



## Policy Manual – Finance

### F.E.01 - Budgeting - PROCEDURES

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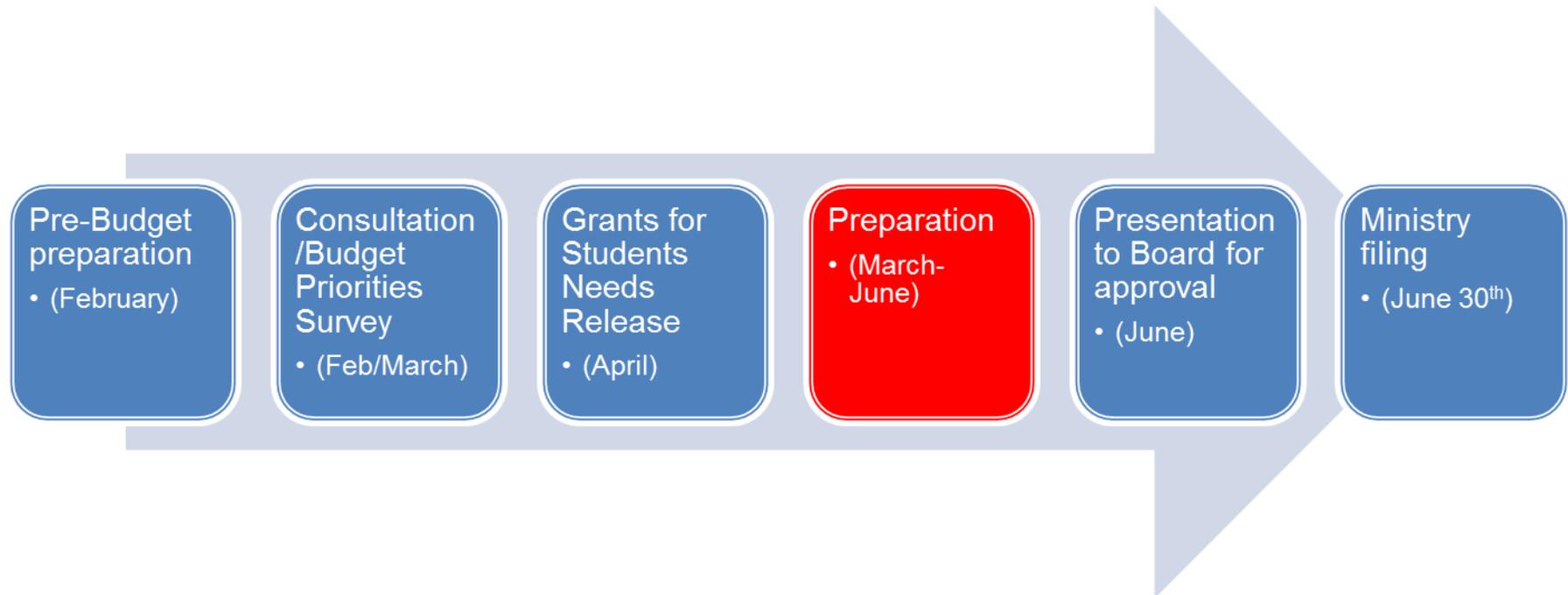
Annual Grants for Student Needs (GSN) funding are provided to school boards through the Ministry of Education. While funding is provided by the ministry it is the responsibility of Trustees to develop **and approve** a balanced budget that reflects the Board's mission and is aligned with the board's priorities as identified in the multi-year plan. Board Administration, through the guidance of the Budget Steering Committee (BSC); comprising of the Chairperson of the Board, Director of Education, Associate Director of Corporate Services, Superintendent of Human Resources and Controller of Business Services, support trustees in fulfilling their role of financial stewardship through the budget development process.

#### **Budget Development Process**

1. The annual School Board budget is the financial plan for how the Board will receive and spend funds in a fiscal year (September 1 – August 31<sup>st</sup>). The process to develop the budget includes an estimate of revenues and expenditures and allows for the prioritization of resources to be allocated in a way that achieves the strategic goals of the Board.
2. Public consultation on the development of the budget is conducted annually. The consultation is intended to gather input from staff, students, representative labour groups, parishes and the greater Catholic and public communities on the annual budget drivers of the board derived from the multi-year strategic plan.
3. In consideration of various elements such as: the Board's multi-year strategic plan, public consultation, legislative requirements, collective agreements, contracts/pricing, and the GSNs, annual strategic budget drivers are formulated. The strategic budget drivers are the annual priorities of the Board which would facilitate planning and, provide guidance and direction to staff. They would as well help evaluate and monitor the achievement of the specific driver in the form of regular reports to the Board.
4. A detailed analysis of all expense accounts is initiated and prepared. Salaries and wages comprise the largest expenditure item of the budget and therefore thorough analysis and review of: class size regulations, collective agreements, legislative requirements and other funding formulae are performed. Initially the assumption is that programs and service levels remain constant in the forecast period, with updated and/or revised dollar amounts assigned to these programs and services based upon the facts available; however, a zero based budget approach may be adopted when determined necessary.

5. Grants and other revenues are forecasted based on assumptions and forecasts available from reliable sources (i.e., Ministry of Education (GSN release), Province of Ontario budget documents, Federal funding agencies for continuing education programs, Community Partnership agreements, etc.). Furthermore, it should be noted that the primary driver of grants is enrolment and thus their accurate projection is fundamental to this process.
6. Where discretionary budget funds are identified, budget holders including Superintendents of Education and Managers are responsible for developing budget/expenditure plans within their areas in alignment with the strategic budget drivers identified during the budget planning process.
7. A preliminary budget estimates report will be developed and presented to the BSC. Mindful of the obligation to present a balance of revenue and expenditures in the final estimates adopted, the BSC reviews the preliminary budget estimates and develops strategies for a balanced budget incorporating program or service level adjustments if any are required.
8. A final budget estimates report is prepared for the Board to review and approve detailing the grants and other revenues, operating expense and capital budget estimates for the upcoming fiscal/school year.
9. Once approved, the Board's Estimates are filed with the Ministry of Education in the manner prescribed in accordance with the regulations, and in time to comply with the date specified by the Minister.
10. Once filed, ongoing, year-long budget analysis and monitoring procedures are performed. In addition, timely interim financial reports to the Board are provided.

# Budget Process Timeline



- ✓ Budget planning process commences shortly after filing of Revised Estimates in December
- ✓ Consultation with broader Catholic community and other stakeholders in the form of an on-line budget priorities survey
  - ✓ survey focusses on discretionary curriculum budgets and in alignment with Board's multi-year strategic plan
- ✓ Finance staff analyze and calculate grants and expenses
- ✓ Input from budget holders received and reviewed
- ✓ Budget Steering committee engaged throughout process