

**Policy Number and Name:** 402 Financial Oversight

**Policy Section:** 400 Fiscal Stewardship and Risk Management

**Effective Date:** November 23, 2023

**Revised Date:** August 19, 2024

**Purpose:**

The Board is accountable for the overall fiscal health and sustainability of the Division. In fulfilling this oversight, the Board will work closely with the Director of Education and Chief Financial Officer to ensure effective financial practices are in place for the Division.

**Policy:**

The Board's role in ensuring financial oversight is as follows:

- 1) Annually approve budget and ensure resources are allocated to achieve desired results.
  - a) The Board will aim to retain the following operational reserves balances:
    - i) An unrestricted surplus between 0.5% and 2% of the annual operating revenue.
    - ii) Internally restricted reserves between 1% and 10% of the annual operating revenue, excluding operative reserves designated for capital projects and school-generated funds.
    - iii) No limit on externally restricted reserve balances as those categories are managed by way of an agreement between the Board and another organization.
    - iv) If a Board retains operational reserve levels that exceed recommended levels, a plan would be approved by the Board to spend those additional dollars in the future.
- 2) Annually approve the three-year Preventative and Maintenance Renewal (PMR) plan and amendments, and the five-year capital plan, review the facilities master plan and ensure the plans are submitted to the Ministry of Education by the date due.
- 3) Provide budget information to the Ministry of Education by June 30.
- 4) Authorize, by resolution, the borrowing of required monies to cover necessary expenditures while waiting for the proceeds of taxes or other revenue.
- 5) Approve a submission to the Ministry of Education for PMR plan and major capital applications and the awarding of all capital projects in excess of \$1,000,000 and the debt financing of capital projects.
- 6) Approve the awarding of contracts in excess of \$500,000 if not included in the annual budget approved by the Board.
- 7) Approve the submission of emergency funding requests to the Ministry of Education.

- 8) Approve unanticipated expenditures of over \$500,000, which cannot be covered within the current budget.
- 9) Appoint an auditor and meet with the Auditor annually to review the audit findings.
- 10) Receive the audit report and the management letter and ensure legislative requirements are met.
- 11) Monitor fiscal management of the Division with quarterly financial reports.
- 12) Approve the mandate for employee compensation negotiations and budget.
- 13) Ratify memoranda of agreement with bargaining units.