

Ministry of EducationFinancial Analysis and
Accountability Branch315 Front Street West
Toronto ON M7A 0B8**Ministère de l'Éducation**Direction de l'analyse et de
la responsabilité financières315, rue Front Ouest
Toronto (Ontario) M7A 0B8**2020: SB03**

MEMORANDUM TO: Senior Business Officials

FROM: Med Ahmadoun
Director
Financial Analysis and Accountability Branch

DATE: March 31, 2020

SUBJECT: **March 31, 2020 Financial Reporting Requirements**

This memorandum is provided to share this year's March Report Submission requirements. As school boards are aware, this financial submission is an important element of government financial reporting supporting the province's Public Accounts process.

The ministry acknowledges that these are extraordinary times and are mindful of the level of coordination required with school board external auditors as most are working remotely from their workplaces therefore additional flexibility has been added to this submission element, further detailed in this memorandum.

September 1, 2019 to March 31, 2020 March Report Changes

The reporting requirements for the March Report are mostly consistent with last year's March Report. Boards should review the "Summary of Changes for the 2020 March Report" section of the instruction document before starting their work on the March Report. Generally, the schedules have been updated to correspond to the 2018-19 financial statements and 2019-20 revised estimates EFIS forms. The main changes to the March Report this year include the following eight changes:

- Schedule 19 – A new line for cash equivalents has been added to distinguish cash and cash equivalents.
- Schedule 19SUP – This new/combined schedule includes the following sections:
 - A new long-term investment continuity and portfolio investment details, as in prior years.

- Section for debt maturity, as in previous years.
- A new section for non-cash TCA additions.
- Schedule 21A – A new Accounts Receivable line was added for Delayed Grant Payment.
- Schedule 21E Operating – The Education Programs-Other (EPO) line has been renamed Priorities and Partnerships Fund (PPF).
- Schedule 21E Capital – Deferred Revenue line for School Condition Improvement – Old, has been removed. The Education Programs-Other (EPO) line has been renamed Priorities and Partnerships Fund (PPF).
- Schedule 23 – The following updates were made on Schedule 23:
 - Reporting for Community Hubs Funding Source and Greenhouse Gas Reduction 2017-18 have been removed.
 - Two new columns, “Additional Approved Prior Years’ Operating Expenses” and “Current Year Operating Expenses” for Child Care Capital Project have been added.
 - Capital Expenditure Detail for POD Exempted, POD – Other, and POD – Regular have been added.
- Appendix M – Consistent with Memorandum 2020: SB01, Eligible Expenses Resulting from Labour Disruption, Appendix M has been added to report the amount of strike savings and eligible expenses incurred as at March 31, 2020.
- Appendix P - Consistent with the 2018-19 Financial Statements, Appendix P has been added to include commitments of school renewal deferred revenues and school condition improvement grant room remaining as at March 31, 2020.

Strike Savings and Eligible Expenses Resulting from Labour Disruption

School boards experiencing a strike or lock-out are required to report the amount of strike savings and eligible expenses incurred as of March 31, 2020 in Appendix M in the Education Financial Information System (EFIS). Please refer to Memorandum 2020: SB01 published on February 11, 2020 for the updated guideline that outlines the criteria used for the approval of expenses related to any strike and the method to calculate strike savings. Relevant details have also been included in the March Report instruction document.

Reporting Renewal Expenditure in VFA.facility

Boards are required to enter capital expenditures (including adjustments) for the following programs in VFA.Facility: School Condition Improvement (SCI), Proceeds of Disposition (POD)-Regular, POD-Exempt and POD-Other.

Reported expenditures will be uploaded nightly into EFIS until May 8, 2020 and on request after this date. As a reminder, projects need to be locked in VFA.Facility to be successfully

transferred to EFIS. For all expenditures, please ensure that you specify the appropriate funding source, the cost incurred in the reporting interval and the associated fiscal year.

Please note that you must also complete Appendix P, which details your commitments associated with renewal funding.

Note that the use of capital funds is subject to audit. The ministry may choose to follow up on reported expenditures. Failure to provide details requested by the ministry will result in either a claw back or withholding of funds.

Instructions and Accountability

The detailed instructions on the March Report are available through the "[Consolidation Reporting](#)" link on the ministry website. School boards are reminded to retain records of the March 31, 2020 general ledger and sub-ledger accounts, as well as other applicable records and documentation that support the specified adjustments on Schedules 19 and 20. School boards should also keep a detailed listing of the assets that support Schedule 22 (i.e. balance and activity information).

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 Report ending March 31, 2020.

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, 2019 to March 31, 2020", is available on the ministry website through the "[Consolidation Reporting](#)" link.

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 a copy of this memorandum to their auditors. No substantive changes have been made to the specified procedures report this year.

Due Date and Submission

School boards are requested to meet the regular May 15, 2020 March Report submission via EFIS but given the evolving COVID-19 situation, the ministry will advise if this due date may be extended in the days to come should circumstances change further.

The Specified Procedures Report should be submitted as soon as possible after the submission of the March Report; however, in recognition of the coordination efforts required with external auditors, school boards will be given two additional weeks and should submit them no later than June 5, 2020.

Consistent with previous year, the Specified Procedures Report and the signed Management Representation Report (printed from EFIS in PDF format) should be submitted to the ministry.

School boards should send the three documents above, as they are ready, to reporting.entity@ontario.ca, using the subject “2019-20 March Report - <2-digit board number> <board name>”, for example, “2019-20 March Report - 12 Toronto DSB”. Please use the following naming convention for the files:

- <2-digit board number><board name> 2019-20 Specified Procedures Report
 - Ex. “12 Toronto DSB 2019-20 Specified Procedures Report”
- <2-digit board number><board name> 2019-20 Management Representation
 - Ex. “12 Toronto DSB 2019-20 Management Representation”

As mentioned previously, it is important to ensure all March Reports are received in time for consolidation into the Province’s Public Accounts. However, if a school board requires assistance or special consideration due to the impact of current COVID-19 conditions, the ministry would be pleased to assist.

Contacts

For user/navigation assistance on EFIS, questions about the March 2020 Report and the Accountant’s Report, please contact:

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For user ID login and password assistance, contact:

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EFIS Support	N/A	efis.support@ontario.ca

Originally signed by

Med Ahmadoun
Director

C: Directors of Education
School Board External Auditors