Objectives[1]

Fundraising is just one way that parents and communities may choose to support their schools[2]. Like all activities that support education, fundraising should reflect the values and expectations of the school community, including those of parents, students, staff, the school administration and school board trustees.

When schools and school boards choose to engage in fundraising activities, it is important that they also consider the purposes and principles of public education, including diversity, accessibility, equality of opportunity and inclusivity. These activities should be conducted under the guidance of the school principal, in accordance with school board policies and with advice and input from students, staff, parents, and the broader school community. Finally, it is important that fundraising has a designated purpose and that the proceeds should be for that purpose, as intended.

Funds raised for school purposes:

- should not be used to replace public funding for education.
- should not be used to support items funded through the allocated budget of a school board, including but not limited to, learning materials and textbooks or capital projects that increase operating costs.

This guideline serves as an aid to school boards and schools on how to effectively plan and administer fundraising activities and how to report on these activities to the school community.

The objectives of this guideline are to:

- Identify guiding principles and best practices;
- Provide a foundation for each school board to develop or update existing guidelines, policies and procedures; and,
- Give some examples of appropriate and inappropriate practices to protect school board staff and fundraising volunteers when managing fundraising proceeds.

The best practices and examples provided in this guideline are not intended to be a comprehensive list. School boards may identify other examples and best practices that reflect their geographic, demographic and community circumstances.

In summary, when schools and school boards choose to engage in fundraising activities, it is important to:

- Have policies in place to help ensure that the activities are consistent with the purposes and principles of public education;
- Seek advice from school staff, parents, school councils, students, and the school community; and
- Support and protect staff and volunteers from legal liability through practices that promote accountability for the handling and management of the proceeds raised from these activities.

---

[1] On all legal questions relating to the subjects covered in this guideline, boards should rely on the advice of their own legal counsel.

[2] For more on parental involvement, please see http://www.edu.gov.on.ca/eng/parents/getinvolved.html

Definitions

School-generated funds
School-generated funds are funds that are raised and collected in the school or broader community in the name of the school or by a school- or parent-administered group[3], including school councils. These funds, which are administered by the school, are raised or collected from sources other than the school board's operating and capital budgets.

These sources include proceeds from fundraising activities, fees for supplementary learning materials and activities and corporate donations.

Fundraising
Fundraising is any activity, permitted under a school board's policy, to raise money or other resources that is approved by the school principal, supported by the school council or a school fundraising organization operating in the name of the school and for which the school provides the administrative processes for collection. Such activities may take place on or off school property.

School Community
The school community refers to students, parents and guardians, school administrators and staff, members of the broader community and partners, as well as others, who support the local school and student achievement.

Outline

This fundraising guideline addresses the following four areas:

I. **Guiding Principles** – identifies some key principles to guide school board fundraising policies
II. **Fundraising Activities** – outlines compliance requirements related to fundraising activities and examples of eligible and ineligible activities to inform a school board's fundraising policy
III. **Best Practices –** outlines best practices related to fundraising activities
IV. **Accountability and Financial Reporting –** outlines best practices for a board's policy to meet the public's expectations and uphold public trust including financial reporting requirements

I. Guiding Principles for Fundraising Activities

The development of a distinct board-wide fundraising policy will ensure consistency and transparency in the collection and distribution of funds and should reflect the following principles:

[3]This does not include funds raised by the Ontario Federation of Home and School Associations (OFHSA) while funds are in their possession. While this guideline does not apply to the activities undertaken by OFHSA for purposes of fundraising, schools should refer to this guideline and their boards' policies on fundraising when accepting donations or the proceeds from fundraising activities undertaken by OFHSA or its units.

Complementary to Public Education

- The purposes for which funds are collected should be consistent with the school board's mission and values.
- Activities should support student achievement and not detract from the learning environment.
- Funds raised for school purposes are used to complement, not replace, public funding for education.

Voluntary

- All students and staff are welcome to participate in fundraising activities. These activities should reflect the diversity, values and priorities of the local school community and school board.
- Participation in fundraising activities is strictly voluntary for staff and students. Parental consent is required for student participation for students under the age of 18.
- Privacy should be respected. The personal information of staff, students or other individuals should not be shared for the purposes of fundraising without prior consent. (The use of personal information by school boards is governed by the *Municipal Freedom of Information and Protection of Privacy Act)*.

Safety

- The safety of students must be a primary consideration in all fundraising activities.
- In addition to parental consent, student fundraising activities require supervision and should be age-appropriate.

Accountable & Transparent

- Fundraising activities should be developed and organized with advice and assistance from the school community, including students, staff, parents, parent involvement committees, school councils and community organizations**.**
- School boards should have a separate and distinct policy for fundraising, which addresses the use of fundraising proceeds and accounting for school-generated funds. This policy should be publicly available on the school board's website.
- A fundraising activity must not result in any staff or volunteer benefiting materially or financially from the activity.
- Fundraising should have a designated purpose and the proceeds should be for that purpose, as intended. Transparent financial reporting practices to the school community should be in place.

II. Fundraising Activities

There is a wide variety of ways a school community can show support for its local school, including fundraising. When school communities consider asking for support, the individual activity should be reviewed to ensure consistency with the guiding principles outlined above and school board policies.

Any fundraising activities that involve the sale of food and beverages on school premises must comply with the School Food and Beverage Policy[4]. The nutrition standards set out in the policy do not apply to fundraising activities that occur off school premises.

Fundraising activities must also be compliant with:

- Municipal, provincial and federal legislation; and
- Ministry of Education guidelines and policies such as the School Food and Beverage Policy, Equity and Inclusive Education Strategy, Facility Partnerships Guideline and the Broader Public Sector Procurement Directive.

In addition, capital projects supported by fundraising proceeds[5] should not result in:

- an increase in the student capacity of a school[6]; or
- a significant increase in school or board operating or capital costs.

Examples of Unacceptable Uses of Fundraising Proceeds

- Items that are funded through the allocated budget of a school board including, but not limited to learning materials and textbooks
- Facility renewal, maintenance, or upgrades normally funded through the school renewal grants such as structural repairs, sanitation, emergency repairs, or replacing flooring due to wear and tear
- Infrastructure improvements which increase the student capacity of a school (for example, classrooms)
- Goods or services for employees, where such purchases would contravene the *Education Act* or a school council's by-laws regarding conflict of interest
- Staff training for professional development including support for teacher attendance at professional development activities
- Administrative expenses
- Support for political activity, groups or candidates

Examples of Acceptable Uses of Fundraising Proceeds

- Assistance fund (for example, a fund serving a charitable purpose to benefit students, such as providing payment for the cost of a field trip for students who cannot afford it)
- Purchase of additional supplies, equipment or services not funded specifically through school board budgets (for example, band equipment, specialized athletic equipment, pottery equipment)
- Field trips or other excursions (for example, in-province, out-of-province, or trips abroad)
- Guest speakers or presentations
- Ceremonies, awards, plaques, trophies or prizes for students
- Establishment of scholarships or bursaries
- Extracurricular activities and events (for example, travel and entry fees for sports competitions, school team uniforms, school band, choir, clubs)

---

[4] See Policy/Program Memorandum No. 150 *School Food And Beverage Policy* *http://www.edu.gov.on.ca/extra/eng/ppm/150.html*

[5] This guideline does not address joint-use facilities; please refer to Facility Partnerships Guideline (February 11, 2010) http://faab.edu.gov.on.ca/Memos/B2010/B_%201%20Attach%20%20Facility%20Partnerships%20Guideline.pdf

[6] As defined by the Ministry of Education's pupil place capacity.

- School improvement projects (for example, playground equipment, shade structures, gardens, outdoor skating rink, greening initiatives)
- Upgrades to school facilities that do not increase the student capacity of the school (for example, rebuilding of cafeteria stage, retrofitting of an auditorium)
- Upgrades to sporting facilities such as running tracks, specialized recreational facilities, installation of artificial turf and scoreboards
- Technology investments which complement and do not replace existing school board allocations

III. Best Practices

School boards may consider the following when developing board-wide fundraising policies:

- The extent and number of fundraising activities at each school each school year;
- Co-ordination of activities across schools and community organizations;
- Impact on classroom time for staff and students and administrative time for school principals as well as support staff;
- Shortages, overages and cancellations; students participating in fundraising activities should not be held responsible for any loss that may be incurred;
- Supporting schools to develop fundraising plans; and,
- Voluntary donations to board-level funds, or matching programs between schools and/or school councils.

When schools are planning and selecting capital projects which will be supported by fundraising activities the following best practices may be considered:

- Requiring a viability review that examines alignment with the school board's overall capital priorities and planning processes, the school improvement plan and Ministry priorities;
- Costs for future maintenance and repairs (for example, school yard improvements, playground equipment upkeep); and
- Restrictions related to conflict of interest and procurement policies.

IV. Accountability and Financial Reporting

To meet the public's expectations and demonstrate stewardship for public dollars, each school should prepare an annual report on school-generated funds.

Students, parents, school boards and the broader school community must be informed as to how fundraising proceeds, fees raised from learning materials and activities and corporate donations are used. The intent of the donations should be clearly communicated to contributors to ensure that the donations can be recorded appropriately and to address any accounting implications.

Schools should prepare an annual report on school-generated funds and post the report on their websites. As part of the current reporting requirements to the Ministry of Education, most school boards already ask schools to report this information.

School boards may also choose to report to the school community in an annual report, which may include an overview of school-level fundraising across the school board and board-level donations and corporate partnerships.

Financial Reporting

Public Sector Accounting Board (PSAB) standards require that all school boards consolidate funds generated at the school level with the annual financial statements of the school board.

School boards are responsible for the reporting and safekeeping of all school-generated funds[7]. All funds collected through school or school council fundraising are subject to the board's regular audit and accountability requirements. As school councils are advisory bodies and not entities with the legal capacity of a corporate body, funds collected through the school council must be reported by the school board, which is a corporate body.

School board procedures must address:

- The establishment of school bank accounts, issuance of receipts, authority to pay disbursements, recording of donations, investments, bank reconciliations, records retention, financial reporting, financial responsibility for shortages and overages generated by the fundraising activity; financial review/audit; and chart of accounts;
- Roles and responsibilities and required approvals at the board and school level for all activities related to school-generated funds; and
- Compliance with board policies and municipal, provincial and federal laws and regulations.

School boards should communicate and train school administrative staff on procedures dealing with the collection, disbursement and accounting of school-generated funds. These procedures should ensure both the safeguarding and accurate financial reporting of these funds.

[7]For more information on effective practices please see the Ontario Association of School Business Officials' Finance's Committee Guidelines for School-generated Funds (Revised January 2009) http://www.oasbo.org/admin/eZeditor/files/f_10_OASBO_SchoolGeneratedFunds_Guidelines_January_2009.pdf