



REPORT TO

REGULAR BOARD

GOVERNANCE AND POLICY COMMITTEE ON UPDATE TO EFFECTIVE FINANCIAL MANAGEMENT AND CONTROL OF OPERATIONS F.M. 08

Whatsoever thy hand findeth to do, do it with all thy might.

- Ecclesiastes 9:10

Created, Draft	First Tabling	Review
September 20, 2019	October 17, 2019	

D. Bilenduke, Senior Coordinator, Finance

P. Matthews, Legal Counsel

P. De Cock, Comptroller for Business Services & Finance

RECOMMENDATION REPORT

Vision:

At Toronto Catholic we transform the world through witness, faith, innovation and action.

Mission:

The Toronto Catholic District School Board is an inclusive learning community uniting home, parish and school and rooted in the love of Christ.

We educate students to grow in grace and knowledge to lead lives of faith, hope and charity.



Rory McGuckin
Director of Education

D. Koenig
Associate Director
of Academic Affairs

L. Noronha
Associate Director of Facilities,
Business and Community
Development, and
Chief Financial Officer

A. EXECUTIVE SUMMARY

This report identifies and recommends that the *Effective Financial Management and Control of Operations Policy*, policy F.M. 08 and the corresponding *Operating Procedures* be updated as proposed in Appendix A and Appendix B.

The cumulative staff time required to prepare this report was 8 hours.

B. PURPOSE

1. This recommendation report is on the Order paper of the Governance & Policy Committee as it recommends a policy revision.

C. BACKGROUND

1. This policy was originally approved in May 2013 and previously amended in May 2016.
2. It is important that the policy align with current legislation, Public Sector Accounting Board (PSAB) guidelines, industry best practice and other Board policies.
3. All stakeholders must have confidence in the efficiency and control of the Boards financial assets.

D. EVIDENCE/RESEARCH/ANALYSIS

After a thorough review of the policy (Appendix A), the following areas have been identified for revision:

1. Reference to Canadian Generally Accepted Accounting Principles (GAAP) has been updated to International Financial Reporting Standards (IFRS). Reference has also been made to the Public Sector Accounting Board (PSAB) who provide public sector financial guidance in Canada.
2. Banking Services is exempt under the Broader Public Sector (BPS) Procurement Directive and has been updated for *review as required* instead of every five years.

3. Bill 100 received Royal assent on May 29, 2019. This bill amended the wording and conditions regarding Board deficits in Section 231 of the Education Act. This policy has been amended to reflect this change.
4. The Board of Trustees has made major amendments to the Purchasing Policy (F.P. 01). These changes are now reflected in this policy.
5. The restriction on using one-time revenues for ongoing operating expenditures has been deleted.
6. Various grammar and minor edits.

After a thorough review of the operating procedure (Appendix B), the following areas have been identified for revision:

1. The Ministry no longer provides debenture financing for approved capital projects. Funds are cash flowed twice a year as they are spent. Procedures have been amended to account for this change.
2. Business Services has eliminated the position of Administrative Assistant. Cheque continuity and control is the sole responsibility of the Senior Coordinator, Finance.
3. Various grammar and minor edits.

E. METRICS AND ACCOUNTABILITY

1. The Board is kept informed through professional memberships in various governing bodies and associations.
2. Regular attendance at regional meetings and systematic review of legislative, provincial, professional and trade bulletins keeps the Business Services department informed of changes in a timely and strategic manner.

F. IMPLEMENTATION, STRATEGIC COMMUNICATIONS AND STAKEHOLDER ENGAGEMENT PLAN

1. The Board of Trustees and Senior Management are kept abreast of all changes to legislation, professional standards and requirements at the first opportunity.

2. The Boards external auditors review financial controls annually and will test and report to the Audit Committee on any deficiencies.

G. STAFF RECOMMENDATION

That Board approve the revised Effective Financial Management and Control of Operations policy F.M. 08 as written in Appendix A and the corresponding revised Operating Procedures as written in Appendix B.