



School Community

Council Funds:

Operations and Procedures

Section A: Accounting Guidelines

1.0 General Information

The Board of Education for the North East School Division is ultimately responsible for all funds utilized in the delivery of services within the School Division including those funds that are school-based.

The School Community Council is responsible to the Board of Education for ensuring that school-based funds are accounted for in accordance with Board policies and administrative / accounting procedures.

In the administration of a trust, School Community Councils are bound to exercise diligence and care in the management of the school-based funds and are responsible to provide for public accountability.

2.0 Accounting Considerations

In order to exercise effective control over trust funds, a set of complete and accurate accounting records must be maintained and made available for use on a timely basis.

Such records shall be based upon basic fundamental accounting principles that include:

1. Receipting and recording of all revenue received.
2. Safeguarding/control of cash.
3. Authorization and recording of all expenditures.
4. Documentation to substantiate expenditures.
5. Monthly bank reconciliations.
6. Preparation of year-end report.
7. Audit by Division Staff.

The School Community Council fiscal year runs from September 1 to August 31.

Section B: Bank Accountants & Investments

1.0 Current Bank Account

Each School Community Council should have one and only one account to deal with all SCC funds. This account should have the following features:

- Provide bank statements dated at month-end along with cancelled cheques.
- Provide interest earned each month on remaining account balances with minimal monthly service charges.
- Provide for all cheques to be signed by two people.

1.1 Cheques

School Community Councils must use pre-numbered cheques with the school name printed on them. Voided cheques must be retained and inter-filed in numerical order with the returned cancelled cheques. Unused cheques must be kept in a safe place where they are accessible only to cheque signers.

1.2 Signing Authority on Accounts

Dual signatures are required on each cheque, therefore it is recommended that the bank account be set up to have three people authorized to act as cheque signers. For example, signing authority for the School Community Council may be a combination of the chair, vice-chair or secretary-treasurer.

1.3 Deposits

Funds collected should be deposited intact (in their entirety). Cash payments should come out of petty cash, not out of cash collected. (Making cash payments out of cash collected results in an understatement of both the total receipts and the total expenses and should never be done.)

2.0 Investments

To take advantage of greater interest rates, surplus funds may be invested for short periods of time in term deposits or guaranteed investment certificates with financial institutions covered by the Canada Deposit Insurance Corporation.

Section C: Disbursement of Funds

1.0 Disbursements

All disbursements must be supported by an original invoice or receipt that shows the amount and purpose of the payment.

Upon authorization by the School Community Council, the disbursement of funds will be made by cheque only.

Cheque signers should never sign blank cheques.

Section D: Year-End Reports

A year-end report will be submitted to the Superintendent of Business Administration by September 30th of each year. This report will be prepared using the attached Annual Financial Report form.