

The following School District 57 (Prince George) memo—for planning purposes only—was distributed at a May 2002 meeting to discuss school closures/amalgamations. BCSSA has reprinted excerpts of three memos from the district's school operations office with guidelines on school library closures, school office closures and school closure financial issues. Many thanks to School District 57 for sharing this information with BCSSA members. Note: Original memo references to names of individuals and schools in the district do not appear on these pages.

SUBJECT: GUIDELINES FOR FINANCIAL ISSUES UPON SCHOOL CLOSURES

The following is intended to provide general guidance to schools subject to closure. It also provides guidance to primary receiving schools of students previously enrolled in a closed school.

Year End Reconciliations

The regular year end accounting procedures must be carried out at all schools. These procedures are covered in the Year End Booklet provided to all schools.

The primary receiving school is responsible for the completion and submission of all year-end reconciliations for the closing schools.

Back Up Disks

All closing schools are requested to prepare a Quicken back-up disk for the following business applications on the office computer as at June 30, 2002:

- SDS Accounts
- Trust Accounts
- Replacement Accounts

This disk is to be submitted to the Finance Department.

Petty Cash

The petty cash account is to be reconciled and the balance returned to the Finance Department.

GST Rebate

A GST Rebate is to be prepared by all closing schools, up to and including June 30, 2002. It is to be forwarded to the Finance Department. The closing school should record the anticipated amount of the rebate in their GST school trust account at June 30, 2002. This amount will also be considered an outstanding deposit on the trust account reconciliation at June 30, 2002 and also until such time as the rebate is received.

Mastercard

All staff at closing schools that currently have a district purchasing card (Mastercard) are asked to return the card to the Finance Department.

School Trust Accounts

In general, it is expected that school trust accounts should have a minimal balance as at June 30, 2002. Schools are encouraged to request and pay all invoices from trust before school closes. If necessary, please contact vendors/suppliers/parents to ensure that all invoices are available for payment.

Reconciliation of the school trust accounts at June 30, 2002, and annual reporting to the Finance Department will be the responsibility of the primary receiving school. The annual report of trust account activity and balances is due no later than September 30, 2002.

It is recommended that remaining trust account balances from closing schools be amalgamated with similar balances at the primary receiving school.

In all matters related to school trust accounts, please remember that trust funds must only be spent for the purpose, and in the spirit, in which they were raised.

PAC Trust Account Balances

PAC trust account balances at closing schools should be reviewed at the last PAC meeting of the year. Closing school PACs should record in their minutes their wish for the disposition of the remaining PAC funds. Many PAC constitutions will contain a clause with respect to the disposition of assets on the dissolution of the PAC. This clause will likely include the phrase “the assets which remain after payment of all costs, charges, and expenses which are properly incurred in the winding up shall be distributed to such charitable organization or organizations in British Columbia, registered under the provision of the *Income Tax Act* (Canada), as may be determined by the members of the Council at the time of winding up or dissolution.”

School District No. 57 (Prince George) is a charitable organization registered under the provision of the *Income Tax Act* (Canada).

SDS Accounts – Supplies

All remaining balances in SDS accounts at closing schools will initially be returned to the district. Extraordinary costs related to the closure of the school will be accumulated and may be charged to the surplus of the closing school.

The remaining surplus will be allocated to the catchment area school(s) receiving students from the closing school, in the proportion of students received from the closing school.

Replacement Account

All replacement account balances at closing schools will initially be returned to the district. Surpluses will be allocated to the catchment area school(s) receiving students from the closing school, in the proportion of students received from the closing school.

Replacement deficits, as always, will be subject to review by the Assistant Superintendents. They in turn will recommend the recovery of the deficit for the approval of the Superintendent.

Education Renewal Funds

All Education Renewal funds remaining at closing schools will be allocated to the catchment area school(s) receiving students from the closing school, in the proportion of students received from the closing school.

Accreditation Funds (Fund 21)

Ann Garside, Accreditation Officer at the Ministry of Education, has confirmed that if an external accreditation team has visited and reported on the accreditation process undertaken in the 2001-2002 school year at a school proposed for closure, any remaining Year 1 funds remain with the school. The Ministry will not provide Year 2 Growth Plan funding for closing schools.

The balance of Fund 21 Accreditation remaining at June 30, 2002 for all closing schools will be transferred to the primary receiving school.

Learning Resources Trust Funds (Fund 22)

Learning Resources Trust Funds remaining at closing schools at June 30, 2002 will be transferred to the primary receiving school.

Curriculum Funds

Curriculum Funds (143-14000-ccc) remaining at June 30, 2002 for all schools will be rolled over directly into the same account for the 2002-2003 school year.

Balances remaining at closing schools will be rolled over into curriculum funds at the primary receiving school for the 2002-2003 school year.