

## **Purpose/Background**

This procedure is intended to set carry forward limits and establish a process for schools to set aside funds for projects (project specific reserves). A “reasonable limit” would be considered in the context of the provincial requirements and restrictions around the level and use of operating reserve funds.

It is expected that the annual budget allocation be spent on the current years’ students and programs. The school principal is responsible to ensure the school-based allocation of funds are spent with this objective in mind.

## **Definitions**

**School Positive Carryover** The amount that a school's allocated revenues exceed a school's expenditures as of Aug. 31 (year-end).

**School Negative Carryover** The amount that a school's expenditures exceed a school's allocated revenues as of Aug. 31 (year-end).

**Carryover** A revenue line item on a school’s budget template in My Budget File containing the positive or negative allocation to a maximum of the total carryover permitted.

**Project Specific Reserves** Funds set aside for specific project purposes to be spent in a future year for which a specific plan has been identified and approved by the Associate Superintendent of Schools and Associate Superintendent of Business and Operations through the annual budgeting process. Once reserves have been designated, the funds cannot be transferred back to the school for other purposes without express approval.

**Reserves** A revenue line item on a school’s budget template in My Budget File containing all or a portion of Project Specific Reserves requested by the school during the Spring or Fall budgeting process based on previously approved Project Specific Reserve amounts.

## **Procedures**

### **1. School Positive Carryover**

- 1.1. Any positive carryover in a school's year-end results shall be brought forward to the school's budget for the subsequent year.
- 1.2. Each elementary school, middle school and other schools without grade 10-12 students registered, shall be permitted to have positive carryovers, of up to \$10,000 plus \$75 per student less any targeted central allocations.
- 1.3. High schools (all schools with grade 10-12 students registered) shall be permitted to have positive carryovers of up to 3% of the school's budget allocation less any targeted central allocations.
- 1.4. School carryovers will be calculated each school year as of August 31 based on the final student count as of September 30 in the applicable school year. If school enrolment changes

drastically throughout the school year due to a RVS decision (i.e., grade configuration, attendance boundaries, program changes) then the final student count will be determined through a discussion between the Principal and Director of Finance.

- 1.5. Where a school exceeds the maximum, the excess funds will be moved to the Divisional Instructional Reserve account.
- 1.6. New schools may be exempt, upon approval, from this procedure in the first year of operations.
2. School Negative Carryover
  - 2.1. Any negative carryover in a school's year-end results shall be brought forward to the school's budget for the subsequent year.
  - 2.2. Each elementary school, middle school and other schools without grade 10-12 students registered shall not be permitted to have a negative carryover greater than \$50 per student.
  - 2.3. High schools (all schools with grade 10-12 students registered) shall not be permitted to have a negative carryover greater than 2% of the school's allocation less inclusive education allocation.
3. Project Specific Reserves
  - 3.1. Project Specific Reserves for the purchase of future project specific items must be declared and approved annually through the budgeting process.
  - 3.2. Schools shall budget their contributions for Project Specific Reserves in the spring and update accordingly in the fall within the My Budget File templates. These are to include notes explaining the future project specific items for which Project Specific Reserves have been established.
  - 3.3. There are two ways to utilize Project Specific Reserves:
    - 3.3.1. During spring and fall budget preparation, all or a portion of the amount may be requested to be funded through a Project Specific Reserve allocation.
    - 3.3.2. During the school year, request the Finance branch to release the funds into a specific account by way of a journal entry.

*Resources:*

- RVS' Finance Department
- My Budget File
- Education Act