

**TITLE: MANAGEMENT OF SCHOOL COUNCIL FUNDS**

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**1.0 OBJECTIVE**

To govern the management and accounting of school council funds in a consistent, transparent and financially sound manner.

**2.0 DEFINITIONS**

In this policy,

2.1 **Board** means the Board of Trustees.

2.2 **District** means the Ottawa-Carleton District School Board (OCDSB).

2.3 **School Council** means an advisory body representing the parent community within a school which provides advice to the school principal in accordance with P.014.SCO School Councils. A school council operates as a representative entity but may not be incorporated, and as such is permitted by the District and the school principal to raise funds for specified purposes.

**3.0 POLICY**

3.1 The District believes that sound financial management of school council funds is an essential component of effective governance. To ensure transparency and accountability, the District sets standards for the management, monitoring and use of school council funds.

3.2 The Chief Financial Officer of the District (CFO) shall be responsible for the oversight of school council funds.

3.3 School Councils must adhere to the principles of transparency, accountability, and sound financial practice in the management of school council funds by:

- a) adhering to District policies and procedures, legislation, associated directives and guidelines;
- b) appointing a treasurer;

- c) maintaining ongoing and effective oversight of the management of school council funds;
- d) establishing the segregation of duties and internal controls for the effective and transparent management of funds;
- e) ensuring financial records are kept and maintained properly in accordance with District practice;
- f) reporting, as required, monthly through school council meetings and annually through a report to the District; and
- g) being subject to audit by the District through internal review and/or an external auditor.

## 4.0 SPECIFIC DIRECTIVES

### Appointments

- 4.1 Annually, every school council shall appoint a Treasurer and a minimum of two officers with signing authority for school council finances.

### Determine Type of Account

- 4.2 Every school council shall maintain its funds in a designated account, used exclusively for school council purposes.
- 4.3 Prior to June 2014, and before every June thereafter if contemplating a change, every school council shall render a decision about whether the account used to maintain the school council funds will be held:
- a) In an special purpose account at the school managed through the school district's financial system; or
  - b) through a recognized financial institution.
- 4.4 Upon making this decision, the school council shall provide notice in writing of the decision to the CFO.
- 4.5 A school council, at the start of its term, may review its decision about the management of school council funds and if a decision to change the practice is made, the CFO of the District shall be notified.
- 4.6 Where the account(s) is held by the school, the principal shall be a designated signing officer.

### Management and Monitoring

- 4.7 School councils which manage their funds through the District will adhere to established District financial accounting procedures.
- 4.8 In order to manage school council funds in an account at an authorized financial institution, the school council must annually, agree in writing to comply with the District's conditions and procedures which will include, but are not limited to the following:
- a) to maintain records and implement procedures in accordance with District guidelines;

- b) to make records available for review by the District's internal reviewers following District reporting procedures;
  - c) to submit to an internal review upon request and/or an external audit; and
  - d) to submit annual financial summaries and statements every school year, ending August 31, upon request.
- 4.9 Notwithstanding the type of account, the school council treasurer shall maintain detailed records of all financial transactions.

#### Compliance

- 4.10 Where any individual has reason to believe that the management of school council funds is not in accordance with this policy or may be subject to an irregularity, he or she shall bring his or her concern to the attention of the treasurer, the school council chair, the school principal, the Superintendent of Instruction (SOI) or the CFO, as appropriate.
- 4.11 The CFO of the District shall be authorized to initiate an investigation where there is reason to believe there is or has been financial irregularity.
- 4.12 In the event of a disagreement between the school principal and the school council as to the appropriate use and/or management of school council funds which cannot be resolved through discussion and consultation, the matter should be referred to the SOI and/or CFO of the District for further mediation.
- 4.13 Should the CFO of the District determine that allegations of financial irregularity of the results of an investigation warrant, the District may temporarily assume control of the school council's funds:
- a) The Director of Education shall inform the Board at the first available opportunity.
  - b) Within 90 days, the CFO would present to the Board a plan aimed at restoring control to the school council, including as necessary, conditions and a projected timeline.
  - c) The Director of Education shall authorize procedures under this policy to further enable compliance by school councils with this policy.

## **5.0 REFERENCE DOCUMENTS**

*Education Act* and Regulations

Board Policy P.014.SCO: School Councils

Board Procedure PR.509.SCO: School Council Elections, Constitutions and By-laws