

BUDGETING PROCESS

Background

The formation of a budget is the mechanism for the Division to achieve the goals and objectives of the Board's operating plan. Each school year, the Secretary-Treasurer shall prepare for Board consideration and adoption, a detailed estimate of the revenues and expenditures required to operate the Division's programs.

Procedures

1. Budget Development Principles
 - 1.1 The Division is committed to the enhancement and promotion of the Catholic identity and faith dimensions of all aspects of the Division's operation consistent with the mission, beliefs and values.
 - 1.2 The Division encourages innovation in Catholic leadership, organization, learning, teaching, administrative and resource distribution practices.
 - 1.3 In achieving the mission of quality education, the provision of an effective teaching-learning environment for students will be a first priority for budget allocation.
 - 1.4 Principals are to plan for reasonable class sizes.
 - 1.5 The equity of opportunity for students is a key consideration.
 - 1.6 The Division is committed to a consultative process, based on Distributed Decision Making in the development of the budget.
 - 1.7 School administration will develop priorities and plans for programs, activities and services in consultation with staff, School Councils, parents, students where appropriate, and the Catholic community.
 - 1.8 In consultation with Division administration, responsibility and accountability for school programs, activities and services will rest with school administration.

1.9 The Division will establish, communicate and monitor Division goals, objectives and priorities designed to achieve the Division mission and vision.

1.10 An objective is to achieve annually a balanced budget.

2. Budget Development

2.1 Input from the Board, administrators and staff will be sought with respect to budget priorities for the upcoming year.

2.2 The budget will reflect the annual goals and objectives set by the Board.

2.3 The budget will, to the extent reasonable, decentralize funds and spending authority to schools and departments.

2.4 All Schools shall pay the average cost of staff as determined by Financial Services.

2.5 A funding allocation committee shall meet before each budget to review the funding model to ensure available funding is allocated equitably, with the needs of the student in mind.

2.6 A preliminary budget shall be submitted to the Board no later than May 31, prior to the budget year.

2.7 The budget shall be revised by November 30 based on September 30 enrolments.

2.8 Following Board review and adoption, a budget in the form prescribed by the Minister will be submitted to Alberta Education.

3. Reserve Funds

A reserve fund may be established in a school budget subject to the following:

3.1 The fund must have a specific purpose, clearly described in the school's plan.

3.2 The purpose of the fund must be to acquire an appropriate product or service that could not normally be acquired within the funding allocations for a single year.

3.3 The annual allocation to the reserve fund must be consistent with the overall effective operation of the school.

- 3.4 The current status of the reserve fund must be reported annually to all stakeholders.
- 3.5 The time-frame for application of the reserve fund must not be longer than five (5) years.
- 3.6 Reserve funds must be evaluated annually in light of a school's surplus/deficit situation.
- 3.7 The establishment and allocation of reserve funds requires the approval of the Superintendent.

4. Budget Surplus/Deficit

- 4.1 Any annual surplus/deficit in the budget shall be carried over into the next year's budget as an aggregated amount. School surplus amounts carried forward are limited to a maximum of 1% of their allotted budget for the applicable school year.
- 4.2 A school's deficit shall be reduced by the amount of reserve funds established by the school.
- 4.3 The site budget administrator shall be accountable to monitor their sites finances and spend within its allocation. If a school or department enters an accumulated deficit situation, the site budget administrator shall meet with the Superintendent and Secretary Treasurer to review the plan to repay the deficit within the next year.

Reference: *Education Act*, SA 2012, c E-0.3, ss 33, 52, 53, 67, 68, 137, 138, 139, 140, 141, 143, 197, 204, 222
Funding Manual for School Authorities
Guide to Education ECS to Grade 12
Policy and Requirements for School Board Planning and Reporting
School Authority Planning and Reporting Reference Guide