

**DATE:** November 29, 2016

**TO:** Board of Trustees

**FROM:** Darrel Robertson, Superintendent of Schools

**SUBJECT:** Proposed Distribution of the 2015-2016 District Surplus

**ORIGINATOR:** Todd Burnstad, Chief Financial Officer

**RESOURCE STAFF:** Vanessa Croswell-Klettke, Lorne Parker

**REFERENCE:** N/A

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## ISSUE

Based on the audited financial statements for the year ended August 31, 2016, the District has a total of \$99.5 million accumulated operating reserve funds including a \$3 million school generated fund (SGF) surplus, which is internally restricted, leaving a net balance of \$96.5 million and an accumulated capital reserve balance of \$57.1 million.

### Operating Surplus Plan:

In conjunction with the 2016-2017 Spring Approved Budget, the Board approved the distribution of \$32.5 million of surplus funds to be used during the 2016-2017 school year. Based on the August 31, 2016, actual ending surplus balances at schools and central decision units, the actual amount of surplus released as part of the 2016-2017 Fall Revised Budget was \$60.8 million (Attachment I).

The budget allocation model at Edmonton Public Schools attempts to distribute the provincial funding we receive across all our schools and our central decision units in a fair and equitable manner with the ultimate goal of providing the best educational experience for our students. The allocation model is largely based on providing a per student allocation. While this approach is consistent across all our schools, depending on the number and composition of students, the ability for individual schools to budget their staffing needs as well as maintain their physical site varies throughout the District. The Equity Fund was established in 2014-2015 and has helped to bridge the gap inherent in the budget allocation system by providing resources through equity fund holdback dollars to schools that encounter emergent needs related to supporting the success of their students.

The District's operating surplus also provides a unique opportunity to be able to access funds to address some of the facility inequities that currently exist at our schools from both a technology and a facility infrastructure point of view (Attachment I, page 2).

The proposed technology plan includes the initial purchase of hardware and equipment to get schools to an equitable level. Once achieved it would evolve into providing core technology infrastructure (including servers, switches, Wi-Fi access points and internet service) on an on-going basis with required hardware or equipment being automatically updated on a regular evergreening schedule. Surplus funds would be required for year one and year two of this plan, following which adjustments would be made to the allocation model where these costs would be treated like a fixed utility annual operating expense

and would be reduced from the District's total annual budget prior to the school and central allocations being calculated.

The infrastructure investment framework will use operating surplus funds to address inequities around the physical state of the District's school sites. These expenses include repairs and maintenance costs, that do not qualify as capital expenditures, and that have typically been addressed through the schools own budget. As part of this initiative, an assessment of the school sites will be performed in order to prioritize the maintenance plan.

#### Capital Reserve Plan:

The capital reserve plan on Attachment III, outlines committed capital costs anticipated for 2016-2017 as well as a potential school technology initiative and a potential energy retrofit initiative.

For the remaining balance of the capital reserve funds, options are currently being discussed and will be brought forward to a future public board meeting for approval.

#### **RELATED FACTS**

Overall, the District believes that having reserve funds is a sound financial practice and helps to shield schools and students from unpredictable provincial funding and/or unforeseen events that could otherwise financially impact the District in any given year.

Although the net accumulated operating surplus balance of \$96.5 million is a large amount, it only represents 8.8 per cent of our total annual operating budget (\$1.1 Billion), and represents 17.5 operational days.

#### **RECOMMENDATION**

**That the proposed distribution of the 2015-2016 surplus be approved as follows:**

- 1. That the 2016-2017 planned use of surplus funds – Phase I totaling \$60.8 million released in conjunction with the 2016-2017 fall revised budget be approved .**
- 2. That the 2016-2017 planned use of surplus funds – Phase II (Attachment I, page 2) totaling \$6.8 million and the 2017-2018 planned use of surplus funds totaling \$16.5 million be approved.**
- 3. That the use of capital reserves in 2016-2017 and 2017-2018 for \$11.1 million and \$5 million be approved.**

#### **OPTIONS**

Based on the information provided in this report, the following options are considered most appropriate:

1. Support the recommended distribution of the operating and capital reserves as outlined in above recommendations 1 through 3.
2. Revise recommendations 1 through 3.

#### **CONSIDERATIONS and ANALYSIS**

The proposed technology and infrastructure planned use of surplus, requires access to surplus funds for both 2016-2017 as well as 2017-2018 in order to be fully implemented.

**NEXT STEPS**

Administration will proceed with the proposed distribution of accumulated operating surplus and capital reserve funds.

**ATTACHMENTS and APPENDICES**

ATTACHMENT I	Detailed Breakdown for the Budgeted Utilization of Accumulated Surplus from Operations for the year ended August 31, 2017
ATTACHMENT II	2016-2017 Central Initiatives to Support Schools – Notes
ATTACHMENT III	Capital Reserve Plan

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**EPSB**  
**Accumulated Operating Surplus Plan**  
**2016-2019**

	Amount	Total Amount
<b>Accumulated operating surplus at September 1, 2015</b> (excluding SGF)		\$ 80,754,489
<b>Operating surplus for the year ending August 31, 2016</b>		15,809,815
<b>Accumulated operating surplus at September 1, 2016</b> (excluding SGF)		96,564,304
 <b>2016-2017 Planned use of surplus funds - Phase I:</b>		
<b>Surplus funds released in the 2016-2017 Fall Budget:</b>		
A School surpluses (up to 3%)	12,513,001	
B Increase in student allocations (ELL & Severe Special Needs)	9,604,595	
C Equity fund (increase over Spring Budget allocation, to bring total to \$9.6M)	5,556,232	
D Placeholder for staffing agreements	2,557,833	
E Student Transportation (access to restricted reserve)	3,050,000	
F School waste management initiative	1,000,000	
G New School start up/establishment costs for 11 for 2017 & top up for 3 recently opened		
11 x \$750,000	8,250,000	
3 x \$150,000	450,000	
H Central initiatives to support schools - Central access to surplus:		
<u>Supports for Schools</u> - Funds to support central services to schools in the areas of: curriculum, career pathways, literacy, numeracy, English language learners, student assessment, data analysis, FNMI, resources, mental health and other areas of need.		8,865,445
<u>District Business Systems and School Support Applications</u> - Funds to support the implementation customization and/or maintenance of business systems and school applications including E-Biz, Archibus, PeopleSoft, Symphony, QuickBooks, FOIP and PowerSchool.		3,212,814
<u>Strategic Planning and Administration</u> - Funds to support the data population and completion of the District Dashboard, the review and alignment of administrative regulations with the new Education Act, the development of District level strategic partnerships and the creation of a structure for principal readiness.		2,179,170
<u>Facilities and Operations</u> - Funds to support school building improvements, facility assessments for schools involved with Space For Students in Mature Communities initiatives and the continuation of a fibre network connection to allow back up internet in the event of a service disruption.		2,070,000
<u>Supports for the Establishment of New Schools and Programming</u> - Funds to support the staffing, communications, visual identity, space, and programming needs for new schools and expanding programs.		1,442,925
<b>Subtotal surplus funds released in the 2016-2017 Fall Budget:</b>	60,752,015	(60,752,015)
<b>Subtotal accumulated operating surplus balance</b>		<b>35,812,289</b>

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Accumulated Operating Surplus Plan  
2016-2019**

**2016-2017 Planned use of surplus funds - Phase II:**

	Amount	Total Amount
1 School Technologies - Year 1 - baseline to equalize schools (Instructional display boards & other non capital items, total \$2.7M over 2 years)	1,350,000	
2 Network Switch Infrastructure - Year 1 - (establishment of a 7 year evergreen model)	1,375,201	
3 Consultant review of landline telephone services in the District	100,000	
4 Infrastructure Investment Framework - Year 1	4,000,000	
	<u>6,825,201</u>	(6,825,201)
5 <b>Plus:</b>		
Schools projected ending 2016-2017 surplus balance (up to 3%)	11,500,000	
Central projected ending 2016-2017 surplus balance	10,000,000	
	<u>21,500,000</u>	<u>21,500,000</u>
<b>Total forecasted accumulated operating surplus at September 1, 2017</b>		<b><u>50,487,088</u></b>

**2017-2018 Planned use of surplus funds:**

6 Maintain increase to student allocation levels (rolled out in 2016-2017)	6,000,000	
7 School Technologies - Year 2 - baseline to equalize schools (Instructional display boards & other non capital items, total \$2.7M over 2 years)	1,350,000	
8 Core Technology Enterprise Management	5,000,000	
9 Infrastructure Investment Framework - Year 2	4,100,000	
	<u>16,450,000</u>	(16,450,000)

**Targeted Reserve funds (For 2017-2018, 2018-2019 and beyond)**

10 <b>Carry forward minimum reserve target</b>	20,000,000	(20,000,000)
11 Equity fund - \$2M minimum balance per year	6,000,000	
12 Transportation (restricted reserve)	1,300,000	
13 Enterprise systems	3,500,000	
14 Property Management	1,100,000	
15 Infrastructure Investment Framework - year 3	2,137,088	
	<u>14,037,088</u>	(14,037,088)
		<u>\$ -</u>

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**Accumulated Operating Surplus Plan**  
**2016-2019**

Notes: **Surplus Funds Released as part of the 2016-2017 Fall Budget:**

- A School surpluses up to 3%: Schools were allowed to carryforward a surplus balance of up to the 3% of their prior year fall budget. Any surplus amount that exceeded the 3% carryforward threshold was added to the Equity Fund. The amount shown as being released includes the repayment of school deficits of \$334,914 from the 2015-2016 school year. Metro Continuing Education was also allowed to carry forward \$519,000 to address outstanding relocation/renovation costs associated with their site relocation in 2015-2016.
- B Increase in student allocations (ELL & Severe Special Needs): In efforts to support the District's most vulnerable students, for the fall budget, student allocation rates for English Language Learners (ELL) was adjusted where students in Division I who previously only received a level 1 allocation, will now receive level 3. The level 3 allocation was then also increased by 5% over the 2016-2017 Spring Budget. In addition, students identified as having severe special needs (level 7 and 8) received a 10% allocation increase over the 2016-2017 Spring Budget.
- C Equity fund: In the spring an allocation of \$4 Million was established. For the fall, any school surplus balances in excess of the 3% carryforward threshold was added to the Equity Fund for 2016-2017. The Equity Fund was established by the Superintendent in 2014-2015 to enhance opportunities for all schools in the District and to support the District's Four Cornerstone Values: Collaboration, Accountability, Integrity, and Equity. This fund will support school catchment work and address individual school emergent circumstances.
- D Placeholder for staffing agreements: The support staff agreement has been unsettled since September 2015 and the exempt staff agreement ended in August 2016. Although the custodial staff collective agreement was settled in the spring of 2016, the unit cost figures used for the 2016-2017 budget did not include any increase in compensation. As such this request for surplus funds will be retained centrally and will be used to offset any staff contracts that are settled and/or paid in 2016-2017. EPSB assumes that any compensation adjustment related to the teachers agreement (which also expired in August 2016) will be fully funded by the Province and as such, no potential impact has been factored into the 2016-2017 budget.
- E Student Transportation: The access to surplus request is to offset the anticipated additional costs associated with an increase in ridership of approximately 800 yellow bus riders for 2016-2017.
- F School waste management initiative: In the past, schools were individually responsible for arranging, managing and budgeting the waste removal services at their site. Starting in September 2016, this service will be consolidated and managed by the Facilities Services decision unit, this will result in a decrease of over 2,500 invoices annually and will result in an overall cost savings and consistency of services provided. This initiative will be funded through surplus operating funds for 2016-2017. For subsequent years this will be added to our utility costs and will be funded through PO&M dollars.
- G Start up/establishment costs for new schools: In 2015-2016 an allocation of \$600K was provided to each of the three new schools scheduled to open in September 2016. This allocation covers staff costs (including principals) required to start preparing for the school opening six months prior. In addition, there are other expenses that are not funded by the Province. Based on the schools that recently opened, the actual amount of funds required is \$750K, as such, a top up allocation of \$150K is required for the recently opened schools and \$750K will be required for each of the 11 new schools anticipated to open in September 2017.
- H Central initiatives to support schools: Starting in 2015-2016, where schools were allowed access of up to 3% of their surplus, Central leaders decided to pool their unrestricted operating surplus funds and using a collaborative approach, prioritize initiatives that directly support the District's Strategic Plan. This process has continued for 2016-2017 and details of the planned initiatives have been included on Attachment II.

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**Accumulated Operating Surplus Plan**  
**2016-2019**

Notes: **2016-2017 Planned use of surplus funds - Phase II:**

1 School Technologies - Year 1 - targeted funding totalling \$2.7M over 2 years. These funds will be used to bring all instructional spaces to an equitable baseline related to interactive display technologies. The funding includes the acquisition and installation of 650 new interactive display technologies (which individually fall below our asset capitalization policy).

2 Network Switch Infrastructure - Year 1 - Currently, schools are responsible for the cost of core switching technology at their respective sites. Schools are charged monthly by District Technology for service and support of this core infrastructure. In a new enterprise management model, maintenance, management and evergreening of core switching technology will become the responsibility of District Technology. The replacement of end of life switches in all schools will take place over a three year period, after which a seven year evergreening plan will be in place across the District. Schools will no longer be responsible for budgeting for the maintenance and replacement of their core switching technology.

3 Consultant review of landline telephone services in the District - A plan to reduce the cost of landline telephone services was implemented in 2011, resulting in a reduction of EPS telephone lines from 1400 to 350, and annual savings of \$375K. In 2016-2017, District Technology and Facilities Services will engage the services of a consultant to assist with a full review of our landline telephone services, including recommendations on an 10 year enterprise plan.

4 Infrastructure Investment Framework - Year 1 - Investment in District infrastructure will narrow the equity gap between schools. Items such as interior paint, furniture and equipment, minor instructional upgrades, gym floors, air ducts, interior and exterior entrance areas, and general office areas will be addressed. Additional funding for 21st Century student-centred school design and school facility assessments is also included.

5 School & Central surplus carryforward - In compliance with the Administrative Regulation CVB.AR – *Guidelines for Carry Forward of Funds for Central and School Decision Units* and based on historical trends, it is reasonable to assume that both schools and central decision units will not expend the full amount of the funds that were allocated to them in 2016-2017. These funds will then be available to redistribute in 2017-2018.

Notes: **2017-2018 Planned use of surplus funds:**

6 Maintain increase to student allocation levels (rolled out in 2016-2017) - In conjunction with the 2016-2017 fall budget, changes were made to the student allocation rates increasing the amount allocated for English Language Learner (ELL) students as well as students with severe special needs. Unless there are any increases in provincial funding for 2017-2018, in order to maintain these higher student allocation levels, additional funds will be required from the operating surplus.

7 School Technologies - Year 2 - targeted funding totalling \$2.7M over 2 years. These funds will be used to bring all instructional spaces to an equitable baseline related to interactive display technologies. The funding includes the acquisition and installation of 650 new interactive display technologies (which individually fall below our capitalization policy).

8 Core Technology Enterprise Management - currently, schools are responsible for the cost of core technology infrastructure at their respective sites. Schools are charged monthly by District Technology for service and support of this core infrastructure, which includes servers, switches, wi-fi access points and Internet service. In a new enterprise management model, maintenance, management and evergreening of core technology infrastructure will become the responsibility of District Technology. Schools will no longer be responsible for budgeting for the maintenance and replacement of their core technology infrastructure. Following 2017-2018, funds to sustain this model will be provided out of the District's operating budget as a fixed annual cost.

9 Infrastructure Investment Framework - Year 2 - Investment in District infrastructure will continue in an effort to narrow the equity gap between schools. Items such as interior paint, furniture and equipment, minor instructional upgrades, gym floors, air ducts, interior and exterior entrance areas, and general office areas will continue to be addressed.

**EPSB**  
**Accumulated Operating Surplus Plan**  
**2016-2019**

Notes: **Targeted: Sustainability/Reserve Funds (for 2017-2018, 2018-2019 and beyond)\***

- \* Given the dependence and uncertainty around Provincial funding for EPSB, it is difficult to project the District's accumulated surplus position beyond one year. As such, administration had identified the below list of targeted reserve funds required for future years.

10 Carry forward minimum reserve target: To be financially responsible and prudent the District is targeting to maintain a minimum reserve balance of \$20 Million.

11 Equity fund: This reserve fund is used to guarantee a minimum balance of \$2 Million per year for the 2017-2018 through 2019-2020 school years. The Equity Fund was established by the Superintendent in 2014-2015 to enhance opportunities for all schools in the District and to support the District's Four Cornerstone Values: Collaboration, Accountability, Integrity, and Equity. This fund will support school catchment work and address individual school emergent circumstances.

12 Transportation: The transportation surplus is restricted and is to be used exclusively to stabilize transportation fees.

13 Enterprise systems: These resources would be used for the purchase, installation, and upgrade of key enterprise systems, e.g., PeopleSoft HR, PowerSchool, Archibus, Intranet, etc. Although the E-Biz project went live in October 2015, to maximize the systems capabilities, several other systems now need to be updated (e.g. PeopleSoft HR, Budget, etc). In addition, the District has also identified the need to move towards an electronic recruiting application process. The governance of these resources would be addressed through the establishment of an Information Technology Council.

14 Property management: (*Closed buildings, non-instructional spaces and operational spaces with district tenants*) - Under the Infrastructure Investment Framework, Property Management reserves will be used for lifecycle needs on our closed school buildings and buildings used for central services' DUs (e.g., Centre for Education, Distribution Centre, etc.). This fund would cover major costs such as boilers and roofs that cannot be paid with IMR dollars.

15 Infrastructure Investment Framework - Year 3 - Investment in District infrastructure will continue in an effort to narrow the equity gap between schools. Items such as interior paint, furniture and equipment, minor instructional upgrades, gym floors, air ducts, interior and exterior entrance areas, and general office areas will continue to be addressed.



**Central Initiatives to Support Schools - Notes  
2016-2017 Access to Surplus**

Initiative Name	Description	Funding Required For 2016-2017
<b>Supports for Schools</b>		
1 Evidence Based Decision Making	Supporting the development and roll out (training of school staff) of the internal dashboard; supporting catchment strategic planning through the use of data analysis protocols - based on achievement and survey data. Working with provincial achievement data to make it more actionable for schools and training staff to use the data (and align gaps with research to identify strategies for closing the gaps). Support high school department heads in using diploma exam data to improve teaching and learning. Build capacity in evidence-based decision making and assisting schools in data analysis.	275,000
2 Research Team - creating a culture of research/evidence based decision making	Supporting all district priorities through a foundation of research, evidence/research based decision making, best practices and evaluation of projects.	253,206
3 District-wide Focus on Reading (DFR) Elementary and Secondary Development	1.0 FTE secondary consultant position and funds to support secondary development work (supply teacher coverage, admin support, etc.); supply teacher coverage for 24 lead teachers from the DFR Cohort Schools (K-12).	238,977
4 Career Pathways	Ongoing work related to Phase 2 of Career Pathways as it expands across schools and division levels. Staff to support the development curriculum resources to support the implementation of the CTF and CTS courses and build teacher capacity in the integration of Career Pathways in CTF and CTS.	1,147,748
5 District assessments and assessment regulations	Supporting ongoing work around the MIPI and HLAT writing tests and ongoing support for matters related to GKB.AR as well as other District work – i.e., District-wide Focus on Reading, Gifted and Talented, Career Pathways. Build capacity in evidence-based decision making and assisting schools in data analysis.	225,000
6 Intercultural and Assessment Support for ELL and Newcomers	To increase supports to schools to meet needs of english language learners and newcomers. Increase intercultural staff by 4 to support the following languages - Arabic, Somali and East Indian languages. Increase teacher consultant staff ( 2 ESL consultants and 1 Reading Specialist) to support assessment requests.	752,346
7 Mobile Mental Health Transition Team	Create a mobile mental health team.	376,000
8 Math/Numeracy Support	Increase from 1.0 to 4.0 FTE Math/Numeracy consultants to ensure each leadership group has an assigned Math/Numeracy consultant.	367,719
9 Locally Developed Courses (LDC) Management and Development	1.0 FTE teacher consultant, 0.2 admin support and funds for teacher supply coverage for the review, management and development of LDCs.	156,947
10 Diversity	To increase support staff by 0.5 FTE.	30,460
11 2017 Summer Institutes	Continuation of the Summer Institutes initiative that commenced in 2016.	325,000
12 Mental Health Capacity Building	Enhance training for Comprehensive School Contact in support of student mental health.	85,930
13 Early Years Strategy - Support students entering Grade 1 at risk for literacy and numeracy success	The Language Literacy Pilot in 2015-2016 developed a program prototype to build teacher capacity and support children entering Grade 1 who are identified at-risk for literacy difficulties and/or those who were identified as having speech, language or communication needs. For 2016-2017 professional learning to support teachers to use the prototype to support children at risk in grade 1.	100,000
14 RDS Resource Strategy Implementation	1.0 FTE teacher consultant and funds to support implementation of the RDS Resource Strategy.	150,856
15 Commit to Kids	District-initiated program to identify and prevent situations where students may be at risk of sexual abuse.	30,000
16 Psychologist and Academic Assessment	Used to obtain external contracts for specialized assessment. This initiative started in 2015-2016 and is continuing to be required for 2016-2017.	200,000

**EPSB**  
**Central Initiatives to Support Schools - Notes**  
**2016-2017 Access to Surplus**

17	My Blueprint E. Portfolio	Support the implementation of myBlueprint Education Planner tool across the District. The yearly cost of using the system across the District is currently \$91,380 and includes the following: All About Me Portfolio K-6; Education Planner 7-12 (Alberta Edition); Data Services; (PowerSchool API, SSO, Staff Portal) Training, Proactive Support and Dedicated Service; Resource Centre, Lesson Plans, Tutorial Videos; Complimentary Upgrades to New Versions; Setup, Maintenance, Secure Canadian Hosting; French Editions (K-12).	91,380
18	Research Supervisor	Support and coordinate the need for research based practices and evaluation of the effectiveness strategies and approaches used in district schools. In addition, building central staff capacity by the development of protocols and practices for evaluation, data analysis and reporting.	130,000
19	2 FNMI Consultants	Increased demand and awareness of the FNMI achievement gap. 2 consultants are needed to support FNMI in each of the leadership groups.	260,000
20	Comprehensive School Health Coordinator	Continuity in shaping our work in Comprehensive School Health, and is the lead consultant for Mental Health First Aid and Mental Health Literacy Project. Act as Project Lead for the creation of a Mental Health Framework.	115,480
21	Early Years Expansion	District level supports for schools participating in phase two of Early years expansion.	121,500
22	Data Analyst	This additional support in the area of data analysis will support to build capacity of central and school staff. The goal is to develop knowledge, skills and expertise by using term definite position until internal capacity is built.	130,000
23	Building Capacity in Provincial Curriculum Implementation	Consultant support for provincial curriculum implementation and support for 7 subject areas.	1,570,185
24	Building Capacity in Math and Numeracy	Funding for key external presenters to support mathematics areas of need and for additional consultant support targetting bilingual and French immersion math interventions, resource development and professional learning support.	140,274
25	Building Capacity in Literacy Practices and Interventions	A range of supports to build District capacity in literacy classroom practices, intervention supports and leadership.	1,591,437
<b>Subtotal Supports for Schools</b>			<b>\$ 8,865,445</b>

**District Business Systems and School Support Applications**

26	Supporting Students and Teachers Through Digital Reporting	Implementation and maintainance of the new system (IPP, ELL, MMP, ISBP).	140,000
27	Next Phase of E-Biz - Business intelligence, analytical and reporting system	Finance has implemented a very robust enterprise transactional system (with standard reports) that has moved the District into the 21st century. However there is still a high demand and need to enhance reporting for schools, district leaders, and external stakeholders. The District needs to be more responsive and nimble than ever before as demands for analytical and financial reports from stakeholders has increased exponentially. An enterprise reporting and business analytical application was considered at the beginning of the E-Biz project. However, due to budget constraints the implementation was postponed and to be considered in a future roadmap. The business intelligence enterprise sytem will deliver a full range of capabilites including interactive dashboards, ad hoc inquiries, intergrated systems mgmt, enterprise and financial reporting, scorecard and strategy management, etc.	1,275,000
28	Maintenance of online training system (ERO)	A district-wide communication, registration and tracking software to manage professional learning of staff and talent management.	90,000

**EPSB**  
**Central Initiatives to Support Schools - Notes**  
**2016-2017 Access to Surplus**

29	Development of a business case for the future direction and enhancement of PeopleSoft/HR technology infrastructure	PeopleSoft (as it is currently implemented) does not support the needs of the District relating to human resources data, functionality and the ability to implement a comprehensive human resources/talent management strategy. It does not effectively support interfaces with other District systems (e.g., E-Biz, business intelligence, etc.). This project would build on past work to develop a specific plan for the future direction of PeopleSoft and other HR technology requirements necessary to support current and future District needs. One outcome of this work is to develop a roadmap that will identify necessary enhancements to HR infrastructure and move forward on defined initiatives (e.g. online applications, timesheets, etc.).	275,000
30	Development and implementation of an effective and consistent performance management system	Our current performance management practices are inconsistent across staff groups and not well defined for some staff groups. Additionally, they do not support our culture of collaboration, accountability and learning. The objective of this work is to define a consistent district performance management process, supported by automated workflow for implementation in 2017-2018.	250,000
31	District Intranet	Ongoing work related to the build phase of the District Intranet, including: contract support to assist with the review and updating of documents and 1.0 consultant to convert existing curriculum, literacy and numeracy content (information, resources, etc.) into new District intranet structure.	607,814
32	Support of new centralized library system	This implementation commenced in 2015-2016. For 2016-2017 the required number of FTE's will be reduced from 2 to 1 to support the new centralized system.	60,000
33	Finance/ITS - Site Asset Mgmt System (SAMS)	Upgrade and enhance current version. Improve reporting, data entry, and editing features (current version is somewhat cumbersome). Improve and expedite asset management for new schools and/or transfers between schools. Also assists with insurance claims, disaster recovery, and risk management. Last upgraded approx. 10 yrs ago.	10,000
34	International Student Information system	Implementation support for the new International Student Information System that allow for online applications and online payments. This system interfaces with power school.	50,000
35	Provincial Power School Core upgrade	The District's cost shared portion of a provincial upgrade to Power School that will enable the District to properly "hide" or bury the legal name and surface the preferred name when this is the name that has been requested by the family (ie. transgendered student). This will enable schools to meet family requests in all circumstances where a preferred name is being requested by the family.	50,000
36	Quick Books Upgrade	The current version of Quick books (used by all the schools for recording SGF transactions) is outdated and is no longer compatible with new versions of Windows. In anticipation of the Province requiring additional reporting around school fees, The current Quickbook Chart of Accounts (COA) needs to be redesigned.	30,000
37	FOIP Software upgrade	Software to support the electronic sorting of emails related to a FOIP request. This software would create efficiencies and also improve the integrity of our process through the lens of accountability and transparency.	25,000
38	District Mass Messaging System	This project was initiated at a discussion level in 2015-2016. It involves looking at a district mass messaging system to send out alerts, messages etc. to staff, students and parents using email, phone and SMS	350,000
<b>Subtotal District Business Systems and School Support Applications</b>			<b>\$ 3,212,814</b>

**EPSB**  
**Central Initiatives to Support Schools - Notes**  
**2016-2017 Access to Surplus**

**Strategic Planning and Administration**

39	Dashboard - Priorities Two and Three	Funding to support taking the development and implementation of the dashboard through to completion. For 2016-2017 there will need to be district work done for the building and data populating of the dashboard in relationship to priorities 2 and 3. The funding committed reflects dollars to support working with an external vendor. These dollars do not reflect the human resources drawn out of central decision units.	750,000
40	Strategic Partnership	Staffing positions to support the development of district level strategic partnerships. These positions would help in the development and implementation of a strategic approach to key areas of partnership that support Career Pathways, community connections (including Dual Credit), relationships with post secondaries, key industry partnerships, establishment and retaining of a District work place, mentoring and career data bank, school based wrap-around models, the role of community in replacement school initiatives and strategic community connections that support the Strategic Plan (such as literacy, diversity, mental health and early intervention).	400,000
41	Onboarding	Development and implementation of a comprehensive onboarding process for new and transitioning staff. This will be fundamental in supporting success as individuals move into new roles.	75,000
42	HR Administrative Regulations	Update and implement HR administrative regulations to align with new HR Framework and Education Act.	125,000
43	Principal Readiness	Create a process, structure, curriculum design and delivery to build a pool of principal talent to meet the upcoming district need for new principals and assistant principals.	300,000
44	Administration Regulation Review	With the adjustment/delay of Alberta Education's enactment of the new Education Act the work will carry forward into the 2016-2017 school year.	126,000
45	Research & Innovation - Data Analyst	This position was intended to support the District's capacity to use the Dashboard as a tool within an evidence-based culture. The Internal Dashboard launched August 2016. This position was not filled prior to the Dashboard being live and accessible to staff. This work to build capacity around the analysis of our data using the Dashboard as a single point of access to the data will be a key strategy for 2016-2017.	150,000
46	Strategic Plan Reporting Cycle	Hire a staff member to work with Central D.U.s, Assistant Superintendents and schools in support of the Strategic Plan Board Reports. This support would reach across all phases of the report development - data analysis, development of the report, writing and formatting of the document and preparation of the presentation for Public Board meeting. As this is the first year of this reporting process this position would promote the building staff capacity around evidence-based reporting and result in the development of a process frame and supporting materials that would be foundational to the approach to reporting on the go forward.	130,000
47	Fund Development Support One Year Position	The EPSB Foundation has made strategic decisions and created plans to increase the amount of donations given to support Full-Day Kindergarten and to raise awareness of the great things happening in our District. In order to get these plans on the ground in a timely and efficient way, we need additional support to develop our website/facebook/newsletters and to increase our social media presence. We are looking for someone to help create our event planning, employee campaign and stewardship frameworks. This would be a full time, one year term.	93,170
48	Student Senate	.25 teacher leader to support the ongoing operations of the Student Senate. There was originally an approved total budget of \$26,000 to support this work. In the first few weeks of operationalizing the Student Senate it has become evident that this initiative requires significant more time to organize, implement and support. There have also been some unanticipated costs associated with the running of the Student Senate, such as costs to cover their group photo for the District website.	30,000

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<b>Subtotal Strategic Planning and Administration</b>	<b>\$</b>	<b>2,179,170</b>
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**EPSB**  
**Central Initiatives to Support Schools - Notes**  
**2016-2017 Access to Surplus**

**Facilities and Operations**

49	Facilities: Assessments, Building Improvements for Schools and Property Management	Facility assessments for schools involved with Space For Students in Mature Communities initiatives. Infrastructure has received direction to complete similar assessments across the District. <i>NOTE: in order for this expense to be funded from capital reserves, all the work identified in the report must be completed and must qualify as an eligible capital expense.</i>	\$ 1,650,000
50	District Information Security	Funds to support the hiring of a third member to the District Information Security team. Currently the team does not have the capacity to fully utilize the equipment and software the District has invested in this work. This leaves gaps or vulnerabilities in our ability to monitor the safety and well being of our students and staff.	65,000
51	Roof Repair/New Vehicle	This capital purchase was not undertaken. For the 2016-2017 year 2 cube vans and a fork lift are required.	175,000
52	Commerical Copier	A production copier was purchased in 2015-2016, a second one is required for 2016-2017.	100,000
53	Fibre connection to City of Edmonton	In 2015-2016, District Techology budgeted for a fibre network connection to the City of Edmonton via a trench from the CFE to the LRT line (where the City has fibre network buried). Connecting to this network will provide some level of redundancy to the District in the event that Shaw Internet Service is disrupted, allowing the District to continue to function with a core level of Internet access. However, delays in the build has resulted in it not being complete by August 2016 year end.	80,000
<b>Subtotal Facilities and Operations</b>			<b>\$ 2,070,000</b>

**Supports for the Establishment of New Schools and Programming**

54	Grand Opening for New Schools	Nellie Carlson, Dr. Margaret-Ann Armour and Roberta McAdams Schools will hold their respective Board of Trustees-hosted grand openings in October. Funding for these events are not included in the DU's base allocation.	30,000
55	Support for 2017 schools	For 2016-2017 we'll need additional support to manage design needs specifically for: Official opening events for Nellie Carlson, Roberta MacAdams, Dr. Margaret-Ann Armour. Various communications pieces to support 11 new schools opening in 2017 including: Attendance area consultations and announcements. Visual identities and stationery packages, School naming (request for submissions and announcements), Signage, Custom materials about programming, registration, info nights, Career Pathways, Early Years expansion, renaming and program resources, Infrastructure consultations (mature communities, high school, Monthly summaries to support Strategic Plan Updates, Staff group recognition, Intranet redesign, Further improving the way we share information about choosing a school. However, beyond that, with a total of 14 new schools to serve, we need additional graphic design support to meet their needs.	139,755
56	Communications support for bringing 11 new schools online	Direct communications and event planning, communications support to new principals. We had a 0.6 position on contract to support the three new principals in their work to get up and running. Eleven new principals will require at least full time communications support so they can focus on hiring staff and resourcing their schools. The consequence of not having this position is that principals end up doing work in which they have little expertise and we have inequity among the eleven schools.	93,170
57	Accommodation Planning support	Hire a 1.00 FTE teacher consultant to support required work relating to new schools, highschool accommodation plan, and alternative program distribution review.	90,000
58	Stakeholder Engagement support	Additional resources required to support the continuing work with mature communities and other engagement initiatives. Resources will also be used to further develop the stakeholder engagement area.	90,000

**EPSB**  
**Central Initiatives to Support Schools - Notes**  
**2016-2017 Access to Surplus**

59	Early Years program moves	Due to growth pressures, two existing early years sites will be moving. This involves the moving of 4 classrooms from Homesteader being relocated to John Barnett and 4 classrooms from Waverly being relocated to Duggan.	250,000
60	Inclusive Learning relocation	To support the cost associated with relocating Inclusive Learning from Parkallen School to another district site.	100,000
61	Logistics for opening 11 new schools	To support cost related to the logistics & storage of furniture and equipment for new schools. (Space)	350,000
62	New School Openings	Additional staffing resources (for the HR Consulting Decision Unit) will be required to support new school openings for 2017.	300,000
<b>Subtotal Supports for the Establishment of New Schools and Programming</b>			<b>\$ 1,442,925</b>
<b>Total Access to Surplus Funds for 2016-2017</b>			<b>\$ 17,770,354</b>

**EPSB**  
**Capital Reserve Plan**  
**2016-2018**

	<b>Amount</b>	<b>Total Amount</b>
<b>Accumulated capital reserve at September 1, 2015</b>		<b>37,675,476</b>
Capital transactions during 2015-2016		<b>(611,945)</b>
<b>2015-2016 Transfer of surplus to capital reserves</b>		<b>20,000,000</b>
<b>Total capital reserve balance at September 1, 2016</b>		<b>57,063,531</b>
 <b>Known use of capital reserves in 2016-2017:</b>		
1 Ameresco (Energy Efficiency) contract - signed November 2015 (ends Aug 2017)	8,000,000	
2 CFE Building Airhandling unit - RFP process initiated October 2016	500,000	
3 School Technologies - baseline to equalize schools (individual devices & other capital equipment costs)	1,600,000	
4 Energy retrofit (Design phase) - (2016-2017)	1,000,000	
	11,100,000	(11,100,000)
<b>Subtotal</b>		<b>45,963,531</b>
 <b>Known use of capital reserves in 2017-2018:</b>		
4 Energy retrofit (On-going annual commitment) - (starting in 2017-2018)	5,000,000	<b>(5,000,000)</b>
5 <b>Remaining capital reserve balance:</b>		<b>40,963,531</b>

Notes:

1 Ameresco (Energy Efficiency) contract - Funding for a contractual commitment originally budgeted to be paid out of IMR funding support. The IMR funds will now be targeted towards school facility improvements and narrowing the equity gap between schools.

2 CFE Building Airhandling unit - replacement of the air handling units at CFE required as they have reached the end of their life cycle and require ongoing maintenance.

3 School Technologies - One time capital funding of \$1.6M to bring all schools to an equitable baseline relative to student technologies. The purchase of 4700 Chromebooks will bring all schools to a student to device ratio of 2:1. All schools will also have a technology plan in place to ensure sustainability and evergreening of student technologies over the long term.

4 Energy retrofit - Funds will be used to design for another energy efficiency (retrofit) contract. A two to three year contractual commitment to replace old mechanical and electrical systems in selected schools. The upfront costs associated with this initiative is more than offset by future utility cost savings.

5 The District is currently reviewing several options related to the capital reserve funds. Any request to access capital reserve funds will be brought forward for approval at a future public board meeting.