

SCHOOL DISTRICT No. 23 – BOARD COMMITTEE REPORT

COMMITTEE: Finance and Legal Committee Meeting DATE: May 18, 2016
CHAIRPERSON: Trustee L. Mossman STAFF CONTACT: E. Sadlowski, Director of Finance

*The Committee Chairperson acknowledged that the meeting was being held
on the Traditional Territory of the Okanagan People.*

Attendees:

Board of Education:

Trustee L. Mossman (Chairperson)

Trustee R. Cacchioni (Committee Member)

Trustee C. Gorman (Committee Member)

Trustee M. Baxter

Trustee D. Butler

Staff:

E. Sadlowski, Director of Finance

L. Paul, Secretary-Treasurer

K. Kaardal, Superintendent of Schools/CEO

T. Beaudry, Assistant Superintendent (*absent*)

D. Carmichael, Finance Manager

V. Kintzinger, Director of Instruction (*arrived at 1:10 pm*)

Dr. R. Oliver, Director of Instruction (*arrived at 1:35 pm*)

H. Wendt, Executive Assistant (*Recorder*)

Partner Group Representation:

COTA Susan Bauhart, President

COPAC No representative

COPVPA Mike Dornian, Treasurer and Jesse Bruce, Executive Member - Climate

CUPE Wendy Johnson, President

District Student Council No representative

Guests: Jim Grant, Grant Thornton LLP
Tyler Neels, Grant Thornton LLP`

Agenda/Additions/Amendments/Deletions

April 20, 2016 Agenda – approved as presented.

Reports/Matters Arising

April 20, 2016 Committee Report – received as presented.

Recognition/Presentations/Delegations

1. Report to the Finance and Legal Committee – Initial Communication on Audit Planning for the Year Ended June 30, 2016

The representatives from Grant Thornton LLP provided an overview of the audit planning approach for the fiscal year ended June 30, 2016 as well as processes and deliverables, noting the firm has a highly robust quality control program. A current trend that was highlighted, and which will be utilized as part of Grant Thornton's analytical procedures during the audit, is the District-specific change regarding the FTE student population which continues to increase and what that implication may have on the strategic planning and procurement processes. Grant Thornton reviewed the roles in ensuring strong fiscal reporting outlining the roles of the Finance and Legal Committee, management and Grant Thornton LLP.

Grant Thornton LLP will continue to work with management throughout the audit process with a communication of the audit results being presented at the September 21, 2016 Finance and Legal Committee Meeting. Final financial statements are due electronically to the Ministry of Education by September 30, 2016.

The Committee Chairperson thanked the representatives from Grant Thornton LLP for their presentation.

Outcome

The document *Initial Communication on Audit Planning for the Year Ended June 30, 2016* will be provided to an upcoming Board of Education Public Meeting as an information item.

Committee Members Queries/Comments

The COTA President queried whether the Auditor General's Report, also contained in the agenda package, would have any impact on the District's strategic plan.

The Superintendent of Schools/CEO replied that while the Auditor General's reports are not binding, the District would work with Grant Thornton LLP to improve processes as discussed.

1:23 pm: The representatives from Grant Thornton LLP left the meeting.

Discussion/Action Items

1. Trustee Travel Expenses

The Secretary-Treasurer advised the semi-annual report on Trustees' current expenditures is within the current budget. All expenses are reasonable and consistent with past practices and policy. He confirmed the Finance and Legal sub-committee is currently reviewing trustee expenses and a report will be provided to the Board of Education Public meeting in June. The Committee noted that, while the overall budget is being met, some line items are consistently over the allocated budget for that item while others are considerably under.

Outcome

Staff will review the allocations within the budgetary line items for the upcoming fiscal year and provide a more accurate distribution within the various categories based on previous years' actual costs.

2. 2016-2017 CommunityLINK Allocations

The Director of Instruction V. Kintzinger, reviewed the report as well as the Allocations table noting the CommunityLINK is a special purpose fund to address vulnerable students in schools. Director of Instruction, V. Kintzinger confirmed, in response to queries from the Committee, that the Interior Health funding will be a minimum of \$23,000 for the upcoming school year. This amount will be allocated as support for the 1.3 FTE Health Promoting Schools (HPS) Coordinator in the Operating Fund.

Outcome

The Committee recommended that the Board of Education approve the Recommended School-Based CommunityLINK Allocations 2016-2017.

Information Items

1. School Fees 2016/2017

The Director of Finance reviewed the report noting the standard fees for optional activity and cultural fees have not been increased and that the transportation fees noted are those reflected in the 2016/2017 budget. Discussion took place regarding the hardship policy. The Secretary-Treasurer advised the percentage of applications has not increased since the implementation of the fees; however, the possibility of that happening has been factored into the 2016/2017 budget. The busing subsidy forms have been updated to reflect the different subsidies which now includes the alternate payment plan of more than two payments during the school year. Questions arose from the Committee as to whether parents were aware of the new payment plan. That information will be provided to parents.

Outcome

The Secretary-Treasurer will review the possibility of including information regarding subsidy payment plans in the 'echo letter' that parents receive when they have signed up for the subsidy.

2. Financial Update – International Education Program

In response to queries from the Committee, Director of Instruction, Dr. R. Oliver, confirmed the annual tuition fee for the International Education Program is \$12,500 with the cost increasing to \$13,000 in the 2017/2018 school year. The Lower Mainland charges approximately \$14,000 and the Central Okanagan School District continues to ensure its' costs are in line with other districts throughout the province. Students are choosing to come to the Central Okanagan School District as they are finding the District is smaller, has greater diversity, better integration into the various programs and homestays are with families as opposed to dormitories. In response to a query from the COTA President, Director of Instruction Dr. Oliver confirmed that workload on clerical staff, once the student FTE increases, will become more manageable due to the implementation of on-line applications and it will take less time to process the applications. At the same time, however, there is added work when the FTE rises and in conjunction to the Syrian refugee students which have been added to the District, the Superintendent of Schools/CEO confirmed the District continues to monitor workload and efficiencies.

2:06 pm: Director of Instruction, V. Kintzinger, left the meeting.

In response to queries from the Committee, Director of Instruction, Dr. Oliver, confirmed the District works with the students' consultants to ensure they are supporting the International students. A service fee is provided to the consultants which is in line with the model in place throughout Canada.

2:12 pm: The Finance Manager left the meeting.

2:12 pm: Director of Instruction, Dr. R. Oliver, left the meeting.

3. Auditor General's Report – Improving Budgeting and Expenditure Management in the Public Education System

The Director of Finance advised the report is being reviewed by the District and the report will be discussed in greater depth at the BC Association of School Business Officials meeting taking place next week.

Outcome

District staff will review the Auditor General's Report and provide a high-level GAP analysis to a Finance and Legal Committee Meeting in the Fall of 2016.

Meeting Schedule

June 15, 2016 at 6:30 pm

September 21, 2016 at 1:00 pm

October 19, 2016 at 6:30 pm

November 16, 2016 at 1:00 pm

Items for Future Finance and Legal Committee Meetings

- Update – 2012 and 2014 Deloitte Reports - Ministry of Education (*May 18, 2016 Finance and Legal Committee Meeting*)
- Funding for Syrian Refugees (*May 18, 2016 Finance and Legal Committee Meeting*)
- Trustee Indemnity for the 2016/2017 Fiscal year
- GAP Analysis of Auditor General's Report

June
- School District No. 23 (Central Okanagan) Annual Budget for the Fiscal Year - Finance and Legal Committee – Review of Mandate, Purpose and Function

Questions – Please Contact:

Trustee Lee Mossman, Chairperson

Phone: 250-878-3032

email: lee.mossman@sd23.bc.ca

Eileen Sadlowski, Director of Finance

Phone: 250-470-3224

email: eileen.sadlowski@sd23.bc.ca

Lee Mossman, Chairperson