0 Appendices

- 6.1** App A – Financial Management of Nutrition Program Funding

1.0 ROLES AND RESPONSIBILITIES

The Board has a responsibility to ensure that all school generated funds are collected in accordance with Board policies, procedures and municipal, provincial and federal laws and regulations. This responsibility includes ensuring that all funds are adequately protected, that they are controlled through proper accounting procedures and that accountability for the funds is maintained.

1.1 TVDSB STAFF MEMBER OR SCHOOL COUNCIL DESIGNATES (For School Council Funds)

- the TVDSB staff member or School Council Designate will act as a coordinator for the event
- the event coordinator(s) must have permission from the Principal prior to collecting any monies and starting the event
- ensure funds collected and invoices for payment are brought to the Fund Administrator on a daily basis
 - School Council funds must be brought to the school office, in a completed and sealed deposit envelope, as soon as it is reasonable to do so, ideally on the day of collection
- ensure details of financial activity relating to their category are recorded accurately
- ensure that funds received are disbursed according to the intent of the source of income
- the event coordinator cannot be the Fund Administrator
- ensure that any individual associated with the School or School Council does not enter into contracts in the name of the school or the Board
- must follow all applicable Board Policies and Procedures

Receipts

- collect money from students, providing all students with a receipt where appropriate as deemed by the Principal or School Council for School Council events
 - situations where a receipt is not necessary include but is not limited to:
 - opt-out days
 - bake sale
 - Toonie Tuesday
- where possible funds collected should be counted by two individuals
 - School Council funds must be counted by two volunteers
- complete, sign and seal the deposit envelope
 - School Council deposit envelopes require signatures from both volunteers who counted funds
- all deposit envelopes, if not detailed on the envelope, must contain a list of all student payments and the method by which they were paid
- take money to office daily
 - School Councils may be required to take funds off site depending on the nature of the School Council event. Funds should be taken to the School Office in a sealed and completed deposit envelope as soon as it is reasonable to do so
- record deposit in receipt log in the office
 - When possible, School Council deposits recorded in the receipt log should be signed in by both volunteers who completed the deposit envelope

Disbursements

- complete voucher slip for payment

- voucher slips completed by School Council require signatures from two authorized School Council designates
- ensure that receipt or invoice is attached to the form
- deliver voucher slip to Fund Administrator
- sign or initial all transactions brought forward by the students they are assisting
- students must be supervised by a Staff Member or School Council Designate when collecting funds

Review

- receive, review and sign off on monthly report(s) to ensure transactions are properly recorded
 - School Councils must document in the minutes of their meetings that the transactions in their category or categories are properly recorded monthly. A copy of the minutes must be provided to the school office for retention purposes.
- ensure that payments do not exceed amount collected by category

1.2 SCHOOL COUNCIL CHAIR

- ensure fundraising activities involving the students and/or school are in compliance with Board policies and procedures and that no direct or indirect benefit is derived by a member of the School Council
- ensure that School Council members are aware that where conflicts of interest exist, they are disclosed
- distribute and/or make available the annual School Council financial reports as indicated in the section of School Councils in the School Generated Funds procedure
- ensure the Treasurer understands their responsibility for receipts, disbursements, banking and record keeping including regular financial reporting for School Council meetings
- authorize the collection and disbursement of School Council funds in conjunction with the Council Treasurer and notify School Administration of any individuals that are authorized to act as School Council designates for deposits and/or disbursements

1.3 FUND ADMINISTRATOR

- record transactions on behalf of Staff Members or School Council
- provide School Council designate with a copy of any submitted and verified deposit envelope as confirmation of receipt
- administer funds on a daily basis
- act as one of the signing officers for the school's bank account
- maintain appropriate supporting and financial documentation
- count funds received in deposit envelopes and verify amounts
- complete prescribed year end procedures
- assist during internal audit

Banking

- prepare bank deposit
- note date deposited in the receipt log
- deposit funds into the bank on regular basis (minimum weekly)

Disbursements

- receive voucher slip requests for payment and ensure each is supported by a receipt or invoice, as well as being initiated by the appropriate authorized individual(s)
- have voucher slips approved by the Principal prior to issuing cheques
- give a copy of the voucher slip to staff member or School Council Treasurer as acknowledgment of payment
- ensure that all voucher slips initiated by students are initialed or signed by the staff member
- make sure that cheques to be signed are accompanied by all appropriate voucher slips and supporting documentation
- disbursements should be made on a weekly basis or as required

Record Keeping

- ensure details of all transactions are properly recorded
- complete bank reconciliation monthly
- print monthly transaction reports and distribute to staff members and identified School Council designate
- prepare financial statements and perform year end procedures
- liaise with staff members and School Council
- report problems to Principal
- calculate and prepare monthly HST rebate claim

1.4 PRINCIPAL

- ensure that the processes for School Generated Funds are implemented in compliance with the Board policies and procedures and ensure compliance by all participants
- communicate responsibilities to all school staff (semi-annually)
- liaise with School Council on proper procedures for School Generated Funds management
- notify the following individuals immediately if funds are lost or stolen:
 - Superintendent of Student Achievement
 - Associate Director & Treasurer Organizational Support Services or designate
 - School Council Chair and Treasurer if School Council funds are lost or stolen
- act as signing officer on the bank account
- manage School Generated Funds
- appoint the Fund Administrator
- ensure processes are in place to adequately control School Generated Funds within the school
- ensure access to suitable technology to support School Generated Funds
- maintain a list of categories noting responsible staff member(s) and identified School Council designates
- open, review, initial and date bank statements before giving them to the Fund Administrator
- review, sign and date bank reconciliations monthly
- review financial records and reports on ongoing basis (initial and date to indicate review)
- review category balances and income and expenditure activity periodically
- review and sign annual financial statements and reports
- determine when a second bank account is required either by legislation or other circumstance and contact Financial Services for assistance
- ensure security over cash and records

- change combinations, keys, passwords (if applicable) when staff involved in the administration of School Generated Funds change
- ensure that any individual associated with the school or School Council does not enter into contracts in the name of the school or the Board
- ensure that the School Council chair is aware of and understands their roles and responsibilities
- notify Superintendent of Student Achievement immediately if problems arise
- distribute annual financial statements according to procedure
- participate during audit/review and ensure implementation of recommendations

1.5 SUPERINTENDENT OF STUDENT ACHIEVEMENT

- reinforce with Principals the need to comply with policies and procedures
- follow up on Internal Audit reports indicating problems with School Generated Funds
- report any of the following to the Associate Director of Organizational Support Services, or designate
 - if funds are lost or stolen
 - any misuse of funds
 - failure to follow any policy, procedure or guidelines

1.6 FINANCIAL SERVICES

- provide support to the schools
- receive approval on annual financial reports from Principal and School Councils
- produce, review and analyze financial statements and follow up with schools and copy Superintendent of Student Achievement with any concerns
- administer School Generated Funds policy and procedures
- keep schools informed concerning changes in applicable legislation
- produce annual financial reports for schools and School Councils
- maintain central file of all School Generated Fund annual statements

1.7 INTERNAL AUDIT DEPARTMENT

- audit or review the transactions processed through School Generated Funds in accordance with established Board auditing practices
- ensure that policies and procedures are followed
- report to schools and Board Administration on findings
- follow up on unsatisfactory responses to findings
- follow up on unsatisfactory findings as determined by Board Administration

2.0 MANAGEMENT AND REPORTING

2.1 Financial Statements

The fiscal year-end is August 31. The Financial reports will be prepared by Financial Services once August bank reconciliations are completed by the school and a copy of the August bank statement is forwarded. The Financial Report will be forwarded to the Principal for review and signature. A separate report will be forwarded to the School Council detailing their financial activity for the year (i.e., revenues, expenses, assets, and liabilities). This report should be verified by council and returned to Finance with the appropriate approval signatures.

2.2 Accounting Records

The reports listed below must be printed off on a monthly basis once the bank reconciliation is complete. These reports are generated through SchoolCash.NET.

- the Bank Reconciliation report must be reviewed and signed off by the Principal.
- the Trial Balance report is a summary report showing total revenues and expenses. This report should be reviewed and signed off by the Principal.
- a Detailed Category Summary report shows the beginning and ending category balances, detailed disbursements and deposits for a specified time period. The Detailed Category Summary reports should be distributed to staff members, coaches and School Councils responsible for the category to review and sign off. These signed reports must be maintained in a secure location in the office.
 - School Councils must document in the minutes of their meetings that the transactions in their category or categories are properly recorded. A copy of the minutes must be provided to the school office for retention purposes.
- the waive fee report is for SchoolCash Online users only. The reports shows fees that have been waived by the Principal (not collected from students). The Principal should review and initial this report to ensure they are in agreement with any fees waived.

2.3 Documentation

It is the Principal's responsibility to ensure that all transactions are properly supported and substantiated. From an operational perspective, the Fund Administrator shall ensure that all transactions are properly supported and substantiated. Any unsupported transactions are to be brought to the attention of the Principal. The Fund Administrator shall ensure that:

- all payments made (cheques) are supported by a voucher slip and third party receipts or invoice - e.g. detailed cash register receipt
- all payments must be approved by the Principal in advance of incurring the expense
- all payments must be recorded on a timely basis and must be paid by cheque
- deposit envelopes are completed and signed by the staff member or School Council designates for all deposits
- all funds collected and remitted to the office remain onsite and stored in a safe location which has limited access until deposited
- all funds collected are to be deposited intact to the bank account promptly

It is recommended that staff responsible for maintaining accounting records ensure that access to records is restricted. Records shall be retained in a locking filing cabinet, which, at a minimum, shall be locked during off-hours. It is strongly recommended that school records not be removed from the school premises.

2.4 Records Retention

Accounting records and supporting documents are to be kept by a school for seven (7) years as per the dictates of the Canada Revenue Agency. These records and documents include:

- monthly bank statements
- deposit books

- month-end bank reconciliations
- void cheques (e.g. those cheques which were erroneously completed and/or never issued)
- deposit slips/envelopes, voucher slips (with invoices, receipts or other supporting documentation attached)
- accounting reports: the month-end general journal and/or the general ledger by account reports
- HST Reports

The records of each year should be boxed, labelled with a description of the contents and the record destruction date, and securely stored in the school.

2.5 Filing of Documentation

Documents can be filed in file folders or binders. It is recommended that the following system be used to ensure consistency for audit purposes and staffing changes:

ITEM	METHOD
deposit envelopes and any supporting materials	sequentially
cheque stubs, voucher slips and supporting documentation	sequentially
monthly reports	chronologically (by month)
bank reconciliations and bank statements	chronologically (by month)
student fee reconciliation (secondary only)	chronologically
HST reports	chronologically
transfers	sequentially

2.6 Description of SGF Category / Detail Event Activity Form

A description of each class, club or activity shall be prepared. This summary shall briefly describe each class and club along with the name and the signature of the staff advisor responsible for authorizing disbursements. This description shall be updated on an on-going basis to ensure that it is kept current (e.g. when a staff advisor changes or leaves the school, a new form shall be created). This summary shall be kept by the Principal or designate.

For SchoolCash Online users a Description of SGF Category form must be used for each category. If a fee is posted online, a Detailed Event Activity form can act in the place of the Description of SGF Category form to assign a staff advisor. All categories must have documentation detailing the staff advisor responsible.

School Councils are required to complete a Description of SGF Category form and or a Detail Event of Activity form, which denotes the authorized School Council designate(s) for each established category. School office staff will ensure that any voucher completed is signed by the appropriate authorized School Council designate(s), as per these forms.

2.7 Residual Balances in School Generated Funds Categories

The collection of funds from students for events and activities is to be done on a cost recovery basis; however, residual balances will often occur because the funds collected will not fully balance to costs incurred. Residual balances can fall into 2 categories:

- Residual balances for one-time categories, such as field trips and one-time student events or activities
- Inactive or legacy categories with a residual balances

Positive residual balances in one-time event/activity categories are expected to be marginal in nature. If a positive residual balance is marginal in nature it can be re-purposed. However, if the positive remaining balance is not marginal in nature the school administration should consider whether refunds to students are appropriate.

Residual Balances Guidance

If a residual balance in a category after a one-time event or activity equates to 5-10% of the amount students paid or is more than \$5-10 per student a refund should be considered. The practicality of issuing refunds will depend on the amount collected from each student and the overall residual balance in the category.

A positive residual balance from a one-time event or activity may be an amount where it is determined that issuing student refunds is not practical. However, if the amount is not marginal in nature the school should make every attempt to ensure that the funds are spent on the students that it was collected from.

School Administration will determine the appropriate course of action depending on the circumstances surrounding the specific category.

Inactive or Legacy Categories with Residual Balances

If a school has a category with a positive balance that has not been utilized in the last fiscal year or longer this amount can be transferred using one of the following two approaches:

- Transfer the funds to another “like” category
- Transfer the remaining balance to a clearing category, (as discussed below)

Clearing Categories for Transfers of Marginal balances or Inactive Categories

Schools are to establish the following 2 categories within their School Generated Funds, under the appropriate School Generated Funds Umbrella

- Field Trips/Excursions Residual Balances
- Student Activities Residual Balances

At the conclusion of a one-time event/activity if there is a positive residual balance that is marginal in nature, it can be transferred into the appropriate clearing category. Funds transferred into these clearing categories can then be used for benevolent purposes, to offset future costs of other school events or activities that are similar in nature, or to fund a small deficit balance in a similar event or activity. Funds within clearing categories are not to be used for Capital purchases.

Categories that are ongoing in nature such as Student Council or Athletics (for example), having a residual balance at year end, will have that balance rolled forward to be used in the following year.

2.8 School Audits

The School Auditor is responsible for conducting audits and reviews of the School Generated Fund accounts of all elementary and secondary schools. The selection of the school is based on an internal risk assessment. The School Auditor will provide a report to the school Principal and forward copies to the Director of Education, Associate Director & Treasurer Organizational Support Services, Associate Director Learning Support Services, the Board's external auditors and the appropriate Superintendent of Student Achievement. It is the responsibility of the Principal to ensure that audit findings are addressed in a timely manner and the Superintendent of Student Achievement to follow up as required.

2.9 HST Procedures

Schools are entitled to an 83.38% rebate on all HST paid from Ontario vendors (68% federal component, 93% provincial component) for student related activities or materials and a 100% rebate on all HST paid for printed books. (Printed book is defined to exclude newspapers, as well as magazines and periodicals that either are not purchased by subscription or that have more than 5% of their printed space devoted to advertising. Also excluded are books designed primarily for writing or drawing or affixing items, such as clippings, pictures, coins, stamps or stickers, agendas, calendars, directories and rate books.)

An HST rebate application form shall be submitted directly to Canada Revenue Agency. All schools are responsible to claim this source of revenue. To claim the HST rebate, original receipts/invoices must be on file, the company HST registration number must be listed on the receipt/invoice and the HST paid must be detailed on the receipt/invoice.

Schools must file HST rebates monthly.

Upon receipt of an HST rebate cheque from Canada Revenue Agency, the Fund Administrator will deposit the HST rebate to the Principal's Discretionary category and/or the School Council category, according to the expenses that generated the rebates.

Refer all correspondence with Canada Revenue Agency to Financial Services.

For any out of province purchases, please contact Financial Services.

2.10 Lost or Stolen School Generated Funds

Where funds are lost or stolen the Principal shall immediately notify:

- the appropriate Superintendent of Student Achievement
- the Associate Director & Treasurer Organizational Support Services or designate
- School Council Chair and Treasurer if School Council funds are lost or stolen

Lost or stolen funds shall not be replaced through Board funds. Any lost or stolen funds shall be reflected in the annual financial statements.

3.0 RECEIPT OF FUNDS

3.1 Receipts (Cash and Cheques)

All funds collected shall remain onsite and stored in a secure safe with limited access. Funds should not remain in a classroom. The only allowable exception to this mandate relates to School Councils as previously stated. In exceptional circumstances, funds may be stored overnight in the school safe without being officially signed in. The deposit envelope must be sealed, with staff member or School Council designate's name, date noted on it along with the reason the envelope is not being deposited as per normal procedure (see section 1.3).

All deposits (cash and cheques) received must be sealed in a deposit envelope with the deposit details recorded on the deposit envelope before being turned over to the Fund Administrator. A list of students who have paid, how they paid (cash / cheque), as well as the amounts paid shall be recorded on either the deposit envelope or on a listing attached to or filed within the envelope. Deposit envelopes are available in two sizes (5 7/8 by 9 1/2 or 9 by 12) through ePurchasing.

Once envelopes are sealed and submitted, they are not to be opened for any reason prior to preparing the bank deposit.

Cheques received to pay for School Generated Fund activities shall be made payable to the school.

All deposit envelopes shall be recorded in the receipt log by the staff member or School Council designate.

The receipt log shall be completed as follows:

- any staff member or School Council designate who turns in a deposit envelope to the school office shall record the date, their name, the category, and the amount of the deposit
- ensure that the proper backup is submitted (list of students paid, how they paid)
- the office staff member who accepts the deposit envelope shall initial the receipt log to indicate that the deposit envelope was received by the school office. The envelope shall then be secured, unopened, in a designated safe with limited access
- the remaining columns of the receipt log (SGF / Board, verified by, deposit to bank, deposit number) shall be completed by the person who verifies the amount in the envelope at the time that the bank deposit is prepared
- the back of the cheques shall be stamped with the school name, bank account number, and "For Deposit Only"
- deposits shall be added to the ledger immediately

3.2 Post-Dated Cheques

Post-dated cheques that are included in a deposit envelope cannot be deposited until a future date. They shall be handled as follows:

- remove the post-dated cheque(s) from the bank deposit and ensure that the "Total Deposit" on the deposit envelope and in the receipt log are updated to reflect the new total
- prepare a new deposit envelope for each uniquely dated post-dated cheque(s). The details on the new deposit envelope shall be completed by the office staff; "source of funds" shall explain that the contents are "post-dated cheques"

- report the date that the cheques can be deposited across the top of the new deposit envelope. Log the new envelope in the receipt log and secure the deposit envelope in the safe until the scheduled date of deposit, then proceed with the normal deposit procedures

3.3 Preparing Bank Deposits

- The contents of each deposit envelope shall be verified and the deposit envelope initialed. If the contents of the envelope differ from the amount noted on the outside, the Staff Member should be notified immediately and must agree with the difference. Once discussed, the deposit envelope and the receipt log should be amended and initialed by both the Staff Member and the Fund Administrator
 - if the contents of a School Council deposit envelope differ from the amount noted on the outside, the School Council Treasurer should be immediately notified of the discrepancy. The Fund Administrator is to complete the deposit using the total verified by cash and cheques within the deposit envelope
- once the deposit envelope has been verified and keyed into the system, funds should be stored in a cashbox with locking capabilities. This will keep the money out of sight and easy to manage in the event of an emergency. When all envelopes have been keyed, the deposit can be confirmed and taken to the bank
- the bank deposit shall be detailed in a multi-copy deposit book. If applicable an “adding machine tape” of the listed cheques deposited (generated from SchoolCash.NET) must be printed and attached to the retained copy of the deposit slip and the copy sent to the bank
- the bank deposit total shall be balanced to the “Total Deposit” amount on the deposit envelopes that support the deposit
- the actual date of deposit to the bank shall be noted in the receipt log. The Fund Administrator shall ensure that all deposit envelopes recorded in the receipt log (but not yet deposited) have been included in the bank deposit (with the exception of post-dated cheques which have been logged by office staff for future deposit)

3.4 Deposits to the Bank

A multi-copy deposit book shall be maintained to record and detail all bank deposits. To minimize the school's exposure in the event of loss or theft, deposits shall be made at least once per week during the school year, and more frequently during those periods when there is a high volume of funds received. The frequency of bank deposits is at the discretion of the Principal. It is the responsibility of the Principal to secure all money in a locked safe until it is to be deposited in the bank.

Under no circumstances shall cash on hand be disbursed. Cash that has been accepted for deposit to the bank shall be deposited to the bank intact and shall not be used to make payments.

3.5 “Night Deposit” Process

The bank deposit process requires the Fund Administrator to travel to the school's local bank branch at least once a week. Deposits performed in person at a branch are Thames Valley's preferred method of bank deposits. However, in certain circumstances this process may not be practical. With school Principal approval, a school may perform Night Deposits. The processes outlined in Section 3.3 - Preparing a Bank Deposit are to be followed. When a deposit is ready to be taken to the bank, the following steps are to be followed:

- Record the deposit in the school's multi-copy deposit book
- Place two copies of the deposit from the deposit book into the Night Deposit bag along with all funds to be deposited
- Ensure that Deposit bag is sealed and the contents are secure
- Peel off a copy of the bags deposit slip containing the bag's serial number and attach it to the remaining multi-copy deposit book page
- Enter the Night Deposit bag's serial number into the field called "Night Wallet" in the Deposit Module of SchoolCash.net
- Upon arrival at the bank, use the key provided by RBC to open the Night Deposit shoot and drop the Deposit Bag down the shoot

Verification of the amount deposited will not be received by the school until it receives its next bank statement. If there is a discrepancy between the amount believed to be deposited and the amount reflected on the school's bank statement, the amount reflected on the bank statement will be deemed to be correct and an adjusting entry in SchoolCash.net will be required. If there is a large discrepancy between the amount believed to be deposited and the amount reflected on the bank statement, please contact the RBC London team at serviceteamlon@rbc.com with a cc to your school's Financial Services contact. The details of the deposit and the deposit bag serial number will be required.

Deposits containing \$2,500 in cash or more are not to be deposited through the Night Deposit Process; these deposits must be processed within a branch at a customer service wicket.

The term "Night Deposit" is used by banks to describe the deposit chute located at branches. This will allow staff to perform a SGF deposit without having to wait in line at a busy branch or at a branch without a dedicated business wicket. For the safety of staff performing bank deposits, it is expected that any deposits performed under the Night Deposit process will be completed during or directly after normal working hours. Deposits completed under this process are not to be completed at night.

3.6 Receipt of Funds from Another School

A receipt shall be issued to another school for funds received (e.g. tournament fees) to ensure that the school that has issued the payment has a receipt for their records and the school in receipt of funds has a copy for their records.

3.7 Receipt of Funds After Hours

Where a staff member or School Council designate is in receipt of funds after hours, the individual shall deposit those funds into a secure drop box in the school where available. Ensure the deposit envelope is sealed, with Staff Member(s) or School Council designates name, date and reason on the envelope. There must be 2 people present when the drop box is opened the next day. The funds will be returned to the Staff Member who made the initial deposit to deposit as per normal procedure (see section 1.1). Wherever possible, the funds should be pre-counted before dropping them in the box and recounted the next morning.

4.0 DISBURSEMENT OF FUNDS

- all disbursements must comply with the Purchasing Policy and Procedure and the Expense Reimbursement Policy and Procedure. Valid School Generated Fund expenses ordered through Purchasing can be reimbursed monthly once the invoice has been paid taking into account the HST rebate
- all payments must be approved by the Principal in advance of incurring the expense
- reimbursements to Principals must be approved by their Superintendent for proper segregation of duties and approval authority
- all disbursements shall be made by cheque
- cheques are to be signed at the time of issuance by two signing officers. The use of signature stamps or electronic signatures is unacceptable
- cheques made payable to cash are not acceptable
- all cheques must be accounted for. Damaged/voided cheques are to be maintained for future reference. Blank cheques are to be stored in a secure location in order to prevent loss or theft

4.1 Cheque Requests

No payments shall be made without a voucher slip completed and signed by the Staff Member or School Council designate requesting the cheque. All voucher slips shall be accompanied by proper receipts or invoices. Principal authorization is to be received before the cheque is issued. Payment cannot be made from statements, credit/debit slips and must be original itemized invoice/receipts. The cheque number is to be noted on all requests.

4.2 Advance of Funds

A voucher slip request shall be completed in order to obtain an advance of funds. The request shall be authorized by the Principal prior to disbursement. Any remaining funds shall be returned to the School Generated Funds account immediately.

Where the advance is received for an item, such as tips for large trips, an Advance of Funds Control Sheet shall be provided to the staff member. The staff member will disburse the funds and track how the funds were disbursed. The control sheet is then returned to the Fund Administrator with any remaining cash, and attached to the original voucher slip. Any cash returned is recorded in the receipt log and follows the normal deposit procedures.

Where the advance is required for float purposes (such as a dance), the amount shall be returned in a separate deposit envelope from any proceeds from the dance.

4.3 Voided or Damaged Cheques

All voided or damaged cheques are to be attached to the original voucher request. The word, "VOID" shall be written boldly across the face of the cheque.

4.4 Replacement of Cheques

If a payee has indicated they did not receive the cheque issued by the school, or it has been lost, review the bank statements to ensure the cheque has not been cashed. If there is no record of the cheque being cashed, the bank shall be notified and a stop payment requested. A replacement cheque may then be issued, noting the previous cheque number. This transaction shall be properly recorded in the records.

5.0 BANKING

5.1. Bank Account

Each school will maintain a single bank account in the school's name for School Generated Funds.

Use of client cards, bank machines or electronic banking is not permissible.

Cheques are to be pre-numbered and laser printer compatible. Hand written cheques are not acceptable.

Exceptions to the single bank account would be granted where legislative requirements or special circumstances exist. The Principal shall contact the appropriate support person in Financial Services for assistance before establishing a second account. The Principal shall review account activity of a second account monthly to ensure that it is appropriate for continued use.

5.2. Board Banking Arrangements

In order to benefit from the Board's arrangement with the Royal Bank, it is recommended that all schools maintain their bank account with the Royal Bank where geographically feasible.

Benefits include:

- obtaining a preferred interest rate on bank balances
- waiving of most bank service charges on the account

The appropriate support person in Financial Services may be contacted for more information.

5.3. Banking Protocols

The following protocols shall be followed:

- the Principal must be a signing authority and shall designate the staff that have signing authority for the school's bank account. Signing authority shall be a minimum of three to a maximum of four people. A school's Administrative Secretary must be one of the school's signing authorities.
- a signature on a cheque indicates that supporting documentation has been examined and that approval has been granted. Thus, signatures shall not be provided without proper supporting documentation (e.g. blank cheques shall never be signed)
- all cheques shall be pre-numbered and computer generated

- bank statements must cut off on the last day of the month. Statements should include cancelled cheques or scanned copies of such
- bank statements are to be opened by the Principal, reviewed, dated and initialed before turning over to the Fund Administrator
- bank reconciliations shall be prepared on a monthly basis (as of the last day of the month) and reviewed, signed and dated by the Principal. The Principal, shall:
 - ensure that the bank statement balance agrees with the amount reflected in the bank reconciliation
 - ensure that the balance recorded in the school records for the bank account agrees with the amount reflected in the bank reconciliation
 - review all outstanding deposits, outstanding cheques and miscellaneous charges for accuracy
 - ensure that NSF cheques are taken into consideration when the bank reconciliation is completed
 - ensure that School Council receives notification of any cheques issued to them that are returned NSF
 - ensure that the bank statement is attached to the bank reconciliation and filed in chronological order (e.g. by month)

Appendix A: Financial Management of Nutrition Program Funding

Often schools will run nutrition programs (also called breakfast and/or snack programs) to provide healthy food and snacks to their students. These programs are funded either through donations from external organizations, school/school council fundraising initiatives or a combination of donations and fundraising initiatives.

As these funds are provided to the schools by either external organizations and/or the community at large, it is important that the school ensure the financial tracking and the utilization of these funds are appropriate. Provided below are some Nutrition Program operating best practices.

Board Policy & Donor Conditions

Food and snacks provided in a Nutrition Program must comply with the Board's Healthy Schools (Policy/Procedure 5010a). In addition, if the donor has additional requirements, providing they do not conflict with existing Board Policy and Procedures, these additional requirements must also be met. Normally, additional requirements relate to the types of food purchased or to financial reporting back to the donor. Financial reporting can include details such as how the funds were utilized and if any funds remain. Some organizations may require funding not utilized to be returned. If this is the case, any unspent funds must be returned to the organization in a timely manner after the completion of timeline provided by the donor.

Funds collected or received for Nutrition Programs must be utilized on the school's Nutrition Program and cannot be diverted for other purposes. Groceries purchased must be used to supply breakfasts or snacks to the students of the school. Use of these supplies to provide breakfasts or snacks to staff members is not appropriate.

Financial Tracking of Nutrition Funds

Funds received for Nutrition Programs must be deposited into the school's School Generated Funds (SGF) bank account. The only exception to this is Continuing and Alternative Education Nutrition Programs, which run through Board accounts.

To provide schools with some flexibility with regards to tracking purposes, there are two methods purposed below, the "Separate SGF categories" method (which allows for finite tracking) and the "Single SGF category" approach

- A) Under the "Separate SGF categories" method schools will create separate categories for:
 - Funds received from each donor organization(s)
 - Funds received through fundraising proceeds

Example: An Elementary school receives Nutrition Program funding from two different external organizations, specifically the Ontario Student Nutrition Program (OSNP) and from the Thames Valley Education Foundation (TVEF). In addition, the school has fundraising proceeds to be allocated to the school's Nutrition Program. In this example, the school would need to establish three separate categories as follows within their SGF's for proper financial tracking:

- Nutrition Funds – OSNP
- Nutrition Funds – TVEF
- Nutrition Funds – Fundraising Proceeds

The revenues and expenses related to each funding source must be allocated to the appropriate SGF category. It is recommended that funds received via donations from external organizations, such as OSNP, be utilized first, and any fundraising proceeds be used to supplement the program when needed.

- B) Under the “Single SGF Category” method, all nutrition funding is processed through a single SGF category

Example: Extending the example provided in the “Separate Category Method” to this this tracking scenario; all funds would be run through a single “Nutrition Funds” category. This method may be more efficient for programs with a small number of funding sources.

With all funding sources running through a single account, ensure that any donor funds are utilized first, with respect to any financial reporting requirements back to the donor and fundraising proceeds utilized after the donated dollars are exhausted.

Nutrition Program Fundraising

When fundraising is undertaken for Nutrition Programs, the actual fundraising activity itself must be tracked in its own SGF category where all the funds collected are deposited and the associated expenses are processed. At the conclusion of the fundraising initiative, the net proceeds are transferred to the appropriate nutrition funds category.

Purchasing of Goods for Nutrition Programs

Purchasing Services permits schools to go directly to grocery stores to purchase groceries needed to offer their Nutrition Programs. It is important to note that on occasion, external organizations have provided funds for fridges and other non-grocery supplies. The purchase of non-grocery items is required to follow the Board’s Purchasing Policy and Procedure.

For the purchase of groceries, there are several methods/approaches that schools can utilize, keeping in mind that the individual purchasing groceries may be a Board staff member or a community volunteer.

- Establish an account with a Grocery Store (***Preferred Method***)
 - Schools can establish an account with a local grocery store. The school will be provided an account number that will need to be provided upon check out and in turn the store will issue a formal invoice to the school, normally on a monthly basis, for the cost of goods purchased over a specified period of time. Schools will be required to keep the detailed cash register receipts provided by the grocery store when checking out for reconciliation purposes and for the detailed tax information, as most grocery store invoices simply provide the date the goods were purchased and the total dollar amount. This is the preferred purchasing approach, however, it is important to note that not all grocery store chains are willing to establish customer accounts
- Groceries are purchased by an individual (staff member or volunteered) and then the individual is reimbursed out of Nutrition Program funds
 - In this scenario, an individual associated with the school’s Nutrition Program purchases groceries using their own funds and then requests reimbursement out of Nutrition Program funds. In this scenario, it would be important that any reimbursement required is processed on a timely basis.
- Gift Cards are purchased for a grocery store that then are used to purchase groceries as needed

- This approach introduces a greater chance of loss due to the potential of gift cards being misplaced or lost, however, it is recognized that this approach is necessary for some Nutrition Programs to operate. If this approach is selected an individual associated with the Nutrition Program will need to purchase a specified number of Gift Cards using their own funds and then be reimbursed out of the Nutrition Funds. If this option is selected the school must:
 - Keep all gift cards locked in the school safe when not in use
 - Establish a “Sign In/Sign Out” log sheet
 - Log sheet should include the opening balance (a card number if available) and a row for each time the card was removed from the safe. Each row will include: Sign Out Date, Sign In Date, Individual’s Name, Grocery Store Name, Purchase amount, Amount remaining on the card
 - Receipts will be retained sequentially by date with the log sheet and the fully utilized gift card
 - See attached example log sheet for suggested format
 - When a gift card is fully utilized, the receipts can be filed with the original SGF Voucher used to acquire the gift card

SGF Deposit and Payment Processes for Nutrition Funds

Nutrition Programs operated out of SGF must follow SGF policies and procedures. Provided below are points of clarification for the operation of Nutrition Programs:

- Nutrition Program SGF categories must have an “event coordinator” that acts as the signing officer for vouchers and is responsible for the monthly review and sign off on the categories in question. The “event coordinator” must be either a Board staff member, or if School Council oversees the school’s Nutrition Program a School Council designate. The result of category reviews, if School Council oversees the program, must be discussed at School Council meetings and documented in the meeting minutes, just as other School Council categories
- An SGF deposit envelope must be completed when funds are received. This envelope must be taken to the school office and logged in the school’s receipt log, as per the standard SGF deposit process
- An SGF Voucher must be completed and submitted to the school office, along with appropriate supporting documentation (i.e., detailed receipts or invoices). The voucher must be signed by the appropriate staff member or school council designate
- Any reporting requirements requested by a donating external organization is the responsibility of the staff member or school council designate who oversees the program

Example of Gift Card "Sign In/Sign Out" Log Sheet

Nutrition Program – Gift Card Log Sheet						
Gift Card	Sign Out Date/Time	Sign In Date/Time	Individual's Name	Store Name (s)	Amount	Amount Remaining
Card # 21657555448						\$300.00
	Sep 18/19 11:15 am	Sep 18/19 1:35 pm	Jane Smith	Groceries R Us	115.36	184.64
	Oct 3/19 10:30 am	Oct 3/19 11:37 am	Jane Smith	Grocery Land	54.82	129.82
	Oct 17/19 11:08 am	Oct 17/19 12:45 am	Jane Smith	Groceries R Us	83.55	46.27
	↓	↓	↓	Grocery Mart	32.01	14.26
	Nov 5/19 10:22 am	Nov 5/19 11:55	Jane Smith	Groceries R Us (Split on card 8654")	14.26	0
Card # 21657598654						\$300.00
	Nov 5/19 10:22 am	Nov 5/19 11:55	Jane Smith	Groceries R Us (Split on card "5448")	105.62	194.38