

## **POLICY 4100**

### **INTERNAL CONTROLS, EXPENDITURE MANAGEMENT & EXPENDITURE REIMBURSEMENT**

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#### **1. PURPOSE**

- 1.1. In accordance with the School Act, the Secretary-Treasurer is the chief financial officer and as such, is responsible, along with all senior management, for establishing, monitoring and maintaining a risk-based system of internal control over financial management to provide reasonable assurance that:
  - a) public resources are used prudently and in an economical manner;
  - b) financial management processes are effective and efficient; and
  - c) relevant legislation, regulations and financial management policy instruments are being complied with.
- 1.2. The Secretary-Treasurer is also responsible for ensuring that prompt corrective action is taken when control weaknesses and material unmitigated risks are identified.
- 1.3. As part of an effective internal control environment, a robust expenditure management system is necessary to ensure that financial assets are appropriately managed and safeguarded

#### **2. DEFINITIONS**

- 2.1. Senior management classification include director level and above.

#### **3. POLICY**

- 3.1. Expenditures must be approved through the district's budget development process as per Policy – 4203 Budget Development.
- 3.2. Budget approved expenditures and related reimbursements must be managed in accordance with Procedure 4100.1 – Internal Controls, Expenditure Management & Expenditure Reimbursement.

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3.3. In exceptional circumstances, an expenditure not approved through the district's budget process, per 3.1 above, may be considered and requires a business case per Procedure 4100.1 – Internal Controls, Expenditure Management & Expenditure Reimbursements. In all cases, written authorization is required by both the Superintendent and Secretary-Treasurer. Any expenditures so approved will be reported to the Board of Education in a timely manner.

#### **4. REFERENCES AND RELATED DOCUMENTS**

- 4.1. Financial Planning and Reporting Policy, Ministry of Education and Childcare
- 4.2. Accumulated Operating Surplus Policy, Ministry of Education and Childcare
- 4.3. Province of BC's "Core Policy and Procedure Manual"
- 4.4. School Act, section 23 (2), School Act Regulation 7 (1) (a)
- 4.5. Policy 4203 Budget Development
- 4.6. Procedure 4100.1 – Internal Controls, Expenditure Management & Expenditure Reimbursements

#### **5. AUTHORITY AND RESPONSIBILITY**

- 5.1. Secretary-Treasurer
- 5.2. Finance Director

#### **6. HISTORY**

Approved            2024-xx-xx