

**PROCEDURES
FOR
SCHOOL COUNCIL FUNDS**



January 2010

Index

- Part 1 **PSAB and School Board Reporting**
 - Ontario Regulation 612/00 1
 - School Council Financial Reporting (PSAB)..... 2

- Part 2 **Administrative Procedures**
 - Accountability..... 3
 - Definition, Plan and Use of School Council Funds 4

- Part 3 **Accounting Procedures**
 - Financial Management..... 6
 - Banking Arrangements 7
 - Banking Processes 9
 - Records and File Retention..... 13
 - Reporting 14

- Part 4 **Appendices:**
 - 1. Procedures Timelines
 - 2. Forms:
 - a. Deposit Voucher
 - b. Deposit Log
 - c. Payment Voucher
 - 3. Sample Reports:
 - a. Bank Reconciliation Summary Report
 - b. Register Report
 - c. Cash Flow Report
 - d. Itemized Categories Report – individual category
 - e. Itemized Categories Report – all categories
 - 4. Roles and Responsibilities
 - 5. TDSB Policies and Procedures re Fundraising and Advertising

EXCERPT FROM ONTARIO REGULATION 612/00 FOR SCHOOL COUNCILS

Fundraising

22. (1) Subject to subsection (2), a school council may engage in fundraising activities.
- (2) A school council shall not engage in fundraising activities unless,
- (a) the activities are conducted in accordance with any applicable policies established by the Board; and
 - (b) the activities are to raise funds for a purpose approved by the Board or authorized by any applicable policies established by the Board.
- (3) A school council shall ensure that the funds raised by it are used in accordance with any applicable policies established by the Board.

Consultation with Parents

23. A school council shall consult with parents of pupils enrolled in the school about matters under consideration by the council.

Annual Report

24. (1) Every school council shall annually submit a written report on its activities to the principal of the school and to the Board that established the council.
- (2) If the school council engages in fundraising activities, the annual report shall include a report on those activities.
- (3) The principal shall, on behalf of the school council, give a copy of the report to every parent of a pupil who, on the date the copy is given, is enrolled in the school.
- (4) Subsection (3) may be complied with by,
- (a) giving the report to the parent's child for delivery to his or her parent; and
 - (b) posting the report in the school in a location that is accessible to parents.

Transition

25. Every school council established by a Board before this Regulation comes into force is continued.

<http://www.edu.gov.on.ca/eng/general/elemsec/council/guide.html>

SCHOOL COUNCIL FINANCIAL REPORTING

The following are excerpts from Ministry of Education Memo 2004:B4 with respect to financial reporting by school councils:

- Public Sector Accounting Board (PSAB) recommendations aim to bring financial reporting standards for local governments in line with provincial governments, municipalities and the private sector.
- As part of this move to the recognized accounting standard, school boards are required to include in their financial statements the revenue, expenditures, assets and liabilities of all organizations considered to be part of the “reporting entity”. This requirement is part of the reporting standard set by the accounting profession.
- School councils are established under the authority of the Education Act, Section 22 of Ontario Regulation 612/00 which provides for school councils to engage in fundraising activities, but requires that the activities are conducted, and the funds be used, in accordance with policies established by the board. Section 24 requires that the school council prepares and submits to the board an annual report on its activities, including fundraising activities.
- School councils and local communities should know that the inclusion of school fund information in a board’s financial statements will in no way alter the existing control and management of school-generated funds and activities. School councils will still be able to raise funds and make decisions about the use of those funds in the same way as before.
- The reporting of school funds in a board’s financial statements will not affect the total amounts allocated by the province to school boards or the amount allocated by the province to any individual school board. Summary information on school funds will be presented at the board level. School fund information will not be reported in the financial statements on a school-by-school basis.

Toronto District School Board recognizes that fundraising is a volunteer activity, with school councils deciding independently whether or not to engage in fundraising activities.

Moreover, accounting standards require that money raised from parent and student fundraising activities continue to be accounted for separately from the board’s operating revenues and not part of its operating fund. These school-generated funds cannot be used by a school board to balance its operating budget.

Accountability

School Council is responsible for ensuring that all funds received from fundraising activities or other sources are collected in accordance with Board policies and Ministry of Education Regulations; that all funds are adequately safeguarded; that they are controlled through proper accounting procedures; and, that accountability of the funds is maintained. It is the responsibility of the School Council Chair on behalf of the School Council to ensure that all fundraising activities involving students and/or the school comply with Board policies and procedures.

This document provides standard administrative and accounting procedures to be implemented by School Councils for recording and reporting School Council Funds.

Established controls are only as good as their enforcement. It is important that all members support and follow the established practices.

For further assistance in interpreting or implementing these procedures, contact a school support member for your school:

North West Paula McLaughlin 416-395-8042
Paula.mclaughlin@tdsb.on.ca

Helen Harela 416-395-9640
Helen.harela@tdsb.on.ca

South West Walter Novachefski 416-395-8044
Walter.novachefski@tdsb.on.ca

Mary Rizzuto 416-395-9638
Mary.rizzuto@tdsb.on.ca

North East Anita Gaskin 416-395-8043
Anita.gaskin@tdsb.on.ca

Esther Cutler 416-395-9641
Esther.cutler@tdsb.on.ca

South East

Wendy Heis 416-395-8041

Wendy.heis@tdsb.on.ca

Ellen Kastner 416-395-9639

Ellen.kastner@tdsb.on.ca

Sharon Hill-Toews

School Support Co-ordinator, (Interim)

416-393-8054

Sharon.hill@tdsb.on.ca

Definition, Plan and Use of School Council Funds

What are School Council Funds?

- Funds raised or collected to enhance programs and to support specific school initiatives

What is a Fundraising Plan?

- A Fundraising Plan (or Budget) addresses the following issues:
 - Use of surplus School Council Funds from previous year(s), which may be invested in G.I.C.s and other investments not designated for a specific purpose
 - Fundraising initiatives to be undertaken for the coming school year
 - Use of other School Council Funds anticipated during the school year

Who should develop the Plan?

- Develop fundraising plan in consultation with Principal and School Community
- Fundraising activities/initiatives must be pre-approved by the Principal

Use of School Council Funds

- **Funds must be raised for a specific purpose and spent accordingly.**
- **Intended use of funds must be clearly defined prior to the start of fundraising activity.**

Fundraising initiatives and spending decisions must also meet the following criteria:

- All funds collected or raised for students must be spent on student programs/activities.
- Funds are to be used within the school year, unless designated for a specific future project.
- The School Council Funds account cannot be in a deficit position at any time during the school year.
- Funds cannot be used to pay or offset salaries of permanent or casual employees.
- If funds are to be used for teacher professional development, this must be discussed with the Principal prior to any commitment to spend the money.

Definition, Plan and Use of School Council Funds

Donations and Gifts-in-Kind:

All accepted donations and gifts-in-kind to schools or to the TDSB from the School Council become the exclusive property of the Board. The Board will administer donated funds according to the intent of the donor. With respect to non-monetary gifts, every attempt will be made to honour the intent of the donor as to use and location of the gifts, but TDSB does not make any commitment as to their use, replacement or disposal.

Registered Charitable Organizations and Foundations:

- Registered Charitable Organizations and Foundations (public and private) are separate legal entities registered with Canada Revenue Agency.
- Must comply with the requirements of The Income Tax Act with respect to conducting its activities, keeping proper books and records, issuing donation receipts, and filing an annual Registered Charity Information Return and Financial Statements.
- Must have the approval of the Board to be affiliated with a school.
- Must be able to show proof of current registered charity status.
- Employees of the Board may not be officers of these organizations.

Principals may grant approval to raise money for, and/or otherwise participate in, fundraising in support of non-profit and charitable organizations operating in the interest of children or the community at large. These organizations' objectives cannot be of a religious or political nature. Approval should be obtained from the school superintendent if the school administration is uncertain as to the objectives of the organization.

Financial Management

Required Accounting Controls:

The Treasurer shall:

- Ensure that School Council Funds are kept separate from personal funds.
- Ensure that proper accounting records are maintained for all revenues and expenses.
- Monitor the status of the funds on a monthly basis by reviewing and signing the Bank Reconciliation Summary Report and Cash Flow Report (see Appendix 3).
- Report the status of the funds on a monthly basis to School Council members
- Ensure that any investments of surplus funds not immediately required are:
 - Under the name of the School Council referencing the School and TDSB
 - Controlled through the School Council Treasurer
 - Invested for no longer than one year
 - Invested in non-risk investments (Canada Savings Bond, term deposit, G.I.C.).

Recordkeeping System:

- **Quicken XG 2006 is the current standard accounting software in TDSB and may be used to track School Council Funds.**
- School Council is responsible for the purchase of Quicken from School Council Funds. Designated School Council funds are available through the School Budget.
- The School Council Treasurer may use this software for the period of time he/she is in the position of Treasurer.
- At the end of the Treasurer's term, he/she will: 1) give the Quicken software package to the new Treasurer; 2) email the Quicken data file to the new Treasurer
- An accounting software package provides built-in controls, which are not inherent in a manual or spreadsheet system.
- Quicken simplifies recordkeeping by:
 - Providing automatic balancing, bank reconciliation and reports
 - Using "categories" to track each fundraising activity (e.g. Spring Fair) separately
 - Tracking receipts and disbursements for each activity separately in order to be able to report total income and total expense at reporting date.
- Members assigned to the recordkeeping function may receive Quicken training.

Banking Arrangements

Bank Account:

- All School Council Funds should be maintained through one central bank account under the school council's name.
- The bank account must provide monthly statements (not a passbook).
- It is recommended that school councils use **PACE Community Credit Union*** financial institution which provides deposit pick-up service and on-line account balances.
- School Council members must not use personal accounts for processing and recording School Council Funds.
- No loans shall be made to Council members.
- No School Council member's cheque shall be cashed.
- Bank reconciliations must be completed by the treasurer and independently reviewed (signed) by the Chair on a monthly basis.

Signing Officers:

- School Council/Bank agreements must indicate that a minimum of two signing authorities is required for a cheque. (Identifying one other signing officer allows flexibility in the event of absences.)
- All cheques must require at least two signatures, one of whom must be the School Council Chair or Treasurer, with a recommendation that the Principal have co-signing authority.
- Signature stamps must not be used.
- In many cases, School Council officers change annually. Changes involving signing authorities must be communicated to the financial institution in writing prior to school council member leaving the position.

Banking Arrangements

Cheques:

- All cheques must be pre-numbered and used sequentially (only one book at a time).
- Blank cheques must not be pre-signed.
- No cheque shall be signed unless the payee, date and specific amount has already been entered and supporting documentation exists.
- Blank cheques shall be controlled by a designated person and stored in a secure location.
- Voided cheques (marked “void” and with signature area removed) must be retained as part of the financial records.
- When new cheques are ordered, security protected cheques should be requested.

Banking Processes

Deposits:

The person who collects the funds:

- Counts the money in the presence of another person and completes a Deposit Voucher on School Site (see Appendix 2a).
- Attaches the Deposit Voucher to the sealed envelope containing the funds. Both parties should sign the sealed envelope.
- Records the deposit details in the Deposit Log (see Appendix 2b) and submits the envelope to the person responsible for depositing funds.

The person responsible for making deposits:

- Counts the money submitted and verifies details in the Deposit Log. If a discrepancy exists in the amount, the person submitting the deposit is notified and initials the change on the Deposit Voucher.
- Deposits cash on a timely basis.
- Stores funds in a secure location (locked safe) at the school until funds are deposited.
- Prepares the bank deposit slip and attaches the Deposit Voucher(s) to the copy of the bank deposit slip.
- Funds should not leave the school premises for counting.
- Enters a deposit transaction into the Quicken register so as to be directly traceable to the supporting documents:
 - *Date* field in register matches date of bank deposit slip
 - *Transaction Type* field is marked “deposit”
 - *Payee* field reflects name of the person submitting funds
 - *Amount* field matches the total amount on deposit slip
 - *Category* field reflects the appropriate activity (e.g. Terry Fox Deposit)
 - *Description* field allows for (optional) additional information.
- When the deposit slip amount is made up of several Deposit Vouchers, enter one deposit transaction in the Quicken, split among the various activities/clubs.

Banking Processes

Payments:

- **All payments must be made by cheque – not by using cash collected.**

The person requesting payment:

- Completes a Payment Voucher (see Appendix 2c).
- Attaches **original** receipts supporting the expense to the Payment Voucher.

The person issuing cheque:

- Notes the cheque number on the Payment Voucher.
- Enters cheque details into the Quicken register when the cheque is issued (or as soon as possible) to ensure continuous control over the account balance.
- Ensures account balance is sufficient to cover the cheque amount.
- Cheques must be prepared by one person to ensure that all payments are recorded and to decrease the possibility of duplicate and unsupported payments.
- No advances are to be made.
- In the event of a lost cheque, a replacement cheque can be issued:
 - Verify that the lost cheque has not been cashed
 - Advise the bank to stop payment
 - Make a new entry in the register to reverse the original cheque
 - Re-issue payment referencing the original cheque issued.

The persons co-signing the cheque:

- Review the supporting documentation attached to the cheque.
- Verify that the expense is appropriate.

Banking Processes

Adjustments:

From time to time, it is necessary to correct or adjust transactions in the accounting register. Corrections or adjustments must be made by creating a new transaction – never by deleting or changing the original entry. All correcting entries should be supported by backup documentation. The following table lists some common situations requiring an adjusting entry.

| Scenario | Adjusting Entry Required in Quicken Register |
|---|--|
| NSF cheque returned | <ul style="list-style-type: none"> • Use NSF notice date for adjusting entry • Enter amount under Payment column • Select the same Income Category used in original deposit entry |
| Void school cheque – spoiled (cheque is marked “Void” and signature area is torn) | <ul style="list-style-type: none"> • Use current date for adjusting entry • Record cheque number in cheque number field • Indicate “Void” in Payee field • No amount or category is entered |
| Reversing stale-dated, lost or unused cheques | <ul style="list-style-type: none"> • Use current date for adjusting entry • Enter the original cheque number followed by an “A” (e.g. 143A) • Show the payee as “To reverse cheque” • Enter amount under Deposit column • Select the same Expense Category used in original cheque entry |
| Correcting a cheque amount that should have been \$ more | <ul style="list-style-type: none"> • Use a current date for adjusting entry • Enter the original cheque number followed by an “A” (e.g. 144A) • Show the payee as “To correct cheque” • Enter amount under Payment column • Select the same Expense Category used in original cheque entry |
| Correcting a cheque amount that should have been \$ less | <ul style="list-style-type: none"> • Use a current date for adjusting entry • Enter the original cheque number followed by an “A” (e.g. 145A) • Show the payee as “To correct cheque” • Enter amount under Deposit column • Select the same Expense Category used in original cheque entry |
| Correcting a deposit amount that should have been \$ more | <ul style="list-style-type: none"> • Use a current date for adjusting entry • Enter the payee as “To correct deposit dated • Enter amount under Deposit column • Select the same Income Category used in original deposit entry |
| Correcting a deposit amount that should have been \$ less | <ul style="list-style-type: none"> • Use current date for adjusting entry • Enter the payee as “To correct deposit dated • Enter amount under Payment column • Select the same Income Category used in original deposit entry |
| Transferring money from one club/activity (Category) to another | <ul style="list-style-type: none"> • Use current date for adjusting entry • No amount is entered in the Register – Go to Split Category field • Assign a negative amount to club/activity giving the money • Assign a positive amount to club/activity receiving the money • Select an Income Category for both giver and receiver clubs |

Banking Processes

Bank Reconciliation:

- A bank reconciliation must be completed on a monthly basis for each account.
- In Quicken, the reconciliation screen lists all outstanding cheques and deposits which must be verified from the current bank statement.
- All items appearing on the current bank statement must be checked off on the reconciliation screen.
- If items appearing in the bank statement are not listed on the reconciliation screen, they are missing in the register and must be entered in order to balance.
- The reconciliation must account for all variances between the bank and the register without the need for a Balance Adjustment.
- Before completing the reconciliation, review the uncleared items for:
 - Voided cheques or other 00.00 amounts (check these off)
 - Adjustments or reversals (check off both adjusting and original entry)
 - Stale-dated cheques (create an adjusting entry if necessary)
 - Uncleared deposit (investigate any outstanding deposit).
- Any adjusting entries made in order to reconcile the bank statement should be dated the last day of the month being reconciled (rather than current date).
- Once the bank reconciliation is completed:
 - New register transactions must not be back-dated to that period
 - Prior transactions must not be deleted
 - The *Category* and *Payee* fields in prior transactions may be adjusted
 - The *Date* and *Amount* fields in prior transactions must not be changed.
- When generating the Reconciliation Summary Report (Appendix 3a):
 - Use the month and year being reconciled as the report title
 - Print it as of the last day of the month being reconciled (not current date)
 - Attach the bank statement (if available) to report
 - Attach a copy of the register for the month being reconciled
 - Provide to Principal for review and signature
 - File as part of school accounting documents.

Records Maintenance, File Retention, Quicken Protocol

Records Maintenance - Ongoing:

Using binders or folders, organize and file current documents as follows:

| Document | Organization |
|---|---|
| Payment Vouchers & attached original supporting documents | File together sequentially by cheque number |
| Cheque stubs or cheque duplicate copies | File together sequentially by cheque number |
| Void cheques (marked "void" with signature area torn) | File sequentially by cheque number as part of cheque stubs/copies or Payment Vouchers |
| Deposit Vouchers | Attached to pertinent Bank Deposit Slip |
| Bank Deposit Slips | File chronologically by deposit date |
| Deposit Logs | File chronologically by deposit date - ongoing |
| Bank Reconciliation Report (signed) with attached bank statement, cancelled cheques and register report | File chronologically by month |
| Financial Reports (Cash Flow, Itemized Categories, etc.) | File chronologically by month (monthly reports will be cumulative) |

Records Retention:

All accounting records and supporting documents as listed above are to be kept by the school council for seven (7) years as per Canada Revenue Agency requirements. These records and documents are to be packaged together according to school year and stored in a secure but readily accessible location at the school site. The Board's internal or external auditors may review the records.

Reporting

Required Reports (Appendices 3a, 3b, 3c):

Monthly – Quicken Reports for Review by School Council Chair:

- Reconciliation Summary Report is generated when the account is reconciled.
- A copy of the register should be printed and attached to Reconciliation Report.
- Cash Flow Report provides a current cumulative balance for the bank account as well as the cumulative income and expense for each club/activity. Note that for the balances to be accurate, the start date of the reporting period must match the date of the opening balance in the Quicken register.

Yearly – Required by TDSB Finance Department (required by September 5th)

- List of bank account(s) and investments held by school council
- Cash Flow Report for the current reporting period (August 1 to July 31)
- Copy of previous year's July bank statement and bank reconciliation report (this will provide the opening balance for the current year's report)
- Copy of current year's July bank statement and bank reconciliation report
- August 1 (previous calendar year) opening balance in Quicken register
- July 31 (current calendar year) closing balance in Quicken register
- Fundraising Plan (to School by October 31)

Optional Reports for School Council Use (Appendices 3d, 3e):

- Itemized Categories Report showing details of all transactions as well as overall income and expense balances – for a single club/activity only
- Itemized Categories Report showing details of all transactions as well as overall income and expense balances – summarized by club/activity

Appendices

1. Procedures Timelines

2. Forms

- a. Deposit Voucher
- b. Deposit Log
- c. Payment Voucher

3. Sample Quicken Financial Reports

- a. Bank Reconciliation Summary Report
- b. Print a copy of the Register
- c. Cash Flow Report
- d. Itemized Categories Report for individual club/activity
- e. Itemized Categories Report for all clubs/activities

4. Roles and Responsibilities

5. Policies and Procedures re Fundraising and Corporate Sponsorships

- a. Fundraising Policy P.021 BUS
- b. Fundraising Operational Procedure PR.508 BUS
- c. Advertising Policy P.006 BUS
- d. Advertising Operational Procedure PR.507 BUS

These policies are available at:

www.tdsb.on.ca ► Boardroom ► Policies and Procedures ► Business Services

SCHOOL COUNCIL FUNDS PROCEDURES TIMELINES

| Timeline | Activity | Process | Page |
|----------|----------|--|--|
| Ongoing | Payments | <ul style="list-style-type: none"> • Issue cheque per Payment Voucher • Enter cheque in Quicken (Expense category) • Review Quicken register balance to ensure account is not overdrawn • File Payment Voucher & support documents | 10 |
| Ongoing | Deposits | <ul style="list-style-type: none"> • Receive funds for deposit and secure in safe • Count and verify funds for deposit • Update Deposit Log entry • Prepare Bank Deposit Slip; attach Voucher(s) • Enter total deposit amount in Quicken (Income category); split categories if necessary | 9 |
| Monthly | Reports | <ul style="list-style-type: none"> • Reconcile Quicken register to bank statement • Run Reconciliation Report as of last day of month being reconciled • Review 2nd page of Reconciliation Report for details of uncleared cheques and deposits and follow up as necessary • Create adjusting entries in Quicken register as necessary (use current date) • Print copy of Register (attach to Reconciliation Report) • File Reconciliation Report signed by Principal • Run Cash Flow Report and test for accuracy • If required, run Itemized Categories Banking Report for all or individual club/activities for Principal/School Council and/or appropriate groups | 12 App 3a App 3a (page 2) 11 App 3b App 3c App 3d App 3e |
| Yearly | Reports | <ul style="list-style-type: none"> • Create Fundraising Plan (with Principal, School Community) • Review uncleared cheques and deposits in June Reconciliation Report and create required adjusting entries dated July 31 • Run Reconciliation Report for July year-end • Run Cash Flow Report (Aug 1 – Jul 31) and test for accuracy • Prepare list of bank investments • Forward to Finance Dept: Cash Flow Report, list of bank accounts and investments, previous year and current year July Reconciliation Reports with bank statements; opening and closing register balances | |

DEPOSIT VOUCHER –SCHOOL COUNCIL FUNDS

Date: _____

Collected By: _____

Club/Activity (Quicken Category) to be credited: _____

Details/Description of Activity: _____

Cash Enclosed: \$ _____

Cheques Enclosed: \$ _____

Total for Deposit: \$ _____

Attach this completed Deposit Voucher to sealed envelope containing funds and submit to Fund Administrator daily. Keep a copy of this form for your file. Record deposit in Deposit Log.

Signature of Person Collecting Funds

PAYMENT VOUCHER – SCHOOL COUNCIL FUNDS

Date: _____ Cheque Requested By: _____

Amount: \$ _____ Payable To: _____

Club/Activity (Quicken Category) to be charged: _____

Details/Description of Expenses: _____

Signature

Cheque Issued By: _____

Supporting Documents Attached:

Cheque Number: _____

Supporting Documents To Follow:

RECONCILIATION SUMMARY REPORT

(Reconciliation Summary Report always consists of at least 2 pages)

The account name and date the report was generated appear in upper left corner.

ABC SCHOOL NON PUBLIC
2/8/06

December 2005

Reconciliation Summary

Page 1

BANK STATEMENT -- CLEARED TRANSACTIONS:

| | | | |
|-----------------------------------|---|-------|-----------|
| Previous Balance: | | | 14,892.65 |
| Checks and Payments | 1 | Item | -250.00 |
| Deposits and Other Credits | 0 | Items | 0.00 |
| Service Charge | 0 | Items | 0.00 |
| Interest Earned | 0 | Items | 0.00 |
| Ending Balance of Bank Statement: | | | 14,642.65 |

"Previous Balance" refers to the ending balance of the previous month's bank statement.

"Ending Balance of Bank Statement" refers to the ending balance on the bank statement being reconciled.

YOUR RECORDS -- UNCLEARED TRANSACTIONS:

| | | | |
|----------------------------------|---|-------|-----------|
| Cleared Balance: | | | 14,642.65 |
| Checks and Payments | 1 | Item | -250.00 |
| Deposits and Other Credits | 0 | Items | 0.00 |
| Register Balance as of 12/31/05: | | | 14,392.65 |
| Checks and Payments | 3 | Items | -5,225.00 |
| Deposits and Other Credits | 1 | Item | 225.00 |
| Register Ending Balance: | | | 9,392.65 |

Below "Cleared Balance", Checks and Deposits refer to the number of items still outstanding (not yet cleared the bank) – see details on second page.

"Register Balance as of ..." date should be last day of month being reconciled.

"Register Ending Balance" is the register balance in Quicken as of the date the Reconciliation is done – see upper left hand corner.

Instructions on completing the monthly bank reconciliation are on reverse of next page.

RECONCILIATION SUMMARY REPORT

The account name and date the report was generated appear in upper left corner.

December 2005

ABC SCHOOL NON PUBLIC
2/8/06

Page 2

Uncleared Transaction Detail up to 12/31/05

| Date | Num | Payee | Memo | Category | Clr | Amount |
|--|-----|-------|------------|-------------------------|-----|---------|
| Uncleared Checks and Payments | | | | | | |
| 4/10/05 | 101 | ROM | Field Trip | Parent Donation Expe... | | -250.00 |
| Total Uncleared Checks and Payments | | | | 1 Item | | -250.00 |
| Uncleared Deposits and Other Credits | | | | | | |
| Total Uncleared Deposits and Other Credits | | | | 0 Items | | 0.00 |
| Total Uncleared Transactions | | | | 1 Item | | -250.00 |

"Uncleared Cheques" are outstanding items (not yet cleared the bank). Any item older than 6 months is stale-dated and should be reversed.

"Uncleared Deposits" are deposits that have been entered in the Quicken register but do not show up in bank statement – these need to be investigated and followed up if necessary.

See reverse for instructions on completing the monthly bank reconciliation.

Quicken Instructions for Bank Reconciliation

Before beginning the reconciliation process:

- Ensure all cheques and deposit transactions have been entered into the register
- Have on hand:
 - Current bank statement to be reconciled
 - Previous month's Reconciliation Summary Report
- Enter into the register any interest or services charges from the current bank statement or any other adjustment item not previously entered (NSF deposits adjustments, etc.)

To begin the reconciliation process:

- Make sure you are in the Register screen, select **Reconcile** or the Reconcile icon.
- In the **Reconcile Bank Statement** screen, the **Opening Balance** amount shown must match the **Previous Balance** amount on Page 1 of the previous month's Reconciliation Summary Report. (If it does not match, contact your Regional Business Manager for assistance)
- In the **Ending Balance** field, enter the final balance from the current bank statement (NYCCU clients will need to increase the statement balance by \$100).
- In the **Statement Ending Date**, enter the ending date on the current bank statement, Select **OK**

To reconcile the bank statement:

- The next **Reconcile Bank Statement** screen lists all outstanding **Payments and Cheques** on the left side and all outstanding **Deposits** on the right.
- Notice the Opening Balance (**Cleared Balance**) and the Ending Balance (**Statement Ending**) amounts from the first screen appear on the lower right-hand corner as well as the **Difference** between these two amounts.
- Using the current bank statement, each transaction listed in the bank statement must be checked off on the screen by selecting the item.
 - Notice how the **Difference** amount in the lower right-hand corner increases or decreases as each item is checked off on the screen.
 - If an item appears on the bank statement but does not appear on the screen, highlight the item on the bank statement and continue to check off the rest of the items.
- If the bank statement shows items not included on the screen, select **Finish Later** to return to the Register.
 - Enter highlighted items from the bank statement into the register (make sure to select **enter** after recording the entry).
 - Select **Reconcile** or the Reconcile icon to return to the **Reconcile Bank Statement** screen.
 - Select OK in the first **Reconcile Bank Statement** screen to return to the outstanding transaction lists.
 - Check off on the screen those items previously highlighted in the bank statement
- Once all items from the bank statement have been checked off on the screen the Difference amount must be zero.
- Review the unchecked items on the screen: check off any 'void' items, items with zero balances, and any adjustment/reversing items along with their original items.
- The **Difference** amount in the lower right-hand corner must still be zero.
- If the **Difference** is zero, select **Finished**.

To generate the Reconciliation Summary Report:

- After selecting Finished, a **Reconciliation Complete** (Congratulations!) screen will appear, asking if you want a reconciliation report.
- Select **Yes** to generate the Reconciliation Summary Report
- In the next screen, **Reconciliation Report Setup**, in the **Report Title** field, enter the month and year of the statement just reconciled.
- In the **Date** field, enter the last day of the month just reconciled (not the current date)
- Select **'All Transactions'** in the Transaction to Include Box, Select **Print**.

Printing Copy of Register

The register is printed as soon as the bank account is reconciled. It should be attached to the Reconciliation Report along with the bank statement.

The screenshot displays the Quicken XG 2006 interface for 'ABC SCHOOL NON PUBLIC'. The main window shows a register with the following data:

| Date | Num | Payee Category | Memo | Dr | Deposit | Balance |
|------------|-----|----------------------------|--------------------------------|----------|---------|-----------|
| 12/30/2005 | DEP | NYCCU Bank Interest Income | | | 0.75 | 14,642.45 |
| 12/30/2005 | DEP | NYCCU Bank Interest Income | | | 0.20 | 14,642.65 |
| 1/15/2006 | 106 | Lock Supplier | Student Fees Expense | 1,000.00 | | |
| 1/15/2006 | 107 | Print House | Student Fees Expense Yearbooks | 4,000.00 | | |

The 'Print Register' dialog box is open, showing the following fields and options:

- Title: [Empty field]
- Print Transactions From: 12/1/2005
- To: 12/31/2005
- Options: Print Split Transactions
- Buttons: Print..., Cancel, Help

Callout 1 points to the 'Print' icon in the top toolbar. Callout 2 points to the date fields in the dialog, indicating they should be the first and last day of the month reconciled. Callout 3 points to the 'Print...' button in the dialog.

Quicken Instructions for Printing a copy of the Register

- Making sure you are in the Quicken register, select the **Print** Icon or **File, Print Register**.
- The dates in the **Print Transactions From:** box should be first and last day of the month reconciled.
- Select **Print**
- Select **OK** in the Print window
- Attach printed copy of register to the Reconciliation Summary Report.

Cheque Register

ABC SCHOOL NON PUBLIC Page 1
7/21/2006

| Date | Num | Transaction | Payment | C | Deposit | Balance |
|------------|-----|--------------------------------------|---------|---|---------|-----------|
| 12/5/2005 | 104 | TDSB cat: After 4 Program Expense | 650.00 | R | | 14,641.70 |
| 12/30/2005 | DEP | NYCCU cat: Bank Interest Income | | R | 0.75 | 14,642.45 |
| 12/30/2005 | DEP | NYCCU cat: Bank Interest Income | | R | 0.20 | 14,642.65 |

Dates show the first and last day of the month reconciled

'R' indicates items have cleared the bank and been reconciled

Register Balance as of Dec 31st

CASH FLOW REPORT

The Cash Flow Report provides the current balances in the School Council Funds account. This (cumulative) report should be printed and reviewed on a monthly basis.

'Earliest to date' date range will provide the correct overall balances for each category

Cash Flow - ETD

Date range: Earliest to date Column: Don't subtotal

3/31/2005 through 7/21/2006 (in Canadian Dollars)

| Category Description | 3/31/2005-7/21/2006 |
|-------------------------|---------------------|
| INFLOWS | |
| After 4 Program Income | 650.00 |
| Bank Interest Income | 2.65 |
| Field Trip Income | 225.00 |
| Miscellaneous Income | 500.00 |
| Parent Donation Income | 8,500.00 |
| Student Fees Income | 6,000.00 |
| Terry Fox Income | 500.00 |
| TOTAL INFLOWS | 16,377.65 |
| OUTFLOWS | |
| After 4 Program Expense | 650.00 |
| Field Trip Expense | 225.00 |
| Parent Donation Expense | 610.00 |
| Student Fees Expense | 5,000.00 |
| Terry Fox Expense | 500.00 |
| TOTAL OUTFLOWS | 6,985.00 |
| OVERALL TOTAL | 9,392.65 |

The Overall Total represents the account balance as of July 21, 2006 according to the Quicken register

Tip for PSAB Reporting:

This report can be used for PSAB reporting by changing the dates to reflect the reporting period (August 1st to July 31st). The Total Inflows is the Gross Income figure and the Total Outflows is the Gross Expense figure required for the PSAB Report at year-end

See reverse for instructions on accessing and customizing this report.

Quicken Instructions for Generating Cash Flow Report

To create a Cash Flow Report in Quicken:

- Select the **Reports** Icon or select **Reports** on the top toolbar. Select **Reports and Graphs Centre**.
- Within the Quicken Standard Reports, Select **Banking**, Select **Cash Flow**
- Select '**Earliest to date**' in the Change the Date range: drop down list
- Select **Show Report**
- Select **Save Report**
- Enter the name in the **Report Name** field (ABC Cash Flow Report)
- Select **OK**
- Select '**X**' to close the Report

To create a Cash Flow Report Required for PSAB purposes:

- Select the **Reports** Icon or select **Reports** on the top toolbar. Select **Reports and Graphs Centre**.
- Within the Quicken Standard Reports, Select **Banking**, Select **Cash Flow**
- Select '**Custom Date's** in the Change the Date range: drop down list
- The Dates should be From: August 1 to July 31 for PSAB reporting (**Note: for 05/06 the dates are Sept 1/05 to July 31/06**)
- Select **Show Report**
- Select **Save Report**
- Enter the name in the **Report Name** field (ABC Cash Flow PSAB Report)
- Select **OK**
- Select '**X**' to close the Report

To update (revise dates) an existing Cash Flow Report Required for PSAB or a Cash Flow Report in Quicken:

- Select the **Reports** Icon or select **Reports** on the top toolbar, select **Reports and Graphs Centre**.
- Select **My Saved Report**
- Select the desired report
- Select the **Date Range** required to new report (Custom/Earliest to Date)
- Enter the new dates in the **From and To date** fields and select **Show Report**.
- Select **Save Report**
- Delete the additional digit at the end of the title or backspace to delete the digit.
- Select **OK**
- In the next screen, select **Replace**
- Select '**X**' to close the Report

To test for accuracy of Cash Flow Report for PSAB

- Determine the opening balance (as of August 1) in the Quicken register
- Add the total Inflows (income) amount as shown in the Cash Flow Report for PSAB
- Subtract the total Outflows (expense) amount as shown in the Cash Flow Report for PSAB
- The resulting amount is the closing register balance and should match your register balance as of the date of Cash Flow Report for PSAB (July 31)

To identify errors Cash Flow Report:

- Ensure reporting period dates are pre-set and accurate – August 1 to July 31 of the reporting year (note:

2005/2006 reporting year is Sept 1/05 to July 31/06)

- Ensure amount under 'Uncategorized' is 0.00
- Ensure all amounts listed in Inflows section are positive (black with no minus sign)
- Ensure all amounts listed in Outflows section are also negative (red with minus sign)
- If there is negative amount (red with minus sign) in the Inflows or a positive amount in the Outflows (black with no minus sign)
 - Double click on the amount and review the details for incorrect category selection
 - If a deposits has been posted to an Expense category or a payment to an Income category, double click on that item to locate the item in the register
 - In the register, correct the category as necessary (and select enter)
 - Return to the original detail report and continue reviewing as necessary
- Adjusting entries may result in a negative or positive number and does not necessarily indicate an error.
- An error may not be immediately identifiable by a negative amount in the Cash Flow Report as it may be imbedded within a large positive amount. Therefore, it may also be necessary to review the details of positive numbers.
- For assistance, contact your Regional Business Manager – do not wait until year-end.

ITEMIZED CATEGORIES REPORT

(Customized for a single activity "Parent Donations")

The Itemized Category Report normally lists all categories and can be customized to include and exclude specific categories. This sample has been customized to include only the Parent Donation categories. Both the Parent Donation Income and Parent Donation Expense categories must be included for an accurate overall total.

Use the 'earliest to date' date range for the overall total to be accurate.

Quicken XG 2006 - ABC NON-PUBLIC - [ABC SCHOOL NON P...]

File Edit Tools Online Cash Flow Reports Help

Itemized Categories - Parent Donations

Delete Export Data Sort Go to Category List Preferences How Do I?

Back History Forward Print Refresh Print Report Save Report Find & Replace Customize

Itemized Categories - Parent Donations - ETD

Date range: **Earliest to date** Subtotal by: Don't subtotal

3/31/2005 through 7/21/2006 (in Canadian Dollars)

Edit

| Date | Account | Num | Description | Memo | Category | Clr | Amount |
|------------------------------|----------------|-----|-----------------|------------|-----------------------|-----|-----------------|
| 3/31/2005 | ABC SCHOOL ... | 5 | Opening Balance | | Parent Donation In... | R | 8,500.00 |
| 4/10/2005 | ABC SCHOOL ... | 101 | ROM | Field Trip | Parent Donation E... | | -250.00 |
| 9/20/2005 | ABC SCHOOL ... | 102 | Jane Smith | Library | Parent Donation E... | R | -110.00 |
| 1/16/2006 | ABC SCHOOL ... | 105 | Art Gallery | Field Trip | Parent Donation E... | R | -250.00 |
| 3/31/2005 - 7/21/2006 | | | | | | | 7,890.00 |
| TOTAL INFLOWS | | | | | | | 8,500.00 |
| TOTAL OUTFLOWS | | | | | | | -610.00 |
| NET TOTAL | | | | | | | 7,890.00 |

Net W

Quicken Instructions for Generating Itemized Categories Report (Single Category)

To generate the Itemized Categories Report:

- Select the **Reports Icon** or select **Reports** on the top toolbar, **Report and Graphs Centre**,
- Select **Banking**
- Select Transactions

To format the Itemized Categories Report for a single club/activity/category:

- In Date Range: select **Earliest to Date**
- Select **Customize**
- Select the **Categories** Tab
 - Select **Clear All** to remove all check marks from the categories listed.
 - Place a check mark beside the Income and Expense category for the club/activity/category for which the report is being created.
 - Select **Show Report**
- If the report is to be saved, select **Save Report**. Enter the Report Title in **Report Name** field and select **OK**
- To print the report, select the **Print Report**.

ITEMIZED CATEGORIES REPORT (All Categories)

For the Category totals to be accurate, the 'From' date must match the date of the opening register balance in the Quicken Register.

The Income type categories are listed together in the top half of the report and the Expense type are listed in the bottom half.

Itemized Categories ABC Non Public - ETD

3/31/2005 through 7/24/2006 (in Canadian Dollars)

7/24/2006

Page 1

| Date | Account | Num | Description | Memo | Category | Clr | Amount |
|-------------------------|-------------------|-----|-------------------|------------|---------------------|-----|------------------|
| INCOME | | | | | | | 16,377.65 |
| After 4 Program Income | | | | | | | 650.00 |
| 9/26/2005 | ABC SCHOO ... DEP | | Diane Keene | | After 4 Progra ... | R | 650.00 |
| Bank Interest Income | | | | | | | 2.65 |
| 9/30/2005 | ABC SCHOO ... DEP | | NYCCU | | Bank Interest ... | R | 1.20 |
| 10/30/2005 | ABC SCHOO ... DEP | | NYCCU | | Bank Interest ... | R | 0.50 |
| 12/30/2005 | ABC SCHOO ... DEP | | NYCCU | | Bank Interest ... | R | 0.75 |
| 12/30/2005 | ABC SCHOO ... DEP | | NYCCU | | Bank Interest ... | R | 0.20 |
| Field Trip Income | | | | | | | 225.00 |
| 1/30/2006 | ABC SCHOO ... DEP | | Room 10 | | Field Trip Inco ... | | 225.00 |
| Miscellaneous Income | | | | | | | 500.00 |
| 3/31/2005 | ABC SCHOO ... | S | Opening Bala ... | | Miscellaneous ... | R | 500.00 |
| Parent Donation Income | | | | | | | 8,500.00 |
| 3/31/2005 | ABC SCHOO ... | S | Opening Bala ... | | Parent Donati ... | R | 8,500.00 |
| Student Fees Income | | | | | | | 6,000.00 |
| 3/31/2005 | ABC SCHOO ... | S | Opening Bala ... | | Student Fees ... | R | 1,000.00 |
| 9/9/2005 | ABC SCHOO ... DEP | | Students | | Student Fees ... | R | 5,000.00 |
| Terry Fox Income | | | | | | | 500.00 |
| 9/20/2005 | ABC SCHOO ... DEP | | Staff | | Terry Fox Inc | R | 500.00 |
| EXPENSES | | | | | | | -6,985.00 |
| After 4 Program Expense | | | | | | | -650.00 |
| 12/5/2005 | ABC SCHOO ... 104 | | TDSB | | After 4 Progra ... | R | -650.00 |
| Field Trip Expense | | | | | | | -225.00 |
| 2/4/2006 | ABC SCHOO ... 108 | | Science Centre | | Field Trip Exp ... | | -225.00 |
| Parent Donation Expense | | | | | | | -610.00 |
| 4/10/2005 | ABC SCHOO ... 101 | | ROM | Field Trip | Parent Donati ... | | -250.00 |
| 9/20/2005 | ABC SCHOO ... 102 | | Jane Smith | Library | Parent Donati ... | R | -110.00 |
| 1/16/2006 | ABC SCHOO ... 105 | | Art Gallery | Field Trip | Parent Donati ... | R | -250.00 |
| Student Fees Expense | | | | | | | -5,000.00 |
| 1/15/2006 | ABC SCHOO ... 106 | | Lock Supplier | | Student Fees ... | | -1,000.00 |
| 1/15/2006 | ABC SCHOO ... 107 | | Print House | Yearbooks | Student Fees ... | | -4,000.00 |
| Terry Fox Expense | | | | | | | -500.00 |
| 10/27/2005 | ABC SCHOO ... 103 | | Terry Fox Fou ... | | Terry Fox Exp ... | R | -500.00 |
| OVERALL TOTAL | | | | | | | 9,392.65 |

For an individual category Net Total (Overall Total) use the Itemized Category Report

Overall Total represents the balance in the Quicken Register as of July 24, 2006

See Reverse for instructions on accessing and customizing this report

Quicken Instructions for Generating Itemized Categories Report (All Categories)

To generate the Itemized Categories Report:

- Select the **Reports Icon** or select **Reports** on the top toolbar, **Report and Graphs Centre**,
- Select **Banking**
- Select **Transactions**

To format the Itemized Categories Report for a single club/activity/category:

- In the **Date Range**: select **Earliest to Date**
- Select **Customize**
- Change **Headings Subtotal by**: to **Category**
- Change **Sort by**: to **Category**
- Select the Categories Tab
 - Select **Mark All** to ensure all the categories are listed.
- Select **Show Report**

- If the report is to be saved, select **Save Report**. Enter the Report Title in **Report Name** and select **OK**
- To print the report, select the **Print Report**.

ADMINISTRATION OF SCHOOL COUNCIL FUNDS

ROLES AND RESPONSIBILITIES

SCHOOL COUNCIL REPRESENTATIVE(S): (where applicable)

Receipts:

- Collect and count money (in the presence of another person)
- Secure money in sealed envelope and attach a completed Deposit Voucher
- Deliver funds to treasurer on a timely basis
- Record deposit in Deposit Log and have entry initialed

Disbursements:

- Request cheque by completing Payment Voucher and attach original receipt or invoice
- Ensure funds collected are spent according to the intent of the funds raised
- Ensure payments do not exceed money collected by club or class
- Receive and review monthly financial statements to ensure transactions are correct

FUND ADMINISTRATOR:

Banking:

- Count and verify funds received in deposit envelopes (investigate if amount is different)
- Secure deposit envelopes in a safe place (locked safe) at the school until bank deposit is made
- Prepare bank deposit slip and attach pertinent Deposit Voucher(s) to school council copy
- Note date of deposit and verify amount in Deposit Log
- Deposit funds on regular basis and prior to any school breaks

Disbursements:

- Review supporting documents attached to signed Payment Voucher
- Issue cheque, indicate cheque number on Payment Voucher, and initial
- Attach Payment Voucher and support documents to cheque ready for signature

Recordkeeping:

- Record all payment, deposit, and adjusting entries in Quicken register on timely basis
- Enter transactions using original source documents (e.g. payment voucher, deposit slip)
- Complete monthly bank reconciliation; attach bank statement and register report
- Review reconciliation report and investigate or follow-up any uncleared deposits
- Maintain appropriate support and financial documentation (current files + 7 years)
- Print Quicken "Cash Flow" report monthly, review for accuracy and provide to School Council Chair
- Print Quicken "Itemized Category" report for specific clubs as needed
- Report any problems to School Council Chair

ROLES AND RESPONSIBILITIES (Continued)

CHAIR:

Policy & Procedure:

- Manage the School Council Funds
- Ensure that all stakeholders are aware of and follow policies and procedures
- Ensure that processes are in place to adequately control the funds within the school
- Communicate responsibilities to Fund Administrator re financial controls
- Maintain list of fundraising events noting responsible member and signing authorities
- Ensure that members are not paying expenses with cash collected
- Ensure that members are not collecting and managing funds in their own bank account
- Act as signing officer on bank account
- Be one of two signatories on cheques issued
- Ensure security over cash and records (current + 7 years)
- Notify the following individuals immediately if the funds are lost or stolen:
 - Principal

Reports:

- Review, initial and date monthly bank reconciliation report
- Ensure uncleared cheques and uncleared deposits in bank reconciliation are followed up with and reviewed
- Review on monthly basis Quicken “Cash Flow” report showing total income and expense and cumulative balances for all clubs
- Review and sign annual financial reports
- Distribute annual financial statements according to procedures

PRINCIPAL:

- Reinforce to School Council members the need to comply with policies and procedures
- Follow up on Internal Audit reports
- Provide support to the School Council
- Receive School Council annual financial reports
- Oversee School Council Funds Procedures
- Ensure that members have suitable technology for administering School Council Funds
- Liaise with School Council Chair on all investments and keep copy of certificates on file