

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

2024: SB03

Date: January 22, 2024

Memorandum To: Business Administrators
Section 68 School Authorities

From: Andrew Yang
Director
Financial Analysis and Accountability Branch

Subject: **2022-23 Financial Statements Forms for Section 68 School Authorities**

I am pleased to inform you that the 2022-23 financial statements forms for Section 68 school authorities (school authorities) including the related instructions, are now available. The Excel forms, pre-loaded variance report, illustrative notes to the financial statements and the instructions for completion will be provided to each school authority separately.

The ministry encourages school authorities to share this memorandum, along with the related instructions, with their external auditors to support the completion of their 2022-23 financial statements audits.

The section below provides details on the reporting updates:

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 school authorities, 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

While the impact of these accounting standards is expected to be minimal for school authorities, the ministry encourages each school authority to have discussions with their auditors regarding their implementation. If the Excel forms require changes to accommodate specific reporting needs, please contact Don Ma at (437) 216-3197 or Don.Ma@ontario.ca.

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 school authorities, 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 school authorities of these upcoming changes so that discussions 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 changes are minimal for school authorities.

Training materials for PSAS changes are available in the supporting documents package provided.

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. School Authorities 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 2.4 (Other). For guidance on estimating a value, please refer to the labour provision reporting file in the supporting documents package.

C. SETTLEMENTS RELATING TO BILL 124

Following settlements with several union groups related to the *Protecting a Sustainable Public Sector for Future Generations Act, 2019* (“**PSPSFGA**” or “**Bill 124**”), the ministry is instructing school authorities to not accrue any related revenue/expense in their 2022-23 financial statements. School authorities can include a note disclosure, with or without calculated amounts, sample note is included in the *Bill 124 Template*.

School authorities are asked to complete the template and submit it to the ministry as part of their 2022-2023 financial statement submission (even if the contents are nil).

D. 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 remains the same as in previous cycles. The costing information has not changed from the 2021-22 weighted average costs listing; however, the file has been updated to add the costing for polymerase chain reaction (PCR) kits. The costing file is attached as part of the supporting documents package.

SUBMISSION OF FINANCIAL REPORTS

COVID-19 Learning Recovery Fund Template

This template is used to report the time-limited COVID-19 Learning Recovery Fund that was made available to the school authorities through the budget approval process. Additional details on the reporting requirements are provided as part of the supporting documents package.

Financial Statements

The audited financial statements are due to the ministry by February 23, 2024. If the school authority is unable to meet the reporting deadline due to extenuating circumstances, please contact Don Ma at (437) 216-3197 or Don.Ma@ontario.ca to discuss the need for an extension.

The PDF versions of the following financial statements’ documents are to be uploaded to the SharePoint site:

- signed Certificate of the Chief Executive Officer;
- COVID-19 Learning Recovery Fund Template;
- Bill 124 Template;
- audited financial statements, including the auditor’s report, notes to the financial statements and the management report.

If you require any further information on the financial statements package, please contact Don Ma.

Sincerely,

Original signed by

Andrew Yang
Director
Financial Analysis and Accountability
Branch