

EASTERN TOWNSHIPS SCHOOL BOARD	<i>Title:</i> PROCEDURE ON THE USE OF SCHOOL AND CENTRE BANK ACCOUNT	
<i>Source:</i> Audit Committee Director - Financial Services	Received April 23, 2002 Resolution ETSB02-07-76 Effective July 1, 2002	<i>Reference Number:</i> P019-1

INTRODUCTION

Articles 94 and 113 of the Education Act stipulate that the School Board is a legal entity and as such may have a bank account. An Administrative decision has been made by the Eastern Townships School Board that each School / Centre may have one bank account.

The following procedures must be followed in the use of the School/Centre bank account.

DEFINITIONS

School will mean School or Centre.

Principal will mean School Principal or Centre Director.

School funds will mean School Funds or Centre Funds.

PROCEDURES

1. All Schools and Centres must use a Board approved accounting program to account for all revenues and expenditures affecting the School's Bank Account.
2. The Bank Account must be opened in the name of the Eastern Townships School Board with reference to the School or Centre.
3. There must be a minimum of two (2) signing officers. The signing officers must be employees of the Eastern Townships School Board. Checks must have two signatures. A copy of the signing officer card must be sent to the Board.
4. **MONIES ON DEPOSIT**
 - 4.1 Monies on deposit in the School's bank account will be transferred to the ETSB. An amount mutually agreed upon will remain in the School's bank account. The amount will vary according to needs and must not exceed \$10,000.00.
 - 4.2 The school bank account will be used for expenditures that have to be paid immediately and will be replenished in the same manner as a petty cash fund.
 - 4.3 The monies transferred to the ETSB will be deposited into the ETSB bank account and credited to an account called School Funds on Deposit in the name of the school. Each school will have a separate general ledger account.

5. REVENUES ON DEPOSIT

5.1. The following revenues must be deposited in the School's bank account in a timely fashion and transferred to ETSB four times a year (i.e. November 30, January 31, April 30, and June 30, to close the books) :

- Short term rentals;
- Daycare / Service de Garde;
- Cafeteria;
- School Store / Consumable fees / Activity fees.

5.2. The following revenues must be deposited in the school's bank account in a timely fashion and transferred to ETSB by one cheque when most of the monies have been collected:

- Fund-Raisers.

5.3. The following revenues must be sent directly to ETSB:

- Donations requiring Income Tax Receipt from EasternTownships School Board.

6. SCHOOL FUNDS ON DEPOSIT ACCOUNT

6.1. Balances in the School Funds On Deposit account belong to the School. The balance is increased by the interest earned on monies deposited and by surpluses from Fund-Raisers.

6.2. Interest will be paid to this account based upon the average yearly balance at the rate of Banker's Acceptance less 1.5%.

6.3. The Principal is the Administrator of this account.

7. BENEFITS TO THE SCHOOL

7.1. The ETSB will pay expenditures for the School from the School Funds On Deposit account in order that the School benefits from the applicable GST/PST tax rebates.

7.2. The ETSB will charge no administrative fee to the School.

8. ETSB APPROVED ACCOUNTING SOFTWARE

8.1. The ETSB approved accounting software will be installed in each School.

8.2. The program will be used by the school to keep an up to date accounting record of all revenues and expenditures affecting the School's bank account.

8.3. The ETSB will provide training in the use of the designated software.