

**SCHOOL DISTRICT NO. 92 (NISGA'A)**

**Policy Subject:** Budget Planning and Monitoring

**Date Passed:** October 16, 2018

**Date Amended:**

**Description:** Budget Planning and Monitoring

**Policy No. 501-P**

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## **SCOPE**

The policies and procedures in this document govern the budgeting process, monitoring of budget, performance monitoring and the review and revision of budgets.

## **OBJECTIVE**

- 1) Community Budget Information meeting undertaken by the Board in February.
- 2) District Strategic Plan is updated by January.
- 3) Board provides objectives and direction to the Superintendent and Secretary Treasurer by March 1 of each year.
- 4) Secretary Treasurer and the Superintendent should be responsible for preparing the annual and amended budget.
- 5) Budget should be prepared based on planned education programs, projects and events approved by the Superintendent, the Secretary Treasurer and the Board of Education.
- 6) The budgeted expenses for programs, projects and events for business operations should form the basis for all School District funds.
- 7) Annual budget for the next fiscal year should be prepared by May 15 each year.
- 8) Annual budget should be submitted to the Secretary Treasurer for review and Board of Education for the final approval.
- 9) Items to be included in the budget should include (but not limited) to the following:

## **DEFINITIONS**

Spending Authority is an employee that has been designated authority to expend an approved program budget. Spending authorities are: Secretary Treasurer, Superintendent, Assistant Superintendent, Principals, District Principal, Director of Operations, Assistant Secretary Treasurer and the Information Technology Manager

Supervisor is an employee one level above an employee on the organization chart and who reports to that individual.

## **DOCUMENT REFERENCE**

- 1) Board of Education Budget Policy
- 2) Ministry of Education Annual Budget Instructions
- 3) Ministry of Education Operating Grants Manual
- 4) Other references as identified from time to time

## **POLICIES**

### **1.0 Annual Budgeting**

- 1) Secretary Treasurer and the Superintendent should be responsible for preparing the annual and amended budget.

- 2) Budget should be prepared based on planned education programs, projects and events approved by the Superintendent, the Secretary Treasurer and the Board of Education.
- 3) The budgeted expenses for programs, projects and events for business operations should form the basis for all School District funds.
- 4) Annual budget for the next fiscal year should be prepared by May 15 each year.
- 5) Annual budget should be submitted to the Secretary Treasurer for review and Board of Education for the final approval.
- 6) Items to be included in the budget should include (but not limited) to the following:
  - a) Basic Operating Expenses as allowed in the Ministry of Education” Operating Grants Manual”
  - b) Budget for Projects
  - c) Details of funding proposals applied for and any additional funds received after the budget approval process.

## 2.0 Budget Monitoring

- 1) A financial statement, showing the budgeted expenses versus actual expenses should be prepared every quarter.
- 2) The variance analysis should be prepared using the financial statement in point 1.
- 3) Material variances (i.e. variance above 2%) should be highlighted to the Supervisor and the Assistant Secretary Treasurer.
- 4) The Spending Authority should understand the reason for material variances and decide if there is a need to revise the budget in discussions with the Supervisor.

## 3.0 Budget Revision

- 1) The Secretary Treasurer should discuss the revised budget with the Superintendent of Schools.
- 2) The revised budget should be submitted to the Board of Education for review and approval.
- 3) The revised budget is used only after approval is given by the Board of Education

## **PROCEDURES**

### Description of Procedures

#### 1.0 Annual budgeting

Prepare budget based on the budget template

Spending Authority (SA)

- 1) Consolidate the normal operating expenses in the current fiscal year and project the operating expenses for the next fiscal year.
- 2) Prepare a list of events to be conducted in the next fiscal year and the budgeted cost required.
- 3) Based on current operating grant, special funds and external grants, annual portion of the 5 year Capital Plan, Annual Facility grant, and other revenue such as rental fees, interest, etc., project the funds for the next fiscal year.
- 4) Enter all the figures into the budget template.
- 5) Review the budget estimates with the Supervisor.

Secretary Treasurer

- 1) Collate all Spending Authority draft annual budgets with the Assistant Secretary Treasurer.
- 2) Send the collated budget to Superintendent and Spending Authorities for review.
- 3) Discuss (either verbal or email discussion) with all Spending Authorities to derive the final budget to be submitted to the Board of Education for approval.

Board of Education

Review and approve annual budget

- 1) Review the annual budget submitted by Secretary Treasurer and the Superintendent
- 2) Ensure that the annual budget for operating revenue and expenses is complete and the expenses for various planned projects are reasonable and are approved projects.
- 3) Approve and document approval in the Board of Education Meeting minutes.

## 2.0 Budget Monitoring

- 1) Assistant Secretary Treasurer distributes the budget reports to spending authorities.
- 2) Spending authorities review the budget and highlight material variances.
- 3) Outline the reasons for the material differences with the Supervisor.
- 4) Determine if there is a need to adjust the budget.
- 5) If budget revision is required, propose necessary adjustments for review and approval.

## 3.0 Budget Revision

- 1) Superintendent and Secretary Treasurer highlight where cost is high and may be required to be reduced and or postponed.
- 2) Document the following information:
  - Reasons to reduce or postpone expenses from the program budget.
  - Identify the expense items and amounts that support 1) above.
  - Document the revised date for the changes

- 3) Present the final revised budget to the Board of Education for review and approval.
- 4) File a copy of the Board meeting minutes and supporting documentation which states the reasons for the revisions in the budget file.

#### Document List

1. Annual Budget Template
2. Ministry of Education Annual Budget Instructions:  
<https://www2.gov.bc.ca/gov/content/education-training/administration/resource-management/school-district-financial-reporting/budget-reporting>
3. Ministry of Education Operating Grants Manual:  
<https://www2.gov.bc.ca/gov/content/education-training/administration/resource-management/school-district-financial-reporting/budget-reporting>