

## **FINANCIAL ACCOUNTING AND AUDITING**

### **Background**

The financial affairs of the Division must be managed in a manner consistent with the trust placed in the Division by the public. Adequate accounting records and procedures for verifying those records through audits are seen as an integral part of the Division's operations.

### **Procedures**

1. The Division's financial systems and records will be subject to an external audit.
  - 1.1 The Board shall appoint an external auditor for such period as it determines.
2. Department and school accounts and accounting practices will be subject to internal or external audit at the discretion of the Chief Financial Officer.
  - 2.1 The Chief Financial Officer will ensure that the accounts and accounting practices of schools or departments are audited internally on the occasion of a change of principals or managers.
  - 2.2 The Chief Financial Officer may authorize an external audit of any school or department records and practices at his/her sole discretion.
3. Accounting procedures will follow generally accepted accounting practices where these are not inconsistent with the requirements of the Ministry of Education.
  - 3.1 Accounts shall be structured in accordance with the program accounting and reporting specifications as published by the Ministry of Education.
  - 3.2 The Chief Financial Officer will ensure that adequate control mechanisms are in place to guarantee the integrity of the Division's financial transactions and records.
4. The establishment of or changes to school generated fund accounts requires the advance approval of the Chief Financial Officer.
  - 4.1 Such approval will include an analysis of the need for the account and ensure that it meets the requirements as a school generated fund.
5. Financial records of school-generated funds will be maintained in accordance with the format prescribed by the Chief Financial Officer.
  - 5.1 Principals shall file an annual financial report of all school-generated funds as prescribed in Administrative Procedure 520 - Fund Raising in Schools by

September 30 of each school year. Principals who are leaving a school will ensure the report is substantially complete by June 30.

Reference: Section 85, 87, 109, 110 Education Act

Updated: August 2012, December 2015, April 2018