

Financial Planning and Reporting (FPAR)

Policy No. 403.2

Philosophy

The Board believes that establishing strategic priorities and associated operational plans will enhance student educational outcomes. The Board also believes that aligning funding and resources to those strategic priorities, and engaging in multiyear financial planning, are crucial for the effective operation of the school district and provision of quality educational programs and learning environments for students and staff. This policy responds to the Ministry of Education and Child Care requirement for financial planning, as stipulated within Ministry policies.

The Board will develop, implement, and provide to the Ministry of Education and Child Care a *Financial Plan* spanning three years. This *Financial Plan* will outline financial strategies to address long-term financial goals, including how funding and resources will be used to support the strategic plans and operational needs of the district. Prominent among these strategic plans and operational needs will be enhancing student educational outcomes.

The Board represents the community and will be open and transparent on the resource allocations, along with seeking community input on those allocations. To support meaningful engagement and promote transparency, materials and reports will be developed in a manner that will enhance readers' understanding of the school district's financial position and changes to its financial position. Management is responsible to the Board for outlining performance measures to evaluate achievement of the objectives and the risks inherent in the *Financial Plan*. Management is also responsible for establishing internal controls over spending and providing regular financial reporting.

Financial Plan Principles

1. The Board commits to develop the *Financial Plan* in a consultative and open manner with appropriate engagement of schools, staff, and education partners. In addition, the engagement of local First Nations and Métis Nation BC will be sought.
2. The Board will establish an engagement process to receive input from staff, education partner groups, local First Nations and Métis Nation BC, and the community on the strategic objectives, resource priorities and allocation options.
3. When developing the *Financial Plan*, the Board will ensure that information and engagement opportunities are provided throughout the process. Specific dates and times will be published

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- about key opportunities for staff, education partner groups, local First Nations and Métis Nation BC, and the community to receive information, provide input and raise questions.
4. Throughout the fiscal year, management will provide regular financial reporting. This reporting will compare actual and forecasted expenditures to the budget plan and progress to the achievement of the operational plans.
 5. Management will produce a Financial Statement Discussion and Analysis report to assist readers in understanding the financial position, financial performance and cash flows presented in the financial statements. This report is one element of the robust annual school district financial reporting framework established by the Ministry of Education and Child Care to address the reporting requirements, as specified in the *School Act* and to align with the *Budget Transparency and Accountability Act*.
 6. The Board will amend the budget plan as conditions change and will formally approve an annual budget plan by June 30th and amended budget plan by February 28th.
 7. Twice annually, the management will report on the alignment of resources with strategic goals.
 8. The Board will report annually to education partner groups, local First Nations and Métis Nation BC, and the community on the progress towards meeting Board objectives as outlined in the *Financial Plan*.
 9. The Board will evaluate the financial and budget planning processes on an annual basis, identifying lessons learned and revisions for future consideration.

Authority

The *School Act* requires the Board of Education to prepare an annual operating budget in the form, and containing the content, specified by the Minister of Education and Child Care. The Board will adhere to all statutory and contractual requirements in the preparation of the budget.

The Board of Education authorizes the Superintendent of Schools and the Secretary-Treasurer to develop and monitor the annual budget.

Responsibility for Managing the Budget

The Superintendent of Schools and the Secretary-Treasurer are delegated responsibility for the overall management of the educational and operational programs that are supported by the annual budget, with the Secretary-Treasurer being specifically responsible for the financial management of the budget and all financial reporting.