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2014: SB21

MEMORANDUM TO: Superintendents of Business

FROM: Marie Li
Director
Financial Analysis and Accountability Branch

DATE: September 15, 2014

SUBJECT: **2013-14 Financial Statements Forms (DSBs)**

I am pleased to inform you that the 2013-14 Financial Statements, related guides and instructions are now available through the Financial Statements link on the “Reporting to the Ministry” section of the Financial Analysis and Accountability Branch (FAAB) website at <http://faab.edu.gov.on.ca/>

Please submit your 2013-14 Financial Statements through EFIS 2.0 at <https://efis.fma.csc.gov.on.ca/workspace/index.jsp>. Files that will assist boards in completing their financial statements have been posted on the “Reporting to the Ministry” section of the FAAB website.

Information Sessions

The Ministry will hold information sessions this month to highlight changes to the financial statements as well as providing updates in other areas, including:

- New functionalities in EFIS 2.0 on Tangible Capital Assets (TCA) detail input and ONSIS enrolment data
- New PSAB reporting requirement on contaminated sites
- Clarification on Teacher Qualification and Experience (Q&E) reporting
- Updates to the Capital Analysis and Planning Template (CAPT)

A presentation on the Teacher Q&E allocation and reporting has been added to the training session this year. As the regulations related to the Teacher Q&E allocation have received some significant revisions in the recent years, the objective of the presentation is to provide further clarification on how the regulations should be interpreted through the use of practical scenario

based examples. In addition, the Ministry will be undertaking some audits on the Teacher Q&E allocation in spring 2015. While the audit plan is currently being developed, it is anticipated that the Teacher Q&E audit will be included as part of the Ministry enrolment audit process.

Dates and locations of the upcoming information sessions have recently been sent to school boards and their auditors.

Labour Enhancements

Attendance Recognition payment

Regarding the one-time payment related to Attendance Recognition, as per Memorandum 2014: SB15, 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). Boards will calculate the funding using the Excel template provided by the Ministry in Memorandum 2014:SB15 and input it into the EFIS form.

Sick Bank Top-Up Liability

As a reminder, school boards will report a sick bank liability for August 31, 2014, which will represent the expected future use of employees' 2013-14 unused sick leave days (sick days paid at 100%). School boards are not required to obtain an actuarial valuation of the liability for 2013-14. However, as in the prior year, boards are required to complete the sick bank liability template provided (see attachment), to estimate the ending liability balance as of August 31, 2014 and submit it to the Ministry 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.

ONSIS enrolment data refresh and cut-off

As indicated in Memorandum 2014: SB17, the enrolment from ONSIS is now loaded directly into EFIS 2.0 on a daily basis. Any changes made in ONSIS at the end of a day will be refreshed in EFIS 2.0 by noon, the next working day. This refresh process will continue until September 30, 2014. Boards are advised to review their enrolment information in EFIS 2.0 and make any corrections in ONSIS before the cut-off date.

School ID Process

In Memorandum 2013: SB37, the Ministry has requested that school boards verify the list of all operating schools for 2013-14 and 2014-15 based on the Ministry's most current information which includes all available metadata as of December 2013. The Ministry had reviewed the submitted lists and contacted the boards if any additional information was required. Any schools that are not on the final list will not be entitled to school based funding for the 2013-14 Financial Statements.

Capital Analysis and Planning Template (CAPT)

As in previous years, boards will be required to submit the Capital Analysis and Planning Template (CAPT) as part of the year-end reporting process to the Ministry. As a reminder this template is used for various purposes such as OFA financing requests, approval to proceed for capital projects requests, capital priorities support tool, tracking system for capital projects and to assess a board's financial capital position. CAPT's will be pre-populated with capital and financial data based on the most recent approved CAPT (2012-13) and any new projects approved by the Ministry during the 2013-14 fiscal year. Boards are asked to review and update the CAPT to ensure all approved projects post August 31, 2013 and capital activities during 2013-14 are reflected. Boards are also required to provide updated information with regards to their financial position, as reported in their 2013-14 financial statements.

CAPT's will be available to boards by late-September. Boards are asked to submit their updated CAPT to the Ministry by November 28, 2014 to ensure sufficient time for Ministry's review to support OFA financing requests.

GSN regulation amendments

The Ministry is seeking approval to amend the GSN regulations for 2013-14, 2012-13 and 2010-11 related to the approval amounts under Capital Priorities programs, NPP & Other GPL programs and Transportation allocations. The EFIS forms reflect these amendments which are conditional upon the approval by the Lieutenant Governor in Council.

Submission of Financial Reports

Financial Statements

Please submit electronically by November 14, 2014 a copy of:

- Certificate of the Director of Education
- Compliance Report
- Schedules 1, 1.1, 1.2, 1.3;9, 10 and 10ADJ
- Section 1A summary;
- The audited Financial Statements, including the auditor's report and the notes.
- Sick bank liability template

Only the Certificate from the Director of Education and Schedule 1 in the aforementioned documents require the signatures from the Director of Education and the Chair.

The documents should be saved in pdf file format and submitted as an attachment to the following email: financials.edu@ontario.ca

The file name used should follow the [naming convention](#) specified on the FAAB website and boards are asked to include the following text in the subject line of the email "2013-14 Financial Statements Supporting Documentation – DSB ##".

To facilitate the Provincial budgeting process, EFIS forms must be submitted by November 14, 2014. Due to the timing of board meetings, the ministry is cognizant that the published financial statements, notes to the financial statements and auditor's report may not be finalized at November 14th. If this is the case, these three documents may be submitted after November 14th, but no later than December 5th. An EFIS submission is still required as of November 14th. If any financial information changes as a result of the board meeting, boards must resubmit the EFIS forms by December 5th.

Late Submissions

It is important that boards meet the due dates above because the information is needed for the interim reporting in the provincial budget. The ministry will implement cash flow penalties for financial statements that are not received in EFIS by November 14, 2014 except for instances where the ministry has granted an extension for submission based on extenuating circumstances. In those instances, cash flow penalties will be applied if the board does not submit by the extended date.

The board's regular cash flow will be reduced by 50% where a board has not submitted its Financial Statements in EFIS by November 14, 2014 (or a ministry approved extended date as noted above). Upon submission of the Financial Statements, 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

For questions relating to Attendance Recognition funding and Sick Bank Liability template, please contact Elizabeth Sinasac at (416) 325-8527 Elizabeth.Sinac@ontario.ca

Questions relating to the TCA detail input and activities for capital asset reporting should be directed to Soundari Vigneshwaran at (416) 326-9168 or Soundari.vigneshwaran@ontario.ca or Sangita Forodi at (416) 325-8584 Sangita.Forodi@ontario.ca

For other questions on the financial statements package, please contact your Ministry Financial Analyst. The complete listing of the Financial Analysts and their contact information can be found on the FAAB website under the "Contact Us" section at http://faab.edu.gov.on.ca/Contact_Us.htm

For user/navigation assistance on EFIS, contact:

Stevan Garic	(416) 327-0697 or Stevan.Garic@ontario.ca
Emily Wells	(416) 325-2036 or Emily.Wells@ontario.ca
Olivia Iemma	(416) 325-2052 or Olivia.Iemma@ontario.ca
Martin Fry	(416) 327-9061 or Martin.Fry@ontario.ca

For login assistance, contact:

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

Original signed by

Marie Li
Director
Financial Analysis and Accountability Branch

cc: Directors of Education