

Chapter 2 Budgeting and Financial Management

2.2 Trust Funds

Policy Statement

The intention of these funds is to support APSEA's mission and vision, which includes support to children and youth who are blind/visually impaired (BVI) and/or Deaf/hard of hearing (DHH) and to their families in Atlantic Canada.

The Atlantic Provinces Special Education Authority (APSEA) has received, and continues to receive, donations in trust from individuals and organizations. These funds and the income thereon support APSEA's services to children, youth, and families. APSEA recognizes the importance of managing these funds and their residual income in a responsible manner. This policy provides direction and procedures to APSEA staff and others who participate in the administration of the trust funds.

Definitions

Trust Fund - A general term used to describe funds (and the accumulated income thereon) donated or bequeathed to APSEA by individuals or organizations.

Unrestricted Trust Funds – Funds (and the accumulated income thereon) that have been donated by individuals or organizations that do not have a specific purpose defined by the donor. Their use may, however, be defined by the donor in general terms, such as for the benefit of children and youth who are either blind/visually impaired (BVI) or Deaf/hard of hearing (DHH). Therefore, APSEA has no obligation to disperse these funds in a specific manner.

Restricted Trust Funds – Funds (and accumulated income thereon) that have been donated by individuals or organizations that have a specific purpose defined by the donor. Therefore, APSEA has an obligation to disperse these funds in a specified manner. Restricted trust funds are managed according to terms outlined in the originating trust documents.

Financial Advisory Committee (FAC) – A Committee comprised of the Directors of Finance of each of the four Atlantic Provinces' Departments of Education and Early Childhood Development (NB, NL, NS) / Education and Lifelong Learning (PE). The role of the Committee is to provide expertise and support, through the APSEA Superintendent, to the Board of Directors in the financial management of APSEA.

Policy Objectives

This policy is established;

- to define APSEA's management and use of trust funds.
- to ensure all trust funds are managed in a financially responsible manner.
- to respect the privacy of applicants.

Policy Guidelines

- Reference: APSEA's *Trust Fund Guidelines and Application Forms – DHH and BVI*

Application

The policy applies to APSEA staff and others who participate in the administration of the trust funds, including those involved in the application process, the approval process, and the disbursement of funds.

Policy Directives

- Two trust fund committees will be established.
 - One Committee makes decisions regarding distribution of unrestricted trust funds for children who are blind or visually impaired.
 - One Committee regarding unrestricted trust funds for children who are Deaf or hard of hearing.
- The two trust fund committees will determine how **unrestricted trust funds** will be distributed for scholarships, awards, special projects and/or other financial offerings as outlined in the applicable Guidelines document.
- Each committee shall make decisions by referencing the applicable **Guidelines document** that has been approved by the APSEA Superintendent.
- The APSEA Trust Fund Committees will be comprised as follows:
 - APSEA Superintendent
 - APSEA Director of Finance & Administration
 - APSEA Director of Programs for Students who are Blind or Visually Impaired OR APSEA Director of Programs for Students who are Deaf or Hard of Hearing
Note: The Director from each program area, should be designated to sit on the Committee for their respective area of responsibility.
 - Chair of the APSEA Financial Advisory Committee (FAC) OR Chair of the APSEA Program Advisory Committee (PAC)
Note: The participation of the Chair of FAC and/or PAC will rotate in conjunction with the changing of the Chair of APSEA's Board of Directors.

- Only Trust Fund Committee members and APSEA staff involved in the trust fund administration processes will have access to information contained in trust fund applications. Application documents and their contents are to be kept confidential and the privacy of individuals will be respected.
- Trust Fund Committee members shall declare a conflict of interest at the outset of the review process should a relative/family member be an applicant. They shall not be eligible to vote on that application.
- Incomplete applications will not be considered.
- Applications reviewed by the Trust Fund Committees will be approved based on a majority vote of the Committee members. A tie will result in a decision in favour of the applicant(s).
- The APSEA Board of Directors is the final authority for the administration of unrestricted trust funds. During APSEA's annual budgeting process the Board may allocate a portion of the unrestricted trust funds for operational or capital expenditures.
- **Restricted trust funds** held by APSEA shall be administered in the same manner as unrestricted trust funds, the only difference being that there will be a limitation on how these funds are used – according to the specific purpose(s) defined by the donor(s).
- The APSEA Director of Finance and Administration shall inform those involved in trust fund administration which funds are restricted and in what manner.
- Trust funds belonging to APSEA will be included as part of the financial reporting entity when annual financial statements are prepared. The APSEA financial statements will be audited by an external audit firm annually.
- Trust funds will be held and administered in an account of a Canadian Trust company.
- Each trust fund account will be subject to a Statement of Investment Policies and Procedures.
- Performance reporting on trust funds will occur at least annually. This report will be provided to the Superintendent, Financial Advisory Committee, and the Board of Directors.

Accountability

All APSEA Employees

APSEA employees and members of the committees involved in any way with the administration of trust funds are responsible to understand and follow this operational policy, and the related guidelines.

Superintendent/Directors/Supervisors

As members of the Senior Leadership team, these individuals are responsible for implementing APSEA's operational policies and applicable guidelines. Members of the management team will take reasonable measures to bring this policy to the attention of all employees involved in trust fund administration and to ensure directives are being followed.

Trust Fund Committee Members

Committee members involved with the administration of trust funds are responsible to understand and follow this operational policy, and the related guidelines.

Monitoring

- The Superintendent of APSEA or their designate will review this policy annually.

References

This is an operational policy designed to supplement other APSEA operational policies and is not intended to replace or preclude them. If a situation occurs where there is a conflict between application of this operational policy and any other APSEA operational policy, the policy most specific to the situation will apply.

Approval Dates

Approved: December 2020

Revised: