

# SPACS / SCAS Governance Document

SCE / SCS School Councils  
September 2021



# Summary of Concerns

- Elk Island Public Schools (EIPS) rent is used to fund expenses that do not relate to the school (parent fees + EIPS rent appear to exceed the cost of operating SCA programs by \$200,000)
- SCA Society Board does not participate in determining amounts charged to parents for facility operating contribution, facility capital contribution, or Maintenance Reserve Fund (MRF). There is a lack of understanding of how MRF levels are set or operating costs allocated.
- Parent Fees and EIPS rent are the only two sources of revenue (opportunities for fund raising or donations have not been prioritized resulting in tax inefficiency)
- Lack of understanding as to whether the amounts mentioned above are reflective of the market, or if are they routinely reviewed
- Build up of cash in PropCo (as a result of EIPS rent and parent fee over-contributions) with no parent input on amounts collected or how funds are spent. Lack of SCA Society/parent participation in long-term capital planning
- Lack of documented decision-making process creates confusion, inefficiency in on-boarding of new people, and inefficiency in Board meetings

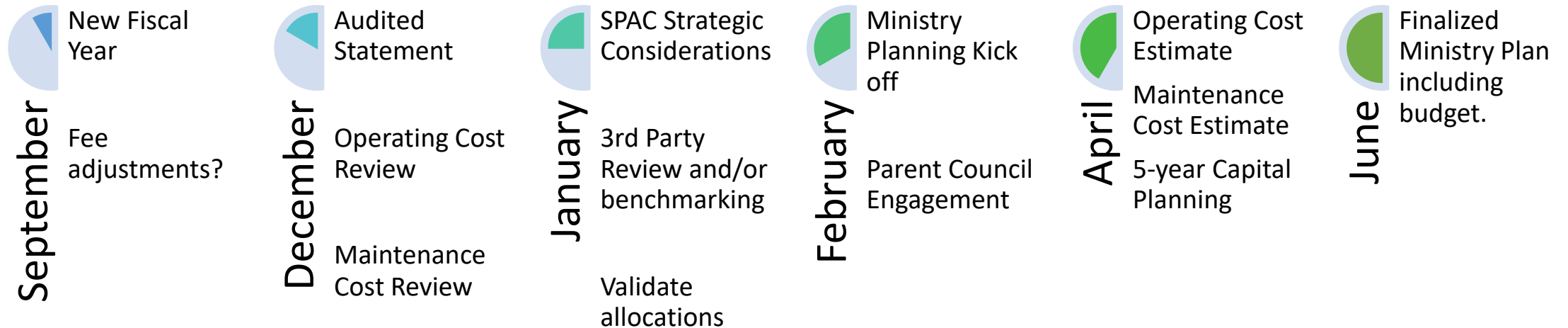
# Proposed Solutions

- SCA Society will only collect facility-related fees from parents if EIPS rent or operating subsidy, or other non-fee revenue, does not cover all facility costs. Parent fees set to reflect the difference between operating costs and EIPS rent (and other future revenue sources collected related to operating costs)
- Post to website, annually: all costs associated to the operation of SCA Society programs, revenues collected from EIPS, parent fees (collected only to cover any shortfall)
- Compile and publish cost benchmarking regarding rent, operating costs, maintenance reserve funding such as comparison to EIPS facilities
- Participation by SCAS Board member in determining amounts charged to parents for facility operating contribution, facility capital contribution, or Maintenance Reserve Fund (MRF). Clearly defined formula for calculating facility related costs based on standard usage.
- Create explicit process flows for critical decision-making. Include parent engagement through school councils as key steps in all decision processes.
- Ability of SCAS Board to adjust budget line items so long as the total budget of the ministry is maintained, and the goals approved in the ministry plan are upheld

# Proposed Solutions

- All future capital expenditure funding other than SCE mortgage come from fund-raising (and none from EIPS rent or parent fees).
- Capital projects in excess of a certain value require direct majority parent approval. Annual communication of capital projects approved and timeline for completion to SCA Parents.
- Five-year planning process agreed to by SCA Society Board, SPACS, and PropCo inclusive of yearly capital spend approval and yearly MRF approval
- Explore alternative forms of funding (fund-raising) for potential tax benefit to parents (donation vs fees)

# SCA Society Annual Planning Cycle



# Next Steps

- Finalize draft with task force based on feedback from parents
- Approve draft at October Society and Board of Elder meetings
- Publish appendices discussed in agreement (cost allocations, income/ cost analysis, operating and maintenance cost benchmarks)