
DIVISION BUDGETING

Background

The establishment of an education planning, budgeting, and reporting cycle is a means to achieve the Division's mission and to ensure that all students have an opportunity to meet the standards of education set by the Minister. Planning, budgeting and reporting is an integrated process where each component is contributory to the achievement of the Division Three-Year Plan.

Definitions

A **Budget Center** is a section of the Division for which a separate budget is prepared. A department may be its own budget center, or consist of one (1) or more budget centers.

Future Operational Costs include any operational cost items, that could be reasonably predicted to occur, but will occur beyond the immediate fiscal year.

Operational Costs include any expenditure for staffing, supplies, services, or non-capital items.

Site Improvements include landscaping and other improvements to the property, and not the school; or any alterations on leased property.

Unexpected Operational Costs include operational cost items that could not be reasonably predicted to occur. Examples include an unexpected failure of equipment, staffing requirement.

Procedures

1. The Division budget is developed to achieve the educational goals and reflects the cycle established to achieve the development and modification of the Division Three-Year Plan.
 - 1.1 The Division budget will be developed to support the achievement of the Division Three-Year Education Plan and will be incorporated as part of the Division Planning Cycle in meeting student needs.
 - 1.2 The timelines for the development of the Division budget will be defined in the Division Planning Cycle and will include the Instructional Block, the Support Block and the Capital Block, respectful of provincial requirements.
 - 1.3 Plans for the expenditure of funds from the Instructional Block, the Support Block and the Capital Block will be developed in consultation with the appropriate stakeholders, ensuring that sufficient context is provided for meaningful input.
 - 1.4 The principal/supervisor will determine, with the appropriate consultation, the expenditure pattern for the portion of the budget for which they are responsible so that the goals of the Division and the province can be achieved.

- 1.5 The plans for expenditure for each block: Instruction, Maintenance, Transportation, Governance and Administration and External Services are within the allocated revenues for that block, as determined by Alberta Education Funding Framework.
 - 1.6 Each expenditure plan submitted by the principal/supervisor includes provisions for reserves for capital replacement, contingencies and future commitments and consideration of sustainability of programs.
 - 1.7 Unless used to establish or fund a reserve, resources allocated to schools and other budget centers are to be utilized in the year they are allocated.
2. As per clause 1.7, the Division requires principals and supervisors to establish reserves for unexpected operational costs.
 - 2.1 Future operational costs can not include provisions for staffing without the written permission of the Superintendent.
 - 2.2 All reserves must indicate:
 - 2.2.1 Projected amount of the reserve at the end of the year.
 - 2.2.2 Purpose of the reserve.
 - 2.2.3 Projected date by which the reserve is to be expended.
 - 2.3 The starting value of any reserves associated with a school or department is to be included in its annual budget.
 - 2.4 Any changes to the value of any reserves associated with a school or department are to be included in the budget.
 - 2.5 The overall value of a total school reserve may not exceed three (3) per cent allocations and revenues; excess funds will be allocated to cover other Division deficits.
 3. Where a grant has a specified purpose, as imposed by the granting body:
 - 3.1 Any unspent funds are to be included in the budget for the school, department or budget center.
 - 3.2 Unspent funds are to be fully expended within three (3) years of the end of the fiscal year in which the funds were granted, unless written permission is obtained from the Superintendent.
 4. The Division recognizes that reserves represent unspent funds by a school, department or budget center, and that in the case of:
 - 4.1 A school, unspent funds at the end of the prior fiscal year cannot be in excess of three (3) per cent unless written permission is obtained from the Superintendent.
 - 4.2 A department or budget center, no unspent funds, will be carried forward unless written permission is obtained from the Superintendent.
 - 4.2.1 Future operational costs must have prior written approval of the Superintendent in order to be carried forward.
 - 4.3 Unspent funds at the end of a fiscal period, not carried forward as a reserve, will be redistributed.

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
Policy and Requirements for School Board Planning and Results Reporting School Authority
Planning and Reporting Reference Guide

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