
SCHOOL DISTRICT NO. 36 (SURREY)

No. 4104.1

REGULATION: TRUST ACCOUNTS: APPLICATIONS, CONTRACTS & BUDGETS

1. DEFINITION

- 1.1 Trust Accounts are established to facilitate management of and reporting on targeted funds received from outside funding parties which are subject to special accountability requirements. Trust funding arrangements often extend beyond one fiscal year and may end on dates different than our fiscal year. Accordingly, they must be accounted for separate from operating funds.
- 1.2 The Ministry of Education is the largest source of trust funds which require separate accounting and reporting.

2. APPLICATIONS

- 2.1 Applications to the Ministry of Education and other potential funding agencies are normally prepared by the School District management or administrative officer (Account Coordinator) who will be responsible for any project arising from a successful application. When estimating financial costs, the Finance Department, Trust Accounting Unit is available to provide assistance. The Manager of Administrative Services and Budgets is available to assist in funding discussions with the Ministry of Education.
- 2.2 Where there is no direct financial contribution by the Board, applications will be approved by a management or administrative officer, after appropriate communication with the Management Committee member to whom they report. A copy of the completed application is to be filed with the Secretary-Treasurer's Office.
- 2.3 Where applications involve present or future commitments of Board funds, Board approval of the application is required. When approved by the Board, these applications are to be signed by the Secretary-Treasurer on behalf of the Board.

3. CONTRACT AUTHORIZATION

- 3.1 When a funding agency approves a project and agrees to fund it, they are establishing a contract with the Board of School Trustees. Contractual documentation can only be signed by the Secretary-Treasurer.

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4. BUDGETS

- 4.1 Upon notification of a successful project application, the Account Coordinator responsible for the project will forward to the Manager of Administrative Services and Budgets a budget by object of expenditure.
- 4.2 After the Manager of Administrative Services and Budgets considers the future effects of hiring staff funded from trust accounts and the impact on the operating budget and the Finance Department confirms account codes, the Trust Account budget will be established.
- 4.3 A copy of the approved budget is distributed to the Account Coordinator (to authorize commencement of activities) and to the Finance Department (for budget entry). Where the Account Coordinator is not a member of Management Committee, a copy of the approved budget is forwarded to the Management Committee to whom the Account Coordinator reports (for information purposes).
- 4.4 The effective term for a trust fund budget is determined by the trust conditions established by the funding agency. As a result, unexpended balances at the end of a fiscal year normally are rolled forward to the next fiscal year.
- 4.5 Budget reallocations during the term of a trust arrangement are facilitated through the Manager of Administrative Services and Budgets.

5. EXPENDITURE OF TRUST FUNDS

- 5.1 The expenditure of trust funds is governed by Board Policy and Regulations as well as the terms of the trust arrangement as described in Regulation 4202.2.

Approved: 1995-05-25

X-Ref: Regulation 4202.2
