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## AP 520 – School Generated Trust Funds

### Background

The District recognizes that schools often desire supplemental funds to enhance and enrich school operations, facilities and student activities.

School trust funds may be raised for worthwhile stated objectives by schools, Student Councils, school clubs or Parents' Advisory Councils, provided that there is no undue intrusion on regular instructional time and that there is no excessive use of instructional supplies.

School trust funds are monies raised within the school community from a variety of sources and held in one trust account. These funds are held in a general ledger account separate from the schools' operational accounts and revenues and expenditures must be accounted for in a manner consistent with the requirements of this procedure. School Trust Funds are a responsibility of the School District and are reported as part of the District's Trust liabilities in all financial reports required by the Ministry of Education. These funds are distinct from funds and accounts held by Parents' Advisory Councils.

### Procedures

#### 1. Fund-Raising

- 1.1 Fund-raising is a school-based activity requiring authorization and coordination by the Principal in consultation with the staff, Parents' Advisory Council and Student Council, as appropriate. The Principal will consult with the Parents' Advisory Council on the nature of the fund-raising and the intended use of the funds before giving approval. Fund-raising activities are to be planned on an annual basis in consultation with the above groups, as appropriate.
- 1.2 The Principal will try to resolve any complaints concerning the school's fund-raising activities. Where a mutually acceptable solution cannot be found, the parties will meet with the Secretary-Treasurer or appropriate Associate Superintendent who will facilitate a decision.
- 1.3 Fund-raising activities, for which tax donation receipts are requested, are governed by Canada Revenue Agency – Charities Directorate and should be directed to the Secretary-Treasurer's office for current guidelines and approvals.
- 1.4 Fund-raising activities involving gambling (ie raffles, bingos, and lotteries) conducted by the school or staff are subject to current Provincial Gaming regulations, and the provincial website should be referenced for current guidelines.

2. Banking

- 2.1 All funds raised by a school or its student groups, clubs or organizations will be placed in a bank account or accounts, as determined by the Secretary-Treasurer, under the name of the school.
- 2.2 Funds generated by the Parents' Advisory Council will be placed into an account as determined by the Constitution and Bylaws of the Parent Advisory Council (see Administrative Procedure 110 – Parents' Advisory Councils).
- 2.3 If title to a school account is called into question, the account, or contested portion of the account, will become a trust of the District until title is determined.

3. Spending Funds

- 3.1 Spending of school trust funds will be approved by the Principal of the school after consulting with the staff or, in the case of Student Council funds, by a majority vote of the Student Council. Expenditures will be reported to the appropriate group on a regular basis.
- 3.2 School trust funds raised for which tax receipts have been issued will be disbursed based on the original fund-raising proposal. These expenses will be reviewed by the Secretary Treasurer's office and reported as per Ministry of Education requirements.
- 3.3 All disbursements will be made by cheque and in accordance with Administrative Procedure 510 – Fiscal Management. There will be a minimum of three (3) signing officers for every school account, one of whom will be the Principal or Vice-Principal of the school.

4. Accounting and Reporting

- 4.1 An accounting system approved by the Secretary-Treasurer will be maintained to record collections, disbursements, and balances on hand of School Trust Funds.
- 4.2 School accounts may be reviewed by the District's financial staff or auditors at any time.
- 4.3 School Administrative Assistants (Accounting Clerks or Business Managers) will maintain their schools accounting in a regular and timely manner with accounts reflecting accurate monthly entries and balances.