

SCHOOL TRUST FUNDS

Background

The school district has the responsibility of ensuring that funds raised and held in trust by or on behalf of School District No. 57 are accounted for properly and expended for the purpose for which they were raised, and that appropriate procedures are established and maintained for the administration of trust funds in the school district.

Definitions

“Trust fund” is a sum of money raised for a specific purpose by students, staff or members of the local school community.

Procedures

1. The school principal shall be responsible for the management of the trust funds operated by the school.
 - 1.1. A financial statement for the period July 1 to June 30 is to be submitted by September 30 to the Associate Superintendent.
2. Interest earned on trust funds held in a bank account shall be distributed to the various components of the trust fund at the discretion of the principal.
3. The accounting records of the trust funds shall be available for review by the Superintendent, the Secretary Treasurer or their designates. Upon request to the Superintendent of Schools or designate, others may review the accounting records of those areas in which they have an interest.
4. Funds ordinarily should be expended only for the purpose for which they were raised.
5. A school principal may request, through the Associate Superintendent, to the Director of Finance, that the school's trust fund be audited.
6. The trust funds collected are to be deposited in the name of the school at a chartered bank or other appropriate financial institution, and records of all receipts are to be maintained in the school office.
7. Bank Accounts
 - 7.1. Each school will be limited to one chequing bank account, which will be used for all deposits and expenditures relating to the trust funds.
 - 7.2. Each school may open one non-chequing bank account, which might allow a school to earn higher interest revenue on deposits.

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7.3. A school must have two or more signing officers for the chequing account. All cheques will require two signatures.

8. Accounting Records

8.1. The accounting records will be maintained in the school office.

8.2. The accounting records shall conform to good accounting practices and procedures and, at a minimum, the following shall be adhered to:

8.2.1. Cash receipts register will be maintained.

8.2.2. Cash disbursements register will be maintained.

8.2.3. Pre-numbered receipts will be issued for all monies received by the office staff.

8.2.4. Monies received will be deposited intact on a regular basis.

8.2.5. Pre-numbered cheques will be issued for all expenditures other than petty cash transactions; all expenditures must be supported by suppliers' invoices or receipts.

8.2.6. Bank reconciliations will be performed on a monthly basis.

9. Purchase Deposits

9.1. Principals/schools involved in transactions with vendors or agents who require a deposit for the future delivery of goods should work in cooperation with central administration office staff. Should a vendor or agent require a deposit, the following steps should be taken:

9.1.1. The principal shall agree to terms with the vendor/agent ensuring that all details of the transaction are clearly stated and understood. The principal should not issue a deposit, make a down payment or sign any agreement with respect to this transaction.

9.1.2. The principal shall then contact the Purchasing Manager and discuss the potential transaction.

9.1.3. The vendor/agent shall then be referred to the Purchasing Manager, who will issue a school district purchase order from the directions received from the principal

9.1.4. Upon complete receipt of the goods, the principal shall issue full payment to the school district.

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11. Other

- 11.1. Inactive trust monies may be transferred to other school-based trust funds.
- 11.2. The annual financial statement will be submitted on a form provided by the Finance Department.

Reference: *School Act*, Section 85