



## Administrative Procedures

<b>AP-701</b>  FINANCIAL ACCOUNTING AND AUDITING	<b>Date of implementation:</b> Fall 2006 <b>Date of update:</b> March 21, 2019
	<b>Related Administrative Procedures:</b> <a href="#">AP-706 Budget Manager Responsibilities</a>

**Purpose:** The financial affairs of the Division must be managed in a manner consistent with the trust placed in the Division by the public. Adequate accounting records and procedures for verifying those records through audits are an integral part of the Division's operations.

**Procedures:**

- 1) The Division's financial systems and records will be subject to an external audit.
  - a) The Board shall appoint an external auditor for such period as it determines.
- 2) Department and school accounts and accounting practices will be subject to internal or external audit at the discretion of the Deputy Director of People and Finance, CFO.
  - a) The Deputy Director of People and Finance, CFO, will ensure that the accounts and accounting practices of schools or departments are audited internally on a change of principals or managers.
  - b) The Deputy Director of People and Finance, CFO, may authorize an external audit of any school or department records and practices at his/her sole discretion.
- 3) The classification of accounts is to be consistent with the requirements of the Ministry of Education and, in accordance, where applicable, with Generally Accepted Accounting Principles (GAAP) and Public Sector Accounting Board Standards (PSAB).
- 4) Reporting
  - a) To ensure budgetary control, each person responsible for budgetary expenditures shall have access to all accounts with the detail of expenditures.
  - b) The Director shall receive a monthly statement of revenues and expenditures with an explanation of any variance which, in the opinion of the Deputy Director of People and Finance, CFO, is a matter of concern and/or significance.
  - c) The Board shall receive quarterly financial reports reflecting financial operations, the current condition of the budgetary accounts, the projections through the end of the budget year and other information necessary to monitor operations. The quarterly financial reports shall align with the process directed by the Ministry.

- d) An audited financial report is to be prepared as of August 31 in each year and presented to the Board following prescribed Ministry guidelines.