

ADMINISTRATIVE PROCEDURES MANUAL
Administrative Procedure 510

FINANCIAL ACCOUNTABILITY AND AUDITS

BACKGROUND

The District believes that its 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 District's operations.

PROCEDURES

1. The District's financial systems and records are subject to an external audit.
2. District and school accounts and accounting practices will be subject to internal or external audit at the discretion of the Secretary-Treasurer and/or the Superintendent.
 - 2.1 Periodic internal audits of school generated funds and department accounts are to be conducted to identify potential procedural non-compliance, weaknesses and areas for further examination. Such audits must specifically assess the effectiveness of administrative procedures in place by performing compliance testing and examining key controls.
 - 2.1.1 Internal audit of high school, school generated fund accounts will be performed annually.
 - 2.1.2 Internal audit of elementary and middle school, school generated fund accounts will be performed on a four year rotation, or earlier if deemed necessary by the Secretary-Treasurer or designate.
 - 2.2 School financial records may be subject to internal audit in the event of a change of school administration, school business manager or school administrative assistant.
 - 2.3 Special financial reviews may be conducted upon request by a Principal.
 - 2.4 All computerized financial records and the supportive documents shall be on file and current for financial audit purposes, including but not limited to:
 - 2.4.1 Contracts and Agreements,
 - 2.4.2 Fund journal,
 - 2.4.3 Fund account ledgers,
 - 2.4.4 Bank statements,
 - 2.4.5 Cancelled cheques,
 - 2.4.6 Cheque requisitions,
 - 2.4.7 Duplicate deposit slips,
 - 2.4.8 Numbered receipt books or approved substitute documents,
 - 2.4.9 Invoices,
 - 2.4.10 Other related source documents.

ADMINISTRATIVE PROCEDURES MANUAL

3. Accounting procedures will follow recognized accounting principles where these are not inconsistent with the requirements of the Ministry.
4. The Secretary-Treasurer will ensure that adequate control mechanisms are in place to guarantee the integrity of the District's financial transactions and records.
 - 4.1 Segregation of incompatible duties, such as purchase and payment, must be maintained in District and school operations.
5. Financial records of school generated funds will be maintained in accordance with the format prescribed by the Secretary-Treasurer.
6. The external auditor's report will be presented to the Board along with the Management Letter and the Audited Financial Statements.
7. All banking shall be carried out at a recognized financial institution.
8. District audited financial statements and annual budget reports will be made available on the District website.

References: Sections 22, 23, 65, 81, 85, 106.3, 106.4, 110, 111, 112, 112.1, 113, 114, 115, 117, 118, 156, 157, 157.1 School Act, and Financial Information Act.

SD No. 40 (New Westminster)

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