

Ministry of Education
Financial Analysis and
Accountability Branch

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Ministère de l'Éducation
Direction de l'analyse et de la
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2011: SB08

MEMORANDUM TO: Superintendents of Business

FROM: Andrew Davis
Director
Financial Analysis and Accountability Branch

DATE: April 8, 2011

SUBJECT: March 31, 2011 Financial Reporting Requirements

As in previous years, the March Report is required from the school boards in order for the ministry to meet the province's requirements to consolidate broader public sector organizations into province's audited financial statements. The objective of the 2011 March Report is to capture the asset and liability account balances as of March 31, 2011, 7 month revenues and expenses, supplementary notes information, government reporting entity inter-organizational balances, and finally the 7-month capital activity.

A) 7-Month Period Report (September 2010 to March 2011) – March report

Due to accounting changes and the capital wrap-up, updates to the reporting requirements for the March Report including the Ministry Prescribed Working Paper and the EFIS schedules were necessary this year. A new schedule (Schedule 23) has been added to track the board's accounts receivable from the Province for current and prior eligible capital expenditures. Boards are required to report Deferred Capital Contributions (DCC) in Schedule 24 of the March Report. Boards should review the "Summary of Changes for 2011 March Report" section of the instruction document before starting their work on the March Report. The detailed instructions on the March reporting on EFIS and Ministry prescribed working paper are available through the "Consolidation Reporting" link on the Ministry website at <http://faab.edu.gov.on.ca/>.

Boards are reminded to retain records of the March 31, 2011 general ledger and subledger accounts as well as other applicable records and documentation that support specified adjustments for the Ministry Prescribed Working Paper – for example, salaries expense calculation and the determination of accrued vacation balance as at March 31, 2011. Boards should also keep a detailed listing of the assets that contains the balance and activity information which supports schedule 22.

B) Specified Procedures Report

School boards are required to engage their external auditors to perform specified procedures on some of the schedules relating to the March 31, 2011 Financial Reporting Requirements. The results of the review should be reported to the Ministry in the form of a specified procedures report.

A sample specified procedures report, entitled “Accountants’ Report with Respect to the Period from September 1, 2010 to March 31, 2011”, is available on the Ministry website through the “Consolidation Reporting” link at <http://faab.edu.gov.on.ca/>.

This memorandum will also be sent to the school boards’ external auditors. However, to ensure receipt in all instances, school boards are asked to also forward to their auditors a copy of this memorandum.

C) Schedule 25 – Full Day kindergarten Accommodation Allocation

Cash payment for Full-Day Kindergarten accommodation allocation will be twice a year based on school boards’ March Report reporting and Financial Statement reporting. Information reported on schedule 25 – Full-Day Kindergarten accommodation allocation will be used to calculate the interim cash payment for Full-Day Kindergarten related expenditures.

Submission

March report submissions via EFIS are due by May 13, 2011.

The hardcopy print-out of the following must also be submitted to the Ministry **by the school board** by May 20, 2011:

- Specified Procedures Report
- Prescribed Working Paper
- Signed Management Representation Report (from EFIS)

All of the aforementioned hard copy submissions are to be mailed to the attention of:

Soundari Vigneshwaran
Business Analyst
Financial Analysis and Accountability Branch
21st Floor, Mowat Block
900 Bay Street
Toronto, Ontario M7A 1L2

Late Submissions

Because of the critical timelines for meeting the requirements of the 2010/11 public accounts, the ministry will not be able to extend the above timeline. Where a board submits the above reports after May 13, 2011, its regular cash flow will be reduced by 50% for the

June 2011 payment and to subsequent monthly transfer payments. Upon submission of the required reports, 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.

Contacts

Questions relating to the March 31, 2011 report instructions should be directed to:

Sangita Forodi at (416) 325-8584 (sangita.forodi@ontario.ca)

Andrew Yang at (416) 325-4212 (andrew.yang@ontario.ca).

For user/navigation assistance on EFIS, contact:

Soundari Vigneshwaran at (416) 326-9168 (Soundari.vigneshwaran@ontario.ca)

Sangita Forodi (416) 325-8584 (sangita.forodi@ontario.ca)

For login assistance, contact:

Mark Bonham (416) 325-8571 (mark.bonham@ontario.ca)



Andrew Davis

cc: Directors of Education