

## FINANCIAL ACCOUNTABILITY AND AUDITS

### Background:

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

### Procedures:

1. Financial Accountability
  - 1.1. Accounting procedures shall follow recognized accounting principles, while striving to meet the requirements of Alberta Education.
  - 1.2. The Secretary-Treasurer shall ensure adequate control mechanisms are in place to guarantee the integrity of the Division's financial transactions and records.
    - 1.2.1. Principals/Directors are accountable for implementing and maintaining internal control procedures over their financial operations.  
Schools/departments shall refer to the [Internal Control Guidelines](#) for further details.
  - 1.3. Schools should refer to the [Financial Process Manual](#) for further details on financial accountability for specific activities.
  - 1.4. All personnel maintaining financial records shall attend professional development sessions provided by the Secretary-Treasurer whenever possible.
2. Audits
  - 2.1. The Division's financial systems and records are subject to an external audit.
  - 2.2. Division accounts and accounting practices shall be subject to internal or external audits at the discretion of the Secretary-Treasurer and/or Superintendent.
  - 2.3. Periodic internal audits of school and department accounts shall be conducted to identify potential procedural non-compliance and weaknesses. Such audits shall specifically assess the effectiveness of administrative procedures in place by performing compliance testing and examining key controls.
  - 2.4. Special financial reviews may be conducted upon request by a Principal/Director.
3. Reporting
  - 3.1. Financial records of school/department funds shall be maintained in accordance with the format prescribed by the Secretary-Treasurer.
  - 3.2. The external auditor's report shall be discussed annually at an Audit Committee meeting.
  - 3.3. Copies of the audited financial statements, the auditor's report on the financial statements, and any written communication respecting the systems of internal control and accounting procedures of the Division shall be submitted to the Minister annually by November 30.
  - 3.4. Division audited financial statements and annual budget reports shall be made available on the Division website.

**Reference:**

Section 52, 53, 55, 68, 137, 138, 139, 140, 141, 142, 143, 197, 222 *Education Act*  
Funding Manual for School Authorities  
Guide to Education ECS to Grade 12  
Policy and Requirements for School Board Planning and Reporting  
School Authority Planning and Reporting Reference Guide