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## **ADMINISTRATIVE PROCEDURE 500**

### **DIVISION BUDGETING**

#### **Background**

The Division believes that the establishment of an education planning, budgeting, and reporting cycle is a means to achieve its 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.

#### **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 Grande Yellowhead Public School Division Three-Year Plan.
  - 1.1 The Division Budget shall be developed to support the achievement of the Grande Yellowhead Public School Division Three-Year Education Plan and shall be incorporated as part of the Division Planning Cycle in meeting student needs.
  - 1.2 The timelines for the development of the Division budget shall 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 shall be developed in consultation with the appropriate stakeholders, ensuring that sufficient context is provided for meaningful input.
  - 1.4 The equitable distribution of funds to schools from the Instructional Block shall be defined and the distribution plan printed and included in the Division Leadership Team Handbook.
  - 1.5 The Responsible Officer shall 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.
  - 1.6 The plans for expenditure for each block: Instruction, Maintenance, Transportation, and Governance and Administration, are within the allocated revenues for that block, as determined by Alberta Education calculations.

- 1.7 Each expenditure plan submitted by the appropriate officer includes provisions for reserves for capital replacement, contingencies and future commitments and consideration of sustainability of programs.
- 1.8 Unless used to establish or fund a reserve, resources allocated to schools and other budget centres are to be utilized in the year they are allocated.
2. A “budget centre” is a section of the Division for which a separate budget is prepared. A department may be its own budget centre, or consist of one or more budget centres.
3. As per 1.7., the Division requires schools and departments to establish reserves for unexpected operational costs; future operational costs; and the acquisition or replacement of furniture, equipment, fleet vehicles, site improvements, buildings and land.
  - 3.1 “site improvements” include landscaping and other improvements to the property, and not the school; or any alterations on leased property.
  - 3.2 “operational costs” include any expenditure for staffing, supplies, services, or non-capital items.
  - 3.3 “unexpected operational costs” include operational cost items that could not be reasonably predicted to occur. Examples include an unexpected failure of equipment, staffing requirement, etcetera.
    - 3.3.1 Unexpected operational cost reserves for staff cannot exceed the standard cost of a full-time Teaching Assistant for the school year, described as:  
  
**6 hours per day X (# of instructional days+ 10 statutory holidays) X Standard cost per hour for a TA**
  - 3.4 “future operational costs” include any operational cost items, that could be reasonably predicted to occur, but will occur beyond the immediate fiscal year.
    - 3.4.1 Future operational costs can not include provisions for staffing without the written permission of the Deputy Superintendent and Assistant Superintendent – Business Services.
  - 3.5 All reserves must indicate:
    - 3.5.1 Projected amount of the reserve at the end of the year.
    - 3.5.2 Purpose of the reserve.
    - 3.5.3 Projected date by which the reserve is to be expended.
  - 3.6 The starting value of any reserves associated with a school or department is to be included in their annual budget.

- 3.7 Any changes to the value of any reserves associated with a school or department are to be included in the budget.
- 4. Where a grant has a specified purpose, as imposed by the granting body:
  - 4.1 Any unspent funds are to be included in the budget for the school, department or budget centre.
  - 4.2 Unspent funds are to be fully expended within 3 years of the end of the fiscal year in which the funds were granted, unless written permission is obtained from the Superintendent of Schools.
- 5. The Division recognizes that reserves represent unspent funds by a school, department or budget centre, and that in the case of
  - 5.1 A school, unspent funds at the end of the prior fiscal year in excess of 10% of the schools reserves as submitted on their spring budget submission, will not be carried forward in the budget of the school.
  - 5.2 A department or budget centre, no unspent funds, in excess of their reserves for future operational costs; or costs of the acquisition or replacement of furniture and equipment, will be carried forward in the department or budget centre.
    - 5.2.1 Future operational costs must have prior written approval of the Superintendent of schools in order to be carried forward.
  - 5.3 Unspent funds at the end of a fiscal period, not carry forward as a reserve, will be redistributed.

Reference: Section 60, 61, 113, 145, 146, 147, 148, 149, 150, 151, 152 School Act

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