

School Council Training Day

School Council Funds Management Guide

3 October 2015



**OTTAWA-CARLETON
DISTRICT SCHOOL BOARD**



Overview

Provide background on:

- **Policy**
- **Procedure**
- **Funds Management Guide**
- **Future Direction**

Policy P.133.FIN - Management of School Council Funds

- **Board approved in May 2013**
- **Came into effect September 2013**
- **Developed in consultation with school councils and District staff**
- **Policy Objective:**
To govern the management and accounting of school council funds in a consistent, transparent and financially sound manner

Policy P.133.FIN - Management of School Council Funds

- **The District's Chief Financial Officer (CFO) is responsible for the oversight of school council funds**
- **School councils must adhere to the principles of transparency, accountability, and sound financial practice**
- **School councils are to work collaboratively to resolve issues and escalate to principal, superintendent or CFO, based on circumstances**

Key requirements presented in the Policy:

- **Appointment of treasurer**
- **Adherence to legislation, policies, procedures and guidelines**
- **Use of appropriate financial controls**
- **Financial reporting**
- **Banking arrangements**
- **Records subject to audit**
- **Dispute resolution process**

Procedure PR.580.FIN-Management of School Council Funds

- **Board approved in December 2014**
- **Supports the Policy**
- **Will be brief and direct school councils to make use of the Guide**

School Council Funds Management Guide

- **The Guide covers various areas and has a focus on responsibility and internal control**
- **The Guide presents both required steps and suggested approaches which promote transparency and accountability**
- **It is available on the website at <https://drive.google.com/drive/u/0/folders/0B5qw9iDjJcvzdGNMWklzQ05FUWc>**

School Council Funds Management Guide

- **Internal control is important for various reasons**
 - **Promotes the use of funds for intended purpose**
 - **Reduces the risk of loss**
 - **Demonstrates responsible oversight**
 - **Protects everyone involved in the process**

Fundraising

- **Refers to all money flowing through school council (e.g. lunch program, movie night)**
- **Activities determined in consultation with the principal**
- **Use for the purpose for which it was raised**
- **Generally used during the same school year**
- **Each activity accounted for separately**

Banking Arrangements

- **School council may have its own bank account or may bank through the school**
- **If through school, school council funds are accounted for separate from the school's**
- **Important to discuss with school principal if contemplating a change to arrangements**
- **Declaration of school council banking arrangements is to be completed each year**

Receiving Money

- **Money is easily lost (misplaced/stolen)**
- **Some approaches:**
 - **Segregation of duties**
 - **Use a cash box to hold money**
 - **Never leave cash unattended**
 - **Use a list to show who paid and the purpose**
 - **Have two people count the money and place it in sealed envelope**

Depositing Money

- **Money received should be promptly deposited into the bank account**
- **Reduces risk of loss and ensures money is in the account to pay for goods and services**
- **Some approaches:**
 - **Prepare deposit in a quiet location**
 - **Track deposit envelopes in a log (W5, \$)**
 - **Store in safe pending trip to bank**
 - **Identify and reconcile variances**

Paying for Goods and Services

- **Controls help to ensure purchases of goods and services are authorized**
- **Some approaches:**
 - **School council to pre-authorize purchases**
 - **Establish who is to approve payment (invoice)**
 - **Track proceeds separate from disbursements**
 - **Require supporting documentation before preparing cheque**
 - **Require that two officers sign cheque**

Bank Reconciliations

- **Compares the bank account balance with the balance shown in the council's records**
- **Some approaches:**
 - **Use a standard bank reconciliation template**
 - **Segregate responsibility for reconciling bank account from depositing money, if possible**
 - **Promptly complete each month to identify differences and required financial entries**
 - **Reviewed by someone other than preparer**

Financial Reporting

- **Required to prepare a report that shows revenues, expenses, assets and liabilities**
- **Some approaches:**
 - **Use a standard report format**
 - **Display an account for each activity**
 - **Review report at each meeting and monitor for unanticipated changes in amounts**
 - **Report regularly to the school community**
 - **Prepare a summary for the annual report**

Other Sections

- **Records Retention**
- **Audits and Access to Information**
- **Charitable Donations**
- **School Council Oversight**
- **School Council Transition**
- **Dispute Resolution**

Future Direction

- **Consider a common accounting system for schools and school councils**
- **System would allow for recording of transactions, payment processing, cashless processing of payments, communications with parents/guardians**
- **Benefits: records retention (partial), reduced cash handling, improved reporting and reconciliation, simplified training, school council transition**

Recommending Updates

- **The Guide will be updated periodically based on evolving needs and user suggestions**
- **Please submit suggestions to school.support-finance@ocdsb.ca**

Questions