

POLICY 601 ACCUMULATED OPERATING SURPLUS

The Board of Education (the “Board”) is committed to the principles of good governance, fiduciary responsibility, and full transparency. The Board demonstrates its commitment to these principles through responsible financial management which includes utilization and reporting of the Accumulated Operating Surplus.

The Board acknowledges that an Accumulated Operating Surplus balance provides a measure of resiliency to mitigate against fluctuations in annual grant funding and other revenues and creates a contingency to manage one-time costs or unforeseen expenditures. Use of the Accumulated Operating Surplus cannot be relied upon to sustain on-going operations and services. The Board can restrict operating surplus for future years.

The Board will ensure that prior to approving the Annual Budget, a consultation process regarding the use of Accumulated Operating Surplus has taken place. The Board will consult and engage with its Partners in Learning. This engagement will be consistent with the budget consultation processes outlined in Policy and will support the Board requirement of a collaborative process that is transparent, inclusive and timely.

The Board will consider the advice and recommendations received prior to approving a separate motion regarding the use of the surplus.