

SD42 POLICY 4203

FINANCIAL PLANNING AND REPORTING

PHILOSOPHY

The Board of Education ("Board") is committed to the responsible stewardship of public funds to provide education for all students in the communities it serves. The Board has a duty to govern the district in a fiscally responsible manner while setting strategic direction to achieve its goals.

The annual operating budget serves as a financial plan that supports the Board's educational and operational objectives. Budget allocations must align with the strategic directions outlined in the Board's Strategic Plan.

In accordance with the [School Act](#), the Board must not incur a deficit of any kind unless the Board has approval of the Minister of Education and Child Care (MECC) or meets criteria prescribed by order of the Minister of Education and Child Care. The School Act requires that the Board maintain budgetary control over expenses, develop an annual budget and submit it to the MECC in a prescribed form at the time required by the MECC.

The budget represents the best estimate of planned revenues and expenses at a given point in time. It must account for projected salary and benefit increases, inflation, and other anticipated changes, while incorporating all recurring and one-time revenues and expenses for the full fiscal year. The budget must also incorporate the estimated financial impact of contractual obligations, including negotiated agreements and any amendments that affect salaries, benefits, or other commitments throughout the fiscal year.

AUTHORITY

The Board authorizes the Superintendent of Schools and the Secretary Treasurer to develop and implement all procedures required for this policy.

Responsibilities 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. The Secretary Treasurer is specifically responsible for the financial management of the budget, and all financial reports.

GUIDING PRINCIPLES

Budget Development

Annual budgets and multi-year financial plans shall be developed in accordance with instructions from the MECC, aligning with the district's strategic plan and long-term financial sustainability. At the start of each budget development cycle, the Secretary Treasurer, in collaboration with the Superintendent, shall prepare and present a budget development plan (i.e., budget process) to the Board for approval.

In developing the annual budget, the following principles must be upheld:

- The budget shall align with the Board's policies and strategic priorities.
- Ongoing annual expenses shall not be funded from one-time (non-recurring) revenue sources.

- Revenues and expenses must be managed to achieve fiscal stability and sustainability.
- Revenues from ancillary programs and activities must, at a minimum, cover all direct and indirect operating costs.
- The Board shall not proceed with major capital projects unless full funding for both capital and operating costs has been identified.
- Engagement and consultation shall be integral to the budget development process.

Budget Implementation, Monitoring and Reporting

The Superintendent of Schools and the Secretary Treasurer are responsible for the communication and implementation of the Board-approved budget.

The budget is a “living” document. The Board, through policy, provides appropriate flexibility in budget management to enable management to ensure effective use of fiscal resources while maintaining budgetary control.

The Secretary Treasurer or designate is authorized to approve budget transfers within the Board-approved budget to meet contractual obligations, statutory requirements, approved staffing complement, or approved educational/operational objectives.

Permanent budget transfers that are not formula-driven and impact staffing levels must be approved by the Board. Additionally, budget transfers that substantially change the Board-approved fiscal plan must be approved by the Board.

With the Secretary Treasurer’s approval, expenses may exceed estimates if offset by related revenue sources.

Unless otherwise instructed by the Board, quarterly financial reports shall be presented to the Board providing a high level overview of the performance against budget. These reports will include an analysis of budget variances, with explanations for any variances exceeding 10% of the budgeted amount. Furthermore,

The Secretary Treasurer shall use the [MECC’s annual school district financial reporting framework](#), including a financial statement discussion and analysis report, to demonstrate progress toward financial and educational objectives.

The Board shall make financial plans and reports publicly accessible, ensuring stakeholders are informed about budget decisions, financial performance, and adjustments made throughout the year.

APPROVED: May 2023

UPDATED: March 4, 2026