

Ministry of Education315 Front Street West
Toronto ON M7A 0B8**Ministère de l'Éducation**315, rue Front Ouest
Toronto (Ontario) M7A 0B8**2023: SB02****Date:** March 31, 2023**Memorandum To:** Senior Business Officials
Superintendents of Facility**From:** Med Ahmadoun
Director
Financial Analysis and Accountability BranchPaul Bloye
Director
Capital Program Branch**Subject:** **March 31, 2023 Financial Reporting Requirements**

This memorandum is to share this year's March-related financial reporting requirements, including the Major Capital Project Progress Report. The 2023 March Reporting forms are now available in the Education Finance Information System (EFIS). Please see below for details on these two financial reporting requirements.

I. MARCH REPORT SUBMISSION REQUIREMENTS

September 1, 2022 to March 31, 2023 March Report Changes and Important Notes

1. The reporting requirements for the March Report have been updated to accommodate reporting related to the new accounting standards that came into effect for years beginning on or after April 1, 2022, including Asset Retirement Obligation (ARO). New schedules have been added to capture the new reporting, along with additions as required in existing schedules. School boards should review the "Summary of Changes for the 2023 March Report" section of the instruction document before starting their work on the March Report. In addition to the changes related to accounting standards, the schedules have been updated to correspond to the 2021-22 financial statements and 2022-23 revised estimates EFIS forms.
2. The reporting of provincially procured health and safety equipment remains the same as in the 2022-23 revised estimates. However, the costing information to be used is based

on the 2021-22 weighted average costs and is available in a costing file in the [File Download Portal \(FDP\)](#) under the 2021-22 Financial Statements folder.

3. The ministry is deferring the requirement to consolidate the Ontario School Boards' Insurance Exchange into school board March reporting and will provide direction once further information is available.

Reporting Renewal Expenditure in VFA.facility

For the purposes of the March Financial Reporting, school boards are required to report expenditures (including adjustments) for the following programs in VFA.facility:

- School Condition Improvement (SCI)
- Proceeds of Disposition (POD): Regular, POD-Exempt and POD-Other
- Investing in Canada Infrastructure Program (ICIP): COVID-19 Resilience Infrastructure Stream (CVRIS).

For ICIP related expenses, within VFA.facility, school boards will be required to identify whether the project is capital or operating in nature to facilitate the correct uploading into EFIS (please refer to the [District School Board and School Authority Tangible Capital Assets: Provincial Accounting Policies and Implementation Guide](#) for capitalization requirements).

ARO abatement spending has been enabled in VFA.facility and should be reported under the new UniFormat category F2030 for each applicable program:

- F203001 | Asbestos – Building Structure and Systems
- F203002 | Asbestos – Interior and Site
- F203003 | Fuel Tanks
- F203004 | Drinking Water Wells
- F203005 | Monitoring Wells
- F203006 | Fire Water Holding Tank
- F203007 | Lab Equipment
- F203008 | Other

Reported expenditures will be uploaded nightly into EFIS until Monday May 8, 2023, 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.

The use of capital funds is subject to audit. The ministry, or the federal government where applicable, may choose to follow up on reported expenditures. Failure to provide details requested by the ministry could result in either a claw back or withholding of funds.

Instructions, Supplementary Materials and Accountability

The instructions are available in the [Education Finance Information System \(EFIS\)](#).

Supplementary materials for the 2023 March Report are available to download in EFIS under the “Supplementary Material” folder in the S2223MAR application. These items include the sample specified procedures referenced below and resources related to ARO, such as a revised opening balance calculation example, transaction scenarios and journal entries, and a question-and-answer document.

School boards are reminded to retain records of the March 31, 2023 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 and liabilities that support Schedules 22, 22ARO, 27 and 28 (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 related to the March Report ending March 31, 2023.

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, 2022 to March 31, 2023”, is available for download in EFIS under the “Supplementary Material” folder in the S2223MAR application.

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 and the sample specified procedures to their auditors. Changes have been made to the specified procedures this year to include procedures related to new accounting standards effective for years beginning on or after April 1, 2022, including ARO. These procedures will cover opening adjustment balances, ARO liability calculation and recording, and adjustment entries related to implementation of the other new accounting standards. School boards should ensure they have accounted for these additional procedures in their planning for the reporting.

March Report Due Date and Submission

The March Report submission, via EFIS, is due by **Monday May 15, 2023**.

In addition, the following documents should be submitted by authorized users to the SharePoint site at [School Board Financial Reports](#) by **Tuesday May 23, 2023**.

Element	Naming Convention
Specified Procedures Report, in PDF (sample file in the Supplementary Materials folder in the S2223MAR application)	<2-digit school board number><school board name> 2022-23 Specified Procedures Report e.g., 12 Toronto DSB 2022-23 Specified Procedures Report

Management Representation Report, in PDF (obtained from school board’s March Report EFIS submission, signed by Senior Business Official)	<2-digit school board number><school board name> 2022-23 Management Representation e.g., 12 Toronto DSB 2022-23 Management Representation
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Late Submissions

It is important that school boards meet the due dates above as the information is needed for meeting the requirements of the 2022-23 Public Accounts, and the ministry may implement cash flow penalties for submissions that are not received in EFIS by the due date. If the school board is unable to meet the reporting deadline due to extenuating circumstances, please contact your ministry financial analyst to discuss the need for an extension.

II. MAJOR CAPITAL PROJECT PROGRESS REPORT REQUIREMENTS

School boards are required to complete the template for each capital project that has a remaining project-based allocation balance as of the 2021-2022 Financial Statement EFIS submission. Project-based allocations include the following funding programs: Capital Priorities, Land Priorities, Child Care Capital, Early ON Child and Family Centres, Community Hubs Replacement and Full Day Kindergarten. Information to be collected includes construction progress through various milestones, funding allocations, project expenditure schedule and potential Land Priorities funding requests. Detailed instructions are included in the template.

The template assists the ministry in strengthening its capital accountability process and gaining a better understanding of the development cycle of major construction projects within the education sector, while providing valuable information to support the government’s fiscal planning and budgeting process. School boards are required to use the best information available to ensure the accuracy of the forecasts.

School boards can access the file through the EFIS File Download Portal:

1. Login to EFIS at the following link:
https://efis.fma.csc.gov.on.ca/apex/f?p=EFIS_GOS:HOME
2. Under the tab “EFIS Internet-Enabled Applications”, go to “File Download Portal”.
3. Click on the file folder of your school board, then select the “MCP Template Spring 2023” file and choose “Save”.

If school boards need further guidance, the File Download Portal User Guide can be found [here](#).

The naming convention for completed templates is: XX_MCP_Spring2023_Board Name.xls (XX is the school board number).

The template is to be submitted by June 30, 2023 by authorized users to the SharePoint site at School Board Financial Reports.

Contacts

For user/navigation assistance on EFIS, please contact:

Name	Phone	Email
Rashid Khan	(437) 216-5059	Rashid.Khan@ontario.ca
Yan Chen	(437) 216-4933	Yan.Chen@ontario.ca

For questions about the March 2023 Report and the Accountant's Report, please contact:

Name	Phone	Email
Elizabeth Sinasac	(437) 216-5796	Elizabeth.Sinasac@ontario.ca
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Michelle Zheng	(437) 216-3697	Michelle.Zheng@ontario.ca

For questions related to CVRIS, SCI, POD and general VFA facility reporting, please contact:

Name	Phone	Email
Diamond Tsui	(416) 271-9760	Diamond.Tsui@ontario.ca
Eubert Isaacs	(416) 669-4354	Eubert.Isaacs@ontario.ca
Hitesh Chopra	(416) 258-3368	Hitesh.Chopra@ontario.ca

For EFIS user ID login and password assistance, please contact:

Name	Phone	Email
EFIS Support	N/A	efis.support@ontario.ca

For Major Capital Project Progress Report assistance or questions, please contact:

Name	Phone	Email
Sophie Liu	(647) 402-9597	Sophie.Liu@ontario.ca
Lisa Bland	(647) 641-2084	Lisa.Bland@ontario.ca

Sincerely,

Original signed by

Med Ahmadoun
Director
Financial Accountability and Analysis Branch

Original signed by

Paul Bloye
Director
Capital Program Branch

c: Directors of Education
School Board External Auditors