

SCHOOL DISTRICT No. 23 – BOARD COMMITTEE REPORT

COMMITTEE: Finance and Legal Committee DATE: May 21, 2014

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

Attendees:

Board of Education:

Trustee R. Cacchioni (Chairperson)
Trustee C. Gorman (Committee Member)
Trustee M. Pendharkar (Committee Member)
Trustee J. Brinkerhoff
Trustee D. Butler

Staff:

L. Paul, Secretary-Treasurer (*absent*)
E. Sadlowski, Director of Finance
H. Gloster, Superintendent
D. Carmichael, Finance Manager
B. Bertram, Executive Assistant (*Recorder*)

Partner Group Representation:

COTA Susan Bauhart, President
COPAC Vivian Evans, Vice President
COPVPA Vianne Kintzinger, Treasurer (*arrived at 1:10 pm*)
CUPE Wendy Johnson, President
District Student Council No representative

Agenda/Additions/Amendments/Deletions

May 21, 2014 Agenda – approved.

Reports/Matters Arising

April 16, 2014 Committee Report – received as presented.

Recognition/Presentations/Delegations

1. Report to the Finance Committee – Initial Communication on Audit Planning for the Year Ended June 30, 2014

The Director of Finance introduced Jim Grant and Tyler Neels of Grant Thornton LLP who provided an overview of the audit planning approach that will be used for the year ending June 30, 2014. The Report to the Finance Committee provides information on the terms of the audit engagement, the proposed audit strategy and the level of responsibility assumed by Grant Thornton LLP under Canadian auditing standards. The objective of the audit is to obtain reasonable assurance that the financial statements are free of material misstatement. Communication of the audit results will be presented at the September 2014 Finance and Legal Committee Public Meeting, with final financial statements due electronically to the Ministry of Education by September 30, 2014.

Committee members discussed the information provided, including audit fees; reviewing financial risks; audit deliverables, e.g. communication of audit results and the Internal Control letter which provides the auditors' observations and recommendations regarding internal controls; audit procedures, e.g. conducting test reviews of specific invoices from creation to payment; and, comparing year-end balances.

Discussion/Action Items

1. Trustee Indemnity for the 2014/2015 Fiscal Year

The committee discussed the Trustee Indemnity and the procedure for determining salary increases for exempt staff.

Outcome

The Committee recommended that this item be tabled until such time as a settlement is reached between the BCTF and BCPSEA.

2. Trustee Travel Expenses

The Director of Finance provided an overview of Trustee travel expenses and the governance budget. Not including salaries, the governance budget is separated into four expense categories: In District (travel to Board Meetings, School Planning Councils, etc.); Personal Travel (Professional Development or specific interests); Board Travel (BCSTA, BCPSEA and Branch Meetings, or Trustee Academies); and Other (dues and fees, public relations, meeting expenses, supplies, etc.). For Board Travel, each Trustee is allocated \$1500 per year. Trustees are also provided with a personal travel budget (\$1500/year) to be used for professional development or specific interests. Trustees may carry this personal travel budget forward each year if they wish to save money for a specific event occurring during their term in office. Trustees use their personal judgment as to whether they wish to attend the various meetings/events scheduled throughout the year. The overall governance budget is monitored at the District level.

3. 2014-2015 CommunityLINK Allocations

The proposed 2014-2015 CommunityLINK Allocations are supported by the Health Promoting Schools Committee.

Outcome

The Committee recommended that the 2014-2015 School-Based CommunityLINK Allocations be approved by the Board of Education.

Information Items

1. Review of Policy 425 and Regulations 425R - Student Fees

School fees are reviewed on an annual basis in accordance with Policy 425 and Regulations 425R - Student Fees. The Superintendent provided an overview of the four categories of fee structures in the District which include standard fees, transportation fees, academy fees, and goods and services fees. There are no recommendations to change fee structures for the 2014-2015 school year. The Board's financial hardship policy applies to all fees charged within the Central Okanagan School District.

2. Financial Update - International Education Program

The Director of Instruction K-12, whose portfolio includes the International Education Program, reviewed the financial operation of the Program. Staff continue to promote the Central Okanagan School District's profile with agents in many countries, and the Program is well positioned to meet the financial goal of 250 FTE students for the 2014-2015 school year. Tuition fees have been increased slightly from \$12,300/year to \$12,500/year.

3. Audit Tender Process

The Director of Finance provided information on existing audit services. An excellent professional relationship has been developed with the current auditors which allows for certain efficiencies on both sides. Should the Board of Education make the decision to send the District's audit services out for tender, it would be beneficial to have the procedure completed by September 2014.

Outcome

The Committee recommended that the District not proceed with a tender for audit services at this time, and continue with Grant Thornton LLP as the District's auditors.

Meeting Schedule

The representatives from Grant Thornton LLP are unable to attend the scheduled September 17, 2014 Finance and Legal Committee Public Meeting, due to prior commitments. It was agreed that this meeting would be moved to **Monday, September 22, 2014 at 1:00 pm**, at the School Board Office.

June 18, 2014 at 6:30 pm	September 22, 2014 at 1:00 pm (NOTE NEW DATE)
October 15, 2014 at 6:30 pm	November 19, 2014 at 1:00 pm

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

Future Public Board Meeting Action Items:

- Trustee Indemnity for the 2014/2015 Fiscal Year
- 2014-2015 CommunityLINK Allocations
- Audit Tender Process

Future Public Board Meeting Information Items:

- Review of Policy 425 and Regulations 425R - Student Fees
- Financial Update - International Education Program

Items for Future Finance and Legal Committee Meetings

- Report on Nominal Roll Audit
- Report on Mock Aboriginal Education Audit
- Review of Policy 190 - Trustee Expenses

Questions – Please Contact:

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Rolli Cacchioni, Chairperson