

## **601.1.2 Annual School Budget**

### **Policy**

The principal shall develop the annual school budget.

### **Regulations**

1. The principal shall provide opportunity for input by staff and School Council during the development of the budget.
2. Budget decisions shall reflect the priorities identified in the school's Three Year Education Plan, as well as align with Division and provincial priorities.
3. The annual school budget is subject to approval by the Superintendent.
4. A surplus in a school's annual budget may be carried forward upon a review of the District's overall budget by the Superintendent. A deficit in a school's overall budget must be covered in the next budget year.
  - 4.1. The principal must provide justification for all carryovers for approval by Executive Council.
  - 4.2. Principals shall not plan deficit budgets.
  - 4.3. If an actual deficit results, a written plan for recovery must be submitted to the Superintendent for approval. The plan would identify a source of funding from available school resources or against the following year's operating budget.
  - 4.4. During a transition period of school administration, the departing principal shall ensure that the school is fiscally sound. If the school has a deficit, the departing principal shall work in cooperation with the incoming principal to provide a plan to eliminate the deficit and receive approval of that plan by the Superintendent.
5. Under certain circumstances, when purchasing capital items such as vans, buses, major equipment or large numbers of resources, the school may make arrangements with Business Affairs to internally finance the purchase over a set time period, with payments coming out of the school's budget.

### **601.1.2 Annual School Budget, cont'd**

6. It is the responsibility of the principal to exercise sound accounting and management procedures in monitoring the annual school budget and to maintain the operation of the school within the total budget allocation.
7. After the September 30th student count, and upon receiving the actual carry forward of surplus or deficits and revised salary estimates, the principal shall provide a budget update to the Superintendent.

The Board delegates to the Superintendent the authority to develop the procedures necessary to implement this policy.

#### **References**

School Act:	20
Division Policies:	600.2 School-Based Decision Making, 801.1 System Budgeting, 801.9 Financial Planning and Management - General, 802.2 Student Fees, Fines and Charges, 804.3 Financial Accountability and Audits, 1002.4 School Councils, 1005.6 School Generated Funds
Other:	Lethbridge School Division Internal Controls Handbook