



Hastings and Prince Edward District School Board

A Great Place to Learn and A Great Place to Work!

Chair of the Board: Carl Pitman

Director of Education: Kathy Soule

NOTICE OF MEETING

This notice is to confirm that a budget meeting of the
Hastings and Prince Edward District School Board
will be held on:

Monday, May 17, 2010

at 4:00 p.m.

**in the Board Room, Education Centre
156 Ann Street, Belleville**

The agenda and supporting documents for this meeting will be distributed at the meeting.

Carl Pitman
Chair of the Board

Kathy Soule
Director of Education and
Secretary of the Board

Trustees: **Michael Brant**
Tyendinaga Mohawk Territory
Thelma Goodfellow
Southeast Hastings
Harry Marissen
North Prince Edward
Jim Williams
Sidney/Frankford

Samuel J. J. Clements
Trenton/CFB Trenton
Mary Hall
Belleville, Vice-chair
Carl Pitman
Chair, Centre Hastings
Gabe Platt
Student Trustee

Cliff Cotton
Belleville
Dwayne Inch
South Prince Edward
Monica Walker
North Hastings
Samantha Willman
Student Trustee



Hastings and Prince Edward District School Board

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Chair of the Board: Carl Pitman

Director of Education: Kathy Soule

BUDGET COMMITTEE PUBLIC AGENDA

May 17, 2010 – 4:00 p.m.

| Section | Item | Report No. | Resp. |
|----------|--------------------------------------|------------|-------|
| A | Call to order | | |
| | Delegations / presentations - None | | |
| | Approval of agenda | | |
| | Approval of minutes – April 28, 2010 | | |
| | Business arising from the minutes | | |
| B | Recommendations | | |
| | Enterprise Resource Planning System | B-1 | MN |
| C | Information | | |
| | Revenue summary | C-1 | DR |
| | Expenditure summary | C-2 | DR |
| | Impact of grant reduction | C-3 | DR |
| | Budget risk management | C-4 | DR |
| D | Correspondence | | |
| | None | | |

Adjourn to closed session.

Next meeting – to be determined



**HASTINGS AND PRINCE EDWARD DISTRICT SCHOOL BOARD
BUDGET MEETING
MINUTES
April 28, 2010**

Members present: M. Brant, S. Clements, C. Cotton, T. Goodfellow, M. Hall,
D. Inch, H. Marissen, C. Pitman, M. Walker, J. Williams

Student Trustees: None

Regrets: None

Absent: None

Resource: T. FitzGibbon, J. Montgomery, J. Rogers,
D. Rutherford, K. Soule, D. Tregenza, M. Norton

Guests: None

Minutes: P. Hoskin

Call to order

Chair Pitman called the meeting to order at 3:00 p.m.

Delegations/presentations

None

Approval of agenda

Moved: C. Cotton

Seconded: J. Williams

That the agenda be approved.

Carried

Approval of minutes

Moved: T. Goodfellow

Seconded: J. Williams

That the minutes of April 28, 2010 be approved

Carried

Business arising from the minutes

Nothing.

Recommendations

None

Information

Provincial funding analysis

A recap of the information shared at the Budget meeting of April 20, 2010 was presented by Superintendent Rutherford.

Superintendent Rutherford discussed Report No. C-1 - Provincial Funding Analysis and provided additional details. Questions from trustees regarding specific funding items were discussed.

When questioned about transportation efficiencies, Superintendent Rutherford provided details on various approaches being taken by Tri-Board Student Transportation Services such as automatic vehicle locators and route restructuring.

Correspondence

None

Next meeting

The next budget meeting has been scheduled for Monday, May 17, 2010 at 4:00 p.m.

Adjournment

The meeting adjourned at 4:10 p.m.

Chair

Secretary



Decision X **Information**

To: The chair and members of the Budget Committee

From: Administrative Council

Re: Enterprise Resource Planning System

Purpose:

The purpose of this report is to present to the Budget Committee the recommendation for a replacement Enterprise Resource Planning (ERP) system for the Human Resources, Payroll, and Finance departments.

Background:

In the AIM System Plan, Action Plan 3, Action Step 1 states that the HR/Payroll Advisory Committee will review, analyze and make recommendations on a replacement for the existing Human Resources, Payroll and Financial Services software systems.

Administrative Council wishes to thank the HR/Payroll Advisory Committee for their dedicated time and effort on this important committee.

Current Situation:

Administrative Council is supportive of moving forward with the purchase of a new ERP system that would consist of two phases, the first being the replacement of the Financial system and the second being the replacement of the HR/Payroll system.

Recommendation:

Administrative Council recommends the district invest in a new replacement ERP system. Based on the thorough process of the HR/Payroll Advisory Committee, the system of choice is Altus Dynamics. The reasons for this recommendation are:

- Considerable time and money must be invested in the districts existing systems to bring them to an acceptable level
- It is proposed to fund this one-time purchase through the Board's operating reserves
- The ongoing licensing maintenance of Altus Dynamics is approximately \$25,000 less per year than the district's current maintenance fees
- From the Operation Review, it was recommended that the district change to an enterprise level financial system that is built on current standardized technology
- The implementation of Phase 1 (Financial System) then Phase 2 (HR/Payroll) aligns with department restructuring plans and timelines
- All parties agree that an integrated system will bring much value for increased user access, efficiencies of business processes and reduced time to complete current tasks
- Altus Dynamics is built on the Microsoft SQL platform which is the ITS standard for enterprise database systems. This makes the system easier to support and easier to connect to non-ERP databases such as the district's Business Intelligence tool.



**Hastings and Prince Edward
District School Board**

Budget Committee
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Phase 1, the Financial system would have an implementation date of August 31st, 2011. This would ensure adequate time to transition to the new system. Phase 2, the HR/Payroll system would be tentatively scheduled for January 1st, 2012.

Appendices:

Phase 1 - Finance System Project Plan – Summary
Phase 2 - Human Resources Project Plan – Summary
Diagram 1 – Current HR/Payroll/Finance Systems
Diagram 2 – Integrated Altus Dynamics Solution
Estimated Savings with New System

Respectfully submitted,

Matt Norton
Senior Information and Technology Services Officer

Dave Rutherford
Superintendent of Financial and Facility Services

Rob McGall
Superintendent of Education, Human Resources Support Services

On behalf of Administrative Council



SUMMARY OF YOUR INVESTMENT

Hastings & Prince Edward District School Board - Phase 1: Finance + Finance Portals + TCA

Software Breakdown

| Core NAV Functionality | | |
|--|--|-------------------|
| NAV Foundation Pack | | \$ 3,025 |
| Altus Foundation Pack | | \$ 3,025 |
| Financial Management | <i>User-Based Pricing estimated for 15 Concurrent Users</i> | \$ 38,150 |
| Project Management | | \$ - |
| FRX | | \$ - |
| Microsoft - EFT, etc. | | \$ 3,240 |
| Human Resources Management | | |
| Altus HRIS | <i>User-Based Pricing estimated for up to 0 Employees</i> | \$ - |
| Union and Collective Agreement Management | | \$ - |
| Health & Safety Management | | \$ - |
| Position Management | <i>User-Based Pricing estimated for up to 0 Employees</i> | \$ - |
| Altus Employee & Location Scheduler | | \$ - |
| Payroll | <i>User-Based Pricing estimated for up to 0 Employees</i> | \$ - |
| Functionality Extension | | |
| Altus Project Tracking | | \$ - |
| Altus Tangible Capital Asset Management | | \$ 4,995 |
| Altus Budget Verification | | \$ 4,995 |
| Altus Send | | \$ 3,000 |
| Advanced Reporting (Jet Reports, etc.) | <i>User-Based Pricing estimated for 6 'Report Designers' (can also View) and 5 'View Only' Users</i> | \$ 7,285 |
| Business Intelligence (Dashboarding, etc.) | <i>User-Based Pricing estimated for 0 'Report Builders' (can also View) and 0 'View Only' Users</i> | \$ - |
| Document Management (KwikTags, etc) | <i>User-Based Pricing estimated for 12 Named Users</i> | \$ 20,093 |
| ALTUS Employee Portals | | |
| Web Portal Backend | <i>User-Based Pricing estimated for up to 250 Named Users</i> | \$ 15,745 |
| Web Portal - Financial Analysis | | \$ 4,995 |
| Web Portal - Purchase / Payment Request | | \$ 2,500 |
| Web Portal - Expense Request | | \$ 2,500 |
| Web Portal - Receiving Portal | | \$ 1,750 |
| Web Portal - HR: Time Entry | | \$ - |
| Web Portal - HR: Employee & Manager Self Mgmt | | \$ - |
| Web Portal - HR: Training Management & Registration | | \$ - |
| Total - Software | | \$ 115,298 |
| Total - Implementation Services Estimate | | \$ 220,950 |
| Total Project (Software and Services) Estimate | | \$ 336,248 |
| Total - Annual Enhancement (20% of Total Software List Price) | | \$ 22,574 |

Project Costs - NET of Discount

| | <u>Apr-09</u> | <u>Jan-10</u> |
|--|---------------|-------------------|
| Discount: Honouring Altus April 2009 pricing | | |
| Discount: Original HR Price | | |
| Discount: Original Portals Price (2.0 vs. 3.1) | | |
| Total - Software Discount | | \$ - |
| Total - Software Cost | | \$ 115,298 |
| Estimated Services to Implement Solution Listed Above | | \$ 220,950 |
| Total Project (Software and Services) Estimate | | \$ 336,248 |
| Annual Enhancement - 20% of Software List Price | | \$ 22,574 |

Excludes applicable taxes

All prices listed above are estimates and valid 30 days of document date:

February 22, 2010



SUMMARY OF YOUR INVESTMENT

Hastings & Prince Edward District School Board - Phase 2: HR / Payroll + HR Portals

Software Breakdown

| Core NAV Functionality | | | |
|--|--|-----------|----------------|
| NAV Foundation Pack | | \$ | - |
| Altus Foundation Pack | | \$ | - |
| Financial Management | <i>User-Based Pricing estimated for 0 Concurrent Users</i> | \$ | - |
| Project Management | | \$ | - |
| FRX | | \$ | - |
| Microsoft - EFT, etc. | | \$ | - |
| Human Resources Management | | | |
| Altus HRIS | <i>User-Based Pricing estimated for up to 3000 Employees</i> | \$ | 17,285 |
| Union and Collective Agreement Management | | \$ | 7,995 |
| Health & Safety Management | | \$ | 4,995 |
| Position Management | <i>User-Based Pricing estimated for up to 3000 Employees</i> | \$ | 17,285 |
| Altus Employee & Location Scheduler | | \$ | - |
| Payroll | <i>User-Based Pricing estimated for up to 3000 Employees</i> | \$ | 35,775 |
| Functionality Extension | | | |
| Altus Project Tracking | | \$ | - |
| Altus Tangible Capital Asset Management | | \$ | - |
| Altus Budget Verification | | \$ | - |
| Altus Send | | \$ | - |
| Advanced Reporting (Jet Reports, etc.) | <i>User-Based Pricing estimated for 0 'Report Designers' (can also View) and 0 'View Only' Users</i> | \$ | - |
| Business Intelligence (Dashboarding, etc.) | <i>User-Based Pricing estimated for 0 'Report Builders' (can also View) and 0 'View Only' Users</i> | \$ | - |
| Document Management (KwikTags, etc) | <i>User-Based Pricing estimated for 12 Named Users</i> | \$ | - |
| ALTUS Employee Portals | | | |
| Web Portal Backend | <i>User-Based Pricing estimated for up to 2750 Named Users</i> | \$ | 68,750 |
| Web Portal - Financial Analysis | | \$ | - |
| Web Portal - Purchase / Payment Request | | \$ | - |
| Web Portal - Expense Request | | \$ | - |
| Web Portal - Receiving Portal | | \$ | - |
| Web Portal - HR: Time Entry | | \$ | 9,995 |
| Web Portal - HR: Employee & Manager Self Mgmt | | \$ | 4,995 |
| Web Portal - HR: Training Management & Registration | | \$ | 4,995 |
| Total - Software | | \$ | 172,070 |
| Total - Implementation Services Estimate | | \$ | 105,900 |
| Total Project (Software and Services) Estimate | | \$ | 277,970 |
| Total - Annual Enhancement (20% of Total Software List Price) | | \$ | 34,414 |

Project Costs - NET of Discount

| Discount: Honouring Altus April 2009 pricing | <u>Apr-09</u> | <u>Jan-10</u> | |
|--|---------------|---------------|-------------------|
| Discount: Original HR Price | \$20,650 | \$34,570 | \$13,920 |
| Discount: Original Portals Price (2.0 vs. 3.1) | \$45,595 | \$84,495 | \$38,900 |
| Total - Software Discount | | | \$ 52,820 |
| Total - Software Cost | | | \$ 119,250 |
| Estimated Services to Implement Solution Listed Above | | | \$ 105,900 |
| Total Project (Software and Services) Estimate | | | \$ 225,150 |
| Annual Enhancement - 20% of Software List Price | | | \$ 34,414 |

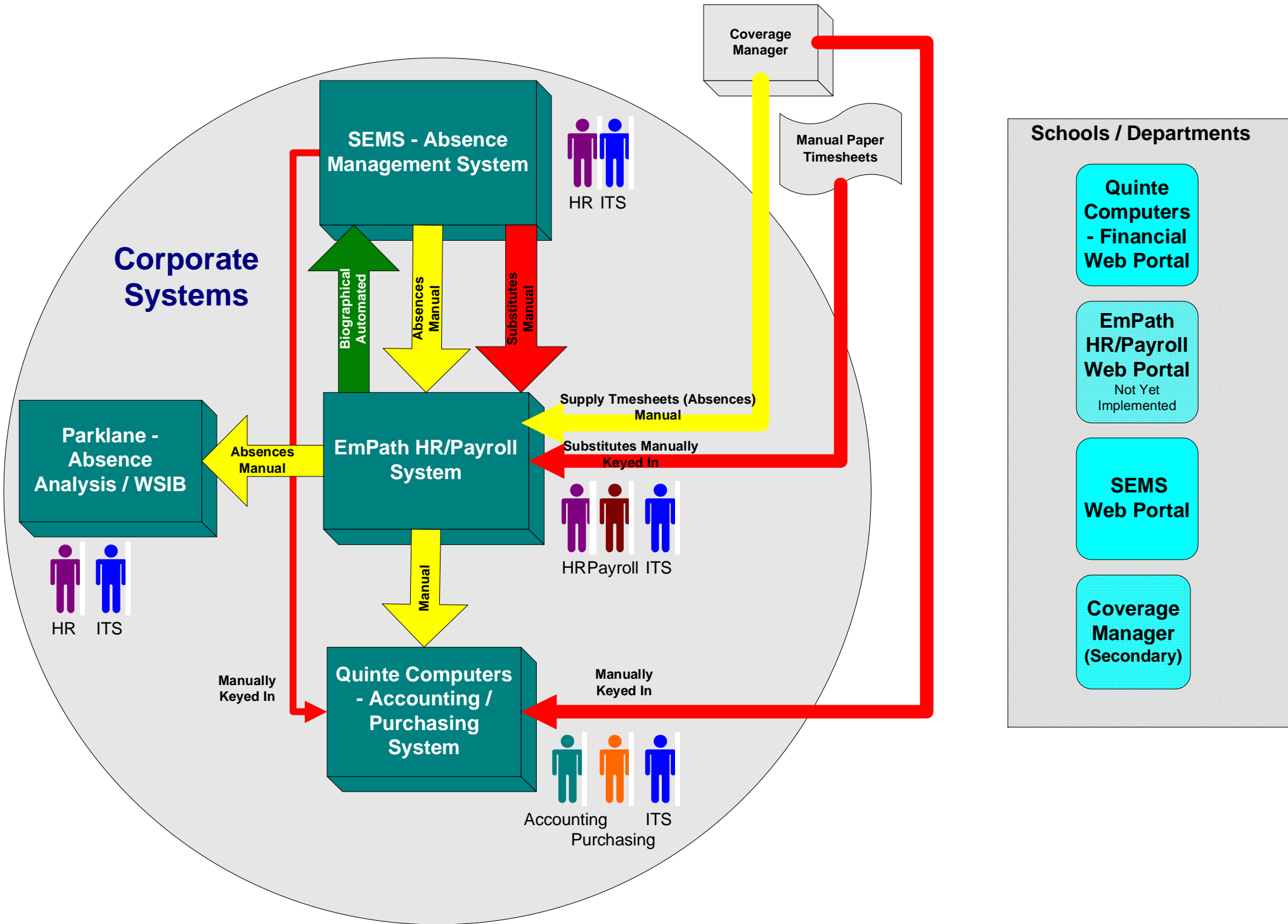
Excludes applicable taxes

All prices listed above are estimates and valid 30 days of document date:

Private and Confidential

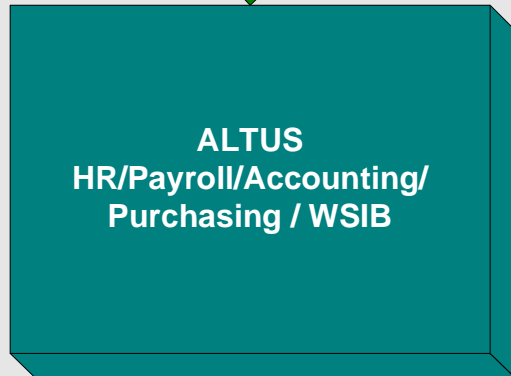
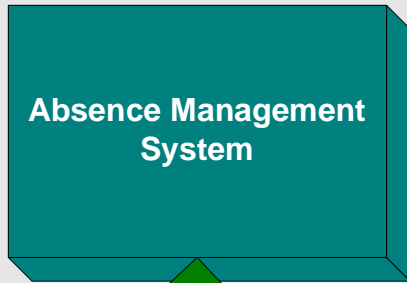
February 22, 2010

Current System Configuration



Altus Dynamics Implementation

Corporate Systems



Schools / Departments

Altus Web Portal

Absence Management Web Portal



**2010-2011 BUDGET
COMPARATIVE REVENUE SUMMARY**

| | <u>2009-2010 Forecast</u> | <u>2010-2011 Budget</u> | <u>Change</u> |
|--------------------------|-------------------------------|-----------------------------|-----------------------|
| Grants for Student Needs | \$ 175,312,625 | \$ 175,998,381 | \$ 685,756 |
| Tuition Fees | 2,333,783 | 2,487,441 | 153,658 |
| Other Revenue | 580,000 | 580,000 | - |
| Transfer from Reserves | 1,658,375 | - | (1,658,375) |
| Education Program Other | 5,043,217 | 1,854,765 | (3,188,452) |
| | <u>\$ 184,928,000</u> | <u>\$ 180,920,587</u> | <u>\$ (4,007,413)</u> |



2010 - 2011 BUDGET
GRANTS FOR STUDENT NEEDS

| | <u>2009-2010 Forecast</u> | <u>2010-2011 Budget</u> | <u>Change</u> |
|---------------------------------------|-------------------------------|-----------------------------|-------------------|
| Pupil Foundation Grant | \$ 78,505,547 | \$ 77,711,733 | \$ (793,814) |
| School Foundation Grant | 12,921,149 | 13,091,100 | 169,951 |
| <u>Special Education</u> | | | |
| SEPPA | 8,677,308 | 8,860,024 | 182,716 |
| High Needs Amount | 10,950,422 | 10,407,047 | (543,375) |
| Other | 1,780,086 | 1,705,486 | (74,600) |
| Sub-total | \$ 21,407,816 | \$ 20,972,557 | \$ (435,259) |
| School Operations | 16,603,671 | 16,628,257 | 24,586 |
| Transportation | 13,670,081 | 13,507,331 | (162,750) |
| Teacher Q & E | 10,911,637 | 11,935,649 | 1,024,012 |
| Board Administration and Governance | 4,908,218 | 4,802,667 | (105,551) |
| School Renewal | 3,134,822 | 3,074,714 | (60,108) |
| Debt Repayment | 2,211,191 | 2,587,409 | 376,218 |
| Learning Opportunities | 2,871,095 | 2,867,242 | (3,853) |
| Remote and Rural/Distant Schools | 2,762,763 | 2,863,755 | 100,992 |
| Language Allocation | 1,899,408 | 1,855,054 | (44,354) |
| Declining Enrolment Grant | 1,200,381 | 1,536,229 | 335,848 |
| Continuing Education | 432,515 | 443,372 | 10,857 |
| Program Enhancement | 530,750 | 530,750 | - |
| First nation, Metis and Inuit | 773,832 | 1,029,926 | 256,094 |
| Safe Schools | 325,790 | 316,653 | (9,137) |
| Community Use | 241,962 | 243,983 | 2,021 |
| Total Grants for Student Needs | \$ 175,312,628 | \$ 175,998,381 | \$ 685,753 |



**2010 - 2011 BUDGET
EXPENDITURE SUMMARY**

| | 2009-2010 Forecast | 2010-2011 Budget | Change |
|-----------------------------------|-------------------------------|-----------------------------|-----------------------|
| Day School Regular | \$ 87,934,000 | \$ 88,079,043 | 145,043 |
| Special Education | 24,526,781 | 23,685,027 | (841,754) |
| Safe Schools | 349,570 | 316,653 | (32,917) |
| School Management | 13,683,000 | 13,849,883 | 166,883 |
| Student Success | 921,747 | 744,471 | (177,276) |
| Student Support | 565,723 | 601,550 | 35,827 |
| Library & Guidance | 2,954,473 | 2,863,063 | (91,410) |
| Educational Services | 3,198,166 | 2,521,498 | (676,668) |
| International Students | 978,597 | 997,842 | 19,245 |
| Information Technology Services | 5,447,344 | 5,535,592 | 88,248 |
| Board Administration & Governance | 4,975,959 | 5,286,250 | 310,291 |
| Facility Services | 22,425,000 | 20,556,848 | (1,868,152) |
| Transportation Services | 13,428,000 | 13,839,778 | 411,778 |
| Continuing Education | 476,046 | 437,694 | (38,352) |
| Debt | 3,063,594 | 3,420,811 | 357,217 |
| | \$ 184,928,000 | \$ 182,736,003 | \$ (2,191,997) |



2010 - 2011 BUDGET
IMPACT OF GRANT REDUCTION

| | | |
|---------------------------------------|---------|-----------------------|
| Special Education | - SEPPA | \$ (425,000) |
| | - HNA | (539,568) |
| | | <u>\$ (964,568)</u> |
| Transportation | | (300,000) |
| School Operations | | (346,000) |
| Learning Opportunities | | (108,124) |
| Administration and Governance | | (110,501) |
| | | <u>\$ (1,829,193)</u> |
| Pupil Foundation | | (3,189,000) |
| | | <u>(3,189,000)</u> |
| Total Reductions | | <u>\$ (5,018,193)</u> |
| Offsetting expenditure reductions | | |
| Teaching staff formula | | \$ 2,195,000 |
| Special Education | | 723,000 |
| | | <u>\$ 2,918,000</u> |
| Net reduction | | <u>\$ (2,100,193)</u> |
| Grant increases | | |
| Declining Enrolment | | \$ 335,848 |
| Remote and Rural - Small Board Amount | | 186,795 |
| | | <u>\$ 522,643</u> |
| | | <u>\$ (1,577,550)</u> |
| All other adjustments | | (237,866) |
| | | <u>(237,866)</u> |
| Net financial position | | <u>\$ (1,815,416)</u> |



2010 – 2011 BUDGET

Budget Risk Management

Since the budget is composed of estimates of program and service expenditures, there are inherent risks that these estimates may be incorrect or may vary when actual expenditures are incurred. To protect against variances that would have a negative financial impact on the board, administration has put in place processes to help mitigate these potential risks. The significant known risks and the associated responses to address them are as follows:

1. Enrolment Projections - Funding and academic staffing are based on projected enrolments.
Mitigation: (i) Enrolment projections are based on historical retention rates by school, the school principal's knowledge of the school community and long-term enrolment projections prepared by a consultant. Projections have largely been quite accurate.
(ii) There is a process in place to review actual enrolments early in September and put in place any required school reorganizations to address Ministry of Education class size requirements and to match academic staffing to enrolment.
2. Retirement Costs - Staff retirements are not fully known until mid year and at the end of the year.
Mitigation: (i) Projected retirements are based on staff demographics and recent trends.
(ii) The Board has a "Reserve for Future Benefits" that can be used to offset fluctuations if required.
3. Sick Leave Costs - Historical usage of sick leave is used to develop estimates. Variances will occur where illness rates amongst the school and broader community escalate such as during the H1N1 pandemic.
Mitigation: (i) Staff monitor sick leave usage and provide counseling for staff such as making application for long term disability. Board experience has been good when compared to provincial data.
4. Utility and Fuel Costs - Pricing volatility and severe winters can play havoc with heating, lighting and school bus transportation budgets.
Mitigation: (i) The board has developed a very successful energy management plan that has significantly reduced utility consumption over time.
(ii) The Ministry of Education has introduced a fuel escalator/de-escalator component in the transportation funding allocation. This provides protection against price spikes.



5. Early Learning Program - 2010-2011 is the first year of implementation. In this first year the additional half-time funding for kindergarten students is capped based on the projected number of classes and students (in HPEDSB this is 11 classes and 286 students). If more students register there will not be any additional funding, however, if fewer students register funding will be reduced. The Early Learning Program will also introduce a new category of employee (Early Childhood Educator). This position will need to go through the normal job description/job evaluation process.

Mitigation: (i) As per item 1 (enrolment projections) staffing and organizational decisions will be reviewed in September.

(ii) HPEDSB is working with area school boards on a consistent job description.

(iii) Results will be shared with the Ministry of Education.