Greater Essex County District School Board

Title: Budget Control

Category: Policy
Responsibility: Superintendent of Business, Treasurer and Facility Services and Board of Trustees
Effective Date: March 5, 2003
Review Date: October 20, 2026
Next Review Year: 2031

Policy Statement

The Greater Essex County District School Board (GECDSB) is committed to the responsible, transparent, and accountable stewardship of public resources entrusted to it. In accordance with the Board's Strategic Plan, the Education Act, Ontario Ministry of Education funding and reporting requirements, and the fiscal accountability provisions established under Bill 767, Putting Student Achievement First Act (2012), the School Boards and Fiscal Management Act (2010), the Board shall maintain effective budget planning, monitoring, and reporting processes that support student achievement and well-being while ensuring long-term financial sustainability.

The Board recognizes its statutory responsibility to manage public funds prudently and to operate within the financial framework established by the Province of Ontario. Annual operating and capital budgets shall be developed, approved, monitored, and reported in accordance with Ministry requirements and shall reflect the Board's commitment to balanced budgeting, effective resource allocation, and sound financial management.

Budget control is a continuous process through which actual financial results are compared with approved budgets, significant variances are analyzed, and corrective actions are taken where necessary. The Board expects all budget holders and administrators to exercise sound financial stewardship and accountability for the resources under their responsibility.

An effective budget control framework includes:

a. An approved annual budget of revenues and expenditures developed using reliable data, enrolment projections, staffing requirements, Ministry funding regulations, and input from appropriate departments and stakeholders.

b. A comprehensive financial management and reporting system that accurately records and monitors financial transactions.

c. Timely monitoring, analysis, investigation, and reporting of budget variances and emerging financial risks.

d. Active participation and accountability from budget holders, managers, Superintendents, and senior administration in managing resources within approved budget allocations.

e. Regular public reporting to Trustees and compliance with all applicable Ministry of Education financial reporting requirements.

Definitions

Not applicable

Purpose

The purpose of this policy is to establish a framework for the development, monitoring, control, and reporting of the Board's financial resources in a manner that supports student success, fiscal responsibility, transparency, and legislative compliance.

Budget Development

The Board shall prepare and approve an annual budget in accordance with Ministry of Education funding regulations, Education Finance Information System (EFIS) reporting requirements, and any balanced budget requirements prescribed by legislation or regulation.

The annual budget shall:

- Align with the Board's Strategic Plan and operational priorities.
- Reflect projected revenues and expenditures based on available funding, enrolment forecasts, staffing requirements, contractual obligations, and program needs.
- Include salary and benefit expenditures summarized by employee group and role.
- Require budget holders to develop and monitor forecasts for non-salary expenditures within their areas of responsibility.
- Be developed through appropriate consultation with internal stakeholders and, where appropriate, community partners.
- Be presented publicly to the Board of Trustees, accompanied by supporting information that outlines significant assumptions, financial pressures, budget adjustments, and year-over-year changes.

Budget Monitoring and Variance Analysis

Recognizing that factors such as enrolment fluctuations, collective bargaining outcomes, changes in Ministry funding, economic conditions, legislative requirements, and operational needs may impact financial results, the Board shall implement ongoing monitoring procedures throughout the fiscal year.

Interim financial reporting shall provide management and Trustees with timely information regarding actual revenues and expenditures compared to approved budget targets.

Monthly Financial Monitoring

The Business Department shall perform regular reviews of year-to-date revenues and expenditures against approved budgets and historical trends.

The review shall include:

- Analysis of material budget variances.
- Identification and investigation of emerging financial risks.
- Evaluation of budget assumptions and forecasting accuracy.
- Recommendations for corrective action where necessary.

Monthly analyses shall be reviewed by appropriate management staff, including the Manager of Financial Services and the Superintendent of Business, Treasurer and Facility Services.

Interim and Quarterly Financial Reporting

The Business Department shall prepare interim financial reports comparing actual results and forecasts to Ministry reporting submissions, including Revised Estimates and other required financial reports.

Reports presented to Trustees shall include:

- Significant changes from the approved budget.
- Forecasted annual surplus or deficit positions.
- The impact of financial results on the Board's overall financial condition.
- Variance analyses and explanations.
- Information regarding new or amended Ministry funding and associated spending requirements.
- Any additional information required under Ministry directives, the Education Act, or related provincial legislation.

Quarterly financial reports shall be publicly presented to Trustees through the appropriate committee or Board reporting process.

Accountability and Compliance

The Board, Chief Executive Officer, Superintendent of Business, Treasurer and Facility Services, and all budget holders share responsibility for ensuring compliance with this policy and with applicable legislative and regulatory requirements.

Financial decision-making shall adhere to:

- The Education Act and associated regulations.
- Ministry of Education funding and financial reporting requirements.
- Bill 106, School Boards and Fiscal Management Act, 2025, and any subsequent amendments.
- Board policies and procedures related to financial management and accountability.

Through effective budget development, monitoring, and reporting, the Board will promote responsible stewardship of public resources, transparency in decision-making, and the long-term financial sustainability of the organization.

Policy Guidelines

Not applicable

Reporting Requirements

A policy review cycle of every five years has been established to ensure regular review of Greater Essex County District School Board policies, unless otherwise required by system need or legislation.

Reference

- Education Act, R.S.O. 1990, c. E.2
- Ontario Ministry of Education, Financial Reporting Requirements for Ontario School Boards
- Bill 101 – Putting Student Achievement First Act, 2026
- School Boards and Fiscal Management Act, 2025

Appendix

Not applicable