

2.21 – Financial Planning and Reporting Policy

2.21 Financial Planning and Reporting Policy

Purpose

The Board of Education of School District No. 68 (Nanaimo-Ladysmith) believes that prudent financial management should include transparency, demonstrated accountability and consistent outcome-based planning, monitoring, and reporting. Further, that multi-year financial planning should outline how funding and resources will be used to support the strategic plan, operational needs, and enhance student outcomes, as well as provide community, educational partners, local First Nations, and Métis Nation BC engagement opportunity to ensure their input is incorporated into the development of the multi-year financial plans.

Guidelines/Objectives

This policy is meant to align with the Ministry of Education and Child Care's Framework for Enhanced Student Learning and the district's Accumulated Operating Surplus Policy, where there is a direct link between the Boards Strategic Plan and financial planning in support of efficient resource management and operations, enhanced student outcomes, as well as multi-year planning with regards to any accumulated operating surplus and local capital balances.

Definitions

Strategic Plan - Identifies the district's vision, mission, values and future direction along with Board and district operational goals. As well, it defines strategies, measures, and initiatives to achieve them over the short and longer term.

Operational Plan - Outlines district, school, or departmental key objectives and goals in support of and alignment with the Strategic Plan, and identifies the strategies, initiatives, and performance measures in place to reach them. The Plan includes a continuous improvement cycle where ongoing assessment and potential adjustments ensures overall achievement.

2.21 – Financial Planning and Reporting Policy

Financial Plan - A comprehensive evaluation of the district's resources, obligations, and anticipated financial position by using current known variables to predict future revenues, expenses, and the accumulated operating surplus balance. Further, in alignment with the Strategic Plan, Operational Plans, and using feedback attained through community engagement, the Plan will identify how resources will be used to enhance student outcomes, support long range facilities planning and improve operational efficiencies.

Process/Procedure

In line with Ministry direction and timelines, the Board will adopt and send to the Ministry a multi-year financial plan (3 years) on an annual basis. This financial plan will outline how the Board intends to use estimated funding and resources, including the appropriation of any accumulated operating surplus and planned use of local capital funds, in support of the Strategic and Operational Plan.

The multi-year financial plan (business management tool) should indicate the specific measures or evidence that will be used to assess if anticipated results and targets were met, as well as be subject to a continuous improvement cycle where annual adjustments may be necessary to ensure that planning, resource allocations, and enhanced student outcomes consistently align.

The creation of the multi-year financial plan will correspond with each annual budget process where through departmental and stakeholder meetings, discussions and engagements, the coming year's plan will reflect the outcomes determined, the targeted goals, educational and operational initiatives, financial risk and mitigation strategies, long-term facility planning, and planned appropriation of available surplus if deemed necessary to support each of the three years after all revenues and expenses have been projected, balancing any estimated deficit.

Each Fall the coming year's Multi-Year Financial Planning and Budget Timeline is prepared, outlining monthly meetings, community engagements, reporting requirements, and other important dates to note throughout the annual process.

As identified in the Multi-Year Financial Planning and Budget Timeline, community engagement opportunities will allow stakeholders, educational partners, local First Nations, Métis Nation BC, and the community to ask questions, seek information, and provide feedback that will guide the plan's development.

Engagement opportunities during the financial planning cycle include but are not limited to the following:

- ThoughtExchange Surveys/Questions
- Student Voice Sessions

2.21 – Financial Planning and Reporting Policy

- Sessions with our Leaders for Learning Group (Indigenous Partners Group)
- Teams or “Town Hall” Virtual Sessions
- Budget and Financial Literacy Sessions
- Individual Stakeholder/Partner Group Meetings
- Social Media Engagements
- Email Feedback

Information, ideas, recommendations, and wisdom gathered throughout the engagement sessions will be incorporated into the districts multi-year financial plan where it aligns with the Strategic or Operational Plans, or in support of enhanced student outcomes as much as available resources and educational planning and delivery requirements permit.

Following the approval of the district’s annual budget, the preliminary Multi-Year Financial Plan will be completed and presented to the Board in June for discussion; the finalized Multi-Year Financial Plan will be presented and approved by the Board in September for submission to Ministry by September 30th per annum.

Reporting/Feedback

In order to ensure the Board remains on target to achieve long-term strategic and financial goals, and to provide updates to stakeholder groups, quarterly financial reports will be provided and will reflect the status of performance against budget, where key variances will be assessed, and adjustments may be recommended to ensure planned educational and operational goals are attained.

The multi-year Financial Plan is in addition to a variety of other financial reports that are in place to ensure the Board is being transparent and accountable and to provide feedback and results to stakeholders, partner groups, the public, and the Ministry of Education and Child Care.

The following reports and information, which are available on the district’s website, are also intended to facilitate continuous improvement, financial oversight and measurement, as well as to guide future year budgets and financial planning:

- Annual Audited Financial Statements along with an accompanying Financial Statement Discussion and Analysis Report which provides overall financial results and includes spending as compared to budget along with rationale for significant variances.
- Accumulated Operating Surplus balances pursuant to the Accumulated Operating Surplus (AOS) Policy along with recommended restrictions, planned appropriations and transfers to Local Capital, all of which should indicate the intended purpose and how it supports the Boards Strategic and/or Operational Plan. As well, a long-term financial plan with supporting Schedule should be prepared for any remaining surplus balances.

2.21 – Financial Planning and Reporting Policy

- A multi-year Local Capital schedule which should include proposed projects over the term, as well as the required interfund transfers necessary to support long-term planning.
- Annual Framework for Enhanced Student Learning report (FESL) which provides overall progress of educational initiative as compared to student outcomes.
- The Annual Budget and Financial Reporting timeline, including community and partner group engagement opportunities.
- The district’s Annual Budget by the end of June.
- The district’s Amended Annual Budget by the end of February.

Legal References:

Monitoring Method: *Board of Education / Superintendent*

Monitoring Frequency: *Triennial*

Adopted: *2023.04.26*