



**SUDBURY CATHOLIC
DISTRICT SCHOOL BOARD**

Budget Process Manual

2024-2025

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ACTION PLAN AND TIMELINE

The following is an Action Plan with suggested timelines for the development of the 2024-2025 Budget. This will identify the opportunity for input from the various groups and outline clear processes.

ACTION	TIMELINE
Budget Procedures Manual to be prepared and distributed to all superintendents, principals, department managers and trustees.	February 2024
Senior Administration to begin to identify goals and priorities for the year.	March 2024
Departmental expenditure estimates to be prepared in consultation with all relevant personnel, consolidated, prioritized, and forwarded to the Finance Department.	April 2024
Portfolio/Budget Presentations to Board of Trustees	May 2024
Finance Department to summarize, collate and consolidate all departmental submissions and prepare Preliminary Budget Estimates	May 2024
Analysis of Preliminary Expenditures and Estimates by Administrative Council	May 2024
Audit Committee to recommend Budget to Board	May 2024
Board to approve the Final Budget	June 2024

BUDGET PROCESS

Summary Budget Analysis

Our vision

Leaders in learning and faith.

Our mission

To realize each student's potential within our inclusive Catholic learning community by nurturing and developing their mind, body, and spirit.

Our values

Modelling Jesus in the world through:

- Faith
- Respect
- Community
- Innovation
- Learning

The Board's [Multi-Year Strategic Plan](#) identifies three commitments to our stakeholders. They include strengthening our faith-based, inclusive and equitable community, promoting innovation, and advancing leadership and learning for all. Faced with increasing financial restraints, these commitments continue to guide the Board's decision-making on new investments and cost reductions.

The guiding principles to be used by the board in the development of the 2024-2025 budget are as follows:

- To remain student focused guided by our multi-year strategic plan;
- Classroom environments must reflect 21st century pedagogy;
- Promote professional learning for educators to meet the needs of the 21st century learner;
- To preserve programs and enhance deliverables to students;
- To increase efficiencies of operations;
- To ensure value for money;
- To take a conservative approach; and
- To ensure legislative compliance.

Some of the current issues and or trends that will be taken into consideration while developing the budget this year are as follows:

- Collective bargaining;
- The need to plan for succession and leadership development;
- Changing demographic and diversity of our Sudbury Catholic community;
- Changes to elementary and secondary curriculum;
- Continued need to focus on mental health and well being;
- Emphasis on closing the learning gaps;
- Levels of absenteeism;
- Labour shortage across the system;
- Planning for sustainability of investments in the classroom;

- Continue with AODA planning and implementation;
- Uncertainty regarding Grants for Student Needs (GSN) funding;
- Uncertainty regarding Priorities and Partnership Funding (PPF); and
- Continue implementation of enterprise risk management framework.

The purpose of a budget process is to provide, in a consolidated form, the necessary guidelines for its preparation. The prime objective of the budget guideline document is to serve as a framework to those involved in the budgetary process by providing instructions that are clear, concise, and easy to understand.

The Executive Superintendent of Business has the responsibility of coordinating the overall budget material into a consistent and readable format. The Superintendents and Director of Education have the responsibility for developing and coordinating the budgets within their areas of responsibility. Principals and Managers have similar responsibilities with respect to their individual schools and departments. The whole team is responsible for ensuring that all the individual parts of the budgets align with the Board's multi-year strategic plan and overall objectives of the board.

Funding Issues

The Grants for Student Needs (GSN's) provided by the province are the primary source of revenue for a school board to operate. Calculation of these provincial grants are mainly driven by student enrolment numbers, however there are other elements that factor into the calculation such as special education needs, level, and nature of second language instruction, the age and type of schools, and unique geographic needs. Some grants are special purpose in nature and their use is restricted.

While the budget process begins annually in February, discussions on budget are constrained by uncertainty as to the exact amount and nature of provincial funding. Specific information about the GSN's is normally not available until the release of the provincial budget. Last year a significant part of the information needed to prepare the budget was available mid April 2023. Until then, there is significant uncertainty regarding what school will look like in September 2024, therefore budget forecasts for next year have begun based on anticipated cost pressures, funding reductions and identified priorities for the upcoming year.

To meet collective agreement timelines for staffing and to assist with effective planning for September, decisions regarding teacher staffing need to be made in early April, in advance of the development of staff's recommendation and the Board's discussion on the following year's budget. This does present a risk for the board due to the extent of the unknown for next year therefore a very conservative approach will be adopted and staffing will be set at the minimum positions required until further information is provided by the Ministry of Education.

SCDSB Budget Situation

The Board is entering the 2024-2025 budget process in a favourable position having budgeted the year ending August 31, 2024 with an operating surplus of approximately \$3.9 million. As we endeavour to achieve an annual balanced budget, this will permit us to continue to have some flexibility to explore new opportunities for the board as identified in our priority setting exercises. The board also benefits from opportunities for appropriation of surplus amounts, when available, to enhance the learning environment for our students, in the past this has been reflected as investments in the classroom environment both indoor and outdoor, the Arts, Physical Education, Science and technology. These opportunities directly support the achievement of our multi-year strategic plan and are important to our organization.

Specific Budget Considerations and Risks

A significant part of the budget-setting process will be completed based on academic staffing decisions which are made in April. These decisions are made based on grant estimates and enrolment projections for the coming year using the best information that we have at that time. A major area of risk in the budget preparation resides in enrolment projections. On a system level, enrolment projections were reasonable; however, there can be larger school by school or grade by grade variances that can create staffing pressures. It is important to note that our enrolment projections are derived from a combination of staff experience and local area knowledge.

The board must take into consideration the terms of the respective collective agreements specifically in the areas of salary and ELHT increases and Support for Students Fund. The Ministry has indicated that through the GSN's it will fund the board the increases to the extent of the benchmark salary levels however our average teacher salary is over the benchmark, and the ELHT costs are significantly higher than before the trust was established. The board has to find the additional funds through its existing budget to support these added costs.

The other area of risk for the board is absenteeism. Our absenteeism statistics for our employee groups are significantly higher than we would like them to be and what is funded. The cost to the board includes leave expense, the cost of replacement workers and the cost of learning interruptions to the students and service delivery. A conservative approach to budgeting absenteeism will be key.

The board also has to consider the possible impact to the funding model and possibilities of changing priorities that could result depending on the direction of the current government. The impact of possible reductions to GSN and PPFs would be felt across the entire organization.

Approach to the 2024-2025 Budget

The [Multi-Year Strategic Plan](#), as established by the Board of Trustees, will provide the framework for the allocation of budget resources for 2024-2025 and staff intends to continue to improve the alignment of resources in support of these priorities.

Expenditure management strategies are going to be key in the development of the budget with emphasis on supporting directions that can show their success through evidence-based results on which we can make decisions while undergoing continuing review during the budget process. To ensure that we are able to report on and provide evidence to support the decisions that we made, we have to find ways to continue to support those decisions with data and invest in the human resources and tools required to collect and analyze that data. Effective planning must be a prerequisite for all decisions and direction in which we want to take the board followed by a process of continuous improvement. The government will continue to support shared services models for back-office functions and we must continue to look for and assess those opportunities.

Provincial Guidelines

We will budget under the assumption that the guidance by the ministry will be that boards will not have an in-year deficit for a fiscal year that is greater than the amount determined by the lesser of the board's accumulated surplus for the preceding fiscal year and 1 per cent of the board's operating revenue for the fiscal year.

Boards shall not adopt estimates that indicate the board would have an in-year deficit for the fiscal year unless the estimated in-year deficit would be equal to or less than the amount determined as noted above.

The Board must balance its desire to provide the best possible education for its students within the limits of the resources available to it. While the Board will consult with local interest groups, it cannot abdicate the requirement to act as a responsible corporate body in fiscal matters. It must, by law, balance the annual budget and if expenditures exceed revenues, develop a plan to take corrective action.

The Board should finalize the Budget (assuming final revenue information has been released in a timely fashion) no later than June 30 for submission to the province at that time.

Strategic Planning and Consultation

In February and March, Senior Administration will participate in strategic budget-planning meetings to discuss significant trends, both current and future. There will also be consultation with other system leaders (principals and managers), staff, our students and their families to gather their input. The outcomes of these consultations will be consolidated and will result in setting direction for developing a draft operational plan.

When planning, supervisory officers, principals and managers should keep the following in mind:

- Assess the long-term operational sustainability and effectiveness of these programs or services;
- Assess the impact of the removal of the program or services on students, the system and the community;
- Assess alternative methods of service delivery that could reduce spending

- without impacting students, the system and/or community; and
- A review of data to assess the impact and viability of the programs and/or services.

This proposed budget information will then be shared and discussed with Trustees, at scheduled budget strategy sessions, prior to recommending the draft estimates budget. Once established, the draft estimates budget will be shared on the website for public consultation.

Revenue Estimates

The Ministry of Education has not yet released any technical documents that pertain to the 2024-2025 budget year. Administration will use the 2023-2024 technical information to calculate initial revenue estimates. It is unknown at this time when the actual regulations, forms and computer files may be available, and ultimately, these will have to be completed and filed with the Ministry to determine the Board's revenue. It may be that when such official forms are completed, the initial estimates will have to be revised. It should also be noted that we will continue with our past practice of only including PPF's in the estimates revenue that have been confirmed at the time the budget is prepared. Should there be PPF's that are not confirmed that we determine are priorities we will build that capacity into our budgets and identify funding from another source and re-prioritize other investments.

Expenditure Budget Estimates

Salaries and Benefits Budgets:

- The number of corporate departmental staff will be evaluated and assessed to ensure that we have the appropriate resources to meet the ever-changing demands of all departments. Should a change be requested it must be accompanied by a strong rationale and explanation as to how it will be funded, while keeping within the administration compliance envelope.
- The number of school and instructional staff are determined based on enrolment projections, funding formulas, meeting primary class size requirements and collective agreements. There will be no additional positions staffed at this time to ensure we remain within the budget allocation.
- Salary costs will be projected based on the rates negotiated in the collective agreements. We will also follow any ministry direction to include estimated increases for which they are providing funding.

Non-Salary Budgets:

Accordingly, in order to meet the overall budget targets, it will be necessary to adhere to the following guidelines:

- Budgets are determined through a combination of alignment of priorities within our multi-year strategic plan and the availability of funding.
- That the cost of any proposed new programs or changes in current programs or

services be accompanied by documentation supporting the proposal that shows the alignment to board priorities and considers potential sources of funding.

- That each school give priority to educational programs in developing school budget estimates. Co-curricular and extra-curricular activities shall be closely examined to ensure that priorities are appropriate and support the curriculum expectations.
- Assessment of historical trends and anticipated future directions be undertaken and used to drive forward and identify budget requirements for the upcoming year.

Transportation Budget:

Fees should be based on budgets provided by the consortium. The Board should perform a thorough review of the budget and request the consortium to provide an explanation and analysis of calculations and variances from the previous year.

Pupil Accommodation Budget:

This budget incorporates all costs related to running our buildings and keeping them clean, providing an inviting, positive and safe environment for our staff and students to gather and learn. These costs consist of:

- custodial workload assessment which is calculated based on square footage and then assessed based on additional needs as determined by management review;
- cleaning supplies and grounds upkeep costs, driven by historical trending;
- consideration should also be given to maintaining PPE levels;
- utility budgets are driven by market rates and trends, while considering both improvements to HVAC systems and increased demand to ensure optimal air quality in our buildings as well as the costs related to running a HEPA unit in every classroom and replacement filter for each; and
- maintenance budgets are based on existing contracts and needs identified as part of a multi-year plan as well as a contingency for unknown repairs that may occur.

Major Maintenance/Capital Expenditures:

Budgets are based on identified needs as determined through project selection criteria as follows:

1. VFA Assessments – These are facility condition assessments for each site identifying the life cycle of building components and assets and prioritizing each event by recommended date of completion. This database is operated by the Ministry of Education and each assessment is updated at identified intervals.
2. Budget – The Capital Budget consists of School Renewal funding and School Condition Improvement funding which may change year over year. Projects are selected in adherence to confirmed financial resources. Occasionally the Ministry of Education may provide additional one time or targeted funding such as the Greenhouse Gas Reduction Fund that supports energy saving projects.

3. Operational Impact – Project evaluation includes potential impact to operational costs and utility budgets. Projects with a better pay back period may be given preference.
4. School Needs and System Direction – Discussions as a Senior Team along with school administration on identifying facility and/or program needs are ongoing throughout the year and this information is included as part of final project evaluation.

The total is not to exceed the estimated School Renewal Grant and the School Condition Improvement Grant or any additional grants that are specifically applied for and funded through Ministry initiatives and that are in line with the Long-Term Capital Plan.

Role of Administrative Council

Based on the submissions from all departments and schools, Administrative Council will review and analyze the Preliminary Expenditures Estimates in April 2024. Administrative Council will determine what action(s) might be necessary to comply with the Board's directions and guidelines as well as any legislative compliance that is necessary. Any recommendations are to be prioritized by Administrative Council and will include information as complete as is reasonably possible regarding their effect on schools and programs, where applicable.

Role of the Community

Public participation in the Budget Process is encouraged. Students and their families, the school community and Catholic School Councils are provided the opportunity to identify priorities that they are recommending be included in the upcoming budget. The draft budget information will then be made available on the Board's website and comments can be provided by email. Delegations by the public can also be made at any of the Budget Committee meetings.

Role of the Board of Trustees

The primary role of the Board of Trustees is to establish the goals and objectives for the year and to approve the final budget. It is the Board of Trustees' prerogative to determine the extent to which it wishes to become involved in the budget preparation process and how it wishes to conduct a review of the various stages of the process. The Board may, at any time, request detailed, specific information from Administration to assist in this review.

The Board may also wish to establish, in advance, overall targets or goals that are to be met or to establish other guidelines that could be used in the preparation of the annual budget estimates. The Board can determine the extent to which it involves ratepayers and other system stakeholders, however, the budget process must be open, except as provided under the Education Act or other applicable legislation.

Role of the Audit Committee

The audit committee's role is to be involved in ensuring the integrity of the financial reporting process and ensuring the reliability of the financial information disseminated by the Board of Trustees. The committee should review all budgets and financial statements, whether interim or annual, and provide a recommendation before they are presented to the Board of Trustees for approval. As well the committee should review all existing accounting policies and concentrate on the impact to the financial statements of any changes in accounting policies including the likely impact on any contemplated changes.

Appendix A

See below

Appendix A
2024-2025 Budget Timetable

Date	Responsibility	Procedure
February 7	Sr. Admin	Review Draft Budget Timetable with Sr. Admin and Identification of risks
February 20	Director & Business SO	Regular Board Meeting – Present Budget Process
Feb to March	Director & Business SO	Thought Exchange consultation to go out to system and school staff as well as parents/guardians
March 6	Business SO	Preliminary Elementary Enrolment Projections
March 6	Business SO	Budget Templates to Superintendents and Managers (Due March 29)
March 20	Business SO	Update Elementary Enrolment Projections
March 25	Principals	Provide Feedback on Elementary Projections
March 26	Business SO	Run Elementary Class Organizations

March 28	Principals	Provide Feedback on Elementary Class Organizations
March 28	Superintendents, Managers	Draft Expenditure Budgets to Business SO (excl. staffing)
March 28	Principals	Submit Secondary Enrolment Projections
April 3	Senior Admin	Finalize Elementary Class Organization and Secondary Staffing Calculations
April 11	Business SO and HR	Enrolment Data shared with OECTA
April 11	Education SO - Secondary/Elementary	Staffing meeting with Principals
April 11	Human Resources	Identify Elementary Surplus A
April 15	Human Resources	Identify Secondary Redundancy
April 18	Business SO	Present Provincial Grant Update at Board (if released)
TBD – Late April early May	Senior Administration	Portfolio/Budget Presentations to Board of Trustees
April 22	Human Resources	Identify Elementary Surplus B
May 12	Manager of Finance	Complete Revenue Estimates (EFIS) Complete Expenditure Budget (EFIS)

May 22	Business SO	Present Draft Budget (Staffing) to Senior Administrative Council
May 27 or May 28	Business SO	Present Draft Budget to Audit Committee
May 29 – June 12	Business SO	Post on website for public consultation
June 18	Business SO	Draft Budget to Board for Approval
September 1 – October 31	Finance Department and Business SO	2023-2024 Year-end procedures and working paper preparation
September 6	Schools Business SO	Preliminary Elementary Enrolment Count – any significant issues to be dealt with immediately by SO's
September 13	Schools - Secondary Business SO	Final Secondary Enrolment Count – used to make final staffing decisions for the current year
TBD	Education SO and Business SO	Joint Staffing Committee (Elementary and Secondary) meeting to present final staffing numbers
September 30	Schools – Elementary Business SO	Final class organizations to ensure Primary Class Size adhered to, based on September 6 enrolment
October 31	Schools IMS	Ontario School Information System (OnSIS) official fall count date, due to Ministry by December 31

November 8	Manager of Finance	Budget Templates to Superintendents and Managers to review 2024-2025 for Revised Estimates
November 22	Superintendents, Managers	Submission of Budget Templates to Superintendent of Business
November 14	Business SO	Audit Committee Meeting to review draft 2023-2024 Financials
November 19	Business SO	Presentation of 2023-2024 Financial Statements to Board for approval and submission of EFIS to Ministry
November 22	Financial Analyst	Submission of 2023-2024 Capital Analysis Planning report to Ministry
December 12	Business SO	Present Revised Estimates to Audit Committee
December 17	Business SO	Present to Board Revised Estimates for approval
December 15	Business SO	Submit Revised Estimates to Ministry

Note: These timelines are proposed and may need to be adjusted.