

PARENT ADVISORY COUNCIL FINANCIAL CONTROLS CHECKLIST

Introduction

This Financial Controls Checklist has been prepared to assist the Parent Advisory Council (PAC) in ensuring that PAC funds are appropriately safeguarded, and managed in conformity with sound business and financial practices. The most recently completed Checklist should be reviewed with every newly elected PAC Executive member.

The District Parent Advisory Council (DPAC) and the School District's Internal Audit Department recommend that all of the control procedures in this checklist be implemented and enforced by the PAC Executive. The PAC Executive should complete this checklist on an annual basis to assess whether the control procedures are in place and operating effectively. If the PAC is unable to implement certain control procedures, due to resource or time constraints, the Executive should seek assistance from the District Parent Advisory Council (DPAC) and / or the School Principal to implement compensating control procedures. Additional rows have been provided to enter other control procedures that the PAC Executive has implemented.

In accordance with Board Policy 10303, the Principal is responsible to ensure that appropriate financial control procedures have been established by the PAC Executive. The completed checklist should be reviewed with the Principal at the beginning of each school year and a copy provided to DPAC.

Parent Advisory Council Name: _____

Certification

Checklist completed by:

Signature: _____

Date: _____

PAC Executive Title: _____

Checklist reviewed by:

Signature: _____

Date: _____

PAC Executive Title: _____

Signature: _____

Date: _____

School Principal: _____

NOTE: Gaming Funds are subject to additional control requirements.

Cash Handling

	Control Procedure	Yes	No
1.	Cash is never left unattended.		
2.	Cash receipts are always counted by 2 individuals and recorded on a <i>Cash Count Sheet</i> ¹ .		
3.	Cash receipts are deposited intact. <u>No</u> disbursements are made from cash receipts (e.g., for purchases or reimbursements).		
4.	Cash awaiting deposit is locked in a safe or submitted to the school office for safekeeping.		
5.	Access to the safe (if PAC has a safe) is restricted to no more than 2 to 3 designated individuals who are accountable for the funds.		
6.	Bank deposits are made frequently, as reasonably practicable, to minimize the risk of loss.		
7.	Cash receipts are posted promptly to the ledger. Money received is documented separately for each activity.		

Disbursements

	Control Procedure	Yes	No
1.	All disbursements are made by cheque.		
2.	Cheques are prepared by only the PAC Treasurer or designated PAC Executive, and no other person, to limit access to funds.		
3.	The PAC Treasurer or designated PAC Executive verifies that every payment, without exception, is supported by a <i>Cheque Request Form</i> ² and the appropriate <u>original</u> receipts or invoices.		
4.	Receipts or invoices are marked “PAID” with the cheque number noted, to avoid duplicate payment.		

¹ A *Cash Count Sheet* documents the event date and description, cash count in various denominations and in total, is signed by both individuals that counted the cash, and signed by the individual who received the cash for safekeeping / bank deposit.

² A *Cheque Request Form* documents the date, name of the individual submitting the request, name of the payee, description of the expense, requested payment amount, and is signed by a PAC Executive who is authorized to release funds (and is not the payee).

	Control Procedure	Yes	No
5.	Personal purchases are not included on the same receipts or invoices as PAC purchases. ³		
6.	Every cheque is signed by 2 signing authorities.		
7.	Cheques are <u>not</u> signed by the same individual who is the payee.		
8.	<u>No</u> cheques are made payable to Cash or Bearer.		
9.	Blank cheques are <u>not</u> pre-signed.		
10.	Disbursements are posted promptly to the ledger. Funds disbursed are documented separately for each activity.		

Banking

	Control Procedure	Yes	No
1.	Bank reconciliations are performed monthly and on a timely basis by the Treasurer. Discrepancies are resolved in a timely manner.		
2.	Bank signing authority is limited to no more than 3 to 4 designated PAC Executive members who are accountable to ensure that all disbursements are valid and are supported.		
3.	All cheques are pre-numbered, used in sequence, and all cheque numbers are accounted for in the ledger.		
4.	Void cheques are retained and the signature area removed.		
5.	The cheque book is kept in a locked drawer (or box) with restricted access only to the PAC Executive.		
6.	The bank has been instructed <u>not</u> to permit cash withdrawals.		
7.	The bank has been instructed to obtain an annual list of signing authorities within 30 days of PAC elections.		

³ If personal and PAC purchases are on the same receipt or invoice, the personal purchases must be clearly indicated and deducted from the reimbursement total including the applicable tax.

Fundraising

	Control Procedure	Yes	No
1.	Inventory of fundraising items for sale are stored in secure location.		
2.	Each fundraising event is reconciled at completion and documented on a <i>PAC Event Reconciliation</i> ⁴ .		
3.	Reports of sales, revenues, and expenditures are prepared for presentation at the PAC meeting.		
4.	Appropriate controls are in place for fundraising events not involving the sale of products. Request assistance from DPAC if needed.		

Books and Records

	Control Procedure	Yes	No
1.	A written record (manual or electronic ledger) of all financial activity – deposits, disbursements, bank debits and credits – is kept by the PAC Treasurer.		
2.	All financial records, including bank statements and cancelled cheques, duplicate deposit slips, and supporting documentation for all disbursements and deposits, are kept on file in one location (preferably at the school) for at least 7 years.		
3.	Monthly financial statements are prepared by the PAC Treasurer and presented to the PAC at its monthly meetings.		

Reporting and Executive Review

	Control Procedure	Yes	No
1.	An annual budget of revenues and expenditures is prepared by the PAC Executive for approval at a general meeting.		
2.	Monthly bank transactions and reconciliations are reviewed by the PAC President or Vice-President.		
3.	Monthly financial statements are reviewed by the PAC Executive at monthly PAC meetings.		
4.	Financial information is shared with the Principal as appropriate.		

⁴ A *PAC Event Reconciliation* documents the event description and date, number of items sold and unit price, revenues received (supported by *Cash Count Sheets* and deposits), expenditures (supported by *Cheque Request Forms* and receipts or invoices), and an explanation of variance against the budgeted net profit.