



SECTION 3000: FINANCES

POLICY 3080: BUDGETING, MONITORING AND REPORTING

- *Date Adopted: May 16, 2018*
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LEGISLATION

- *School Act, Section 156*

POLICY STATEMENT

The Board recognizes its responsibility for the effective use of public funds in providing the best possible education to the students in the communities it serves. The Board has a duty to govern the district in a fiscally responsible manner, while carrying out the strategies required to achieve its goals.

POLICY

The annual operating budget is a financial plan reflecting the implementation and maintenance of the Board's educational and operational objectives. The objectives reflected in the budget should be consistent with the Board's mission and goals statements and must support the Board's Strategic Plan.

The Board must not incur a deficit of any kind unless the Board has approval of the Minister or meets criteria prescribed by Order of the Minister.

The Board is required to maintain budgetary control over expenditures, develop an annual budget and submit it to the Ministry of Education in a prescribed form at the time required by the minister.

A budget reflects the best estimate of planned revenues and expenses as of a point in time. Salary and benefit increases, inflation and other estimated changes must be budgeted. In addition, the budget must include all recurring and one-time revenues and expenditures for the full fiscal year.



PROCEDURES *(continued)*

1. Budget Development

Annual budgets shall be developed based on instructions received from the Ministry of Education. At the beginning of each budget development cycle, the Secretary Treasurer shall lead the Budget Working Committee through the outlined process of budget discussion and deliberation. Based on the Committee's recommendations, the Secretary Treasurer shall prepare and present to the Board for approval a budget plan.

In the development of the annual budget, the following must be observed:

- a. The budget for any fiscal year shall not deviate materially from the Board's policies and established priorities.
- b. Annual recurring expenditure obligations must not be funded from non-recurring revenues.
- c. Revenues and expenditures must be projected in a manner that avoids fiscal jeopardy.
- d. Ancillary operations must be operated to cover all direct and indirect operating costs.
- e. The Board shall not proceed with major building projects unless funding for the full capital and operating costs has been identified.

2. Budget Implementation, Monitoring and Reporting

The Superintendent and the Secretary Treasurer are responsible for the communication and the implementation of the Board approved budget.

The budget is a "living" document. To this end the Board, through policy, intends to provide appropriate flexibility in budget management to enable management to maximize the use of fiscal resources while exercising effective budget control.



PROCEDURES

2. Budget Implementation, Monitoring and Reporting *(continued)*

The Secretary Treasurer or designate is authorized to approve budget transfers within the Board approved budget in order to facilitate meeting contractual obligations, statutory requirements, approved staffing complement, or approved educational/operational objectives. Permanent budget transfers that are not formula driven and result in increased or decreased staffing levels must be approved by the Board. In addition, budget transfer requests that would materially alter the Board approved fiscal plan must be approved by the Board.

Under the approval of the Secretary Treasurer, expenditure estimates may be exceeded where directly related revenue sources fully provide for the increased expenditure.

Unless otherwise instructed by the Board, quarterly financial reports shall be presented to the Board providing a "macro" (summative) status of the performance against budget. These reports will also include an analysis of budget variances and identification of same with an explanation of any variances in excess of 10% of the budget amount.