

SIGNIFICANT ACCOUNTING PRACTICES

Background

The following procedures are established to define specific practices in more detail than the general directions established by Administrative Procedure 511 Appendix A – School Funds.

Procedures

1. Encumbrance accounting practice is followed in so far as is reasonably practicable, however accounting and financial reporting is on an accrual basis according to recognized accounting principles.
2. Disbursements for accounts payable are authorized by the end user on the original invoice.
3. Disbursements for payroll are authorized on the basis of written documentation of the employee's status and pay classification with such supporting information as may be required.
4. Signing authorities are:
 - 4.1 For General Account disbursements: the Secretary-Treasurer and Support Staff Payroll Coordinator, or either of the above with one (1) of the following: Superintendent, Board Chair, Board Vice-Chair,
 - 4.2 For Payroll Account disbursements (by direct deposit): the Secretary-Treasurer or in their absence the Superintendent shall review and sign off on disbursements,
 - 4.3 For contractual agreements, including loans: Superintendent and/or the Secretary-Treasurer.
 - 4.4 For purchase cards, the card holder of the purchase card.
5. School budgets are established by formula under direction of the Board pursuant to funding levels provided in the Division budget.
 - 5.1 These budget funds are disbursed under the direction of the Principal, subject to the Principal securing approval of his/her school budget from the Superintendent and Secretary-Treasurer.
 - 5.2 While funding allocations are established by formula, the disbursement of the allocations may be transferred between budget line items.

6. School budgets may carry forward unexpended funds up to a maximum accumulation of fifty percent (50%) of their annual budget, the entire amount of any deficit is carried forward and recovered from the following year's funds.
 - 6.1 Unexpended funds that exceed ten percent (10%) of the school budget are to be reported to the Secretary-Treasurer.
7. Maintenance and garage parts inventories are maintained on a perpetual basis and are used as holding accounts for the job cost accounting process in these departments. Inventory withdrawal journal entries are regularly compiled and processed, and the documentation of these withdrawals is retained by the Director of Business Services as part of the cost accounting data.
8. Where program or cost accounting procedures require an arbitrary distribution of costs, this is done on the basis of proportion of students or other units served.
9. Flow charts which diagram the accounting system shall be prepared by the Secretary-Treasurer on an as required basis and attached to this Appendix where deemed appropriate.

Adopted/Revised/Reviewed: JUN 2016/NOV 2019/JUL 2023

Reference: Section 52, 53, 55, 68, 137, 138, 139, 140, 141, 143, 144, 197, 204, 222, 225 Education Act
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