

MINUTES OF A MEETING OF THE FINANCE & FACILITIES COMMITTEE

Tuesday, March 8, 2016

School Board Office - 8:30 a.m.

Present: D. Stevenson (in the Chair); C. Broady, Board Chair; J. Leiterman, Secretary Treasurer; C. Kennedy, Superintendent of Schools; W. Hickey, Director of Facilities; G. Cords, General Manager of Facilities; K. Johnson, Assistant Secretary Treasurer; J. Brown, Manager of Finance

Stakeholder Representation: J. Duncan (WVAA); B. Scott (WVMEA); R. Millard (WVTA); A. Milavsky (DPAC)

Regrets: S. Donahue, Trustee

1. Provincial Budget

Secretary Treasurer Julia Leiterman gave a brief review of items of note from the provincial budget, brought down a few weeks ago. She said that early analysis indicates there may be a slight increase in the AFG of about 8%, the first in many years, and also that the funding for teacher and support staff compensation increases will be fully funded. However, any increase for exempt staff will not be funded, which is of concern, as is the fact that the provincial enrollment increase has not been addressed. The Ministry is in discussion with the Treasury Board about the matter, but it is advisable to expect that there will be no holdback funds released again next year. Ongoing NGN costs are as expected – about \$300, 000.

2. 2016/17 Enrollment Estimate

Enrollment estimates for the 2016/17 school year were due to the Ministry on February 15, 2016. These figures determine the preliminary operating grant, and the preliminary budget is prepared accordingly. The Secretary Treasurer reviewed the process by which she arrives with numbers as realistic as possible, drawing information from several sources. While Kindergarten numbers for next year look strong, we are estimating an overall decrease of approximately 100 FTE. Often that decrease does in-fill by September.

The preliminary operating grant figures from the Ministry will be received on March 15.

3. 2016/17 Preliminary Budget Feedback

The Superintendent reviewed the timelines for the budget process for 2016/17 and then reviewed feedback from the school / partner group engagement phase. He reported that input was received from all schools except Lions Bay, as well as from Student Support Services, WVAA, WVTA, WVMEA, WV DPAC and a couple of individual

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submissions. The guiding questions for feedback were framed differently this year, with the first being specific to implementation of the new curriculum. The second was around broader support and resources.

Regarding curriculum, Aboriginal Education support was mentioned most frequently, but all subject areas were included. For the first time in recent years, math was not a top concern; rather the shift in science and social studies was noted as needing resources and in-service support. Technology around assessment, reporting and coding was mentioned, as was the need for additional print and digital resources. For the first time, LGBTQ+ resources for schools appeared in the feedback. Innovation grants, innovation teachers and collaboration time remained priorities.

In the non-curriculum responses, the need for teacher and school-based hardware updates was noted, as well as support for MyEducation BC, School Cash Online, online report cards and school websites. Increased time for non-enrolling staff was also requested, with counselling and learning support being mentioned most often. ELL support was not the overwhelming theme it has been in the past.

All budget feedback forms will be posted on the public district website and will be used to guide and develop budget recommendations to be presented in April.

4. Results of Tender for External Auditors

The Secretary Treasurer provided an update to last month's report about the RFP put out for audit services. A total of six submissions were received in response to the RFP: five from large firms and one small. Each submission was read and considered by each individual on the audit services RFP committee: Julia Leiterman, Secretary Treasurer; Sonya Margolles, Purchasing Manager; Karen Johnson, Assistant Secretary Treasurer; and Jason Brown, Manager of Finance. They scrutinized the proposals with 20 established criteria and the Secretary Treasurer reported that the successful submission was the clear winner by all parameters.

The firm of KPMG was recommended to the Board as the successful provider of audit services and was approved at a special meeting on March 1, 2016.

KPMG had clearly done their research before submitting their proposal, as they knew our report requirements, software usage and conversion, staff and academy set-up. As well, their audit planning and execution will result in less of a toll on district staff and their experience providing audit services to 35% of school districts in the province will allow us to benefit from shared best practices. The new contract will also cost the district approximately \$9000 less than the contract with the previous provider, and also offers \$5000 worth of auditor time for expert advice in an area of our choosing.

KPMG's first visit to the district, in preparation for this summer's audit, will take place during the first week of April.

5. Recommendation regarding Transportation Tender

The Secretary Treasurer then gave a brief report on the submissions for the second tender outstanding – transportation services. She reminded the committee that transportation, like audit services, is also on a three-year contract cycle, but without the

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option to extend. She reported that there were two responses to the RFP: one from First Student, our current provider; and one from Thirdwave Bus Services.

Again, there was a clear winner, one that would provide a positive and safe experience for students on their way to and from school, but that also provided well-trained staff, versed in customer service and student special needs, including administering Epi-Pens.

RECOMMENDATION: That First Student Canada is referred to the Board for approval as the contract winner for transportation services.

6. BCASBO Report on Administration Costs

The Secretary Treasurer reported that the BC Association of School Business Officials (BCASBO) commissioned a report, prepared by Joan Axford, to understand the level of administrative costs in public education compared to operating reserves. This was done in response to Ministry directives to districts to further reduce administrative costs. The report, which compares constant dollars, shows that there is not as much room for cost reduction as is often perceived by the Ministry and the public.

A number of figures were reviewed and it was noted that in 2013/14, BC spent 30% less per pupil on district administration than other provinces, and that over the last 20 years, when looking at constant dollars, administrative spending as a percentage of budget has not kept pace with increases in the cost of living. Increases in the actual cost of school administration and operations/maintenance are largely explained by the increased compensation cost for those areas. Districts would have had to spend an additional \$13.78 million in 2014/15 in order to provide the same level of administration services delivered in 2009/10.

It was pointed out that West Vancouver Schools' costs are slightly higher than the provincial average, due to our smaller size. There are a certain number of positions that are required in order to run a district, regardless of size. Funding those positions will always take a higher percentage of a smaller budget. Costs in this district are dropping and the locally-generated revenue from our international program and academies do help to offset them. This report proves that we are not extravagant and that we continue to spend as much of the budget as possible in our classrooms.

The full report was sent to the Ministry of Education, but to date, BCASBO has had no response.

7. Adjourn

9:13

Julia Leiterman, Secretary Treasurer

Committee members: Dave Stevenson, Sheelah Donahue