

## **Financial Guideline 2019/2020 - 47**

### **Community and Comprehensive Schools and Voluntary Secondary Schools**

## **Parents' Association and Finance**

*This guideline supercedes guideline 04-2008/2009-Parents' Association and Finance*

### **Introduction**

Under the Education Act 1998 (Section 26) *"The parents of students of a recognised school may establish, and maintain from among their number, a parents' association for that school and membership of that association shall be open to parents of students in that school."* Under the Act, the Parents' Association is obliged to promote the interests of students in co-operation with the board, the Principal, teachers and students of the school.

### **Parents' Association Bank Account**

- With board approval the Parents' Association may maintain its own bank account. The level of funds retained in the Parents' Association bank account should be sufficient only to meet its on-going day to day costs and activities as approved by its members and by the board.
- All bank accounts opened in the name of the school must have at least two signatories approved by the board, one of whom should be the school Principal and one other nominated by the Parents' Association.

### **Parents' Association and Financial Management**

The Parents' Association is required to be self-financing and should not be supported by or dependent on school funds. The Association should appoint a treasurer from among its members who will maintain proper books of account, file all invoices, bank statements and other documents relating to the transactions of the Association and make a financial report to the general body of parents each year.

The bank statements for the Parents Association should be addressed to the Parents Association treasurer at the address of the school.

A financial report should also be submitted to the school's board at the end of each school year and all financial documentation should be made available to the school's external accountant for inclusion in the annual accounts of the school.

### **Fund-raising by the Parents' Association**

***The school is a registered charity and must comply with the Charities Regulators guidelines on fundraising and financial controls per the following documents:***

[Guidelines for Charitable Organisations on Fundraising from the Public](#)

[Internal Financial Controls Guidelines for Charities](#)

To download a sample "Fundraising from the Public Policy" Template please [click here](#).

**The board should also ensure that the following requirements are met and that there is a clear understanding of these requirements:**

1. The Parents' Association shall consult with the board about any fund-raising for the school or school projects. The approval of the board is needed prior to these funds being raised. It is essential that proper controls and procedures are put in place to safeguard such funds and in this context the following criteria apply:
  - Any proposal to raise funds should be formally sanctioned in advance by the board.
  - The board is responsible and ultimately accountable for all fund-raising carried out in the name of the school.
  - Only the board can authorise the use of the school name for fund-raising or any other external activity.
2. It is good practice to record the agreement reached between the board and the Parents' Association in relation to such fundraising, including the purpose for which the funds are being raised, the manner by which the funds are to be raised, the timeline for the transfer from the Parents' Association bank account to the board of any funds raised and the estimated timeframe for the agreed project.
3. The agreement should be recorded in the minutes of the board and the Parents' Association meetings respectively.
4. Before formally sanctioning any fund-raising activity, the board must ensure:

- That appropriate controls, financial, accounting and otherwise are in place.
  - That all legal obligations associated with the fund-raising activity (e.g. Garda or court sanction) are fulfilled.
  - That appropriate records are maintained.
  - That health and safety concerns attaching to each activity are considered and provided for.
  - That adequate independent insurance is arranged where an event is not covered by existing school insurance policies.
  - The RCN number of the school is used on all fundraising material.
5. All monies raised or generated for an agreed project for the school should be transferred to the school bank account as soon as is practicable and in accordance with the agreed timeline for the transfer of funds as set out in the agreement between the board and the Parents' Association
6. The following general conditions apply:
- A Parents' Association and any group involved in fund-raising should consider the cost and expected income all fund-raising activities before commencement and give a brief summary to the board when requesting approval.
  - A separate financial record should be maintained to manage and control all transactions associated with the fund-raising activity.
  - Once completed, a full report setting out the income and expenditure for the activity should be submitted to the board.
  - The financial records for all fund-raising activities should be available for examination by the external accountant and inclusion in the school's annual accounts.
  - Only the board can authorise the expenditure of this money and this is carried out in accordance with the financial practice which applies to all other school expenditure.

*Further information or clarification on any of the issues raised in this guideline can be obtained from the FSSU.*

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