

# PAC Finances

## Financial Controls and Practices for PACs

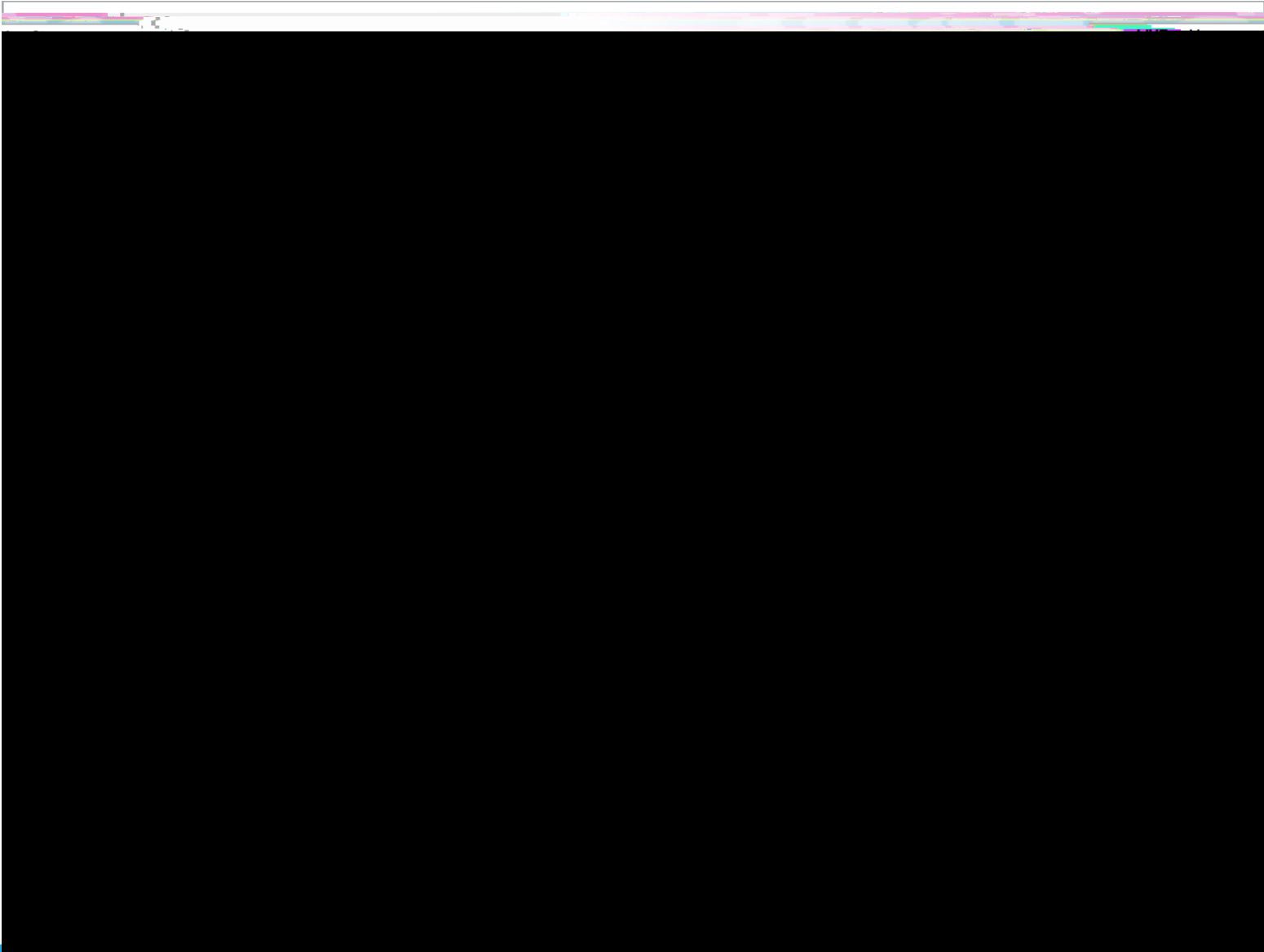
DPAC Presentation  
October 15, 2018

# Agenda

- PAC structure
- Role and responsibility of PAC Treasurer
- Fundraising, Donations & Community Gaming Grants
- Financial Controls and Practices
- PAC Purchases and Taxes
- Questions?

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# PAC Structure

School Act outlines Parent Advisory Council (PAC) purpose and structure

- Board of Education approves the establishment of a school PAC
- Only 1 PAC per school
- PAC's are a separate but linked to the school
- PAC's have bylaws and constitution
- PAC officers must be elected by its members
- Principal works with the school PAC, but should not be a signing officer
- Each parent group runs under the PAC umbrella

# PAC Treasurer

- Role of Treasurer is 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:
  - Record financial transactions
  - Maintain and safeguard records
  - Prepare and report on PAC finances
  - PAC Budget
  - Financial controls

# Fundraising

# Fundraising

- District fundraising policies and procedures must be followed by all groups
- Fundraising campaigns must be a school or school district sanctioned event. Principal approval is required
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# 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.

# PAC Gaming Grants

# PAC Community Gaming Grants

<https://www2.gov.bc.ca/gov/content/sports/gambling/fundraising/gaming-grants/pacdpacgrants>

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	PAC \$20 per student DPAC \$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

- PAC's can NOT advance gaming funds to the school
- Community Gaming Grants are deposited directly into the PAC Gaming bank account only (cheques imprinted with "gaming account").
- Grant funds must remain under the management and control of the PAC that receives them.
- 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

# 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 [www.gaming.gov.bc.ca](http://www.gaming.gov.bc.ca)
- There are four classes of licenses:
  - f Class A, Class B, Class D
  - f Class C
- The class of license you'll want depends on how much money you

# PAC Annual Budget

# PAC Annual Budget

- Planning for the year
- Executive and treasurer the authority 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

- 9 Determine your spending priorities
- 9 Determine your expenses
- 9 Estimate and plan your revenue
- 9 Build consensus
- 9 Pass budget via motion at a PAC/DPAC meeting
- 9 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

- Budget Amendments
- Tracking revenue and expenditures vs budget
- Membership should vote on any amendments

# Donations

# Donations

- Donation tax receipts can only be issued by the School District (which is a registered charity)
- Tax receipts issued for donations of \$20 or more



# 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.

# Financial Controls and Practices

# Financial Controls & Practices

## Proper financial controls & practices

- Ensure accountability
- Ensure funds are spent on intended purpose
- Reduce the risk of error, misappropriation of funds

# 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 (never sign your own cheque)
- PAC money should only be spent according to an approved budget or authorized by a motion
- Review signing authority on bank account as soon as turnover occurs.
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# Records Maintenance

- All financial transactions must be recorded in a ledger that presents revenues and expenditures by activity
- Maintain a running total of the bank balance
- All financial records must be kept for 7 years

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# Collection and Deposit of Funds

- Collections should be recorded and deposited timely
- Collections should be counted by 2 individuals(not the person making the deposit)
- Collected cash should not be used to pay for expenses
- Collections should be recorded on a PAC event deposit form and signed off

# Disbursement of Funds

- All payments should be made by pre-numbered cheque
- A petty cash fund is not recommended
- All cheques should be signed by the 2 signing officers
- Original invoice/receipt or other sufficient backup documentation must be provided
- Blank cheques should never be signed
- Cheque stock should be secured by the Treasurer

# Balancing and Financial Reporting

- Treasurer to complete monthly bank reconciliations for the PAC general account and the gaming account. PAC Chair to review, sign and date all bank reconciliations
- Principals to receive/review 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

- Treasurer prepares Year End Financial Statements
  - Executive and membership need to approve
  - Principal to be provided a copy
- Review of Financial Statements
  - External review by Accountant
  - Internal review
- Treasurer to assist in preparing an annual budget and provide variance analysis

# 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
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# Tax Rebates

- Purchases paid directly from PAC account
  - 100% PST rebate (PAC must apply)
  - No GST rebates
- Purchases made by the School District
  - 68% rebate on GST (or 100% for books)
  - 100% rebate on PST (District will apply)
- Purchases paid directly from the School account
  - 68 % rebate on GST(or 100% for books)
  - No PST rebate

# SchoolCash Online

- All fees are available for on line payment
- VISA, MasterCard, eCheck and MyWallet payments

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Questions?