

# CASH PROCEDURES FOR SCHOOL GENERATED FUNDS

## Background

The purpose of this Administrative Procedure is to reinforce the importance of the control of cash generated by school activities.

## Procedures

1. Cash and cheques (hereinafter referred to as cash) represent one of the greatest risks of asset loss to the “School Generated Funds” environment. It is extremely important to establish and maintain strong internal controls and procedures for the handling of cash to guard against loss and misuse.
  - 1.1. Control over Cash Receipts
    - 1.1.1. The administrative assistant must keep track of fees assessed by fee type and by student. A running balance of amounts owed to the school by fee type must be available. All payments shall be receipted providing sufficient detail to confirm who made the payment, for what reason, and in the amount paid. The Principal is responsible to approve all reasons for cash being collected. Individual employees are not to engage in any form of fund raising without the prior approval of the Principal.
  - 1.2. Cash Management
    - 1.2.1. Cash collected by teachers and other employees must not be kept over-night in a desk drawer, filing cabinet and/or other similar storage facility. Cash must not be taken home. All cash, regardless of amount collected, must be turned into the office on a daily basis to be receipted and deposited into the school bank account. Once a school has received an amount of cash totalling \$2,000, these funds must be deposited to the school bank account. In all circumstances, cash must not remain on the school premises over a weekend and thus must be deposited each Friday. In unique circumstances, the Principal can vary this requirement provided sufficient cash security exists.
    - 1.2.2. Adequate segregation of duties and restricted access to cash handling areas must be implemented, to the extent possible, to ensure the safeguarding of cash. When possible, this is to include the separation of the cash handling from the control and reconciliation of bank deposit receipts. Before cash is received by the accounts administrative assistant or Principal, the funds are to be counted by the coordinator of the activity and recorded on a [Cash Received Form \(Form 512-1\)](#).
    - 1.2.3. All cheques must be restrictively endorsed, i.e., “For Deposit Only”, immediately upon receipt and the bank account number to be credited is also to be entered on the reverse side of the cheque.

### 1.3. Control over Payments

1.3.1. All schools must have at least three (3) signing authorities registered at the bank. Signing authorities are not to sign blank cheques. Cheques are only to be written to pay invoices that have been approved by the Principal and have an account code. Do not use physical cash to pay bills, except as authorized through petty-cash.

1.3.2. The full amount of cash received is to be deposited directly into this bank account. Cash receipts shall not be used for personal loans, cashing of cheques, making purchases, or for salaries, honoraria or travel/Pro-D reimbursements.

### 1.4. Out of School Events

1.4.1. If a school event is held outside the regular school days/hours, planning ahead on how/where to safeguard the cash collected for the overnight/weekend is to be done in consultation with the Principal. This plan must include accounting for cash received by two individuals at the end of the activity.

### 1.5. Ledger Accounts

1.5.1. Cash receipts must be reviewed and reconciled to ledger accounts on a timely basis to ensure they have been correctly recorded. Accounting adjustments to ledgers must also be made on a timely basis.

## 2. Financial Monitoring:

2.1. The Secretary Treasurer shall cause periodic reviews of school cash handling procedures as provided in this Administrative Procedure. Reviews may include periodic reviews of account activity, on site reviews of accounting records, or formal review by the District auditor. Finding of such review will be shared with the Superintendent and the Principal.

2.2. All instances or perceived instances of fraud or theft must be reported to the Secretary Treasurer immediately.

Reference: Sections 22, 23, 65, 85 School Act  
Financial Information Act

Adopted: September 23, 2014

Revised: June 25, 2019