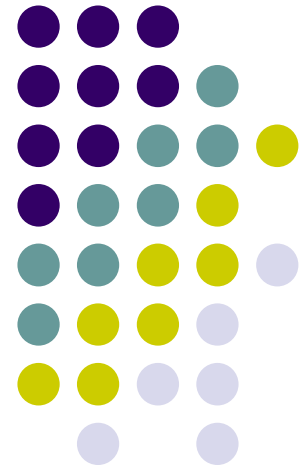


# PAC Finances



## Financial Controls and Practices for PACs

PAC Treasurers Workshop  
October 6, 2015



# Agenda

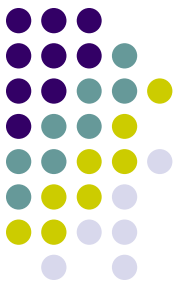


- Introductions
- PAC structure and role of Treasurer
- Other Fundraising Activities
- Donations
- PAC Community Gaming Grant
- Financial Controls and Practices
- GST / PST
- PAC Purchases
- Questions?

# PAC Structure



- School Act outlines Parent Advisory Council (PAC) purpose and structure
  - PAC's are a separate organization from the school district
  - PAC's have their own set of bylaws and constitution
  - Only 1 PAC per school
  - PAC officers must be elected by its members
  - Principal works with the school PAC on a consultative basis only and should not be a signing officer
  - Each parent group runs under the PAC umbrella (ie. Music or Grade 7 camp fundraising)



# Role of PAC Treasurer

- Role of Treasurer is typically set out in the constitution and bylaws of the PAC
  
- In most PAC's the Treasurer is a signing authority but does not have to be
  
- Responsibilities should include:
  - Record all financial transactions of the PAC including receipt and disbursement of funds
  - Maintain and safeguard all financial books and records of the PAC
  - Prepare and report on financial activity and financial position of the PAC
  - Assist with PAC Budget preparation
  - Ensures financial controls and practices are in place

# PAC Financial Activity



- PAC's are involved in fundraising activities
- Other PAC sources of revenue may include donations, other grants including the Community Gaming Grants
- PAC's may incur expenditures for fundraising, donations, purchase of equipment or other school resources
- All PAC fundraising activities should be reviewed and approved by the School Principal and/or the Board

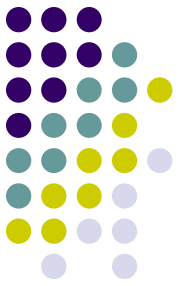
# Fundraising

Burnaby School District Policy

*Fundraising Activities in Schools Policy 3.16.00*

**“PROCEEDS FROM FUNDRAISING ACTIVITIES OR EVENTS CONDUCTED IN THE NAME OF A SCHOOL SHALL ONLY BE USED TO ENHANCE AND ENRICH THE SCHOOL AND SHALL NOT BE UTILIZED FOR THE HIRING OF STAFF OR THE PROVISION OF STUDENT PROGRAMS AND ACTIVITIES WHICH CONSTITUTE A SIGNIFICANT ONGOING COMPONENT OF AN INSTRUCTIONAL PROGRAM.”**

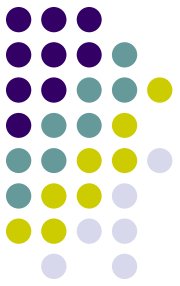
**See policy guidelines – 3.16.01**



# Fundraising

## Some important points:

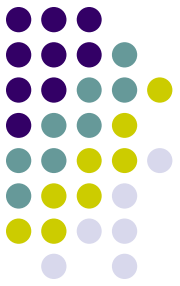
- Each group under the PAC umbrella with regards to fundraising and must follow all District fundraising policies and procedures.
- Any group running under the PAC umbrella must report fundraising as per the District fundraising policies and procedures.
- Fundraising campaigns must be a school or school district sanctioned event. Principal approval.
- Whereas gaming grants cannot be advanced to the school, other fundraising \$\$\$ can be advanced to the school.



# Fundraising

Some important points:

- The purpose of the fundraising campaign must be identified prior to the start of fundraising.
- Fundraising expenses can be paid out of the proceeds as approved by the PAC executive.
- Fundraised \$ can be applied to fees, events, or purchases but cannot be given to students, parents or staff.





# Fundraising



## Other types of Fundraising may be done by the PAC

- If **no tax receipt** is required, the funds may be deposited in the PAC General bank account or the School bank account.
- If a **tax receipt** is required, the funds **MUST** be deposited in the School or School District bank account **AND** these funds must remain in and be paid directly for expenses/purchases from the School or School District bank.
- No deposits can be made to the Gaming Account other than the Community Gaming Grant and other Licensed Gaming Proceeds.

# Fundraising



PAC funds could be held in up to four bank accounts

1. PAC Gaming Bank Account
2. PAC General Bank Account
3. School Bank Account in a PAC designated category
4. There could also be PAC funds held at the School District for special projects.

# PAC Funds



## Gaming

- Funds must be kept in separate Gaming Account



- Funds cannot be advanced to the school but may be reimbursed for purchases made by the school or district.



- Keep copy of invoice and payment details for audit purposes.

## Other Fundraising

### *Tax Receipt Requested (donations)*

- Funds **must** be deposited to the school (or district) and purchases made through the school



- PAC directed account in the school bank or in some cases at the district.



- No funds may be given directly to the PAC if a donation receipt was issued.

### *No Tax Receipt requested*

- Funds can be kept in the PAC general account or in PAC category in the school account



- Funds may be advanced to the school.



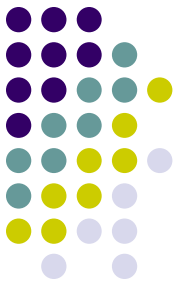
- Purchases can also be made directly by cheque from the PAC account.

# Donations



- Donation tax receipts can only be issued by the School District (which is a registered charity) for qualifying donations. (our schools are under the umbrella of the School District)
- Donations where a tax receipt is requested must be made payable to the **School or School District**
- **Donations that have received a tax receipt may not be forwarded to the PAC account (must stay in School or District bank)**
- Donation tax receipts for individual cash gifts below \$20 will not be issued

# Donations



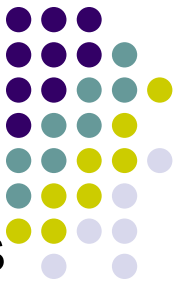
- The school district has a process in place to request tax receipt. Your School Secretary or Bookkeeper will have the proper forms to request tax receipts.
- There is an Excel spreadsheet template for multiple tax receipt requests.
- Donations made directly to the PAC, and deposited in the PAC General bank account, are not eligible for tax receipts.



# Donation Guidelines

- Donation policies see Board Policy #3.17 and #3.18
- Non-cash Donations must be clearly suited for the furtherance of the educational purposes of the District and meet all District donation criteria.
- Gifts do not qualify if they have a personal benefit to the donor.
- As with fundraising, any donation campaign must be a school or school district sanctioned event with Principal approval.

# Online Donations with School Cash



- PAC can create a donation campaign offering parents and the community the opportunity to donate online. (School Cash Online)
- A Burnaby School District tax receipt is generated at the time of the online donation.
- Funds are deposited into a School District bank account and then redirected to the designated school.
- Funds would then be disbursed from the school bank account (tax receipt guidelines)

# PAC Community Gaming Grants



<http://www.pssg.gov.bc.ca/gaming/grants/pacdpac.htm>

## PAC and DPAC Grants - overview

Eligibility	Parent Advisory Councils and District Parent Advisory Councils. Details provided in Section 3 of <a href="#">Community Gaming Grant - Guidelines (including PAC/DPAC grants)</a> [PDF].
Grant Amount	<b>PAC:</b> \$20 per student <b>DPAC:</b> \$2,500 per year
Application	One application per year. No later than June 30. <b>Submit online.</b> April 1 – June 30
Processing Fee	None
Processing Time	Grants will be paid as soon as possible in September, no later than September 30



# PAC Community Gaming Grants



- The PAC or equivalent must be an autonomous group whose membership consists of parents or guardians of students attending the school.
- Community Gaming Grants are deposited directly into the PAC Gaming bank account only
- Grant funds must remain under the management and control of the PAC that receives them.
- Funds can only be used for extracurricular purposes.
- Funds cannot be transferred to the school or the school district or their activities and programs.

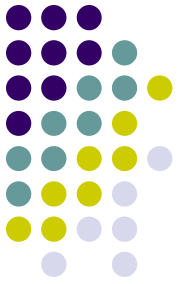
# PAC Community Gaming Grants



- PAC's can NOT advance gaming funds to the school
- The PAC can reimburse the school or school district with gaming funds for approved purchases.
- PAC must retain supporting documentation for 5 years from end of fiscal year in which revenue was disbursed
- Donations of gaming funds are not permitted

# Applying for Community Gaming Grants PAC/DPAC

✓ There is specific criteria surrounding the spending of Community Gaming Grants for PAC/DPAC



## ELIGIBLE USES OF PAC / DPAC GRANT FUNDS

Grant funds must remain under the management and control of the PAC or DPAC that receives them. Funds cannot be used for, or transferred to, curricular purposes or to schools or school districts, or any of their activities or programs.

## Parent Advisory Councils and Parent Organizations

PAC funding is intended to benefit students by enhancing their extracurricular opportunities:

- Student publications: newsletters, yearbooks equipment
- Student competitions: writing, debating, chess, music
- Student computers: software, hardware, accessories
- Student societies: drama club, student society organized
- Student ceremonies: graduation, dry grad
- Student conferences or educational field trips within B.C.
- Uniforms and equipment for extracurricular activities
- Sports or playground equipment
- Awards and trophies
- Scholarships and bursaries for post secondary education (paid directly to students)
- Capital acquisitions directly benefiting students, such as playground equipment
- Student transportation and travel within B.C.
- Student transportation and travel outside B.C., where the student group:
  - o is representing its school as a result of merit achieved through competition
  - o is competing in a sport that involves cross border travel
  - o has been selected because of its level of creative achievement or success, or
  - o is entered in a recognized competition in which there is a formal evaluation or adjudication process

Grant funds to PACs and parent organizations may be accumulated for up to three years without prior approval from the branch.



## District Parent Advisory Councils

DPAC funding is intended to benefit students by supporting activities that foster parental involvement in the schools and promote effective communication between schools, parents, students and the community. Eligible uses of DPAC funding include educational and promotional materials, administrative costs including British Columbia Confederation of Parent Advisory Councils (BCCPAC) membership fees, and travel for regular DPAC meetings.

Grant funds to DPACs must be disbursed within 12 months of receipt.

Application Form: <https://www.gaming.gov.bc.ca/grants/pacdpc.htm#two>

# PAC Community Gaming Grants



## *Accountability for Community Gaming Grant Funds*

- See Section 7 of the Community Gaming Grant Guidelines
- <https://www.gaming.gov.bc.ca/grants/docs/cond-cgg.pdf>
- All conditions, including reporting requirements, for all types of gaming funds previously received by an organization, must be satisfied before another application will be considered.
- The recipient of a Community Gaming Grant must comply with all of the conditions for a community gaming grant

# PAC Community Gaming Grants



## *Accountability for Community Gaming Grant Funds*

- Maintain separate gaming account
- Cheques must have “Gaming Account” imprinted
- Maintain records showing amount & purpose of each transaction
- Retain all gaming records for a period of 5 years
- Cheques issued signed by at least two signing officials
- EFT or auto-debit must be authorized in writing.
- Cash transactions not permitted.

# PAC Community Gaming Grants



## *Audit & Financial reporting requirements*

- Must file Gaming Account Summary Report within 90 days of fiscal year end/ (September 30<sup>th</sup>)
- Gaming Branch may request financial statements or other information
- Subject to audit by the gaming branch (last 2010).

# Gaming Licenses



## Fundraising with Gaming

- All gaming in BC requires a license. A license must be applied for in advance of the proposed event.
  - apply online at [www.gaming.gov.bc.ca](http://www.gaming.gov.bc.ca)
- There are four classes of licenses:
  - **Class A, Class B, Class D**
  - **Class C**
- The class of license you'll want depends on how much money you expect raise, the value of your prizes and the price of your tickets.

<http://www.pssg.gov.bc.ca/gaming/licences/>

# PAC Gaming



## Gaming License

- **Class A** ticket raffles, bingos, wheels of fortune, poker greater than \$20,000 in gross revenue \$50.00
- **Class B** ticket raffles, bingos, wheels of fortune, poker \$20,000 or less in gross revenue \$25.00
- **Class D** ticket raffles, bingos, wheels of fortune, poker \$5,000 or less in gross revenue \$10.00
- **Class C** Fairs and Exhibitions

<http://www.pssg.gov.bc.ca/gaming/licences/>



# PAC Gaming



## Gaming License

- All gaming fundraisers must meet all requirements and approvals of the Burnaby School District fundraising policies and procedures.
- Must receive special permission from the Burnaby School District Board prior to the event taking place (Policy 3.16.01)

# PAC Gaming



## Gaming License

### Financial Controls and Audit Requirements

- All PAC's already have an established gaming account and must deposit licensed gaming proceeds to this account also.
- Unsold tickets and ticket stubs must be retained for 2 years or until audited.
- Submit gaming event revenue report within 90 days of the expiry of the license.

<http://www.pssg.gov.bc.ca/gaming/licences/>

# PAC Gaming



## Gaming License

### Use of Net Gaming Proceeds – Class A, Class B

- PAC's may only use net gaming proceeds for eligible disbursements within BC that benefit students by enhancing the extracurricular opportunities of a variety of student activities
- #21 of Conditions of a Class A and Class B Gaming Event Licence
- Watch for updated guidelines and conditions

<http://www.pssg.gov.bc.ca/gaming/licences/>

# PAC Gaming



## Gaming License

### Use of Net Gaming Proceeds – Class D

- At least three members take responsibility for the gaming event
- Must meet all requirements of Gaming Branch guidelines and conditions <http://www.pssg.gov.bc.ca/gaming/licences/>
- Need to show how the net proceeds will benefit a community and/or third party or an eligible general purpose.

***All gaming fundraisers must meet all requirements and approvals of the Burnaby School District fundraising policies and procedures.***

# PAC Gaming



## Gaming License

### Financial Accountability – Class D

- Keep all records for five years
- Maintain records that clearly show the amount and purpose of each financial transaction.
- Must use Gaming Bank Account to deposit any gaming proceeds.

<http://www.pssg.gov.bc.ca/gaming/licences/>



# Financial Controls & Practices



- Proper financial controls & practices need to be in place for PAC's:
  - Ensure accountability
  - Ensure funds are spent on intended purpose
  - Reduce the risk of error, misappropriation of funds, inaccuracy of reports
  - Reduce the risk of unauthorized and unsupported financial transactions

# Types of Controls



- Basic – physical access, reconciling the bank regularly, keeping adequate books and records
- Supervisory – approval of expenditures, review of transactions
- External review or audit



# Financial Controls & Practices



1. Financial Authority
2. Records Maintenance
3. Collection and Deposit of Funds
4. Disbursement of Funds
5. Financial Reporting

# Financial Authority



- Minimum of 2 PAC executives as signing officers
- Treasurer often is one of the signing officers
- School Principal should not be a signing officer of the PAC
- All cheques should be signed by the 2 signing officers before issuance
- PAC money should only be spent according to an approved budget or authorized by a motion
- Know what you are signing for!

# Records Maintenance



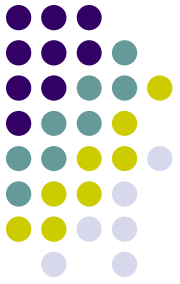
- All financial transactions must be recorded in a ledger that clearly illustrates both revenues and expenditures by activity or event and maintains a running total of the bank balance
- All financial records must be kept for a minimum of 7 years including bank statements, cancelled cheques, cheque stubs, deposit books, bank reconciliations, supporting receipts/invoices, accounting ledgers, financial reports and budgets

# Collection and Deposit of Funds



- Collection of cash and cheques from fund raising activities should be recorded and deposited as soon as possible. Frequent deposits will help reduce the likelihood of theft or “missing” funds
- Collected cash should not be used to pay for expenses
- Cash from fund raising activities should be counted by 2 individuals (not the person making the deposit), recorded on a PAC event deposit form and signed off

# Collection and Deposit of Funds



- The completed PAC event deposit form should be forwarded to the Treasurer (or designate) with the cash/cheques for deposit to the bank as soon as possible.
- The Treasurer should ensure that the original PAC event deposit form is attached to the stamped bank deposit slip as a supporting document



# Disbursement of Funds

- All payments should be made by pre-numbered cheque
- A petty cash fund is not recommended as it is too easy to lose track of expenditures
- All cheques should be signed by the 2 signing officers and only if the cheque is accompanied by original invoice/receipt or other sufficient backup documentation
- Blank cheques should never be signed and cheque stock should be secured by the Treasurer at all times

# Balancing and Financial Reporting



- Bank reconciliations should be prepared each month for both the PAC general account and the gaming account by the Treasurer and submitted for review to the PAC Chair (Chair should sign and date all bank reconciliations)
- Principals should also be receiving and reviewing PAC financials, bank reconciliations and bank statements
- Summary of revenues and expenses for each fundraising activity should be prepared on completion of the activity and submitted for review to the PAC executive
- At each PAC meeting, the Treasurer should report on the bank balances and a summary of revenue and expenditures. The Treasurer's report should be signed and dated by the Treasurer and approved by the PAC executive.



# Balancing and Financial Reporting

- PAC year end financial statements should be prepared by the Treasurer and submitted to the executive and membership for approval
- PACs may want to have their financial statements reviewed by an external accountant or conduct its own internal review of the financial statements.
- It is also recommended that the Treasurer assist in preparing an annual budget and provide explanations for revenue and expenditure variances from budget



# PAC Annual Budget



- Reflects planning for the year and gives your council's executive and treasurer the authority they need to spend money at the appropriate time
- Without a budget, the executive must seek approval from the membership for every expenditure

# PAC Annual Budget



## Preparing a budget

- ✓ Determine your spending priorities
- ✓ Determine your expenses
- ✓ Estimate and plan your revenue
- ✓ Build consensus
- ✓ Pass budget via motion at a PAC/DPAC meeting
- ✓ Ensures the membership can have knowledge of planned spending and any variances from this plan

***All money raised should have a purpose.  
All money kept should have a purpose.***

# PAC Annual Budget



- An active organization will have unanticipated revenues and expenses so your budget can be amended accordingly
- Part of the treasurer's responsibility is to keep track of revenue and expenditures and alert the executive and membership to any problems with the budget
- Membership should vote on any amendments



# Tax Rebates

- Federal (GST) 5%
- Provincial (PST) 7%
  
- School Districts and Schools receive 68% rebate on GST
- On books and children's clothing the rebate is 100% of the GST
- There are no PST rebates for School Districts.



# Tax Rebates

- Purchases paid directly from PAC bank accounts qualify for 100% PST rebate (PAC must apply) (no GST rebates)
- PAC Purchases made by the School District will qualify for
  1. 68% rebate on GST (or 100% for books)
  2. 100% rebate on PST (District will apply on behalf of the PAC only for purchases made at the district)
- Purchases paid directly from the School's bank account qualify for GST rebate. (no PST rebates)

# PAC Purchases through District



- School initiates requisition to District Purchasing department, stating the amount or % the PAC is paying
- Vendor ships goods to the school or District
- District pays the vendor invoice and the District invoices the PAC directly
- PAC writes cheque to District  
(amount on District invoice will be less tax rebates)

# PAC Purchases through School



- School initiates the purchase.
- Vendor ships goods to the school
- School pays the vendor invoice and the School invoices the PAC directly
- PAC writes a cheque to the school



# Anti Spam Legislation

- SPAM is unsolicited Commercial Electronic Messages, with the purpose to encourage the recipient to engage in commercial activities.
- Every person and organization is prohibited from sending a commercial electronic message to an electronic address unless:
  - the recipient has consented AND
  - the sender conforms with prescribed requirements



# Acceptable Payment Methods



The Burnaby School District does not endorse the use of payment methods such as PayPal, Square, and other online systems that require the School or PAC bank account information entered, parent credit card information required, or individual parent direct access to the PAC or School bank account.

# SchoolCash Online



- Burnaby schools offer parents the option of paying for some or all of the school's fees online
- eCheck payments only – no credit cards
- At the end of September 51% of the District's children had a parent signed up on the SchoolCash Online system.
- <https://burnaby.schoolcashonline.com/>

## School Cash Online

[HOME](#)

[ABOUT US](#)

[GET HELP](#)

Paying school items just got easier!  
Sign up to get started today.

### What is School Cash Online?

School Cash Online is an easy to use, safe way to pay for your children's school fees.  
[Learn more](#)



[Get Started Today](#)

[Sign Into Your Account](#)



### Best In Class Security Gives You The Best Protection

**CSAE 3416**  
Certified



**SSAE 16**  
Certified

### About KEV Group:

Over the past 15 years KEV has helped over 4,700 schools manage their cash in the easiest way possible.



### How Does This Work?

It's simple! Just follow the 4 easy steps to make payments. Then see your payment history and



### Why Use School Cash Online?

**Convenient** Make secure payments 24/7 from the comfort of your home

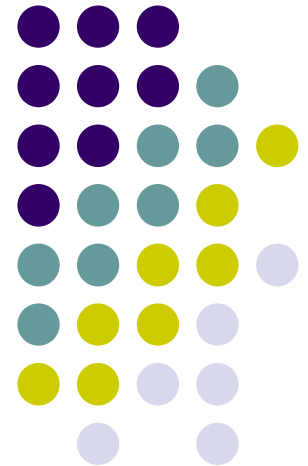
**Easy To Use** Online shopping with credit card, eCheck, or pre-pay your eWallet

**Safe** Your child won't be carrying cash or checks to and from school

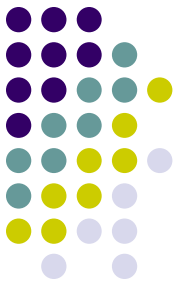
**Saves Time** Manage your school expenses and view payment history in one place

---

# Questions ?



# Links



- Direct Access Grant

<http://www.pssg.gov.bc.ca/gaming/grants/pacdpac.htm>

- Gaming Licenses

<http://www.pssg.gov.bc.ca/gaming/licences/>

- PST Refunds

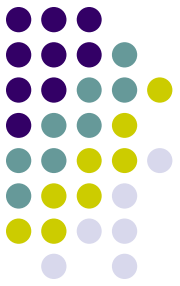
[http://www.sbr.gov.bc.ca/documents\\_library/forms/0355FILL.pdf](http://www.sbr.gov.bc.ca/documents_library/forms/0355FILL.pdf)

- BCDPAC Resources

<http://www.bccpac.bc.ca/resources/leadership-manual-tab-15-financial-management-pacs-and-dpacs>

- Burnaby School District policies

[http://sd41.bc.ca/budgets\\_policies/manual/index.htm](http://sd41.bc.ca/budgets_policies/manual/index.htm)



# SD41 Finance Staff Contacts

- Roy Uyeno, Assistant Secretary-Treasurer  
[roy.uyeno@sd41.bc.ca](mailto:roy.uyeno@sd41.bc.ca)
- Matthew Mydske, Supervisor, Accounting Services  
[matthew.mydske@sd41.bc.ca](mailto:matthew.mydske@sd41.bc.ca)
- Lynda Kerr, Accounting and Audit Officer  
[lynda.kerr@sd41.bc.ca](mailto:lynda.kerr@sd41.bc.ca)