

SCHOOL DISTRICT No. 23 – BOARD COMMITTEE REPORT

COMMITTEE: Finance and Legal Committee DATE: September 22, 2014

CHAIRPERSON: Trustee R. Cacchioni STAFF CONTACT: E. Sadlowski, Director of Finance

Attendees:

Board of Education:
Trustee R. Cacchioni (Chairperson)
Trustee C. Gorman (Committee Member)
Trustee M. Pendharkar (Committee Member)
Trustee M. Baxter
Trustee J. Brinkerhoff
Trustee D. Butler

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

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

Partner Group Representation:

COTA	Susan Bauhart, President (<i>arrived at 1:08 pm</i>)
COPAC	No representative
COPVPA	No representative
CUPE	No representative
District Student Council	No representative

Agenda/Additions/Amendments/Deletions

September 22, 2014 Agenda – approved.

Reports/Matters Arising

June 18, 2014 Committee Report – received as presented.

Recognition/Presentations/Delegations

1. Presentation: Audited Financial Statements Fiscal Year 2013/2014

The Chairperson welcomed Jim Grant and Tyler Neels of Grant Thornton, Chartered Accountants. The representatives from Grant Thornton provided an overview of the information contained within the audited financial statements. Budget figures included in the financial statements are the original planned budget approved by the Board of Education through the adoption of an annual budget on June 26, 2013. A summary was provided of the statements of financial position, operations, re-measurement gains and losses, changes in net financial assets (debt), as well as related notes to the financial statements. The auditors also reviewed the status of the audit, the audit results, reportable matters, technical updates, the client service team and the audit timetable. The School District's financial statements are prepared, in all material respects, in accordance with the accounting requirements of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

The COTA President requested clarification of the \$4.7 million in strike savings payable to the Ministry of Education, and commented on the District's unrestricted operating surplus of \$689,385, which the Director of Finance confirmed is not currently committed to future budget items.

Committee Members Queries/Comments

Susan Bauhart, COTA President

Reiterated an earlier request in June for an accounting of expenditures for the District's portion of strike savings used for costs incurred during the BCTF strike.

The Director of Finance responded that the Ministry has expanded reporting requirements for costs incurred and is requesting an additional accounting of savings realized during the job action, i.e. utility costs, dues and fees, staff replacement costs, support staff savings and transportation. Calculations will be completed in September with a final accounting provided to the Finance and Legal Committee.

Susan Bauhart, COTA President

Requested that the unrestricted surplus funds, as well as any savings realized after all strike savings expenditures have been disbursed, be put back into schools. As well, the new Education Fund, as agreed to in the settlement with the BCTF, states that teachers should begin conversations at the school level regarding the best use of additional staffing allocations to address the needs of their students. The COTA President requested involvement in the allocation of these funds.

The Superintendent responded that, in accordance with the terms of the collective agreement, consultation should begin at the school level between the principal and staff, with requests for support to come directly to the COTA President and the Superintendent. These requests will then be reviewed by the COTA Executive and the District’s senior staff. Additional funding expected under the revised fund is approximately \$300,000 to \$400,000, which would result in 3 – 4 new teachers.

Trustee Baxter

Requested clarification on the exact percentage of strike savings that the government is expected to claw back from school districts.

The Director of Finance will confirm the amount and provide the information to Committee members.

Discussion/Action Items

1. Audited Financial Statements Fiscal Year 2013/2014

Outcome

The Committee received the Audited Financial Statements Fiscal Year 2013/2014 and recommended that the Board of Education receive and approve the Audited Financial Statements Fiscal Year 2013/2014.

Information Items

1. Tender for Audit Services

The Request for Proposals (RFP) for audit services closes on October 3, 2014. An Evaluation Committee, consisting of the three Trustees who sit on the Finance and Legal Committee, the Secretary-Treasurer, the Director of Finance and the Finance Manager, will meet to review the proposals received, and will make recommendations to the Finance and Legal Committee at the October meeting. *Further note: The Evaluation Committee Meeting to review proposals has been set for Tuesday, October 7th, at 2:00 pm.*

Meeting Schedule

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:

- Audited Financial Statements Fiscal Year 2013/2014 (September 24, 2014)

Future Public Board Meeting Information Items:

- Tender for Audit Services

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
- Trustee Indemnity for the 2014/2015 Fiscal Year
- Strike Savings Expenditures for the District and Government Claw Back of Strike Savings Funds

Questions – Please Contact:

Trustee Rolli Cacchioni, Chairperson
Eileen Sadlowski, Director of Finance

Phone: 250-765-3419 email: Rolli.Cacchioni@sd23.bc.ca
Phone: 250-470-3224 email: Eileen.Sadlowski@sd23.bc.ca

Rolli Cacchioni, Chairperson