

**Ministry of Education**

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**2022: SB31**

**Date:** November 8, 2022

**Memorandum To:** Secretary Treasurers of School Authorities (Isolate Boards)

**From:** Med Ahmadoun  
Director  
Financial Analysis and Accountability Branch

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Director  
Education Modelling and Forecasting Branch

**Subject:** **2021-22 Financial Statements for School Authorities (Isolate Boards)**

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We are pleased to inform you that the 2021-22 financial statements forms, including the related instructions, are now available.

The ministry encourages isolate boards to share this memorandum, along with the related instructions, with their external auditors to support the completion of their 2021-22 financial statements audits.

There are two main changes to the reporting process this year as follows: (1) a new SharePoint site for financial reports submission, and (2) the library funding multi-year plan. Please see these and other updates further detailed below.

We are also sharing some financial reporting reminders below:

- Isolate boards are required to follow the illustrative notes to the financial statements when preparing their audited financial statements, unless, in consultation with their

auditor, a different note better reflects the unique circumstances of the isolate board. Sample illustrative notes are included in the 2021-22 financial statements release email.

- Isolate boards are reminded to publish their audited financial statements, including the auditor's report on the isolate board's website within one month after receiving it. A signed statement of management responsibility to all audited financial statements currently published on isolate board websites should be appended and included on all future financial statements at the time they are issued.
- Entities controlled by isolate boards, such as transportation consortia, are required to post their audited financial statements on their website within six months of the end of the organization's fiscal year.

## **IMPORTANT INFORMATION ON 2021-22 FINANCIAL STATEMENTS REPORTING**

### **Reporting of Provincially Procured Personal Protective Equipment (PPE), Critical Supplies and Equipment (CSE), High Efficiency Particulate Air (HEPA) Filters, Rapid Antigen Test Kits (RAT) and Devices from the Ministry of Public and Business Service Delivery (MPBSD), formerly the Ministry of Government and Consumer Services (MGCS)**

Consistent with reporting in the prior year's financial statements, isolate boards are required to report their PPE and CSE revenue and expenses in their 2021-22 Financial Statements. Starting in 2021-22, this also includes HEPA filters and units received directly from the MPBSD as well as RATs. PPE, CSE, HEPA and RAT in-kind revenues are to be reported based on the quantities received by the isolate boards, using the costing information provided by the ministry. Any inventory that is not projected to be used during the current reporting period should be recorded as inventory of supplies and deferred revenue; however, these amounts are expected to be minimal.

The costing information is based on weighted average costs and is available in a costing file attached as part of this email release.

### **Retroactive adjustments for Principals' and Vice-principals' (PVP) 2020 - 2023 Terms and Conditions of Employment**

The retroactive adjustments for the 2021-22 and 2020-21 school years to reflect PVPs' 2020-2023 terms and conditions of employment will be applied to both the 2020-21 and 2021-22 financial statements' forms after the isolate boards submit their 2021-22 financial statements' forms.

## **UPCOMING CHANGES FOR FUTURE YEARS' REPORTING**

### **Public Sector Accounting Standards (PSAS) Effective for the 2022-2023 School Year**

Five new PSAS are coming into effect for fiscal years beginning on or after April 1, 2022. For isolate boards, these will be effective for the school years starting September 1, 2022. These new standards are:

PS 1201 – Financial Statement Presentation

PS 2601 – Foreign Currency Translation

PS 3041 – Portfolio Investments

PS 3450 – Financial Instruments

PS 3280 – Asset Retirement Obligations

While the impact of these accounting standards is expected to be minimal for isolate boards, the ministry encourages each isolate board to have discussions with their auditors regarding their implementation. Training materials are included in the 2021-22 financial statements release email.

## **SUBMISSION OF 2021-22 FINANCIAL REPORTS**

### **SharePoint Site**

The ministry is pleased to share that the process to submit documentation for isolate board financial reports (Estimates and Financial Statements) is being simplified beginning November 2022. In previous years, isolate boards have submitted documentation via different email addresses. To streamline the submission process, the ministry has set up a SharePoint site where isolate boards are requested to provide the documentation starting this fall. Please refer to Appendix A included in the release email for instructions on how to access the SharePoint site.

### **Appendix Q – Reporting of *Putting Students First Act (PSFA)* Remedy Payments**

Isolate boards are required to report back to the ministry any eligible payments made between September 1, 2021 and August 31, 2022 in Appendix Q in order to receive the appropriate funding. Payment details should be entered in the template, which is included in the release email. Completed templates should be uploaded to the SharePoint site by **December 30, 2022**. Funding for any successful remedy payments will be made through the existing remedy transfer payment agreement. Isolate boards are also required to report the total value of 2021-22 remedy payments in Appendix Q of the financial statements' forms.

### **Library Funding Multi-Year Plan**

Isolate boards that are not fully utilizing the funding provided for library staffing through the Pupil Foundation Grant, along with the existing enveloping provision of the Library Staff Allocation are required to submit a multi-year plan highlighting their vision and next steps to address any underspending in this area. This template is included in the 2021-22 financial

statements release email. Completed templates should be uploaded to the SharePoint site by **December 30, 2022**.

### Financial Statements

Please upload your 2021-22 audited financial statements, including the following documents to the SharePoint site by **December 30, 2022**.

· The certificate signed by the Supervisory Officer (in PDF)
· The audited financial statements, including the auditor's report and the accompanying notes (in PDF)
· Remedy payments template, if applicable (in Excel)
· Library Funding multi-year plan, if applicable (in Excel)

### Late Submissions

If the isolate board is unable to meet the reporting deadline due to extenuating circumstances, please contact your ministry financial analyst or officers to discuss the need for an extension to the due date.

If the financial statements' submission is not received by the due date, the ministry may implement cash flow withholding until the submission is received. The cash withholding amount is equal to a 50% reduction in the isolate board's regular cash flow. Upon submission of the financial statements, the ministry will revert to the normal monthly payment process and will include in the monthly payment the total amount withheld up to that point.

### CONTACTS

If you have any questions related to the completion of the financial statements' package, please contact your financial analyst and finance officers for clarifications.

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Sincerely,

*Original signed by*

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cc: Isolate Board Supervisory Officers