Living Sky School Division No. 202
BOARD POLICY

3040 – FINANCES			
Policy Type:	EXPECTATIONS AND OPERATIONS	**Last Revision Date:**	September 2025
Implementation Date:	March 22, 2006	**Last Review Date:**	August 2026
Legal Reference(s):			

POLICY STATEMENT

The Board of Education is committed to ensuring the school division operates in a fiscally responsible and transparent manner. The Director of Education shall administer financial operations in alignment with Board-approved priorities and in accordance with the approved annual budget.

The **annual budget** will include:

- The **operating budget**,
- The **Preventative Maintenance and Renewal (PMR) budget**, and
- The **capital expenditures budget**.

Once approved by the Board, the Director of Education shall have the authority to implement and manage all aspects of the budget without requiring further Board approval for individual expenditures that fall within budgeted allocations.

POLICY GUIDELINES

Accordingly:

1. **Budget Implementation:**
   The Director of Education, in collaboration with the Superintendent of Business, shall conduct the financial affairs of the school division within the limits and structure of the Board-approved annual budget, including the operating, PMR, and capital budgets.

2. **Capital Planning and Execution:**
   The Director of Education and the Superintendent of Business shall maintain a strategic and planned approach to capital expenditures that aligns with Board priorities and long-term infrastructure planning.

3. **Procurement Practices:**
   All goods and services shall be acquired in accordance with prevailing procurement regulations, business practices, and generally accepted accounting principles. Where fiscally responsible, preference will be given to local suppliers.

4. **Unbudgeted Emergency Expenditures:**
   The Director of Education, in consultation with the Superintendent of Business, shall have the authority to approve **unbudgeted emergency expenditures up to $200,000**. Expenditures exceeding this threshold will require Board approval.

5. **Construction and Renovation Projects:**
   The Director of Education, in consultation with the Superintendent of Business, shall have the authority to proceed with all **capital construction or major renovation projects** that are included in the approved capital budget. Individual Board approvals are not required once such projects are budgeted and authorized through the annual budget process.

6. **Capital Project Change Orders:**
   The Director of Education, in consultation with the Superintendent of Business, may approve **change orders on capital projects up to $200,000**. Any change order above this threshold must be brought to the Board for approval.

7. **Contract Approvals:**
   Notwithstanding budget approval, the Board shall review and approve **all contracts or agreements with a value exceeding $500,000** prior to execution. This applies to contracts for construction, equipment, services, leases, or procurement that commit the school division to financial obligations above the specified threshold.