

501 Annual Operating Budget

Belief

The preparation of the annual operating budget is a major undertaking and essential to ensure that funds are available, and appropriately allocated based on approved annual plans, in order to provide high quality educational programming. The Superintendent is responsible to the Board for the preparation and presentation of the budget. The coordination of the budget development process has been assigned to the Executive Director of Finance.

Definitions

“Amortization”	is the allocation of an expense for the use and reduction in value of a capital asset during the course of the asset’s expected life span
“Authority”	means the power or right to determine, control, command or approve
“Board”	means the Board of Governors of MESC
“Budget Authority Holder”	means person directly responsible for decision making that affect planned revenues and expenditures
“Budget”	means the forecast of planned revenues and expenditures for MESC and its main activities for a specific period of time.
“Capital Asset”	means any asset with an initial useful life extending beyond one year that is not held for sale or used in the ordinary course of operations. Capital assets include buildings, furniture, vehicles, office and computer equipment with the cost in excess of five thousand dollars (\$5,000.00) per unit.
“Superintendent”	is the senior employee appointed by the Board of Governors to provide overall management and direction to MESC.
“Cost”	is the total amount of consideration given up to acquire a capital asset plus all additional amounts that are directly attributable to acquisition, construction, development or betterment of the asset.
“Designate”	means MESC employee who has been delegated authority in accordance with this manual. These designated individuals may designate others within the organization to hold this delegated authority on a temporary basis.
“Associate Superintendent”, “Executive Director”, “Director”	is an employee of MESC who has been appointed to a senior management position in accordance with MESC
“” or “MESC”	Means Maskwacis Education Schools Commission

“District Office”	Means MESC’s central office located at Box 58, Maskwacis, AB T0C 1N0
“Executive Director of Finance”	is the employee of MESC responsible for implementing and ensuring compliance with the financial and administrative policies and procedures
“Fair Market Value”	is the amount assets can be sold at in a voluntary transaction between a buyer and a seller.
“Fiscal Year End”	means March 31 st of any given year.
“Funding Agreement”	means any legal agreement between MESC and a funding source such as the Federal Government or its Ministries, Departments and Agencies. These may include, but are not limited to: <ul style="list-style-type: none"> ● Contribution Agreements ● Comprehensive Funding Agreements ● Grant Agreements
“GAAP”	means the generally accepted accounting principles of the Chartered Professional Accountants of Canada, and any subsequent organization
“May”	means to take action at one’s discretion and not a requirement
“Must, Will, Shall, Required”	means to be obliged or bound by an imperative requirement with no discretion to avoid
“Policy(ies)”	means statements that establish expectations for decisions made, or action taken by, the Board and all employees and any other persons who conduct activities on behalf of MESC.
“Procedure(s)”	means established instructions, steps or methods for the implementation, enforcement or administration of an MESC policy. Procedures typically describe the “how” rather than the “what” and provide the steps needed in sequence to comply with policy requirements
“External Auditor”	is a member in good standing of a recognized accounting body
“Responsibility”	means being the individual or group of individuals who do the work or direct the completion of work or activity
“Revenue Recognition”	refers to the process of recognizing funding and /or service delivery as revenue for financial reporting purposes. If monies coming into MESC do not qualify as revenue under the revenue recognition policy, the funds must be deferred and reported as revenue in subsequent periods in which it may be recognized.
“School(s)”	means schools located in Ermineskin Cree Nation, Louis Bull Tribe, Montana First Nation, and Samson Cree Nation.

“Site-based Budgeting”	Means a physical location that has an operational budget.
“Tender Process”	A competitive procurement process where vendors submit bids to provide specified services/goods.

Procedures

1. Budget planning shall be the responsibility of the Superintendent, with assistance from the Executive Director of Finance.
2. The budget proposal submitted to the Board for approval shall be balanced, but may require funds from accumulated reserves, and shall provide:
 - a) Programs to meet the needs of the entire student body.
 - b) Staffing arrangements adequate for the proposed programs.
 - c) Maintenance of the District’s equipment and facilities.
 - d) Efficiency and economy.
3. The Executive Director of Finance shall provide each Branch and school with an initial allocation upon which to begin the development of the budget. Funding will be distributed on the basis of an equitable per student allocation and earmarked funds for specific programs.
4. Each Budget Authority holder shall develop and submit a budget based on initial allocation after seeking the advice and suggestion of staff members.
5. Each Principal shall develop and submit a school budget based upon the initial allocation after seeking the advice and suggestions of staff members and other advisory groups.
6. The Superintendent, in conjunction with Associate Superintendents, Executive Directors, Principals and other Directors, should ensure that there is a clear relationship between budget allocations to annual plans and the Ends-policy set by the Board.
7. The Executive Director of Finance shall consolidate the budgets by site for presentation to the Board in a form approved by the Board.
8. The budget submitted to the Board for approval shall include:
 - i) A consolidation and consideration of the submissions made by the Associate Superintendents, Executive Directors, Principals and other Directors.
 - ii) The details on proposed programs and service changes such as additions and reductions.
 - iii) The current year’s budget for comparison purposes.

- iv) The year-end projection of the current year's data for comparison purposes.
 - v) The most recent year-end actual data for comparison purposes.
9. The Executive Director of Finance shall present the proposed budget to the Board for discussions and consideration at December/January meeting of the Board. As a next step, the Superintendent shall recommend the budget to the Board for approval by March 15, allowing time for further review and considerations. Final adoption of the budget shall take place no later than March 31, in any budget year.
10. The Superintendent shall produce recommendations explicit in the budget proposed to the Board. These shall be distributed to the Board at least one (1) week prior to the date of budget approval.
11. Unless otherwise stated, the approved Budget shall come into effect April 1.

References

MESC Board of Governors Policy; EL-3, EL-4 and EL-5