



Finance Policies & Procedures

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Policy Section 600: Finance & Business Operations

Policy 610: Fiscal Management

The Board of Education of School District No. 8 (Kootenay Lake) recognizes its responsibility to ensure that the School District's fiscal management complies with the requirements of the Ministry of Education and Public Sector Accounting Standards.

Further, the Board supports the Taxpayer Accountability Principles established by government that strengthen accountability, cost effectiveness, and commitment to operate in the best interest of taxpayers. These principles include:

- efficiency
- accountability
- appropriate compensation
- service
- respect
- integrity

Related Legislation: Budget Transparency and Accountability Act [RSBC 2000]

Related Contract Article: Nil

Adopted: October 9, 2001

Amended: October 9, 2018

Amended: June 25, 2019

Reviewed: November 10, 2020

Policy 611: Board Signing Authority (*Policy 615 renumbered*)

The Board of Education of School District No. 8 (Kootenay Lake) is responsible for establishing its own signing authorities.

The signing officers of the Board are:

1. Chair of the Board;
2. Vice-Chair of the Board;
3. Superintendent;
4. Secretary-Treasurer; and
5. Directors, as may be designated by the Secretary-Treasurer.

Related Legislation: Nil

Related Contract Article: Nil

Adopted: June 25, 2019

Revised: November 10, 2020

Policy 620: Budget Development, Monitoring and Reporting

The Board of Education of School District No. 8 (Kootenay Lake) believes that a fundamental aspect of the duties of the Board is to establish and monitor the District's annual budget.

The Board must receive sufficient information to fulfill its fiduciary responsibilities and be satisfied that revenues and expenditures are aligned with the strategic priorities of the Board. The Board must ensure that appropriate processes are established to maintain the fiscal integrity of the District.

The Board expects that Administration will not cause or allow any financial activity that materially deviates from the budget adopted by the Board, cause or allow any fiscal condition that is inconsistent with achieving

the expectations and strategic priorities the Board has established, or that places the long-term financial health of the organization in jeopardy.

Related Legislation: School Act [RSBC 1996, Part 8, Division 2, Section 111] and [Budget Transparency and Accountability Act \[RSBC 2000\]](#)

Related Contract Article: Nil

Adopted: January 14, 2003

Amended: October 25, 2010

Amended: October 9, 2018

Revised: November 10, 2020

Policy 621: Accumulated Operating Surplus

The Board of Education for School District No. 8 (Kootenay Lake) believes that adequate surplus levels are important in achieving educational goals and addressing financial health, stability and risk; and, the allocation of surplus funds supports long-term planning by mitigating changes in revenue and making provision for contingencies for unexpected events.

The Board of Education is responsible for ensuring the district is protected financially from forecasting risk and unforeseen circumstances that could negatively impact resources available for the education of students.

The Board's accumulated operating surplus will serve as:

1. a contingency reserve for the risks associated with unexpected increases in expenses and/or decreases in revenues;
2. one-time costs not included in the annual operating budget; and
3. intermittent projects and initiatives.

The Accumulated Operating Surplus will align with and consider:

- District Vision and Mission Statement;
- District Strategic Plan;
- District Facilities Plan; and
- Current and projected financial health of the district.

Related Legislation: [School Act \[RSBC 1996, Part 8, Division 8\]](#)

Related Contract Article: Nil

Adopted: October 9, 2018

Revised: November 10, 2020 Policy 630: Acquisition-Disposal of Board Assets (*Policy 640 renumbered*)

Policy 631: Disposal of Real Property and Improvements (*Policy 650 renumbered*)

The Board of Education of School District No. 8 (Kootenay Lake) seeks to ensure ownership of real property and improvements is managed in the best interest of the District.

In order to reduce operating costs and utilize facilities effectively, the Board will consider the disposal of its surplus properties in accordance with Ministry policy, orders and regulations, provided that there is not an anticipated need for the use of the space to attend to future educational and/or operational purposes.

For the purposes of this policy, any lease for a term, including the cumulative total of all options and rights to extend or renew the lease for a period of more than ten years and/or which provide for an option or right to purchase, shall be treated as a disposal (a deemed disposition).

Prior to the sale of a property or a lease of a property exceeding ten years, the Board of Education will adopt a by-law approving the disposition or deemed disposition.

Related Legislation: School Act [RSBC 1996, Part 7, Division 1, Section 96]

Related Contract Article: Nil

Adopted: February 26, 2008

Amended: January 14, 2014

Amended: November 10, 2020

Policy 632: Procurement and Purchasing (Policy 642 renumbered)

The Board of Education of School District No. 8 (Kootenay Lake) has, as its overarching purchasing objective, to satisfy the operational needs of the School District while realizing overall best value for goods and services using best practice and professional judgement. The Board assigns to the Secretary-Treasurer responsibility for those judgements.

The Board values the District's purchasing function's contribution to educational and operational programs through:

- Application of specialized professional knowledge
- Development of district-wide experiential knowledge
- Utilization of public purchasing standards
- Efficiency of acquisition of goods and services
- Realization of best value in acquiring goods and services

The District's procurement activities must be conducted with integrity and the highest standard of ethical conduct. All individuals involved with the District's procurement activities must act in a manner that is consistent with the principles and objectives of this policy.

The Board believes the school district should participate with other public authorities in a cooperative way and take full advantage of shared opportunities and services, when appropriate.

The Board of Education of School District No. 8 (Kootenay Lake) will tender banking and audit requirements every three (3) years.

Related Legislation: Nil

Related Contract Article: Nil

Adopted: October 9, 2018

Amended: November 10, 2020

Policy 633: Gifts (Policy 641 renumbered)

The Board of Education of School District No. 8 (Kootenay Lake) values the contribution from our communities and welcomes gifts of materials, equipment and funds (money) to the School District in accordance with the following guidelines.

Guidelines

1. Ownership

- 1.1. All gifts of materials, equipment and money, when accepted, will become the property of the Board. The donor may designate to which school or for which purpose the gift will be given.

2. Approval

- 2.1. All offers of gifts, materials, equipment and money must be approved by the Superintendent/CEO, the Secretary-Treasurer or a designate, in consultation with the Principal(s)/Supervisor(s) of the receiving school(s)/department(s), prior to the acceptance of the gift. If there is any doubt to the usefulness or appropriateness of the gift, or if there is any concern that the Board may incur additional costs for liability as a result of the gift, the gift may be declined.
- 2.2. All materials, books, equipment, etc. donated must meet the same standard as selection criteria (educational, safety, etc.) applied to all School District purchases.
3. Receipt for Tax Purposes
 - 3.1. If donors request a receipt for tax purposes, the following will apply:
 - 3.1.1. Tax receipts will not be issued for donations of less than twenty-five dollars (\$25).
 - 3.1.2. Cash donations must be made payable to School District No. 8 (Kootenay Lake) and forwarded to the School Board Office for receipt. The donations will be allocated to the school or program for which they were intended.
 - 3.1.3. Donations in kind will be evaluated by a person or persons knowledgeable in that area, designated by the Secretary-Treasurer, prior to a receipt being issued.
 - 3.1.4. Tax receipts will not be issued to parents/guardians for payment of fees or donations that benefit their own child(ren).
4. Disposal
 - 4.1. As the equipment donated becomes obsolete or has completed its useful life, it may be disposed of, in accordance with Board policy.

Related Legislation: Nil
Related Contract Article: Nil
Adopted: October 9, 2001
Amended: June 24, 2003
Amended: October 9, 2018
Amended: November 10, 2020

Policy 640: Business, Service Group, and Community Sponsorship and Partners (Policy 680 renumbered)

The Board of Education of School District No. 8 (Kootenay Lake) acknowledges that businesses and service groups may from time to time choose to support, financially and materially, public school activities through sponsorships or partnerships. The Board supports the development of sustainable education-business relationships between the Board, its schools and the community, and encourages community groups, businesses, corporations, labour groups, civic organizations, industries, government agencies, colleges, universities and others to join in developing education-business relationships with the Board and/or its schools through various types of sponsorship/partnership arrangements for the benefit of the school community.

Acceptable sponsorship/partnerships provide benefits to the educational, cultural, artistic and athletic programs of students through the donation/contribution of products, services or money to a school or the district. The Board wishes to secure sponsorships/partnerships that are consistent with the values, principles

and objectives of the District. Revenues acquired through sponsorships will be used to complement and not replace public funding for education.

It is the obligation of the Board to protect the welfare of School District #8 (Kootenay Lake) students and the integrity of the learning environment. When working together, schools, community groups and businesses must ensure that educational values are not distorted in the process. These relationships must be ethical and structured in accordance with the following principles:

1. Will not lead to the exploitation of the students;
2. Minimizes the implication that the Board of Education or the school endorses particular businesses, organizations, products or services;
3. Offers significant educational, cultural, artistic or athletic benefits or social values for students;
4. Expected acknowledgement is dignified, modest, reasonable and consistent with this policy;
5. Must be structured to meet an identified educational need;
6. Ensures protection against claims that are false or misleading;
7. Involves minimal intrusion into instructional time;
8. School or District has sufficient resources to pay for cost of installation, ongoing maintenance, repairs and training.
9. Donated goods and services are held to the same standard used for the selection and purchase of curriculum materials.

Definitions

- A. Advertising: the oral, written or graphic statement made in any manner in connection with the solicitation of business by promoting goods and/or services to encourage the public to buy or to patronize in exchange for financial payment.
- B. Sponsorship: an agreement between an individual school, the Board of Education and an individual group, organization or community-based group in which the sponsor provides financial or resource support in exchange for recognition.
- C. Partnership: a collaborative relationship between the Board and an organization or business wherein the resources of the Board and the partner are combined to enhance the quality and relevance of the educational program provided by the Board.
- D. Donation: refers to a gift or contribution of money, goods or services, voluntarily transferred to a school or the school district which is given without expectation of something of value in return.

Advertising or sponsorship is not the sale of good/services to the district, the school or Parent Advisory Councils for market value where items have brand names, trademarks, logos or tags for product/service identification. These shall be governed by the purchasing policies of the district, schools or Parent Advisory Councils.

Related Legislation: Nil
Related Contract Article: Nil
Adopted: October 26, 2004
Amended: January 10, 2017
Amended: October 9, 2018
Amended: November 10, 2020

Policy 641: Child Care Providers in Schools (*Policy 660 renumbered*)

Quality accessible and affordable child care and early learning programs provide significant social and economic benefits for the community. Research shows that quality childcare and early learning programs have

a direct relationship to successful transitions to kindergarten, literacy development, poverty reduction, and community engagement.

The funding and regulation of licensed child care is primarily a provincial government responsibility, and the Board recognizes that its primary obligation is to provide school age educational programs; however, the Board of Education of School District No. 8 (Kootenay Lake) believes that the District, along with community partners, can play an important role in planning, developing and coordinating childcare for children in our region.

The District shall not directly provide licensed child care, however it is supportive of thirdparties that deliver quality, accessible and affordable child care in District facilities. Schools shall release and/or share available space on a cost-recovery basis for that purpose, and, where possible, new school construction or renovations will incorporate designated and/or shared space for child care services.

Related Legislation: School Act [RSBC 1996, Part 6, Division 2, s.85.1, 85.2, 85.3]

Related Contract Article: Nil

Adopted: March 10, 2020

Amended: November 10, 2020

Finance Administrative Procedures

Finance & Business Operations

AP 600.1: Administrative Procedures Review Procedure

1. Finance Administrative Procedures are prepared by the Finance Department, reviewed by the external auditor, and approved by the Superintendent and Secretary-Treasurer.
2. Administrative procedures are reviewed and updated continually.
3. Formal written updates of the Administrative Procedures are done annually.

AP 600.3: SDS Access Procedure

1. SDS is the accounting software used by School District No. 8 – Kootenay Lake (the “District”).
2. Root Admin access is restricted to the Manager of IT and Technology Coordinator, whom shall only make changes upon written approval from the Secretary-Treasurer or Manager of Finance.
3. Approval for set-up or modifications of SDS accesses shall be set-up to match the position (provided the position already exists in SDS, assign the same access privileges e.g. School Secretaries).
4. If additional access is requested, the Manager of Finance notifies the Secretary-Treasurer and requests approval to increase access.
5. The Accounting Coordinator sets up e-Funds and Via accounts and reports, per instruction from the Manager of Finance.
6. eFunds:
 - 6.1. Principal eFunds access is limited to the specific School Trust Fund. Access is limited to reporting only.
 - 6.2. School Secretary eFunds access is limited to the specific School Trust Fund. Secretaries are granted access to all eFunds accounting operations.
7. Via:
 - 7.1. The Superintendent and Secretary-Treasurer are granted Via access to view all accounts. Access is limited to reporting only.
 - 7.2. Managers and Directors Via access is limited to accounts (services and supplies, salaries and benefits) within the department’s discretion. Access is limited to reporting only.
 - 7.3. Clerical and Executive Assistants Via access is limited to services and supplies accounts (i.e. no salaries and benefits accounts access) within the school or department’s authorized cost centres. Access is granted to view reports, enter journal entries and enter budget transfers.
8. SDS Human Resource operations is restricted to:
 - 8.1. Human Resource staff to update employee information
 - 8.2. Payroll staff to administer payroll
 - 8.3. Manager of IT to access current employee information for IT account set-up
 - 8.4. Manager of Finance to prepare salaries and benefits financial reports and budgets
9. SDS Payroll operations is restricted to:
 - 9.1. Payroll staff to administer payroll
 - 9.2. Human resources staff to view employee payroll data and accruals

9.3. Manager of Finance to prepare salaries and benefits financial reports and budgets

10. SDS School Secretary access in SDS is restricted to:

10.1. HR reports for Schools, limited to the specific school cost center

10.2. Absence tracking reports for Schools, limited to the specific school cost center

AP 600.4: Accounting Records Retention

1. Accounting records and all support documentation for School Trust Funds and District Accounting must be retained for a period of 7 years (most recent fiscal year-end plus previous 6 fiscal years).

1.1. Accounting records can be maintained in electronic format, and, if electronic records exist, no paper copies are required to be retained.

1.2. Accounting records kept in electronic format must be stored using an easily understandable organization methodology, documents must be searchable, and there must be a back-up system or redundancy in place (e.g. Laserfiche or SD8 Sharepoint).

AP 600.5: School Trust Funds Procedure

1. School Principals and Clerical are required to follow the procedures in the School Trust Account Handbook and the Accounting Requirements for School Trust Funds when accounting for School Trust Funds. *For additional procedures, see the "School Trust Account Handbook" and "Accounting Requirements for School Trust Funds" posted to the District [Clerical Manual](#).*

2. In accordance with the School Trust Account Handbook, internal audits of School Trust Accounts are performed annually by the Finance Department as follows:

2.1. Secondary Schools are audited annually

2.2. Elementary schools are audited at minimum every three years

3. Schools are required to ensure the Accounting Coordinator has online access to School Trust Bank account information.

4. Schools are required to submit bank reconciliation packages to the Finance Department monthly. *For additional procedures, see "AP: Bank Reconciliation Procedure."*

5. Schools may purchase investments as follows:

5.1. Must be low risk

5.2. Must be approved in advance by the Secretary-Treasurer

5.3. CDP is recommended as an investment, unless there is a compelling reason to invest otherwise (e.g. donor requires it as part of the donation)

AP 600.6: Cash Segregation of Duties Procedure

1. Funds received including cash, cheque, or electronic payments are recorded by the Finance Clerk.

2. Upon receipt of cash, a receipt shall be issued immediately by the receiver. Cash will then be provided to the Accounting/Payable Clerk, who will store cash in a secured locked drawer.

3. Cheques are endorsed upon receipt. Cheques are safeguarded in a locked drawer. The Finance Clerk and Manager of Finance have access.

4. The Finance Clerk creates copies of all receipts for cash, cheques received, attaches supporting documentation for the recording of all receipts, and prepares the bank deposit.
5. The Accounts Payable Clerk is solely authorized on a standing basis to make deposits at the bank into District accounts. Failing the availability of the Accounts Payable Clerk to make deposits, another staff member authorized by the Secretary-Treasurer or Manager of Finance can make deposits.

AP 600.7: Ministry Grant Revenues Procedure

1. The District receives Ministry of Education (MoE) funding by completing and submitting student data using the provincial enrolment submission process, which is subject to an internal compliance audit.
 - 1.1. This process collects the number of full-time equivalent (FTE) students by location, and also identifies distance learning, adult education, aboriginal status, special needs and other characteristics that generate funding.
2. Schools extract data from their registration and enrolment process, and initially enter/validate student data into the provincial software called MyEdBC by September 30th, which is thereafter uploaded to the Ministry of Education.
3. Reports are sent (the “1701 Reports”) for September 30th and May 31st, for verification and use by the Ministry of Education.
 - 3.1. The Manager of HR prepares the 1701 Reports, which are signed by the Director of HR, the Secretary-Treasurer and Superintendent.
 - 3.2. For the 1701 data, each department head is also responsible to review the data for their department and sign off that they have reviewed the data. This includes HR, Inclusion, Innovative Learning, Aboriginal Education, Distributed Learning, as well as all school principals.
4. Once the Ministry has reviewed the 1701 Reports, they provide the District with a recalculation of funding.
5. Ministry of Education grant revenues are directly deposited into the District’s operating bank account bi-monthly based on a Cash Disbursement Schedule.
 - 5.1. The Secretary-Treasurer and Manager of Finance can access the bi-monthly cash disbursement schedule online.
 - 5.2. The Accounting Coordinator receives an email notification from the MoE confirming the deposit details for receipt. Accounts Receivable is not set up for the MoE revenues.
 - 5.2.1. MoE operating revenues are recorded as revenue when received.
 - 5.2.2. MoE special purpose fund revenues are recorded as deferred revenues when received. These revenues are recognized as the funds are spent, per MoE guidelines.
 - 5.3. The Manager of Finance reviews monthly MoE receipts as part of the journal entry review process. Grant receipts are reviewed closely by the Manager of Finance during preparation of the monthly financial report for the Board, and the quarterly Government Reporting Entity (GRE) report for the MoE.

AP 600.8: International Tuition Revenue Procedure

1. Application
 - 1.1. International students or agents of international students apply online to attend school at the District.

- 1.2. The International District Principal approves the initial application, transcripts and reference letter.
- 1.3. Once approved, a letter of acceptance is sent to the agent for them to get the student's VISA.
- 1.4. Once the letter of acceptance is sent, an invoice is created.
- 1.5. Once the payment is received, the completed application is processed and the student is assigned to a school and homestay family, if required.
2. Invoicing/Recording
 - 2.1. On a monthly basis, an accounting package is submitted by the International Coordinator to the Finance Department.
 - 2.2. All the invoicing is prepared by the International Coordinator and paid directly to the District through electronic wire transfer.
 - 2.3. The Accounting Coordinator then reviews the package received including the bank reconciliation and ensures everything has been signed off.
 - 2.4. Once the package has been reviewed a monthly journal entry is recorded into the system.
3. Review
 - 3.1. The International District Principal and International Coordinator meet regularly with the Superintendent and Secretary-Treasurer to review the program, including accounting and budgets.
 - 3.2. Additionally, the Accounting Coordinator reviews fund collection monthly as part of International package review, to ensure and reconcile funds that have been collected.
4. Deferred Revenue
 - 4.1. International tuition revenue is sometimes collected in advance for students attending school the following school year. This tuition revenue is deferred.
 - 4.2. The International Coordinator tracks deferred tuition revenue by student in a spreadsheet, which is submitted to the Finance Department annually.
 - 4.3. Deferred international tuition revenue from the prior year is recognized quarterly: 1/10 September, 3/10 December, 3/10 March, and 3/10 June.

AP 600.9: Other Grant Revenues Procedure

5. The District encourages individual schools to apply for other grant revenues.
6. A copy of all grant applications and approvals must be provided to the Finance Department for accurate accounting of grant revenues.
7. The following applies to grant applications for greater than \$5,000:
 - 7.1. Grant applications and acceptances must be signed by the Secretary-Treasurer (see [Policy 615](#)).
 - 7.2. Grant funds must be directed to and received by the Finance Department and accounted for in District accounts.
 - 7.3. 100% of any grant funds received on behalf of a school will be provided to the school by budget allocation.
 - 7.4. Unspent grant funds will carry-forward by budget allocation, subject to Board approval.

7.5. To access grant funds:

7.5.1. Schools can submit invoices directly to District accounts payable and payments will be issued to vendors directly.

7.5.2. Schools can make purchases with School Trust funds and submit the A.1 reimbursement claim form to District accounts payable, with original receipts attached, to be reimbursed.

8. The following applies to grant applications for \$5,000 or less:

8.1. Grant applications may be signed by the School Principal (see [Policy 615](#)).

8.2. Grant funds are to be received directly to the School and accounted for in School Trust accounts.

8.3. Grant funds must be receipted to the grant revenue GL account 65209.

8.4. Schools are responsible to ensure unspent grant funds carry-forward in their own Trust accounts.

AP 600.10: Journal Entry Procedure

1. Schools and Departments are authorized to enter journal entries within the cost centres and accounts they have been authorized to access, and within the authorized budget for that school or department.

1.1. Access in Via/eFunds for each School and Department is limited to the accounts the Principal or Department head has discretion over.

2. Journal entries outside a School's or Department's authorized accounts (within their budgetary discretion) must be submitted to the Accounting Coordinator or Finance Clerk to enter.

3. All journal entries must be filed systematically in the District's or School's filing systems (see AP 600.3) with supporting documentation attached, clearly identifying the amount and reason for the journal entry.

4. Journal Entries in School Trust Fund accounts are prepared by the School Clerical.

4.1. Monthly journal entry listings are included in the bank reconciliation package. The journal entries are reviewed and approved/initialed by the School Principal.

4.2. Support documentation is required for each journal entry.

4.3. All support documentation is maintained on site at the School.

4.4. *For additional procedures, see "AP: School Trust Funds Procedures."*

5. Journal Entries in a School's District accounts are also prepared by the School Clerical.

5.1. Journal entries are to be reviewed and approved by the School Principal.

5.2. Support documentation is required for each journal entry.

5.3. All supporting documentation is maintained on site at the School.

6. Department journal entries within the department's budget discretion accounts are prepared by the department Clerical.

6.1. Journal entries are reviewed and approved by the department Director.

6.2. Support documentation is required for each journal entry.

6.3. All support documentation is maintained on site at the department.

7. All other journal entries are entered by the Accounting Coordinator or Finance Clerk.

- 7.1. Supporting documentation must be included for each journal entry and must clearly indicate why the journal entry is being entered.
- 7.2. Relevant dates or transactions numbers are included in the SDS journal entry description field.
- 7.3. Monthly journal entry batches including all support documentation are reviewed and approved by the Manager of Finance.
 - 7.3.1. The Manager of Finance reviews for such items as appropriate cost centers being used, correct coding of grants (as they need to be allocated to specific operations or special purpose funds as required by the MoE), items that should be receivable or prepaids rather than expenses, etc.
 - 7.3.2. There are no times when an employee processes a journal entry without a second employee reviewing the work.
 - 7.3.3. Journal entry batches are initialed by the Manager of Finance to evidence approval.
- 7.4. Journal entry batches are posted and closed after the above review is complete and prior to month-end close.
- 7.5. All support documentation is scanned and filed electronically in Laserfiche.

AP 600.11: Student Transportation Revenue and Expense Procedure

1. To arrange District bussing:
 - 1.1. School submits trip request to transportation department
 - 1.2. Transportation department schedules and confirms
 - 1.3. Trip occurs
 - 1.4. Driver completes form and submits to transportation department
2. At month end, the transportation department generates a report, assigns transportation expenses to each school/department, and submits a journal entry to the finance department.
3. The Accounting Coordinator enters the journal entry to record District Bussing Revenue and Student Transportation expenses.

3.1.1. District school bussing revenue GL account: 64501-0

3.1.2. Student transportation expense GL accounts:

GL Account	Requester	Contact (who will receive inquiries and billing info)
1-02-34401-XX	Individual School	Secretary (Clerical 1 at schools with more than one clerical)
Per requester	Superintendent	Executive Assistant to the Superintendent
1-62-34402-0	International Program	International Program Coordinator
4-11-34100-104	Innovative Learning Services	Secretary to Innovative Learning Services
1-02-34401-0	District Travel (not specified)	Manager of Finance (to allocate expense)

4. At year end, the finance department enters a journal entry to reduce nominal District School Bussing Revenues charged to Schools (Account 64501-0) and commensurately reduces Student Transportation expenses (Account 7-70-54905-4) incurred by the transportation department.

5. School field trip expenses for District bussing are recorded to Travel-Student Transportation accounts (Account 1-02-34401-XX). Per Ministry of Education guidelines, this is the appropriate program and function for field trips.

AP 600.12: Payroll Set-up Procedure

1. The Director of Human Resources (HR) and Manager of HR are responsible for hiring all employees.
 - 1.1. The District is reliant on the Teacher Regulation Branch (TRB) for support and control during the hiring process.
 - 1.2. The TRB is responsible for performing criminal record checks on teachers every five years also for contacting references of the teachers upon their initial entry to the TRB.
 - 1.3. Subsequent hiring of teachers who are already in the TRB have their background checked by a review of their performance record while a member of the TRB.
 - 1.4. Non-teacher employees complete a criminal record form as part of their employment package and their offer is conditional on the results.
2. Formal approval of hiring of an employee is provided through a letter of intent to the new employee, signed by the Director of HR or a senior level administrator (principal) at an individual school. At this point, the employee must also be set-up in the employee Masterfile.
 - 2.1. The Manager of HR or Executive Assistant of HR are responsible for entering new employees in the SDS HR module.
 - 2.2. Employee are entered in SDS after the employee has completed a mandatory on-boarding session that includes watching compliance videos and completing necessary demographic and payroll forms such as TD1/BCTD1 etc.
 - 2.3. First an employee profile is created, which involves entering their SIN. The SIN cannot be duplicate or invalid, or SDS will stop the process and not allow the employee to be created. Then employee demographics, tax credits, and banking information is added.
3. Salary and Benefits amounts are authorized by Human Resource (e.g. a Letter is provided to payroll with pay scale for each employee, or, there is sign-off on a change by the Secretary-Treasurer or Director of HR).
 - 3.1. The employee is set-up in the SDS Payroll module by the Payroll Coordinator or Payroll Clerk, who are responsible for creating the employee earnings, deductions, and accruals master files.
 - 3.2. Salary and Benefits set-up in the SDS payroll module is restricted. Only the Payroll Coordinator, or payroll staff under their supervision, are authorized to update the pay and benefits rates in SDS, upon first being authorized by HR.
 - 3.3. Exempt, Principal and Vice-Principal, and Trustee payroll is reviewed periodically and approved by the Secretary-Treasurer and Director of HR (for pay months starting October 1st, May 1st and August 1st).
 - 3.3.1. Both the Secretary-Treasurer and Director of HR are required to physically sign an approval of the first payroll (SDS report) after an Exempt, Principal or Vice-Principal pay change has been updated and processed in the system, prior to the pay being issued.
 - 3.3.2. On October 15th of each year, all SDS employee set-ups must be accurate, both for cost center, and program/function to ensure accurate financial reporting per the Ministry of Education

requirements. Each department head must submit a full listing of staff to the Secretary-Treasurer, that reconciles to SDS and the budget as follows:

3.3.2.1. Inclusive Education: Educational Assistants

3.3.2.2. HR: Teachers

3.3.2.3. Aboriginal Education: Teachers, Educational Assistants, Youth & Family Workers

3.3.2.4. Educational Administration: Principals & Vice-Principals

4. A Payroll staff member and HR staff member are to meet bi-weekly to review the HR-PR Reconciliation report for Teachers and CUPE staff.
 - 4.1. Employee set-ups in the SDS payroll module are continually updated based on HR letters received.
 - 4.2. The HR-PR reconciliation report identifies any discrepancies between the employee SDS HR set-up and SDS payroll set-up.
 - 4.3. Required updates to employee set-ups are identified and agreed to by the Payroll and HR staff members during this meeting.
5. The Manager of HR or Executive Assistant HR track new employees annually in a spreadsheet. Retirees are tracked on a separate spreadsheet, which includes those who resign.
6. The process for de-activating employees upon conclusion of their employment (retiring / quitting, no employees fired in year) included the following:
 - 6.1. Monthly Payroll: Payroll receives a letter from HR stating the termination date for an employee. Payroll will pay accordingly then terminate in both payroll and in the master file in HR. Term teachers and TTOC's are terminated annually in June and reactivated when/if they return.
 - 6.2. Bi-Weekly Payroll: All casual and ten-month Support Staff employees are terminated (within the payroll module) annually in June and reactivated when/if they return. When an employee loses seniority/resigns/retires, payroll terminates the employee in the shared demographics module as well once the final payroll is complete.

AP 600.13: Payroll Processing Procedure

7. Teacher, Exempt, Principal and Vice-Principal, and Trustee payroll is prepared by the Payroll Coordinator and reviewed/approved as follows.
 - 7.1. These employees are salaried, or their salaries are set by contract in the case of teachers.
 - 7.2. For these types of employees, no time entry is required on their part as their salaries are fixed for each period unless an adjustment is required.
 - 7.3. Adjustments are driven by the HR department through an automated leave application called SmartFindExpress (SFE). The SFE program also tracks which TTOCs work hours during a given pay period.
 - 7.4. The principal at each school, along with their secretary, review the District Absence Report each pay period, and approve the list of teachers who took time off, as well as the list of TTOCs who substituted for them during that period.
 - 7.5. If any pay adjustments are necessary, HR will indicate to the Payroll Coordinator or Payroll Clerk that an adjustment is necessary. This could include a teacher adjusting their time worked from full

time down to 2 days a week for example. Payroll will review and manually adjust for an employee taking a sick day over and above their allowed amount, day of leave without pay, or other.

- 7.6. These adjustments are processed by the Payroll Coordinator or Payroll Clerk and approved by the Payroll Coordinator before the payroll is finalized for that period.
8. CUPE regular employee payroll (includes custodians, school administrative staff, educational assistants, and other support staff) is prepared by a Payroll Clerk and reviewed/approved by the Payroll Coordinator, prior to being issued.
 - 8.1. CUPE staff enter their absences in the SFE system for approval.
 - 8.2. These employees are paid hourly and are responsible for entering and submitting their own time using an application called eServe.
 - 8.3. Employees must submit bi-weekly timesheets in eServe.
 - 8.4. Employee timesheets are pre-populated with the working hours that are set out in their employment contract (e.g. 7 hours per day for Tues, Wed, Thurs).
 - 8.5. They are then required to confirm their hours or make adjustments as necessary for sick/vacation/other time off, and then submit the time.
 - 8.6. Timesheets are reviewed and approved by the employee's supervisor in eServe.
 - 8.7. Approved eServe timesheets are submitted to Payroll for payment and reconciled to dispatch absence reports.
 - 8.8. eServe data is uploaded to SDS.
9. CUPE casual employee payroll is prepared by a Payroll Clerk and reviewed/approved by the Payroll Coordinator, prior to being issued.
 - 9.1. CUPE casual employees complete manual time sheets.
 - 9.2. Manual timesheets are approved by the site supervisor and submitted to Payroll for payment.
10. Teachers Teaching on Call (TTOC) payroll is prepared by a Payroll Clerk and reviewed/approved by the Payroll Coordinator, prior to being issued.
 - 10.1. The SFE program tracks which TTOCs work hours during a given pay period.
 - 10.2. SFE data is uploaded to the SDS absence tracking module. The Dispatch Clerk performs a daily interface from SFE into SDS absence tracking module to upload information in SDS, with a review at the end of the process to ensure the data transfer took place accurately.
 - 10.3. The SDS absence tracking module tracks sick days and other leaves for all employees, and in this module the scheduler will update which TTOC has worked a day for a teacher who was sick.
 - 10.4. The principal at each school, along with their secretary, review the District Absence Analysis (DAA) Report each pay period, and approve the list of teachers who took time off, as well as the list of TTOCs who substituted for them during that period.
 - 10.5. Approved DAA reports are submitted to Payroll for payment.
11. Payment and General Ledger Recording

- 11.1. After the above time entries have been approved and reviewed by the appropriate individuals, the payroll staff must go into SDS to create the bank transfer file, which will pay the employees on the payment date.
- 11.2. Depending on the types of payroll payments being issued, the Payroll Coordinator or Payroll Clerk is responsible for sending the bank transfer file for the employee category, whether CUPE, Exempt, Teachers or TTOCs.
- 11.3. CUPE employee time is reviewed and approved by the managers prior to being entered to ensure the payment amounts are correct.
 - 11.3.1. To ensure the entries are accurate, the Payroll Coordinator/Clerk reviews each employee's timesheet and reconciles it with the Absence Tracking Report from SDS and a positions/hours spreadsheet, as well as reviews the payroll journal details prior to creating the bank file.
 - 11.3.2. Further, the Payroll Coordinator/Clerk performs a reconciliation regarding total hours to be paid for CUPE employees – comparing the amount of hours from the eServe time tracking software for that pay period, to the number of hours in the HR system that are set as standard for those employees. The clerk resolves any differences before transferring data to SDS.
- 11.4. For Teachers, Exempt Staff, Principals and Vice-Principals, and Trustees, there is no final approval before payment goes out. The Payroll Coordinator performs the following checks/reviews before creating the bank transfer:
 - 11.4.1. Variance analysis of last pay vs. this pay period.
 - 11.4.1.1. This analysis enables the Payroll Coordinator to see where significant changes to monthly payroll have occurred.
 - 11.4.1.2. There are some small variances expected (under \$200) because of short term "CIP" payments that employees are paid that aren't reflected in the current pay at this stage of the process.
 - 11.4.1.3. All variances above the \$200 mark are investigated.
 - 11.4.2. Variance analysis of salary per the earnings master file vs. what is being paid on this pay period.
 - 11.4.2.1. This analysis shows any significant variances from what employees are scheduled to be paid per the master file.
 - 11.4.2.2. All variances are reviewed in this report before issuing the bank transfer.
 - 11.4.3. The Payroll Coordinator enters explanations for all variances and provides a copy of the Earnings Variance Report to the Secretary-Treasurer and Manager of Finance.
 - 11.4.4. The Manager of Finance reviews and initials the report after payroll has been processed.
- 11.5. Once the bank transfers are completed by the Payroll Coordinator or Payroll Clerk, payroll is paid out.
- 11.6. The Payroll Coordinator posts the journal entry in SDS for all payroll payments.
12. When there is a salary overpayment or source deductions error, and the amount must be paid back by the employee, this shall not be done without agreement from the employee first or a letter from HR.

- 12.1. If the employee does not consent, the matter shall be referred to the Secretary-Treasurer to arrange a payment arrangement.
- 12.2. If no arrangement is in place at a year end, an equivalent advance shall be made, and adjustments taken once payment arrangement is in place in the following year.

AP 600.14: Professional Development Procedure

1. Annual professional development allowances and maximum carry forwards as follows:

Position or Group	Annual Allowance	Carry forward threshold
Group Principals and Vice-Principals	\$9,600	1 year
Group CUPE	\$9,750	1 year

2. Annual professional development allowances and maximum carry forwards for individual Exempt staff, Principals, and Vice-Principals, are specified in each employee's contract.
3. Exempt staff, Principals, and Vice-Principals professional development expenses are subject to the following criteria:
 - 3.1. Must be for professional development related to the employee's current position or future employment opportunities at the District (e.g. conference registration as well as travel expenses to attend, courses, books, other training sessions)
 - 3.2. No purchases of equipment (e.g. laptops)
 - 3.3. No transfers to other employees, at any time, during employment or upon retirement
 - 3.4. On an exceptional basis, professional development can be used to pay for group professional development in which the employee is participating
4. Group Principals and Vice-Principals Professional Development allowance is managed by an assigned PVP member on behalf of the PVP group. The District contributes \$9,600 annually (PVP Group ProD Account 1-41-35300-103).
5. CUPE Professional Development allowance is managed by the CUPE Professional Development Committee. The District contributes \$9,750 annually and CUPE contributes \$5,250 annually (CUPE ProD Account 4-41-35100-103). *For additional information, see "A.7 Application for CUPE Pro-D Funds" of the [District forms page](#).*

Fiscal Management

AP 610.1: Fiscal Management

1. The Secretary-Treasurer is responsible to ensure the District's fiscal management system complies with Ministry requirements, is modelled after generally accepted accounting practices (GAAP) and is maintained in a current status.
2. The Secretary-Treasurer will provide, for the information of the Board, monthly financial statements showing the financial condition of the School District as at the previous month, as well as other financial records, as determined by the Board.

AP 610.2: Bank Reconciliation Procedure

1. All bank reconciliations are required monthly, on or about the 10th of the following month. If the 10th falls on a weekend, it is due the following business day.

- 1.1. The Bank Reconciliation due date schedule is updated regularly and posted to the District [Clerical Manual](#).
2. School operating bank account reconciliations are submitted to the Finance Department monthly. Savings and investment accounts are submitted annually. Cash clearing accounts are un-deposited receipts and a bank reconciliation is not prepared for these accounts.
3. School and Department bank reconciliations are prepared by the Program or School Clerical and approved by the District or School Principal. Completed bank reconciliations are submitted to the Finance Department for final review and approval each month.
4. The District operating bank account reconciliation is prepared by the Accounting Coordinator and reviewed/approved by the Manager of Finance.
5. Month-end bank statements balances are required to match the bank balance in the appropriate general ledger account. If the two do not match, the differences in timing, outstanding items, etc. must be identified to reconcile the two balances.
6. In the event there is any difficulty in balancing the bank statement balance and the school trust account balance, the Department Clerical, School Clerical or Principal is to contact the District Accounting Coordinator for assistance immediately.
7. Department and School bank reconciliation reports and supporting documentation are maintained on site with copies on file at the Board Office. Approved bank reconciliations are filed in Laserfiche.
8. The following amounts in the bank reconciliation must agree to the back-up as follows:
 - 8.1. General ledger balance must agree to the balance in SDS found here: General Ledger → Account Inquiry → Account Balances/Details → Enter GL Account Number → Posting Date → End Date = month end → Total Expended
 - 8.2. Bank statement balance: must agree to the bank statement
 - 8.3. Outstanding cheques: must agree to the outstanding cheque listing
 - 8.4. Outstanding deposits: must agree to the outstanding deposit listing
 - 8.5. Reconciling items: any other reconciling items are reviewed
 - 8.6. If all of the above requirements are met, the Finance Department initials the bank reconciliation and files in Laserfiche.

AP 610.3: CDP Investment/Withdrawal Procedure

1. The Manager of Finance is responsible for updating a cash management sheet to determine the amount of cash funds that can be invested in the District's CDP Investment Account, to maximize investment income.
2. Upon email request/approval from the Secretary-Treasurer, the Accounts Payable Clerk is authorized to enter an EFT from the District's Operating Bank Account to the District's CDP Investment Account.
 - 2.1. EFT transfers will be included in the weekly Accounts Payable batch.
 - 2.2. EFT transfers will be deposited to the CDP Investment Account within 2 business days.
3. Upon email request/approval from the Secretary-Treasurer, the Manager of Finance is authorized to submit a withdrawal request from the District's CDP Investment Account to the District's Operating Account.

- 3.1. Withdrawal requests are submitted through the Ministry of Education's online Virtel system.
- 3.2. Withdrawals will be deposited to the Operating Bank Account within 2 business days.

AP 610.4: Month End Accruals and Close Procedure

1. Revenue Accruals

- 1.1. Ministry of Education operating grants, rental and leases revenues, other grants and donations are recorded in the month of receipt.
 - 1.1.1. A copy of all revenue agreements must be sent to the Manager of Finance, to monitor revenues and establish budgets accurately.
- 1.2. Deferred capital revenues are recognized monthly per the Ministry of Education historical amortization tool. Deferred other provincial revenues and other capital revenues are recognized monthly per the Ministry of Education custom amortization tool.
 - 1.2.1. The cells in the worksheet are password protected. The only input cells available to the Manager of Finance are the annual asset additions.
 - 1.2.2. The Manager of Finance enters the annual asset additions funded by deferred capital revenues (per the audited financial statements) and the template calculates next year's deferred capital revenue amortization. The Manager of Finance provides a copy to the Accounting Coordinator to enter monthly journal entries to recognize the amortization of deferred capital revenue.
 - 1.2.3. At year-end, this amortization tool is reconciled to the GL. The Secretary-Treasurer reviews the amortization tool and GL annually.
- 1.3. Deferred international tuition revenue from the prior year is recognized quarterly: 1/10 September, 3/10 December, 3/10 March, and 3/10 June.
- 1.4. Local Education Agreement (LEA) revenues and Conseil Scolaire Francophone No. 93 revenues are accrued quarterly: 1/10 September, 3/10 December, 3/10 March, and 3/10 June.
- 1.5. A revenue reconciliation is performed quarterly to ensure all revenues in the accounting system agree to the Ministry of Education's Common Disbursement System (CDS) reports.

2. Expense Accruals

- 2.1. Credit Card statements are posted the first day of the month following the month incurred (Example: March 26th statement expenses are posted April 1). Credit card expenses are accrued quarterly as operating expenses for GRE reporting. At year-end, there is an exception and credit cards are processed at June 30th and no accrual is made.
- 2.2. GST submissions is processed the second Tuesday of the following month. GST is posted the last day of the month it applies to.
- 2.3. Exempt Staff, PVP Staff and Teacher salaries and benefits are processed in the month incurred. No accrual is made.
- 2.4. CUPE support staff salaries and benefits are processed after incurred. Support staff salaries and benefits for are accrued quarterly for GRE reporting and at year-end.
- 2.5. Employee future benefits expenses are recognized monthly per the Ministry of Education's actuarial tool.

- 2.6. Tangible capital asset amortization expenses and deemed disposals are recognized monthly per the Ministry of Education historical amortization tool.
 - 2.6.1. Amortization amounts and deemed disposals are recognized monthly. As per the historical amortization tool:
 - Building assets are amortized over 40 years at 2.5% per year
 - Furniture & Equipment assets are amortized over 10 years at 10% per year
 - Vehicle assets are amortized over 10 years at 10% per year
 - Computer Hardware assets are amortized over 5 years at 20% per year
 - 2.6.2. The cells in the worksheet are password protected. The only input cells available to the Manager of Finance are the annual additions and disposals.
 - 2.6.3. The Manager of Finance enters the annual additions and disposals (per the audited financial statements) and the template calculates next year's amortization expense. The Manager of Finance provides a copy to the Accounting Coordinator to enter monthly journal entries to recognize the amortization expense.
 - 2.6.4. At year-end, this amortization tool is reconciled to the GL. The Secretary-Treasurer reviews the amortization tool and GL annually.
- 2.7. Doubtful accounts are reviewed quarterly.
- 2.8. Scholarships and Bursaries are recognized as expenses when payments are issued. Successful applicants are selected in advance. However, they are only eligible to receive the funds when required documentation (e.g. proof of enrolment in post-secondary) is provided.

3. District Journal Entries

- 3.1. District journal entries are prepared by the Accounting Coordinator or Finance Clerk and reviewed/approved by the Manager of Finance.
- 3.2. At month-end, the Accounting Coordinator and Finance Clerk submit their journal entry batches to the Manager of Finance. Approved journal entries are filed in Laserfiche.

4. SDS Month-End Close

- 4.1. After all bank reconciliations are received and approved, revenues and expense accruals entered, and journal entries approved, the Accounting Coordinator processes the month-end close in SDS.
- 4.2. The Accounting Coordinator closes all journal entry batches, performs an accounting back-up, runs the alternate funds process, and closes month end.

AP 610.5: Year-End Accruals Procedure

1. Revenues are accrued at year-end as follows:
 - 1.1. The Operations Clerical Secretary submits a copy of any unpaid maintenance invoices at June 30th to the Accounting Coordinator, to be accrued as a receivable at year end.
 - 1.2. Federal French (OLEP) revenue is accrued according to the Federal French table.
 - 1.3. Bylaw Capital revenue is accrued for any bylaw capital spending for which COA amounts have not been drawn at year-end.

2. Prepaid expenses are recorded at year-end as follows:
 - 2.1. Schools and departments are encouraged to postpone purchases that are for the following year to July
 - 2.2. If a school or department makes a purchase in the current year for next year, and it cannot be postponed to July, the following procedures apply:
 - 2.2.1. The purchase must be coded to prepaid GL account 76500-0.
 - 2.2.2. The budget GL account for next year must be clearly indicated.
 - 2.2.3. The Accounts Payable Clerk provides a copy of all prepaid expense support documentation to the Accounting Coordinator.
 - 2.2.4. The Accounting Coordinator enters a journal entry in July to recognize the prepaid expenses.
3. Expenses are accrued at year-end as follows:
 - 3.1. The Accounts Payable clerk creates a June 30th dated AP batch through to the second Wednesday of July. Any payments with an invoice date of June 30th and prior are posted in the June 30th batch. After the cut-off date, all subsequent invoices are posted in July.
 - 3.1.1. The Manager of Finance reviews all significant invoices after the cut-off date to ensure that all material accruals have been made (e.g. any major construction in progress, ongoing consulting or legal fees etc.).
 - 3.2. Schools must clear their accounts receivable account (Account 75500-XX) due to the District to \$0 at June 30th, to ensure the expenses are properly recognized in the current year.
 - 3.2.1. Schools may either issue payments to the Board Office or enter a journal entry to school operating accounts.
 - 3.2.2. After School Clerical are away for summer holidays, any remaining accounts receivable balances in account 75500-XX due to the District are transferred by journal entry to the School's general supplies account 1-02-51100-XX.
 - 3.3. Departments and Schools may submit invoices to the Finance Department for expenses related to the current school year to be accrued.
 - 3.4. The Operations Clerical submits copies of utilities and natural gas bills to the Accounting Coordinator to be accrued.
 - 3.5. Audit fees are accrued according to the auditor quote approved by the Board.
 - 3.6. Vacation pay payable is accrued at year end:
 - 3.6.1. An Accrued Liability Summary report dated June 30th is pulled from SDS: Human Resources → Payroll → Payroll Reports → Accrual Liabilities → CUPE: Banked Time, CUPE 10 Mth Vac Plan, CUPE 12 Mth Vac Plan → Admin: Admin Vacation Plan, Compensatory Time
 - 3.6.2. The Accrued Vacation Pay liability in account 86001-0 is updated to reconcile to the SDS Accrued Liability Summary report.
 - 3.6.3. CUPE vacation pay is accrued as an expense in Custodian Salaries (Account 5-50-12045-4).
 - 3.6.4. Administration vacation pay is accrued as an expense in Other Professional Salaries (Account 4-41-13000-102).

AP 610.6: Pre-Rollover Journal Entry Procedure

1. The following journal entries are entered after external audit fieldwork is complete, and prior to year-end SDS rollover.
2. Journal entry deemed disposals to accumulated amortization
 - 2.1. Credit 1-78202 accumulated amortization deemed disposals Furnitures and Equipment. Debit 1-78201 accumulated amortization Furniture and Equipment.
 - 2.2. Credit 1-78302 accumulated amortization deemed disposals Vehicles. Debit 1-78301 accumulated amortization Vehicles
 - 2.3. Credit 1-78402 accumulated amortization deemed disposals Computer Hardware. Debit 1-78401 accumulated amortization Computer Hardware.
3. Journal entry operating, special purpose and capital expenses that are being capitalized to the appropriate Tangible Capital Asset (TCA) accounts. *For additional procedures, see “AP: Capital Expense Procedure.”*
 - 3.1. 1-78000 Sites
 - 3.2. 1-78100 Buildings
 - 3.3. 1-78200 Furniture and Equipment
 - 3.4. 1-78300 Vehicles
 - 3.5. 1-78400 Computer Hardware
4. Journal entry surplus for tangible capital assets purchased
 - 4.1. 1-88500 Invested in Tangible Capital Assets (Operating, Special Purpose and Local Capital)
 - 4.2. 1-84100 Deferred Cap – Bylaw Cap
 - 4.3. 1-87500 Deferred Cap – Other Provincial
 - 4.4. 1-87600 Deferred Cap – Other Capital (Non-Provincial)

AP 610.7: Year-End Rollover Procedure

1. Year-end accounting rollover occurs annually in September. The Manager of Finance is responsible to notify all applicable staff including school Secretaries, Principals and Vice-Principals of the rollover date.
2. During this process, users will not be able to have any accounting sessions open. Once this process has been completed users will no longer have access to prior year data in eFunds
3. Historical eFunds data will still be in the system and available at a district level.
4. Secretaries are required to save the following reports prior to year-end rollover:
 - 4.1. GL Detail Listing
 - 4.1.1. G/L Report → Layout: Details By Department, Account → Date: July 1, 2018 to June 30, 2019 → Print (“print” generates a pdf report, which can be saved to your computer)
 - 4.2. Journal Entry Listing
 - 4.2.1. Journal Entry Listing → Sort Option: By Posting Date → Date: July 1, 2018 to June 30, 2019 → Print (“print” generates a pdf report, which can be saved to your computer)
 - 4.3. Receipt Detail Listing

4.3.1. Receipt Listing → Report Layout: Details → Date: July 1, 2018 to June 30, 2019 → Print (“print” generates a pdf report, which can be saved to your computer)

4.4. Receipt Student Detail Listing

4.4.1. Receipt Listing → Report Layout: Student Details → Date: July 1, 2018 to June 30, 2019 → Print (“print” generates a pdf report, which can be saved to your computer)

4.5. Deposit Detail Listing

4.5.1. Deposit Listing → Report Layout: Details → Date: July 1, 2018 to June 30, 2019 → Print (“print” generates a pdf report, which can be saved to your computer)

4.6. Cheque Register Details with GL

4.6.1. Cheque Register → Report Layout: Details (With GL Distributions) → Printed Date: July 1, 2018 to June 30, 2019 → Cheque Date: July 1, 2018 to June 30, 2019 → Print (“print” generates a pdf report, which can be saved to your computer)

Board Signing Authority

AP 611.1: Signing Authority

1. Corporate Seal

1.1. The signing officers for execution of all legal documents requiring the corporate seal shall be the Chair or Vice-Chair of the Board, together with the Secretary-Treasurer.

2. Agreements Requiring Two Signatures

2.1. The signing officers of the Board for contracts and other legal documents shall be any two of the Chair of the Board, the Vice-Chair of the Board, the Superintendent of Schools or the Secretary-Treasurer.

3. Agreements Requiring One Signature

3.1. Some agreements require only the signature of one authorized Board official to bind the Board. Examples include new insurance policies, leases third-party service contracts and grant agreements.

3.1.1. Where a financial commitment is involved in such agreements, the Secretary-Treasurer, or, as designated by the Secretary-Treasurer, the Superintendent or Director is authorized to sign on behalf of the Board.

3.1.2. For employment agreements with excluded employees other than the Superintendent, the Superintendent is authorized to sign on behalf of the Board.

3.1.3. For the employment agreement of the Superintendent, the signature of the Chair of the Board is required.

3.1.4. For agreement where there is no financial commitment the agreement, the Superintendent of Schools is authorized to sign on behalf of the Board.

3.2. Agreements with KLTF or CUPE, involving letters of understanding, memorandums of agreement, and grievance settlements, require the signature of any two of either the Superintendent of Schools, the Secretary-Treasurer or the Director of Human Resources.

- 3.3. For third-party grant applications or grant agreements for amounts of \$5,000 or less, or, for service contracts and purchases for amounts \$5,000 or less, the signature of Principal of a School or the Secretary-Treasurer is required.

Budget Development, Monitoring and Reporting

AP 620.1: Budget Development, Monitoring and Reporting

1. Major plans, assumptions, implementation strategies, and risks are to be disclosed to the Board prior to approval of annual or amended annual budgets. At a minimum, these disclosures should include:
 - 1.1. key budget assumptions, such as student enrolments, grant rate changes, salary increases and inflation rates;
 - 1.2. financial and business risks, such as changes in interest rates and changes in fuel prices; and
 - 1.3. specific strategies explaining how the budget supports the school district's strategic plan/direction.
2. Budget update materials should be prepared monthly and provided to the Operations and Finance Committee and the Board in a timely manner.
 - 2.1. Budget updates should include a comparison to the original budget and forecasts to the end of the school year in the following areas:
 - 2.1.1. revenues
 - 2.1.2. expenses
 - 2.1.3. accumulated operating surplus or deficit
 - 2.2. The updates should also include an explanation of significant variances, such as variances greater than 10%.
 - 2.3. The budget updates are to be made available to the board as part of its regular meeting packages, and staff should review any variances to budget with Trustees to ensure they are aware of the current situation in a timely manner.
3. The Secretary-Treasurer will establish effective budgetary controls including:
 - 3.1. clearly defined managerial responsibilities and internal control processes;
 - 3.2. plans for individual budget sites;
 - 3.3. responsibility for adhering to the budget;
 - 3.4. monitoring performance against the budget;
 - 3.5. corrective action if results differ significantly from the budget;
 - 3.6. permitting significant departures from the budget with the approval by the board; and
 - 3.7. investigating unexplained variances from the budget.

AP 620.2: Budget Transfer Procedure

1. Schools and Departments have the authority to enter budget transfers within the budgets they have been authorized to access and for which the Principal or Department head has been delegated budgetary responsibility (identified by cost center in most cases).

- 1.1. Access in Via/eFunds for each School and Department is limited to the accounts the Principal or Department head has discretion over.
2. Budget transfers involving accounts outside of a School's or Department's access requires a request be sent to the Accounting Coordinator or Manager of Finance.

Accumulated Operating Surplus

AP 621.1: Accumulated Operating Surplus

1. Definitions
 - 1.1. Unrestricted Surplus: the accumulated operating surplus built up in the School District's operating fund that has not been designated for specific uses.
 - 1.2. Restricted Surplus: the accumulated operating surplus built up in the School District's operating fund that has been designated for specific uses.
2. The Secretary-Treasurer shall:
 - 2.1. Recommend the appropriate balances to be maintained in both the unrestricted and restricted accumulated operating surpluses;
 - 2.2. Recommend the necessary increases/decreases and transfers from Restricted and Unrestricted Operating surpluses;
 - 2.3. Secure Board approval for the transfer of surplus operating funds; and
 - 2.4. Benchmark actual surplus balances with other school districts and with pre-determined targets on an ongoing basis to gauge whether financial health is being achieved.
3. Annual and/or periodic increases to the restrictions on the Accumulated Operating Surplus shall be specific to each category of restriction, as approved by the Board through the School District's annual financial planning/budgeting process.
 - 3.1. Accumulated Operating Surplus balances and changes will be reported in the Annual Financial Statements.

AP 621.2: Carry Forwards and Surplus Restrictions Procedure

1. Surplus appropriations require Board approval.
2. Surplus appropriation changes require Board ratification.
3. Carry forwards are calculated and proposed to the Board prior to the adoption of the Financial Statements, and any approved carry forwards are to be described in a note to the Financial Statements.
4. Carry forwards are approved along with Board approval of the Financial Statements.
5. Additional carry forwards and surplus restrictions may be approved by the Board at a later date.
6. Review the following for potential carry forwards:
 - 6.1. Prior Year Surplus Appropriations Unspent (E.g. Multi-Year Technology Projects)
 - 6.2. Schools
 - 6.2.1. Calculate positive and negative carry forwards

6.2.2. The carry-forward amount excludes any surplus or deficit within targeted accounts (e.g. aboriginal education and special purpose funds such as LINKS).

6.3. Professional Development

6.3.1. Calculate positive and negative carry forwards

6.3.2. Calculate individual and Group PVP. *For additional procedures, see “AP: Professional Development Procedure.”*

6.4. Aboriginal Education

6.4.1. All expenses vs budgets

6.4.2. Operating-funded AbEd carry-forward for encumbered and unspent annual Scholarships

6.5. International Program

6.5.1. GIE program unspent revenue is deferred

6.5.2. Other International – working capital for agent fees

6.6. Innovative Learning Services Grants

6.6.1. Example: Columbia Basin Trust Grants, Healthy Schools Grant etc.

6.7. District Reserve

6.7.1. 500,000 restricted by the Board or another amount deemed appropriate by the Board

Capital

AP 630.1: Capital Plan Procedure

1. The District is required to submit a 5-year capital plan to the MoE that includes all major capital projects including capital improvements. This capital plan is prepared by the Secretary-Treasurer and Director of Operations and is updated and reviewed annually.
2. The Board of Trustees approves the capital plan before being sent to the MoE.
3. When the MoE approves an item on the capital plan, the board approves a Bylaw and forwards the bylaw to the Ministry.
4. From there, the Ministry creates a certificate of approval (COA) that allows the District to draw funds as costs are incurred.
5. Capital plan items must follow the Procurement and Purchasing Policy. The Finance Department, together with the Operations Department, set up the necessary construction bids and make all necessary purchases. All POs close once the items have been received and paid.
6. Non-capital assets (including IT) are funded internally. When these items are required, the responsible department head/supervisor/manager must approve the purchase.
7. Once a PO has been entered into the system, the Finance Department will approve and forward the PO to the requested vendor.
8. All POs close once the items have been received and paid.

AP 630.2: Capital Asset Tracking Procedure

1. The following asset tracking procedures are in effect for each tangible capital asset category. All capital assets are amortized per the Ministry of Education amortization tool, which includes annual deemed disposals amounts to account for the write-down of vehicles, furniture & equipment, and computer hardware.
2. Vehicles
 - 2.1. Annual fleet listing dated June 30th prepared and signed off by the District of Operations and Manager of Operations
3. Schools Furniture and equipment (also see AP 640.2)
 - 3.1. Annual school inventory dated June 30th prepared and signed off by the Principal of each school.
 - 3.2. A standardized school inventory template is used. *For additional information, see the "School Inventory Form" posted to the District [Clerical Manual](#).*
4. Maintenance Operations and Transportation Facilities Furniture and Equipment
 - 4.1. Annual Maintenance Operations, or Transportation inventories dated June 30th prepared and signed off by the Director of Operations or Manager of Operations.
5. Computer Hardware
 - 5.1. The Information Technology department tracks technology assets in real time.
 - 5.1.1. Employee Devices inventory is tracked using Solar Winds Helpdesk
 - 5.1.2. Student Devices inventory is tracked using Follett Destiny
 - 5.2. Reporting of assets is provided to the Finance Department quarterly and annually, including continuity of assets, user per device, and usage data.

AP 630.3: School Inventories

1. All School District facilities shall provide an annual inventory of all furniture and equipment, including serial numbers, where applicable, in June of each year.
2. The inventory shall be recorded by room or area in each facility.
3. Any equipment on loan to the facility should be identified on a separate list so appropriate insurance coverage can be arranged.
4. One (1) copy of the inventory shall be submitted to the Board Office prior to the end of June each year.

AP 630.4: Capital Expense Procedure

1. Identifying expenses to capitalize in the Operating Fund:
 - 1.1. Review the following accounts quarterly and capitalize expenses for individual invoices over \$5,000.
 - Fund 0, Object 580 - Furniture and Equipment
 - Fund 0, Object 582 - Computer Hardware
 - Fund 0, Object 585 - Vehicles
 - 1.2. Do not capitalize any Computer Software expenses.
2. Identifying expenses to capitalize in the Annual Facilities Grant (AFG):
 - 2.1. Capitalize all expenses in AFG Fund 300, Object 781 to Buildings - no threshold.

- 2.2. Capitalize all salaries and benefits for journeymen in AFG Fund 300 to Buildings – no threshold.
- 2.3. Annually transfer AFG capital expenses to Capital Fund 200, up to the amount of the capital portion of AFG (cannot exceed the COA).
 - Credit account 300-0000-0-00-78600-0 (AFG Capital Expenses)
 - Debit account 200-0000-0-00-85880-0 (Bylaw Capital Expenses)
- 2.4. Capitalize all remaining capital expenditures in Fund 300 up to the AFG Operating Portion funding available (transfer to Capital).
- 2.5. Annually transfer AFG capital expenses to Local Capital Fund 1, up to the amount of the approved local capital spending (if applicable).
 - Credit account 300-0000-0-00-78600-0 (AFG Capital Expenses)
 - Debit to account 1-0000-0-00-59900-0 (Local Capital - Equipment)
 - Debit to account 1-0000-0-00-59800-0 (Local Capital - Equipment)
- 2.6. Expenses cannot exceed the total deferred AFG revenue and the annual AFG grant. If applicable, annually transfer capital expenses that exceed DR and AFG grant to Operating and capitalize.
 - Credit account 300-0000-0-00-78600-0 (AFG Capital Expenses)
 - Debit account 0-0000-5-50-58510-4 (Building Expenses)
3. Identifying expenses to capitalize in the Capital Fund:
 - 3.1. Capitalize all expenditures in Bylaw Capital and Other Capital - no threshold.
 - 3.2. Expenses cannot exceed the total deferred capital revenue (DCR) and Capital Certificate of Approvals (COAs). If necessary, annually transfer capital expenses that exceed the DCR and COA to Local Capital and capitalize.
 - Credit account in Fund 200 that exceeded the COA.
 - Debit to account 1-0000-0-00-59900-0 (Local Capital - Equipment)
 - Debit to account 1-0000-0-00-59800-0 (Local Capital - Equipment).
4. Enter journal entries to capitalize expenses after the financial statements have been audited:
 - 4.1. Deferred Capital – Bylaw Capital TCA purchased:
 - Credit 1-0000-0-00-84100-0 – Deferred Capital – Bylaw Capital
 - Debit 1-0000-0-00-78100-0 – Buildings
 - Debit 1-0000-0-00-78200-0 – Furniture and Equipment
 - Debit 1-0000-0-00-78300-0 – Vehicles
 - Debit 1-0000-0-00-78400-0 – Computer Hardware
 - 4.2. Deferred Capital - Other Provincial TCA purchased:
 - Credit 1-0000-0-00-87500-0 – Deferred Capital – Other Provincial
 - Debit 1-0000-0-00-78100-0 – Buildings
 - Debit 1-0000-0-00-78200-0 – Furniture and Equipment

Debit 1-0000-0-00-78300-0 – Vehicles

Debit 1-0000-0-00-78400-0 – Computer Hardware

4.3. Deferred Capital - Other Capital (Non-Provincial) TCA purchased:

Credit 1-0000-0-00-87600-0 – Deferred Capital – Other Capital (Non-Provincial)

Debit 1-0000-0-00-78100-0 – Buildings

Debit 1-0000-0-00-78200-0 – Furniture and Equipment

Debit 1-0000-0-00-78300-0 – Vehicles

Debit 1-0000-0-00-78400-0 – Computer Hardware

4.4. Operating: TCA purchased:

Credit 1-0000-0-00-88500-0 – Invested in Tangible Capital Assets

Debit 1-0000-0-00-78100-0 – Buildings

Debit 1-0000-0-00-78200-0 – Furniture and Equipment

Debit 1-0000-0-00-78300-0 – Vehicles

Debit 1-0000-0-00-78400-0 – Computer Hardware

4.5. Special Purpose: TCA purchased:

Credit 1-0000-0-00-88500-0 – Invested in Tangible Capital Assets

Debit 1-0000-0-00-78100-0 – Buildings

Debit 1-0000-0-00-78200-0 – Furniture and Equipment

Debit 1-0000-0-00-78300-0 – Vehicles

Debit 1-0000-0-00-78400-0 – Computer Hardware

4.6. Local Capital: TCA purchased:

Credit 1-0000-0-00-88500-0 – Invested in Tangible Capital Assets

Debit 1-0000-0-00-78100-0 – Buildings

Debit 1-0000-0-00-78200-0 – Furniture and Equipment

Debit 1-0000-0-00-78300-0 – Vehicles

Debit 1-0000-0-00-78400-0 – Computer Hardware

AP 630.5: Asset Retirement Obligations

1. The District estimates the cost of asset retirement obligations as follows:

- 1.1. \$80.73/m² Asbestos removal at all building built 1990 or earlier
- 1.2. \$134.55/m² Other Hazardous Materials removal (e.g. lead paint) at all buildings built 1990 or earlier
- 1.3. \$100,000 per Oil/Fuel Tank
- 1.4. \$40,000 per Groundwater Well
- 1.5. \$5,000 per Generator & Fuel Tank

- 1.6. \$2,000 per Propane Tank
- 1.7. \$25,000 PCB Ballasts total all sites
2. The District deducts asset retirement obligations for abatements completed at the actual cost of abatement.

Disposal of Real Property and Improvements

AP 631.1: Disposal of Real Property and Improvements

3. The Secretary Treasurer is responsible for overseeing the disposal process.
4. Prior to the disposition of surplus property, the District will:
 - 4.1. Consider future enrolment growth in the District, including Kindergarten to Grade 12, adult programs, and early learning;
 - 4.2. Consider alternative community use of surplus space in school buildings and other facilities;
 - 4.3. Complete full title search; and
 - 4.4. Request an independent appraisal of the property; and
 - 4.5. Submit a letter requesting ministerial approval to proceed to sell the property, along with all information required on the Ministry of Education's *Real Property Disposal Checklist (June 2018)* to the Capital Management Branch
 - 4.5.1. Ministerial approval is subject to the government's Surplus Property Program, including a 90-Day Enhanced Review Process, under which the property is made available in priority to other governmental agencies.
5. The method of disposition of surplus properties will be through a public process that may include:
 - 5.1. Listing the property for sale with a certified realtor;
 - 5.2. Public advertising;
 - 5.3. Public tender;
 - 5.4. Public auction; or
 - 5.5. Request for proposals.
6. The District will apply the following criteria regarding disposals:
 - 6.1. The decision to sell or lease the property is consistent with Ministry policy, orders and regulations;
 - 6.2. The business case for selling the property is demonstrable and supportable after consideration of future enrolment growth, alternative community use and input, environmental issues, title searches, independent appraised value, and offers;
 - 6.3. The disposition will be at fair market value, except as set out below. Fair market value means the amount, price, consideration or rent that would be obtained by the District of Education in an arm's length transaction in the open market between willing parties acting in good faith;
 - 6.4. That considerations regarding market value and highest and best use could be superseded at the discretion of the District if:

- 6.4.1. The property could generate ongoing funding for the district through an educational partnership, or the property could generate ongoing funding, savings, or provide shared services to the District through partnership with other public bodies (e.g. lease arrangement with BC Transit),
 - 6.4.2. The property has a history of a community relationship and past usage with a committed organization in the community,
 - 6.4.3. The property is the only public facility in the community that is suitable for community use;
 - 6.4.4. The planned use of the property would have significant positive effect on a large number of citizens that could not be gained in other ways;
 - 6.4.5. The property would be used by another District (including the Conseil Scolaire Francophone) or independent school for educational purposes; or local government or community organization for alternative community use.
- 6.5. The Board of Education will have adopted a by-law approving the disposition;
7. Subject to section 5, if the District receives funds in respect of the disposition of any asset that was the subject of a capital expenditure, the funds must be allocated between the District and the minister according to the District's contribution and the minister's contribution to the capital expenditure. Where the land and building assets were funded with COA funds, any gain on disposal is split 75/25 with the MOE's 75% being recorded into the District's MOE Restricted Fund where we must ask the Ministry's approval to spend and the 25% being recorded into Local Capital which requires board approval.
8. The Minister may allocate the money between the minister and the District if:
- 8.1. The minister is not able to determine the District's contribution or the minister's contribution to the capital expenditure, or
 - 8.2. In the opinion of the minister, the allocation is not appropriate in the circumstances.
9. Money allocated to the minister must be used by the District only
- 9.1. for capital projects, and
 - 9.2. with the minister's approval.
10. Money allocated to the Board of Education must be used by the District only for capital projects, and allocated by Board motion.
11. The District may allocate money received in respect of a lease to either operating or capital expenditures if the lease
- 11.1. is for a term, including the cumulative total of all options and rights to extend or renew the lease, of not more than ten (10) years, and
 - 11.2. does not provide for an option or right to purchase.

Procurement and Purchasing

AP 632.1: Procurement and Purchasing

1. The Secretary-Treasurer will be responsible for ensuring that purchasing procedures are established so that all supplies, services and equipment required for the operation of the School District's schools and

educational programs are obtained at the best price and quality available with free opportunity, whenever practicable, for all interested vendors to make proposals for supply.

- 1.1. The School District will purchase locally, whenever and wherever possible; however, the School District’s first consideration must be value for money spent. For this reason, local suppliers and contractors will be given preference only, as other factors are equally comparable.
- 1.2. The Board will, whenever practical, join in Shared Services BC and other cooperative purchasing arrangements with other School Districts or agencies to take advantage of lower negotiated prices for bulk purchasing and to reduce the administrative costs in tendering (e.g. using Focused Education Resources shared services).
- 1.3. The Secretary-Treasurer will provide to the Board a monthly printout of all expenditures in excess of ten thousand dollars (\$10,000) for information.
2. The Secretary-Treasurer will be responsible for ensuring that tendering procedures are established for the District (see Accounting Procedures Manual).
 - 2.1. Tender calls will be made in accordance with the B.C. Government Public Sector purchasing requirements.
 - 2.2. Tender calls for audit services will be invited from accounting firms within the School District that hold a chartered accountant designation and can comply with the Ministry of Education requirements for auditing school districts.

AP 632.2: Accounts Payable Procedure

3. Expense support documentation must exist and have the appropriate authorization prior to payments being entered and issued by the Finance Department.
 - 3.1. Required expense support documentation:

Type of Payment	Required Support Documentation
Invoice directly from vendor	Stamped invoice with GL account, amount, and invoice number
Contracts	Stamped contract with GL account, amount, and payment schedule
Staff expense reimbursement	A.1 Reimbursement Claim Form (original receipts attached)
School expense reimbursement	A.1 Reimbursement Claim Form (original receipts attached)
Private sale reimbursement	A.1 Reimbursement Claim Form (signed bill of sale receipt and proof of payment attached)
Private sale direct payment	Signed bill of sale, stamped with GL account and amount
Staff travel expense claim	A.2 Travel Claim Form (complete mileage detail and original receipts attached)
Transportation assistance	A.5 Transportation Assistance Reports
Honorarium	A.8 Honorarium Claim Form

3.1.1. Accounting Forms are requested to be completed electronically, rather than handwritten, for improved accuracy. *For additional information, see the “Finance: Accounting and Payroll” section of the [District forms](#) page.*

3.1.2. Work orders are not accepted as appropriate payment support documentation.

- 3.2. Required expense authorization:

Expense Payable To	Approval Initials Required on Support Documentation
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School Vendor	Principal
School Staff (Teacher, Secretary)	Principal
Principals and Vice-Principals	Superintendent
District Principals	Direct Report to (Director)
Board Office Vendor	Budget "Owner" (Director, District Principal, Manager, Superintendent, Secretary-Treasurer)
Board Office Staff	Direct Report to (Director, District Principal, Manager, Superintendent, Secretary-Treasurer)
Payroll Benefits, Dues and Tax Remittances	Payroll Coordinator
School Trust GST rebates	Accounts Payable Clerk
Secretary-Treasurer	Superintendent
Trustees and Superintendent	Secretary-Treasurer
Contracts greater than \$5,000	Superintendent or Secretary-Treasurer
Contracts less than or equal to \$5,000	Budget "Owner" (Director, District Principal, Manager, Principal, Superintendent, Secretary-Treasurer)

4. Support documentation is prepared by the Department/School clerical, initialed by the applicable authority, scanned and sent by email on a regular basis to be reviewed and entered by the Accounts Payable Clerk. If any receipts are not available, a signed A.9 Missing Receipt Form is required.
5. If appropriate support documentation and authorization exists, the Accounts Payable clerk enters the payment into an Accounts Payable batch. The Accounts Payable clerk implements the following procedures:
 - 5.1. For new vendors, the Accounts Payable clerk sets-up the vendor in SDS.
 - 5.1.1. Vendors are encouraged to complete an A.10 New Vendor Set-up Application, which includes Electronic Funds Transfer (EFT) information to ensure timely payment of invoices.
 - 5.1.2. The SDS vendor number is set-up as the vendor phone number if available, otherwise they are auto assigned a vendor number.
 - 5.2. All expenses in a batch are entered under the same batch number which is automatically assigned an electronically generated number. The batch posting date is entered when the batch is created and cannot be overwritten.
 - 5.3. If a payment is being issued to a vendor that does not have a CRA business number, the Accounts Payable clerk provides a copy to the Accounting Coordinator for T4A tracking. *For additional procedures, see "AP: T4A Procedures."*
 - 5.4. GST is paid per the support documentation. The District claims 100% of the GST rebate for books, workbooks, and library books. Otherwise the District claims 68% of the GST rebate for all other purchases.
 - 5.5. PST is entered per the support documentation. The District is PST exempt for school supplies for students as per the [Government of BC's PST exemptions](#), and does not pay PST for these purchases. Otherwise the District pays PST for all other purchases.
 - 5.6. Ensure original detailed receipts are attached to reimbursement requests.
 - 5.7. Ensure mileage details are complete on travel claims and are in accordance with the District mileage chart. *For additional procedures, see "AP: Travel Expense Procedure."*

- 5.8. Expenses are legitimate and support School District business.
- 5.9. Meal receipts must include a detailed list of items purchased, and meal receipts for groups of 6 or less must list the names of the employees the meal was for. Summary receipts are not accepted.
- 5.10. Enter Paid on Behalf details. *For additional procedures, see “AP: Statement of Financial Information Procedure.”*
- 5.11. The District does not pay late fees.
- 5.12. The Accounts Payable clerk implements the following invoice numbering procedure. This ensure invoice numbers are entered consistency and prevents duplicate payments. Duplicate invoice numbers cannot be entered into the system and will generate an error message.

5.12.1. Invoice number entry table:

Support Document	Invoice Number Entry Procedure	Format	Example
Invoice with invoice number	Exactly as appears on the invoice including spaces, special characters, leading zeros	Invoice Number	45FX9 45FX9-2
Invoice without invoice number	Year and month of billing date (Fortis, City of Nelson, Homelinks, Harris and Co., Skyway, Nelson Hydro)	YYYY.MM	2019.01 2019.01-2
	Year and month of billing date –School (Shaw)	YYYY.MM-School	2019.01-BK 2019.01-BK-2 2019.01-LV-2
	Year, month and day of billing date (Telus)	YYYY.MM.DD	2019.01.10
Contract Payments	Year and month of payment (e.g. Nelson Strong Start)	YYYY.MM	2019.01 2019.01-2
A.1 Reimbursement Claim Form	Year and month of expenses –RB	YYYY.MM-RB	2019.01-RB 2019.01-RB-2
A.1a District Disbursement Form	Year and month of disbursement –D	YYYY.MM-D	2019.01-D 2019.01-D-2
A.2 Travel Claim Form	Year and month of travel –TR	YYYY.MM-TR	2019.01-TR 2019.01-TR-2
A.2a Trustee Expense Claim Form	Year and month of expenses –TT	YYYY.MM-TT	2019.01-TT 2019.01-TT-2
A.5 Transportation Assistance Reports	Year and month of transportation –TA	YYYY.MM-TA	2019.01-TA 2019.01-TA-2
A.7 CUPE Pro-D Application	Year and month of application –CU	YYYY.MM-CU	2019.01-CU 2019.01-CU-2
A.8 Honorarium Claim Form	Year and month of service –H	YYYY.MM-H	2019.01-H 2019.01-H-2
GST Payment to Schools	Year and month of GST – GST	YYYY.MM-GST	2021.01-GST
Homestay Payments	Invoice number is auto generated. Before upload, double check the last homestay period to confirm in sequence		
Payroll Deductions	Exactly as appears on the invoice prepared by payroll	Invoice Number	

5.12.2. School abbreviation and cost center entry table:

Abr.	School/Dept	CC	Abr.	School/Dept	CC	Abr.	School/Dept	CC
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AR	Adam Robertson	22
BL	Blewett	24
BK	Brent Kennedy	26
CL	Canyon-Lister	28
CE	Central	30
CB	Crawford Bay	32
DK	Elev8-DESK	79
DL	Distr. Learning	97
EE	Erickson	34
HL	Homelinks	90

HE	Hume	38
JV	JV Humphries	40
JW	Jewett	42
LV	LV Rogers	44
MS	Mount Sentinel	46
PC	Creston Valley	48
RC	Reach	94
RF	Redfish	50
RM	Rosemont	52
SE	Salmo Elem	54

SS	Salmo Sec	56
SN	South Nelson	60
TR	Trafalgar	62
WE	WE Graham	64
WF	Wildflower-Nelson	85
WC	Wildflower-Creston	84
WL	Winlaw	66
M	Maintenance	4

6. After entering a batch, the Account Payable clerk prints and reviews the batch for accuracy and to confirm there are no entry errors such as amount, vendor and invoice number, etc.
7. Weekly, the Accounts Payable clerk submits all batches and support documentation to the Manager of Finance for review. In the Manager of Finance's absence, another member of the Finance Department is assigned to review.
8. The Manager of Finance reviews all Accounts Payable batches to ensure:
 - 8.1. Appropriate support documentation exists and is completed correctly (e.g. ensure mileage details are included for mileage claims).
 - 8.2. Required authorization initials are present.
 - 8.3. GL accounts are appropriate (e.g. ensure Services and Supplies accounts are used).
 - 8.4. Payee and amount are accurate.
9. The Manager of Finance tallies and initials all AP batches, and provides any corrections to the Accounts Payable Clerk.
10. The Accounts Payable Clerk makes any required corrections. Once the accuracy of the information entered is verified, the batches are posted to the General Ledger.
11. The Accounts Payable Clerk provides a copy of the final Accounts Payable Due report, which includes all posted batches, to the Manager of Finance for review and approval. The Accounts Payable includes a manual tally of the batches. Small variances may occur due to held credits etc. The Accounts Payable clerk clearly identifies the reason for any variance.
 - 11.1. The Manager of Finance reviews and initials to confirm the total Accounts Payable Due Report agrees to the AP batch tally prepared during review and the AP clerks manual tally, the cheque total agrees to the cheque list, and EFT total agrees to the EFT list.
12. Following Manager of Finance approval, the Accounts Payable Clerk issues payment for all cheques and EFTs.
 - 12.1. Payments to all employees are transmitted via EFT separately from their salary payments.
 - 12.2. Most vendors are also paid electronically with the remainder of vendors receiving printed cheques.
 - 12.3. All cheques are printed with electronic signatures when the AP batches are processed.
 - 12.4. The Accounts Payable Clerk is authorized to void cheques. Void cheques are filed in Laserfiche.

- 12.5. The Accounting Coordinator prepares monthly bank reconciliations using SDS, aided with spreadsheets. Monthly bank reconciliation are reviewed/approved by the Manager of Finance.
13. The Accounts Payable clerk provides the AP process number, cheque numbers and totals, and EFT numbers and totals to the Manager of Finance. The Manager of Finance enters all data into the AP cheque and EFT register and ensures all cheques and EFTs are in sequence.
14. When vendor statements are received, the Accounts Payable clerk investigates any outstanding amounts by communicating with other school secretaries, other school board department secretaries, or by contacting the vendor directly. Any outstanding vendor statements are reviewed and addressed monthly.
15. A District-wide purchasing deadline for all District accounts is April 30th unless another date is set by the Secretary-Treasurer and Superintendent. The cut-off applies to all discretionary purchases. Exceptions to the purchasing deadline include ongoing educational expenses, curricular requirement, program expenses and activity trips (i.e. field trips and sports trips).

AP 632.3: Travel Expense Procedure

1. The Secretary-Treasurer authorizes any changes the travel expense rates when necessary and reporting changes. Any changes in rates will take effect at the start of the next fiscal year, except those rates determined by Canada Revenue Agency (CRA).
2. The below travel expense procedure applies to all employees. Trustee expenses are subject to Board Policy 132: Trustee Expenses. *For additional information, see "Policy 132: Trustee Expenses" posted to the District [Board Policy](#) page.*
3. Authorized employee travel expenses:
 - 3.1. Travel costs to be reimbursed include amounts paid for transportation (plane, train, bus, ferry, taxi, parking) and attach all bills, receipts, or ticket stubs. Air travel is limited to economy class.
 - 3.2. Mileage costs (travel by private vehicle) may be claimed as per current CRA rates, and if in lieu of air travel, the maximum amount claimable is limited to the cost of economy air fare between points travelled, when air travel is available and practical.
 - 3.3. Hotel costs may be claimed per the actual cost of the hotel/motel Government or conference rate, less any personal items charged. Where private lodging is used in lieu of commercial accommodation, employees may claim \$30.00 per diem. The District will not be responsible for accommodation that exceeds the minimum required to conduct business on behalf of the District.
 - 3.4. Meals may be claimed at per diem rates in accordance with the below, for meals not provided.
 - 3.4.1. Breakfast at \$10.00
 - 3.4.2. Lunch at \$17.00
 - 3.4.3. Dinner at \$23.00
 - 3.5. Other expenditures may be claimed that are made necessary by being away from home in the performance of duties on behalf of the District, such as internet or long-distance charges.
4. Payment and Reimbursement
 - 4.1. The District will reimburse only travel expenses listed above.
 - 4.2. Generally, all expenses are paid by the claimant at the time incurred.

- 4.3. All claims must be submitted on the A.2 Travel Expense Form within 30 days, with original receipts attached. *For additional procedures, see “AP: Accounts Payable Procedure.”*
- 4.4. For each expense item listed, the employee must clearly identify the purpose of each expense. For instance, attendance at a specific committee meeting etc.
- 4.5. Approval of claims is the responsibility of the employee’s department head (Principal, Director, Superintendent etc.).

AP 632.4: T4A Procedure

1. Service Providers that do not have a CRA Business Number ("T4A Vendors") must provide a Social Insurance Number (SIN) to the Board Office. These Service Providers are issued a T4A at year end for total payments of \$500 or more in a calendar year. The Finance Department issues the required T4As.
2. Clerical are required to follow the following procedures to assist with T4A tracking:
 - 2.1. If a T4A payment is being made with District or School Funds, clerical must check the T4A Vendor List in the District [Clerical Manual](#) (password protected file).
 - 2.2. If the vendor is on the list, the Finance Department has all required vendor information on file.
 - 2.3. If the vendor is NOT on the list, clerical must notify the Finance Department with the following vendor registration information: Vendor Name, Address, Email, Phone Number and Social Insurance Number (SIN information is NOT permitted to be sent via email).
 - 2.4. Registered vendors will be added to the T4A Vendor List.
3. Examples of T4A service payments: honorarium payment, payment to an individual for presentations, lessons, tutoring or activities.
4. If service provider payments are made with School Trust Funds, clerical must send a copy of the invoice and payment details to the Finance Department.
5. The Accounts Payable Clerk checks weekly AP batches for T4A payments and implements the following.
 - 5.1. In the “Vendor” field in the Invoice and Credit Memo screen selects:
 - 5.1.1. Vendor # 9999 Honorariums & Service Payments, OR
 - 5.1.2. Vendor # 7777 Scholarship Payments.
 - 5.2. In the “Pay To Vendor” field selects the actual vendor name and information for the payments. This creates a master list at year end for each type of T4A payment.
 - 5.3. Provides a copy of T4A invoices to the Accounting Coordinator for T4A tracking.

AP 632.5: Statement of Financial Information Procedure

1. The Accounts Payable Clerk enter employee Paid on Behalf “POB” expenses and Goods and Services expenses according to the guidelines issued by the Ministry of Education for the Statement of Financial Information (“SOFI”) Report.
2. In SDS, all expenses paid directly to an employee are automatically tracked as POB.
 - 2.1. If the expenses are intended to be excluded, the Accounts Payable clerk assigns them to account 999-9992.
3. In SDS, all expenses paid directly to a vendor are automatically tracked as Goods and Services payments.

- 3.1. If the expenses are intended to be employee POB, the Accounts Payable clerk assigns them to the employee.
- 3.2. If the expenses are intended to be excluded from the Goods and Services schedule (e.g. employee paid benefits), the Accounts Payable clerk assigns them to account 999-9992.
4. The following expenses are included as Paid on Behalf expenses (NOT 999-9992):
 - 4.1. Travel costs including mileage, meals, flights, hotels, per diems for meals/accommodations etc.
 - 4.2. Vehicle lease payments and gas
 - 4.3. Meals for groups of 6 or less
 - 4.4. Professional development expenses (example: conference registration, courses, tuition)
 - 4.5. Fees for memberships
 - 4.6. Work boot allowances, driver hearing/medical tests
 - 4.7. Gifts for groups of 3 or less
5. The following expenses are excluded from Paid on Behalf expenses (999-9992 expenses):
 - 5.1. Classroom supplies and other learning resources.
 - 5.2. Office supplies
 - 5.3. Catering
 - 5.4. Gas for busses
 - 5.5. Homestay payments
 - 5.6. Employee loans (bike and computer purchase programs)
6. Employee Cheque Requisitions / Expense Claims:
 - 6.1. The above POB rules are applied for employee expenses.
 - 6.2. Non-POB expenses > \$500 tag to the actual Vendor in the POB screen.
 - 6.3. E.g. If employee submits an expense claim with 3 receipts attached (1 for \$5, 1 for \$10 and 1 for \$600 = total expense claim \$615), tag the 1 amount for \$600 to the actual vendor.
7. School Cheque Requisitions / Expense Claims:
 - 7.1. The above POB rules are applied for employee expenses.
 - 7.2. Non-POB expenses > \$500 tag to the actual Vendor in the POB screen.
 - 7.3. E.g. If school submits an expense claim with 3 receipts attached (1 for \$5, 1 for \$10 and 1 for \$600 = total expense claim \$615), tag the 1 amount for \$600 to the actual vendor.
8. BMO Credit Card Expenses:
 - 8.1. The above POB rules are applied for employee expenses.
 - 8.2. Monthly: Accounts Payable Clerk to download all BMO transactions (employee name, date, amount, description) and tag POB expenses.
 - 8.3. Annually: Manager of Finance to sort BMO transactions, sum by vendor, include non-POB expenses on Goods and Service payments schedule.

AP 632.6: Gift Cards Procedure

1. The purchase of gift cards is not permitted using either School Trust funds or District funds, with the following exceptions:
 - 1.1. Gift card purchases for school fundraising campaigns, where the gift cards are sold by the school to parents or other community members.
 - 1.2. A temporary exception in a situation of emergency, as authorized by Secretary-Treasurer or Manager of Finance.
 - 1.2.1. For example, in 2019-2020 grocery gift card purchases were temporarily allowed due to COVID-19 during a period when there were no in school programs to offer food to vulnerable families.
 - 1.2.2. The temporary exception for grocery gift cards is no longer in effect.

AP 632.7: BMO Credit Card Procedure

1. BMO cardholders are encouraged to follow the below guidelines for BMO purchases to assist with Statement of Financial Information reporting. *For additional procedures, see "AP: Statement of Financial Information Procedure."*
 - 1.1. Use BMO for travel expenses, online purchases, and purchases from small providers.
 - 1.2. Do not use BMO for primary vendors (e.g. Hall Printing). Submit these invoices directly to Accounts Payable to assist with Statement of Financial Information reporting. *For additional procedures, see "AP: Statement of Financial Information Procedure."*
2. BMO credit card limits are assigned according to employee positions and authorized by the Secretary-Treasurer.
 - 2.1. Limits may be raised temporarily for the then current monthly BMO cycle by authorization of the Secretary-Treasurer.
 - 2.2. Any temporary limit increases are decreased by the Accounts Payable Clerk to the monthly base at start of the following monthly BMO cycle.
 - 2.3. The Accounts Payable Clerk prepares a monthly report that includes normal and temporary limits in effect, for Superintendent and Secretary-Treasurer review and sign-off.
3. BMO cardholders collect and submit all receipts to Clerical to prepare for BMO online entry.
4. Clerical have online access to BMO and enter descriptions and GL accounts online.
5. Clerical prepare complete credit card packages:
 - 5.1. BMO statement – GL accounts written next to each payment line item on statement.
 - 5.2. Support documentation for all payments attached in chronological order (including receipts for amounts that will be reimbursed to the District)
 - 5.3. If any receipts are not available, a signed missing receipt form is required.
 - 5.4. Invoice stamp the front page of the BMO statement: clerical initials (confirm prepared) and BMO card holder initials (confirms approved)
6. Completed packages are due on the last day of the statement month (Statements are dated the 26th and packaged are due the last day of the same month) and posted the 1st day of the following month.
7. Completed packages must be scanned and submitted to Accounts Payable clerk by the due date.

8. Accounts Payable clerk ensures all credit card packages are complete, flags any transactions to be reviewed, requests any missing documentation from clerical.
9. Accounts Payable clerk downloads BMO transaction data from BMO online into an excel spreadsheet and adds BMO card employee initials to “description” field. BMO data is posted into an SDS batch.
10. Manager of Finance prepares 2 BMO transactions listings: 1 by name and 1 by amount. Reviews and signs off on all BMO credit card packages.
11. After Manager of Finance review, either the Superintendent or Secretary-Treasurer reviews all BMO credit card packages, reviews flagged items, reviews BMO transactions listing by name and amount, reviews monthly BMO limit listing of normal and temporary limits in effect, and provides final approval signature.
12. BMO credit card transactions may be disputed up to 90 days.
13. The final approved BMO package is filed in Laserfiche including the BMO cheque, BMO statement, list of credit card limits, transaction list by name and amount, BMO individual statements and all support documentation.

AP 632.8: Courier Expense Procedure

1. The District encourages Canada Post for general mail or non-urgent mail.
2. The District has an authorized courier and accounts setup for inter-District courier services. District and School users will be notified by the Manager of Finance of any change of District Courier. (As at December 1, 2020, ACE Courier is our Nelson and Creston mail courier. ACE Courier is an insured carrier and is the designated vendor for the District).
3. School Board Office Staff are not to take mail with them to bring to the Board Office when they are travelling on school business, as this becomes a liability if they lose or misplace the items.
4. Courier charges are coded to the cost center of the school or department who receives the shipment.
5. If the recipient is not within the District, courier charges are coded to the cost center of the shipping school or department.

AP 632.9: Write-off Procedure

1. Cheques are voided in SDS as follows, upon signature of the Secretary-Treasurer or Manager of Finance:
 - 1.1. Accounts Payable Clerk to review outstanding cheque register quarterly
 - 1.2. Write-off cheques > 12 months outstanding
2. Other accounts are written-off upon signature of the Secretary-Treasurer as follows:
 - 2.1. Amounts < \$5,000, write-off to account 0-0000-4-41-51101-0 Supplies write-offs
 - 2.2. Amounts > \$5,000, write-off to the original account it was recorded to

Gifts

AP 633.1: Gifts

1. Ownership
 - 1.1. All gifts of materials, equipment and money, when accepted, will become the property of the Board. The donor may designate to which school or for which purpose the gift will be given.
2. Approval

- 2.1. All offers of gifts, materials, equipment and money must be approved by the Superintendent/CEO, the Secretary-Treasurer or a designate, in consultation with the Principal(s)/Supervisor(s) of the receiving school(s)/department(s), prior to the acceptance of the gift. If there is any doubt to the usefulness or appropriateness of the gift, or if there is any concern that the Board may incur additional costs for liability as a result of the gift, the gift may be declined.
- 2.2. All materials, books, equipment, etc. donated must meet the same standard as selection criteria (educational, safety, etc.) applied to all School District purchases.
3. Receipt for Tax Purposes
 - 3.1. If donors request a receipt for tax purposes, the following will apply:
 - 3.1.1. Tax receipts will not be issued for donations of less than twenty-five dollars (\$25).
 - 3.1.2. Cash donations must be made payable to School District No. 8 (Kootenay Lake) and forwarded to the School Board Office for receipt. The donations will be allocated to the school or program for which they were intended.
 - 3.1.3. Donations in kind will be evaluated by a person or persons knowledgeable in that area, designated by the Secretary-Treasurer, prior to a receipt being issued. Gift card donations are accepted as donations in kind for the value of the gift card.
 - 3.1.4. Tax receipts will not be issued to parents/guardians for the payment of fees or donations that benefit their own child(ren).
4. Disposal
 - 4.1. As the equipment donated becomes obsolete or has completed its useful life, it may be disposed of, in accordance with Board policy.

AP 633.2: Gift Card Donations

1. Gift cards donated to a School must be treated as a cash equivalent.
2. Gift card donations must be receipted by journal entry as follows:

Debit Department 0000 General, Account 71510 Gift Cards
Credit Department XXXX, Account 65202 Donations
3. As gift cards are used, original receipts must be retained and recorded by journal entry as follows:

Debit Department XXXX, Account 51700 Supplies
Credit Department 0000 General, Account 71510 Gift Cards

School Trust Accounting Procedures

School Trust Account Handbook

Prepared by: Board Office Finance Department
For distribution to: School Secretaries in charge of Bookkeeping
School Principals and Vice-Principals
District External Auditors

Prepared: May 22, 2012
Revised: Dec 11, 2015
Revised: June 4, 2019

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- Section 8:** Audit of School Trust Accounts
- Appendix A:** Fundraising Receipt Form
- Appendix B:** District Allocation and Trust Account Transparency Framework
- Appendix C:** Internal Audit Program for School Trust Accounts
 - Audit Summary
 - Audit Program
 - Internal Audit Checklist
 - Compliance Tests

Section 1: Purpose of the School Trust Account

The purpose of the school trust account is to allow individual schools to fundraise, collect student fees to supplement programs and activities and provide a mechanism to process receipts and payments outside the school's district budget accounts held at the Board Office. The school trust account allows autonomy to school administrators, PAC's and teachers to provide extra-curricular learning experiences, support clubs and teams, and purchase additional supplies and equipment. For secondary schools the trust account is often a vehicle for scholarship donation administration and sports team/club management.

Purpose of the School Trust Account Handbook

The purpose of the School Trust Account Handbook is to make administrators of the school trust accounts, including all signing officers, Principals and Secretaries in charge of bookkeeping (the "Bookkeeper"), aware of their roles and responsibilities and to standardize the handling of school trust accounts across School District No. 8. It is the intention of the Handbook to clarify expectations of the day to day accounting for the trust account, the reporting requirements and the audit of the trust account by District Finance Staff.

Cycle of a School Trust Account

1. Bank Account
2. Sources of Funds
3. Disbursements of Funds
4. Reporting of Funds
5. Reconciliation of School Trust Account
6. Audit of School Trust Account

All funds at each school must be accounted for using eFunds software. Any other accounting software is prohibited.

Section 2: Bank Account

A school may choose the bank of their choice for its trust account. The requirements for the opening of a bank account are:

- Each cheque requires two signatures, one of which must be a principal or vice-principal;
- Copies of resolutions and signing officer documents are kept on file at the School;
- Cheques must be pre-numbered.

If a signing officer leaves the school due to transfer, bumping rights, resignation or other reason, the Secretary-Treasurer must be advised so that the employee is removed as a signing officer. Documents evidencing the change in signing officers must be kept on file at the school.

Cheque stock is to be kept in a vault or locked cupboard or drawer. Access to the locked cupboard or drawer

should be restricted to key staff (i.e. signing officers).

Cheques that are pre-signed by one or both signing officers are prohibited. To avoid signing conflicts due to absences of signing officers, it is suggested that three or four people should be authorized to sign cheques (for example: all principals, senior secretary, bookkeeper and a teacher). It is at the school's discretion to determine who will be the additional signing officers other than the principal.

Copies of all cheques must remain filed in numeric order. Alternatively, cheque registers for electronic production of cheque runs must be adequately logged and documented. Void or spoiled cheques are to be filed in a separate folder or with the cheque register as evidence that they were not issued. **Signature portions of the void cheque are to be removed and destroyed before filing the void cheque.** Stop payment instructions to the bank for issued but lost cheques must be on file for audit.

In special cases more than one bank account may be required by each school (i.e. Scholarship accounts at the secondary level). **The rules above apply to each bank account** that is opened under a school's name.

In the event of a school closure the bank account must be closed after the final accounting (see Section 6: Reporting of Funds) for the school trust account. Residual funds in the school trust account are customarily forwarded to the receiving school to be spent on the children from the closed school. The Secretary-Treasurer, in consultation with the closing school principal will direct the receiving school in the use and destination of the residual funds.

Section 3: Sources of Funds

There are three main sources of funds at the school level:

- A. Fundraising (including vending machines, sports clothing sales, yearbooks)
- B. Student Fees
- C. Petty Cash

All sources of funds will be traceable to the bank deposits, receipts file and the general ledger.

A. Fundraising

Fundraising may be done for extra-curricular teams or trips, supplements to curriculum or PAC special events.

When a student or parent pays or donates to the administration office directly, a receipt must be issued to the student/parent.

Donation Tax Receipts Note: When a donation is made and the donor wants a CRA tax deductible receipt, the donor must make the donation payable to School District No. 8 in order to receive a charitable tax receipt. In these cases, schools must send the cheque/cash to the Board Office for processing. Donation receipts issued from eFunds are not official receipts for tax purposes. In accordance with Board Policy 641: Gifts, tax receipts will not be issued for donations of less than twenty-five dollars (\$25).

Teachers collecting money in their classrooms must track receipt from students on the Fundraising Receipt Form (**Appendix A: Fundraising Receipt Form**) or class list which includes the fundraising event and date,

teacher's name, a list of student names and the amount collected from each student. When a teacher is ready to submit funds to the administration office the form is to be totaled. The total on the form must match the amount of money submitted to the office. Each time a teacher submits a fundraising form and envelope of money to the administration office, a receipt must be issued to the teacher. Similar procedures apply to coaches of teams and PAC representatives if the PAC fundraising money is to be administered by the school trust account.

Large fundraisers that require on-going revenue gathering such as extended field trips or large equipment purchases should be accounted for in the general ledger such that the amount of funds incoming can be compared to the cost of fundraising (i.e. Cost of goods sold, rent paid for space, commissions etc.) to analyse the profit or loss for specific fundraising events.

Funds that are raised for a trip or purchase that is cancelled due to lack of participation or shortage of funds will be returned on a pro-rata basis to those individuals, parents or corporations that contributed initially.

B. Student Fees and Cafeteria Sales

Lump sum sources of funds such as student fees and cafeteria will be tallied against cash register tapes or student fee receipts and should be deposited to the bank at least once per week, depending on dollar value (the more money collected the more often bank deposits should occur).

Upon payment of student fees, students will be issued receipts indicating amount paid, date, specific course fee category and whether payment was by cash or cheque.

Cafeteria staff or contractors submitting cafeteria cash register tapes and sales will be issued a receipt indicating amount received, date, time frame of sales and the amount of cash and the amount of cheques.

Each bank deposit will match to a specific range of receipts for all fundraising and student/cafeteria fees. The bank deposit should not be completed until the total on the deposit book page matches the range of receipts the deposit represents.

C. Petty Cash

Petty cash is recorded as a separate line item in the general ledger as the amount of the initial payment from the Board Office (usually between \$100 and \$500). Some schools may have more than one petty cash fund and each fund will have its own line item in the general ledger. At all times the amount of cash and the total of receipts for the petty cash fund should total the initial payment from the Board Office.

Petty cash and receipts are to be kept in a vault or locked drawer or cupboard at all times with limited personnel access (administration staff only).

Section 4: Disbursement of Funds

Timing of disbursement of funds throughout the school year is at the school's discretion. At June 30th of each year, as many of the outstanding invoices as possible will be paid before the bookkeeper leaves for the summer break.

Each cheque issued must have appropriate backup such as cheque requisition and receipts, invoice, letter etc.

Cheque backup must be filed in the administration offices in alphabetical order, by payee or by cheque number. Backup will indicate the date paid, the cheque number, the payee and the amount paid.

If a staff member requires an advance on a trip or purchase, the school may issue payment to the staff member at its discretion. However, receipts and a final accounting of the advance must be received by the staff member and completed by the bookkeeper within one week of the staff member's return.

All cancelled cheques will be traceable back to the cheque register and the general ledger.

Where a school develops departmental or teacher budgets within its school trust account, payments must be approved by the person responsible for the departmental budget, **even if they are not a signing officer**, before the cheque is issued as long as the budget has a positive balance. If the departmental budget is in a deficit position and a payment must be issued, principal authorization is required. For all other budgets or if the school does not departmentalize its school trust account budget, the principal must approve all disbursements before a cheque is issued. Department or principal approval needs to be displayed somewhere on the cheque backup.

Section 5: Journal Entries

Each journal entry made must have appropriate backup such. Journal entry backup must be filed in the administration offices in numerical order. Backup will indicate the reason for the journal entry, and attach entry back-up.

Section 6: Reporting of Funds

There are three types of reporting required for the School Trust Account:

- A. Bank Reconciliation Reporting (monthly)
- B. Revenue and Expense and Department Summary Reporting (monthly)
- C. District Allocation and Trust Account Transparency Framework (October and May annually)

1. Bank Reconciliation Reporting

- Bank Statement for signature by principal
- Bank Reconciliation for signature by principal
- eFunds Report: GL Summary by Account Type, Account, Department, for signature by principal

The bank reconciliation package, signed by the principal, must be scanned and emailed to the Board Office on a monthly basis.

2. Revenue and Expense and Department Summary Reporting

- eFunds Report: Financial Statement for signature by principal
- eFunds Report: Summary by Department for signature by principal

The revenue and expense and department summary reports must be reviewed by the Principal and the bookkeeping Secretary and filed by the Secretary on a monthly basis. There is no requirement to submit reports to the Board Office.

3. District Allocation and Trust Account Transparency Framework Reporting (Appendix B)

- In October of each year, the Principal must present a “year in review” financial statement for the year ended June 30th of the same year, to staff and PAC. Principals are encouraged to expand this reporting to public at large through newsletters or other media and public meetings if they occur.
- In May of each year, the Principal must present a plan or budget for collection and use of funds for the upcoming school year, to staff and PAC. Principals are encouraged to expand this reporting to public at large through newsletters or other media and public meetings if they occur. It is suggested that May planning day each year may be a good opportunity to complete this reporting.

The format used to report the above is at the discretion of the principal, but in both cases, should fairly represent the bank balances, investments, revenues, expenses and department balances in the school’s trust account. Where possible fiscal year comparisons should be presented to identify old department balances that could be rolled up and re-purposed.

Section 7: Reconciliation of School Trust Account

Bank reconciliations must be completed monthly using eFunds. Month end bank statement balances must match the bank balance in the school trust account. If the two do not match, the differences in timing, outstanding items etc. must be identified to reconcile the two balances.

If there is any difficulty in balancing the bank statement balance and the school trust account balance, the school bookkeeper or principal is to contact the Board Office Finance Department for assistance immediately.

Once the bank reconciliation has been completed the principal or vice-principal in charge of finances for the school must sign the bank statement and the bank reconciliation.

Cancelled cheques, signed bank statements and signed bank reconciliations will be filed together in a safe place in the School administration office.

Section 8: Audit of School Trust Accounts

Secondary School trust accounts are subject to yearly audits while Elementary School audits will take place once every two years. However, if reporting requirements from School to District Office Finance Staff consistently show discrepancies or there is a concern regarding the accounting of the school trust account by either the school or District Finance Staff, audits may take place more frequently. The internal audit process and its timing does not preclude a school from being one of the schools chosen by the District’s external auditor for audit.

If a school requires an audit before its scheduled audit (i.e. Principal or administrative assistant transfer or retirement) a written request may be made to the Secretary-Treasurer stating the timeframe of the proposed audit and reasons requiring an early audit.

Prior to the school audit, the principal and bookkeeper will be notified by the Board Office, advising them of the date and time of the physical audit as well as the period of time the audit will cover (i.e. July 2018 to June 2019). Audits are subject to change based on convenience for school staff and district staff. It is understood that the reporting requirements in Section 6: Reporting of Funds, will be up to date and complete at the date

of audit.

The audit working papers are attached (**Appendix C: Internal Audit Program for School Trust Accounts**). Audit working papers should be reviewed by 'bookkeepers' and principals on a regular basis to ensure the accounting of the school trust account is being done correctly. Audit working papers will comprise the basis and documentation District Finance Staff will complete during the school audit.

Subsequent to the audit, school principals and 'bookkeeping' staff will receive a report on the results of the school's audit, including completed audit working papers. Recommendations for procedure change or review may be made at this time.

Appendix A: Fundraising Receipt Form

School Name:		Teacher Name:	
Fundraising Event:			
Event Date:		Price per Student:	

Student Name	Amount Received	Cash / Cheque	
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			
11.			
12.			
13.			
14.			
15.			
16.			
17.			
18.			
19.			
20.			
21.			
22.			
23.			
24.			
25.			
TOTAL:	\$	\$	\$

Appendix B: District Allocation & Trust Account Transparency Framework

October 2, 2014 (Received by Board: September 23, 2014)

Responsibility of:	Principals
Reporting to:	Superintendent
Resource:	Secretary-Treasurer

Purpose:

1. Ensure clear communication of information to community stakeholders: PAC, staff, Board, District
2. Build self-awareness: PVP and Clerical Bookkeeping Staff
3. Align District School Allocations and School Trust Accounts with School Growth Plans, Achievement Contract, Board Goals and Student Expectations
4. Accountability for third party contributions: parents, PAC and other donors
5. Align timing of expenditures with timing of revenues: are we spending the fees we collected from parents for this year's students, ON CURRENT YEAR'S STUDENTS or long term plan
6. Combine district school allocations and trust fund funds to meet student need

Process:

Budget: Annually in MAY

1. Review trust account and district allocation current surplus, upcoming year's initiatives and directions, and determine upcoming revenues and expenses as a leadership team
2. Review budget with staff to inform and to align with achievement goals and school growth plan
3. Determine draft budget
4. Hold community consultation meeting (town hall or part of PAC meeting)
5. Revise as determined from public feedback, if necessary
6. Finalize and report to Superintendent & Secretary-Treasurer
7. Optional: Ask community to develop priorities & goals

Financial Statements: Annually in OCTOBER

1. Review actual surplus for the year, revenues and expenses as a leadership team with the Secretary-Treasurer
2. Summarize data and develop highlights
3. Report outlining amount spent on learning goals & revenue collected vs expenditures made
4. Present to staff
5. Present to community (town hall or part of PAC meeting)
6. Revise as determined from public feedback (use of surplus)
7. Finalize and report to Superintendent & Secretary-Treasurer

Appendix C: Internal Audit Program for School Trust Accounts

Audit Summary

Audit Details	
School:	
Principal:	
Secretary/Bookkeeper:	
Audit Date:	
Audit Period:	
Audit Performed By:	

Summary of Audit Review
General Comments:
Recommendations:

Secretary-Treasurer Approval			
Secretary-Treasurer Signature:		Date:	

Reviewed with Principal			
Principal Signature:		Date:	

Audit Program

School:	
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Audit Objectives

1. To ensure that cash-on-hand, including petty cash accounts, can be properly accounted for and adequately safeguarded.
2. To ensure that cash received is properly receipted, recorded, safeguarded and reported.
3. To ensure that cash disbursements can be properly accounted for and that supporting documentation exists.
4. To identify any deficiencies in generally accepted accounting procedures and recommend corrective action as necessary.

Audit Program

Audit Procedure	Complete (Auditor Initials):
1. Complete Internal Audit Checklist with Secretary/Bookkeeper	
2. Perform Compliance Tests:	
Compliance Test 1: Cash on Hand	
Compliance Test 2: Cash Receipts	
Compliance Test 3: Cash Disbursements	
Compliance Test 4: Journal Entries	
Compliance Test 5: Department Transfers	
Compliance Test 6: Books and Records	
3. Obtain bank statement for reporting date being audited including:	
a) Details of all accounts and investments	
b) Names of all signing authorities on file at bank	
c) Reconcile bank for sample month. Trace (locate accounting record) all cheques and deposits outstanding to subsequent bank statement and vouch (locate source document) for all items not cleared	
4. Complete Audit Summary page, including recommendations and review with Principal	

Internal Audit Checklist

School:	
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Audit Checklist	Yes	No	Comments ("No" requires an explanation)
1. Are school trust funds and petty cash under the overall supervision of the Principal of the school?			
2. Are bank accounts set up in accordance with the School Trust Account Handbook?			
a) Bank:			
b) Account No:			
3. Who are the signing authorities?			
4. Are bank reconciliations prepared on the monthly basis?			
5. Does the principal review and sign off on the bank reconciliation monthly?			
6. Does the school maintain a scholarship account? If so, what is the balance?			
7. Does the school have investments? If so, what are the particulars of the investment?			
8. Are accounting records maintained in accordance with the School Trust Account Handbook?			
9. Are pre-numbered receipts/eFunds deposit slips used which record name, date, amount & account allocation?			
10. Is the issuance & return of the receipt book/eFunds deposit slips controlled?			
11. Are bank deposits made on a timely basis?			
12. Are two signatures present on each cheque?			
13. Are printed cheques that are spoiled or voided filed?			
14. Are receipts issued on a timely basis?			
15. Is access to funds restricted to the Principal / Bookkeeper?			
16. Are funds safeguarded when not in use and locked when unattended?			

Audit Checklist	Yes	No	Comments ("No" requires an explanation)
17. Are duplicate deposit slips printed and reconciled to receipts and bank statements? (1 copy bank, 1 copy on file)			
18. Are pre-numbered cheques used for all disbursements?			
19. Are back-up documents (i.e. invoices) kept for all disbursements and filed in a systematic manner? (i.e. alphabetical or numerical)			
20. Are receipts and disbursements posted to eFunds on a timely basis?			
21. Are the books and records of the funds checked by the principal on a monthly basis, to ensure compliance with the School Trust Account Handbook?			
22. Does the principal review the school copy of cheques on a periodic basis?			
23. How are post-dated cheques handled?			
24. Are adequate descriptions entered on the books for receipts, disbursements, and journal entries?			
25. Are journal entries supported by documentation?			
26. Are journal entries filed separately and systematically?			
27. How are lump sum receipts (i.e. school fees and cafeteria receipts) recorded and disbursed?			
28. Are student fees recorded when due or received?			
29. How are outstanding student fees collected?			
30. Is interest revenue recorded in a separate GL account?			
31. Are there any "deficit balance" accounts / departments? If so, are they explainable?			
32. Review "Principal's" and "Miscellaneous" accounts.			

Compliance Tests

School:	
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Compliance Test 1: Cash On Hand	Complete (Auditor Initials):
1. In the Presence of the Secretary/Bookkeeper, count, record and verify all cash on the premises to un-deposited receipts.	
2. Reconcile the petty cash fund.	

Compliance Test 2: Cash Receipts	Complete (Auditor Initials):
1. Select a random sample of 20 receipts for testing.	
2. Trace receipts to bank deposit slips.	
3. Agree bank deposit to bank statement.	
4. Trace receipt to general ledger account.	
5. Scan documents for completeness, reasonableness & compliance with School Trust Account Handbook instructions, verifying sufficient back-up for all receipts.	
6. Are IOUs, stale dated cheques, or post-dated cheques present?	

Compliance Test 3: Cash Disbursements	Complete (Auditor Initials):
1. Select a random sample of 15 cheques plus all cheques over \$15,000 for the current fiscal year.	
2. Trace each entry to the cheque copy or void cheque, and to the bank statement.	
3. Trace each entry to original back-up (i.e. invoice) and scan for proper authorization, account distribution, correct pricing & extensions, and appropriateness.	
4. Review any cheques made payable to "cash" or to school employees, and note any irregularities.	
5. Are cheques cross-referenced to invoices paid?	
6. Are printed and voided cheques retained and accounted for?	
7. Are any cheques pre-signed?	

Compliance Test 4: Journal Entries	Complete (Auditor Initials):
1. Select a random sample of 5 journal entries for testing.	

2. Vouch each entry to back-up documentation, and scan for reasonableness & compliance with School Trust Account Handbook instructions, verifying sufficient back-up for all journal entries.	
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Compliance Test 5: Department Transfers	Complete (Auditor Initials):
1. Select a random sample of 5 department transfers.	
2. Vouch each transfer to back-up documentation (i.e. transfer request), and scan for reasonableness, verifying sufficient back-up for all department transfers.	

Compliance Test 6: Books and Records	Complete (Auditor Initials):
1. Scan ledger for irregular items.	
2. Check for numerical filing and retention of receipt and cheque back-up documentation.	
3. Check for filing and retention of monthly reports and statements.	
4. Check for consistency and structure of General Ledger to that recommended in the School Trust Account Handbook.	

Compliance Test 1: Cash on Hand

School:	
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Petty Cash Fund		
Coins		Amount
	X 0.01	
	X 0.05	
	X 0.10	
	X 0.25	
	X 1.00	
	X 2.00	
Subtotal Coins:		\$
Bills		Amount
	X 2.00	
	X 5.00	
	X 10.00	
	X 20.00	
	X 50.00	
	X 100.00	
Subtotal Bills:		\$
Total Cash:		\$
Cash Float:		\$
Variance:		\$

Receipted Deposits on Site		
Coins		Amount
	X 0.01	
	X 0.05	
	X 0.10	
	X 0.25	
	X 1.00	
	X 2.00	
Subtotal Coins:		\$
Bills		Amount
	X 2.00	
	X 5.00	
	X 10.00	
	X 20.00	
	X 50.00	
	X 100.00	
Subtotal Bills:		\$
Total Cash:		\$
Total Cheques (per tape):		\$
Total Deposits:		\$
Total Receipts (per tape):		\$
Variance:		\$

In Your Opinion	Yes	No	Comments
1. Can funds received by the school be adequately account for?			
2. Are reported bank deposit and receipt figures correct?			
3. Is cash-on-hand adequately safeguarded?			
4. Have internal control procedures for cash receipts been implemented effectively?			

Compliance Test 2: Cash Receipts

School:	
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Receipt Date	Date per GL	Receipt #	Total Amount Received	Date of Bank Deposit	Agreed to Bank Deposit?	Account Code:	Traced to Account?	Comments:
1.								
2.								
3.								
4.								
5.								
6.								
7.								
8.								
9.								
10.								
11.								
12.								
13.								
14.								
15.								
16.								
17.								
18.								
19.								
20.								

Compliance Test 3: Cash Disbursements

School:	
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Cheque Number	Approved?	Two Signatures?	Invoices Initialed?	Amount Checked?	Cross Ref'd to Invoices?	Date Cleared Bank	Traced to Account?	Comments:
1.								
2.								
3.								
4.								
5.								
6.								
7.								
8.								
9.								
10.								
11.								
12.								
13.								
14.								
15.								

Compliance Test 4: Journal Entries

School:	
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Journal Number	Entry	Approved?	Reasonable Description?	Cross Ref'd to Back-up documentation?	Comments:
1.					
2.					
3.					
4.					
5.					

Compliance Test 5: Department Transfers

School:	
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Department Number	Transfer	Reasonable Description?	Cross Ref'd to Back-up documentation?	Comments:
1.				
2.				
3.				
4.				
5.				

Accounting Requirements for School Trust Funds

Updated: June 14, 2021

The following procedures have been prepared by the Board Office Finance Department. They are intended to provide clear procedure guidelines for all Schools and to assist with improved accounting of School Trust Funds district wide.

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Filing

- School Trust Fund records must be filed systematically, and separately from District Account records.

Accounting Software

- All funds at each school must be accounted for using eFunds software. Any other accounting software is prohibited. *For further eFunds instructions, see the “eFunds User Guide” posted to the [Clerical Manual](#).*

Bank Reconciliation Packages

- **Filing:** File bank reconciliation packages separately and chronologically
- **Bank Reconciliation Package:** Submit the following package to the Board Office monthly. *The “Bank Reconciliation Schedule” is posted to the [Clerical Manual](#).*
 - Bank Reconciliation Report initialed by the Principal. **The Principal’s initials on the front of the bank reconciliation package evidences approval of the entire package.**
 - Bank Statement with cleared cheque copies
 - If the school has savings/investment accounts, attach the monthly bank statements for these as well. Bank savings/investment accounts should be updated with a journal entry to record any interest or charges during the month.
 - GL Summary by Account type, Account, Department
 - The bank account, savings account, and investment account balances on this report must match the bank statement ending balances
 - Journal Entry Listing
 - Outstanding cheque listing (if any)
 - Outstanding deposits listing (if any)
 - Cleared cheques listing (if any)
 - Cleared deposit listing (if any)
 - Void cheque listing for voided/spoiled/stale dated cheques voided during the month (if any). A written list is sufficient (eFunds does not provide a list).

Receipts

- **Funds on site:** Access to funds on site must be restricted to signing officers.
- **Filing:** File receipts and support documentation in numerical order, either (1) filed separately or (2) attached to bank deposit slips:
 - File eFunds receipts.
 - If a receipt was entered & deleted, file the deleted receipt in sequence, with a written note explaining why it was deleted.
 - Attach receipt support documentation (if any), for example:
 - Copy of cheque received if feasible (endorse cheques received immediately – use a stamp instructing the bank to deposit to the School’s transit and account number)

- POS receipt for Clover, Online transaction receipt for Bambora. *For further instructions, see “Recording Electronic Payments” posted to the [Clerical Manual](#).*
 - Grant letters, donation letters, school invoices to third parties
 - Cash count sheet (for lump sums). *The “Cash Count Sheet” is posted to the [Clerical Manual](#).*
 - Class list with a tally that agrees to the receipt (for lump sums)
- **Timing:** Receipts should be recorded in eFunds immediately if possible, otherwise within 1 week of receipt. Do not wait to receipt funds until a fundraiser or event is completed. In instances when unable to enter in eFunds immediately, the following can be done to manage receipts:
 - Student List: check off students that have paid a certain fee, tally at end of day, reconcile to funds received, OR, Secondary Schools: students complete a manual receipt with 2 copies (1 copy for student, 1 copy for school). Secretary signs the receipt to confirm it matches the amount received.
- **Entering receipts:**
 - Enter 1 receipt per cheque or cash received.
 - Enter to the most appropriate revenue category. *For further instructions, see the “Revenue Categories” document posted to the [Clerical Manual](#).*
 - Receipt to the individual that submitted the funds (e.g. parent, student, staff member, organization)
 - Attach each receipt to a student as applicable.
 - Ensure receipt support documentation is maintained as available (examples above).
 - Exception for lump sum receipts:
 - Lump sum receipts are acceptable for small funds (\$10 cost per student or less) that are non-curricular fees (e.g. hot lunch, swimming)
 - Receipt to the individual that submitted the funds (e.g. staff member). Receipt must be entered to an individual, as this person is accountable for the funds submitted.
 - Back-up is required that agrees to the lump sum receipt, for example:
 - Class list: check off students that have paid and a tally the cost x students
 - Cash count sheet: use when staff/students/parents collecting and submitting lump sum funds (e.g. student activity, fundraising, cafeteria), signed by the individual submitting the funds.

Deposits

- **Filing:** File deposits separately and in numerical order
 - File eFunds deposit slip on top
 - Attach deposit details listing (includes receipt numbers for cash receipts). *For further instructions, see the “Deposit Listing Instructions” posted to the [Clerical Manual](#).*

- Attach eFunds receipts and receipt support documentation, unless filed separately (see “Receipts” section).
- **Timing:** Cash and cheque receipts should be deposited to the bank at least monthly. Recommend more frequently during high volume periods (e.g. school fees collected in September).
- **First Data:**
 - Prepare separate deposit slips for Bambora (online), attach the Bambora report for the month that reconciles to the deposit, and a copy of the bank account transactions with all Bambora deposits highlighted that reconciles to the deposit. Implement the same procedure for Clover (POS).
 - *For further instructions, see “Recording Electronic Payments” posted to the [Clerical Manual](#).*

Cheques

- **Filing:** File cheques & support documentation separately and systematically (e.g. numerically). Void or spoiled cheques filed either separately or in numerical order with cheques issued.
 - File full cheque copy including description portion and signatures (send full original to payee). After cheques are cleared in eFunds, a copy can no longer be printed.
 - Attach payment support documentation, for example:
 - Invoice, Receipts
 - Payment Request Form: use for staff reimbursements with receipts attached, and other instances where an invoice is not available. (*“Payment Request Form” is posted to the [Clerical Manual](#)*)
 - For student refunds, attach a copy of the original eFunds receipt. *For further instructions, see the “Student Fee Refunds Instructions” posted to the [Clerical Manual](#).*
 - **Payment support documentation must be initialed by the Principal or Vice-Principal**, to evidence approval of the payments.
 - For all payments to T4A Service Providers, send a copy to the Finance Department. *For further instructions, see the “T4A Guidelines” posted to the [Clerical Manual](#).*
- **Signing authorities:** Each cheque issued requires 2 signatures, 1 of which must be the Principal or Vice-Principal. A copy of current signing authority documentation must be available at the School.
- **Void or Spoiled Cheques:** File either separately or in numerical order with cheques issued.
 - Signature portions of the void cheque removed and destroyed before filing.
- **Stale Dated Cheques:** Banks may still accept stale dated cheques (older than 6 months)
 - SD8 recommends voiding staled dated cheques in eFunds that are greater than 1 year outstanding, if you have not been able to contact the payee.
 - Include a list of stale dated cheques that were voided in the bank reconciliation package for the month in which they were voided (a written list is sufficient).

Journal Entries

- **Purpose:** Use journal entries to record a new entry (e.g. bank interest) or to move a specific entry (e.g. receipt or cheque) to another account.
- **Filing:** File journal entries separately and in numerical order
 - File journal entry print out from eFunds on top
 - Attach journal entry support documentation and clearly indicate why the journal entry is being entered (e.g. copy of invoice being moved, copy of receipt being moved, GL detail report highlighting the line item that is being moved)
- **Entering:** In the “Description” field, include relevant dates or transactions numbers, cross-referencing any other numbers when appropriate (e.g. if cancelling a prior Journal Entry, include the JE number)
 - *For further instructions, see the “Journal Entry Instructions” posted to the [Clerical Manual](#).*
- **Approval:** The Principal’s initials on the monthly bank reconciliation package evidences approval of the entire package, which includes the journal entry listing

Department Transfers

- **Purpose:** Use department transfers to simply transfer funds/surplus to another department.
- **Filing:** File department transfers separately and in numerical order
 - File Department Transfer printout from eFunds on top
 - Attach department transfer request form, initialed by the Principal (“*Department Transfer Request Form*” is posted to the [Clerical Manual](#))
- **Entering:** *For further instructions, see the “Department Transfer Instructions” posted to the [Clerical Manual](#).*

School Trust Account Audits

- **Purpose:** Internal audits of School Trust Accounts are performed by the Finance Department to review compliance with the Accounting Requirements for School Trust Funds and provide recommendations for improvement.
- **Timing:** At a minimum, schools are audited as follows:
 - Secondary Schools are audited annually
 - Elementary schools are audited every three years
- **Audit Procedures:** *The “School Trust Audit Procedures” performed by the Finance Department are posted to the [Clerical Manual](#).*