

Ministry of Education

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Ministère de l'Éducation

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**2014: SB25**

MEMORANDUM TO: Superintendents of Business

FROM: Marie Li
Director
Financial Analysis and Accountability Branch

DATE: **October 15, 2014**

SUBJECT: **2014-15 Revised Estimates**

I am pleased to inform you that the 2014-15 Revised Estimates and instructions detailing the changes for this year are now available through the Revised Estimates link on the "Reporting to the Ministry" section of the website at <http://faab.edu.gov.on.ca/>.

Contaminated Sites

The new PSAB accounting standard on Liability for Contaminated Sites (PS3260) is applicable for fiscal years beginning on or after April 1, 2014 (i.e. the 2014-15 school year). The Ministry has previously communicated to the sector in May 2014 regarding this new standard through memoranda 2014:B07 and 2014:SB13.

The initial liability for contaminated sites will be applied retroactively without restatement, that is, it will be recorded as an adjustment to the opening accumulated surplus as at September 1, 2014. As was mentioned in the 2014:B07 and 2014:SB13 memoranda, the opening balance adjustment will not impact budget compliance for the 2014-15 year. Any subsequent liabilities for new contaminated sites or changes in liabilities for existing contaminated sites will however impact the in-year expense and budget compliance.

Although boards are not required to report the liability related to contaminated sites at this point, the ministry has added a line in Schedule 5 "Accumulated Surplus" in preparation that this information will be reported in the 2014-15 financial statements. Boards are encouraged to report the liability if the balance can be estimated or

determined at this point. Boards are however reminded that they will be required to provide information on liabilities for contaminated sites for the March 2015 report.

Ministry Approval for In-Year Deficit

Please be reminded that in accordance with section 231 of the Education Act, school boards must seek the Minister's approval for an in-year deficit that exceeds the lesser of: 1) the accumulated surplus available for compliance from the preceding year or 2) one percent of the board's operating allocation. The approval from the Ministry must be obtained at any point during the fiscal year when it becomes known to the board that its projected in-year deficit will exceed the threshold set out in section 231 of the Education Act. A new Ministry approval is required if the projected in-year deficit has increased from any previously approved amounts related to the same school year.

The deficit approval process has been modified such that it is now automated in EFIS 2.0. A new deficit approval form has been added under the Input and Results folders of the task list, which is prepopulated with most of the required data elements. Boards are only required to input the explanation for the deficit.

For more details on how to submit the approval request, please refer to the detailed instructions for the 2014-15 Revised Estimates.

Submission

Boards are required to submit their 2014-15 Revised Estimates by December 15, 2014 through EFIS at <https://efis.fma.csc.gov.on.ca/workspace/index.jsp>

Paper documents are no longer required to be mailed to the Ministry to support boards' active EFIS submission. Instead, a copy of the following documents should be submitted electronically, from the active EFIS submission:

- Certificate from the Director of Education;
- Compliance Report;
- Schedule 9;
- Schedule 10;
- Schedule 10ADJ;
- Section 1A summary (all pages); and

The documents should be sent as a PDF file by email to revest@ontario.ca as an attachment and should not be directly inserted into the body of the email.

Only the Certificate from the Director of Education in the aforementioned documents requires the Director of Education's signature. The file name used should follow the

naming convention specified on the website located at
[http://faab.edu.gov.on.ca/Revised Estimates 14-15.htm](http://faab.edu.gov.on.ca/Revised_Estimates_14-15.htm).

To facilitate the management of our electronic filing, boards are asked to include the following text in the subject line of the email "2014-15 Revised Estimates Supporting Documentation – DSB ##".

Late Filing

The policy on late filing will be applicable to the 2014-15 Revised Estimates. Where a board submits its Revised Estimates after December 15, 2014, its regular cash flow will be reduced by 50% for January 2015 and subsequent monthly transfer payments. Upon submission of the Revised 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.

Contacts

For questions on the Revised Estimates 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](http://faab.edu.gov.on.ca/Contact_Us.htm)

For user/navigation assistance on EFIS, contact:

Stevan Garic at (416) 327-0697 or Stevan.Garic@ontario.ca

Emily Wells at (416) 325-2036 or Emily.Wells@ontario.ca

Olivia lemma at (416) 325-2052 or Olivia.lemma@ontario.ca

Martin Fry at (416) 327-9061 or Martin.Fry@ontario.ca

For login assistance, contact:

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

Original signed by

Marie Li
Director
Financial Analysis and Accountability Branch

cc: Directors of Education