

<b>JAMES BAY LOWLANDS SECONDARY SCHOOL BOARD</b>
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<b>ADMINISTRATIVE PROCEDURE NO. 535 BUSINESS ADMINISTRATION</b>	
Effective	August 21, 2019
Last Revised	August 15, 2023

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## MANAGEMENT OF SCHOOL FUNDS: SCHOOL BANK ACCOUNT

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### PURPOSE

The James Bay Lowlands Secondary School Board is committed to creating an environment which promotes careful handling of funds, protects the school staff and volunteers, and discourages theft or fraud.

A critical element in a comprehensive prevention strategy must be adequate internal controls on the establishment and maintenance of school funds. When staff members, volunteers, and community members are involved with the handling of funds, proper control practices must be in place. Whenever possible cashless practices should be the first consideration.

### PROCEDURES

#### 1. Guiding Principles

The principal is responsible for approval, accounting, monitoring, and reporting of school generated funds and will need to meet the expectations of the Board, the Ministry of Education and our Board auditors.

#### 2. Internal Controls

2.1. The principal of the school has the responsibility to implement and monitor the following internal control practices:

- a) all events involving the exchange of funds (cashless or cash) must be presented and approved by the Board through a Board motion
- b) cashless events are preferred whenever possible;
- c) ensure that clear expectations and proper documentation is in place for collecting, recording, disbursing, and reconciling of funds;
- d) physical safeguarding of cash;
- e) two signing authorities for all transactions; and
- f) final reporting to the Board on all events involving the exchange of funds (cashless or cash).

2.2. The Board Finance and HR Administrator shall ensure an audit of all school generated funding records, including petty cash funds, on an annual basis, or more frequently at their discretion.

2.3. James Bay Lowlands Secondary School Board auditors will examine school accounts during the annual audit period.

- 2.4. All funds collected from, or for students or staff members, will be deposited intact into one account established by the principal. The principal will determine the type of account established that provides the greatest financial advantage to the school.
- 2.5. The signing authorities for the school will be two of the following, the principal, the vice-principal, a teacher designated by the principal, or a school administrative assistant.
- 2.6. A ledger will be kept of all transactions, divided by events, in the one account established by the principal. Each event will have its own section, stating the source of all revenue and the reasons for all expenditures.
- 2.7. All funds collected will be submitted for deposit, being signed off on by two of the designated signing authorities. The sum to be deposited will be recorded, and the account will be credited with the funds deposited.
- 2.8. Withdrawals from the one account will be made by cheque only. Properly approved authorization forms by the principal will be submitted to the signing authorities when funds are required. A cheque will then be issued for payment, and appropriate entries will be made in the school ledger.
- 2.9. Interest on the account will be distributed to each funding group or organization as the principal determines. The usual practice is to consider the sum on deposit and the length of time it has been on deposit. Administration costs, as applicable, may be deducted in a similar fashion.
- 2.10. The fiscal year will run from September 1st to August 31. The closing of books and preparation of year end reports will be completed by the following August 31st.

### **3. Secure Handling of Money**

- 3.1. No money is to be left in any classroom or the staffroom.
- 3.2. Money collected from fundraising shall be placed in the locked safe at the main office. Funds shall be deposited in the school bank account as soon as possible.
- 3.4. Staff members must take care to ensure that handbags, etc. are not left unattended in any classroom or the staffroom.
- 3.5. The Board will not accept any responsibility for any losses of money.

### **4. Responsibilities of the Principal**

The principal is responsible for ensuring compliance with the terms of this administrative procedure. The principal may request assistance from the Finance and HR Administrator as required.

- 4.1. Ensure a bank reconciliation is prepared and reviewed monthly by the principal.
- 4.2. Ensure copies of financial reports are submitted annually for the school account to the Finance and HR Administrator by the following September 30th.

## REFERENCE DOCUMENTS

### **Legal:**

*Education Act, Section 265 Duties of Principal: Prepare reports required by the Board*  
*Education Act, Section 285 Duties of Supervisory Officers: Supervise business functions*  
Public Sector Accounting Board (PSAB) Standards

### **Board:**

Board Policy GOV-25 Financial Stewardship: Budget Process  
Administrative Procedure 160 School Council  
Administrative Procedure 335 School Fundraising: Approvals and Safety  
Administrative Procedure 515 Purchasing Procedures  
Administrative Procedure 536 School Fundraising: Administration of School-Generated Funds