



BOARD POLICIES

ADMINISTRATIVE PROCEDURES

6.0 BUSINESS ADMINISTRATION

**ILE A LA CROSSE SCHOOL DIVISION #112
BOARD POLICIES ADMINISTRATIVE PROCEDURES**

ADMINISTRATIVE PROCEDURES

6.0 BUSINESS ADMINISTRATION

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POLICY 6.1 ACCOUNTING GUIDELINES

Policy Type: Business Administration

	Ile-a-la Crosse School Division – Administrative Procedures	
	AP 6.1 – Accounting Guidelines	
Related ICSD AP's		
Form(s)		
References:	Education Act 1995	
Received by Board:	Updated	Status: approved

POLICY STATEMENT

The extent applicable, the Board is to use the **accrual** method of accounting for revenues and expenditures. This must be PSAB compliant as directed by the Ministry.

ADMINISTRATIVE PROCEDURES

1. Accounting System

The accounting system must make it possible to:

- a) Provide an accurate record of all financial transactions of the school division.
- b) Produce meaningful interim and annual financial reports.
- c) Show compliance with legal provisions.
- d) Provide a basis for safeguarding the financial resources of the school division.

2. Classification of Accounts

The classification of accounts is to be consistent with the requirements of the Ministry of Education Provincial Chart of Accounts and in compliance with Public Sector Accounting Board PSAB Standards.

3. Reporting

- a) Financial reports are to be prepared quarterly to reflect financial operations, the current condition of the budgetary accounts, and other information necessary to monitor operations.
- b) An audited financial report is to be prepared for the period ended in August 31st, in each year and presented to the Board. The audited report shall be approved by the Board of Education prior to November 30th in each year. Following Board and Ministry approval, the audited financial statement is available to the public.

4. Manual Journal Entries

All manual journal entries are prepared by either the Chief Financial Officer (CFO) and checked/initialed by the Director of Education or the Assistant Secretary-Treasurer and check/initialed by the CFO. All manual journal entries are reviewed and approved by the CFO. The CFO verifies the entries by checking that:


POLICY 6.1 ACCOUNTING GUIDELINES

Policy Type: Business Administration

- i. Appropriate accounts are affected.
- ii. The magnitude of the transactions is reasonable.
- iii. The impact of the transaction on departments, balance sheet and income statement are reasonable.
- iv. Monthly accounts payable (bills and payments) are reviewed by the Board and initialed by the Chair of the Board.

POLICY 6.2 ACCOUNTS PAYABLE

Policy Type: Business Administration

	Ile-a-la Crosse School Division – Administrative Procedures	
	AP 6.2 – Accounts Payable	
Related ICSD AP's		
Form(s)		
References:	Education Act 1995	
Received by Board:	Updated	Status: approved

BACKGROUND

The Ile a la Crosse School Division recognizes the importance of maintaining a positive relationship with all the vendors we deal with through our schools and at the division office. Prompt payment of accounts payable will help ensure we maintain our positive relationships.


These procedures outline the divisions expectations on how and when accounts payable are processed. Accounts payable include invoices received for good and services, travel claims and honorarium payments.

ADMINSTRATIVE PROCEDURES

1. All invoices and PO's should be delivered to Accounts Payable (finance@icsd.ca) for processing.
2. Invoices are matched to the relevant purchase order and processed for payment.
3. Cheque Runs are produced weekly during the school year and bi-weekly during July and August.
4. Cheque Runes are done on Thursday morning and mailed out or available for pickup Thursday afternoon.
5. Payment requests must be made prior to 5 PM on Wednesday in order for payment to be processed on that week's cheque run.
6. Any statements or correspondence regarding outstanding accounts should also be forwarded to Accounting Services for investigation.

POLICY 6.3 INVENTORY MANAGEMENT

Policy Type: Business Administration

	Ile-a-la Crosse School Division – Administrative Procedures	
	AP 6.3 – Inventory Management	
Related ICSD AP's		
Form(s)		
References:	Education Act 1995	
Received by Board:	Updated	Status: approved

POLICY STATEMENT

The Division is required by the Education Act to prepare and regularly maintain an inventory of its assets sufficient for the purpose of property control and financial planning. Such planning includes consideration for placing insurance, replacing damaged equipment and the disposal of property.

ADMINISTRATIVE PROCEDURES

1. Inventory

- a) The Chief Financial Officer is responsible for developing procedures for maintaining inventories.
- b) The inventory is to be updated annually, as required by the insurance company, using an independent appraisal source.

2. Replacement and Repair

- a) The Chief Financial Officer is to provide direction and procedures for the replacement and repair of school division property.

3. Disposal of Property


- a) Property or material that has no further value to the Division is to be disposed of in a manner that provides maximum benefit to the Division.
- b) The Chief Financial Officer, in consultation with the Director, supervisor and principal (when applicable), will determine what is surplus, obsolete, or worn out property.
- c) The Chief Financial Officer may use the following methods to dispose of school property; other than lands and buildings:
 - i. Public Auction
An auction is to be used when sizable accumulation of surplus property is available.
 - ii. Tenders
Competitive bidding is to be used when the quality, type or location of surplus supplies will not encourage attendance at a sale.
 - 1) The Division advertises the sale of property and requests sealed bids.
 - 2) Property is offered for sale “as is” and “where is”.
 - 3) The Division makes no warranty.
 - 4) Property is available for inspection.

POLICY 6.3 INVENTORY MANAGEMENT

Policy Type: Business Administration

- 5) Any expense involved in picking up of the properties is borne by the successful bidder.
 - 6) The Division reserves the right to reject any or all quotations.
 - 7) Bids may be required to be accompanied by a deposit.
 - 8) Property is awarded to the highest bidder.
-
- iii. Trade in
Surplus equipment may be traded in if the trade-in value is expected to exceed the value estimated to be obtained in a sale.
 - iv. Salvage or Disposal
If the property is of insufficient value to defray the costs of sale, it may be disposed of by selling for salvage value. Property may be disposed of if it has no material value.
 - v. Disposal from sales will be credited to the general funds of the Division,
 - vi. Donations of surplus equipment to community not-for-profit organizations may be considered prior to other methods of disposal.
 - vii. The Board will be informed prior to disposal of property.

POLICY 6.4 FUND ACCOUNTING
Policy Type: Business Administration

	Ile-a-la Crosse School Division – Administrative Procedures	
	AP 6.4 – Fund Accounting	
Related ICSD AP's		
Form(s)		
References:	Education Act 1995	
Received by Board:	Updated	Status: approved

POLICY STATEMENT

The Division maintains provisions for a separate operation fund, capital fund and reserve fund for monies that are extremely restricted in terms of use.

Definitions

The operating fund contains the current revenue, expenditure, assets and liabilities pertaining to the general operations of the Division.

The capital fund contains the capital assets, which are property and equipment, other capital related assets, long-term debt, transactions relation to the capital fund activities and the equity in capital fund assets.

Reserve funds contain the assets, liabilities, transactions and fund balances of reserves that have been designated by the Division for anticipated future costs of planned projects. Reserves are created by authorization of the Board. Contributions to and expenditure from, reserves are made in accordance with terms and conditions established by the Board.

Trust funds will be maintained and will contain the assets, liabilities, transactions and fund balances from donations and other contributions that are administered by the Division for scholarships and bursaries benefiting from students of the Division.

ADMINSTRATIVE PROCEDURES

1. Responsibility

- 1.1. The Chief Financial Officer is responsible for maintaining and managing the Division’s fund accounting and making recommendations to the Director regarding the allocation of Division proceeds.

2. Reserves Planning


- 2.1. A reserve for operation expenditures may be established on recommendation to the Board.
- 2.2. A reserve for capital expenditures may be establish on recommendation to the Board.
The purpose of the fund:

POLICY 6.4 FUND ACCOUNTING
Policy Type: Business Administration

- 2.2.1. The purchase of land,
 - 2.2.2. New buildings,
 - 2.2.3. Renovations and additions,
 - 2.2.4. Furniture, equipment and supplies,
 - 2.2.5. Major building repairs,
 - 2.2.6. Replacement of equipment, and
 - 2.2.7. Anticipated future salary costs.
 - 2.3. Other reserves may be established from the proceeds of the disposal of land and buildings as required by the Minister of Learning.
 - 2.4. The annual contributions to, and transfer from, reserves are to be approved by the Board annually in conjunction with the adoption of the budget subject to Ministry approval.
3. Trust Funds
- 3.1. The Chief Financial Officer is authorized to receive donations for the purpose of establishing scholarships and student bursaries. Funds are to be held in trust for the purposes intended.
 - 3.2. The Chief Financial Officer is to make every effort to comply with the conditions specified by the donor.
 - 3.3. Provisions shall be made to hold funds in trust by the Division for purposes other than student scholarships and bursaries.

POLICY 6.5 Financial Accountability for School Generated Funds

Policy Type: Business Administration

	Ile-a-la Crosse School Division – Administrative Procedures	
	AP 6.5 – Financial Accountability For School Generated Funds	
Related ICSD AP's		
Form(s)		
References:	Education Act 1995	
Received by Board:	Updated	Status: approved

POLICY STATEMENT

The financial affairs of the school division must be managed in a manner that demonstrates sound financial management and accordance with recognized accounting practices. All schools will keep verifiable records of School Generated Funds as they form an integral part of the school division's financial accountability.

ADMINSTRATIVE PROCEDURES

1. General Considerations
 - 1.1. All School Generated Funds and accounts, co-curricular and extra-curricular accounts and student governance accounts are part of the total financial package the school must report to the school division annually.
 - 1.2. Schools may be subject to an internal and external audit of funds and accounts at the discretion of the Chief Financial Officer.
 - 1.3. School Generated Funds must be utilized in a timely fashion and strictly for the purpose they were collected unless alternative uses have been communicated to, and approved by the person(s) from whom funds were collected.
2. School-Based Accounting Procedures
 - 2.1. **Responsibility of the Principal**
 - 2.1.1. The Principal is accountable for implement proper accounting procedures and controls to adequately safeguard School Generated Funds.
 - 2.1.2. All transfers of funds shall be authorized by the principal and a written record of this authorization shall be kept at the school for audit purposes.
 - 2.1.3. The Principal will develop procedures to ensure an annual financial report of all funds and accounts for the period of September 1 – August 31 related to the school is filed with the Division by September 30th of each year.
 - 2.2. **School Division Requirements**
 - 2.2.1. All accounts shall be available for inspection by the school division at any time.
 - 2.2.2. Schools must utilize the school division standard computerized accounting software to keep school based financial records.
 - 2.2.3. Funds raised for the purchase of equipment shall be turned over to the Board at the time the purchase is made. The purchase will be made and recorded by division office in order to properly record all capital purchases.
 - 2.3. **Bank Accounts**

POLICY 6.5 Financial Accountability for School Generated Funds

Policy Type: Business Administration


- 2.3.1. In order to ensure that school division records are up to date, all school bank accounts shall have the prior approval of the Chief Financial Officer. The name of each account shall incorporate the name of the school/activity.
- 2.3.2. A minimum of two signing accounts, one of whom is the principal, shall be required on all bank accounts. The Student Representative Council (SRC) account will have the principal (or delegated) and a student as signing authorities.
- 2.3.3. Schools are to limit the number of bank accounts to one general school account and one account for SRC. Any additional bank accounts must be approved by the Chief Financial Officer.

2.4. Payments and Receipts

- 2.4.1. The school shall issue duplicate, numbered receipts for monies received, with the original given to the individual paying and the duplicate filed at the school for audit purposes. This requirement does not refer to petty sales or cash collections (e.g. pencils, chocolate sales, snack bars, or other small food item sales). In these situations, a basic transmittal sheet is acceptable.
- 2.4.2. All cash received shall be reconciled to the receipts and deposited in the school bank account on a regular basis. Any cash in the school shall be kept in a safe. Schools should make arrangements to utilize night deposit services when necessary.
- 2.4.3. All expenditures should be referenced to invoices or some form of request for payment. Authorization for payment shall ultimately rest with the principal. The principal may delegate this responsibility.
- 2.4.4. All payments are to be made by cheque.
- 2.4.5. Records of expenditures shall be kept on file at the school for audit purposes, as per *The Records Retention and Disposal Guide for Saskatchewan School Division*.

POLICY 6.6 – Records Retention and Disposal

Policy Type: Business Administration

	Ile-a-la-Crosse School Division – Administrative Procedures	
	AP 6.6 – Records Retention and Disposal	
Related ICSD AP's		
Form(s)		
References:	Records retention and disposal guide for Saskatchewan School Division 2019	
Received by Board:	Updated October 10 th , 2023	Status: approved

POLICY STATEMENT

The Ile-a-la-Crosse School Division requires that all its official records and public documents shall be preserved and/or disposed of in accordance with the governing legislations and under the supervision of the Director or designate.

The Division has adopted the following records retention and disposal procedures. The Division is guided by the [Records Retention and Disposal Guide for Saskatchewan School Divisions](#) dated December 2019.

ADMINISTRATIVE PROCEDURES

1. Electronic Storage: The organization is permitted to retain electronic or digitized versions of files in a secure location with multiple redundancies for data backup purposes. However, it is mandated that original paper copies must be maintained for specific documents including;

- Legal Court Documents
- Capital Construction contracts exceeding 1 Million in revenue
- Any other records identified by the Director or their designate.

2. Documents and records to be retained permanently:

- Board Minutes
- Bylaws
- School Community Councils minutes
- Minister's orders
- Annual audited financial statements
- Insurance policies
- General Ledgers
- Payroll Journal/Register
- Fixed Asset Ledger
- Records disposal documentation
- School Registers and Annual/Semester Attendance Records Summary
- Election Records Disposal Affidavit
- Returning Officers Summary of Results

POLICY 6.6 – Records Retention and Disposal

Policy Type: Business Administration

3. Documents and records to be disposed of after a time lapse of seven (7) years:

- Inventory Journals
- Accounts Payable (invoices, payment records, AP Journals, AP correspondence)
- Accounts Receivable (receipts, invoices, vouchers, write-offs, tuition student lists, AR Journals)
- Audits and Compliance Reviews
- Budgets
- Banking (statements, cancelled cheques, deposits, bank account records, reconciliations)
- Charitable Organization Returns
- GST Returns
- Investments (7 years after maturity)
- Debenture register, coupons and LGB authority (7 years after final payment)
- Agreements/Contracts for Service
- Records and Files of the Director of Education
- School Reorganization Files
- Employee Files (7 years after termination of contract)
- Records of Employment
- T4's and CCRA Remittance Statements
- Policy Manuals (7 years after amendment or repeal)
- OH & S Documents

4. Documents and records to be disposed of after a time lapse of 3 years:

- Annual Audit Files (also known as Year End Files);
- Budget Related Reports
- Purchase Orders
- Tender Documents
- Electronic Systems Operations/Development Reports (3 years after system superseded)
- List of School Division Officials (3 years after term of office)
- Records Management (3 years after superseded)
- Capital Projects documents (3 years after disposal of property or building)
- Facility Management Reports
- Land Title Documents and Records (3 years after disposal of property)
- Licenses or Permits
- Tenancy Agreements (3 years upon expiration of agreement)
- Employee Leave Requests and Approvals (3 years after termination of employment)
- Absenteeism/Leave Reports
- Benefit Remittances
- Educator Profiles
- Employee Timesheets
- Payroll Input Forms
- Pension Remittance Statements, STRP, TSC Remittances
- Principals' Monthly Reports
- Support Staff Salary Reconciliations
- Union Dues, ICP Statements

POLICY 6.6 – Records Retention and Disposal

Policy Type: Business Administration

- Litigation Files (3 years after settlement)
- Petitions
- Division Reports (any reports to the Board)
- Committee Reports
- SCC Reports
- Cumulative Folders (3 years after the student turns 22)
- Student Registration Forms (3 years after the student turns 22)
- Custody Documents (3 years after the student turns 22)
- Curriculum Guides and Locally Developed Courses
- Student/Parent Lists
- Teacher Day Books
- Extra-Curricular Activities Schedules
- Final Exams (3 years after student turns 22)
- Field Trip Requests (3 years after student turns 22)
- Student Behavior Reports (3 years after student turns 22)
- Bus Route Maps
- Bus Safety Inspection Reports

5. Documents and records to be disposed of after a time lapse of varying periods of time:

- Financial Reports (1 year)
- Photographs (contact the Archives)
- Payroll Electronic Transmission File (1 year)
- Prospective Employees' Resumes and Applications, including interview notes (1 year)
- Sick/Medical Documents (1 year unless continuing condition)
- Supplemental Employment Benefits Plan Documentation (1 year unless continuing condition)
- TD1 Forms (1 year)
- School Incident Report Form (insurance broker statistical report) (1 year)
- Statistics Canada Reports (1 year)
- Youth Justice Records (legal documentation) – As required by the *Youth Criminal Justice Act*

6. The process for disposal of records shall be as follows:

a) An inventory list of records to be disposed will be prepared including box identification (if files are in boxes), titles of records, dates, brief contents description, volume of records, location of records and any other information that may be helpful in identifying records. Record designation should be included on the inventory list, for example:

Box 1
Invoices 1988-1992 - 1.1 Accounts Payable
Budget Reports 1992 - 1.8 Budget related reports


b) Compare records to determine if they meet retention periods.

POLICY 6.6 – Records Retention and Disposal

Policy Type: Business Administration

- c) Records to be approved by the board of education to dispose of the record. The motion is recorded in the minutes of the board meeting.
- d) Upon resolution being passed by the board of education, the board of education shall contact the Minister of Education for approval of the proposed records for disposal.
- e) Before the records are destroyed, the Saskatchewan Archives Board will be informed of records to be destroyed, this will help ensure good public documents retention and disposal practices.
- (1) prepare and send to the Saskatchewan Archives Board (SAB) by post or in electronic format detailed descriptive lists of their public documents referred to in board resolutions that authorize their disposal;
 - (2) 60 days after sending lists to the SAB as referred to in (1), dispose of public documents either:
 - (a) if requested by the SAB, by sending the originals to the SAB; or
 - (b) if not requested by the SAB in any manner that is consistent with the boards' record disposal best practices, and taking into consideration any general advice from the SAB; and
 - (3) comply with all laws when releasing or otherwise disposing of public documents, including the provisions of The Local Authority Freedom of Information and Protection of Privacy Act that may pertain to any personal or other confidential information contained in public documents.
- f) Records shall be destroyed in the presence of two (2) witnesses. A destruction notification form/letter should be completed and filed. The notification should include the list of documents being destroyed, date, location of the disposal and the signature of two authorized persons witnessing the destruction. All sensitive information shall be destroyed by confidential shredding services or incineration.

POLICY 6.7 – Purchase Cards
Policy Type: Business Administration

	Ile-a-la-Crosse School Division – Administrative Procedures	
	AP 6.7 – Purchase Cards	
Related ICSD AP's		
Form(s)		
References:	Records retention and disposal guide for Saskatchewan School Division 2019	
Received by Board:	Updated September 10, 2024	Status: approved

POLICY STATEMENT

This administrative procedure is for the use and control of Purchase Cards (Commercial Credit Card) for obtaining goods and services required by the Ile-a-la-Crosse School Division #112.

Ile-a-la-Crosse School Division’s purchase card program provides the opportunity for schools and division personnel to exercise timely, efficient, and cost effective purchasing power to serve the educational mandate set out by the school division. When assuming the responsibility of a purchase card, all employees are empowered to safeguard division assets through engaging in practices that ensure this call to stewardship, operating in a fiscally responsible manner.

PROCEDURES

1. OBTAINING A PURCHASE CARD

The following staff positions are authorized to obtain a purchase card once they have passed their probationary period.

- School Division Trustee’s
- Director of Education
- Executive Assistant
- Chief Financial Officer
- Assistant Chief Financial Officer
- School Principal and Vice-Principal
- Supervisor of Facilities and Maintenance
- Maintenance Assistant
- School Secretaries
- Sr. Level Coaches
- Program Designer – Early Years Resource Centre
- Student Services Teachers
- Fundraising Groups
 - Grade 6 Class Trip organizer

2. AUTHORIZATION TO PURCHASE

Whenever possible a purchase card should be used when making purchases of any kind.

POLICY 6.7 – Purchase Cards
Policy Type: Business Administration

- 2.1** The purchase card is not intended to bypass established procedures of the division. Approval is required in the form of an approved Purchase Order with PO Number prior to making a purchase.
- 2.2** Under no circumstances will the purchase card be used to circumvent division purchasing administrative procedures and restrictions.
- 2.3** Only the person whose name appears on the card may use the card.
- 2.4** The purchase card must only be used to purchase goods and services required for the business purposes of the school division.
- 2.5** At the school level, all credit cards are to remain in the school safe.

3. PROGRAMMED LIMITS

3.1 Each card will have an established limit based on the table below.

Position	Credit Limit	Single Transaction Limit
Trustee	3,000.00	3,000.00
Director of Education	20,000.00	7,500.00
Chief Financial Officer	20,000.00	10,000.00
Executive Assistant and Information Technology Coordinator	10,000.00	10,000.00
Assistant Chief Financial Officer	20,000.00	10,000.00
School Principal	20,000.00	5,000.00
Vice Principal	10,000.00	5,000.00
Supervisor of Facilities and Maintenance	10,000.00	10,000.00
Maintenance Assistant	5,000.00	5,000.00
Grade 6 Class Trip	15,000.00	5,000.00
School Secretary	5,000.00	5,000.00
Sr. Level Extra Curricular Coaches	5,000.00	5,000.00
Program Designer – Early Years Resource Centre	5,000.00	5,000.00
Student Services Teachers	5,000.00	5,000.00

3.2 In addition to the programmed limits, the purchase card may not be used for the following items:

- 3.2.1** Personal or private use, including cash advances
- 3.2.2** Personal entertainment
- 3.2.3** Purchase of Alcohol
- 3.2.4** Tobacco (unless it is being used as a gift for elders)
- 3.2.5** Cannabis
- 3.2.6** Dating/escort services
- 3.2.7** Lottery tickets or gambling transactions
- 3.2.8** Automated cash disbursement
- 3.2.9** Direct marketing companies

POLICY 6.7 – Purchase Cards
Policy Type: Business Administration

- 3.2.10** Controlled items such as radioactive or hazardous material, prescription drugs, etc.
- 3.2.11** Gift Certificates to be given to staff or non-staff to facilitate shopping (example: a gift card is purchased from a grocery store and given to another employee or student who is required to pick up groceries using the certificate)

4. PERSONAL PURCHASES

- 4.1 Purchase cards are not to be used for personal use such as meals, shopping, etc. Personal use of a purchase card could result in immediate cancellation of the card and further disciplinary action as deemed necessary.
- 4.2 4.2. Accumulation of Air Miles or other rewards for personal use based on purchases made with a division purchase card (or any other method) is prohibited.

5. CONFLICT OF INTEREST

- 5.1 Except with the approval of the CFO, purchases will not be made for any goods or services from division employees or from companies in which division employees or immediate family members of division employees have an ownership interest.
If the CFO is in conflict, the Director of Education will approve the purchase.

6. REFUNDS

No cardholder may accept cash or cheque from a supplier who is making a refund pertaining to a transaction previously charged to a purchasing card. The supplier in all cases must issue a credit to the purchasing card.

7. LIABILITY – DIVISION

The liability for authorized use of the purchase card rests with the division, and not the individual cardholder. Neither the division nor the cardholder is liable for unauthorized use of a card following loss or theft of the card.

8. LIABILITY – CARDHOLDER

Cardholders will be held liable for any misuse of a card, or willful disregard of policy or procedures, which result in fraud, collusion, or loss of money. Misuse of the card may result in disciplinary action.


9. PURCHASE RECEIPTS

POLICY 6.7 – Purchase Cards**Policy Type: Business Administration**

Every card holder is responsible for to submit purchase receipts to the division office on a monthly basis. Failure to provide receipts may lead to suspension of Purchase Card privileges.

POLICY 6.8 – Enterprise Risk Management

Policy Type: Business Administration

	Ile-a-la Crosse School Division – Administrative Procedures	
	AP 6.8 – Enterprise Risk Management	
Related ICSD AP's		
Form(s)	Ranked Risk Register	
References:	ERM Framework SSBA	
Received by Board: September 24, 2024	Updated	Status: Approved

ENTERPRISE RISK MANAGEMENT

The purpose of the Enterprise Risk Management (ERM) administrative procedure is to establish ERM roles and responsibilities as well as the strategy of the Ile-a-la Crosse School Division (ICSD) to manage its risks. The division will identify and manage its enterprise risks in support of its vision, values, guiding principles, goals and strategic plan. The division cannot seek to eliminate risk; rather, it will provide that existing and emerging risks are identified, communicated, and effectively managed.

BACKGROUND

ICSD is committed to ensuring that risk management practices are embedded into key processes and operations to drive consistent, effective and accountable actions, and decision making in management practice and Board governance. ICSD has designed its ERM framework to be consistent with the practices suggested by generally accepted global ERM standards frameworks, but at this time has not adopted any particular standard.

ERM is designed to identify potential events/risks that may significantly affect the division's ability to achieve its vision, values, guiding principles, goals, and strategic plan. Through the ERM process, identified risks are assessed based on likelihood and impact. Management processes and controls are used to provide reasonable assurance that significant risks are sufficiently mitigated to support the achievement of the division's objectives.

ERM assists to assess the division's appetite for risk (risk tolerance) and identifies gaps where identified risks are either over or under mitigated. This leads to identification of opportunities and strategies to either close gaps where residual risk is higher than risk appetite or to reallocate resources from areas where residual risk is lower than risk appetite.

The end product of ERM includes a ranked risk register used in developing the annual strategic plan and budget. ERM is an ongoing process with administrative procedure and outcomes revisited and reported at least annually.

POLICY 6.8 – Enterprise Risk Management

Policy Type: Business Administration

DEFINITIONS

The following definitions will apply for the purpose of this administrative procedure:

Term	Definition
Enterprise Risk Management (ERM)	ERM is an integrated enterprise-wide risk process established over time which links the management of strategic objectives to risk in order to improve organization performance. It creates a formal process for managing the myriad of risks an organization faces. ERM is not the same as a risk assessment but, the assessment of risk is an integral part of an ERM process.
Risk	An internal or external event, activity or situation that impacts the ability of the division to achieve its vision, mission, outcomes and goals.
Enterprise-wide Risks	For identification purposes, risks may occur in any one of the following categories: financial, reputational, managerial effort, environmental health and safety. Risks rated as high using division tolerance levels will be deemed enterprise-wide risks.
Financial Risk	The ability for the division to achieve its financial objectives.
Legal, Compliance and Reporting risk	Compliance with applicable laws, regulations, reporting requirements and Board direction.
Reputational Risk	Real or perceived event that has the ability to impact the public confidence in the division.
Inherent Risk	The possibility that risks will prevent an organization from achieving its objectives before the consideration of processes and controls are in place to manage or mitigate the risks.
Impact	Significance of a particular risk to the entity. The significance of a particular risk can range from insignificant to severe/catastrophic. Magnitude of impact is determined with respect to an organization's risk appetite, risk capacity, and organizational objectives.
Likelihood of Occurrence	Probability that a particular risk will occur. These probabilities range from rare to almost certain. .
Manage	To control or take charge of a risk in order to avoid or minimize its adverse impact on the division and to maximize its opportunity.
Mitigate	To lessen or minimize the adverse impact of a risk through specific management processes or internal control activities.
Optimize	To balance potential risks versus potential opportunities within the division's stated willingness or appetite and capacity to accept risk. This may require an organization to increase or decrease the amount of risk relative to the potential opportunity.
Residual Risk	Risk remaining after considering the effectiveness of management responses (i.e., processes and controls used to manage or mitigate the risks).

POLICY 6.8 – Enterprise Risk Management
Policy Type: Business Administration

Term	Definition
Risk Assessment	A risk assessment process allows organizations to consider the extent to which potential events may have an impact on the achievement of organizational objectives. Organizations typically need to identify, assess and evaluate risks and controls to construct an appropriate risk portfolio.
Risk Identification	The process of identifying and understanding potential risks to the division.
Risk Management	The process of identifying, evaluating, selecting and implementing an action plan to avoid or mitigate threats and to leverage and maximize, where possible, risk opportunity.
Risk Monitoring	The process of reviewing and evaluating the effectiveness of the action plan implemented through the risk management process and identifying opportunities to minimize future reoccurrence of similar risk.
Risk Opportunity	The return which may be realized if risk is assumed but managed in a manner that maximizes its potential benefit.
Risk Appetite	Level of risk an organization is prepared to accept to achieve its goals and objectives (i.e., the level of tolerance for risk in a company).
Risk Owner	An individual that has been given the authority to manage a particular risk and is accountable for doing so.
Management Effort	The use of resources and implementation of processes to support the division achieving its strategic objectives.

ROLES AND RESPONSIBILITIES RELATED TO ERM

The following defines roles, accountabilities and responsibilities for:

- Identifying and evaluating key risks
- Documenting and managing the response to key risks
- Facilitating appropriate risk/reward decisions at all levels of management
- Communicating risks, and management’s responses and priorities to all relevant staff

Role	Responsibilities
Board of Trustees	<p>Has ultimate responsibility for risk. Provides governance oversight of the division’s ERM program, as well as its risks and responses to them. This responsibility is demonstrated through review of at least the following items:</p> <ul style="list-style-type: none"> • The division’s ERM administrative procedure and framework • Management’s risk appetite/tolerance levels, if formally developed (annually). • Management’s risk register and risk assessment results for the division’s top enterprise-wide risks (annually). • Action plans to address risk mitigations and opportunities identified as high priority by management. • Regular reports from the Director of Education on risk management activities through status updates at least annually, with any significant risk changes or issues reported during the year as needed.

POLICY 6.8 – Enterprise Risk Management

Policy Type: Business Administration

Role	Responsibilities
Director of Education	<p>Is accountable to the Board of Trustees with respect to ERM, and is responsible for ensuring the ERM administrative procedure and framework approved by the Board is implemented and operational through:</p> <ul style="list-style-type: none"> • Championing risk management within the division to ensure the division remains focused on risk • Integration of ERM into the development of strategic, business and operational plans and operational decisions. • Ensuring effective risk identification, risk assessment, risk management and risk monitoring processes within the division. • Consulting, as required, with the division’s employees or external consultants to effectively manage all aspects of risk. • Providing ERM status updates at least once per year to the Board of Trustees, on risk management activities, as well as if any significant risk changes or issues arise. • Communicating the expectations of staff impacted by the identified ERM risks. • Communicating ERM results to all staff. • Monitoring progress in managing risks and implementing improvement opportunities.
Chief Financial Officer	<p>Is accountable to the Director of Education and is responsible for managing the implementation and maintenance of the ERM administrative procedure and framework by:</p> <ul style="list-style-type: none"> • Developing, monitoring and revising the ERM administrative procedure. • Coordinating the risk identification, risk assessment, risk management and risk monitoring processes. • Preparing status updates at least once per year to the Director of Education on risk management activities, as well as if any significant risk changes or issues arise.

ENTERPRISE RISK MANAGEMENT FRAMEWORK

All risks are to be identified, assessed, managed, monitored and reported in a thorough and systematic fashion in accordance with the Division’s Enterprise Risk Management Framework