



## DISTRICT PRACTICE 3000

### FINANCIAL PLANNING AND REPORTING

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#### **DISTRICT PRACTICE:**

##### **BUDGET AND FINANCIAL PLAN DEVELOPMENT**

Annual budgets shall be developed based on instructions received from the Ministry of Education and Child Care. At the beginning of each budget development cycle, the Secretary Treasurer, in collaboration with the Superintendent, shall prepare and present, to the Finance and Audit Committee a recommendation to the Board, for final approval of the budget development plan or budget process.

The original annual budget and 3-year financial plan form the financial planning process and are aimed at ensuring transparency and accountability for the development of the financial forecast of the School District. The process shall include a proposed schedule of engagement activities to sharing the Board's budget information with partner groups and the public as well as receiving budget balancing proposals and feedback on proposed budget balancing options. The schedule of engagement activities will be posted on the school district website.

The three-year financial plan will build a financial strategy to complete longer-term initiatives and shall include the following:

- Three year enrolment estimates.
- Alignment with the Framework for Enhancing Student Learning to ensure funds are allocated for the improvement of student learning.
- Opportunities for local First Nations, Métis Community, partner groups, and the public to provide input into the development.

The annual budget process utilizes the components from the three-year financial plan to clarify the funding commitments for the given year. The annual budget shall include the following:

- Proposed preliminary budget including base budget estimates and detailed proposed budget balancing proposals presentation.
- Opportunities for local First Nations, Métis Community, partner groups, and the public to provide input in budget development.
- Preliminary budget including detailed budget balancing proposals presentation.

Board approved preliminary, amended budget, and financial planning documents shall be posted on the School District website.



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

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

#### **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 the senior leadership team to maximize the use of fiscal resources while exercising effective budget control.

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 educational/operational objectives which have been approved and align with the three-year financial plan.

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, monthly financial reports shall be presented to the Board providing a summative status of the performance against budget. Reporting will include an analysis and explanation of significant budget variances.

The Board will use the existing Ministry of Education and Child Care financial planning and reporting requirements to demonstrate how financial resources are used to support the strategic planning and operational needs, including enhancing student educational outcomes. The Board will use the Financial Statement Discussion and Analysis Report to annually report on progress towards meeting board objectives as outlined in the three-year financial plans.