

# CLASSROOM ENHANCEMENT FUND

## ACCOUNTING TREATMENT & FREQUENTLY ASKED QUESTIONS

### **What is the Classroom Enhancement Fund and why is the Ministry of Education providing these funds now?**

The Classroom Enhancement Fund (CEF) was set up by the Ministry of Education in August 2017 as a result of the recent Supreme Court decision to assist school districts to implement restored class size and composition limits. The funds are to be used in “a comparable manner to the public system where the vast majority of funding is used for hiring and compensation related activities and a smaller portion used for other overhead (operating) costs.” Further, the CEF is “to support school budgeting and resourcing decisions to ensure the additional funding is used to support educational programming and staffing decisions for the 2017-18 school year.” (letter from Ms. Ramona Soares, Assistant Deputy Minister, 29 August 2017).

### **Can these funds be used toward reducing tuition fees for families?**

No. The Ministry’s directive is quite clear in that the funds must be used for compensation related activities and operational costs.

### **Why is a payment being made to staff at a CISVA school?**

The payment is recognition of the dedication and service rendered by CISVA staff and represents a thank you from the Board of Directors to staff at our schools. It recognizes the loyalty as well that staff have shown particularly in light of pressures from the public system and the teaching opportunities that have opened in the public system as a result of the Court’s decision.

### **When should staff be given this payment?**

The payment is to be made with the first pay period in February 2018

### **How should the staff payment be treated from a tax perspective?**

The payment to staff is to be considered a taxable benefit and therefore needs to be included when preparing a staff member’s T4.

### **Why is CISVA using a blended per pupil amount and not the amount given to the public school district?**

CISVA schools are spread across 14 public school districts. The per district amounts vary from district to district. The factors that determined the per district amounts do not apply to CISVA. The Board believed that it was in the best interests of our schools that a blended, equalized amount be used.

### Can these funds be used for capital purposes?

No. The Ministry's directive is quite clear in that the funds must be used for compensation related activities and operational costs. Capital costs are not covered.

### When are the funds to be used?

The funds must be used during the 2017-18 financial year for all schools.

### Will this be a recurring grant by the Ministry?

The Classroom Enhancement Fund is a one-time grant only. The per student operating grants for subsequent years are yet to be determined.

### How should a school record this in their budget for 2017-18?

Final budgets from schools are due 30 October 2017 to the Superintendent's Office. Schools are advised to include the CEF as revenue for the FY2017-18. The Superintendent's Office will advise schools separately of the amount to use for your final budget on 5 October. Treasurers are asked to incorporate these numbers before submitting the schools final budget.

### Are there any reporting requirements for the CEF?

Yes. Schools are asked to submit to the Superintendent's Office a short explanation on how these funds will be used. A common reporting template has been prepared to make this task easier for schools.

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### Who is eligible for this staff payment?

The table below is meant to clarify overall eligibility as it relates to staff payments using CEF monies. **Note:** pro rata staff payments should be rounded up to the nearest pay period.

Category	Eligible to Receive Staff Payment	Calculation
CISVA Staff on Maternity Leave	Yes	<ul style="list-style-type: none"><li>• 1 FTE = \$1,000</li><li>• % FTE = pro rata (eg. 0.6 FTE = \$600)</li></ul>
CISVA Staff on Short-Term Disability	Yes, but only for the portion of time staff member is actively employed during the 2017-18 year	Pro rata - Example a) <i>Scenario 1:</i> 1 FTE on STD for 3 months 10 months – 3 months = 7 months (70% or \$700) b) <i>Scenario 2:</i> 0.8 FTE on STD for 6 months 10 months – 6 months = 4 months

		$\$1,000/10 = \$100 \times 4 \text{ months} = \$400 \times 0.8 = \$320$
CISVA Staff on Long-Term Disability	Yes, but only for the portion of time staff member is actively employed during the 2017-18 year	Pro rata - Example c) <i>Scenario 3</i> : 1 FTE on LTD returns 1 Dec 2017 10 months – 3 months (ie, the period they did not work) = 7 months (70% or \$700) d) <i>Scenario 4</i> : 0.8 FTE on LTD and returns 1 Apr 2018 10 months – 7 months = 3 months $\$1,000/10 = \$100 \times 3 \text{ months} = \$300 \times 0.8 = \$240$
Sabbatical (see CISVA Policy 314)	Yes	80% (\$800)
Leave of Absence Without Pay <b>where leave is for the full year</b>	No	\$0
Leave of Absence Without Pay <b>where leave is for a portion of the year</b>	Yes, but only for the portion of time the staff member is actively employed during the 2017-18 school year	Pro-rata – Example e) <i>Scenario 5</i> : 1 FTE where leave of absence is for 4 months 10 months – 4 months = 6 months $\$1,000/10 = \$100 \times 6 \text{ months} = \$600$ f) <i>Scenario 6</i> : 0.6 FTE where leave of absence is for 2 months 10 months – 2 months = 8 months $\$1,000/10 = \$100 \times 8 \text{ months} = \$800 \times 0.6 = \$480$

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## Accounting Treatment – note to Treasurers

**Note:** the line item references tie in to the Budget template and Chart of Accounts that schools have been mandated to use for 2017-18.

### Revenues

1. Recognize the Classroom Enhancement Fund (CEF) grant using line item 6030 on Worksheet B - Revenues of the Budget template

**Expenses**

2. For the Staff Payment using Worksheet C - Expenditures
    - a. Salary & Benefits - Teachers - Worksheet C Expenditures – line item 7008
    - b. Salary & Benefits - Special Ed - Worksheet C Expenditures – line item 7029
    - c. Salary & Benefits - Administrators - Worksheet C Expenditures – line item 7058
    - d. Salary & Benefits – Custodial & Maintenance - Worksheet C Expenditures – line item 7078
  3. TOC
    - a. Use Salary Worksheet changing the TOC daily rate for category 1 from \$207 to \$240
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