



Financial Guidelines for Parents' & Friends' Associations¹

August 2008

1. Vision Statement

Associations of a school exist to enhance the communal participation of parents and friends of the school in the life and development of the school.

2. Preamble

The Parents' and Friends' Association exists because the school exists. It works for the general good of the school.

The approval of both the Canonical Administrator and principal is required for the Association to be officially associated with the school.²

The constitution or operational charter of the Association is to be approved by the School Board.

The main purposes of such an Association are to:

- support the school
- provide opportunities for interaction between parents and parents and staff
- raise funds or provide 'in kind' services to enhance the educational facilities and resources of the school
- complement the goals of the school's Strategic Plan in consultation with the School Board

Most schools use a combination of fees and fundraising to meet the shortfall between Government grants and the total cost of education.

The Association should be included in the process of identifying the needs and priorities of the school in order to:

- complement the Strategic Plan
- clarify specific targets and discretions

The Parents' & Friends' Association does not have the final determination of the projects on which funds raised will be spent.

Government and the Catholic Education Commission of Victoria guidelines require details of any goods purchased for the school to be included in the Annual Financial Statements (AFS) of the school. Funds transferred from the Association are shown as donations in the AFS of the school.

¹ These guidelines can be applied to any fundraising organisation associated with a school.

² Financial and Administrative Procedures Manual – Victorian Catholic Primary Schools

The funds raised by the Association should be transferred to the school on a regular basis. This will assist in both meeting current needs and enabling current students to benefit from funds raised by their parents.

3. Purpose

The following guidelines are provided to assist schools with the financial operations of their fundraising association(s).

Bank Accounts

1. All Parents & Friends bank accounts should include the name and address of the school.
2. The school mailing address should be used for receiving bank statements and any other correspondence relating to the bank accounts.
3. Any bank account operated by the Association must require a minimum of two authorised signatories to withdraw or transfer funds or make payment by cheque. The Canonical Administrator would normally be responsible for authorising signatories to Association accounts but may choose to delegate this authority to the principal.
4. The Canonical Administrator and the school principal should have a schedule listing full details of all bank accounts operated by the Association, including names of authorised signatories for each account. This schedule should be updated annually or as changes to authorised signatories are made. A sample proforma is attached to this document as schedule 1.

Cash handling and banking

1. All money received should be banked promptly to maximise interest earned and to reduce security risks.
2. If it is necessary to keep money on school premises it should be kept in a locked safe.
3. Money collected from fundraising events, school tuckshops, uniform sales, etc., should be counted in the presence of two people.

Financial Accountability

1. Regular financial reports should be provided to the Canonical Administrator, School Board and the Principal. A suggested reporting schedule is monthly to the Principal and at least once per semester to the School Board and Canonical Administrator.
2. Towards the end of each school year the amount to be retained for an operating float for the following year should be determined and all other funds should be transferred to the school bank account.
3. The finances of the fundraising association should be subject to an annual audit by an independent auditor. The auditor will be engaged by the Association after consultation with the principal. The results of this audit should be provided to the Canonical Administrator, the Principal and the School Board Chair.
4. Parents' and Friends' Associations normally operate as non-profit sub-entities of the school and are not registered for Goods and Services Tax (GST). Guidelines relating

to these sub-entities and GST are provided for schools in the GST Manual on the Catholic Education Victoria website or information can be provided by diocesan finance staff.

Fundraising

1. Meetings, working bees, gatherings and fundraising events and their timing should be arranged in consultation with the school principal.

4. Evaluation

These guidelines will be reviewed every **four** years.

**SCHEDULE OF BANK ACCOUNTS
OPERATED BY
PARENTS & FRIENDS ASSOCIATIONS OR OTHER SCHOOL
FUNDRAISING GROUPS**

Name of Association or Group: _____

School Name: _____

Location: _____

The following is a list of all bank accounts currently operated by the fundraising group listed above and the authorised signatories for these bank accounts.

	Bank Account Name	Bank Name	Account Number
1			
2			
3			

Authorised signatories		
Name	Signature	<i>Please indicate which of the accounts listed above this person is authorised to co-sign</i>

President:

Name:.....Signature.....

Principal:

Name:.....Signature.....

Canonical Administrator:

Name:.....Signature.....

Date: