

## PROCEDURE

# School Fundraising

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Respectfully submitted by  
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Cross References		
<p><b>Policies:</b> 501, School Councils 603, Donations 607, Procurement 608, School Fundraising 806, Joint School Capital Projects 401, School – Student Activities Outside the Classroom</p> <p><b>Procedure:</b> 401, School – Student Activities Outside the Classroom</p>	<p>Ministry of Education Fundraising Guideline, 2012 OASBO Guidelines for School Generated Funds Education Act Income Tax Act Gaming Control Act PPM 150, School Food and Beverage Policy Regulation 612/00 : Section 24 Canada Revenue Agency</p>	

## **SECTION 1: SCHOOL FUNDRAISING**

### **INTENDED PURPOSE**

This Procedure is made pursuant to the Keewatin-Patricia District School Board's (KPDSB) School Fundraising Policy. This Procedure provides direction to the school administrators, staff, and volunteers responsible for planning and implementing fundraising activities at a school.

### **DEFINITIONS**

1. Fundraising

Fundraising is any activity, permitted under a school board's policy, to raise money or other resources, that is approved by the school principal, in consultation with, and upon the advice of the school council, and/or a school fundraising organization operating in the name of the school, and for which the school provides the administrative processes for collection. Such activities may take place on or off school property.

2. School Community

The school community refers to students, parents, guardians, school councils, trustees, school administrators, staff, members of the broader community and partners, as well as others, who support the local school and student achievement.

3. School-Generated Funds

School-generated funds are funds that are raised and collected in the school or broader community in the name of the school-by-school councils or other school, or parent administered groups. These funds are administered by the school principal and are raised or collected from sources other than the school board's operating and capital budgets.

School generated funds is a broad category which includes not only fundraising for school purposes, but also all funds that are collected and paid out through school accounts to support a variety of programs such as payments to charities or other third parties (e.g. tour operators, and hot lunch programs).

## PROCEDURES

### 1. Approval of Fundraising Activities

- i. Fundraising initiatives must be in alignment with the KPDSB's values as a learning organization.
- ii. All fundraising activities require the approval of the school Principal.
- iii. All proposals for school fundraising activities must be submitted to the Principal for approval prior to October 25.
- iv. The Principal shall take into account the following considerations in evaluating proposed fundraising activities:
  - What is the intended use of the funds?;
  - Is the activity and its purpose consistent with the purposes and principles of public education, including diversity, accessibility, and inclusivity?;
  - Does it align with the Board's Mission, Vision and Values and the Multi-Year Plan?;
  - Does the activity reflect the financial and educational priorities of the school community?;
  - Does it support Student Achievement and Well-Being?;
  - Is there a communication plan?;
  - What resources will be required, and will the cost be reasonable and proportional?;
  - Will there be appropriate measures and supervision to ensure student safety?;
  - Is it age appropriate for the students who will be involved?;
  - Will there be sufficient volunteers for successful implementation?;
  - Can it be undertaken with minimal disruption to classroom learning time for staff and students, and administrative time for school Principals and support staff?;
  - Are administrative expenses associated with the fundraising activity minimized?;
  - Will consideration be given to ensure no staff members or volunteers will benefit materially or financially from the activity?;
  - Can it be offered in a manner that encourages but does not obligate parent and student participation?
- v. The Principal shall not approve any fundraising activity which involves elementary and/or secondary students broadly canvassing door-to-door. Door-to-door canvassing should be restricted to the area served by the school and friends/relatives of the student. When students are asked to engage with the public, it should be done so with age-appropriate supervision and in keeping with instruction provided by the school/board. The risks of door-to-door canvassing

should be communicated through a notice that is sent home to parents stating the risks of door-to-door canvassing.

## 2. Annual School Fundraising Plan

- i. School Principals must develop an Annual School Fundraising Plan, which shall include a list of all approved fundraising activities for the school year. Principals shall determine an appropriate number of fundraising activities per year, as well as suitable scheduling for each of the approved activities.
- ii. The Annual Fundraising Plan shall identify whether any of the fundraising activities are designated as a special event day, for which the nutrition standards outlined in PPM 150 need not apply.
- iii. The Principal shall consider the input of School Council, staff, and students in developing the Annual School Fundraising Plan, and will inform parents/guardians of the Plan once approved through the school website and the school newsletter. Consideration must also be given to fundraising efforts from prior years and any surpluses carried over as part of the Annual Surplus Plan.
- iv. The Principal shall submit the Annual School Fundraising Plan for the approval of the appropriate Superintendent of Education no later than October 31. The Superintendent shall approve the Annual School Fundraising Plan provided that it is consistent with KPDSB's School Fundraising Policy and this Procedure.
- v. Fundraising activities may take place prior to October 31, with the approval of the Principal, taking into account the above-noted considerations.
- vi. A Principal shall only allow further fundraising activities not identified in the Annual Fundraising Plan with the approval of the appropriate Superintendent of Education.

## 3. Examples of Acceptable Uses of Fundraising Proceeds

- Assistance fund (for example, a fund serving a charitable purpose to benefit students, such as providing payment for the cost of a field trip for students who cannot afford it);
- Supplies, equipment, or services which complement items funded by provincial grants (for example, extracurricular band equipment, musical instruments, audio-visual equipment);
- Field trips or other excursions (for example, in-province, out-of-province, or trips abroad);
- Guest speakers or presentations;
- Ceremonies, awards, plaques, trophies, or prizes for students;
- Scholarships or bursaries;

- Extracurricular activities and events (for example, travel and entry fees for sports competitions, school team uniforms, school band, choir, clubs);
- School yard improvement projects (for example, playground equipment, shade structures, gardens) provided the plan has been approved by the KPDSB Facilities Department;
- Upgrades to sporting facilities that provide enhancement beyond the board standard and/or expected replacement timelines such as running tracks, installation of artificial turf, scoreboards, and fixed auditorium seating;
- Support for activities that are unique to the cultural character of the school (for example, student retreats).

#### 4. Examples of Unacceptable Uses of Fundraising Proceeds

- Items funded through provincial grants such as classroom learning materials and textbooks;
- Capital project improvements which increase the student capacity of a school or are funded by provincial grants (for example, classrooms, additions, gyms, labs);
- Facility renewal, maintenance, or upgrades funded through provincial grants such as structural repairs, sanitation, emergency repairs, or replacing flooring due to wear and tear;
- Goods or services for employees;
- Professional development for staff;
- Administrative expenses not associated with fundraising activity;
- Support for partisan political activity, groups, or candidates;

**The examples provided are not comprehensive lists. If there is uncertainty as to whether a particular fundraising activity is acceptable, the Principal should consult their Superintendent of Education for direction.**

#### 5. Facility Enhancement Projects

Principals considering a proposal for a fundraising activity to support facility enhancements should consult KPDSB's Policy 806, Joint School Capital Projects.

#### 6. School Councils

Regulation 612/00 made under the Education Act provides that School Councils may engage in fundraising activities, subject to the Board's Policies and Procedures. School Councils are required by Section 24 of Regulation. 612/00 to annually submit a written report on its activities, including fundraising activities, to the Principal of the school and to the board that established the council.

## 7. Lotteries

KPDSB approves of lotteries having cash or merchandise or service prizes. A lottery is defined as any event where money is paid for a chance to win a prize. Principals will ensure proper licensing through the municipal authority or the Alcohol & Gaming Commission of Ontario.

## 8. Use of Funds

- i. The Principal is responsible for ensuring that each fundraising activity includes clear communication regarding the intended purpose of the funds, and that any funds raised are used for the stated purpose.
- ii. In planning fundraising events, consideration should be given to what will happen with the funds raised if there is a shortfall/excess of funds raised compared to plans.

## 9. Administration of Funds

The Principal is responsible for ensuring that all funds collected from fundraising activities are administered, recorded, and expended in accordance with this Procedure.

## 10. Financial Reporting

- i. Public Sector Accounting Board standards require that school boards include funds generated at the school level with the annual financial statements of the board.
- ii. All funds collected through school or school council fundraising are subject to the board's audit, review, and accountability requirements.

## 11. Receipts for Donations

- i. KPDSB is a registered charity, and as such may issue receipts for donations to the Board or a school of the Board, in accordance with the Income Tax Act and Canada Revenue Agency guidelines. Neither a school nor a school council may issue receipts.
- ii. KPDSB's policy with respect to issuing receipts is outlined in Policy 603 "Donations". All requests for donation receipts must be approved by the Finance Manager.

## 12. Annual School Fundraising Report

The Principal shall prepare an Annual School Fundraising report to be posted to the school website no later than June 30, summarizing the fundraising activities undertaken, the funds raised, and the manner in which the funds were spent.

## **SECTION 2: SCHOOL GENERATED FUNDS**

### **INTENDED PURPOSE**

KPDSB recognizes that schools and school councils raise funds to supplement student programs and for specific student activities that align with the KPDSB's Mission, Vision, and Multi-Year Plan.

This Procedure applies to all funds that are received, raised, or collected in the name of the school or school activity. Generally this will mean all funds available to the school, other than funds provided by the approved budget of the Board.

### **APPLICABILITY**

The term School Generated Funds (including funds raised by the School and/or School Council) refers to funds raised to benefit students by enhancing the means by which educational goals are achieved. Funds are generated in schools from a number of different sources and used in a number of different ways. The funds are under the direction and control of the school Principal.

Funds generated at the school level shall be expended, where possible, within the school year. Surpluses exceeding this limit must be explained with a documented surplus plan that is approved by the appropriate Superintendent of Education. This plan must be submitted as part of year-end reporting and cannot extend beyond a three-year period. If there is a demonstrated need or extenuating circumstances for an extension of time, Superintendent of Education approval is required.

School generated funds may be utilized to offset costs for students who cannot afford to fully participate in school activities.

### **GENERAL CLASSIFICATIONS OF SCHOOL GENERATED FUNDS**

Schools are required to report to the Ministry of Education on school generated funds received and disbursed based on the following categories:

1. Field Trips and Excursions

Funds raised/received and the costs to support in-province, interprovincial, or out-of-country excursions or any field trips.

2. External Charities

Funds raised/received in support of an external charity where the school provides the administrative process for collecting the funds. This charity should be registered with the Canada Revenue Agency.

### 3. Student Activities and Resources

Funds raised/received, and costs related to student activities to supplement materials, activities, equipment, or services not funded through the allocated budget of the school board. Purchases are not to be for items that are considered core curriculum.

### 4. Capital Projects

Funds to be used for school yard and sports facilities improvements that are complementary to publicly funded education. These projects cannot result in an increase in the student capacity of a school and cannot result in a significant increase in school or board operating or capital costs and future maintenance and repairs. School generated funds may not be utilized for facility renewal, maintenance or upgrades that are to be fully funded through grants the Board receives for renewal from the Ministry of Education.

### 5. Other

Other types of fundraising may include:

- Funds raised through local school initiatives (e.g., items sold through the school where the profits are retained at the school);
- Funds raised through School Council/Student Council - funds raised with direct involvement of the School Council or parent community or with Student Council. Decisions regarding expenditures and disbursements when funds are raised should be made jointly;
- Funds donated to schools - donations made to a particular school for either a specific purpose or for general use.
- Harmonized Sales Tax (HST) rebates received.

## **ROLES AND RESPONSIBILITIES**

KPDSB has a responsibility to ensure that all school generated funds are collected in accordance with board policies and procedures, municipal, provincial, and federal laws, and regulations. This responsibility includes ensuring that all funds are adequately protected, that they are controlled through proper accounting procedures and that accountability and transparency for the funds is maintained. In fulfilling these obligations, KPDSB meets the public's expectations and validates the public's trust regarding the stewardship of these funds.

### 1. Superintendent of Business or Designate will:

- i. Establish guidelines for School Generated Funds;
- ii. Provide training to staff on the appropriate application of the guidelines;
- iii. Complete and/or follow up on audit reports as determined by board best practice;
- iv. Ensure accurate and timely completion of Ministry reporting;

- v. Ensure all schools have suitable accounting systems and/or technology available for the administering the school generated funds.
2. Superintendents of Education will:
- i. Reinforce to school Principals the need to adhere to board policies/procedures and guidelines;
  - ii. Ensure that schools are complying with the reporting requirements of the Guidelines for School Generated Funds (particularly Section 4 and 5);
  - iii. Review, approve and monitor implementation of the school annual fundraising plan and the school generated funds surplus plan;
  - iv. Report to the Superintendent of Business or designate:
    - a. If funds are lost or stolen;
    - b. Any misuse of funds;
    - c. Failure to follow any policy, procedure, or guidelines;
  - v. Take appropriate action and notify the Superintendent of Business and Human Resources of any staff member's deliberate deviation to established processes which would necessitate disciplinary action.
3. Principal will:
- i. Ensure that the Guidelines for School Generated Funds are implemented in compliance with board policies/procedures. For example: nutrition, excursions, student fees, and purchasing policies/procedures;
  - ii. Act as one of the approved signing officers on the school bank account(s);
  - iii. Appoint the designated individual responsible for receipts, disbursements, banking, and record keeping;
  - iv. Ensure that processes are in place to adequately control the funds within the school including security over cash and records;
  - v. Ensure that no staff members or members of the community are collecting and managing funds in their own personal bank account or any other account not approved by the board;
  - vi. Communicate responsibilities to staff members;
  - vii. Ensure that there is a primary contact for each club or class involved with financial transactions;
  - viii. Review, sign, and date the monthly bank reconciliation;
  - ix. Review records periodically. Question and determine how to address any shortages or overages associated with the various activities;
  - x. Review, sign, and date the annual Financial Reports;
  - xi. Distribute and/or make available the annual financial reports as outlined in the guideline section on Financial Reporting;
  - xii. Notify the Superintendent of Education and the Superintendent of Business immediately if funds are lost or stolen;
  - xiii. Ensure that the School Council chair is aware of and understands their roles and responsibilities;

- xiv. Create the Annual School Fundraising Plan and ensure that funds received are disbursed as per the intent of the funds raised or collected;
  - xv. Provide reports to School Council as required;
  - xvi. Participate during audit/review and ensure implementation of recommendations;
  - xvii. Attend mandatory training sessions.
4. Administrative Assistant Responsible for School Generated and School Council Funds will:
- i. Comply with the guidelines for school generated funds as directed by the Principal and advise the Principal of any deviations from the guidelines;
  - ii. Act as one of the approved signing officers on the school bank account;
  - iii. Verify funds received for deposit;
  - iv. Prepare bank deposits and deposit funds at the bank on a timely basis;
  - v. Issue cheques ensuring that all requests for payments are properly supported and approved by the Principal;
  - vi. Record transactions on a timely basis;
  - vii. Complete the monthly bank reconciliation;
  - viii. Prepare transaction reports as required for the Principal, staff, and School Council;
  - ix. Maintain appropriate supporting documentation, and efficient filing system for records retention purposes;
  - x. Prepare the Annual Financial Report and submit to School Principal (if required by the Board);
  - xi. Assist during audit/review;
  - xii. Participate in mandatory board training related to school generated funds.
5. Staff Members will:
- i. Collect money from students or other sources as applicable;
  - ii. Count money collected and record amount and intended use on the Funds Received Form as indicated in the section on Banking, Receipts and Disbursements in the school generated funds manual;
  - iii. Ensure funds collected are securely delivered to the designated individual on a daily basis;
  - iv. Ensure that invoices have the appropriate approval and are delivered to the designated individual for payment in a timely manner;
  - v. Request and review transaction reports on a regular basis to ensure details of financial activity related to their class or club are recorded correctly and that funds received are disbursed as per the intent of the funds raised or collected. Advise the designated individual of any discrepancy.
6. School Council Chairs will:
- i. Ensure fundraising activities involving the students and/or the school are in compliance with board policies and procedures and no direct or indirect benefit is derived by a member of the School Council;

- ii. Ensure that School Council members are aware that where conflicts of interest exist, they are disclosed;
  - iii. Distribute and/or make available the annual School Council financial reports as indicated in the section on School Councils;
  - iv. Ensure the Treasurer understands their responsibility for receipts, disbursements, banking, and record keeping including regular financial reporting for School Council meetings;
  - v. Approve all requests for disbursements out of all School Council categories;
  - vi. Ensure all funds collected are counted and are kept at the school for safe keeping until deposited.
7. Finance Department Staff will:
- i. Provide training, support and direction to school staff and other Board employees including Senior Management with respect to the School Fundraising Policy and Procedure, and the school generated funds manual;
  - ii. Provide training, support, and direction on board standard financial procedures to ensure consistency between schools;
  - iii. Provide training, support, and direction on board recommended school generated funds software;
  - iv. Respond to queries from school and board staff and share “best practices”, as appropriate.
  - v. Escalate any discrepancies and/or abnormalities on policy or procedure to the school Principal, appropriate Superintendent of Education and/or Superintendent of Business;
  - vi. Monitor and analyze school generated funds activities to ensure compliance and to follow-up with schools on any discrepancies;
  - vii. Consolidate school generated funds activities for reporting as part of the Board’s year-end processes and Ministry reporting requirements;
  - viii. Coordinate with internal and external auditors on audit activities related to school generated funds and prepare working papers as required.

### **RECORDING AND REPORTING**

A substantial amount of money is generated in schools for the benefit of students. The school Principal is accountable for the money to both the school community and the board. Financial reports demonstrate accountability and, at the same time, provide information to the school community and the board.

All of the recording and reporting requirements are included in the School Generated Funds Manual which identifies processes and controls to ensure money is handled appropriately, staff are protected, and records are accurate, timely and complete.