

## Board Development Topic: Financial Oversight and Budgeting

### Date of Board Meeting:

January 23, 2025

### Strategic Priority:

- High Quality Teaching and Learning
- Engagement of All Students, Families, and Communities
- Effective Policy and Procedures
- Healthy, Sustainable Physical & Social Environments

### Quality Indicator(s):

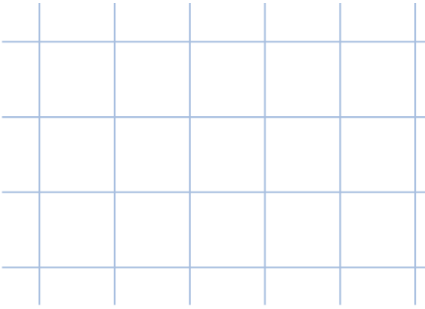
- QI 2.3 Meeting all timelines with provision for appropriate Board input relative to the annual review of priorities and outcomes.
- QI 2.4 Ensuring the Division's achievement results are published.
- QI 2.5 Compliance with all regulatory requirements with Ministry of Education and community expectations (i.e., annual report and community reports).
- QI 4.1 Developing budgets following the Board's budget framework and aligned with the Division's Strategic Plan.
- QI 4.2 Compliance with generally accepted accounting practices.
- QI 4.3 Establishing and following adequate internal financial controls.
- QI 4.5 Ensuring that all accounts adhere to policy and funds are used for the intended purpose.
- QI 4.7 Reviewing expenditures to ensure continuous improvement in value for money.
- QI 4.8 Implementing the external Auditors' recommendations promptly.
- QI 4.9 Developing long-term financial plans to ensure division sustainability in areas such as Preventative Maintenance and Renewal and capital plans.
- QI 7.2 Keeping the Board informed about Division operations, challenges, and celebrations.
- QI 8.1 Developing the Strategic Plan, budget, and operational actions according to timeline ensures the Board's ability to provide direction and oversight.
- QI 8.2 Demonstrating the achievement of key results identified in the Division's Strategic Plan and the Provincial Education Plan.
- QI 8.3 Reporting at least annually on results achieved.
- QI 8.4 Reporting on identified risk factors to the Division.
- QI 8.5 Working collaboratively with the Board to mitigate high-impact risk areas.
- QI 9.6 Ensuring the Board is aware of potential risks and plans to mitigate such risks.

### Information for the Board (10 fast facts):

1. **Mandated Oversight:** Under The Education Act, 1995, the Board is responsible for preparing, approving, and managing budgets in compliance with provincial regulations.
  - a. Under The Education Act, 1995, school divisions in Saskatchewan are mandated to prepare and manage annual budgets in alignment with provincial funding regulations and educational priorities. The Board is responsible for approving the budget and ensuring compliance with legislative and regulatory requirements.

2. **Core Principles:** Effective oversight relies on transparency, accountability, prudence, equity, and strategic alignment with educational goals.
  - a. Ensure open communication about financial matters to build trust with stakeholders.
  - b. Monitor expenditures to ensure they align with approved budgets and strategic goals.
  - c. Make decisions that safeguard the division's financial sustainability.
  - d. Allocate resources to address the diverse needs of all students.
  - e. Align budgeting decisions with the division's strategic plan and educational outcomes.
3. **Budget Process:** Key steps include strategic planning, revenue estimation, expenditure planning, stakeholder engagement, Board approval, and ongoing monitoring.
  - a. Setting priorities based on student needs, enrolment projections, and government directives.
  - b. Forecasting funding from provincial grants, local taxation, and other sources.
  - c. Allocating resources to various programs, services, and operational needs.
  - d. Consulting with administrators, teachers, parents, and community members.
  - e. Reviewing and approving the proposed budget.
  - f. Regularly reviewing financial reports to track progress and ensure compliance.
4. **Revenue Sources:** School division budgets depend on provincial grants, local taxation, and other funding sources.
5. **Board's Role:** The Board approves the budget, monitors financial performance, ensures compliance, and evaluates risks.
  - a. Evaluate financial risks and mitigation strategies.
6. **Senior Administration's Role:** Administration prepares and implements the budget while monitoring day-to-day financial operations.
7. **Best Practices:** Regular reporting, clear policies, training for Board members, independent audits, and scenario planning support strong financial oversight.
  - a. Provide financial updates at Board Meetings to review actual vs. budgeted performance.
  - b. Develop and adhere to financial policies and procedures.
  - c. Provide board members with the knowledge and skills necessary for financial oversight.
  - d. Annual external audits verify financial integrity.
8. **Challenges:** Financial planning must address enrolment fluctuations, provincial funding changes, rising costs, and the balance between equity and efficiency.
  - a. Fluctuating student numbers can impact revenue and resource allocation.
  - b. Adjustments in government funding levels can create budgetary pressures.
  - c. Inflation and increased operational costs require proactive financial planning.
9. **Recommendations:** Utilize the Finance Committee, conduct policy reviews, and advocate for adequate funding to enhance oversight effectiveness.
  - a. Regular updates on financial performance and emerging risks.
  - b. Conduct annual reviews of financial policies and procedures.
  - c. Engage in professional development related to financial management and governance.
  - d. Advocate for adequate provincial funding to meet the division's needs.
10. **Goal of Oversight:** Ensuring resources are used effectively and transparently to achieve the division's educational objectives.

- a. By adhering to best practices and maintaining a collaborative approach, the Board can fulfill its fiduciary responsibilities and foster trust among stakeholders.
- b. Board of Education’s Budget Development Framework is used throughout the budget process.



# Budget Development Framework 2025-26



## Funding

About 95% of the division's funding is sourced from grants provided by the Province of Saskatchewan or tuition.



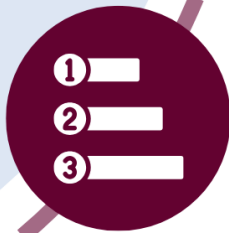
## Allocation

Funding allocation is primarily driven by projected enrolment levels, established in January preceding the academic year.



## Board of Education

The responsibility of the Board of Education is to distribute these funds equitably and transparently, aligning with established principles, priorities, and commitments.



## Current Budget Development Priorities

- Staffing and Equity
- Indigenous Education and Cultural Competency
- Student Success and Equity
- Learning and Well-Being
- Leadership and Trust
- Community and Environment



## Aspirational Statements and Long-term Goals (Established Aug 2023)

- High-Quality Teaching and Learning
- Engagement of All Students, Families, and Communities
- Effective Policy and Procedures
- Healthy, Sustainable Physical and Social Environments

Respectfully submitted,

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Good Spirit School Division