Government
of
Saskatchewan

Ministry of Education
Deputy Minister
5th Floor, 2220 College Ave.
Regina, Canada S4P 4V9

February 9, 2016

Ms. Danielle Chartier, Chair
Standing Committee Public Accounts
Room 265, Legislative Building
2405 Legislative Drive
REGINA SK S4S 0B3

Dear Ms. Chartier:

Re: Response to Follow Up Questions Asked at PAC on January 13, 2016 Regarding School Generated Funds

Please find attached for your reference an excerpt from the school divisions' Chart of Accounts which provides a full description of school generated funds. The full document is available at the Ministry of Education's website, located at http://www.saskatchewan.ca/government/education-and-child-care-facility-administration/services-for-school-administrators/school-division-financial-administration#chart-of-accounts.

Also attached as requested by the committee is a summary of the revenue and expenses of the school generated funds from the 2014-15 audited financial statements.

Sincerely,

Julie MacRae

Julie MacRae

Attachments

cc: Larry Doke, Deputy Chair, Standing Committee on Public Accounts

SCHOOL GENERATED FUNDS (1-1-04-000-000-xxx-xxx)

This section details the revenue for services and programs that meet the definition of School Generated Funds.

School Generated Funds – Definition:

School Generated Funds are those services and programs for which the school collects fees and takes on fundraising activities. These activities should be specific to the promotion of curricular and non-curricular activities. Curricular programs are those that relate directly to programs offered by the school curriculum and support the curriculum. An example of curricular revenues is Industrial Arts fees used to offset material costs for the industrial arts program. Non-curricular are those activities and programs put on by the school over and above the regular curricular programming to enhance the overall educational experience for the students. Examples of non-curricular are fees collected to support clubs and sports teams, and fundraising events to raise funds for classroom computers.

School Generated Funds - Full-Costing of Programs:

School Generated Funds expenses are to include the full cost of delivering the programs. This means any revenues received must be deposited in-tact that is directly attributable to those programs.

Where costs are shared with other programs, the school division must establish a reasonable method to allocate costs between programs.

Funds collected for a specified purpose must be used for that purpose.

The nature of School Generated Funds is that they tend to continue from year to year and as a result there will be a desire to appropriate surpluses for School Generated Funds programs at the August 31st year-end.

School Generated Funds programs should not run at a deficit. If at year-end a deficit exists, the deficit should be offset to another School Generated Funds program. The school division should have procedures in place should this situation arise.

School Generated Funds Revenue Account Code Structure – Object Codes:

School Generated Funds object codes are used to denote whether a revenue or expense item has a Curricular or Non-Curricular purpose.

School Generated Funds Revenue Account Code Structure – Program Codes:

School Generated Funds programs use a common set of account codes for program revenues and expenditures. Program codes are then used to identify the specific School Generated Funds program to which the revenue relates.

As an example, a school division may have the following School Generated Funds programs:

- SRC
- Canteen
- Industrial Arts

The school division would then set up Program codes for each of these programs, as follows:

- P01 - SRC
- P02 - Canteen
- P03 – Industrial Arts
- P04 - Fundraising

School Generated Funds revenue for each of the programs would then be recorded to the following accounts:

- 1-1-04-075-065-P03-xxx – School Generated Funds-Curricular-Student Fee-Industrial Arts
- 1-1-04-080-065-P04-xxx – School Generated Funds-Non-Curricular-Fundraising-Fundraising

School Generated Funds –Revenue Accounts (1-1-04-000-000-xxx-xxx):

Curricular (Credit Courses) (1-1-04-075-000-xxx-xxx)

Student Fees (1-1-04-075-065-xxx-xxx)

Student fees are collected in direct support of programs offered by the school curriculum.

Examples include:

- Industrial arts student fee collected to cover the cost of wood products used by the student on projects they will take home.
- Welding student fee collected to cover the cost of the metal used by the student on projects they will take home.

The nature of student fees collected at the elementary school level may be difficult to determine whether they should be reported as curricular or non-curricular. Materiality will come into play. If the majority of the student fees collected are for programming, then all student fees would be reported as curricular. If the majority of the student fees are for school events, then all student fees would be reported as non-curricular.

All curricular student fees should be charged to this sub-object code.

CHART OF ACCOUNTS – REVENUES AND EXPENDITURES

Non-Curricular (1-1-04-080-000-xxx-xxx)

Commercial sales - GST (1-1-04-080-060-xxx-xxx)
To this account report sales activity that attracts the GST (where the yearly gross sales exceed $50,000). School division activity that attracts the GST include: vending machine sales, school stores.
Note: Cafeteria sales should remain in External Services.

In the event that your school division has other activity that attracts the GST, it should be coded to this account, as well.

Commercial sales - Non-GST (1-1-04-080-061-xxx-xxx)
To this account report commercial sales activity that does not attract the GST.

Fundraising (1-1-04-080-063-xxx-xxx)
This account is set up to capture fundraising initiatives carried on by the school.Examples include:

- Raising funds to build a creative playground.
- Raising funds for school computer equipment.
- Raising funds to support traveling teams, SRC activities etc.

Grants and partnerships (1-1-04-080-064-xxx-xxx)

Schools may receive funding from services groups and other agencies to support very specific purpose projects or initiatives. In conjunction with these funds, typically the funding providers request a report of expenditures and outcomes post completion of the project. Examples are Breakfast for Learning, TIPP grants, partnerships.

Student Fees (1-1-04-080-065-xxx-xxx)
This account is intended to capture revenue from students for membership or participation. Examples include:

- Graduation fees
- SRC fees
- Yearbook
- Fees collected by sports teams to support their programs
- Other extra-curricular clubs

The nature of student fees collected at the elementary school level may be difficult to determine whether they should be reported as curricular or non-curricular. Materiality will come into play. If the majority of the student fees collected are for programming, then all student fees would be reported as curricular. If the majority of the student fees are for school events, then all student fees would be reported as non-curricular.

Other (1-1-04-080-999-xxx-xxx)
This account would capture any incoming school-based revenue that is not covered by the other revenue categories.

Examples include:

- External cash contributions to clubs and teams.
- Interest (generated of school generated funds).
- GST rebates (generated by school generated funds).

OTHER REVENUE (1-1-05-000-000-xxx-xxx)

This section describes all other revenues received by the school division for current operating purposes that have not been specifically described in the foregoing revenue categories.

Miscellaneous Revenue (1-1-05-090-000-xxx-xxx)

This category reports miscellaneous revenues received from non-government sources for the provision of various goods and services that do not fall into any of other revenue items listed below.

Fees (1-1-05-090-046-xxx-xxx)
Report the revenue from non-refundable fees charged to students for use of school division materials or equipment not normally provided by the school division.

Capital Revenues – Capital Tuitions and Sale of School Buildings (1-1-05-090-047-xxx-xxx)
Report revenues recognized during the reporting period from capital tuitions and sale of school buildings that was initially recorded as deferred revenues.

Note: new account created to assist school divisions and the ministry to properly track the recognition of deferred revenues related to capital tuitions and sale of school buildings.

Reimbursements (1-1-05-090-048-xxx-xxx)
This account reports miscellaneous reimbursements of costs by non-government sources.

Note: Reimbursements paid by the Ministry of Education included in the monthly operating grant (i.e. Supplementary Employment Benefit (SEB) and internship) are not reported in this account, please use Operating Grant (1-1-02-010-020-xxx-xxx).
Do not include amounts that are significant or that meet the criteria of a “trust” in accordance with CICA Public Sector Accounting Board (PSAB) standards. These amounts are to be netted against the related expense and, where significant, disclosed in a note to the financial statements.

Other (1-1-05-090-999-xxx-xxx)
Report revenue received from outside parties for miscellaneous operating related purposes for which a more specific revenue category does not exist.

Sum of Total Amount				School Division Name		
Function	Function Desc	Object Desc	Sub-Object Desc	Chinook SD 211	Christ the Teacher RCSSD 212	Conseil des écoles fransaskoises 310
04	SCHOOL GENERATED FUNDS REVENUE - 04	CURRICULAR (CREDIT COURSES) - 075	STUDENT FEES - 065	-	(21,284)	-
		NON-CURRICULAR - 080	COMMERCIAL SALES - GST - 060	(1,309)	-	-
			COMMERCIAL SALES - NON-GST - 061	(484,711)	(94,318)	-
			FUNDRAISING - 063	(701,222)	(221,627)	(691,145)
			GRANTS AND PARTNERSHIPS - 064	(123,992)	(164,985)	-
			OTHER - 999	(491,813)	(59,394)	-
			STUDENT FEES - 065	(257,216)	(68,432)	-
	SCHOOL GENERATED FUNDS REVENUE - 04 Total			**(2,060,263)**	**(630,040)**	**(691,145)**
16	SCHOOL GENERATED FUNDS EXPENDITURES - 16	INSTRUCTIONAL AIDS - 130	ACADEMIC SUPPLIES - 312	618	6,317	-
		NON-CAPITAL FURNITURE & EQUIPMENT - 140	PURCHASE OF ACADEMIC FURNITURE & EQUIPMENT - 253	35,925	15,836	-
		STUDENT RELATED EXPENSES - 170	SCHOOL FUNDED EXPENSES - 365	1,406,327	317,345	649,182
		SUPPLIES AND SERVICES - 135	COST OF SALES - 649	524,044	186,911	-
		TANGIBLE CAPITAL ASSETS AMORTIZATION - 142	AMORTIZATION - 261	10,064	14,124	-
	SCHOOL GENERATED FUNDS EXPENDITURES - 16 Total			**1,976,978**	**540,533**	**649,182**
Grand Total				**(83,285)**	**(89,507)**	**(41,963)**

Sum of Total Amount												
Function	Function Desc	Creighton SD 111	Englefeld Protestant Separate	Good Spirit SD 204	Holy Family RCSSD 140	Holy Trinity RCSSD 22	Horizon SD 205	Ile a la Crosse SD 112	Light of Christ RCSSD 16	Living Sky SD 202	Lloydminster RCSSD 89	Lloydminster SD 99
04	SCHOOL GENERATED FUNDS REVENUE - 04	(11,140)	-	(60,068)	(6,624)	(63,381)	(200,840)	-	(66,562)	(157,679)	(171,352)	(153,852)
		-	-	-	-	-	-	-	(10,170)	-	-	(149,135)
		-	-	(258,830)	(48,201)	(172,056)	(351,308)	-	(81,383)	(117,076)	(67,210)	(3,673)
		(87,366)	-	(570,033)	(104,437)	(171,197)	(1,008,922)	(58,259)	(115,310)	(955,222)	(504,724)	(158,896)
		-	-	(6,871)	(1,317)	(2,500)	(462,265)	-	(94,592)	(38,001)	(51,041)	-
		-	-	(2,067,384)	(148,584)	(114,229)	(164,029)	-	(25,416)	(294,244)	-	(266,874)
		-	-	-	(7,400)	(125,788)	(602,921)	-	(318,276)	(476,240)	(226,324)	(290,732)
	SCHOOL GENERATED FUNDS REVENUE - 04 Total	**(98,506)**	**-**	**(2,963,186)**	**(316,563)**	**(649,151)**	**(2,790,285)**	**(58,259)**	**(711,709)**	**(2,038,462)**	**(1,020,651)**	**(1,023,162)**
16	SCHOOL GENERATED FUNDS EXPENDITURES - 16	10,359	-	-	7,515	68,922	122,248	4,083	54,243	42,358	53,035	-
		-	-	-	-	7,023	78,475	-	-	3,861	-	-
		82,028	-	2,491,918	192,168	405,606	2,389,297	57,509	599,374	1,551,656	653,980	860,601
		-	-	218,765	83,421	140,487	386,059	-	52,400	336,612	179,352	142,210
		-	-	12,721	19,628	-	-	7,910	-	-	-	-
	SCHOOL GENERATED FUNDS EXPENDITURES - 16 Total	**92,387**	**-**	**2,723,404**	**302,732**	**622,038**	**2,976,079**	**69,502**	**706,017**	**1,934,487**	**886,367**	**1,002,811**
Grand Total		**(6,119)**	**-**	**(239,782)**	**(13,831)**	**(27,113)**	**185,794**	**11,243**	**(5,692)**	**(103,975)**	**(134,284)**	**(20,351)**

Sum of Total Amount											
Function	Function Desc	North East SD 200	Northern Lights SD 113	Northwest SD 203	Prairie South SD 210	Prairie Spirit SD 206	Prairie Valley SD 208	Prince Albert RCSSD 6	Regina RCSSD 81	Regina SD 4	Saskatchewan Rivers SD 119
04	SCHOOL GENERATED FUNDS REVENUE - 04	-	-	(160,095)	(30,903)	(162,544)	(197,977)	-	(415,525)	(609,398)	(16,981)
		-	-	-	(696,487)	(151,301)	-	-	-	(226,761)	-
		(251,404)	(88,377)	-	(33,370)	(225,929)	(926,428)	-	(31,659)	(406,280)	(161,317)
		(698,631)	(830,613)	(1,000,386)	(115,136)	(856,337)	(795,791)	(115,780)	(548,993)	(1,096,855)	(1,330,549)
		(106,607)	(251,866)	(265,622)	(71,779)	(214,362)	(152,174)	(46,574)	(9,850)	(407,461)	(108,131)
		(379,429)	(1,996)	(199,527)	(57,159)	(40)	(431,424)	(44,563)	(64,728)	(27,545)	(260,685)
		(199,116)	(740)	(798,779)	(152,519)	(1,203,508)	(231,149)	(111,648)	(969,296)	(1,183,367)	(298,373)
	SCHOOL GENERATED FUNDS REVENUE - 04 Total	**(1,635,187)**	**(1,173,592)**	**(2,424,409)**	**(1,157,353)**	**(2,814,021)**	**(2,734,943)**	**(318,565)**	**(2,040,051)**	**(3,957,667)**	**(2,176,036)**
16	SCHOOL GENERATED FUNDS EXPENDITURES - 16	6,161	-	110,887	3,819	193,487	154,281	-	417,773	487,658	121,657
		12,222	-	34,447	-	26,304	21,069	-	-	33,663	23,279
		982,285	957,505	1,367,974	537,558	2,244,427	1,765,544	292,674	1,522,056	2,567,895	1,281,984
		231,387	76,627	791,966	583,261	350,146	748,739	-	44,026	508,844	620,403
		-	-	-	-	-	-	-	16,582	123,748	36,914
	SCHOOL GENERATED FUNDS EXPENDITURES - 16 Total	**1,232,055**	**1,034,132**	**2,305,274**	**1,124,638**	**2,814,364**	**2,689,633**	**292,674**	**2,000,437**	**3,721,808**	**2,084,237**
Grand Total		**(403,132)**	**(139,460)**	**(119,135)**	**(32,715)**	**343**	**(45,310)**	**(25,891)**	**(39,614)**	**(235,859)**	**(91,799)**

Sum of Total Amount						
Function	Function Desc	Saskatoon SD 13	South East Cornerstone SD 209	St. Paul's RCSSD 20	Sun West SD 207	Grand Total
04	SCHOOL GENERATED FUNDS REVENUE - 04	(1,054,895)	(54,482)	(11,535)	(68,264)	(3,695,381)
		(2,653)	-	-	-	(1,237,816)
		-	(611,222)	(65,574)	(416,217)	(4,896,543)
		-	(1,444,519)	(927,561)	(474,817)	(15,584,328)
		(120,374)	(155,068)	(499,293)	(11,338)	(3,366,063)
		(3,235,152)	(533,917)	(213,080)	(402,045)	(9,483,257)
		(593,310)	(551,295)	(2,407,847)	(167,989)	(11,242,265)
	SCHOOL GENERATED FUNDS REVENUE - 04 Total	**(5,006,384)**	**(3,350,503)**	**(4,124,890)**	**(1,540,670)**	**(49,505,653)**
16	SCHOOL GENERATED FUNDS EXPENDITURES - 16	1,065,485	56,797	7,428	12,826	3,007,957
		-	162,562	-	13,846	468,512
		4,209,942	2,303,610	3,837,226	1,064,453	36,592,124
		4,678	619,136	46,680	433,425	7,309,579
		-	109,572	-	-	351,263
	SCHOOL GENERATED FUNDS EXPENDITURES - 16 Total	**5,280,105**	**3,251,677**	**3,891,334**	**1,524,550**	**47,729,435**
Grand Total		**273,721**	**(98,826)**	**(233,556)**	**(16,120)**	**(1,776,218)**