

Ministry of Education

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**2014: SB15**

MEMORANDUM TO: Superintendents of Business

FROM: Marie Li
Director
Financial Analysis and Accountability Branch

DATE: **June 26, 2014**

SUBJECT: **Attendance Recognition 2013-14 Year End Payment
and Sick Bank Top-Up Liability for 2013-14**

The purpose of this memo is to provide details on the one time payout related to attendance recognition. Eligible employees are entitled to a one-time payment if they meet certain attendance criteria in 2013-14. Boards will receive funding for this payout based on information submitted to the Ministry on the attached template.

After the close of the 2013-14 fiscal year, boards will receive funding to provide employees with the payout to which they are entitled as per the Legislative Grants for the 2013-14 School Board Fiscal Year regulation (Ontario Regulation 120/13). The entitlement is calculated as per Ontario Regulation 1/13 (Sick Leave Credits and Sick Leave Credit Gratuities), provided they meet the criteria within. The regulation provides for a payment to employees who were eligible to receive sick leave credits during fiscal 2013-14. It includes employees in bargaining units, except for CUPE members. Principals and vice-principals are excluded, regardless of their bargaining status.

An employee is eligible to receive a payment of an amount equal to one day of work provided that both of the following conditions are met:

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- I. The employee used less than six sick leave credits during the fiscal year or, if the employee's period of employment in the fiscal year was less than the ordinary period of employment for the employee's position, a prorated amount determined as:

$$(X/Y) \times 6$$

Where "X" is the number of days that the employee was employed in the position and "Y" is the number of days of employment that fall within the ordinary period of employment for that position. To further clarify, the above proration formula would apply to those employees who were allocated less than 11 sick leave credits paid at 100% salary. For those employees who were allocated the full 11 sick leave credits, the threshold of fewer than six full sick days would apply (proration not required).

- II. The employee took at least one unpaid day of leave during the fiscal year. For a permanent regular day school teacher, the mandatory unpaid day meets the criteria. Other employees would be required to have taken a VLAP (voluntary unpaid leave of absence program) day.

The payment shall be made at a rate of pay equal to one hundred percent of the employee's salary for the year (employee's daily rate). If the employee took more than one unpaid day and received a salary increment throughout the year, the payout shall be based on the higher daily rate of any unpaid days taken without exceeding 100% of the employee's salary.

This is consistent with the attendance recognition clause that was included in the relevant bargaining units' Memorandum of Understanding (MOU). Further clarification can be found in memorandum 2013:LR3 from Assistant Deputy Minister Tim Hawden, Education Labour Relations Division, entitled OSSTF MOU – Implementation Committee – Memo 3.

Implementation and Reporting

The attached Excel template is provided to school boards to aid in calculation of the amount payable to each eligible employee within each employee group. The Excel template contains a detailed calculation page and a summary page. Please submit the signed summary sheet to the Ministry by September 30, 2014. PDF copies of the signature page will be accepted. Please also send the electronic Excel template back to accountability.reports@ontario.ca. The detailed Excel worksheet is to aid boards in their calculation and is not required to be submitted.

Once the information is entered in the 2013/14 financial statements, the Ministry will process the payments upon receipt and review of the financial statements. As with all funding, the Ministry may perform a random audit of a sample of boards on the

information submitted and boards are therefore advised to keep any supporting documentation.

Sick Bank Top-Up Liability

Last year, the Ministry issued memorandum 2013:SB23 – Actuarial valuation for 2012-13 sick leave top-up liability which required boards to obtain a one-time actuarial valuation for the new sick bank liability. As a reminder, school boards are not required to obtain an actuarial valuation for 2013-14. However, boards are required to complete the top-up liability template provided with last year's memorandum and submit it to their Financial Analyst once their financial statements are finalized. The template should be updated to reflect the number of employees with banked sick days at the end of 2013-14 and maintain the same usage probabilities determined by their actuaries for 2012-13. Boards may choose to update their usage probabilities for 2013-14 based on discussion with their actuaries however this would be at the discretion of the board.

If you require further information on the contents of this memo, please contact Elizabeth Sinasac, Senior Business and Policy Analyst at 416-325-8527 or Elizabeth.Sinac@ontario.ca.

Original signed by

Marie Li
Director
Financial Analysis and Accountability Branch

cc: Directors of Education