

# **POLICY 3170**

## **BOARD RESERVES**

Adopted: November 27, 2017  
Frequency of Review: Annual

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### **1.0 RATIONALE**

- 1.1 The Board of Education is responsible for managing its financial resources to provide educational services to its students while maintaining a sound financial position.

### **2.0 DEFINITIONS**

- 2.1 Operating reserves represent resources that can be used to provide future services and are created when expenditures are less than the revenue earned.
- 2.2 Restricted Surplus represents operating reserve funds upon which the Board of Education has approved restrictions on spending.

### **3.0 POLICY**

The Board of Education determines the amount of operating reserves that are maintained by schools and departments. The Board of Education has identified its operating reserve categories as follows:

- 3.1 Instructional - operating reserves accumulated by schools and other instructional areas including the International Student Program, Continuing Education, Distributed Learning, English Language Learning, Aboriginal Nations Education, and Student Services (Inclusive Learning, Learning Support and the Learning Team).
- 3.2 Board Departments and System Administration - operating reserves accumulated by Facilities Services, Human Resource Services, Financial Services, Information Technology and by the Board's administrative functions.

- 3.3 Restricted Surplus - operating reserves retained by the Board of Education to address any anticipated future years' operating budget deficit (not beyond the next three fiscal years) or for emergent matters.

#### **4.0 RESPONSIBILITIES**

- 4.1 The Board of Education must comply with the Ministry of Education's expectations regarding financial governance and accountability.
- 4.2 The Board of Education is required by legislation to prepare an annual balanced budget which may include the use of restricted surplus funds.
- 4.3 The Board of Education must follow Public Sector Accounting Standards.

#### **5.0 REFERENCES**

- 5.1 *Statement of Education Policy Order (Mandate for the School System, OIC 1280/89)*