

# Directors of Facilities / Operations Pro-D

## What is Capital?

March 26, 2009

# Discussion Topics

- Who are we?
- What do we do?
- Where is the Money?
- How do we get it?
- How can we use it?

# Director of Facilities/Operations

## The Position

- Reporting to the Secretary-Treasurer, the Director of Facilities will carry responsibility for the overall management of the physical assets of the School District. The Director of Facilities is responsible for the management of all buildings, utilities, grounds, student transportation, vehicles, and personnel within the division. Duties include leadership in the preparation and administration of the annual operating and capital plans.
- The successful candidate will have an exemplary record of experience in facilities management and have the necessary skills for innovative management in a public environment. The incumbent will possess superior interpersonal, communication and conflict resolution skills. Possible candidates will be interested in assuming new challenges with a progressive and energetic team.

# Role of Director

- Unique non-educational resource and perspective
- Maintenance of building and grounds
- Operation of all building systems
- Transportation of students
- Information Technology Systems
- Capital planning
- Capital implementation – design, construction, occupancy

# Role of Director (cont'd)

- Energy management
- Labour relations
- Health & Safety
- Emergency response – school, community
- Property and building records management
- Currency with all codes, policies, regulations
- Other duties as required

# The Money

# Funding

- A core function of M Ed is to allocate funds for K-12 public education system.
- Operating Funds
- Annual Facilities Grant
- Loss Replacement
- Capital Funding

**The Money**

Operating Funds



# Roles and Responsibilities

## Ministry of Education

- Provides funding to the 60 school districts
- Establishes governance structures
- Sets educational standards
- Monitors student performance and reports results to the public




# Operating Funds

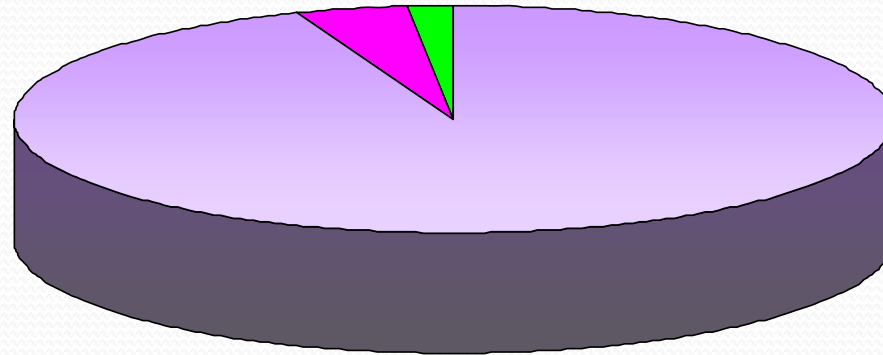
- **Consists of over \$4 Billion :**
  - Per pupil grant
  - Geographic factor
  - Aboriginal
  - Special Ed
  - Transportation
  - One time grants periodically
  - District enrolment ranges from about 270 to 62,000 fte
  - Funding varies from about \$5 M to \$420 M

# Sources of Revenue for School Boards

- provincial grants through the funding allocation system.
- pay equity, provincial resource programs, annual facilities, Community Link grants.
- local revenues from rental of facilities, interest revenue on short-term deposits, international students and continuing education.

# School District Sources of Revenue: A Provincial Picture

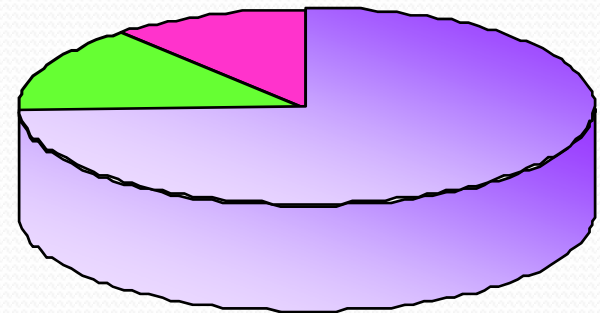
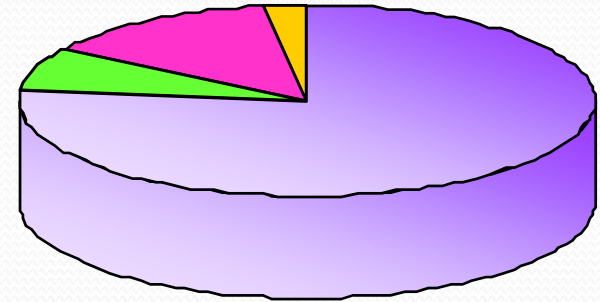
	Provincial Grants	95.0%
	Miscellaneous Revenue	3.5%
	Operating Surplus	1.5%
	Referendum	0%



# School District Operating Spending

- School Districts allocate their spending between 4 key functional areas:
  - Instruction
  - Administration
  - Operations & maintenance
  - Transportation and housing students

# School District Operating Spending: A Provincial Picture



# Operating Funds – Function 5

- Maintenance
- Custodial
- Grounds
- IT
- Utilities
- **Operations and Maintenance:**
- Inspections, preventive maintenance and normal wear and tare repairs, plus utilities – may do upgrades too.

# The Money

Loss replacement Funding



# Loss – Self Insurance

- SDs pay an annual premium for insurance coverage
- Premiums are used to cover the costs of the losses – self insurance
- Typical loss:
  - Fire
  - Water damage from failure of a water line
  - Vandalism, theft
- \$3,000 deductible per claim
- Adjuster required from RMB to certify claim

# The Money

Annual Facility Grant Funds

# Annual Facilities Grant

- Funds are provided annually
- Maintain the fabric of the building to extend the life of the facilities.
- May also be used for code upgrades, access requirements, safety upgrades, IAQ upgrades, playgrounds
- Allocated based on enrolment, unit rate and location factor.

# AFG Bldg Component Rejuvenation

- SDs may want to create a 5 year plan to coordinate the use of AFG, BEP, Capital, Operating, Energy, seismic, technology infrastructure, asbestos, roofing, finishes, mechanical, electrical, functional, site services, grounds and play eqpt.



**The Money**

Capital Plan Funding

# Capital Asset Management Framework

- Initiated by Government in 2002
- Established standards for planning and management of public infrastructure
- Pursuit of alternative service delivery
- M Ed CAMF transfers accountability and responsibility for capital expenditures to Boards
- Ministry broader accountability for ensuring schools are built and maintained in a cost effective manner

# CAMF Key Objectives

- Multi-year funding
- Establish measures to ensure resources used cost effectively
- SDs expected to develop long range plans to demonstrate needs
- Ministry of Ed to assist Boards with Planning
- Establish criteria for evaluating project requests
- Secure capital funds or other means of capital procurement
- Allocate available resources fairly, based on SD needs and gov't objectives

# Capital Plan

- Board submits 5 Year Capital Plan each year.
- Project Identification Report
- Project Definition Report
- Project Agreement
- Capital Bylaw
- Certificate of Approval (COA) – line of credit
- Site Acquisition, Design & Construction
- Electronic transfer of funds to match expenditures.



**The Money**

Capital Reserve Funds

# Capital Reserve Funds

- School District account
- High priority projects approved by the Minister
- Normally generated from
  - previous capital project surplus
  - Board's portion of the proceeds from the sale of a capital asset

# The Money

## Local Capital Funds

# Local Capital Funds

- Controlled by the Board
- Generated from the sale of assets that were fully funded by the Board
- Funds can be used for capital expenditures approved by the Board
- Operating funds expended on capital acquisition such as the purchase of a vehicle will be convert to local capital at the discretion of the Board

**The Money**

Land Capital Funds

# Land Capital Funds

- Growth Districts – site requirements
- School Site Acquisition Charge through their local government.
- Developers pay a fee per development unit.
- The funds are deposited in the Land Capital Reserve account held by the school district.
- Land acquisition with the approval of the Minister.

# Lots of Money

- Operating
- Loss Replacement
- AFG
- Capital Plan Funds
- Capital Reserve
- Land Capital Reserve
- Local Capital
- Others – Provincial Programs – GHG
- Strategies on business cases will be provided by others

# Trends/Challenges

- Aging building inventory (increased O&M costs)
- Declining enrolment – surplus space
- Green House Gas costs
- Policy changes - disposal of assets



# Teamwork

- Team is effective when each member plays their position within the rules of the game.
- Communication between the players is important.
- Awareness of the role of the other players is important.
- To succeed, each player carries out their responsibilities.
- Ministry – School District – same team



Thank You