



GENERAL

“Every Child Can Learn... Every Child Must Learn”

Schools' Bulletin

ATTENTION: REGIONAL DIRECTORS, SCHOOL BOARD CHAIRMEN, PRINCIPALS OF ALL PUBLIC EDUCATIONAL INSTITUTIONS

SUBJECT: GUIDELINES FOR THE MANAGEMENT OF TUCK SHOP AND CANTEEN FUNDS

Dear Colleagues,

All educational institutions, except the Independent Schools, at the pre-primary, primary, secondary and Tertiary levels are categorized as a Public Educational Institution, whether they are govern-owned or grant-aided. The Government of Jamaica is therefore legally bounded and ultimately responsible for all decisions and activities that take place in all public educational institutions.

Consequently, with respect to the management of public funds/public money in all public educational institutions, school administrators are being reminded that all funds held or generated in the name of the school are considered as public funds and thus belong to the Government of Jamaica. This includes and is not limited to:

- Government Funding/Grants
- Parent Contribution
- Income Generated – Tuck Shop Sales, Canteen Sales, Concessionaires, Fundraisers etc.
- Donations/Sponsors

Therefore, the management of all funds held and or generated in the name of the school should be used according to the Financial Administration and Audit Act (FAA Act), the Government Procurement Guidelines, and the MoEYI Guidelines for the Operations of Tuck Shop and Canteen in Public Educational Institutions.

With respect to Funds generated from the Tuck Shop and Canteen Sales, please note the following:

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- ✓ School Boards/Administrators should seek the approval of the Ministry of Education, Youth and Information before any level/type of staff is employed and compensated from the funds generated from the sales of the canteen and the tuck shop operations; approvals should be received in writing prior to any action being taken in this regard. The Government is legally bounded by all contractual arrangements brokered by the School Board/School Administrators and thus must grant approval for the engagement of all employees in a public educational institution. Copies of all employees' employment/recruitment documents should be kept on individual files, created for the employees and kept at the Regional Offices. **Teachers/administrators should not be paid, given stipends, profit shares, compensated or granted loans from the Canteen and Tuck Shop Funds. Where this is in existence, this must be discontinued immediately.**

Reminders:

- ✓ The Principal is responsible for all funds collected and should ensure it is properly receipted and lodged intact in an official bank account on a daily basis or at the earliest possible time. Thus, principals should ensure that a proper system is established to collect, safeguard and account for all funds generated from the Tuck Shop and Canteen operations.
- ✓ The Principal is to ensure a receipt is issued forthwith for every sum of monies collected from the Tuck Shop and Canteen using pre-numbered receipt book. – **Section 5.3 FAA Instructions.** Ideally, and where possible, an independent person should check off receipts against cash at hand and prepare bank deposit slip/document.
- ✓ There should be no expenditure or encashment of cheques from cash collected from the Tuck Shop and Canteen. All documents and records concerning the Tuck Shop and Canteen operations are to be stored in a sequential order.
- ✓ Each school board should establish a petty cash system with clear instructions and guidelines for emergency/necessary cash expenditures. According to the FAA Act, section 5.6.2, approval of the operation of the Petty Cash Imprest should be sought from the Accountant General's Department, who would set the cash limit. If you have no record of an approved imprest in your school, kindly submit a request through your Regional Director by June 30, 2019.
- ✓ Where the circumstance warrants, the payment of public moneys in cash shall for the time being be restricted to a limit of fifty thousand dollars

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(\$50,000.00) per transaction at the secondary and tertiary levels and twenty thousand dollars (\$20,000.000) per transaction at the pre-primary and primary levels. All payments in excess of the approved limit must be made by cheque. Cash payments shall not apply to payments in respect of salaries and wages.

- ✓ Funds for the establishment of a Petty Cash System should be taken from the income generating accounts, as it cannot be taken from the Subvention or the Regular Grant Accounts.
- ✓ **The FAA Instructions 7.38 & 7.39** clearly outline that a cash book is to be maintained for all bank accounts including that of the Tuck Shop and Canteen, recording all receipts and payments as they occur. The cash book should be balanced on a monthly basis and reconciled to the relevant bank statement balances; any discrepancies should be investigated forthwith.
- ✓ **Section 5.9.4 of the FAA Act Instruction states that a culpable officer should be held liable for disciplinary action where unauthorized or improper payments are made or where government funds are misappropriated or the FAA Act is breached. Consequent to this section of the Act, unauthorized payments from the Tuck Shop and Canteen operations are subject to recovery. The Education Regulations, 1980, also states that School Administrators and teachers may be charged for neglect of duty and therefore must be cautioned.**

All Chairmen and Principals should observe all the government financial guidelines as we seek to achieve economy, efficiency, accountability, transparency and in essence good governance in all our schools.

If you require any further clarification on the foregoing, please do not hesitate to contact your Regional Director/Regional Financial Controller.

Winnie Berry
Chief Education Officer (Acting)

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