

**From:** [Leanne Dulle](#)  
**To:** [Ams Chair](#); [Chhs Chair](#); [Cn Chair](#); [Cw Chair](#); [Dks Chair](#); [Drwlc Chair](#); [Es Chair](#); [Gd Chair](#); [Hr Chair](#); [Mhcs Chair](#); [Mhhs Chair](#); [Rh Chair](#); [Rg Chair](#); [Sv Chair](#); [Vm Chair](#); [Wn Chair](#); [Mhpsd Chair](#)  
**Cc:** [Principals](#); [Joni Treen](#); [Lee Krasilowez](#); [Mark Davidson](#); [Jerry Labossiere](#)  
**Subject:** FW: Summary of Funds Held Request - Clarification and Frequently Asked Questions  
**Date:** Tuesday, April 20, 2021 3:59:41 PM  
**Attachments:** [03.11.21 Summary of Funds Held Review letter to schools.pdf](#)

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Dear School Councils and Fundraising Group Members,

**Principals, please ensure that this email, including the pdf attachment is forwarded to all external fundraising groups connected to your school.**

We want to apologize for any miscommunication that occurred regarding the “Summary of Funds Held Related to Schools” review process that was shared with school-related fundraising groups. It was our intention that all fundraising groups would receive the letter (dated 11 March 2021, pdf attached) that provides information about the purpose of this process and the goals we aim to achieve. Our intent is to support schools with their financial controls, so we can help create great opportunities for students. It was never, and is not, our intent to seize control of these funds. Thank you for bringing your questions and concerns about this review process forward, we appreciate all your feedback.

Moving forward, we will review the submitted reports and will only follow up with fundraising groups if further information is required. There will be a requirement for the information submitted to be updated annually. Please take a moment to review the FAQ’s below:

## **FREQUENTLY ASKED QUESTIONS**

### **Why do we have to report to MHPSD if we are a fundraising society that is separate from the Division.**

Although acting independently, a fundraising society is a group that is invited to participate within a school community. Any group that is fundraising on behalf of a school is required to follow Policy [416 – Fundraising and Canvassing](#) (this policy contains key elements from the *Fundraising Act of Alberta* which governs all fundraising groups in Alberta). Each registered society also has a set of bylaws and objectives approved by Corporate Registries that govern how the group operates.

Additionally, Medicine Hat Public School Division, unlike most divisions in the province, assumes the cost of liability insurance for some of the Division's fundraising associations that have met the requirements. To ensure proper due diligence is being applied by societies, we are seeking minimal, annual documentation.

When/if an incident occurs, Medicine Hat Public School Division will always be connected to the outcome. Whether that outcome has a negative reputational or financial impact on the school or Division, we can provide support if we understand the work of a society.

Finally, given that the fundraising activities of societies are directly associated with Medicine Hat

Public School Division or member schools, it is reasonable that the Division is assured that monies are handled in accordance with accepted principles and legislation.

**What does it mean to be covered under liability insurance?**

The Division extends liability insurance to all school councils, which includes coverage for some external fundraising societies that have met all requirements. General Liability insurance only protects against claims resulting from injuries and damage to other people or property, not fraud related claims. Fraud related claims are continually on the rise in Alberta in the last decade, so it is important that societies are aware of how to protect against it.

**Will MHPSD take away funds from a fundraising society because of budget shortfalls?**

No. The Division is in a healthy financial position and would never look to external groups to help balance the budget.

Fundraising Societies are intended to run on a cost recovery basis. We understand that at the end of the year a society may carry over a small surplus into the following year. However, if there is a large amount of unspent money in an account the fundraising society should have a documented plan to show how the money will be spent. An example of a situation where it is reasonable to have a larger balance at the end of the year, is a playground replacement project.

**How often will fundraising societies be required to report to the Division?**

Yearly. This will be communicated to school admin and school council chairs at least one month prior to the due date.

**Is this an attempt to control society operations?**

We want fundraising societies to operate with autonomy, but we also want to support groups to be protected from potential loss due to theft/fraud or loss of status with AGLC or Corporate Registries due to non-compliance. Our review process will help us to understand a society's financial position and keep them accountable to the MHPSD fundraising Policy. This process will help us to have confidence that the funds are being managed properly.

**Why now?**

We have a duty to ensure that all monies related to the Division are managed properly. Society roles transition yearly, and we are taking preventative measure to ensure that important tasks do not fall through the cracks. As the rates of fraud continue to increase in Canada, we want to ensure that funds raised to support our students are used for that purpose.

**Where can we find resources to help with managing funds?**

We want to ensure that all school councils are aware of the support that is provided through their membership with the Alberta School Council Association (ASCA). Any school council or society can contact ASCA for advice or access their online resource library for helpful tools and templates; workshops, such as Fundraising Association Financial Practices, are available at a fee for service. If there is enough interest in a financial practices virtual workshop we will be happy to cover that cost centrally.

- [Alberta School Councils' Association website](#)
  - [School Council Resource Guide](#)
  - [Online Resources Library](#)
  - Template: [Sample School Council Financial Statement](#)

Thank you for all the time and effort you continually give to our schools in order to create opportunities for students. If you have any additional questions about this process, I am happy to connect with you, contact me at [Leanne.dulle@sd76.ab.ca](mailto:Leanne.dulle@sd76.ab.ca).

Kind regards,

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