

Ministry of Education

Education Labour and Finance
Division

315 Front Street West
12th Floor
Toronto ON M7A 0B8

Ministère de l'Éducation

Division des relations de travail et du
financement en matière d'éducation

315, rue Front Ouest
12^e étage
Toronto (Ontario) M7A 0B8

2023: SB

Date: November , 2023

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

From: Andrew Yang
Director
Financial Analysis and Accountability Branch

Xiaofei Wang
Director
Education Modelling and Forecasting Branch

Subject: **2022-23 Financial Statements for School Authorities (Isolate Boards)**

We are pleased to inform you that the 2022-23 financial statements forms for isolate boards and its supporting documents are now available, and will be provided to each isolate board individually through email.

The ministry encourages isolate boards to share this memorandum, along with the related instructions in the supporting documents package, with their external auditors to support the completion of their 2022-23 financial statements audits.

IMPORTANT INFORMATION ON 2022-23 FINANCIAL STATEMENTS REPORTING

A. PUBLIC SECTOR ACCOUNTING STANDARD (PSAS) CHANGES

PSAS Effective for the 2022-2023 School Year

Five new PSAS came into effect for fiscal years beginning on or after April 1, 2022. For isolate boards, these were effective for the school year 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

The 2022-23 financial statement forms have been updated for these five new accounting standards. 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.

PSAS Effective for the 2023-2024 School Year

Two new PSAS and one accounting guideline are coming into effect for fiscal years beginning on or after April 1, 2023. For isolate boards, these will be effective for the school year starting September 1, 2023. These new standards and guideline are:

- PS 3160 – Public Private Partnerships
- PS 3400 – Revenue
- PSG-8 – Purchased Intangibles

The ministry would like to advise isolate boards of these upcoming changes so that discussion with their auditors on the applicability of the new PSAS to their 2023-24 financial statements can begin. It is expected that the impact of these two new standards and one guideline is minimal for isolate boards.

Training materials are included in the 2022-23 financial statements supporting documents package.

B. REPORTING OF LABOUR EXPENSES PENDING CENTRAL COLLECTIVE BARGAINING AGREEMENTS

As noted in [Memorandum 2023:B09](#) (2023–24 Grants for Student Needs (GSN) and Related Regulations), Ontario Regulation 396/22 has been amended to increase salary benchmarks for education workers with negotiated Canadian Union of Public Employees (CUPE) and Ontario Council of Educational Workers (OCEW) central collective agreements, and as a labour provision for other employees where agreements have not yet been reached. These changes have been reflected in isolate boards' financial statements. Isolate boards should estimate a corresponding labour expense for those employees and record it on Schedule 10, line 78 (Other Non-Operating Expenses), column 10 (Other Expenses), as well as on Schedule 7, line 2.3.1

(Labour Accrual). For guidance on estimating a value, please refer to the labour provision reporting file in the supporting documents package.

C. REPORTING OF PROVINCIALY PROCURED PERSONAL PROTECTIVE EQUIPMENT (PPE), CRITICAL SUPPLIES AND EQUIPMENT (CSE), HIGH EFFICIENCY PARTICULATE AIR (HEPA) FILTERS AND DEVICES FROM THE MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY (MPBSD) AND RAPID ANTIGEN TEST KITS (RAT)

The reporting of provincially procured health and safety equipment and the related costing information remain the same as in previous cycles; however, the file has been updated to add the costing for polymerase chain reaction (PCR) kits. The costing file is attached in the supporting documents package.

D. REPORTING RELATED TO BILL 124

Please refer to “Instructions to Complete 2022-23 Financial Statements Forms - Isolate Boards” in the supporting documents package for details of reporting related to Bill 124.

SUBMISSION OF FINANCIAL STATEMENTS AND FINANCIAL REPORTS

Financial Statements

Please upload your 2022-23 audited financial statements, including the following documents to the SharePoint site by **January 31, 2024**.

· The certificate signed by the Supervisory Officer (in PDF)
· The audited financial statements, including the auditor’s report and the accompanying notes (in PDF)
· Appendix Q - PSFA Remedy payments template, if applicable (in Excel)
· COVID-19 Learning Recovery Fund template

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

Isolate boards are required to report back to the ministry any eligible payments made between September 1, 2022 and August 31, 2023 in Appendix Q to receive funding, if applicable. Remedy payments made to eligible Elementary Teachers' Federation of Ontario (ETFO) members during this period must not be included. Where the isolate board made eligible payments during the 2022-23 school year, both payment details and the total value of 2022-23 remedy payments should be entered in the template.

I. COVID-19 Learning Recovery Fund Template

This template is used to report the time-limited \$304.0 million COVID-19 Learning Recovery Fund allocated through the 2022-23 GSN. The use of funds for transportation and school administration purposes is limited to supporting staff previously funded under the Education Worker Protection Fund per the 2019-2022 CUPE collective agreement. Isolate boards should include these expenses on the “other” line in the COVID-19 Learning Recovery template.

Late Submissions

If the isolate board is unable to meet the reporting deadline due to extenuating circumstances, please contact your ministry financial analyst or finance officer 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, please contact your financial analyst or finance officer for clarifications.

Name	Phone	
Simin Liu	(437) 216-4879	Simin.liu@ontario.ca
Shivana Chowbay	(437) 216-5925	Shivana.chowbay@ontario.ca

Sincerely,

Original signed by

Andrew Yang
Director
Financial Analysis and Accountability Branch

Xiaofei Wang
Director
Education Modelling and Forecasting Branch

cc: Isolate Board Supervisory Officers