

The SCHOOL DISTRICT NO. 8 (Kootenay Lake)

TO: Board of Education

FROM: Dr. Christine Perkins, Superintendent

DATE: June 26th, 2018

SUBJECT: Policy Manual Revisions – Section 600



A review of all Board policies in section 600 has now taken place, with the objective ensuring policies are up-to-date meet the expectations of the Ministry. We are pleased to advise that very little changes were required to make our policies current and confirm with recently announced Ministry requirements.

Suggestions have also been made with respect to the groupings and order of policies within this section, with new numbering in place, summarized as follows:

- Policy 610 Fiscal Management
- Policy 620 Budget Development, Monitoring and Reporting
- Policy 621 Accumulated Operating Surplus
- Policy 640 Acquisition and Disposal of Board Assets
- Policy 641 Gifts
- Policy 624 Procurement and Purchasing
- Policy 650 Disposal of Real Property and Improvements
- Policy 680 Business Community Advertising Sponsorship

A. Policies to be Revised and Renumbered

Section 600, currently summarized as Finance, would be organized as Section 600 Finance and Business Operations. Within current sections 600, the following policies have undergone revisions, with drafts appended to this memo.

Proposed #	Policy Name	New Policy Name, if revised	Current #	Comment
610	Fiscal Management		601	Purchasing and tendering elements have been moved to a new policy.
620	Budget Development, Approval and Monitoring	Budget Development, Monitoring and Reporting	603	Guidelines established in accordance with the Budget Transparency and Accountability Act.
640	Acquisition and Disposal of Board Assets		610	Minor changes.
641	Gifts to Schools	Gifts	611	Reformatting
650	Disposal of Real Property and Improvements		605	Minor changes.
680	Business Community Advertising Sponsorship		613	Reformatting

Recommendation: That the Policies 601, 603, 605, 610, 611, and 613 be amended, as outlined in the drafts provided.

B. Redundant Policies to be abandoned, incorporated in other policies

The policy below is now incorporated in the new Policy 642.

Policy #	Policy Name	Comment
602	Banking and Audit Tenders	Embedded within Policy 642 Procurement and Purchasing

Recommendation: That Policy 602 be abandoned.

B. Policies to be abandoned and incorporated within Administrative Procedure

The policy listed below, provides administrative directions, and will be moved to an administrative procedures manual. As a result, these policies will need to be formally abandoned at a Board meeting.

Policy #	Policy Name	Date	Comment
612	School Inventories	April 2, 2002	Update and publish as an Administrative Procedure

Recommendation: That Policy 612 be abandoned.

C. Newly Created Policies

Policy #	Policy Name	Comment
621	Accumulated Operating Surplus	A new policy to comply with Ministry requirements.
642	Procurement and Purchasing	Comprehensive policy to address purchasing, tendering and banking and audit services.

Recommendation: That the Policy 621 Accumulated Operating Surplus and 642 Procurement and Purchasing be approved as outlined in the drafts provided.



The Board of Education of
School District No. 8 (Kootenay Lake)

Policy Manual

POLICY 610: Fiscal Management

The Board of Education of School District No. 8 (Kootenay Lake) recognizes its responsibility to ensure that the School District's fiscal management complies with the requirements of the Ministry of Education and Public Sector Accounting Standards.

Further, the Board supports the Taxpayer Accountability Principles established by government that strengthen accountability, cost effectiveness, and commitment to operate in the best interest of taxpayers. These principles include:

- efficiency
- accountability
- appropriate compensation
- service
- respect
- integrity

Guidelines

1. The Secretary-Treasurer will be responsible to ensure the District's fiscal management system complies with Ministry requirements, is modelled after the best generally accepted accounting practices (GAAP) and is maintained in a current status.
2. The Secretary-Treasurer will provide, for the information of the Board, monthly financial statements showing the financial condition of the School District as at the previous month, as well as other financial records, as determined by the Board.



The Board of Education of
School District No. 8 (Kootenay Lake)

Policy Manual

POLICY 620: Budget Development, Monitoring and Reporting

The Board of Education of School District No. 8 (Kootenay Lake) believes that a fundamental aspect of the duties of the Board is to establish and monitor the District's annual budget.

The Board must receive sufficient information to fulfill its fiduciary responsibilities and be satisfied that revenues and expenditures are aligned with the strategic priorities of the Board. The Board must ensure that appropriate processes are established to maintain the fiscal integrity of the District.

The Board expects that Administration will not cause or allow any financial activity that materially deviates from the budget adopted by the Board, cause or allow any fiscal condition that is inconsistent with achieving the expectations and strategic priorities the Board has set-out, or that places the long-term financial health of the organization in jeopardy.

Guidelines

1. All plans, assumptions, implementation strategies, and risks are to be fully-disclosed with the Board prior to approval of budget documents. At a minimum, these disclosures should include:
 - 1.1. key budget assumptions, such as student enrolments, grant rate changes, salary increases and inflation rates;
 - 1.2. financial and business risks, such as changes in interest rates and changes in fuel prices; and
 - 1.3. specific strategies explaining how the budget supports the school district's strategic plan/direction
2. Budget update materials should be prepared monthly and provided to the Board in a timely manner.
 - 2.1. The updates should include a comparison to the original budget and forecasts to the end of the school year in the following areas:
 - 2.1.1. revenues
 - 2.1.2. expenses
 - 2.1.3. accumulated operating surplus or deficit
 - 2.2. The updates should also include an explanation of significant variances, such as variances greater than 10%.

Related Legislation: School Act [RSBC 1996, Part 8, Division 102, Section 111] and Budget Transparency and Accountability Act [RSBC 2000]

Related Contract Article: Nil
Adopted: January 14, 2003
Amended: October 25, 2010
Amended: XXX, 2018



The Board of Education of
School District No. 8 (Kootenay Lake)

Policy Manual

- 2.3. The budget updates should be formally received by the board, and Administration should review the changes with trustees to make sure they are aware of the current situation and the impact of the changes on the fiscal plan.
3. The Secretary-Treasurer will establish effective budgetary controls including:
 - 3.1. clearly defined managerial responsibilities
 - 3.2. plans for individual budget sites
 - 3.3. responsibility for adhering to the budget
 - 3.4. monitoring performance against the budget
 - 3.5. corrective action if results differ significantly from the budget
 - 3.6. permitting significant departures from the budget with the approval by the board
 - 3.7. investigating unexplained variances from the budget



The Board of Education of
School District No. 8 (Kootenay Lake)

Policy Manual

POLICY 621: Accumulated Operating Surplus

The Board of Education for School District No. 8 (Kootenay Lake) believes that adequate surplus levels are important in achieving educational goals and addressing financial health, stability and risk; and, the allocation of surplus funds supports long-term planning by mitigating changes in revenue and making provision for contingencies for unexpected events.

The Board of Education is responsible for ensuring the district is protected financially from forecasting risk and unforeseen circumstances that could negatively impact resources available for the education of students.

The Board's accumulated operating surplus will serve as:

1. a contingency reserve for the risks associated with unexpected increases in expenses and/or decreases in revenues;
2. one-time costs not included in the annual operating budget; and
3. intermittent projects and initiatives.

Definitions

Unrestricted Surplus: the accumulated operating surplus built up in the School District's operating fund that has not been designated for specific uses.

Restricted Surplus: the accumulated operating surplus built up in the School District's operating fund that has been designated for specific uses.

Guidelines

1. The Accumulated Operating Surplus will align with and consider:
 - 1.1. District Vision and Mission Statement;
 - 1.2. District Strategic Plan;
 - 1.3. District Facilities Plan; and
 - 1.4. Current and projected financial health of the district.
2. The Secretary-Treasurer shall be responsible to:
 - 2.1. Recommend the appropriate balances to be maintained in both the unrestricted and restricted accumulated operating surplus;
 - 2.2. Recommend the necessary increases/decreases and transfers from Restricted and Unrestricted Operating surplus;
 - 2.3. Secure Board approval for the transfer of surplus operating funds; and
 - 2.4. Benchmark actual surplus balances with other school districts and with pre-determined targets on an ongoing basis to gauge whether financial health is being achieved.

3. Annual and/or periodic increases to the restrictions on the Accumulated Operating Surplus shall be specific to each category of restriction, as approved by the Board through the School District's annual financial planning/budgeting process.
4. Accumulated Operating Surplus balances and changes will be reported in the Annual Financial Statements.



The Board of Education of
School District No. 8 (Kootenay Lake)

Policy Manual

POLICY 640: Acquisition-Disposal of Board Assets

The Board of Education of School District No. 8 (Kootenay Lake) recognizes that all sites, buildings and equipment (excluding consumable supplies) are assets of the School District.

The Secretary-Treasurer will establish procedures for the acquisition and disposal of equipment and supplies.

Equipment purchased by outside groups/organizations such as: Parent Advisory Councils, service clubs and community organizations, that are placed in a school or District facility, or on school or district property, will become the property of the School District.



The Board of Education of
School District No. 8 (Kootenay Lake)

Policy Manual

POLICY 642: Procurement and Purchasing

The Board of Education of School District No. 8 (Kootenay Lake) has, as its over-arching purchasing objective, to satisfy the operational needs of the School District while realizing overall best value for goods and services using best practice and professional judgement. The Board assigns to the Secretary-Treasurer responsibility for those judgements.

The Board of Education of School District No. 8 (Kootenay Lake) will tender banking and audit requirements every three (3) years.

The Board values the District's purchasing function's contribution to educational and operational programs through:

- Application of specialized professional knowledge
- Development of district-wide experiential knowledge
- Utilization of public purchasing standards
- Efficiency of acquisition of goods and services
- Realization of best value in acquiring goods and services

The District's procurement activities must be conducted with integrity and the highest standard of ethical conduct. All individuals involved with the District's procurement activities must act in a manner that is consistent with the principles and objectives of this policy.

The Board believes the school district should participate with other public authorities in a cooperative way and take full advantage of shared opportunities and services, when appropriate.

Guidelines

1. The Secretary-Treasurer will be responsible for ensuring that purchasing procedures are established so that all supplies, services and equipment required for the operation of the School District's schools and educational programs are obtained at the best price available with free opportunity, whenever practicable, for all interested vendors to make proposals for supply.
 - 1.1. The School District will purchase locally, whenever and wherever possible; however, the School District's first consideration must be value for money spent. For this reason, local suppliers and contractors will be given preference only as other conditions are comparable.
 - 1.2. The Board will, whenever practical, join in cooperative purchasing with other School Districts or agencies to take advantage of lower prices for bulk purchasing and to reduce the administrative costs in tendering.



The Board of Education of
School District No. 8 (Kootenay Lake)

Policy Manual

- 1.3. The Secretary-Treasurer will provide to the Board a monthly printout of all expenditures in excess of ten thousand dollars (\$10,000) for information.
2. The Secretary-Treasurer will be responsible for ensuring that tendering procedures are established (see Accounting Procedures Manual) for the District.
 - 2.1. Tender calls will be made in accordance with the B.C. Government Public Sector purchasing requirements.
 - 2.2. Tender calls for banking services will be invited from financial institutions within the School District that can comply with the Ministry of Education requirements for banking.
 - 2.3. Tender calls for audit services will be invited from accounting firms within the School District that hold a chartered accountant designation and can comply with the Ministry of Education requirements for auditing school districts.



The Board of Education of
School District No. 8 (Kootenay Lake)

Policy Manual

POLICY 641: Gifts

The Board of Education of School District No. 8 (Kootenay Lake) values the contribution from our communities and welcomes gifts of materials, equipment and funds (money) to the School District in accordance with the following guidelines.

Guidelines

1. Ownership
 - 1.1 All gifts of materials, equipment and money, when accepted, will become the property of the Board. The donor may designate to which school or for which purpose the gift will be given.

2. Approval
 - 2.1 All offers of gifts, materials, equipment and money must be approved by the Superintendent/CEO, the Secretary-Treasurer or a designate, in consultation with the Principal(s)/Supervisor(s) of the receiving school(s)/department(s), prior to the acceptance of the gift. If there is any doubt to the usefulness or appropriateness of the gift, or if there is any concern that the Board may incur additional costs for liability as a result of the gift, the gift may be declined.
 - 2.2 All materials, books, equipment, etc. donated must meet the same standard as selection criteria (educational, safety, etc.) applied to all School District purchases.

3. Receipt for Tax Purposes
 - 3.1 If donors request a receipt for tax purposes, the following will apply:
 1. Tax receipts will not be issued for donations of less than twenty-five dollars (\$25).
 2. Cash donations must be made payable to School District No. 8 (Kootenay Lake) and forwarded to the School Board Office for receipt. The donations will be allocated to the school or program for which they were intended.
 3. Donations in kind will be evaluated by a person or persons knowledgeable in that area, designated by the Secretary-Treasurer, prior to a receipt being issued.
 4. Tax receipts will not be issued to parents/guardians for payment of fees or donations that benefit their own child(ren).

4. Disposal
 - 4.1 As the equipment donated becomes obsolete or has completed its useful life, it may be disposed of, in accordance with Board policy.



The Board of Education of
School District No. 8 (Kootenay Lake)

Policy Manual

POLICY 650: Disposal of Real Property and Improvements

The Board of Education of School District No. 8 (Kootenay Lake) seeks to ensure ownership of real property and improvements are managed in the best interest of the District.

In order to reduce operating costs and utilize facilities effectively, the Board will consider the disposal of its surplus properties in accordance with Ministry policy, orders and regulations, provided that there is not an anticipated need for the use of the space to attend to future educational and/or operational purposes.

For the purposes of this policy, any lease for a term, including the cumulative total of all options and rights to extend or renew the lease for a period of more than ten years and/or which provide for an option or right to purchase, shall be treated as a disposal.

Guidelines

1. Prior to the disposition of surplus property, the Board of Education will:
 - 1.1. Consider future enrolment growth in the District, including Kindergarten to Grade 12, adult programs, and early learning;
 - 1.2. Consider alternative community use of surplus space in school buildings and other facilities;
 - 1.3. Give fair consideration to community input, and adequate opportunity for the community to respond to the Board of Education's plans for the property;
 - 1.4. Complete full title search;
 - 1.5. Request an independent appraisal of the property; and
 - 1.6. Seek approval from the Minister as required.

2. The method of disposition of surplus properties will be through a public process that may include:
 - 2.1. Public advertising;
 - 2.2. Public tender;
 - 2.3. Public auction;
 - 2.4. Request for proposals; or
 - 2.5. Listing with real estate agencies.

3. The Board will apply the following criteria regarding disposals:
 - 3.1. The decision to sell or lease the property is consistent with Ministry policy, orders and regulations;



The Board of Education of
School District No. 8 (Kootenay Lake)

Policy Manual

- 3.2. The business case for selling the property is demonstrable and supportable after consideration of future enrolment growth, alternative community use and input, environmental issues, title searches, independent appraised value, and offers;
- 3.3. The disposition will be at fair market value, except as set out below. Fair market value means the amount, price, consideration or rent that would be obtained by the Board of Education in an arm's length transaction in the open market between willing parties acting in good faith;
- 3.4. That considerations regarding market value and highest and best use could be superseded at the discretion of the Board of Education if:
 - 3.4.1. The property could generate ongoing funding for the district through an educational partnership, or the property could generate ongoing funding, savings, or provide shared services to the District through partnership with other public bodies (e.g. lease arrangement with BC Transit),
 - 3.4.2. The property has a history of a community relationship and past-usage with a committed organization in the community,
 - 3.4.3. The property is the only public facility in the community that is suitable for community use;
 - 3.4.4. The planned use of the property would have significant positive effect on a large number of citizens that could not be gained in other ways;
 - 3.4.5. The property would be used by another Board of Education (including the Conseil Scolaire Francophone) or independent school for educational purposes; or local government or community organization for alternative community use.
- 3.5. The Board of Education will adopt a by-law approving the disposition;
- 3.6. The Board of Education will provide the Minister of Education with a copy of the Disposition By-law and written notification of the disposition and allocation of the proceeds.
4. Subject to section 5, if the Board of Education receives funds in respect of the disposition of any asset that was the subject of a capital expenditure, the funds must be allocated between the Board of Education and the minister according to the Board of Education's contribution and the minister's contribution to the capital expenditure.
5. The Minister may allocate the money between the minister and the Board of Education if:
 - 5.1. The minister is not able to determine the Board of Education's contribution or the minister's contribution to the capital expenditure, or
 - 5.2. In the opinion of the minister, the allocation is not appropriate in the



The Board of Education of
School District No. 8 (Kootenay Lake)

Policy Manual

circumstances.

6. Money allocated to the minister must be used by the Board of Education only
 - 6.1. for capital projects, and
 - 6.2. with the minister's approval.

7. Money allocated to the Board of Education must be used by the Board of Education only for capital projects, and allocated by Board motion.

8. The Board of Education of Education may allocate money received in respect of a lease to either operating or capital expenditures if the lease
 - 8.1. is for a term, including the cumulative total of all options and rights to extend or renew the lease, of not more than ten (10) years, and
 - 8.2. does not provide for an option or right to purchase.



The Board of Education of
School District No. 8 (Kootenay Lake)

Policy Manual

POLICY 680: Business Community Advertising Sponsorship

The Board of Education of School District No. 8 (Kootenay Lake) acknowledges that businesses and service groups may from time to time choose to support, financially and materially, public school activities through sponsorships or partnerships. The Board supports the development of sustainable education-business relationships between the Board, its schools and the community, and encourages community groups, businesses, corporations, labour groups, civic organizations, industries, government agencies, colleges, universities and others to join in developing education-business relationships with the Board and /or its schools through various types of sponsorship/partnership arrangements for the benefit of the school community.

Acceptable sponsorship/partnerships provide benefits to the educational, cultural, artistic or athletic programs of students through the donation/contribution of products, services or money to a school or the district. The Board wishes to secure sponsorships/partnerships that are consistent with the values, principles and objectives of the District. Revenues acquired through sponsorships will be used to complement and not replace public funding for education.

It is the obligation of the Board to protect the welfare of School District #8 (Kootenay Lake) students and the integrity of the learning environment. When working together, schools, community groups and businesses must ensure that educational values are not distorted in the process. These relationships must be ethical and structured in accordance with the following principles:

1. Will not lead to the exploitation of the students;
2. Minimizes the implication that the Board of Education or the school endorses particular businesses, organizations, products or services;
3. Offers significant educational, cultural, artistic or athletic benefits or social values for students;
4. Expected acknowledgement is dignified, modest, reasonable and consistent with this policy;
5. Must be structured to meet an identified educational need;
6. Ensures protection against claims that are false or misleading;
7. Involves minimal intrusion into instructional time;
8. School or District has sufficient resources to pay for cost of installation, on-going maintenance, repairs and training.
9. Donated goods and services are held to the same standard used for the selection and purchase of curriculum materials.



The Board of Education of
School District No. 8 (Kootenay Lake)

Policy Manual

Definitions

- A. **Advertising:** Advertising is the oral, written or graphic statement made in any manner in connection with the solicitation of business by promoting goods and/or services to encourage the public to buy or to patronize in exchange for financial payment.
- B. **Sponsorship:** Sponsorship is an agreement between an individual school, the Board of Education and an individual group, organization or community-based group in which the sponsor provides financial or resource support in exchange for the recognition.
- C. **Partnership:** is a collaborative relationship between the Board and an organization or business wherein the resources of the Board and the partner are combined to enhance the quality and relevance of the educational program provided by the Board.
- D. **Donation:** refers to a gift or contribution of money, goods or services, voluntarily transferred to a school or the school district which is given without expectation of something of value in return.

Advertising or sponsorship is not the sale of good/services to the district, the school or the parent advisory councils for market value where items have brand names, trademarks, logos or tags for product/service identification. These shall be governed by the purchasing policies of the district, the schools or the parent advisory councils.