

Financial Planning and Reporting

Last Revised: May 30, 2018, May 18, 2022

Description:

The Board of Education will be informed on matters related to the preparation and monitoring of the district's annual budget and multi-year financial plans. An accompanying discussion and analysis will be provided, as necessary, to fully communicate financial position, assumptions and key risks.

Reports will be accurate, understandable and presented in a timely manner as follows:

Quarterly Financial Reports:

- Actual results will be compared with trended budget amounts;
- Significant variances between the trended budget and actuals, including all significant revenues and expenses, will be clarified;
- Status reports for significant capital projects will outline progress on spending relative to budget, achievement of key milestones and risks related to delivering the project on time, on-budget and to identified project specifications;
- Changes to capital allocations/asset, unspent capital balances and accumulated operating surplus/deficit;
- Annual updates will be provided to the Board on local and capital reserves.

Budget Assumptions:

All plans, assumptions and risks shall be fully disclosed with the Board prior to the Board approving budgets. These plans, assumptions, and related risks should:

- Be disclosed in budget documents;
- Focus on planned changes from the previous school year; and
- Be realistic and consistent with the school district's vision, priorities and goals, as outlined in the Strategic Plan.

At a minimum, these disclosures should include:

- Key budget assumptions, such as student enrolments, grant rate increases, salary increases, and inflation rates;
- Financial and business risks, such as increases in interest rates and increases in fuel prices; and
- Specific strategies explaining how the budget supports the school district's strategic plan.

Budgetary Controls:

- Clearly defined managerial responsibilities, whereby,
 - Department Managers and Principals regularly monitor, analyze and provide feedback on variances; and
 - Budget Managers receive timely, accurate and understandable financial information to make student-focused decisions based on available resources;

- A plan of action for individual budget sites;
- Assigned responsibility for adhering to the budget;
- Performance monitoring against the budget;
- Plans for corrective action if results differ significantly from the budget;
- Significant departures from the budget permitted only after approval by the Board;
and
- The investigation of unexplained variances from the budget.

Reporting:

The board will use the financial planning and reporting requirements described in the Ministry Financial Planning and Reporting Policy to demonstrate how financial resources are used to support boards' strategic planning and operational needs including enhanced student educational outcomes. They will use these reporting requirements (including the required Financial Statement Discussion and Analysis Report) to annually report on the board's progress towards meeting board objectives as outlined in their multi-year financial plans (for example, enhanced student educational outcomes and other operational needs of the board).

Implementation of these processes and any future direction is at the discretion of the Board (with appropriate public consultation and engagement) and reflects appropriate latitude for administration to implement based on the district's unique circumstances, risk profile and strategic priorities.