CODE: CO.BP

TOPIC: Fiscal Oversight and Accountability

EFFECTIVE DATE: (20-06-2017)

ISSUE DATE: (27-10-2026)

REVIEW YEAR: (2029)

PURPOSE

To provide an accountability framework to ensure the fiscal integrity of the Division and effective oversight of the use and management of Division funds.

DEFINITIONS

Division funds are derived primarily from Alberta Education funding but include funds from all revenue sources including but not limited to conditional grants, public gifts and donations, sale of Division owned assets, facilities rental and service charges, investments, transportation service fees, school shop customer service charges, student fees.

Senior Officials are those individuals occupying the following positions:

- Superintendent of Schools
- Assistant Superintendents
- Executive Directors
- Treasurer / Chief Financial Officer
- Corporate Secretary
- General Counsel
- Managing Directors

Site-Based Decision Making, sometimes called decentralized decision making, is a process of empowering those most closely affected by a decision to play a significant role in making those decisions. Managerial authority and accountability for financial decisions is delegated by the Superintendent of Schools to specific school/decision unit (DU) administrators for their respective school/DU budget. Our Vision, Mission, Priorities, board policies, administrative regulations and procedures establish the parameters within which all decisions must be made.

Financial stewardship is the careful and responsible planning and management of Division financial resources to achieve the educational objectives of our Vision, Mission and Priorities on behalf of the public. Stewardship of financial resources begins with transparency and compliance with legislation, policies, regulations and internal controls.

Internal controls are the checks and balances established by the Division to provide reasonable assurance about the achievement of objectives for reliability of financial reporting, effectiveness and efficiency of operations, safeguarding of resources and assets and compliance with applicable laws and regulations.

POLICY

The Board of Trustees (the Board) is responsible for ensuring effective and efficient stewardship of Division financial resources and assets placed in its trust for the provision of public education now and into the future. It

is important that stewardship of Division financial resources and assets aligns with Division values and reflects consideration of equity, inclusion and environmental sustainability.

The Board recognizes that the fulfillment of our Vision, Mission and Priorities is dependent on compliance with all legislative requirements and Public Sector Accounting Standards (PSAS), effective financial planning and management, the application of internal controls and clearly defined roles and accountabilities. The Board also believes that the management of Division finances is based on a foundation of integrity, prudence, public accountability and full disclosure of results.

The Board is committed to a system-wide culture of collaboration and site-based decision making and as such, trustees, senior officials and all staff share responsibility for modeling effective and efficient stewardship of Division financial resources. The Board expects all school/DU administrators to exercise their stewardship of Division financial resources by knowing and understanding their respective managerial authority, responsibility and accountability for decisions that have a financial impact on the Division.

The Board seeks maximum value for the expenditure of Division funds through purchasing practices that are fair, transparent and promote competition among vendors.

The annual Division budget is the fiscal plan to achieve the Vision, Mission, Priorities and strategic plan of the Division and the province. The Division's individual school/DU budget development processes include a review of the results from the previous year for continuous improvement. The budget process serves as a means to improve communications and involvement both within the school system and with the broader community.

The Board shall approve:

- The annual budget and results review process.
- The annual distribution of funds and any updates that are required during the year.
- The annual operating budget.
- Any expenditure of $1.2 million or more that is not accounted for in the current year budget (Board Policy CHA.BP Delegation of Authority).
- The transfer of funds into and the use of funds from the capital reserve.
- The appointment of the external auditor for the Division.
- The appointment of the primary banking institution for the Division.

The Board believes that it is fair and appropriate to reimburse trustees and staff for approved travel and other expenses incurred while carrying out Division business. To ensure accountability and public transparency, all trustees and staff shall adhere to Division administrative processes for reimbursement and/or payment of expenses incurred on Division business. Furthermore, expenses incurred by and on behalf of trustees and senior officials on Division business shall be routinely and publicly disclosed in alignment with the elected and senior officials' public disclosure practices of the Government of Alberta.

The Board acknowledges that schools cannot charge for instruction but that it may be necessary for schools to charge specific fees for supplies or materials that enhance instruction, in accordance with the *Education Act.* While the Board recognizes the need to charge specific fees, economic circumstances shall not be a barrier to a student's access to curricular outcomes. Decisions related to charging specific fees will be transparent and made in consultation with parents. All fees charged shall be publicly disclosed and the funds derived shall be used for the purposes for which they were collected.

Edmonton Public Schools is a "Registered Canadian Charitable Organization" within the meaning of the *Income Tax Act* and, as such, all gifts and donations shall be accounted for and used to enhance educational opportunities offered to students consistent with Division priorities, policies and values. In order to assist community groups seeking funding for their own activities, the Board delegates authority to the Superintendent of Schools to approve Division endorsement of and participation in community activities or projects that reflect our Vision, Mission and Priorities and support teaching and learning.

EXPECTATIONS

1. To safeguard and provide effective oversight and accountability for the use of Division funds and asset management, the Superintendent of Schools shall implement this policy through:
   a. Administrative regulations, processes and best practices aligned with provincially and federally legislated requirements, PSAS and Alberta Government elected and senior official expense disclosure practices.
   b. The assignment of responsibilities and accountabilities.
   c. A system of internal controls.

2. Division purchasing practices shall align with all applicable legislation, trade agreements, obligations, purchasing standards, policies and regulations established for school authorities.
   a. Division purchasing practice shall give consideration, where applicable, to the following:
      i. Value relative to cost, quality and suitability of the product or service.
      ii. Vendor performance, reputation, experience and ability to fulfill all requirements of the contract.
      iii. Environmental sustainability and impact.
      iv. Social equity and impact.
      v. Adherence to established ethical business standards.

3. At intervals not exceeding five years:
   a. The Division shall review the current financial institution appointed as the Division's primary banking institution to determine whether the current agreement should be extended or if a competitive purchasing process should be undertaken.
   b. A competitive purchasing process shall be undertaken for qualified firms or individuals for appointment as the Division auditor.

4. The annual budget development and results review process shall provide trustees, staff, students, parents and community members with an opportunity for involvement.

5. Annual Division and school budgets, audited financial statements and results achieved by the Division shall be made publicly available.

6. The acceptance of donations of property (cash and gifts in kind), that may be eligible for official tax donation receipts in accordance with Canada Revenue Agency, shall be for the advancement of education which includes, but is not limited to the following:
   a. The establishment of scholarships or memorial funds.
   b. The giving of special prizes or awards to students.
   c. The promotion of co-curricular or extra-curricular activities.
   d. The purchase of equipment.
   e. The funding of facility additions or enhancements**.**

7. Schools will use a fair and transparent approach to fee waivers for families unable to pay fees.

ACCOUNTABILITY

The Administration shall provide the following monitoring reports to the Board of Trustees:

- Interim financial reports and/or financial projections at least three times per year.
- Annual audited financial statements.
- School and decision unit annual plans.
- Results review documentation.
- Annual Alberta Education Results Report.

REFERENCES

CHA.BP - Board Delegation of Authority
CSGA.AR - School Generated funds
CSGB.AR - Administration of School Collected Funds
CSGE.AR - Customer Service Charges
CVB.AR - Guidelines for Surplus Funds for Central and School Decision Units
CW.AR - Purchasing and Disposal
CWA.AR - Expenditure of Division Funds
HNB.AR - School Fees
IH.AR - Public Gifts
Trustees' Handbook s. 5.5 Audit Committee
Trustees' Handbook s. 6.3 Four-Year Budget Planning and Results Reviews
Education Act