



Financial and Governance Policy

The board of directors retains oversight and has delegated to the senior managers the authority to put in place procedures which comply with the Alberta Private schools regulations, and which follow Canadian accounting standards for not-for-profit organizations in the handbook of the Chartered Professional Accountants of Canada (CPA) and reflect the most effective practices to ensure transparent and ethical use of funds.

Khalsa School Calgary 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:

1. Segregation of Duties :

The Board of Khalsa School Calgary is committed to ensuring the proper use of funds by the segregation of duties as required. The following areas are to be separated:

- 1) Transaction authorization or approvals
- 2) Custody of assets
- 3) Recording transactions
- 4) Reconciliation/Control activity

2. Capital assets :

The Board of Khalsa School Calgary 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
- 3) Verification of title to asset purchased
- 4) Periodic audit of fixed asset inventories

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3. Reimbursement of expenses

The Board of Khalsa School Calgary 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
- 2) Original receipts attached to all claims
- 3) Manager review and approval prior to submission for payment
- 4) Periodic audit of employee reimbursement claims

4. **Investments** – At present, we do not have and do not intend to have any investments for KSC however in the future if we have it then the board will ensure the following;

The Board of Khalsa School Calgary is 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

5. Transfer of grants

Khalsa School Calgary 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

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Roles and responsibilities of the board of Khalsa School Calgary

- Approving the annual operating and if applicable capital budget
- Reviewing the quarterly and annual financial statements and the accompanying variance explanations analysis
- Approving the annual financial statements
- Ensuring adequate internal controls are in place and being adhered to
- Establish and update as applicable board financial policies

Roles and responsibilities of senior managers of Khalsa School Calgary

1. Adhere to the board approved operating and if applicable capital budget
2. Advise the board in a timely fashion of any significant potential variances along with any suggested resolutions
3. Ensure board financial policies are being followed and new policies are implemented
4. Prepare all financial reports required for the board
5. Monitor that all internal controls are being followed and that appropriate segregation of duties as applicable are in place
6. Ensure appropriate and approved signing authorities are in place
7. Perform random internal review/audit as required

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