



Brooks Early Learning Academy

Brooks Community Enrichment Foundation o/a Brooks Early Learning Academy (BELA)

Financial and Governance Policy

Brooks Community Enrichment Foundation is committed to ensuring transparency and accountability in all financial processes. Throughout its processes, the school will implement internal controls to minimize the opportunity for mismanagement of processes. In general, these controls consist of:

- Segregation of duties
- Controlling access to accounting systems
- Standardized documentation such as invoices, receipts, and deposits
- Regular trial balances to identify discrepancies
- Periodic reconciliations, such as a monthly reconciliation of bank statements with the school's financial records
- Approval authority requirements such as having a supervisor sign off on orders of classroom supplies
- Outlining compensation of senior managers in accordance with current regulations
- Placing Fair Market Value restrictions on all related party transactions
- Investments

Definitions:

Cardholder: An individual authorized to hold and use a school credit card

Fair Market Value: Fair Market Value (FMV) is the price a product would sell for on the open market assuming both the buyer and seller are reasonably knowledgeable about the asset, are behaving in their own best interests, are free from undue pressure, and are given a reasonable time period for completing the transaction. The *Early Childhood Services Regulation (AR 126/2022)* outlines that FMV must be determined by an accredited appraiser of the Appraisal Institute of Canada. (Section 24(6))

Independent member: a member of the governing body of a private ECS operator who
(i) is not involved in the day-to-day management, administration or operation of the early childhood services program provided by the private ECS operator, and
(ii) is not a related party of another member;

Internal Controls: Internal Controls are policies and procedures put in place to ensure the continued reliability of accounting systems.

Related Party Transaction: A related-party transaction is a deal or arrangement between two parties who are joined by a pre-existing business relationship or a common interest. For example, a school decides to lease property from one of the school's directors. Organizations often seek to secure business arrangements with parties with whom they are familiar or have common interest. While these types of transactions are legal, they could potentially create conflict of interest or lead to situations that are illegal or unethical. Organizations will want to create procedures for approving these transactions so as to safeguard against potential abuses. Senior Manager - Senior management contractor or employee means an individual engaged or employed for services by the operator of an early childhood services program to plan, direct or control the management, administration and operation, this includes a member of the governing body of the operator of a funded private school who is an employee of the operator.

Roles and Responsibilities of Governing Body and Senior Managers of the Independent ECS

Governing Bodies 18(b)– The school will outline the roles & responsibilities of its governing body with respect to financial matters. These may include, but are not limited to:

- 1.1.1 Approving the annual budget for the upcoming school year
- 1.1.2 Annually appointing an auditor
- 1.1.3 Reviewing, signing and submitting to the minister the AFS and copies of the auditor's recommendations respecting the operator's internal controls and accounting procedures
- 1.1.4 Regularly reviewing in-year reports on actual results compared to budget and previous years results and explaining discrepancies. These reports may include a *Statement of Financial Position* (Balance Sheet) and a *Statement of Operations* (Income and Expenditures)
- 1.1.5 In light of auditor's recommendations, annually approving the schools updated *Financial Accountability Policy*

Senior Managers 18(c) – The school will outline the roles and responsibilities of the senior manager(s) with respect to financial matters. These may include, but are not limited to:

- 1.1.6 Implementing financial management policies established by the board
- 1.1.7 Ensuring that the board has access to all financial documents required for them to carry out their roles and responsibilities

Related Party Agreements 20(1) Brooks Community Enrichment Foundation's policies and procedures in respect to transactions involving real or personal property or engaging in services with a related party for the purposes of managing, administering or operating the school align with the *Early Childhood Services Regulation (AR 126/2022)*, Section 24. Transactions involving property and the engagement of services will happen at Fair Market Value.

Compensation of Senior Management Employees 18 (e) Brooks Community Enrichment Foundation's policies for compensation of senior managers align with Section 22 to 32 of the *Early Childhood Services Regulation (AR 126/2022)*. For the 2024 school year and until further change of the regulations, the base salary of a full-time senior management employee will not exceed the maximum base salary applicable to a level 2 board under Schedule 1 to the *Superintendent of Schools Regulation (AR 98/2019)* and no bonus, allowance or other incentive will be paid in addition to the senior management employee's base salary.

Financial and Governance Policies:

1. Segregation of Duties 18(a)(i):

The Board of Brooks Community Enrichment Foundation is committed to ensuring the proper use of funds by the segregation of duties as required. At a minimum the four following areas are to be separated:

- 1) Transaction authorization or approvals - cheques & expenditures can be signed or approved by either the Director of Operations or the Financial Coordinator. One signature is required, but transactions are reviewed and approved by the alternate
- 2) Custody of assets - Capital Assets are approved by the Director of Operations and the Financial Coordinator. Capital Assets over \$20,000 would be taken to the board for approval
- 3) Recording transactions - Transactions are completed by direct BELA staff
- 4) Reconciliation/Control activity related to bank statements, accounts, deposits - Transactions, bank statements, etc are reviewed and reconciled by an outside bookkeeper & audited yearly by an outside accounting firm
- 5) Approving timesheets - Timesheets are approved by the Director of Operations, and reviewed by an outside bookkeeper

2. Capital assets 18(a)(ii):

The Board of Brooks Community Enrichment Foundation is committed to confirming that all capital assets are properly accounted for by ensuring that there is:

- 1) Authorization or approval for expenditure
- 2) Authorization or approval for disposal

Capital Assets are approved by the Director of Operations and the Financial Coordinator. Capital Assets over \$20,000 would be taken to the board for approval

3. Reimbursement of expenses 18(a)(iii)

The Board of Brooks Community Enrichment Foundation is committed to confirming that all expense claims and reimbursements are properly accounted for by ensuring that there is:

- 1) Clearly defined expense reimbursement procedure with reimbursements completed monthly as part of the payroll process. Reimbursements must be completed within the fiscal year
- 2) Original receipts attached to all claims
- 3) Supervisor review (Director of Operations or the Financial Coordinator) and approval prior to submission for payment
- 4) Periodic audit of employee reimbursement claims

4. Investments 18(a)(iv)

The Board of Brooks Community Enrichment Foundation confirms that the Foundation does not currently engage in Investment activities. If such activity were to be entered into in the future, the Board would be committed to safeguarding all investments by ensuring that there is:

- 1) A clearly defined approved investment policy document
- 2) Compliance letter confirmations as applicable for external investment advisors
- 3) Verification of title to investments purchased
- 4) Reconciliation of investments to monthly statements

Transfer of grants 19(1)

Brooks Community Enrichment Foundation will follow regulations with regards to transfer of grants and may only transfer a grant or portion thereof to:

- The Government of Alberta
- A society under the *Societies Act* or non-profit company registered under part 9 of the *Companies Act* that:
 - Provides an early childhood services program
 - Provides program support to an early childhood services program
- Operator of a charter school or funded private school

Conflicts of interest

Conflict of interest (real, potential, or perceived) arises when an individual in a position of trust has competing professional or personal interests. Such competing interests may influence their professional judgement, objectivity and independence and can potentially influence the outcome of a decision for personal benefit. A conflict of interest may exist even if no unethical or improper acts result from the conflict.

The standard that should guide decisions about determining conflicts of interest is whether independent observers could reasonably question whether the individual's actions or decisions could be based on factors other than rights, welfare, and safety of participants. Individuals must refrain from undertaking any activities that are perceived to be or are in conflict of interest with the governing body's mission or activities.

Board members, employees & management are required to disclose any conflicts or interest, or appearance of such, to the President of the Board and the Director of Operations. The potential conflict of interest will be discussed and resolved at the subsequent board meeting

Personal Mobile Devices & Social Media in Schools Policy

The Government of Alberta established standards to be implemented as of September 1, 2024, to ensure personal mobile devices and social media do not disrupt learning.

This policy regulates the use of personal mobile devices in schools to support the safety and security of students and staff and reduce distractions to learning during the school day.

Definitions

Personal Mobile Device: Any personal electronic device that can be used to communicate with or access the internet, such as a cellphone, tablet, gaming device, laptop, or smartwatch. This also includes devices capable of communicating with a mobile device such as headphones, and bluetooth devices (e.g. earbuds and speakers).

Policy

Considering the developmental stage of children attending BELA we have a simplified version of this policy which is as follows:

- Children may not use personal mobile devices during instructional time. If children and students have personal mobile devices with them when they arrive at school they will be powered off and placed in the child's back packs by BELA staff.