

SCHOOL DISTRICT No. 23 – BOARD COMMITTEE REPORT

COMMITTEE: Finance and Legal Committee DATE: May 20, 2009

CHAIRPERSON: Trustee G. Given STAFF CONTACT: L. Paul, Secretary-Treasurer
E. Sadlowski, Director of Finance

Attendees:

Trustee G. Given (Chairperson) Staff:
Trustee G. Scanlan (Committee Member) E. Sadlowski, Director of Finance
Trustee J. Watson (Committee Member) M. Essler, Executive Assistant (Recorder)
Trustee A. Hunt-Binkley

Partner Group Representation:

COPAC No representative
COTA Tom Potts, President
COPVPA No representative – sent regrets
CUPE Bill Zeman, President
DSC No representative

Action Items

1. Statement of Revenue and Expense as at April 30, 2009

(attachment)

The Director of Finance reviewed the Statement of Revenue and Expense as at April 30, 2009. Upon a review of the Revenue, the variances in revenue may be due to the School District receiving funding for various grants in March, April, May and June. The increase in funding in the Miscellaneous category is due to ACE IT funding. The Out of Province Tuition revenue is income received up to the end of April 2009. The expenses related to Out of Province Tuition are also up to and including the end of April 2009. The budget for investment income was decreased from \$700,000 to \$600,000 for 2008/2009. Due to the economic situation there has been minimal interest on the cash reserves, although there has been slight interest earned on investments.

In a review of the expenses, the one area of under spending is the Substitute Salaries. This represents the substitutes (primarily teachers) required for leaves of absence for illness or training. An area over budget is Professional Services. This is due primarily to the costs associated with the data warehouse. Also a contributor to this increase is the professional services provided by external consultants for facilities management through the Operations Department. In response to a query from a Committee member, the Director of Finance advised that of the \$300,000 Grant received last year to implement the data warehouse, \$100,000 was carried forward from last year. Annually, the costing of the data warehouse would be approximately \$100,000 in software licensing and consulting fees.

Due to the cooler weather experienced this past winter, the expenses for utilities will be approximately \$150,000 over budget.

In a review of the Statement of Revenue and Expense, there will be a smaller unrestricted surplus this year than last year. The unrestricted surplus at the end of June is expected to be approximately \$500,00 to \$600,000. This amount will be added to the budget for next year.

Outcome:

THAT: The Finance and Legal Committee receive the Statement of Revenue and Expense as at April 30, 2009;

AND THAT: The Statement of Revenue and Expense as at April 30, 2009 be forwarded to the Board as an information item at the June 10, 2009 Public Board Meeting.

Information Items

1. School District Credit Cards

The Director of Finance has provided a memo outlining the policies and procedures with regard to credit card usage in response to a request from the Committee. The Director of Finance reviewed the process for School District employees to obtain a District Visa Card. The use of a District Visa cards helps to facilitate the volume of transactions charged to budgets at multiple locations and programs. Schools are provided annually with a School Finance Manual which outlines the procedure on the use, process and approval for District Visa cards.

The Committee discussed the personal accumulation of air miles by employees when using District Visa cards. The International Education Department is provided with Avion cards as there is significant travel involved and air miles are accrued for use by school district employees. The Director of Finance will review the School Finance Manual to ascertain if there is reference to the accumulation of air miles, and report back to the Committee. The Director of Finance will also request an opinion from the auditors on the requirement for employees to report the use of air miles as a taxable benefit.

As many schools make considerable purchases at Costco, schools have requested to obtain an American Express Card. The card would be issued in the name of the Principal or teacher who is the primary purchaser of items at Costco. The Committee discussed the Costco rebate cheque being forwarded directly to the Principal or teacher. As the principal and/or teacher may also use the American Express Card for personal purchases, the rebate owing to schools is not easily determined. The Director of Finance will consider this information to be included in the next update to the School Finance Manual.

Items Requiring Special Mention

The Director of Finance provided an update to the Committee on the transportation user pay.

- A Transportation Task Force was established to implement the transportation user pay. The final decision will be made at the May 27, 2009 Public Board Meeting.
- If GST is to be charged on bus services, it will be absorbed within the \$200 annual fee.
- The School District website contains information on transportation requests and payments. The secure online transportation payment for will be available soon for payment by credit card.

Recommendations/Referrals to the Board/Coordinating Committee/Other Committees

June 10, 2009

- Statement of Revenue and Expense as at April 30, 2009

Items for Future Finance and Legal Committee Meetings

Draft New Policy 208 – Confidential Disclosure: Reporting and Investigation Allegations of Financial Irregularity – *June 2009*

Review of Rental Program Fees – *June 2009*

Meeting Schedule

Wednesday, June 17, 2009 at 6:30 p.m.

Questions – Please Contact:

Gail Given, Chairperson

Larry Paul, Secretary-Treasurer

Eileen Sadlowski, Director of Finance

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Gail Given, Chairperson