

# K-12 Public Education Financial Planning and Reporting Policy

## Overview

The Financial Planning and Reporting Policy (Policy) provides for greater transparency and accountability for the planning and reporting of the financial resources managed by boards of education (boards).

## The Policy

### *Purpose*

The Policy provides direction and guidelines to align boards' multi-year financial planning and reporting processes with provincial requirements as outlined in the [How to Comply](#) section below.

The Policy is based on effective practices and key principles in financial management including transparency, demonstrated accountability and consistent outcome-based planning, monitoring and reporting. Applying these practices and principles, along with support from the Ministry of Education (the Ministry), can result in the efficient use of funding and resources to support boards' strategic plans, other operational needs of school districts and enhanced educational outcomes for students in the K-12 education system.

The policy is one component of a broader provincial framework for transparency, accountability and equity. Provincial, district and school educational objectives, outcomes and strategic plans should align with the Goals of Education and the Educated Citizen in Parts B and C of the [Statement of Education Policy Order](#) and the [Policy Alignment](#) and [Policy Guidelines](#) sections below.

### *Multi-Year Financial Planning and Reporting*

The [Framework for Enhancing Student Learning Policy](#) (Framework) directs boards to develop and implement multi-year strategic plans, supported by operational and financial plans, that are focused on improving student educational outcomes. The [Enhancing Student Learning Order](#) requires boards to annually report to the Ministry on student performance using specified outcomes and measures.

Boards will use the financial planning and reporting requirements in this Policy to demonstrate how financial resources are used to support boards' strategic planning and operational needs to enhance student educational outcomes specified in the Framework.

## How to Comply with Policy Requirements

### *Board Planning*

To comply with the Policy, boards will develop, implement and provide to the Ministry multi-year financial plans that outline how funding and resources will be used to support their

strategic plans and operational needs. To enable greater transparency, boards must have local policies in place that support transparency and accountability, when developing financial plans by:

1. clearly identifying how local community and education-partner groups, including local First Nations and Métis Nation BC, will be engaged to provide input into the development of board financial plans; and
2. addressing how local community and partner groups, including local First Nations and Métis Nation BC, will be informed of boards' progress towards aligning funding and resources with board strategic plans, other operational needs of the school district, and enhanced student educational outcomes.

To ensure that boards stay on target to achieve their long-term strategic and financial goals, boards should develop and implement internal processes to monitor and track their financial progress and performance throughout the year and adjust strategic plans as required.

The Ministry will provide guidance and resources, as needed, to help boards build and maintain multi-year financial plans (see [Policy Guidelines](#)), including:

1. information about the factors that the Ministry will consider in the annual provincial budget process when establishing educational funding (e.g., regular enrolment, provincially approved labour settlements, etc.);
2. a general overview on what is included in the provincial budget for boards over a multi-year fiscal plan period, including an estimator tool for school districts to estimate allocations over a multi-year timeframe (see [Policy Guidelines](#)); and
3. greater certainty for multi-year planning by working with boards (in collaboration with the BC Association of School Business Officials) to ensure that projected funding pressures are identified for the annual provincial K-12 budget process.

### *Board Reporting*

The Ministry has a robust annual [School District Financial Reporting Framework](#) that boards use to meet their reporting requirements as specified in the *School Act* and to align with the *Budget Transparency and Accountability Act*. Boards will use this existing financial reporting framework (including a Financial Statement Discussion and Analysis report) to annually report on boards' progress towards meeting board objectives as outlined in their multi-year financial plans (e.g., enhanced student educational outcomes and other operational needs of the board).

The Ministry will review the information above, as part of their annual review of financial reporting, and provide feedback and support, as needed, to build boards' financial planning, monitoring and reporting capacity. The ministry will also:

1. publish a provincial summary of the annual budget and year-end spending information that boards provide to the ministry; and
2. consult with boards, as needed, when making changes to the Policy.

### *Policy Alignment*

The policy is aligned with other policies and provincial expectations to improve financial transparency, accountability, and educational outcomes for students in the K-12 education system, including:

- [Provincial Government Core Policy and Procedures Manual](#) which boards, as public sector organizations, are expected to follow;
- [Policy for Student Success](#);
- The goals and objectives of the [Framework for Enhancing Student Learning](#), (including the Implementation Guide for the Framework) and the [Enhancing Student Learning Order](#);
- [School District Financial Reporting](#);
- The Ministry of Education's strategic goals and resulting service expectations in the current [Ministry Service Plan](#) that have been established in consultation with the sector;
- [Indigenous Education Targeted Funding Policy](#); and
- [The K-12 Public Education Financial Planning and Reporting Policy](#).

### Authority for the Policy

- [BC School Act](#) s.81, s.110, s.156
- [Enhancing Student Learning Reporting Order](#)
- [Budget Transparency and Accountability Act](#)

### Policy Guidelines

- Estimator Tool for boards to estimate budget allocations over a multi-year timeframe.
- Ministry Annual Financial Statement Instructions (updated).

### Information and Other Resources

- [Ministry of Education Website](#)
- [BC School Act](#)
- [Operating Grant Tables](#)
- [Vision for Student Success](#)
- [Reporting on Student Success](#)