

Ministry of Education

Education Labour and Finance Division **Ministère de l'Éducation**
Division des relations de travail et du financement en matière d'éducation

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2019: SB13

MEMORANDUM TO: Secretary Treasurers of School Authorities (Isolate Boards)

FROM: Doreen Lamarche
Executive Director – Education Finance Office
Education Labour and Finance Division

DATE: **September 5, 2019**

SUBJECT : **2019-20 Estimates Forms for School Authorities (Isolate Boards)**

2019-20 Estimates Forms

We are pleased to inform you that the 2019-20 Estimates forms and related instructions for school authorities (isolate boards) are available. The Excel forms, along with the instructions for completion and the Technical Paper Addendum for Isolate Board School Authorities will be provided to each authority separately.

NOTICE:

The changes to the 2019-20 Grants for Student Needs (GSN) were announced in memorandums [2019:B14 Grants for Student Needs \(GSN\) Funding for 2019-20](#); [2019:SB07 Special Education Grant Funding for 2019-20](#); [2019:SB08 Student Transportation – Grants for Student Needs, 2019-20](#); [2019:SB02 Key Planning Details for Attrition Protection](#); [2019:B08 New Vision for Education](#); and [2019:B06 Budget Planning Information for 2019-20](#). The forms reflect the adaptations to the GSN for isolate boards.

Details of the funding model are outlined in the [Technical Paper](#), found on the ministry's public website at <http://www.edu.gov.on.ca>. The Technical Paper Addendum for Isolate Board School Authorities includes specific funding items unique to isolate boards.

Balanced Budgets

Bill 100, Protecting What Matters Most Act (Budget Measures), 2019 proposes changes to the Education Act that would remove the provisions that permit isolate boards, without minister's approval, to incur an in-year deficit. The Bill also proposes a new regulation-making power that would allow the Lieutenant Governor in Council to make regulations to set out the circumstances in which an isolate board may have an in-year deficit, and the maximum amount of the deficit.

Should the Bill receive Royal Assent, the ministry intends to propose to the Lieutenant Governor in Council a regulation that would:

- Indicate that an isolate board is expected to balance its budget in 2019-20. However, an isolate board may incur an in-year deficit up to the lower of 1 per cent of the isolate board's operating revenue or the accumulated surplus for the preceding school year, consistent with the requirements as they are currently set out in the Education Act.
- Include a new requirement where a plan/resolution must be submitted by an isolate board, with its estimates submission, showing the elimination of the in-year deficit within two years. For plans submitted with the 2019-20 Estimates submission, the deficit must therefore be eliminated no later than the 2021-22 school year.

Any deficit over the threshold would still require formal approval from the Minister before isolate boards can pass their budget. Please contact your financial analyst and finance officer if the isolate board incurs any in-year deficit.

Submission

The Estimates are due to the ministry by September 30, 2019. In the event that the Estimates are filed after this date, cash flow penalties may be implemented to reduce the school authority's regular cash flow by 50 per cent. Upon submission of the Estimates, the ministry will revert back to the normal monthly payment process and will include the total amount withheld up to that point in the monthly payment.

The electronic version of the Estimates is to be emailed to estimates.met@ontario.ca. In the same email please include a PDF copy of the Certificate signed by the Chief Executive Officer. Please do not insert any of the attachments in the body of the email. To facilitate the management of our electronic filing, isolate boards are asked to include the following text in the subject line of the email “2019-20 *Estimates Supporting Documentation – [Isolate Board Name]*”.

Contacts

If you have any questions related to the completion of the Estimates package, please contact Elain Kwan at (437) 216-4454 or elain.kwan@ontario.ca.

Original signed by

Doreen Lamarche
Executive Director
Education Finance Office

c: DSAB Supervisory Officers, DSAB External Auditors