

WINDSOR PRIMARY SCHOOL BUILDING FUND POLICY

A diverse and inclusive community where everyone is respected and has the opportunity to thrive.

PURPOSE

A school building fund is solely for providing money for acquiring, constructing or maintaining the school buildings. It cannot be used for any other purpose. Expenditure on capital improvements, maintenance and installing and maintaining fixtures are accepted outlays of a school building fund.

Windsor Primary School (WPS) School Council under the guidance of the WPS Finance Committee has a responsibility to manage the WPS Building Fund donations from the public. These donations will be used for all works/services to build, improve or maintain WPS school buildings.

OBJECTIVE

To govern how the Building Fund donations will be used.

To specifically identify donations to the Building Fund, and that all monies received for the Building Fund, including any interest derived from these donations, are used for the sole purpose of the Building Fund.

SCOPE

This policy applies to:

- all staff and School Council members

POLICY

Implementation:

The WPS Building Fund has DGR (Deductible Goods Recipient) status.

A separate bank account in the name of Windsor Primary School Building Fund will be opened with financial institution. Clear accounting procedures will be maintained.

A separate sub-program in Cases21 will be set up to record all Building Fund donations receipts and payments.

All donations to the Building Fund sub-program will be moved from the Official bank account and transferred into the new Building Fund bank account.

Funds from the Building Fund bank account are transferred into the school's Official bank account when a payment under the Building Fund sub-program is to be made.

Building Fund donations above \$2 are approved by the ATO as Gift deductible contributions. Therefore, all families who make donations to the Building Fund will be issued with a tax deductible receipt for donations over \$2. Numbered Receipts must be issued in the name of the Building Fund.

The Building Fund must operate on a non-profit basis. Moneys must not be distributed to members of the managing committee of the Building Fund except as allowable reimbursement for out-of-pocket expenses incurred on behalf of the Building Fund or allowable remuneration for administrative services.

All Building Fund donations will be used for the sole purpose to provide money for the acquisition, construction or maintenance of Windsor Primary School buildings.

The school must be required to transfer any surplus assets of the Building Fund to another gift deductible fund, authority or institution when its Building Fund is wound up or on revocation of endorsement, whichever occurs first.

The ATO will be notified of any changes to the fund's constitution or other founding documents.

Expenditure:

A school building fund is solely for providing money for acquiring, constructing or maintaining the school buildings. It cannot be used for any other purpose. Expenditure on capital improvements, maintenance and installing and maintaining fixtures are accepted outlays of a school building fund.

Refer to TR2013/2 & QC16311 for detailed guidance.

<https://www.ato.gov.au/non-profit/getting-started/in-detail/types-of-dgrs/school-building-funds/>

Costs payable from a school building fund include:

- purchase of land for which there are definite plans to construct a building to be used as a school,
- construction or purchase expenses and associated financing costs,
- painting, plumbing and general maintenance of school buildings, and building insurance (not contents insurance),
- expenditure on fixtures (incl. carpets) that are fixed to the building or floor of the school building,
- administration costs of the fund, including bank fees, accounting costs and fundraising expenses.

Costs that cannot be paid by a school building fund include:

- running expenses of the school such as water, gas, electricity, sewerage or general upkeep of furnishings,
- paying teachers,
- buying furniture and materials,
- buying land to be used for buildings which are not to be used in connection with the curriculum or are for providing recreational space,
- maintaining sports grounds and car parks.

Approvals for Expenditure:

All requests for projects to be funded through the Building Fund must be in writing, approved & minuted by the Finance Committee & School Council prior to payment.

FURTHER INFORMATION AND RESOURCES

- Building Fund guidance / references can be found at:
- Australian Tax Office website – search for QC16311 (School Building Funds)
- Australian Tax Office website – TR2013/2 – Income Tax: school or college building funds
- DET CASES21 Finance Business Process Guide Section 3 Creditors (Library Fund Account and Building Fund Account)
- DET Finance Manual Section 15 Taxation 15.4 Donations to Schools
- DET Deductible Gift Recipient Funds

REVIEW CYCLE

- This policy was last updated in 2023 and as part of our Finance Policy Suite is scheduled for review annually.

