FINANCIAL MANAGEMENT

Background

The District recognizes its responsibility to the citizens of this community for the effective use of public funds in providing the best possible education to its children. A system of sound financial planning and management shall be established to assure that District objectives are realized and that funds are expended in accordance with plans expressed through the Board budget.

The budget planning process will include regular review of District policies, objectives, and the approaches to be used in achieving those objectives. Good financial planning includes a review of concepts, ideas, problems, constraints, approaches and systems during the school year before dollar amounts are established in the budget.

Procedures

1. Budgeting

- 1.1 The budget is the expression of the plans of the Board in financial terms. The District will express those plans in accordance with the School Act, prevailing accounting regulation and Ministry directive through three (3) types of budgets:
 - 1.1.1 Operating Budget a budget based on preliminary enrolment estimates for the provision of annual resources.
 - 1.1.2 Special Purpose Fund Budget a budget for the provision of resources from externally targeted grants.
 - 1.1.3 Capital Budget a budget for the provision of necessary sites, buildings and equipment, which shall be aligned with the annual Capital Plan.
- 1.2 The budgets shall be initially adopted by the Board in the spring for the following fiscal year and shall be amended by the Board in February of the fiscal year, based on September 30 actual enrolment and any other new information that is anticipated to materially impact the District financially.
- 1.3 The annual budget and the amended budget shall be available to the public, and members of the public as well as the internal school community shall be given opportunity to present budget proposals during the annual budget process.

2. Expenditures

- 2.1 The Superintendent or designate has authority to authorize expenditure of funds within the limit of an adopted budget, in conformity with Board policy, District administrative procedures and legal requirements, except that the Board may direct the Superintendent as to expenditure limitations or reporting requirements on specific sections of the budget.
- 2.2 The Superintendent or designate shall establish procedures which clearly delegate authority to expend funds within each budget program, establish accountability for those expenditures, and outline methods of control.
- 2.3 Additional revenue generated by increased enrolments may be expended, on the Superintendent's authorization, when necessary to maintain required service levels. Such additional expenditures shall be reported to the Board.
- 2.4 Extraordinary expenditures of additional revenue require Board approval. Adjustments required to accommodate reduced revenues shall also be reported to the Board.
- 2.5 Expenditures from any Program shall be for the purposes indicated in the budget, unless variation is authorized as provided in this administrative procedure.
 - 2.5.1 No individual or group delegated authority and accountability for a Program or portion thereof shall expend funds beyond the budget for that account without the written authorization of the Superintendent or designate.
 - 2.5.2 No individual or group delegated authority and accountability for a Program or portion thereof shall expend funds for which another individual or group has been delegated authority and accountability without that individual's or group's express authorization.
- 2.6 A deficit shall not be permitted without formal approval of the Board and the Ministry of Education.
- 2.7 The Superintendent is authorized to make necessary adjustments or overexpenditures to handle emergencies, provided that the Board is advised as soon as possible.

3. Transfers of Operating, Special Purpose and Capital

- 3.1 The Superintendent or designate may approve transfers that repurpose the budgets within a fund, given changes in educational or business realities, changes in strategy or as approved by Board directive subject to 3.3, 3.4, 3.5 and 3.6.
- 3.2 Managers may transfer funds between accounts for which they have authority and accountability,-subject to 3.3, 3.4, 3.5 and 3.6.
- 3.3 Budgets in Special Purpose Funds shall not be transferred to the Operating Fund or to another Special Purpose Fund. Transfers within a Special Purpose Fund must be made in keeping with the terms of the Special Purpose Funds.
- 3.4 Budgets in the Operating and Special Purpose Funds shall be transferred to the Capital Fund only for the purpose of capital spending.

- 3.5 Transfers to the Capital Fund shall be initiated in consultation with the Manager of Finance and Management Services or designate.
- 3.6 Transfers of any kind shall be made in keeping with prevailing accounting regulation and Ministry directive as given in the Accounting and Reporting Guidelines of the Ministry's K-12 District Financial Accountability Website.

4. Reporting

- 4.1 The Board shall be provided with a financial update in:
 - 4.1.1 September Audited Financial Statements
 - 4.1.2 February Amended Budget
 - 4.1.3 April Annual Budget
- 4.2 The Board shall have full access to financial information as required.
- 4.3 By August 15, expenditure authorities and designates will be provided with the final approved annual budget for their area of responsibility.
- 4.4 Reports comparing cumulative spending and commitments to budget and indicating the unspent balance on an account-by-account basis will be available to expenditure authorities throughout the year but at least monthly, beginning in September.
- 4.5 Each expenditure authority is responsible for reviewing all expenditure commitments and making corrections with the accounting office, as well as projecting expenditures to the end of the year.

Reference: Sections 22, 23, 65, 85, 106.3, 106.4, 110, 111, 112, 112.1, 113, 114, 115, 117, 118 School Act