

Tangible Capital Assets - PSAB, Implementation Timelines & Reporting In-Year Capital Expenditures

TPFR Annual Information
Sessions

September 2005

Presentation Overview

- Impact on district school boards:
 - PART 1 (March 31, 2005 balances)
 - Stage 1 of data collection process
 - Stage 2 of data collection process
 - PART 2 (April 1 - August 31, 2005)
 - In-year capital expenditures
 - Capital assets & Capital Leases
 - Capitalization thresholds
 - Other: Portables/portapaks & fixed asset manager software

Impact on Boards - PART 1, Stage 1

- Issued 2005:SB7 memo, May 10th 2005:
 - Complete listing of owned land and building assets as of March 31, 2005
 - Excluding portables and portapaks
 - Used SFIS as a starting point, why only as a starting point?
 - Excel spreadsheet due back June 10th
 - Objectives of exercise: Complete listing, conversion from facility to structure, ownership, year of acquisition, do you have historical cost of asset

Impact on boards - PART 1, Stage 2

● Web-based application:

- <http://204.187.93.211>
- Detailed presentation at the OASBO June conference
- Issued 2005:SB17 -- August 16,2005
- Confirmation of:
 - Costing information where available
 - Addition details (year acquired or built)
 - Size (gross floor area / hectares)
 - If assets are to be estimated by appraisers, other details
- Information was pre-loaded from SFIS and stage 1 information collection process

Impact on boards: PART 1, Stage 2

● Web-based application (cont'd):

- Interactive application, therefore as you confirm we will be able to see that a record is complete.
- Preferred order of confirmation:
 - If you have information on historical cost assets, confirm them.
 - Give priority to assets that must be estimated by an appraiser.
 - Validate the year and size for those assets using the benchmark approach last.

Impact on boards - PART 1, Stage 2

● Web-based application(cont'd):

- Stratified due date:
 - 10% per week, min of 10
 - Final due date of October 31, 2005
- There are about 200 records confirmed so far -- lots more to go
- At the end of September, weekly reminders to Superintendents of Business

Impact on boards - PART 2, In-year expenditures

- Reporting twice per year
 - April 1 to August 31
 - Sept 1 to March 31
- Using EFIS - new schedules
 - 2 schedules for capital assets
 - 1 schedule for capital leases
- Revision to 2004-05 doc set near the end of the month to early October

Impact on boards - PART 2, In-year expenditures

- Walkthrough EFIS shot screens related to tangible capital assets & capital leases
 - Schedules 15A-G
 - Schedules 16A-G
 - Schedules 17A-D
 - Help Screens
 - Survey on capitalization policy for tangible capital assets

Schedules 15A-G (Additions)

7 Asset classes:

- Buildings (40)
- Buildings (20)
- Land
- Land Improvements
- Construction in Progress
- Assets Permanently Removed from Service (Bldgs)
- Assets Permanently Removed from Service (Land)

Information to be reported for 2004-05:

- Asset name & ID for new assets
- Addition \$ to Gross Book Values
- Purchased from whom

Schedules 15A-G (Additions)

- Information pre-populated for 2005-06:
 - Gross Book Value (March 05 + Apr to Aug 05)
 - Remaining Service Life (BVC + review)
- Information to be reported for 2005-06 & on-ward:
 - Asset name & ID for new assets
 - Addition \$ to Gross Book Values
 - Purchased from whom
 - Asset Write-Down
 - Change in Useful Life

Schedules 16A-G (Disposals)

● 7 Asset classes:

- Buildings (40)
- Buildings (20)
- Land
- Land Improvements
- Construction in Progress
- Assets Permanently Removed from Service (Bldgs)
- Assets Permanently Removed from Service (Land)

● Information to be reported for 2004-05:

- Full or partial disposition of assets
- Proceeds of disposition
- Sold to from whom
 - 1 exception: CIP is not sold to but rather transfer

Schedules 16A-G (Disposals)

- Information pre-populated for 2005-06:
 - None
- Information to be reported for 2005-06 & on-ward:
 - Same as for 2004-05

Schedules 17A-D (Capital Leases)

- 4 Capital Lease classes:
 - Buildings (all buildings)
 - Land
 - Leasehold Improvements - Buildings
 - Leasehold Improvements - Land

- Information to be reported for 2004-05:
 - Initial amount of capitalized lease
 - Lease term (month/year)
 - Expiry date of lease
 - Bargain Purchase Option (if one exists)
 - Guaranteed Residual Value
 - Additions to leases

Schedules 17A-D(Capital Leases)

- Information pre-populated for 2005-06:
 - None
- Information to be reported for 2005-06 & on-ward:
 - Same as for 2004-05

Impact on boards - Other

● Portables/portapaks

- Working with ORC
- Listing = # of portables & year of manufacture
- Timing: October?

● Fixed Asset Manager Software

- Haven't yet decided

Updating & maintaining TCA Information

- Ministry of Education will maintain the information
- The information will be made available to school boards
- Whenever the TCA section becomes applicable to local governments, the Ministry will hand over the information

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Questions?