



**A Jesuit Secondary School**

5 November 2010

**Guidelines on the Management of Finances in Student Organisations**

General financial management

- Before an activity commences, there should be an approved budget. If the estimated income or expenditure changes during the course of the activity, the budget can be revised.
- For approved budgeted activities involving initial expenses of \$3,000 or above, students should not dig from their pockets to pay for such expenses (such as for ordering goods, reserving tables), unless this has been approved by the Teacher Adviser. If the budget shows an estimated forthcoming income that can cover such expenses, a temporary ledger can be opened under the School's account by the School Office's accounts clerk, and cash from the School's account can be used to pay for such initial expenses, which will be reimbursed from the activity's income later.
- Proper book-keeping records of income and expenditure should be kept by the treasurer.
- For donations over HK\$100, receipts bearing the proper name of the charity organization and authorized signatures should be issued, unless the donors have stated that they do not require it. Receipts should bear a serial number for the student organisation's own records and systematic management.
- All collected cash and cheques should be kept in a box with a security lock. The device should be unlocked by a key instead of a password. Only one Teacher Adviser and the treasurer can hold the keys.
- Cash and cheques collected should be counted by the treasurer and recorded by him in the books every day. Expenditure should also be recorded on the day the money is debited. If the amount of cash collected reaches \$8,000 or above, it must be placed either under the care of the Teacher Adviser, or in the School Office before the office closes, and the Teacher Adviser should inform the Office staff about the latter in advance. If the amount is lower than this level, cash should be under the care of the Teacher Adviser or kept in the home of the treasurer after approval by the Teacher Adviser. Under no circumstances should cash collected be kept overnight in a locker in the school, deposited into the treasurer's own bank account or his parent's bank account.
- Storing the money temporarily in the headquarters of Students' Association, even not overnight, is not recommended.
- The Teacher Adviser should check with the treasurer periodically to ensure the above

guidelines are followed.

- Any loss of collected cash or cheques should be reported to the Teacher Adviser immediately. The Teacher Adviser will decide, in liaison with the Principal or Assistant Principal, whether to report the loss to the police.
- A financial report of an activity should be completed and submitted to the Teacher Adviser within a month after the activity ends. The Teacher Advisers should check from the report that relevant parts of these guidelines have been observed. If the Teacher Advisers find irregularities in the report, or have questions about specific aspects of the report, the chairman and the treasurer should rectify the irregularities if necessary, and address the questions with explanation.

#### On investment educational activities involving the issuance of “shares”

- When promoting the investment activity to potential shareholders, relevant risks should be mentioned.
- For investment educational activities, receipts should be issued upon the buying of shares. Receipts should bear a serial number for the student organisation’s own records and systematic management. Scanning of receipts is necessary for recording purpose and to help the treasurer to prepare the financial statements more effectively.
- A notebook should be prepared for recording the information of Teachers, parents, alumni and students who sign on the shares. For each person contributing, there should be the name, money or no. of shares contributed, date and contact information.
- It is necessary to enter all the above information of shareholders to the computer. There should be one student in the exco authorized to keep the hard copy of this information. Teacher Advisers and other students in the exco authorized to access such data should have the soft copies of the data and keep them away from access by others. Only internal circulation is allowed.
- A standardized format and clear instructions for data entry are required. This is to ensure consistency of data types and readability of all the documents with entered data.
- Exco members should have an in-depth understanding on process of issuing shares. Guidelines should be given to them before shares are issued.
- Profits and/or balances should be refunded to shareholders within a month after the end of the investment activity.

-END-