

## **PURPOSE**

School Generated Funds (SGF) are jurisdictional funds raised by the school and community from activities that come under the control and responsibility of school management (the principal and/or designate). This procedure outlines the accounting and reporting requirements related to SGF along with the allowable carryover limits and obligations around oversight and management of SGF resources.

## **PROCEDURE**

### 1. School Generated Funds – General

1.1. SGF include fees, fundraising revenues, gifts and donations, along with any other collected sales and services revenues (see Appendix A Definitions).

1.2. Schools are expected to utilize SGF to support students who are attending the school the year the funds were collected. Carryovers are permitted, with the expectation that these monies will normally be expended within three years.

A longer time limit may be permitted for playground equipment, uniforms/athletic equipment and other expensive capital items if a specific plan has been identified and approved by the Area Director.

Schools may be allowed to carryover amounts more than outlined in Section 5 of this procedure by way of a reserve allocation. Reserve allocations must be identified and approved by the Area Director. Examples where reserves may be required include:

- Playground fundraising
- Extracurricular travel plans (international trips)
- Extracurricular sporting costs (uniform replacement)

1.3. The Superintendent delegates authority for SGF to the principal and/or designate to ensure that all SGF collected by a school is reported in the school jurisdiction's financial statements and appropriate controls (see Appendix B Audit Controls) are in place to safeguard this asset.

### 2. School Generated Fund Revenues

2.1. All fees, fundraising, and other charges will be made available through Schoolcash and must be posted in a timely fashion for parents to access and pay (2-3 weeks prior to the activity).

2.2. There are no limitations to the number of fundraising events or dollars that may be raised by a school, if a defined purpose and use for the funds is predetermined in consultation with school staff and community.

2.3. SGF collected are designed to offset costs and not to generate profit.

All funds raised from school activities or by school communities (exclusive of Registered Parent Societies) are to be tracked through the school's accounts. Funds received from Third Party Registered Societies are generally considered to be donations to the school. All money collected is to be promptly deposited, intact, to RVS's bank account.

- 2.3.1. Funds received must be deposited to the appropriate revenue account. Revenues must not be directly credited to expenditure accounts, with the only exception being rebates and refunds (correction must be posted from one revenue account to another revenue account).
- 2.3.2. All money received at the school is to be stored on site in a designated locked and safe location which has limited access. No money is to be kept off site.
- 2.3.3. All money is to be collected only by front office staff and physical receipts provided to parent/student immediately. Entry of payments must be made into Schoolcash.net within 48 hours of issuing the receipt.
- 2.3.4. Original receipts and deposit slips should be kept for one school year for audit purposes.
- 2.3.5. Deposits must be made weekly.
- 2.3.6. Money collected should not be kept on hand for use as petty cash.

### 3. School Generated Fund Expenditures

- 3.1. All SGF expenditures must be processed through school accounts. Disbursements can be made through Invoice Entry Web (IEW), Expense Entry Web (EEW) or RVS Purchasing Card (Pcard).
- 3.2. Payment of expenditures must adhere to jurisdictions purchasing procedures in all respects, including PO's for expenditures over \$50,000.
- 3.3. Payments should only be made upon the presentation of original invoices, receipts or other appropriate supporting documentation, with GST recorded as outlined on the supporting documentation and once approved by the Principal.

### 4. School Generated Fund Reporting

- 4.1. AF5119-D Principal Financial Checklist must be completed for weekly and monthly tasks/duties and saved for a minimum of one school year along with all supporting documentation related to the completion of these tasks.
- 4.2. Schools shall complete year-end rollover procedures as annually communicated by the Finance department for the fiscal period ending August 31, and submit no later than July 15<sup>th</sup> or prior to summer holidays being taken.
- 4.3. Full disclosure requires that revenues, expenses and the fund position as at fiscal year-end be reflected in the Rocky View Schools Audited Financial Statements. This information will be reviewed and approved by schools prior to August 31<sup>st</sup> in preparation for the annual rollover.
- 4.4. Revenues and expenses are reported by program and by object on the Statement of Operations and Schedule of Program Operations **on a gross basis**.
- 4.5. SGF carryovers are included in the jurisdictions consolidated reserve balance. For purposes of classification, these reserves are considered "restricted".

## 5. School Generated Fund Carryovers

- 5.1. All SGF Revenues, Expenses and Reserves (carryover) are consolidated and reported monthly and quarterly in the unaudited financial statements of the jurisdiction.
- 5.2. Funds that have been collected but not fully expended within a school year may be carried over to the following year. Carryovers are permitted within the following guidelines:
  - 5.2.1. Elementary & Middle Schools may carryover \$150/student, based on September 30<sup>th</sup> enrolment count for the applicable school year.
  - 5.2.2. High Schools may carry over 6.0% of the school-based budget less central allocations. (For example, if a high schools budget is \$5,000,000 and the central allocation is \$500,000 the calculation would be:  $\$5,000,000 - \$500,000) * 6\% = \$270,000$ ) specifically, graduation accounts must not exceed \$30,000.
  - 5.2.3. Exclusive of 5.2.1 and 5.2.2, if net funds collected for other sales and services exceed expenditures by \$25/student this excess must be reimbursed back to parents in a timely manner. If below this threshold, then a consultation process with school council and the Area Director will be initiated to establish a fiscally responsible plan to spend the excess dollars in accordance with the requirements of this procedure.
  - 5.2.4. Exclusive of 5.2.1 and 5.2.2, amounts in excess of carry over that relate to fundraising, or donations must undergo a consultation with school council and the Area Director to ensure there is a fiscally responsible plan in place to spend the excess dollars in accordance with the requirements of this procedure.
  - 5.2.5. Carryover amounts are determined each August. Finance will allocate allowable carryover amounts to each specific SGF initiative as determined by the account codes.

### Resources:

- RVS AF5101-A Journal Entry
- RVS AF5101-B Journal Entry (SGF Funds)
- RVS AF5119-D Principal Financial Checklist
- AP5106 Financial Accountability and Audits
- AP5114 Donations
- AP5116 Donations Fundraising for Facilities
- AP5105 Instructional Resource Fees

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## **APPENDIX A: DEFINITIONS**

School Generated Funds include fees charged as school established optional fees as outlined in AP5105 Instructional Resource Fee including:

1. Extracurricular Fees
  - 1.1. Fees for participation in clubs, sports teams, intramural, or other programs designed to broaden scholastic experience. Examples include charges for materials, activities, and travel associated with a club/team.
2. Activity Fees
  - 2.1. Transportation, admission, accommodation, and other charges for field trips or special events (including in-school clinicians & presenters) usually associated with curriculum. Additional examples include fees for swimming and inline skating.
3. Lunch Supervision and Noon Hour Activity Fees
  - 3.1. Fees charged to students for use of supervised lunchroom facilities as well as the cost of any corresponding activities occurring during the lunch period.
4. Non-curricular Travel
  - 4.1. Travel, accommodation & admission associated with extended (overnight) non-curriculum travel for arts, culture, athletic events, and international travel. These trips are normally optional at the discretion of the parent & student and not directly associated with any other field trip, course, club, team or program. Examples include year-end ski trips or a European tour.
5. Non-curricular Goods and Services
  - 5.1. Fees charged to parents in exchange for mandatory goods or services common to most students or cohorts within the population, including lock sales (no rentals), graduation fees charged to all graduating students, and fitness fees charged for before and after school use of fitness facilities.
6. Other Fees to Enhance Education
  - 6.1. Fees related to providing additional support to students towards educational programs not described or covered by the preceding fee categories.
7. Fundraising
  - 7.1. Gross revenues received for activities where proceeds are directed toward a specific outcome and that participants of the activity are aware of the fundraising effort. Fundraising includes activities such as special events (e.g. school dances, drama performances, concerts, etc.), charity events, partnerships for fundraising, and other similar activities which conform to policy. Fundraising should not be used for instructional purposes or basic education items. Fundraising activities are only for enhancements or extras (beyond what is required for a student to successfully complete school). Offsetting expenses (direct costs of the fundraiser) would be charged to the same program (refer to AP5116 Donations Fundraising for Facilities). Wherever possible, school fundraising initiatives should benefit the entire program. Fundraising used for the benefit of a specific individual should be undertaken by the school society or be approved by the School Principal.

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8. Gifts and Donations

- 8.1. Funds or in-kind contributions received by a school in which nominal or no consideration is provided by the school. Under certain circumstances the school may issue a charitable donation receipt to the contributor (refer to AP5114 Donations).
- 8.2. Any restricted donations (donations where a 3<sup>rd</sup> party directs the usage of funds) must be utilized according to the donors wishes. Donations over \$5,000 must be administered from the Finance department with oversight from school principal.

9. Other Sales and Services

- 9.1. Revenues collected for optional goods, supplies, or services, such as:
  - 9.1.1. Cafeteria sales, hot lunch, & milk programs - Proceeds from the sale of nutritional programs or food sales.
  - 9.1.2. Special events, graduation tickets – Sales for a voluntary graduation banquet, party or celebration; art or athletic events are considered sales.
  - 9.1.3. Sales or rentals of other supplies/services - Sales of goods & services available for which parents have the option of purchasing from the school, such as yearbooks, school pictures, clothing items, calculators, etc. Parents and student must have the option of sourcing these from alternative sources.

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## **APPENDIX B: AUDIT CONTROLS**

1. All SGF receipts and disbursements must be accounted for and appropriate records maintained in school accounts.
2. The jurisdiction will maintain standardized account codes under which all SGF must be appropriately recorded. All SGF cash will flow through one consolidated bank account.
3. School accounts will be subject to audit procedures and internal control testing.
4. The school principal is the designated authority for all SGF transactions at their school location, however the assistant principal may be delegated this authority if deemed appropriate.