

Guide to Completing the 2010-11 ESTIMATES FORMS Section 68 School Authorities (Hospital Boards)

The estimates forms are provided in EXCEL and incorporate changes and certain schedules that were included in the prior years' estimates and financial statements forms as part of the implementation of PSAB for local government.

Boards are required to send two signed copies of the 2010-11 Estimates by **July 30, 2010** to:

Ms. Diane Strumila
Project Manager, Grant Services
Financial Analysis and Accountability Branch
17th Floor, Mowat Block, 900 Bay Street
Toronto, Ontario
M7A 1L2

Where the estimates are filed after this date, cash flow penalties may be implemented and the school authorities' regular cash flow will be reduced by 50% for the payment(s) in the month(s) following the extended date. Upon submission of the estimates, the ministry will revert back to the normal monthly payment process and will include in the monthly payment the total amount withheld up to that point.

An electronic copy of the 2010-11 Estimates should also be submitted to the following mailbox by July 30, 2010: estimates.met@ontario.ca.

If you have any questions related to the completion of the Estimates package please contact the appropriate Finance Officer.

Bloorview School Authority Campbell Children's School Authority	Emily Wells	(416) 326-1155 emily.wells@ontario.ca
John McGivney Children's Centre School Authority KidsAbility School Authority	Sanjay Chitapain	(416) 325-1133 sanjay.chitapain@ontario.ca
Niagara Peninsula Children's Centre School Authority Ottawa Children's Treatment Centre School Authority	Vinod Gurewan	(416) 325-2050 vinod.gurewan@ontario.ca

Order of Data Entry:

The Estimates package allows hospital boards to enter data in un-shaded cells. When using the Excel workbook, the following order of data entry is recommended:

Cover Page	Board number (select from drop down menu)
Schedule 9	Revenues
Schedule 10	Expenses

Schedule 10ADJ	Adjustment for Compliance Purposes
Schedule 5	Reserve Funds (Internally Restricted Reserves) – Statement of Continuity
Enrolment	Projected Enrolment for 2010-11
Appendix H	2010-11 Staffing
Schedule 3C	Tangible Capital Assets - <i>NEW</i>
Certificate of Secretary of the Board	

Summary of Changes:

In order to maintain form packages consistent throughout the two reporting cycles (estimates and financial statements) schedules that are not applicable to the estimates cycle have been retained in the contents page of the excel package.

To meet the reporting requirements under PSAB for local governments, the following schedules have been included in the estimates:

- Consolidated Statement of Operations
- Tangible Capital Asset Continuity Schedule - *NEW*
- Reserve Funds (Internally Restricted Reserves) – Statement of Continuity
- Schedule of Expenditures Adjusted for Compliance Purposes

Information pertaining to schedules and other forms:

Schedule 1.1 – Consolidated Statement of Operations - *REVISED*

The name of this form has been changed from Statement of Financial Activities to Consolidated Statement of Operations. The presentation of the form has been changed to conform to public Sector Accounting Board (PSAB) sections PS-1200 and PSG-4 with respect to the presentation of funds and reserves. The impact of deferred capital contributions (DCC) has been added to the form.

This statement shows the revenues, expenses, and calculates the annual and accumulated surplus/deficit.

Schedule 2.1 – Schedule of Operating Fund

Deleted for 2010-11

Schedule 2.2 – Schedule of Capital Fund

Deleted for 2010-11

Schedule 2.3 – Schedule of Reserve Funds

Deleted for 2010-11

Schedule 2.4 – Schedule of School Activities Fund

Deleted for 2010-11

Schedule 3 – Capital Fund (Expenditures and Financing)

Deleted for 2010-11

Schedule 3C- Tangible Capital Assets Continuity Schedule (TCA) - *New*

For the 2010-11 Estimate submission this schedule will be used for information purposes only.

Schedule 3C consists of three sections: Cost, Accumulated Amortization and Net Book Values and Disposals. Beginning in the Cost Section, enter the opening balance of any tangible capital assets as at September 1, 2010 by the categories provided. Enter the estimated additions and betterments, disposals/deemed disposals and transfers.

In the Accumulated Amortization section, enter the opening balance of any accumulated amortization as at September 1, 2010 by the categories provided. Enter the amortization expense, write-downs and deemed disposals.

In the NBV section, enter any proceeds of disposition (POD) as well as any gain or loss on disposal.

Schedule 5 – Reserve Funds (Internally Restricted Reserves) – Statement of Continuity

This schedule reports all information for discretionary reserves set aside by the board for specific purposes.

Schedule 5.1 – Deferred Revenues (Externally Restricted Reserves) – Statement of Continuity

Deleted for 2010-11

Schedule 9 –Revenues - *REVISED*

The name of this form has changed from Operating Fund – Revenues, to Revenues. Since funds will no longer be presented under PSAB (as per PS-1200), all of the operating revenues that were previously recorded in the funds (operating, capital, reserve and school activities funds) will now all be recorded on Schedule 9. This schedule has been reorganized to align the headings in Schedule 9 with the summary categories presented on Schedule 1.1 (Consolidated Statement of Operations). The other main change is that the amortization of deferred capital contributions (DCC) has been included at item 9.1.

Schedule 10 – Expenses

Amortization – For Estimates no input is required. *NEW*

The name of this form has changed from Operating Fund –Expenditures, to Expenses. Information will continue to be entered on an expense (accrual) basis, not an expenditure (cash) basis. Since funds will no longer be presented under PSAB (as per PS-1200), all of the expenses that were previously recorded in the funds (operating, capital, reserve and school activities funds) will now all be recorded on Schedule 10. This schedule is designed to collect expense information on a **PSAB basis** by expense category and object. Expenses to be reported on this schedule are gross expenses.

Code point 5810 should be used to report NTIP expenses.

*Special Education Equipment Approvals should be reported at code point 5505. **NEW***

Schedule 10ADJ – Adjustments for Compliance Purposes

The name of this form has changed from Operating Fund - Adjustments for Compliance Purposes, to Adjustments for Compliance Purposes.

This form has been changed in that column 13 (Principal payments and increase in sinking funds on long term debt) has been deleted. (*not applicable to hospital boards in the past*)

Similarly, the functionality of column 17 has changed. Previously, the column was called Increase/ (Decrease) in Non-Financial Assets. This adjustment to expenses is also no longer required.

Now, column 17 is called Change to Employee Benefit Expense Due to Plan/Benefit Changes.

Effectively, hospital boards are now responsible for any changes to the PSAB benefit expense that arises due to net enhancements to benefits.

Unfunded Liabilities – Accrued Vacation:

Vacation accruals are included in expenses under PSAB. This expense is the amount that should be recorded on Schedule 10. To the extent that this amount differs from the amount paid, the offsetting difference is included in the Increase/ (Decrease) in Unfunded Liabilities – Vacation Accrued column on Schedule 10ADJ (Adjustments for Compliance Purposes) in Column 15. If the PSAB expense is greater than the amount paid in cash, the unfunded liability has increased, which is recorded as a positive number on Schedule 10ADJ. Starting in 2011-12, this amount will no longer be excluded from compliance. As vacation accruals are determined by hospital boards' vacation policy, hospital boards are encouraged to start looking at options to address this expense.

Unfunded Liabilities – Employee Benefits:

Actuarially determined amounts for retirement benefits, post-employment benefits, compensated absences and termination benefits are recorded in expenses as required by Sections 3250 and 3255 of the PSAB Handbook. To the extent that this amount differs from the amount paid in cash, the offsetting difference is included in the Increase/ (Decrease) in Unfunded Liabilities – Employee Benefits column on Schedule 10ADJ (Adjustments for Compliance Purposes) in Column 16. If the PSAB expense is greater than the amount paid in cash, the unfunded liability has increased, which is recorded as a positive number on Schedule 10ADJ.

Changes to Employee Benefit Expense Due to Plan/Benefit Changes - *New*

By recording the increase/(decrease) in unfunded employee benefit liabilities in column 16, hospital boards have effectively been measured for compliance in this category on a cash basis. Starting in 2010-11, this is changing. As a result, column 17 has been added (Change to Employee Benefit Expense Due to Plan/Benefit Changes). Effectively, hospital boards are now responsible for any changes to the PSAB benefit expense that arises due to net enhancements to benefits. This definition will be in place for 2010-11 and 2011-12, consistent with the labour framework agreements that call for benefit levels to remain unchanged, with the exception of the introduction of the \$33 million enhancement. A longer-term solution will be developed addressing funding and compliance in connection with future labour and benefit discussions. When determining the impact of the \$33 million enhancement, it is important to cost out the PSAB expense, not just the cash requirements.

If the PSAB expense is higher than the enhancement funding, hospital boards will have to fund this pressure from other sources. In column 17, record the increase or decrease to the PSAB benefit expense that is attributable to any net enhancements to benefits. If the PSAB expense increased, record a positive number on Schedule 10ADJ. Similar to how hospital boards estimate the amount to enter in column 16 for the increase or decrease in the unfunded employee benefit liability, hospital boards will also estimate the amount entered in column 17. Hospital boards that negotiate plan changes should do so in consultation with an actuary, thus the hospital board would be aware of the impact of the plan change on the PSAB expense

Column 20 and Column 21 are for Ministry use only and require no data entry.

Projected Enrolment for 2010-11

This page is used to capture projected average enrolment for 2010-11. The full time equivalent enrolment of pupils is to be reported for each month end within the school year and is calculated as instructed on the enrolment schedule. This information drives analysis performed by ministry staff. Take extra care in completing this schedule.

Calculation of Legislative Grants

There is no data entry required on this page. The calculation is driven entirely from the data entered on Schedules 9, 10 and 10ADJ.

Tuition Calculation

There is no data entry required on this page. The calculation is driven entirely from the data entered on Schedule 9, 10 and 10ADJ.

Staffing Data

Please fill out the form using the staffing full time equivalent numbers projected to October 2010. This information drives analysis performed by ministry staff. Please ensure that it is properly completed. (NOTE: Preparation time is no longer shown separately, it gets included with the staffing category that it relates to).

As a result of the changes made in 2008-09 to the Uniform Code of Account (2007:SB31), an additional line has been added to the professional and para-professional section, and the coordinators and consultants section to allow boards to report the FTE of Clerical/secretarial staff providing support to those functions.

Ministry Adjustment

This page is intended for Ministry use only during the 2010-11 review process. No data entry is required.