



Ministry of Education and Child Care

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# **2024/25 AMENDED ANNUAL BUDGET INSTRUCTIONS**

For British Columbia School Districts



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## SECTION A: SUMMARY OF INFORMATION REQUIRED BY THE MINISTRY

### 1. Completion of Forms

Section 113 (2) of the *School Act* states that “If an operating grant to a board is amended under section 106.3 (6) or a grant is withheld or reduced under section 117 (1), the minister may order that

- (a) the board, by bylaw, must amend its annual budget; and
- (b) the board must send a certified copy of the amended annual budget to the minister within 60 days of the order of the minister.”

Pursuant to section 156 of the *School Act* (Accounting Practices), Boards of Education (the “Boards”) are required to prepare and submit budgets to the Minister, in the form, with the information, and at the time required by the Minister. The amended annual budget must be prepared in accordance with the [Accounting Practices Order](#), the [Financial Planning and Reporting Policy](#) and the [K-12 Accumulated Operating Surplus Policy](#).

The Minister is requiring Amended Annual Budgets to be prepared, adopted by bylaw and submitted by March 28, 2025. **The Ministry’s Excel template must be used to prepare the 2024/25 amended annual budget.** This template can be downloaded from the Ministry’s website at:

<https://www2.gov.bc.ca/gov/content?id=F1E5065A7B274A4880870611A6ADD169>

**Budgets must be submitted both electronically and in hard copy.** This amended annual budget is the Board of Education’s own financial plan for the 2024/25 school year. **The hard copy must be identical to the electronic excel version.**

Ministry contact regarding the Amended Annual Budget is:

([Linda.Seabrook@gov.bc.ca](mailto:Linda.Seabrook@gov.bc.ca))

Telephone: 250 356-5088

Ministry Excel template questions can be directed to:

([Richard.Raloff@gov.bc.ca](mailto:Richard.Raloff@gov.bc.ca))

Telephone: 778 676-3557

### 2. Amended Annual Budget Submission

**DUE DATE: March 28, 2025**

**One (1) single-sided, UNBOUND, hard copy:**

- Amended Annual Budget Bylaw - **this must be certified and have original signatures.**
- Amended Annual Budget - **Ministry Excel template hard copy (the version numbers generated at the bottom of each page are control mechanisms which ensure continuity between data electronically submitted to the Ministry, and that signed by the Board).**
  - Statement 2 – Revenue and Expense (original signatures required once finalized)
  - Statement 4 – Change in Net Financial Assets (Debt)
  - Schedule 1 – Schedule of Changes in Accumulated Surplus (Deficit) by Fund
  - Schedule 2 – Operating Revenue and Expense
  - Schedule 2A – Schedule of Operating Revenue by Source

**SECTION A: SUMMARY OF INFORMATION REQUIRED BY THE MINISTRY**  
*2. Amended Annual Budget Submission – Cont'd*

**One (1) single-sided, UNBOUND, hard copy (cont'd):**

- Schedule 2B – Schedule of Operating Expense by Object
- Schedule 2C – Operating Expense by Function, Program and Object
- Schedule 3 – Special Purpose Revenue and Expense
- Schedule 3A – Changes in Special Purpose Funds
- Schedule 4 – Capital Revenue and Expense

**One (1) electronic submission:**

- **Set to “Finalize Package”**
- Submit the Excel file electronically to: [SDFR@gov.bc.ca](mailto:SDFR@gov.bc.ca)

The hard copy submission should be couriered, as mail can take up to 10 days:

**COURIER**

School District Financial Reporting Unit  
Resource Management Division  
Ministry of Education and Child Care  
3rd Floor, 620 Superior Street  
Victoria BC V8V 1V2  
Attn: Ian Aaron

**CANADA POST (including Xpresspost)**

School District Financial Reporting Unit  
Resource Management Division  
Ministry of Education and Child Care  
PO Box 9151 STN PROV GOVT  
Victoria BC V8W 9H1

## SECTION B: 2024/25 AMENDED ANNUAL BUDGET FORMAT OVERVIEW

Districts' audited financial statements present budget figures which must follow the same accounting principles used for financial statement reporting. School districts are required to prepare their budget following Public Sector Accounting (PSA) Standards. The Amended Annual Budget statements and schedules follow the same format used for Financial Statement reporting. Refer to the Ministry website at: <https://www2.gov.bc.ca/gov/content?id=D1D70DFA0C0C43D8BE810DF8CB67F983>

The Amended Annual Budget follows the same format as the Annual Budget with the exception of the addition of Schedule 1 “Schedule of Changes in Accumulated Surplus (Deficit) by Fund” as opening surplus balances are now known.

Statement 2 “Amended Annual Budget – Revenue and Expense” will be populated (with the exception of the FTE amounts) from the information entered into the balance of the Amended Annual Budget statements and schedules and will consolidate all revenue and expense by function reported for the operating (Sch 2), special purpose (Sch 3) and capital funds (Sch 4).

The total budget bylaw amount, which includes expenses and asset purchases from all funds, is presented at the end of this Statement (see Section I for more information and specific instructions).

The finalized printed version will contain an area for Board Approval. The version submitted to the Ministry must include original signatures for the Chair, Superintendent and Secretary Treasurer.

Statement 4 – “Change in Net Financial Assets (Debt)” reports the budgeted changes including tangible capital asset acquisitions by source and amortization. Only some of the values on this schedule are automatically populated from information entered on other schedules (see Section H for more information and specific instructions).

Schedule 1 – “Schedule of Changes in Accumulated Surplus (Deficit) by Fund” is only required for Amended Annual Budget reporting (see Section G for more information and specific instructions).

Schedules 2 – 2C report **Operating** Revenues and Expenses (see Section D for more information and specific instructions).

Schedules 3 and 3A report **Special Purpose** Revenues and Expenses (see Section E for more information and specific instructions). **“NEW”** Schedule 3A now includes a column to report the “Health Career Grants” (Dual Credit Expansion, Work Experience and Career Sampler grants).

Schedule 4 report **Capital** Revenues and Expenses (see Section F for more information and specific instructions).

## SECTION C: BALANCED BUDGET DEFINITION AND SURPLUSES/DEFICITS 2023/24

Boards are required to prepare a balanced amended annual budget where board revenues plus any appropriated surpluses fully fund the following:

- annual operating expenses,
- annual special purpose fund (SPF) expenses,
- annual capital fund expenses,
- tangible capital asset acquisitions (from Operating, SPF's & Local Capital), and
- any planned reduction of prior years' deficits.

Prior years' accumulated surpluses can be appropriated to finance expenses for 2024/25. Any budgeted appropriation of an operating surplus must be recorded on Schedule 2 – “Amended Annual Budget – Operating Revenue and Expense” as “Budgeted Prior Year Surplus Appropriation”. Appropriations should not include prior years' surpluses that will not be spent in 2024/25. If, after an appropriation, a surplus remains, this balance should represent unspent amounts received in 2024/25 (annual surplus) and not the "accumulated" surplus of prior years (as reported on Schedule 1 – “Changes in Accumulated Surplus (Deficit) by Fund”).

The amended annual budget must be prepared in accordance with the [Accounting Practices Order](#), the [Financial Planning and Reporting Policy](#) and the [K-12 Accumulated Operating Surplus Policy](#).

Boards of education incurring an operating deficit and/or local capital deficit in 2023/24 must budget to retire these deficits in 2024/25 or in accordance with the specific instructions and conditions authorized by the Minister for multi-year deficits. **In accordance with section 156 (12) of the *School Act*, Boards are required to seek deficit approval from the Minister prior to incurring a deficit of any kind.**

## SECTION D: OPERATING REVENUE AND EXPENSE

### 1. Timing of Operating Grant Payments

Consistent with 2023/24, the Ministry will disburse 2024/25 operating grant allocations as follows:

- July and August – 3 percent of operating grant allocation per month,
- September – 5.35 percent of allocation,
- October through March – 9.775 percent per month
- April through June – 10 percent per month
- Payments will be made twice per month

School Districts needing an adjustment to the set percentage due to unforeseen circumstances through the school year may contact the Ministry for assistance. January through June 2025 payments will be amended for the autumn operating grant recalculation.

Ministry contacts for timing of operating grant payments:

- Tim Jah, Director of Funding & Allocation ( [Tim.Jah@gov.bc.ca](mailto:Tim.Jah@gov.bc.ca) )
- Kevin Herkel, Director of School District Financial Reporting ( [Kevin.Herkel@gov.bc.ca](mailto:Kevin.Herkel@gov.bc.ca) )

### 2. Schedules 2 – 2C – Summary of Operating Budget Formats

Schedule 2 – “Amended Annual Budget – Operating Revenue and Expense” will be populated from the information entered into Schedule 2A – “Schedule of Operating Revenue by Source” and Schedule 2C – “Operating Expense by Function, Program and Object”.

Budgeted prior year surplus appropriation, retirement of deficit, and transfers to the capital fund for tangible capital asset purchases, work in progress purchases, capital lease and loan payments and transfers to local capital should all be reported on this schedule.

Schedule 2A – “Amended Annual Budget – Schedule of Operating Revenue by Source” presents budgeted operating revenues from all sources.

Schedule 2B – “Amended Annual Budget – Schedule of Operating Expense by Object” salaries and benefits expense will be populated from the information entered into Schedule 2C – “Operating Expenses by Function, Program and Object”. Total services and supplies must agree to the total reported on Schedule 2C – “Operating Expenses by Function, Program and Object”.

Schedule 2C – “Amended Annual Budget – Operating Expense by Function, Program and Object” presents budgeted operating expenses by function, program and object..

## SECTION D: OPERATING REVENUE AND EXPENSE

- *Continued*

### 3. Operating Fund Account Descriptions

To promote comparability across school districts, school districts must comply with the revenue and expense classifications and cost allocation guidelines. Please refer to the document “Operating Fund Account Descriptions” on the School District Financial Reporting website at:

<https://www2.gov.bc.ca/gov/content?id=D1D70DFA0C0C43D8BE810DF8CB67F983>

This historical document does not include the recently added Programs 1.20, 4.20 & 5.20 “Early Learning and Child Care”. Given the recent addition of child care programs and facilities in districts, expenses relating to these programs (that do not fall within regular instruction) should be allocated to these new programs on Schedule 2C.

### 4. Revenue

#### a) Operating Grants, Ministry of Education and Child Care

Operating Grants are shown in Table 1a of the 2024/25 Autumn Recalculation Operating Grant tables on the Ministry website at:

<https://www2.gov.bc.ca/gov/content?id=5DEF559C97BF45308B8CF5054F847094>

On Schedule 2A, report Operating grants as shown in Table 1a “2024/25 Full-Year” column which includes the targeted funding for Indigenous Education Councils. Districts wishing to Budget for February and May counts that are forecasted to exceed or fall short of those amounts listed in Table 1a should report this amount on a separate District Entered line under “Other Ministry of Education and Child Care Grants” on Schedule 2A and ensure that they also include the corresponding increase/decrease in FTE’s (if applicable) on Statement 2.

#### b) Other Ministry of Education and Child Care (MECC) Grants

In this section, report unrestricted MECC grants. Pay Equity, Funding for Graduated Adults, Student Transportation Fund, Labour Settlement Funding, Support Staff Benefits grant, FSA Scorer grant and Child Care Operating grants (ICM, CCOF, ECE wage enhancements, CCFRI) should be reported on the lines provided. District entered lines can be used if a line hasn’t been provided (Equity Scan, NGN self-provisioned site grant, Recruitment & Retention, ICY Clinical Counsellor, Anti-Racism, etc).

#### c) Provincial Grants - Other

Use this line to report grants from other Ministries and Government Reporting Entities (Hospitals/Health Authorities, Universities, Colleges, Crown Corps.) and **NOT** grants from the Ministry of Education and Child Care. Grants from SkilledTradesBC (formerly ITA), other Ministries (excluding capital grants), and BCPSEA should be reported here.



## SECTION D: OPERATING REVENUE AND EXPENSE

### 4. Revenue – Cont'd

#### d) Government Transfers

Please refer to [Treasury Board Regulation 198/2011](#) for details on when amounts received from the province should be deferred. All deferred revenues, with the exception of capital contributions and earned revenues (tuition, rentals, etc.) must be reported as special purpose funds (see Section E for more information and specific instructions).

#### e) Tuition

Schedule 2A – “Amended Annual Budget – Schedule of Operating Revenue by Source” includes a separate revenue category for tuitions. Please report tuition fee revenues on the appropriate line of this section rather than as other revenues.

#### f) Other Revenue

Other revenue can be used to finance expenditures beyond operating grant revenue and should be recorded in the appropriate accounts. Boards of education are reminded that any amounts budgeted under revenue account “*Other Ministry of Education and Child Care Grants*” or “*Miscellaneous*” using a district entered line require a description in the space provided.

#### g) Funding from First Nations

Boards of education are to budget the full amount of anticipated Funding from First Nations (includes LEA/Direct Funding) on Schedule 2A “Amended Annual Budget – Schedule of Operating Revenue by Source” on the line “Funding from First Nations”. This will ensure that the source of funding is shown accurately.

Funding for Indigenous students is provided as part of the Operating Grants and is recalculated in the autumn. As in prior years, amounts will be recovered by the Ministry based on the Nominal Roll provided by Indigenous Services Canada (ISC). **This recovery should be reported separately on its own line as a negative amount on Schedule 2A** “Amended Annual Budget – Schedule of Operating Revenue by Source” on the line “ISC/LEA Recovery”.

The Ministry holds back the estimated amount of Funding from First Nations from the operating grant until the grant amount is recalculated and the Nominal Roll review is complete (target date: April 2025). Payments or recoveries will be adjusted in grant payments before June 30, 2025.

## SECTION D: OPERATING REVENUE AND EXPENSE

- *Continued*

### 5. Expense

#### a) Indigenous Education Programs

Expenses for Indigenous Education Programs continue to be targeted in 2024/25. **New** for 2024/25, expenses relating to the establishment and maintenance of Indigenous Education Councils and the implementation and, if applicable, negotiation of LEAs will also be targeted. Although these expenses are targeted, the supplemental funding for these programs is part of the operating grant and must be reported on Schedule 2A – “Amended Annual Budget – Schedule of Operating Revenue by Source”.

The minimum spending level for program 1.31 Indigenous Education has been established as the total amount of supplemental funding for these programs as presented in Table 4b and Table 9b of the Operating Grant Tables plus any underspent target from 2023/24. Descriptions of these programs can be found in the “Operating Fund Account Descriptions” document (see Section D. 3). For more information please see the K-12 Funding - Indigenous Education Policy here:

<https://www2.gov.bc.ca/gov/content?id=A68C7DDDA92544E5BC671C58EAA1534E>

Boards of education should only budget for the additional costs as described in these Guidelines.

**The budget must not be less than the target amount.**

The minimum spending level for the establishment and maintenance of Indigenous Education Councils (IEC) and the implementation and, if applicable, negotiation of LEAs has been established as the total amount of supplemental funding for these programs. These expenditures should be reported in program 4.40 – School District Governance on Sch 2C (refer to the May 10, 2024 DM Bulletin). School district’s target amounts are derived from Table 1a of the Operating Grants Manual. Boards must develop (in collaboration with proposed IEC members) a Targeted Implementation Plan (Plan) and the members must approve the Plan before any targeted IEC Implementation spending can be done.

All school districts are required to provide the Ministry with a summary report of actual Indigenous Education and Indigenous Education Council targeted spending for the 2024/25 school year. A reporting template for districts to track spending will be provided via the DM Bulletin. Spending less than the target amount requires approval from the Minister of Education and Child Care. The request for spending less than the target must include a brief rationale explaining why the full target was not spent in 2024/25.

#### b) Public Liability and Property Loss Coverage

Boards should budget in program 5.41 for premiums for Public Liability and Property Loss Coverage. Operating grants should be reported at the gross amount (before any recovery for School Protection Plan (SPP) Premiums).

## SECTION D: OPERATING REVENUE AND EXPENSE

### 5. Expense – Cont'd

#### c) **Coordinated Legal and Arbitration Support Services (CLASS)**

Districts should budget for their share of the CLASS program as legal costs in 2024/25. Until the actual charge to districts is calculated and communicated via the DM Bulletin, the 2023/24 amount can be used as an estimate for 2024/25.

#### d) **Digital Services Recovery (NGN and MyEdBC)**

Consistent with 2023/24, the recovery model for digital services is a fee per student model based on the Sept 2024 FTE enrolment count. Until the actual charge to districts is calculated and communicated via the DM Bulletin (estimated at \$40/student), the 2023/24 amount can be used as an estimate for 2024/25.

#### e) **Transfers (to) from Other Funds – Tangible Capital Assets Purchased**

Tangible capital assets purchased, including replacements, will be **capitalized** when they meet the criteria for capitalization and where costs exceed capital threshold amounts established by the district.

The amount budgeted from the operating fund for capital purchases will be reported on Schedule 2 “Amended Annual Budget – Operating Revenue and Expense” as “Net Transfers (to) from other funds – Tangible Capital Assets Purchased”.

Tangible capital assets purchased from all sources will also be reported on Statement 4 “Change in Net Financial Assets (Debt)”. Those assets purchased from Operating, Special Purpose Funds and Local Capital will be included in the total Budget Bylaw amount on Statement 2 “Amended Annual Budget – Revenue and Expense”.

#### f) **Transfers (to) from Other Funds – Tangible Capital Assets – Work in Progress**

The amount budgeted from the operating fund for tangible capital asset – work in progress purchases will be reported on Schedule 2 “Amended Annual Budget – Operating Revenue and Expense” as “Net Transfers (to) from other funds – Tangible Capital Assets – Work in Progress”.

Tangible Capital Assets purchased, including work in progress, from all sources will also be reported on Statement 4 “Change in Net Financial Assets (Debt)”. Those assets, including work in progress, purchased from Operating, Special Purpose Funds and Local Capital will be included in the total Budget Bylaw amount on Statement 2 “Amended Annual Budget – Revenue and Expense”.

## SECTION D: OPERATING REVENUE AND EXPENSE

### 5. Expense – Cont'd

#### g) Transfers (to) from Other Funds – Local Capital

Budgeted transfers to local capital from operating for the year should be reported on Schedule 2 “Amended Annual Budget – Operating Revenue and Expense” as “Net Transfers (to) from other funds – Local Capital”. Operating surplus transferred to Local Capital represents funds restricted by the Board for future capital asset purchases. Operating surplus should not be transferred to Local Capital without supporting detail of what capital projects these Local Capital funds will be spent on. Until such time as the funds can be identified for a specific Local Capital funded project, the funds should be retained in operating surplus. Each year’s inter-fund transfers should be subject to discussion and approval by the Board prior to the transfer being made, with a formal motion for the transfer of that year’s surplus. Please refer to the [K-12 Accumulated Operating Surplus Policy](#) that outlines specific circumstances in which boards can restrict operating surplus, transfer available operating surplus to Local Capital and defines the limits of these restrictions, and the K-12 Public Education [Financial Planning and Reporting Policy](#).

These transfers represent a reallocation of surplus between funds and will not become part of the total Budget Bylaw amount for 2024/25 on Statement 2 “Amended Annual Budget – Revenue and Expense”. These transfers will net to zero (as presented on Schedule 1 “Changes in Accumulated Surplus (Deficit) by Fund”) with the transfers reported on Schedule 4 “Amended Annual Budget – Capital Revenue and Expense”.

#### h) Transfers (to) from Other Funds – Other

Amounts budgeted from the Operating Fund for other purposes, such as capital lease or loan payments and ARO settlements, will be reported on Schedule 2 “Amended Annual Budget – Operating Revenue and Expense” as “Net Transfers (to) from other funds – Other”.

#### i) Employee Future Benefits (EFB) Expense

The EFB liability and annual expenses were recalculated by the ministry’s actuarial consultant as at March 31, 2024. The estimated EFB expense for 2024/25 can be found on the completed EFB Actuarial tool sent to districts May 1, 2024 at the bottom of tab 1.

## SECTION E: SPECIAL PURPOSE REVENUE AND EXPENSE

### 1. Annual Facility Grant (AFG)

School Districts' Annual Facility Grant (AFG) allocation for 2024/25 is \$150.2 million to fund maintenance and repairs in schools. The \$150.2 million is made up of \$23.5 million from the Ministry's operating budget and \$126.7 million from the Government's capital plan. \$2 million of the AFG allocation will be contributed by school districts to continue funding the Capital Asset Management System (CAMS). The 2024/25 AFG operating allocation (net of CAMS) was paid to districts July 31, 2024. Each district's AFG allocation for 2024/25 can be found in the table "2024/25 Annual Facility Grant (AFG) Allocation" located on the Ministry website at:

<https://www2.gov.bc.ca/gov/content?id=A5AA22B0A2FD4C2C829C601C98AD7932>

Each school district provided the Ministry with a 2024/25 AFG project and spending plan prior to receiving their AFG COA (Certificate of Approval). The plan included a list of AFG projects and expenditures that each school district would undertake between April 1, 2024 and March 31, 2025 and a schedule of forecasted spending during that period. School districts are expected to use facility condition data from the CAMS to help guide their maintenance decisions.

A Certificate of Approval (COA) for the capital allocation is granted to complete AFG projects. Please note that draws against the COA cannot occur until capital project expenditures have been made.

School districts are encouraged to maximize all AFG spending for capital related maintenance projects that meet the criteria for capitalization and to complete the planned AFG projects to fully utilize AFG funding by March 31, 2025.

The AFG operating portion should be reported on Schedule 3A – "Changes in Special Purpose Funds" gross of CAMS. The corresponding CAMS expense should be reported as "services and supplies" expense on Schedule 3A.

**Do not** report AFG amounts received via a bylaw – COA draw on Schedule 3A – "Changes in Special Purpose Funds". These must be reported as Deferred Capital Revenue in the Capital Fund.

Please refer to the AFG policy for details on allowable expenditures:

<https://www2.gov.bc.ca/gov/content?id=478C400B42B14DCBAC27CBA0E659863F>

## SECTION E: SPECIAL PURPOSE REVENUE AND EXPENSE

- *Continued*

### 2. Learning Improvement Fund (LIF)

The Learning Improvement Fund (LIF) was established for the purpose of providing additional resources, specifically targeted to support complex classes that present challenging learning conditions. Districts had the discretion to allocate these funds to improve the learning conditions for all students and support teachers in meeting student needs.

The 2024/25 LIF is \$25 million. This funding is provided to address classrooms with the highest need and must be used for the provision of additional teacher assistants and other para professionals. The Ministry will continue to maintain the [\*Learning Improvement Fund Regulation\*](#) which requires school districts to submit a spending plan to the Ministry specifying how school districts spend their LIF allocation. This directly enables the provision of additional hours, up to 35 hours per week, and/or positions to enhance direct services to students.

Districts will be expected to consult with local unions in determining deployment of their LIF allocation. Any issues should be raised with the BCPSEA local representative. A *Confirmation of Genuine Consultation Form* must be submitted to BCPSEA which will in turn permit the release of LIF funds to districts.

District allocations can be found in Table A of the “Summary of Grants to Date, 2024/25” found on the Ministry website at:

<https://www2.gov.bc.ca/gov/content?id=5DEF559C97BF45308B8CF5054F847094>

Unspent LIF amounts from 2023/24 (if any) must continue to be reported on Schedule 3A and should be **fully expended by June 30, 2025**. Staffing plan reporting for LIF was due to the Ministry from districts October 18, 2024.

Upon receipt of the district’s financial statements, ministry staff will review LIF spending as detailed on Schedule 3A. Specifically, ministry staff will verify that LIF grants were only spent on Educational Assistants’ and support staff salaries and benefits. Spending less than the annual allocation may impact the following year’s allocation.

Spending of the LIF grant must not reduce the expenditures the district would have made to address learning improvement issues if the board did not receive the grant.

## SECTION E: SPECIAL PURPOSE REVENUE AND EXPENSE

- *Continued*

### 3. Classroom Enhancement Fund (CEF)

The Classroom Enhancement Fund (CEF) was originally created to fund the Memorandum of Agreement (MoA), negotiated with the 2013-2019 BCPSEA–BCTF Provincial Collective Agreement.

To continue to fund this agreement, the Ministry has currently committed \$799 million for school districts for the 2024/25 school year. The CEF continues to be provided to districts as a special purpose fund in 2024/25. The \$799 million current funding is comprised of three components: the FTE Teacher staffing allocation \$710.6 million (\$704.2 + \$6.4 labour settlement funding), Overhead allocation \$46.8 million (\$45.8 + \$1.0 labour settlement funding) and Teacher remedies \$41.6 million. The current allocations can be found in Table B and Table E (labour settlement portion) of the “Summary of Grants to Date, 2024/25” found on the Ministry website at:

<https://www2.gov.bc.ca/gov/content?id=5DEF559C97BF45308B8CF5054F847094>

It is Government’s expectation that there will be little, if any, underspend of the CEF as at June 30, 2025. Ongoing monitoring by the Secretary-Treasurer (ST) of CEF spending is expected. If the ST anticipates **underspending any category of CEF by more than 2%** of the approved CEF allocation, Tim Jah ([Tim.Jah@gov.bc.ca](mailto:Tim.Jah@gov.bc.ca)) must be notified no later than March 31, 2025. The Ministry will take steps to adjust grants for the period April 1, 2025 through June 30, 2025 to minimize underspending. If necessary, any unused CEF funding may be recovered by the Ministry and/or applied to the 2025/26 school year CEF funding. A rationale must be provided by the ST as part of this process.

Three columns are provided on Schedule 3A to report the CEF (“Staffing”, “Remedies” and “Overhead”). Report the CEF funding (Table B) plus the labour settlement portion (Table E) in the columns provided. Please note the following:

- District allocations may continue to be adjusted upon receipt of district reporting.
- Adjustments to district allocations may again be made after the 2024/25 school year, especially if it is determined that a particular school district received more funding than was required.
- Districts will be required to provide a final report as at June 30, 2025 outlining their hiring and use of remedies, together with a final financial submission that can be reviewed against district audited financial statements. Reporting templates will be forthcoming from the Ministry this spring.
- Boards of Education are responsible for ensuring that funding is spent in a manner that aligns with the MoA and optimal classroom organization to ensure the most efficient use of resources.
- Ministry staff will be reviewing school district final reports and Financial Statements to verify that the funds were spent in a manner that is consistent with the MoA.

If you have technical questions regarding the distribution or accounting and reporting requirements, please contact Tim Jah ([Tim.Jah@gov.bc.ca](mailto:Tim.Jah@gov.bc.ca)) or Kevin Herkel ([Kevin.Herkel@gov.bc.ca](mailto:Kevin.Herkel@gov.bc.ca)).



## SECTION E: SPECIAL PURPOSE REVENUE AND EXPENSE

- *Continued*

### 4. Schedule 3A – Changes in Special Purpose Funds

This schedule is used to track district's deferred revenues and amounts that will be budgeted as revenue, expense and tangible capital assets purchased from these deferred revenues (special purpose funds). Districts **must** populate the opening balances on the first row of this schedule with the closing balances reported on the June 30, 2024 audited Financial Statements.

**“NEW”** Schedule 3A now includes a column to report the “Health Career Grants” (Dual Credit Expansion, Work Experience and Career Sampler grants).

The budgeted transactions (amounts received and transferred to revenue) for deferred revenues must be reported on this schedule in order to calculate budgeted revenues for the year. Deferred revenues are not permitted in the operating fund. All restricted contributions received, with the exception of capital contributions, must be reported on Schedule 3A (“unearned revenues” such as tuition and rentals, must be reported in the operating fund).

Operating and Capital funds cannot be transferred to special purpose funds. **Only restricted contributions received from an external party** may be reported on Schedule 3A. Please refer to [Treasury Board Regulation 198/2011](#) for the definition of a restricted contribution.

The following grants meet the definition of a restricted contribution per *Treasury Board Regulation 198/2011*. To ensure consistent reporting these grants **“must”** be reported on Schedule 3A:

- Annual Facility Grants (AFG) (excluding amounts paid via bylaw COA's)
- Learning Improvement Fund (LIF)
- Special Education Equipment Grants
- Provincial Resource Program Grants (PRP) (including SET BC and related literacy supports)
- CommunityLINK Grants (CLINK)
- Official Languages in Education French Programs (OLEP) Grants
- Strong Start Centre Grants
- Ready Set Learn Grants
- Classroom Enhancement Fund – Staffing (including related labour settlement funding)
- Classroom Enhancement Fund – Overhead (including related labour settlement funding)
- Classroom Enhancement Fund – Remedies
- First Nation Student Transportation Fund (BCTEA)
- Mental Health in Schools Grants
- Changing Results for Young Children (CR4YC)
- Federal Safe Return to Class/Ventilation Fund (2023/24 unspent amounts only)
- Seamless Day Kindergarten Funding



**SECTION E: SPECIAL PURPOSE REVENUE AND EXPENSE***4. Schedule 3A – Changes in Special Purpose Funds – Cont'd*

- Just B4
- Early Childhood Education (ECE) Dual Credit program
- Strengthening Early Years to Kindergarten Transitions (SEY2KT)
- Early Care & Learning (ECL)
- Student & Family Affordability Fund
- Feeding Futures Fund
- Health Career Grants (Dual Credit Expansion, Work Experience and Career Sampler) **“NEW”**
- Dual Credit Program Expansion **“NEW”**
- School Generated Funds (restricted contributions only)
- Controlled and Related Entities (if applicable – see below)
- Earnings and disbursements of endowments (excluding capital)
- Interest earned on any of the above funds

The following Ministry of Education and Child Care grants **“do not”** meet the definition of a restricted contribution and therefore **“must not”** be reported on Schedule 3A but on Schedule 2A – “Amended Annual Budget – Schedule of Operating Revenue by Source” instead:

- Pay Equity Grants (PE)
- Funding for Graduated Adults
- Operating Grants (including all allocations for Indigenous Education, Indigenous Education Councils, DL, Education Plan, vulnerable students, etc.)
- Student Transportation Fund
- Support Staff Benefits Grant
- Labour Settlement Funding (excluding CEF portion)
- ICY Clinical Counsellor Funding
- Foundation Skills Assessment (FSA) grants
- Recruitment & Retention (FRSP) Grants
- Child Care Operating Funding (CCFRI, ICM, CCOF, ECE wage enhancements)
- Equity Scan grants
- Premier’s Awards
- NGN Self-Provisioned Site grants

School districts’ receipts of special purpose grants can be found on district’s Cash Disbursement System (CDS) report at: [https://www.bced.gov.bc.ca/apps/cds/pls/cds/cds\\_html\\_main\\_pkg.cds](https://www.bced.gov.bc.ca/apps/cds/pls/cds/cds_html_main_pkg.cds)

**Please note** that the final payments for some grants have not yet been posted to CDS. For example, only 70% of Feeding Futures, SStarts and Ready Set Learn and only 50% of ECL grants have been paid and posted to CDS (you will need to add the other 30% & 50% to arrive at the June 30<sup>th</sup> grant totals). Also, CEF grant adjustments may not yet have been posted to CDS in which case you should use Tables B & E of “Summary of Grants to date, 2024/25” for current CEF grant amounts.

## SECTION E: SPECIAL PURPOSE REVENUE AND EXPENSE

### 4. Schedule 3A – Changes in Special Purpose Funds – Cont'd

**OLEP, 1<sup>st</sup>, 2<sup>nd</sup>, and Minority Language Funding** is a **Ministry of Education and Child Care grant** and therefore should be reported on the line “Provincial Grants - Ministry of Education and Child Care” and **NOT** as Federal Grants.

Contributions from the Ministry of Education and Child Care not listed here, other Ministries, provincial and non-provincial sources will need to be assessed to determine whether or not they meet the definition of a restricted contribution and should be deferred (reported on Schedule 3A) or not (reported on Schedule 2A). Please refer to *Treasury Board Regulation 198/2011* when making that determination.

To facilitate the presentation of expenditures funded by the operating fund for the programs associated with the various special purpose funds (SPF's), a line has been provided at the bottom of Schedule 3A to report these additional expenses if districts wish to disclose this information. **The Program areas within the Ministry will be referring to this data when evaluating the funding levels of certain programs (Strong Starts & Ready Set Learn for example).** This line is for information purposes only and, *if left blank, will not print.*

A column is provided on Schedule 3A if the district wishes to budget **Related Entity revenue and expense**. Any expense or tangible capital asset purchases reported in this column will become part of the total budget bylaw. The Board of Education may not wish to include these expenses in the district's budget bylaw for various reasons and therefore the completion of this column is not mandatory. This will, however, create a variance between the actual and budget figures presented on Schedule 3 of the June 30, 2025 audited Financial Statements.

### 5. Schedule 3 – Special Purpose Revenue and Expense

The revenue and net transfers (to) from other funds (tangible capital assets purchased, lease/loan payments, ARO settlements, other) sections of this schedule are populated via links from Schedule 3A.

Expenses must be entered by “function” and agree to the total expense reported on Schedule 3A. Districts will need to determine which “function” best describes their SPF expenditures. District Entered lines are also available for this purpose.

Budgeted endowment contributions must be reported on the line “Endowment Contributions” and will be included in the calculation of Net Revenue (Expense) per PSAS.

## SECTION F: SCHEDULE 4 - CAPITAL REVENUE AND EXPENSE

This schedule discloses the budgeted revenues and expenses for the capital fund. Budgets do not require the presentation of Statement of Financial Position balances such as Tangible Capital Assets or Deferred Capital Revenue so supplementary schedules are not required for the Amended Annual Budget - Capital Fund. Budgeted transactions in the capital fund must be reported in the appropriate column (invested in capital assets or local capital).

Per *Ministerial Order 033/09 "Accounting Practices Order"*, a capital fund deficit is permitted for the amount that amortization of tangible capital assets expense exceeds amortization of deferred capital revenue.

**a) Invested in Capital Assets Revenue** must include:

- Amortization of all Deferred Capital Revenues (bylaw, MECC Restricted, other provincial and non-provincial funds) – please refer to your half-year rule amortization tools
- Gains (losses) on the disposal of Tangible Capital Assets (see the [disposal tool](#) posted on the Ministry website)
- Deferred Capital Revenues spent on **sites** (bylaw, municipal funds, MECC restricted capital, other provincial and non-provincial capital)
- Deferred Capital Revenue spent on the **settlement of asset retirement obligations** (bylaw, MECC restricted capital, other provincial and non-provincial capital).
- Deferred Capital Revenues (bylaw, MECC restricted capital) spent on non-capital items (if applicable) that are offset by an equal amount of expense (see b) below).

**b) Invested in Capital Assets Expense** must include:

- Amortization of Tangible Capital Assets allocated amongst the functions “Operations and Maintenance” and “Transportation and Housing” – please refer to your half-year rule amortization tool (districts may want to allocate bus amortization to “Transportation and Housing”).
- Write off/down of Buildings and Sites (see the [write off/down tool](#) posted on the Ministry website)
- The related expense for the Deferred Capital Revenues spent on non-capital items (if applicable)

**c) Local Capital Revenue** must include:

- Interest earned on Local Capital Balances
- Locally earned capital revenue (if applicable, ex: revenue from non-educational commercial property)

## SECTION F: SCHEDULE 4 - CAPITAL REVENUE AND EXPENSE

- *Continued*

**d) Local Capital Expense** must include:

- Interest paid on capital leases and loans
- Expenses relating to locally earned capital revenue. Local capital funds from the proceeds of land/building sales and transfers from operating **MUST** be spent on capital assets and not expensed.

**e) Net Transfers (to) from Other Funds**

Transfers from operating and special purpose funds for tangible capital assets purchased and tangible capital asset WIP purchased are linked from the amounts reported on Schedule 2 (Operating) and Schedule 3 (Special Purpose Funds). Transfers to Local Capital from Operating are linked to the amount reported on Schedule 2 (Operating). Transfers reported as “other” transfers on Schedules 2 and 3 to fund capital lease payments, capital loan payments and **settlement of asset retirement obligations** should be reported here (they are not linked). There should not be any transfers to other funds except in special circumstances (ex: a board “un-restricts” local capital). Transfers (to) from all funds should net to zero on “Schedule 1 – Changes in Accumulated Surplus (Deficit) by Fund”. A verification rule is included in the verification error summary to ensure that all interfund transfers reported in the various funds net to zero.

**f) Other Adjustments to Fund Balances**

Report transfers between invested in capital assets and local capital here. These adjustments should net to zero. This will include reclassifying the district’s portion of proceeds on disposal of assets, tangible capital assets purchased from local capital, the principal portion of capital lease and loan payments and the **settlement of asset retirement obligations** from local capital. **Ensure that assets purchased from Local Capital are entered on the line provided as these amounts link into Statement 4 “Amended Annual Budget – Changes in Net Financial Assets (Debt)”.**

## **SECTION G: SCHEDULE 1 – CHANGES IN ACCUMULATED SURPLUS (DEFICIT) BY FUND**

Schedule 1 – “Schedule of Changes in Accumulated Surplus (Deficit) by Fund” is a schedule that is only required for Amended Annual Budget and Financial Statement reporting. This schedule is used to present the interfund transfers between funds, the net revenue (expense) for each fund and the resulting closing accumulated surplus (deficit) by fund. Districts must not report an accumulated deficit in any fund unless prior permission from the Minister has been received. The opening accumulated surplus (deficit), or fund balance, for each fund should agree to the district’s June 30, 2024 audited financial statements.

The net revenue (expense) for the year and the interfund transfers between funds will populate through links from Schedules 2, 3 and 4.

## SECTION H: STATEMENT 4 – CHANGES IN NET FINANCIAL ASSETS (DEBT)

Districts must budget for the change in net financial assets (debt) which is defined as the change in “non-financial assets” (for a definition of non-financial assets, please refer to *CPA PSA Handbook* section *PS 1000.41 - .43*). Non-Financial assets would include tangible capital assets, prepaid expenses, supplies inventory and restricted assets (endowments).

Enter the acquisition of tangible capital assets, **including work in progress (WIP) and sites**, from the various funding sources on the lines provided in the section “Acquisition of Tangible Capital Assets”. The assets purchased from operating, special purpose and local capital will automatically populate from the information entered on the lines “Net Transfers (to) from other funds – Tangible Capital Assets Purchased” and “Net Transfers (to) from other funds – Tangible Capital Assets – Work in Progress” on Schedule 2 and Schedule 3 and “Tangible Capital Assets purchased from Local Capital” on Schedule 4.

You must also budget for tangible capital assets (including WIP and sites) purchased from all sources of Deferred Capital Revenue (**bylaw COA’s, MECC Restricted, Land Capital, SkilledTradesBC (formerly ITA), Child Care New Spaces Capital, Ventilation Improvement Fund and Non-provincial capital**) and any tangible capital assets acquired through capital loans and **leases**. Tangible capital asset acquisitions from deferred capital revenues should be reported on the line “From Deferred Capital Revenue”. Acquisitions from loans and leases should be reported on a district entered line with the appropriate description. These amounts will **not** be included in the Budget Bylaw amounts reported on Statement 2 “Amended Annual Budget – Revenue and Expense” but will become the Budget comparative figures used in the 2024/25 Audited Financial Statement “Changes in Net Financial Assets (Debt)”.

If your district will be disposing of, or writing-down, tangible capital assets, you should budget for the amounts that will affect the changes in tangible capital asset values (and changes in net financial assets (debt)) here. The net book value of any tangible capital asset disposed of should be reported on the line “Net carrying value of Tangible Capital Assets disposed of”. The net book value of any asset write-downs should be reported on the line “Write-down carrying value of Tangible Capital Assets”.

Some other values on this schedule are automatically populated and linked from information entered on other schedules (amortization of tangible capital assets, endowment contributions, etc.).

## SECTION I: STATEMENT 2 – AMENDED ANNUAL BUDGET REVENUE AND EXPENSE

### 1. Ministry Operating Grant Funded Student Full Time Equivalent (FTE) Enrolment Reporting

Ministry Operating Grant Funded FTE's (2024/25 Operating Grants Table 1b) must be reported on Statement 2 – “Amended Annual Budget – Revenue and Expense”. The Funding Allocation System distributes the General Operating Grants based on School-Aged FTEs (DL students, summer, September, February and May counts are included) and Adult (non-graduated) Education Funded FTEs. For definitions and amounts, please refer to the 2024/25 Operating Grants manual provided at <https://www2.gov.bc.ca/gov/content?id=5DEF559C97BF45308B8CF5054F847094>

Please do not include graduated adult FTE's as these are funded through the grant “Funding for Graduated Adults” and not the operating grant.

Statement 2 – “Amended Annual Budget – Revenue and Expense” line “Ministry Funded Other FTEs” can be used for summer school (July count) and other FTE's. Please ensure you convert any headcount figures to the equivalent FTE amount (ex: 1 student headcount in one class = .125 FTE).

### 2. Revenue, Expense and Budget Bylaw Amount

Revenue and expense amounts on Statement 2 are populated from links that combine the data reported on Schedules 2, 3 and 4 for the Operating, Special Purpose and Capital Funds. Descriptions will need to be provided for District Entered lines. District entered lines used on Schedules 3 and 4 will populate onto separate lines of Statement 2 to facilitate presentation of differing descriptions.

A verification rule is included in the verification error summary to ensure that all interfund transfers reported in the various funds net to zero. These interfund transfers are also summarized on Schedule 1. Only transfers to Invested in Capital Assets from operating, special purpose funds and local capital for the purchase of tangible capital assets (including WIP) will be included in the final budget bylaw amount.

The Budget bylaw amount is calculated at the end of Statement 2. This includes all expenses reported in the various funds, tangible capital assets (including WIP) purchased from operating funds, special purpose funds and local capital and any budgeted retirement of prior years' deficits.

Once finalized, the printed version of Statement 2 will contain an area for Board Approval. Please ensure that the version submitted to the Ministry includes the original signatures for the Chair, Superintendent and Secretary Treasurer.



## SECTION J: OTHER CONSIDERATIONS

### 1. 2024/25 Amended Annual Budget (AAB) Excel Template

The 2024/25 AAB Excel template can be downloaded from the Ministry website at:

<https://www2.gov.bc.ca/gov/content?id=F1E5065A7B274A4880870611A6ADD169>

The 2024/25 AAB must be prepared and submitted using this template. When finalized, the template contains security features to ensure that the electronic and hard copy submissions are identical. For features and functionality, please refer to the tab “Key Features” included in the template.

**In order to facilitate the populating of Statements & Schedules via links, the suggested order of entry is as follows:**

- Schedule 4 – Capital Revenue and Expense
- Schedule 3A – Changes in Special Purpose Funds
- Schedule 3 – Special Purpose Revenue and Expense
- Schedule 2C – Operating Expense by Function, Program and Object
- Schedule 2B – Schedule of Operating Expense by Object
- Schedule 2A – Schedule of Operating Revenue by Source
- Schedule 2 – Operating Revenue and Expense
- Schedule 1 – Schedule of Changes in Accumulated Surplus (Deficit) by Fund
- Statement 4 – Change in Net Financial Assets (Debt)
- Statement 2 – Revenue and Expense

### **Amended Annual Budget Bylaw Form**

The bylaw form is available in Word format and can be downloaded from the Ministry website at:

<https://www2.gov.bc.ca/gov/content?id=F1E5065A7B274A4880870611A6ADD169>

Districts must populate this bylaw document with all relevant data obtained through the 2024/25 Amended Annual Budget package (Statement 2 – Amended Annual Budget – Revenue and Expense).

The bylaw form can also be printed as part of the Excel budget template. To complete this form, only the **reading dates, corporate seal and appropriate signatures will be required.**

### 2. Comparative Amounts/District Entered Lines

For the 2024/25 Amended Annual Budget the comparative amounts can be either the 2024/25 Annual Budget or the 2023/24 Amended Annual Budget (preferred) and should be consistent from year to year. These amounts must agree with original documents previously submitted to the Ministry. Please **indicate the source of the comparative amounts** using the dropdown menu provided on the “Cover” tab to populate the column headings for those comparative amounts.

Ensure that proper descriptions have been entered on any district entered (blank) lines used. In order to facilitate the collection of like data amongst districts, please do not use a district entered line/column if there is already one provided for that item.



## AMENDED ANNUAL BUDGET BYLAW

A Bylaw of THE BOARD OF EDUCATION OF SCHOOL DISTRICT NO. \_\_\_\_\_ (\_\_\_\_\_) (called the "Board") to adopt the amended annual budget of the Board for the fiscal year 2024/2025 pursuant to section 113 of the *School Act*, R.S.B.C., 1996, c. 412 as amended from time to time (called the "Act").

1. The Board has complied with the provisions of the *Act*, Ministerial Orders, and Ministry of Education and Child Care Policies respecting the Amended Annual Budget adopted by this bylaw.
2. This bylaw may be cited as School District No. \_\_\_\_\_ (\_\_\_\_\_) Amended Annual Budget Bylaw for fiscal year 2024/2025.
3. The attached "Statement 2" showing the estimated revenues and the estimated expenditures for the 2024/2025 fiscal year and the total budget bylaw amount of \$ \_\_\_\_\_ for the 2024/2025 fiscal year was prepared in accordance with the *Act*.
4. Statement 2, Statement 4 and Schedules 1 to 4 are adopted as the Amended Annual Budget of the Board for the fiscal year 2024/2025.

READ A FIRST TIME THE \_\_\_\_\_ DAY OF \_\_\_\_\_, 20\_\_\_\_;

READ A SECOND TIME THE \_\_\_\_\_ DAY OF \_\_\_\_\_, 20\_\_\_\_;

READ A THIRD TIME, PASSED AND ADOPTED THE \_\_\_\_\_ DAY OF \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
**Chairperson of the Board**

**(Corporate Seal)**

\_\_\_\_\_  
**Secretary Treasurer**

I HEREBY CERTIFY this to be a true original of School District No. \_\_\_\_\_ (\_\_\_\_\_) Amended Annual Budget Bylaw 2024/2025, adopted by the Board the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
**Secretary Treasurer**