

Ministry of Education
Financial Analysis and
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Direction de l'analyse et de la
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2015: SB07

MEMORANDUM TO: Senior Business Officials
Superintendents of Business

FROM: Marie Li
Director
Financial Analysis and Accountability Branch

DATE: April 1, 2015

SUBJECT: March 31, 2015 Financial Reporting Requirements

As in previous years, the March Report is required from school boards to consolidate broader public sector organizations into the province's audited financial statements. The objective of the 2015 March Report is to capture the asset and liability account balances as of March 31, 2015, 7-month revenues and expenses, supplementary notes information, government reporting entity inter-organizational balances, and finally the 7-month capital activity.

A. March Report (September 2014 to March 2015)

The reporting requirements for the 7-month period March Report are very similar to the forms released last year. The major change is that the forms were moved from the EFIS platform to EFIS 2.0. Also, the boards previously submitted information in both EFIS and in Excel documents (i.e. the Ministry Prescribed Working Papers). The Ministry Prescribed Working Papers are no longer required, since this reporting has been incorporated into EFIS Schedules 19 and 20. Boards should review the "Summary of Changes for 2015 March Report" section of the instruction document before starting their work on the March Report. The main changes this year are listed below:

- Due to the new Public Sector Accounting Board (PSAB) standard 3260, boards are required to record any liabilities for contaminated sites starting in 2014-15. This information will be recorded on:
 - The consolidated statement of financial position on Schedule 19, line 2.21.

- The liability for contaminated sites Schedule 26 (new).
- The notes to the financial statements Schedule 20SUP.
- The instructions for reporting local tax revenues on Schedule 20 have been clarified, consistent with the information provided at the Fall 2014 Ministry Training Sessions.
- Boards are no longer required to report asset level detail on assets held for sale (Schedule 22A).
- Education Program Other (EPO) funding will be reported on a new schedule, Appendix E, consistent with reporting in the 2014-15 revised estimates.
- Completion of the Management Report is mandatory. Contact information must be included; otherwise, it is not possible to submit the March Report.

Generally, the schedules have been updated to correspond to the 2013-14 financial statements and 2014-15 revised estimate forms. The detailed instructions on the March Report are available through the “Consolidation Reporting” link on the [Ministry website](#). Boards are reminded to retain records of the March 31, 2015 general ledger and sub-ledger accounts, as well as other applicable records and documentation that support specified adjustments on Schedules 19 and 20. Boards should also keep a detailed listing of the assets that support Schedule 22 (i.e. balance and activity information).

B. Specified Procedures Report

Consistent with prior years, school boards are required to engage their external auditors to perform specified procedures on some of the schedules relating to the March 31, 2015 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, 2014 to March 31, 2015”, is available on the [Ministry website](#) through the “Consolidation Reporting”.

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. The main changes this year include:

- New procedures on the liabilities for contaminated sites.
- Clarification of the instructions for reporting local tax revenues.

C. Contaminated Sites Process Questionnaire

As noted above, starting in the 2014-15 year, the province and school boards are required to report any liabilities for contaminated sites, as per PSAB standard 3260. As part of the 2015 provincial Public Accounts reporting process, the Office of the Auditor

General of Ontario (OAGO) is reviewing school boards' reporting of liabilities for contaminated sites. To facilitate this review, boards are required to complete a questionnaire on the process used to identify the liabilities for contaminated sites. The OAGO may follow-up with some or all boards on the information submitted. This questionnaire is available on the [Ministry website](#) through the "Consolidation Reporting" link.

D. Submission

March report submissions via EFIS are due by **May 15, 2015**. The Specified Procedures Report, the signed Management Representation Report (printed from EFIS) and the Contaminated Sites Process Questionnaire must also be submitted to the Ministry by the school board by **May 22, 2015**. Please e-mail PDF versions of the three documents above to reporting.entity@ontario.ca, using the subject "2014-15 March Report - <2-digit board number> <board name>". For example, "2014-15 March Report - 12 Toronto DSB". Please use the following naming convention for the PDF files:

- <2-digit board number><board name> 2014-15 Specified Procedures Report
 - Ex. "12 Toronto DSB 2014-15 Specified Procedures Report"
- <2-digit board number><board name> 2014-15 Management Representation
 - Ex. "12 Toronto DSB 2014-15 Management Representation"
- <2-digit board number><board name> Contaminated Sites Questionnaire
 - Ex. "12 Toronto DSB Contaminated Sites Questionnaire"

1. Late Submissions

Due to the critical timelines for meeting the requirements of the 2014-15 public accounts, the Ministry will not be able to extend the above timeline. Where a board submits the above reports after May 15, 2015, its regular cash flow may be reduced by 50% for the June 2015 payment and for 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.

2. Contacts

Questions relating to the March 31, 2015 report instructions should be directed to:

- Elizabeth Sinasac at (416) 325-8527 (elizabeth.sinasac@ontario.ca), or
- Andrew Yang at (416) 325-4212 (andrew.yang@ontario.ca)

For user/navigation assistance in EFIS, please contact:

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

For login assistance, contact:

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

Original signed by

Marie Li
Director
Financial Analysis and Accountability Branch

cc: Directors of Education School Board Auditors