

FINANCIAL ACCOUNTABILITY POLICY

Definition of Terms:

- **Administration** - means the school staff directly responsible for the accounting processes and procedures of the school. This can be, but is not limited to, the Head of School, Principal, Assistant Administrator, Building Manager, Registrar and School Secretary and teachers.
- **Banking Authority** - A Board approved authority authorized to open or close bank accounts, sign, make, draw, accept, endorse and deliver cheques, promissory notes, bills of exchange, orders for payment of money and agreements and instruments as is necessary for the operation of the school's bank accounts.
- **Board** – means the directors and officers of the corporation or society responsible for running a school.
- **CPA Canada** - means the Chartered Professional Accountants of Canada
- **Internal controls** - Means those policies and procedures put in place to ensure the continued reliability of the accounting system.
- **Electronic Signature** - A digital mark that has the function of a signature in, is attached to, or is logically associated with a record, and is used by a signatory to take responsibility for, or to give consent to, the content of the record.
- **Principal** – means a teacher designated as a principal by the operator, who must hold a valid teaching certificate and may not be the operator or a voting member of the board of directors.
- **Secretary-Treasurer** - means a qualified person appointed by the board of directors and authorized to carry out the functions related to financial planning, reporting and accountability.
- **Signing Authority** - An employee of the college who has been granted authority by the President and CEO to approve commitments for the acquisition of goods and services for the purpose of conducting ordinary business on behalf of the college.

References:

This policy references the Education Act and the Income Tax Act (Canada). As well as, section 22 of the Private School's Regulation.

Background:

The Phoenix Education Foundation is committed to using available financial resources from Alberta Education, tuition generated funds and any other funding source for the maximum benefit of students. Consistent with the board's objective to provide careful

stewardship of physical resources and to ensure transparent and ethical use of school funds, the board will establish, and update as necessary, financial management protocols and procedures aligned with the standards issued by the Accounting Standards Board and supported by the CPA Canada.

Requirements:

1. With respect to ensuring transparency and accountability in all of its financial processes, Administration, supported by the treasurer / secretary-treasurer, shall ensure the implementation of internal controls to enable effective management of processes.
2. Management processes shall be documented and reviewed annually. In general, these controls shall incorporate:
 - separation of duties or, as appropriate
 - sharing of duties and reviews by coworkers
 - controlling access to different parts of the accounting system by password, electronic access logs and lock codes,
 - physical audits of assets such as cash and inventory,
 - standardized documentation such as invoices, receipts, deposits, expense claims,
 - regular review of financial statements,
 - periodic reconciliation, such as a monthly reconciliation of bank statements with the schools financial records,
 - approval authority requirements such as having the principal or another individual of designated sign off on orders of classroom supplies.
3. In a manner consistent with the context of the school operation, Administration supported by the treasurer / secretary-treasurer, shall apply accounting **best practices to reduce Financial Risk and to mitigate any risk** related to fraudulent or inappropriate use of school funds.
4. The school will conduct an **annual independent audit** as per the accountability requirements of Alberta Education. The school's annual audit will follow the Canadian Auditing Standards as found in the CPA Canada handbook. The school is responsible for disclosing significant and material transactions. In view of any recommendations which may arise from its audited financial statements, the board shall annually consider potential revision of its protocols.
5. The school will post a **publicly-accessible annual education results report**, including a summary of its audited financial statement to the School Authority website or alternatively, provide information to the ministry about how the School Authority makes such information available to parents, the school community and the General Public.
6. Employees of the Foundation shall be **reimbursed for all reasonable expenses** actually and properly incurred by the Employee in respect of duties undertaken on behalf of the Foundation only where the expenses were approved by Administration prior to expenses being incurred.

7. Administration, in conjunction with the Treasurer, may from time to time choose to **invest funds** that are not needed for immediate use. Investments must be into GICs or other secure instruments on a laddering basis - meaning that some portion of funds come due each year, so that in the event of an emergency, these funds would be accessible by the Foundation. If they are not needed upon renewal, the money shall be reinvested into a GIC at the next point on the ladder.

Signing Authority

The school will ensure appropriate approval for financial activities by conducting business affairs in a consistent manner based on the signing authority limits, authorization requirements, additional approval requirements specified in this policy, and within the parameters defined in the related budgets.

Role	Operating Capital	Payroll	Student Refunds/ Fees waived	Contracts	Banking Authority	Credit Card Purchases without prior approval
Chair	As per Board Budget	Second \$65,000	NO	NO	YES	NO
Treasurer	NO	Second \$65,000	NO	H of S contract	YES	NO
Head of School	As per Foundation Budget	\$65,000	\$5000	\$100,000	YES	LIMIT
Founder	NO	Second \$65,000	NO	NO	YES	\$300
Principal	As per Instruction Budget	NO	\$300	NO	NO	\$300
Care Coordinator	As per Special Needs Budget	NO	\$300	Second for Special needs	NO	\$300
Building Manager	As per Building Budget	NO	NO	NO	NO	\$300
Registrar / Resource Mtg	As per Student Budget	NO	\$300	\$500	NO	\$5000