



**MOOSONEE DISTRICT
SCHOOL AREA BOARD**

| ADMINISTRATIVE PROCEDURE BUSINESS ADMINISTRATION: NO. 505 | |
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| Effective | May 24, 2016 |
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FINANCIAL INTEGRITY

PURPOSE

The Moosonee District School Area Board strives to ensure effective stewardship of its resources in order to deliver effective and appropriate education programs to its students.

This administrative procedure sets out the process by which system administrators and the Board establish, maintain, and monitor the financial well-being of the Board.

APPLICATION

This administrative procedure applies to the responsibilities of the director or education, finance and human resource administrator, and the principal to:

- a) ensure that the fiscal management of the Board is in accordance with the Ministry’s Student Focused Funding Model, other applicable grant regulations, and in accordance with the provisions of the Education Act and Regulations; and
- b) ensure that the fiscal management of the district is in alignment with the Moosonee District School Area Board’s multi-year strategic directions.

PROCEDURES

1. Board Expectations

1.1 It is an expectation of the Moosonee District School Area Board and a requirement of the Education Act that every Board shall prepare and adopt estimates of its revenues and expenditures for each fiscal year.

1.2 The Board is required to report its financial results to the Ministry of Education and to its supporters in the form(s) prescribed by the Ministry of Education.

1.3 The annual budget is a reflection of decisions made, a mechanism for allocating financial resources, and a means of managing activities in a planned and efficient manner. The main goal of this planning is to promote student achievement and

well-being and to provide a positive learning and working environment for students and staff.

1.4 Audited financial statements will be prepared in accordance with Generally Accepted Auditing Standards and adhere to Generally Accepted Accounting Procedures except where specifically exempted for school boards and/or public sector bodies.

1.5 The Board Audit Committee shall oversee the annual external audit. During the year, budget to actual variance reports and financial projections shall be provided to the Board on a regular basis.

2. Internal Controls

2.1 In addition to an external audit, district administrators will review, at appropriate intervals, the relevant procedures and records to ensure:

- a) maximum revenue allocations are received;
- b) expenditure allocations are accurately reported and controlled; and
- c) internal controls as prescribed are carried out.

2.2 Adequate internal controls will be maintained to ensure:

- a) the adequacy, reliability, and integrity of financial and statistical information and data-gathering activities; and
- b) that these activities are being performed effectively and economically.

3. Investment of Board Funds

From time to time the Board may be in a position to invest surplus funds for short term periods. Investment of surplus funds will comply with Regulation 471/97 of the Education Act: Eligible Investments.

4. Reserves and Reserve Funds

4.1 In addition to adopting an annual budget, the Board must also manage long range planning issues requiring multi-year financial plans.

4.2 Reserves and reserve funds offer financing methods which, when used in co- operation with annual budget planning, assist in maintaining the priorities of the Board. For these reasons, transfers out of an established "Reserve" or "Reserve Fund" shall be limited to 25% of the accumulated reserve, unless there is a two- thirds majority decision of the Board to exceed this limit.

4.3 The Board may, from time to time, establish reserve funds for specific purposes.

5. Carry-Forward of Surplus Funds

5.1 In order to facilitate planning and assist in the effective use of resources, the school or a department may carry forward the unexpended portion of its annual operating budget exclusive of salaries and benefits.

5.2 Any carry-forward is subject to Board approval and will consider the overall financial health of the Board. The annual school and/or department allocation will specify any budget funds which are not part of the standing carry-forward amount. The carry-forward will be added to the next year's budget allocation.

6. School Generated Funds

6.1 School Generated Funds in Moosonee Public School consist of monies raised to benefit students in the school or for third party charities and events.

6.2 The Board is required to ensure that these funds are properly administered and that transactions are accurately recorded. These obligations are met by:

- a) providing administrative guidelines for the recording and control of school generated funds, as in Administrative Procedure 170 Money in the School: Internal Controls;
- b) annual financial reporting requirements; and
- c) a financial audit by Board senior administration.

REFERENCE DOCUMENTS

Legal:

Education Act, Part VIII Compliance with Board Obligations

Education Act, Part IX Finance

Education Act, section 169.1 Duties and Powers of Boards: Effective Stewardship of Resources

Education Act: Section 286 Duties of Supervisory Officers: Supervise Business Functions

Ontario Regulation 298 Operation of Schools, Section 11 Duties of Principals: Organization and Management of the School

Ontario Regulation—Legislative Grants

Ontario Regulation 471/97 of the Education Act: Eligible Investments

Broader Public Sector Accountability Act 2010

Board:

Board Policy GOV-01 Philosophy, Goals, and Values

Board Policy GOV-02 Strategic Directions

Board Policy GOV-03 Role of the Corporate Board: Fiscal Responsibility

Board Policy GOV-04 Role of the Supervisory Officer: Fiscal Responsibility

Administrative Procedure 170 Money in the School: Internal Controls

Administrative Procedure 515 Purchasing Ethics and Procedures

Administrative Procedure 540 Safety and Security of Buildings and Property