

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.
- **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.
- **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.

References:

This policy references the Education Act and the Income Tax Act (Canada).

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. 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.
2. 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.
 3. 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.
 4. 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.

Date Reviewed and Approved: February 4, 2021

Board Chair: Barry Davidson

Board Secretary: Katie Franczak