

SECTION 68 SCHOOL AUTHORITIES INSTRUCTIONS FOR COMPLETION OF 2007-2008 FINANCIAL STATEMENTS

GENERAL INSTRUCTIONS:

1. The Financial Statements workbook is “protected” with the exception of unshaded cells which are for data entry.
2. Any questions pertaining to this workbook are to be directed to Brenda Shaw at (519) 667-1440 ext 254 or brenda.shaw@ontario.ca.
3. Upon completion of the Financial Statements, please submit 2 hard copy printouts of the signed statements, including the auditor’s report and notes to the financial statements to:

Ms. Diane Strumila
Project Manager, Grant Services
Transfer Payment and Financial Reporting Branch
21st Floor, Mowat Block
900 Bay Street
Toronto, Ontario M7A 1L2

4. A copy of the electronic version of the Financial Statements and notes to the financial statements should also be e-mailed to the following mailbox: financials.edu@ontario.ca.
5. Boards are required to submit their financial statements to the ministry by November 14, 2008.

NOTES TO THE FINANCIAL STATEMENTS

Boards are reminded to file your management report or include a comment thereon in your notes to your financial statements. We encourage you to visit our TPFR extranet site for a listing of illustrative notes to your financial statements. They can be accessed at the following site: <http://tpfr.edu.gov.on.ca>

Please select Public Sector Accounting Board (PSAB) under the left column and follow this link to the training manual section and finally, illustrative notes to your financial statements.

INSTRUCTIONS FOR THE COMPLETION OF FINANCIAL STATEMENTS:

The 2007-08 financial statements consist of the following worksheets:

1. **Cover sheet** - Please select your respective board number from the “drop-down” box.
2. **Table of Contents** – An Index of Schedules and their respective page numbers.
3. **Schedule 1 – Statement of Financial Position** - This schedule is formerly the balance sheet. Please ensure that it is signed by the Secretary of the Board. The information for this schedule comes from data entered on schedule 7; no other data entry is required.

The “Amounts to be recovered” balance for the prior year has to be input on this statement, where applicable.

4. **Schedule 1.1 – Statement of Financial Activities** – This statement show the revenues, expenditures, changes in non-financial assets and changes in amounts to be recovered for all funds on a consolidated basis. The individual amounts for each line are summarized from the various fund schedules. *Therefore, there is no input required on this schedule.*

5. **Schedule 1.2 – Statement of Changes in Financial Position** – This is a schedule required under PSAB to show how the board “meets its cash requirements by using existing cash balances and other financial assets, by raising revenue, by incurring liabilities and by external borrowing” (Section 1800.49, PSA Handbook).

In Schedule 1.2, cash and cash equivalents are equal to cash plus investments < 90 days minus temporary borrowing, and cash flows are classified by whether they are part of the Operations, Investing or Financing activities.

No data entry is required for the 2007/08 fiscal year. This information comes from Schedule 1 and Schedule 1.1. You must enter information in rows 2.1 to 2.7, 3.1 and 6 for the prior year.

6. **Schedule 2.1 – Schedule of Operating Fund** – *No data entry is required for the 2007/08 fiscal year.* This information will come from schedules 9 and 10. You must key in your 2007/08 budget information and the prior year’s actual information.

7. **Schedule 2.2 – Schedule of Capital Fund** – *No data entry is required on this schedule.*

Section 68 School Authorities do not receive capital funding therefore it should be left blank.

8. **Schedule 2.3 – Schedule of Reserve Funds** – The 2007/08 fiscal year column data comes from schedule 5, therefore *no data entry is required.* You must however complete the 2006/07 column and the budget column if your school has any reserve funds.

9. **Schedule 2.4 – Schedule of School Activities Fund** – All amounts related to School Activities Fund (revenues, expenditures and any transfers to other funds) will be input on this schedule.

10. **Schedule 3 – Capital Fund, Expenditures and Financing** – This schedule *does not apply to Section 68 School Authorities* therefore it will remain blank.

11. **Schedule 5 – Reserve Funds (Internally Restricted Reserves)** – This schedule reports all information for discretionary reserves set aside by the board for specific purposes, where applicable. The information will then populate schedule 2.3

12. **Schedule 5.1 – Deferred Revenues (Externally Restricted Reserves)** – This schedule provides the information required to report on externally restricted reserves set up by regulation or legislation. This schedule *does not apply to Section 68 School Authorities* therefore it will remain blank.

13. **Schedule 6 – Trust Funds Administered by the Board** – Where a Section 68 School Authority administers trust funds, this schedule should be completed.

14. **Schedule 7 – Statement of Financial Assets, Financial Liabilities and Non-Financial Assets** – This schedule provides information that is then summarized on the Statement of Financial Position.

15. **Schedule 9 – Operating Fund, Revenues** – This schedule is designed to collect Operating Fund revenue information on a PSAB basis while maintaining consistency with the information provided in prior years.

16. **Schedule 10 – Operating Fund, Expenditures** - This schedule is designed to collect Operating Fund expenditure information on a PSAB basis by expenditure category and object.

NOTE: *Other non-operating expenditures on line 78 are to include only the extraordinary expenditures as referred to in the Uniform Code of Accounts, expenditures that are non-educational and for which the board receives off-setting revenues.*

17. **Schedule 10ADJ – Operating Fund, Adjustments for Compliance Purposes** – This schedule is designed to show the adjustments required to arrive at adjusted expenditures for compliance purposes. The total expenditures reported on this schedule should reconcile to the total revenue of Schedule 9 – Schedule of Revenue (see Grant Calculation Schedule).

18. Schedule 10G – Supplementary Information on Employee Future Benefits – This schedule reports information relating to the actuarially determined liabilities and expenses of retirement benefits, post-employment benefits, compensated absences and termination benefits as outlined in Section 3250 and 3255 of the PSA Handbook. Defined benefit plans to be included here include retirement gratuity plans; life, health or dental coverage for retirees; and some types of pension arrangements. Self-insured benefit obligations that arise from specific events that arise from time to time (ie. Event driven benefits), such as obligations for worker’s compensation payments and long-term disability benefits are also reported on this schedule.

Exclude from this schedule any defined contribution plans (Section 3250.095) and OMERS, as it is a multi-employer defined benefit plan, which is treated as a defined contribution plan. Also exclude from this schedule any short-term employee benefit plans (i.e. health and dental benefits to current employees). The accounting for these plans is generally straightforward because no actuarial assumptions are required. Please note however that information on any defined contribution plans and OMERS are still required to be disclosed in the Notes to the Financial Statements (PS 3250.100).

All amounts reported in this table should follow the accounting guidelines provided in PS 3250 and PS 3255 and should agree to the liabilities and expenses reported in the audited financial statements.

(Please refer to *PSA Handbook* Sections 3250 and 3255 for definitions of various terms related to this schedule.)

Column 02: Benefits Expenses 200708

For retirement benefits, post-employment benefits and compensated absences that vest or accumulate, the amount reported in this column should include:

- ⌚ All components of the **retirement benefits expenditure/expense** as described in PS 3250.019 including the current period benefit cost; cost of plan amendments; various other recognized amounts or amortized gains and losses as described in the section less any employee contributions during the period **PLUS**
- ⌚ The **retirement benefits interest expenditure/expense** as described in PS 3250.020

(Note: Expenses related to post-employment benefits and compensated absences that vest or accumulate follow the guidelines set out in Section 3250.19 and Section 3250.20 of the *PSA Handbook*).

For event driven benefits such as worker’s compensation or self-insured long-term disability payments and for termination benefits– the amount reported in this column should include:

- ⌚ The expense recognized in the current year as per PS Section 3255.21-.34.

Column 03: Benefits Payments 2007/08

Report the cash payments made to beneficiaries of the plans such that Opening Liability + Benefit Expenses – Benefits Payments = Closing Liability.

Column 05: Unamortized Actuarial Losses/ (Gains) as of August 31, 2008

Periodically actuarial gains and losses arise from changes in the accrued benefit obligation and the plan assets resulting from: (a) experience different from that assumed; or (b) changes in an actuarial assumption.

To the extent that these actuarial gains and losses have not yet been amortized there will be a difference between the liability reported on the Statement of Financial Position (Col 04 on Schedule 10G) and the “Accrued Benefit Obligation”.

Report the unamortized amount of these gains and losses in Col 05.

Column 06: Accrued Benefit Obligation as of August 31, 2008

The accrued benefit obligation comes from the latest actuarial report and is “the value of retirement benefits attributed to services rendered by employees and former employees to the accounting date” (PS 3250 Gloss).

Columns 07–12: Estimates of Expenses and Payments in Future Years

Provide estimates of the benefit expenses and payments (as described in columns 2 and 3 above) that will be incurred by the board over the next three years. This information should be based on the estimates provided to the boards in the actuarial report.

19. Schedule of Enrolment 2007-2008 – Complete the section entitled “Enrolment by Month” as of the last day of each month. You are asked to complete both the number of students and their related full-time equivalence (FTE). Next, complete the section entitled “Enrolment by Grade” as at October 31, 2007 and their related FTE. Finally, complete the total pupil days for 2007/08 (this should be equivalent to the sum of the number of days that the pupils attend in 2007/08).

Note: The total number of pupils enrolled by grade as of October 31, 2007 and its’ full-time equivalency should match code points S1002 and S1013.

20. Schedule of Calculation of 2007/08 Fiscal Year Legislative Grants – This schedule calculates your entitlement to grant. It is automatically populated from information input on previous schedules, therefore there is no data entry required on this schedule.

21. Calculation of Cost per Pupil for Tuition Fee purposes – This schedule shows the calculation required for the determination of tuition fees for a pupil whose parent or guardian does not reside in Ontario. There are **no** fees payable by one board to another board. It is automatically populated from information input on previous schedules, therefore there is no data entry required on this schedule.

22. Staffing – Report **all** staffing that corresponds to the salaries and wages column in schedule 10.

REMINDER NOTES: Teacher assistants – general, this line will include both teacher assistants and personal care workers.