

<i>Policy Manual</i>	CODE: Policy 15 TITLE: Financial Management APPROVED: May 26, 2009 AMENDED/REVIEWED: August 23, 2022
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LEGAL REFERENCE: Education Act, SA 2012, c E-0.3; Part 6, Division 1, Sections 137 – 143	

Policy

The Grande Prairie Public School Division Board of Trustees, (the Board) believes that effective financial management systems are built upon systemic financial oversight and monitoring routines. The Board's Universal Guiding Principles and Operating Guiding Principles, as adopted in Policy 1, shall guide the Board in providing financial oversight.

The Board believes that a clear definition of processes and areas of responsibility will improve system accountability and will increase the educational value derived from the finite resources available.

The Board shall maintain records of all its revenues and expenditures as required by the Government of Alberta and otherwise in accordance with Public Sector Accounting Standards (PSAS). The Board believes that the maintenance of a strong financial position is fundamental to the Board's overall fiscal strategy, and as such, reserve funds should be established to meet unforeseeable extraordinary needs and contingencies, and to replace depreciated equipment and fixed assets.

The Board believes that its financial resources should support the achievement of the educational and business goals set out in the Board's Annual Education Plan. The Board's annual operating and capital budgets shall be informed by, and must support, the Board's Annual Education Plan.

Financial Management

Operating and Capital Budget Development Process

1. The Superintendent of Schools (the Superintendent) shall ensure the Board receives regular budget updates throughout the school year.
2. The Superintendent shall ensure the Board reviews their budget development principles annually and that draft operating budget and capital budget (the Budgets) are prepared and reviewed for each fiscal year. The Board shall have opportunity to review and suggest revisions to the content of the draft Budgets prior to consultation with stakeholders.
3. The Superintendent shall ensure the draft Budget development process provides engagement opportunities for key stakeholders. Engagement opportunities shall include, but need not be limited to, school staff meetings, School Council meetings and System Leadership Team meetings.

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4. The Superintendent will consider Division priorities and the input of the Board and stakeholders to make revisions that the Superintendent deems necessary to finalize the Budgets for presentation to the Board.
5. The Superintendent shall present the finalized Budgets to the Board at a public meeting of the Board.
6. The Superintendent is responsible for ensuring the finalized Budgets are presented to the Board in a timely manner to allow sufficient time for the Board to comply with the requirements established in section 139 of the *Education Act* for reporting to the Minister of Education (the Minister).
7. In making decisions with respect to the Budgets, the Board shall fully consider Board Policy 1 and the Board's Annual Education Plan.
8. If, once the Board has considered the finalized Budgets presented by the Superintendent, one or both Budgets are rejected, the Board will provide specific direction to the Superintendent as to which areas of the Budget require revision and the Superintendent will present a revised Budget or Budgets to the Board by the next public meeting of the Board.
9. If, after the Board's adoption of the Budgets, unforeseen circumstances arise such that either Budget requires alteration, the Superintendent will prepare a revised Budget or Budgets. The revised Budget(s) will be presented to the Board for approval with subsequent submission to the Minister, if required.

Monthly Revenue / Expenditure Statement

1. The Secretary-Treasurer shall maintain all records and receipts of the Board's expenditures.
2. The Secretary-Treasurer shall present a summary report of expenditures to the Board in the months of December, April, and June of each year. The expenditure reports shall set out the preceding monthly balances of the Board's expenditures in comparison to the Board's established Budgets. The summary reports must clearly show any surplus or deficit at the end of each reporting period in relation to Budget.

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3. In addition to the summary reports on expenditure, the Secretary-Treasurer must inform the Board of any expenditures that substantially deviates from the Board's budgeted allotments at the next scheduled meeting of the Board.

Establishment of Reserve Funds

1. The Board may establish Reserve Funds from the following sources:
 - 1.1 By selling assets (e.g., a building, and, or equipment), subject to any restrictions imposed by legislation, Ministerial Order, or direction from Alberta Education;
 - 1.2 By establishing unrestricted or restricted reserves resulting from funds unused in any fiscal year; or
 - 1.3 Through budgeted reserves provided in the annual operating budget.
2. The Board may only allocate Reserve Funds by resolution or by inclusion in the annual Budgets of the Board.
3. Reserve funds will not be used for on-going operating expenses, except where the Board determines that exceptional circumstances require the Board to allocate reserve to meet its obligations.