



# BUSINESS COMMITTEE OF THE WHOLE AGENDA

Tuesday, May 15, 2018, 4:00 P.M.  
SCHOOL BOARD OFFICE  
425 Jermyn Avenue

Pages

1. **Call to Order**

2. **Adoption of Agenda**

RECOMMENDED MOTION:  
That the agenda be approved.

3. **Presentations**

4. **Information Items**

4.1 **Cheque and ePAYMENT Listing**

1

A cheque and ePAYMENT listing for April 2018 will be reviewed.

4.2 **Carbon Neutral Action Report 2017**

8

The director of facilities will review the attached report.

4.3 **Annual Facility Grant (AFG) 2018-19 Expenditure Plan**

16

The director of facilities will review.

5. **Action Items**

5.1 **Audit Committee**

18

The Committee will discuss the additions to Policy No. 120 - Committees of the Board which has been revised to meet the audit committee requirements of the Ministry of Education.

RECOMMENDED MOTION:

That the Business Committee recommend that the Board of Education approve Policy No. 120 - Committees of the Board, in principle, and forward to partner groups for feedback until June 20, 2018.

5.2 **Board of Education and Committee Meetings 2018-19**

The proposed schedule of Board of Education and Committee Meeting dates for 2018-19 will be presented.

RECOMMENDED MOTION:

That the Business Committee recommends that the Board of Education approve the proposed schedule of Board of Education and Committee Meeting dates for 2018-19.

**5.3 Policy No. 630 - Financial Surplus/Reserves and Inter-Fund Transfer**

25

The Committee will review the new policy, Policy No. 630 - Financial Surplus/Reserve and Inter-Fund Transfer, which has been established to meet the requirement of the Ministry of Education.

**RECOMMENDED MOTION:**

That the Business Committee recommend that the Board of Education approve Policy No. 630 - Financial Surplus/Reserves and Inter-Fund Transfer, in principle, and forward to partner groups for feedback until June 20, 2018.

**6. Upcoming Policies**

- Policy No. 201 - School Fundraising and School Financial Records (last reviewed September 10, 2007)
- Policy No. 527 - Sexual Harassment (last reviewed September 10, 2007)
- Policy No. 530 - Employee Wellness, Health and Safety (last reviewed September 10, 2007)
- Policy No. 610 - Records Retention (last reviewed September 10, 2007)
- Policy No. 720 - Security of Premises (last reviewed February 9, 2004)

**7. Question Period****8. Adjournment****RECOMMENDED MOTION:**

That the meeting be adjourned.

# 2017

## CARBON NEUTRAL ACTION REPORT



**“Working Together for Student Success”**



# Table of Contents

**Executive Summary**..... 2

**Overview** ..... 2

**2017 Greenhouse Gas Emissions**..... 3

**Offsets Applied to Become Carbon Neutral in 2017**..... 3

**2017 Emissions Source Report** ..... 4

**Emissions and Offsets Summary**..... 4

**Actions Taken to Reduce Greenhouse Gas Emissions in 2017** ..... 5

**Plans to Continue Reducing Emissions** ..... 6

**Share our Success** ..... 6

# Executive Summary

---

School District No. 67 (Okanagan Skaha) serves the communities of Penticton, Summerland, Naramata, and Kaleden in the south Okanagan region of British Columbia. School District No. 67 is signatory to and supports the Climate Action Charter in the province of British Columbia. The School District supports and practices sustainable initiatives to conserve energy and resources with the goal to reduce carbon emissions; reduce utility costs; and promote a cleaner environment for all students and staff.

District schools continue to practice the sustainable principles introduced through the Destination Conservation program.

Themes for the three years of the program are: energy in year one; water in year two; and waste avoidance in year three.



## Overview

---

This is the 2017 Carbon Neutral Action Report (CNAR) for School District No. 67. This report contains our 2017 emissions profile, offsets purchased, the actions we have taken in 2017 to reduce our GHG emissions and our plans to continue reducing emissions in 2018 and beyond. A new addition to our report is a section where we celebrate the successes of our past projects and highlight our reduction history.

By June 30, 2018, School District No. 67's final CNAR will be posted to our website at [www.sd67.bc.ca](http://www.sd67.bc.ca).

## 2017 Greenhouse Gas Emissions

---

In 2017, operations in School District No. 67 (Okanagan Skaha) produced a total of 1881 carbon dioxide equivalent tonnes (CO<sub>2</sub>e) of emissions. The school bus fleet produced 101 tonnes of CO<sub>2</sub>e; however, those emissions do not require offset, leaving a total of 1780 tonnes of CO<sub>2</sub>e requiring purchase of offsets. The majority, 1557 tonnes of CO<sub>2</sub>e, were derived from heating and lights for school buildings. The remaining balance was derived from vehicle fleet fuel (257 tonnes of CO<sub>2</sub>e) and paper supplies (67 tonnes of CO<sub>2</sub>e).

It was estimated that fugitive emissions from stationary cooling comprise less than 0.01% of School District No. 67 (Okanagan Skaha) total emissions. The ongoing effort to collect or estimate emissions from this source annually is disproportionately onerous, thus, for this reason, emissions from this source have been deemed out-of-scope and are not included in School District No. 67 (Okanagan Skaha) total greenhouse gas emissions profile or offset purchase.

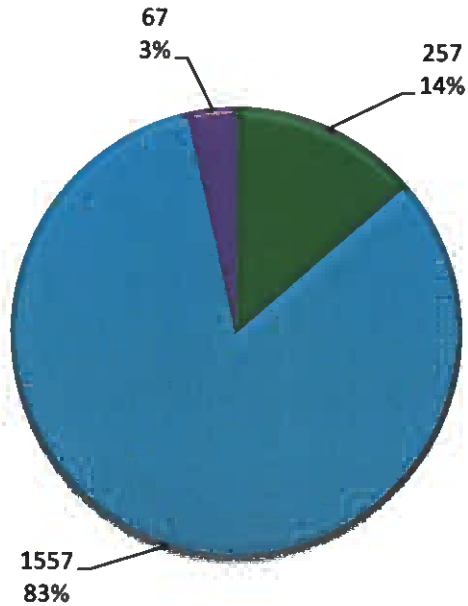
## Offsets Applied to Become Carbon Neutral in 2017

---

In order to become carbon neutral in 2017, School District No. 67 (Okanagan Skaha) was required to purchase a total of 1780 tonnes of CO<sub>2</sub>e at a cost of \$25 per tonne of CO<sub>2</sub>e. The total cost for purchase of these carbon offsets for 2017 was \$44,500.00 for School District No. 67 (Okanagan Skaha).

As required by section 5 of the Carbon Neutral Government Regulation, 101 tonnes of CO<sub>2</sub>e emissions resulted from the operation of school buses and were reported as part of our greenhouse gas emissions profile in 2017. However, they were not offset as they are determined to be out-of-scope under section 4(2)(c) of the Carbon Neutral Government Regulations.

## 2017 Emissions Source Report (tCO<sub>2</sub>e)



**Total Emissions: 1,881**

- Mobile Fuel Combustion (Fleet and Other Mobile Equipment)
- Stationary Fuel Combustion (Building Heating and Generators) and Electricity
- Supplies

### Offsets Applied to Become Carbon Neutral in 2017

Total offsets required: **1,780**. Total offset investment: **\$44,500**. Emissions which do not require offsets: **101\*\***

\*Tonnes of carbon dioxide equivalent (tCO<sub>2</sub>e) is a standard unit of measure in which all types of greenhouse gases are expressed based on their global warming potential relative to carbon dioxide.

\*\*Under the Carbon Neutral Government Regulation of the Greenhouse Gas Reduction Targets Act, all emissions from the sources listed above must be reported. As outlined in the regulation, some emissions do not require offsets.

## Emissions and Offsets Summary

School District 67 GHG Emissions and Offsets for 2017 (tCO <sub>2</sub> e)	
<b>GHG Emissions created in calendar year</b>	
Total Emissions	1881
Total Emissions for Offsets	1780
<b>Adjustments to GHG Emissions Reported in Previous Years</b>	
Total Emissions	1580
Total Emissions for Offsets	1490
<b>Credit owing from PCT at end of 2016 reporting year (if applicable – from May 15 Invoice):</b>	
Credit Owing	\$1,050.00
Total Emissions for Offsets for the 2017 Reporting Year:	\$45,550.00

## Actions Taken to Reduce Greenhouse Gas Emissions in 2017

In 2017, we completed the installation of our first solar photo voltaic system. The system generated 95 MWh of electricity, offsetting our electrical bill by approximately \$11,000.00 over the final nine months of the year. A second smaller system was installed at our maintenance facility and generated an additional 8.75 MWh, further reducing our electrical bills by approximately \$1,000.00. Student and staff excitement grew throughout the year as the installation progressed, culminating with a tour of the installation by the science 9 classes as they were completing their module on electrical power and distribution. A third installation is planned for Skaha Lake Middle School early in the 2018 calendar year.



Mechanical upgrades at two Elementary schools were completed this year, and we are expecting substantially lower carbon consumption at both buildings in the coming years. Of particular note was the completion of the mechanical upgrade at Columbia Elementary school. The mechanical cooling unit failed early in the year and was replaced with a new heat pump. A heat pump has the ability to not only to expel heat from the building, but also draw heat in from the outside air, even when the outdoor temperatures are as low as  $-20^{\circ}\text{C}$ . The existing cooling infrastructure is now used as an extremely efficient first stage of heating. The early returns show almost a 90% reduction in carbon if extrapolated out over the full year.



The District also invested heavily in new LED technology lighting over the past year by replacing over 1,000 T-8 tubes with new LED tubes. The update not only reduces power consumption, but also adds to the learning environment by creating consistent lighting levels throughout the educational space.



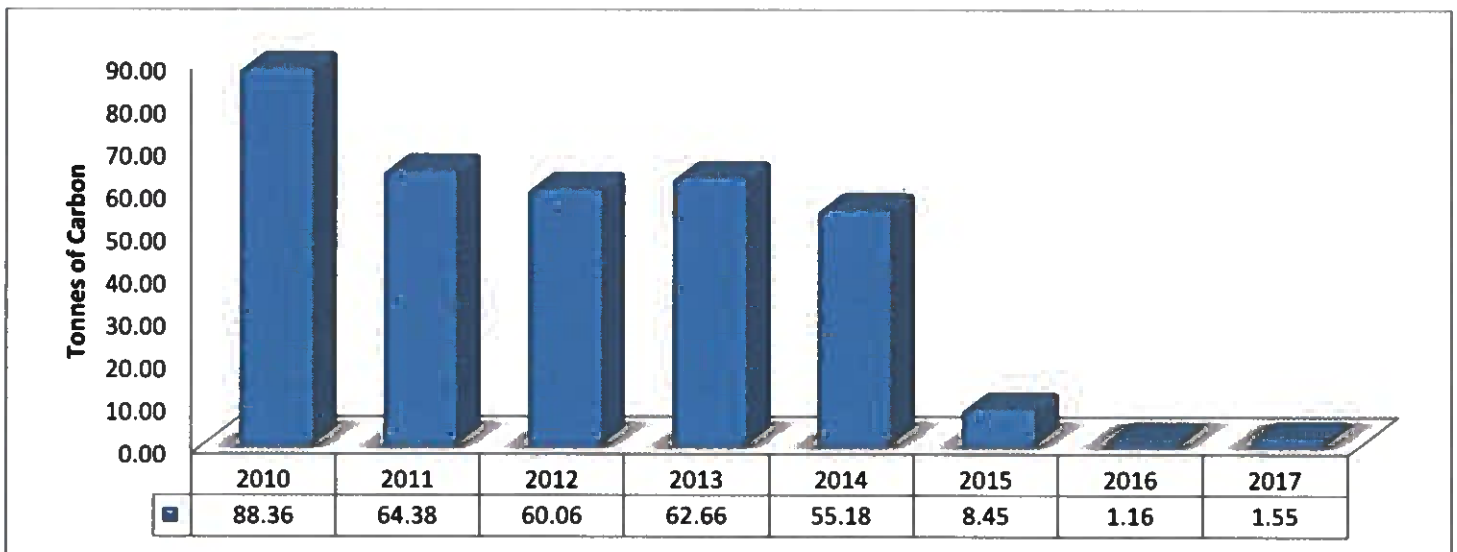
## Plan to Continue Reducing Emissions

2018 is shaping up to be a milestone year for School District No. 67. Funding from the School Enhancement Program (SEP), as well as our Annual Facilities Grant (AFG), have enabled us to engineer and tender a geo-exchange/mechanical upgrade for our largest producer of carbon emissions. The Summerland Secondary upgrade is projected to create the largest single carbon emissions reduction project that the District has undertaken. Once the project is complete, the District is projected to be very close to the reduction target as set by the provincial government for the 2020 reporting year.

The District is also continuing to invest in solar photovoltaic with a new array being installed at Skaha Lake Middle School. The 125 kWh array will double the existing generation capacity of the school District to reduce operating budgets and carbon creation, as well as provide additional educational opportunities to students.

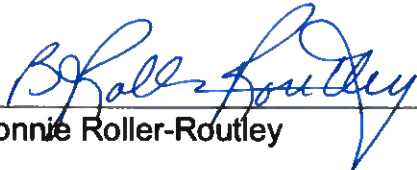
## Sharing our Success

In 2014, the mechanical heating and cooling systems were failing at Wiltse Elementary School. The constant failures and breakdowns were causing a low quality learning environment and draining the resources of the facilities department. A new mechanical system with geo-exchange was designed and installed. Prior to the upgrades we were offsetting an average of 66 tonnes of CO<sub>2</sub>e per year.



The upgrade had an immediate impact on the carbon production at the school: the first year with the new system the emissions reduced to less than nine tonnes CO<sub>2</sub>e, and after the final commissioning, we have a two year average of less than two tonnes per year. The final impact results in lower operating costs, a far superior learning environment, and points to the environmental stewardship of School District No. 67 (Okanagan Skaha).

The District looks forward to continuing to build on the successes of the past to create a greener future for all British Columbians.

  
Bonnie Roller-Routley  
Secretary-Treasurer

  
Wendy Hyer  
Superintendent of Schools



FACILITY INFORMATION	PROJECT INFORMATION			ADDITIONAL INFORMATION	
Facility Name	Description of Work	Estimated Cost	AFG Category	VFA Requirement (Yes/No)	Comments
		\$ -			
		\$ -			
		\$ -			
		\$ -			
		\$ -			
		\$ -			
		\$ -			
		\$ -			
		\$ -			
		\$ -			
		\$ -			
		\$ -			
		\$ -			
		\$ -			
		\$ -			
		\$ -			
		\$ -			
		\$ -			
		\$ -			
		\$ -			
		\$ -			
		\$ -			
		\$ -			
		\$ -			

Total Estimated Cost	\$ 1,296,832
Total AFG Allocation	\$ 1,296,832
Variance	\$ -

**SCHOOL DISTRICT NO. 67 (OKANAGAN SKAHA)**

**POLICY**

**POLICY #120 Committees of the Board**

**RATIONALE**

The Board recognizes that much of the daily work in a school district is carried out by a variety of committees. The *School Act* authorizes the Board to establish committees and to specify the functions and duties of those committees. Committees of trustees or individual trustees may not exercise the rights, duties and powers of the Board.

**POLICY**

The work of committees is valued by the Board of Education and considered to be a key element in assisting the Board in decision-making processes which consider the input of all stakeholder groups. The following regulations are designed to clarify committee roles, jurisdictions and membership.

**ADOPTED:** December 8, 2014

**Reviewed/Revised:**  
**Statutory Reference:**

# REGULATIONS AND PROCEDURES

POLICY #120 Committees of the Board

## 1. Models of Committees: How They Operate

1.1 All district committees are either advisory or consultative, following these definitions:

- a) **Advisory Model** (offering advice or making recommendations)  
Although not a decision making group, there is an expectation that significant weight is placed on the advice provided to the Board by such a committee.
- b) **Consultative Model** (taking into consideration)  
A consultative committee or working group provides expertise, but is not a decision making body. The Board might also seek other sources of expertise before making a decision.

## 2. Types of Committees: How They Are Formed

2.1 All Board of Education committees are standing, liaison and representative or working committees of the Board, following these descriptions:

- a) **Standing**  
Is a permanent committee of the Board, meeting on a regular or irregular basis that reviews, advises or recommends to the Board as a whole. Membership may include stakeholder representatives, along with trustees.
- b) **Liaison and Representative**  
Is a committee that provides liaison with the Board and deals with advancing information and processes, which may facilitate different organizations working more effectively together. It may be formed internally (by the Board) or externally (outside organization). Trustees will be representatives of the Board on this type of committee and will report to a standing committee or directly to the Board.
- c) **Working**  
Is a temporary committee, sometimes referred to as an ad hoc committee, established by the Board or a Standing Committee to accomplish a particular task or to oversee an ongoing area in need of control or oversight. Membership may include stakeholder representatives, along with trustees.

2.2 The Board Chair will appoint members to the standing, liaison and working committees as per the Board's Procedural Bylaw.

2.3 The Board Chair will name the committee chair to the standing committees and the committee chair and contact will establish the agenda. Future agenda items may be identified in committee. Should the committee chair be unable to attend the meeting, the Board chair will chair the meeting in their place.

2.4 District working committees are formed at any time at the request of the Board or one of the standing committees. The standing committee chair, in consultation

with the Board chair, is to complete a form as the committee is created and file it with the executive assistant at the district office. When the committee is brought to closure, it is the responsibility of the chair to inform the executive assistant.

2.5 The Board chair is a member ex-officio of all Board created committees.

2.6 No action of any committee of Board shall be binding on the Board until the action is formally approved by the Board of Education.

2.7 **Board Standing Committee**

The *School Act* and Procedural Bylaw #1 provide for the organization and operation of the Board, and allows for the formation of Board committees. Standing committees are open to the public; however, if, in the opinion of the Board in accordance with its Procedural Bylaw, the public interest so requires, persons other than trustees may be excluded from a meeting.

a. **Education Committee**

Model: Advisory  
Type: Standing Committee of the Board  
Mandate: To meet with the superintendent of school and other appropriate staff to review, advise or recommend to the Board policies and actions pertaining to:

- i. Achievement accountability
- ii. Educational goals and programs
- iii. Student services
- iv. Schools
- v. Environmental education and impacts
- vi. Other matters referred by the Board

Contact: Superintendent of Schools  
Membership: Committee of the Whole (all trustees)  
Standing Invitation to Representatives of the following Stakeholder Groups:  
Principal (OSPVPA)  
Teacher (OSTU)  
Support Staff (CUPE)  
District Parent Advisory Council (DPAC)  
Agendas: Agendas will be set one week in advance by the Superintendent and Committee Chair by email, telephone or in-person. Agenda packages will be issued on the Friday prior to the committee meeting date.

b. **Business Committee**

Model: Advisory  
Type: Standing Committee of the Board  
Mandate: To meet with the superintendent of schools, the secretary-treasurer and other appropriate staff to review, advise or recommend to the Board policies and actions pertaining to:

- i. Financial accountability
  - a. Audit Committee  
Three (3) times annually the Business Committee will meet as an Audit Committee.  
See terms of reference Schedule A.
- ii. Long range facilities and capital planning
- iii.
- iv. Board Bylaws
- v. Business services

- ~~iv-vi.~~ Environmental education and impacts
- ~~v-vii.~~ Other matters referred by the Board

Contact: Secretary-Treasurer

Membership: Committee of the Whole (all trustees)

Standing Invitation to Representatives of the following Stakeholder Groups:

Principal (OSPVPA)  
Teacher (OSTU)  
Support Staff (CUPE)  
District Parent Advisory Council (DPAC)

Agendas: Agendas will be set one week in advance by the secretary-treasurer and committee chair by email, telephone or in-person. Agenda packages will be issued the Friday prior to the committee meeting date

**c. Agenda Setting Committee**

Model: Advisory

Type: Standing Committee of the Board

Mandate: To meet with the superintendent of schools and the secretary-treasurer to prepare the agenda for the open and closed, business and education meetings of the Board, in accordance with the Board's Procedural Bylaw, with the following guidelines:

- i. Determine the appropriate agenda on which an item will be placed
- ii. Defer items to a later agenda due to time constraints or preparation requirements
- iii. Determine the amount of background material to accompany the agenda
- iv. Refer an item to the Board for direction when the appropriateness is questioned
- v. Determine the delegations or special presentations to be included on an agenda in accordance with Procedural Bylaw #1
- vi. In cooperation with committee chairs, keep a record of future agenda items

**Contact:** Superintendent of Schools/Secretary-Treasurer

**Membership:** Board Chair  
Vice Chair

**2.8 Liaison and Representative Committees**

**a. Aboriginal Education Committee**

Model: Advisory

Type: Liaison

Mandate: To meet with and advise the Board of Education, superintendent and/or district staff in the Aboriginal Education Department to increase the success rate of Aboriginal students by increasing the capacity, participation and influence of the Aboriginal community and to review, advise and recommend to the Board policies and actions pertaining to:

- i. Draft Enhancement Agreement Development and Implementation



- ii. Reports regarding Aboriginal Education as required by the Ministry including review of the Aboriginal Education progress report
- iii. Review targeted funding budgets for Aboriginal Education
- iv. Seek input/research views and expectations of various stakeholders or sectors of the community
- v. Provide input with regard to procedures and protocols both cultural and organizational
- vi. Other matters referred by the Board or committee member(s)

Contact: Director of Instruction (Curriculum) – non-voting  
 District Reps Principal of Aboriginal Education – non-voting  
 Membership: Voting members will include:

- i. Three (3) members of the Penticton Indian Band nominated by the PIB chief and council,
- ii. One (1) member of the Oonkane Friendship Centre nominated by their board of directors,
- iii. One (1) member of the South Okanagan Similkameen Metis Association nominated by the Metis Nation of British Columbia
- iv. One (1) Trustee appointed by the Chair of the Board of Education
- v. One (1) member of the Okanagan-Skaha Teacher's Union (OSTU) (non-voting if the member is an AbEd staff member)
- vi. One (1) member of the Principal's and Vice Principals Association
- vii. One (1) Elder (non-voting)

A committee chair will be elected by the voting membership of the committee on an annual basis. Full terms of reference have been developed separately by this committee and are available.

**b. Other Liaison And Representative Committees**

May require trustee representation, including but not limited to:

- i. B.C. School Trustees Association
- ii. B.C. Public School Employers' Association
- iii. Okanagan Skaha Principals/Vice-Principals' Association Liaison
- iv. Okanagan Skaha Teachers Association Liaison
- v. CUPE Liaison
- vi. District Parent Advisory Council
- ~~vii.~~ [Okanagan Labour Relations Council \(usually the elected BCPSEA Rep\)](#)
- ~~viii-vii.~~ Curriculum Development Advisory Committee
- ~~ix-viii.~~ OSTU Pro-D Committee
- ~~x-ix.~~ OSTU Pro-D Funding Committee
- ~~xi.~~ [BC Winter Games](#)
- ~~xii.~~ [Child and Youth Committee – Summerland](#)
- ~~xiii-x.~~ City of Penticton Liaison
- ~~xiv-xi.~~ Communities for Kids – Penticton
- ~~xv-xii.~~ Community Foundation of the South Okanagan
- ~~xvi-xiii.~~ Okanagan School of the Arts
- ~~xvii-xiv.~~ Penticton Secondary School Bursary and Scholarship Foundation
- ~~xviii-xv.~~ Penticton & Wine Country Chamber of Commerce

- ~~xi-xvi.~~ Summerland Advisory Planning Committee
- ~~xx-xvii.~~ Summerland and District Educational Funding Foundations
- ~~xxi-xviii.~~ Summerland Chamber of Economic Development & Tourism
- ~~xxii-xix.~~ Summerland Recreation Committee
- ~~xxiii-xx.~~ Wellness Committee

ADOPTED: December 8, 2014

Reviewed/Revised:  
Statutory Reference:

## SCHEDULE A

### AUDIT COMMITTEE: TERMS OF REFERENCE

The function of the Audit Committee is to support the Board by monitoring and reviewing the risk, internal control and governance processes that have been established in Board policy. The Audit Committee adds value by helping the Board ensure that good judgment has been exercised in the financial decision-making process.

As the backbone of the fiscal oversight process, the Audit Committee is considered to have critical governance responsibilities related to: financial reporting, internal control, external audit, internal audit, risk management, compliance with laws and regulations, as well as internal code of conduct, conflict of interest and 'whistle-blower' policies.

If the Audit Committee does not have at least one member with financial management expertise, best practice encourages Boards to appoint external individuals with such expertise as the Audit Committee member. An outside member of the Audit Committee should have accounting, financial management and/or other relevant business expertise that would enable him or her to understand the accounting and auditing standards applicable to the Board. The person should not be or have a relative who is an employee or officer of the Board or any other related board at the time of their appointment. Other means of acquiring expertise could include one-time workshops by legal or financial experts.

### TYPICAL DUTIES:

The Audit Committee shall:

#### Financial Reporting

- Review the audited financial statements and recommend approval of the audited statements by the Board;
- Review audit results with the external auditors and follow up on the implementation of the auditor's letter of recommendations;
- Review the nature and extent of other services provided by the auditor in relation to auditor independence;
- Oversee engagement of external auditors including the terms of the audit engagement and appropriateness of proposed fees;
- May meet with the external auditors at an In-Camera Meeting, without staff members present

#### Internal Controls

- Oversee the internal control structure with a focus on safeguarding district assets;
- Monitor the development of and changes to accounting principles and practices and financial reporting standards, and their impact on the School District's financial reporting;

### Financial Risk Management

- Identify and assess the likelihood of a significant negative financial event and its potential to impact the achievement of a Board's operations is a key step in formulating a district's plans and adopting its internal financial controls. This function is achieved through the annual budget process.

### Compliance with laws, regulations and internal policies

- the Audit Committee is often delegated additional oversight responsibilities connected to its core duties in areas such as staff codes of conduct, conflict of interest policies and 'whistle-blower' mechanisms.

### CHAIR: The Audit Committee will be the Business Committee Chair

### CALENDAR: The Audit Committee shall meet no less than three (3) times per year, as follows:

- Each September- this Business Committee meeting would be called as an Audit Committee meeting to review the District year end financial statements prior to the open meeting at the end of September. The external auditor should be invited to present and explain the statements, in depth.
- Each April – the budget process function/meetings would be overseen by the Audit Committee
- January and/or May would be recommended to pursue other business of the Audit Committee which may include but not limited to; review and allocation of unrestricted surplus; review of internal audit processes; review of interim financial statements and financial forecasts.

**SCHOOL DISTRICT NO. 67 (OKANAGAN SKAHA)****POLICY****POLICY #630 Financial Surplus/Reserve and Inter-Fund Transfer****RATIONALE**

The Board of Education is responsible for managing its financial resources to provide educational services to its students while maintaining a sound financial position.

**POLICY**

The Board of Education objectives in terms of its accumulated surplus is set out in this policy. By reaching a clear understanding of surplus objectives and by continually measuring progress towards achieving those objectives, that may include inter-fund transfers, the District can attain greater fiscal stability and better support educational goals.

Surplus (interchangeable with the term “reserve”) balances provide flexibility to absorb future year one-time costs, unforeseen expenditures, or reduced revenue due to declining enrolment. Inter-fund transfers facilitate the allocation of funds to support capital purchases and improvements.

The reporting of surpluses and inter-fund transfers are publicly provided through both the financial statement and budget reporting processes. The budget reporting processes outline the initial plan for surpluses and transfers and the financial statements report on the actual surpluses and transfers.

Budgets and Financial Statements will include additional supporting information that provide details outlining the nature and scope of surpluses and inter-fund transfers.

ADOPTED:

Reviewed/Revised:  
Statutory Reference:

**SCHOOL DISTRICT NO. 67 (OKANAGAN SKAHA)****REGULATIONS AND PROCEDURES****POLICY #630 Financial Surplus/Reserve and Inter-Fund Transfer****1. SURPLUS**

The Board manages its financial resources in three distinct areas: the operating fund, special purpose funds, and capital funds. The Board's annual budgets and financial statements encompass all three of these areas.

Under the *School Act*, Boards of Education are not permitted to incur a deficit of any kind and therefore, must plan appropriately. This results in accumulated surpluses being realized at the end of each year.

The accumulated surplus of a fund represents the extent to which revenues from all previous years exceeds expenditures from all previous years.

An accumulated surplus within a fund allows a School District to budget for expenditures more than revenues in a given year, and also serves to reduce the financial risk that results from financial forecasting uncertainty and unforeseen circumstances.

Surpluses shall only be budgeted for use to cover one-time costs.

**2. INTER-FUND TRANSFERS**

The Board may transfer amounts between funds, unless a third party has placed a conflicting restriction on the use of those funds.

Purchases for computers, equipment, furniture, vehicles, and other improvements that are required to be capitalized, funded out of operating or special purpose fund revenues, need to be purchased through the Capital Fund. Therefore, transfers between funds are necessary to allocate the financial resources to the applicable fund for the budgeted and actual expenses and occur on an annual basis.

**3. OPERATING FUNDS**

The Board is responsible for ensuring the district is protected financially from financial forecasting risk and unforeseen circumstances which could negatively impact the education of students. To discharge this responsibility, the Board may establish a restricted portion of its accumulated operating fund surplus and/or its annual operating fund budget as an operating reserve to be used to mitigate any negative impact such circumstances might cause.

**3.1 Internally Restricted Accumulated Surplus**

In recognition of some monies having constraints as to how they can be spent, funds may need to be internally restricted at the end of the fiscal year. These internal restrictions include the following:

<b>Policy #630 Regulations and Procedures – Page 2</b>
--------------------------------------------------------

- a) Reserves
  - i. General Operating Reserve
  - ii. International Student Program Reserve
  
- b) Surplus Carry Forwards
  - i. Aboriginal Education
  - ii. BC Education Plan
  - iii. Districts In-Service
  - iv. Flex Funds
  - v. Implementation
  - vi. Learning Resources
  - vii. School Based Funds
  - viii. Through A Different Lens (TADL)

New categories may be added annually as recommended by the Secretary Treasurer and/or Superintendent, or by external restrictions by ministries of government, the Board will be informed during the review and passing of the Annual Financial Statement.

Should use of internally restricted accumulated surplus', as indicated above, reduce the District to a deficit or balance below what is determined to be sufficient, the district will adopt strategies to reduce the above restricted contingencies.

### **3.2 Unrestricted Accumulated Surplus**

Any accumulated surplus in the operating fund in excess of the internally restricted surpluses, reserves and inter-fund transfers will be classed as unrestricted surplus and will not exceed 2% of the annual budget. Unrestricted accumulated surplus may be placed into a reserve or will be allocated through the adoption of the amended annual budget.

## **4. SPECIAL PURPOSE FUNDS**

The Board will maintain a surplus within a special purpose fund as restricted by the purpose of the fund and/or the external funder.

Endowment funds shall be maintained at the level of the original revenue and invested as per the Board's investment policy. Only the interest/gains from the investment will be allocated on an annual basis for the intended purpose of these Special Purpose Funds.

## **5. CAPITAL FUNDS**

The Board is responsible for ensuring the district maintains adequate and safe capital assets.

Annual inter-fund allocations to Local Capital will be established to support the ongoing projects necessary to maintain our vehicles and equipment and the capital and technology plans. Unused funds will remain in each local capital account and carried forward to the next year. Local Capital includes funds from the sale of assets and transfers from other funds. Capital projects that are not supported by the

**Policy #630 Regulations and Procedures – Page 3**

government through the Ministry of Education’s Capital Plan funding need to be funded through school district funds.

The District will maintain the Local Capital fund for technology (known as the ATG fund) at a level no less than \$1.75 million, as this fund is intended as a long term investment for the maintenance of the District fiber technology and data center. The revenue supporting this fund is through inter-fund transfer from the shared services provided to external customers that includes the Ministry of Education NGN plan. Should use of the Local Capital Fund for Technology fall below \$1.75 million the district will adopt strategies to rebuild the fund over time if necessary, that will include the above mentioned revenue stream and/or may include inter-fund transfer of unrestricted operating surplus by direction of the Board or other means.

DRAFT

ADOPTED:

Reviewed/Revised:  
Statutory Reference: