

Policy 25 - Financial Planning

FOUNDATIONAL PILLAR - OPERATIONAL EXPECTATIONS

The purpose of this policy is to establish Board expectations for financial planning and resource allocation within the Division. This includes ensuring a clear, transparent, and flexible allocation model that supports long-term sustainability and aligns with the Division's Organizational Goals.

1. Expectation

1.1 It is the will of the Board that the Superintendent shall develop and maintain a financial plan that:

- 1.1.1 Reflects the strategic goals of the Division
- 1.1.2 Avoids long-term fiscal jeopardy
- 1.1.3 Enables the Secretary Treasurer to respond to changing government funding frameworks and operational realities
- 1.1.4 Provides timely and understandable financial information to support effective governance

2. Requirements and Limits

2.1 Budget Development

- 2.1.1 The Superintendent shall ensure an annual budget is developed in accordance with Alberta Education requirements and timelines.
- 2.1.2 The budget shall include projected revenues, expenditures, and reserves.
- 2.1.3 The budget process shall involve consultation with the Board and relevant stakeholders (including, but not limited to, school leaders, departments, and committees).
- 2.1.4 Budget planning assumptions shall be disclosed, including:
 - 2.1.4.1 Anticipated Compensation Changes
 - 2.1.4.2 Inflationary pressures
 - 2.1.4.3 Enrolment projections
 - 2.1.4.4 Relevant government policy or funding shifts

2.2 Division Allocations

- 2.2.1 The Secretary Treasurer is responsible for developing and updating the Division's financial allocation model.
- 2.2.2 The allocation model shall:
 - 2.2.2.1 Align with applicable government funding formulas
 - 2.2.2.2 Ensure consistency with legislation and ministry directives
 - 2.2.2.3 Allow for flexibility from year to year as government policies evolve
- 2.2.3 Resource allocation to schools, departments, and programs shall be

determined by the administration.

2.2.4 Hutterite colony schools allocation will be based on Alberta Education's funding. Annually, the Board may determine to provide additional funding to colony schools.

2.2.5 The Board shall review and approve the overall budget, and direct Board approved allocations.

2.3 Budget Presentation to the Board

2.3.1 Budget documents and supporting materials shall be provided to the Board in advance of meetings.

2.3.2 The budget shall be accompanied by a summary report that clearly links it to the Division's Organizational Goals and strategic priorities.

2.4 Board Governance Responsibilities

2.4.1 The budget shall include funding necessary for the Board to fulfill its governance responsibilities.

2.5 Reserves

2.5.1 Total operating reserves shall not exceed the Alberta Education prescribed rate per Alberta Education Guidelines.

2.5.2 School reserves, excluding school-generated funds, shall not exceed 5%.

2.5.3 Reserve plans and usage shall be reviewed and approved by the Board annually as part of the budget review process.

2.6 Fees and Local Revenues

2.6.1 All Board-approved fee structures (e.g., transportation, kindergarten, school fees) shall be reported in the annual budget.

3. Assurances

3.1 The Board shall review department budgets before final approval.

3.2 By the February Board meeting, the Superintendent shall present a timeline and process for meeting the reporting requirements in this policy.

3.3 The board must be informed of any material deviations from approved allocations or unexpected reserve usage prior to proceeding with allocation.

3.4 The Secretary Treasurer shall maintain an internal allocation guide that outlines:

3.4.1 The methodology used to determine funding for schools, programs, and departments

3.4.2 The rationale for annual adjustments based on funding and enrolment

3.4.3 Procedures for reserve tracking, access, and compliance with thresholds

3.4.4 The internal guide shall be updated annually and made available to the Board upon request.

Reference: Section 33, 52, 53, 67, 68, 137, 138, 139, 140, 141, 143, 197, 204, 222 Education Act
Fiscal Planning and Transparency Act
Guide to Education ECS to Grade 12
Funding Manual for School Authorities

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