



**Calgary Board
of Education**

REGULAR MEETING OF THE BOARD OF TRUSTEES

PUBLIC AGENDA

TUESDAY, DECEMBER 6, 2011

5:00 P.M. – 8:00 P.M.
Board Room, Education Centre
1221 – 8th Street SW, Calgary, Alberta

Conflict of Interest reminder: Trustees must disclose any potential pecuniary interest in any matter before the Board of Trustees, as set forth in the agenda as well as any pecuniary interest in any contract before the Board requiring the Board's approval and/or ratification.

<u>Attach.</u>	<u>TOPIC</u>	<u>Who</u>	<u>Time</u>
	1.0 CALL TO ORDER, NATIONAL ANTHEM AND WELCOME	Chair	5 min.
Agenda	2.0 CONSIDERATION/APPROVAL OF AGENDA	Chair	2 min.
	3.0 SCHOOL/SYSTEM PRESENTATIONS		
	3.1 Emily Follensbee School – Ends 1	S. Smith	15 min.
	4.0 HONOURS AND RECOGNITIONS		
Verbal	5.0 PUBLIC CONVERSATION AND INFORMATION		30 min.
	5.1 Report from Chair and Trustees		
	5.2 Report from Chief Superintendent		
	5.3 <u>Public Question Period</u> (An opportunity for the public and/or stakeholders to raise questions and seek clarification on educational matters with the trustees. Fill out "Public Question Period" form on the table in the foyer and submit to the Corporate Secretary in writing or electronically to corpsec@cbe.ab.ca no later than 5 hours prior to the scheduled start time of the meeting. This form is also available in Appendix C of the Board Meeting Procedures. The person asking the question must be present at the meeting.)	Public	
	5.4 <u>Stakeholder Reports</u> (An opportunity for stakeholder groups or the public to verbally address the Board for 3 minutes on any educational issue, to a maximum of 5 reports per meeting. Advise the Corporate Secretary at least 10 minutes prior to the commencement of the meeting if you wish to do a stakeholder presentation.)	Public	
	5.5 Trustee Inquiries		

Public Board Meeting – December 6, 2011

<u>Attach.</u>	<u>TOPIC</u>	<u>Who</u>	<u>Time</u>
	6.0 ACTION ITEMS		
P. 6-1	6.1 Presentation and Consideration of Audited Financial Statements <i>(THAT the Board approves the Audited Financial Statements for the year ended August 31, 2011, including the Auditors' Report thereon, dated December 6, 2011, the Unaudited Schedules to the Financial Statements as submitted, and the Financial Statements and Statistical Information for the year ended August 31, 2011, for submission to the Minister of Education.)</i>	Chair, Audit Committee	30 min.
P. 6-90	6.2 Combined Annual Education Results Report 2010-2011 and Three-Year Education Plan 2011-2014 <i>(THAT the Board approves the combined Annual Education Results Report 2010-2011 and Three-Year Education Plan 2011-2014.)</i>	C. Faber	30 min.
	7.0 MONITORING AND RESULTS		
	8.0 POLICY DEVELOPMENT AND REVIEW		
	9.0 CONSENT AGENDA		5 min.
	9.1 Board Consent Agenda		
P. 9-34 P. 9-42	9.1.1 Approval of Minutes <ul style="list-style-type: none"> Regular Meeting held November 15, 2011 Special Meeting held November 14, 2011 <i>(THAT the Board approves the Minutes of the Regular Meeting held November 15, 2011, and the Special Meeting held November 14, 2011, as submitted.)</i>		
P. 9-45	9.1.2 Correspondence <i>(THAT the Board receives the correspondence for information and for the record.)</i>		
P. 9-1	9.1.3 Trustee Liaison Report re: CAPSC <i>(THAT the Board receives the liaison report for information.)</i>		
P. 9-47	9.1.4 Report from the Board Evaluation Committee <i>(THAT the Board adopts the revised GP-11E: Board of Trustees' Committees – Terms of Reference, Board Evaluation Committee, as submitted.)</i>		
	9.2 Chief Superintendent Consent Agenda		
P. 9-5	9.2.1 Chief Superintendent Update <i>(THAT the Board receives the Chief's update for information.)</i>		
P. 9-16	9.2.2 Financial Status of the Operating Budget as at August 31, 2011 and Unaudited Financial Results for the Year Ending August 31, 2011 <i>(THAT information regarding all budget revisions made during this period, and the 2010/11 Budget Variance Report as at August 31, 2011, be received for monitoring information and for the record.)</i>		

Public Board Meeting – December 6, 2011

<u>Attach.</u>	<u>TOPIC</u>	<u>Who</u>	<u>Time</u>
P. 9-22	9.2.3 November 30, 2011 Budget Report Update to the 2011/2012 Operating Budget <i>(THAT the Board approves the Update, reflecting total planned spending of \$1.150 billion, and authorizes for submission to Alberta Education; and approves the amended planned operating reserve draws, as submitted.)</i>		
P. 9-28	9.2.4 Locally Developed Courses <i>(THAT the Board approves the renewal of, and the withdrawal of CBE senior and junior high locally developed courses and resources, as submitted in the report.)</i>		
	10.0 TRUSTEE NOTICES OF MOTION		
	11.0 ADJOURNMENT		

CALGARY BOARD OF EDUCATION
REGULAR MEETING OF THE BOARD OF TRUSTEES
PUBLIC AGENDA

December 6, 2011

To: Board of Trustees

From: Board of Trustees' Audit Committee

Re: Presentation of Audited Financial Statements and Auditors' Report

Purpose: Approval

Governance Policy Reference: GP-11: Board of Trustees' Committees
GP-11E: Audit Committee, Terms of Reference

RECOMMENDATION:

THAT the Board of Trustees approves:

- 1) the Audited Financial Statements of the Calgary Board of Education for the year ended August 31, 2011, including the Auditors' Report thereon, dated December 6, 2011, and the Unaudited Schedules to the Financial Statements as submitted, for submission to the Minister of Education; and
- 2) the Calgary Board of Education Financial Statements and Statistical Information for the year ended August 31, 2011, including the Auditors' Report thereon, dated December 6, 2011, as submitted, for submission to the Minister of Education.

BACKGROUND:

In accordance with section 146 of the *School Act*, the Board of Trustees must appoint an auditor. The Board of Trustees appointed KPMG LLP, who has now completed their examination of the 2010/11 financial statements. The auditors' professional opinion on these financial statements is included in the Auditors' Report, dated December 6, 2011, and will be signed following Board approval.

Pursuant to section 151(1) of the *School Act*, the auditor must send to the Minister, on or before November 30 in each year, copies of:

- (a) the financial statements,
- (b) the auditor's report on the financial statements, and
- (c) any written communication between the auditor and the board respecting the systems of internal control and accounting procedures of the board.

However, Alberta Education has allowed an extension for the receipt of signed copies for the current year, to December 7, 2011. In the interim, draft copies were forwarded to the Ministry on November 30, 2011.

In order to assist the Board of Trustees with its work, the Board established an Audit Committee with the following responsibilities that specifically apply to the audited financial statements:

- (a) to monitor the auditors' performance and report to the Board of Trustees annually,
- (b) to review the annual audit plan and recommend its approval to the Board of Trustees,
- (c) to review the audited figures in the annual financial statements and the audit findings report and report to the Board of Trustees.

The Audit Committee has reviewed copies of all of the above information, and has discussed all of these documents with the auditors and with senior Administration. The Committee recommends that the Board of Trustees approves the Financial Statements and the Auditors' Report thereon, as submitted. Such approval is a requirement of the *School Act*.

Respectfully submitted,

Trustee Sheila Taylor
Chair, Audit Committee

Attachments:

- a) Alberta Education Audited Financial Statements and Unaudited Schedules for the year ended August 31, 2011, including the Auditors' Report thereon, dated December 6, 2011.
- b) Financial Statements and Statistical Information for the year ended August 31, 2011, including the Auditors' Report thereon, dated December 6, 2011.

CALGARY BOARD OF EDUCATION

Alberta Education Audited Financial Statements
and
Unaudited Schedules

August 31, 2011

**AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2011**
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

CALGARY BOARD OF EDUCATION

Legal Name of School Jurisdiction

1221 8th Street SW, CALGARY, ALBERTA T2R 0L4

Mailing Address

Tel: (403) 817 - 4000 FAX: (403) 294 - 8254

Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of CALGARY BOARD OF EDUCATION presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements, including notes, have been prepared in accordance with generally accepted accounting principles and follow format prescribed by Alberta Education.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong system of budgetary control.

Board of Trustees Responsibility

The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the audited financial statements with management in detail and approved the financial statements for release.

External Auditors

The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors were given full access to school jurisdiction records.

Declaration of Management and Board Chairman

To the best of our knowledge and belief, these financial statements reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and follow the financial reporting requirements prescribed by Alberta Education.

BOARD CHAIR	
PATRICIA COCHRANE <small>Name</small>	"ORIGINAL SIGNED" <small>Signature</small>
SUPERINTENDENT	
NAOMI E. JOHNSON <small>Name</small>	"ORIGINAL SIGNED" <small>Signature</small>
SECRETARY TREASURER OR TREASURER	
DEBORAH L. MEYERS <small>Name</small>	"ORIGINAL SIGNED" <small>Signature</small>

Board-approved Release Date _____

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch
 8th Floor Commerce Place, 10165-102 Street, Edmonton AB T5J 4L5
 EMAIL: Cindy.Wang@gov.ab.ca
 PHONE: (780) 644-5672 (Toll free 310-0860)

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INDEPENDENT AUDITORS' REPORT

To Board of Trustees

We have audited the accompanying financial statements of the Calgary Board of Education (the "Corporation"), which comprise the balance sheet as at August 31, 2011, the statements of revenue and expense, changes in net assets, and cash flows for the year then ended, which are presented in the format prescribed by Alberta Education, and notes comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Corporation as at August 31, 2011, and its results of operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles and the presentation requirements of Alberta Education.

Chartered Accountants

December 6, 2011
Calgary, Canada

STATEMENT OF FINANCIAL POSITION

as at August 31, 2011

(in dollars)

		2011	2010 (Note)
ASSETS			
Current assets			
Cash and temporary investments	(Note 3)	\$51,074,450	\$52,308,794
Accounts receivable (net after allowances)	(Note 5)	\$28,135,950	\$12,589,251
Prepaid expenses	(Note 5)	\$7,159,389	\$4,613,723
Other current assets		\$839,196	\$930,635
Total current assets		\$87,218,985	\$100,442,403
School generated assets	(Note 4)	\$13,495,547	\$11,687,587
Trust assets		\$0	\$0
Long term accounts receivable		\$0	\$0
Long term investments	(Note 3)	\$107,633,302	\$104,338,336
Capital assets			
Land		\$4,770,795	\$4,808,832
Construction in progress		\$34,077,836	\$43,717,015
Buildings	\$1,008,222,272		
Less: accumulated amortization	(\$366,574,981)	\$641,647,291	\$597,004,024
Equipment	\$182,719,198		
Less: accumulated amortization	(\$128,312,078)	\$54,407,120	\$53,211,074
Vehicles	\$7,582,375		
Less: accumulated amortization	(\$4,059,391)	\$3,522,984	\$3,656,927
Total capital assets		\$738,416,027	\$702,397,872
TOTAL ASSETS		\$946,763,861	\$918,867,198
LIABILITIES			
Current liabilities			
Bank indebtedness		\$0	\$0
Accounts payable and accrued liabilities	(Note 7)	\$69,465,138	\$61,778,280
Deferred revenue	(Note 8)	\$40,257,849	\$44,172,045
Deferred capital allocations	(Note 7)	\$6,141,231	\$23,066,154
Current portion of long term debt		\$13,777,367	\$7,161,625
Total current liabilities		\$129,641,585	\$136,178,104
School generated liabilities		\$13,495,547	\$11,687,587
Trust liabilities		\$0	\$0
Employee future benefit liabilities	(Note 9)	\$19,095,940	\$20,123,169
Long term debt			
Supported: Debentures and other supported debt		\$17,322,047	\$21,802,220
Less: Current portion		(\$3,857,344)	(\$4,480,173)
Unsupported: Debentures and capital loans		\$0	\$0
Capital leases		\$41,825,753	\$26,079,945
Mortgages		\$0	\$0
Less: Current portion		(\$9,920,023)	(\$2,881,452)
Other long term liabilities	(Note 13)	\$1,644,140	\$1,644,140
Unamortized capital allocations	(Note 10)	\$587,621,675	\$553,158,805
Total long term liabilities		\$667,227,744	\$627,334,241
TOTAL LIABILITIES		\$796,869,329	\$763,512,345
NET ASSETS			
Unrestricted net assets		\$2,184,011	\$3,500,423
Operating reserves		\$23,097,523	\$30,508,783
Accumulated operating surplus (deficit)		\$25,281,534	\$34,009,206
Investment in capital assets		\$98,646,553	\$101,658,985
Capital reserves		\$25,966,445	\$19,686,662
Total capital funds		\$124,512,998	\$121,345,647
Total net assets		\$149,894,532	\$155,354,853
TOTAL LIABILITIES AND NET ASSETS		\$946,763,861	\$918,867,198

Note: Please input "Restricted" in 2010 column heading where comparatives are not taken from the finalized 2009/2010 Audited Financial Statements filed with Alberta Education.

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2011

(in dollars)

	Actual 2011	Budget 2011	Actual 2010 (Note)
REVENUES			
Government of Alberta	\$935,488,724	\$936,381,986	\$920,869,093
Federal Government and First Nations	\$3,668,800	\$2,940,610	\$2,905,052
Other Alberta school authorities	\$833,727	\$894,249	\$838,080
Out of province authorities	\$338,256	\$217,000	\$197,891
Alberta Municipalities-special tax levies	\$0	\$0	\$0
Instruction resource fees	\$7,492,970	\$6,681,156	\$7,201,333
Transportation fees	\$6,062,365	\$6,318,900	\$6,562,108
Other sales and services	\$24,027,694	\$21,782,671	\$22,999,100
Investment income	\$5,278,243	\$2,800,000	\$3,998,713
Gifts and donations	\$1,246,349	\$1,188,390	\$1,103,668
Rental of facilities	\$7,710,226	\$7,628,756	\$8,035,205
Gross school generated funds	\$33,590,272	\$35,374,706	\$37,650,978
Gains on disposal of capital assets	\$49,283	\$0	\$173,698
Amortization of capital allocations	\$23,751,314	\$23,663,121	\$18,539,986
Other revenue	\$0	\$0	\$0
Total Revenues	\$1,049,538,223	\$1,045,871,545	\$1,030,074,905
EXPENSES			
Certificated salaries (Note 19)	\$532,877,498	\$533,012,861	\$529,564,454
Certificated benefits (Note 19)	\$55,309,917	\$57,238,924	\$52,274,037
Non-certificated salaries and wages (Note 19)	\$174,143,484	\$176,647,367	\$166,311,507
Non-certificated benefits (Note 19)	\$38,895,933	\$42,464,159	\$33,572,679
Services, contracts and supplies	\$175,034,526	\$168,437,106	\$164,825,671
Gross school generated funds	\$33,590,272	\$35,374,706	\$37,650,978
Capital and debt services			
Amortization of capital assets			
Supported	\$23,751,314	\$23,663,121	\$18,539,986
Unsupported	\$18,138,004	\$19,325,338	\$15,756,477
Total Amortization of capital assets	\$41,889,318	\$42,988,459	\$34,296,463
Interest on capital debt			
Supported	\$1,874,600	\$1,874,600	\$2,368,285
Unsupported	\$0	\$0	\$0
Total Interest on capital debt	\$1,874,600	\$1,874,600	\$2,368,285
Other interest and charges	\$1,382,996	\$4,217,500	\$573,574
Losses on disposal of capital assets	\$0	\$0	\$0
Other expense	\$0	\$0	\$0
Total Expenses	\$1,054,998,544	\$1,062,255,482	\$1,021,437,648
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM			
	(\$5,460,321)	(\$16,383,937)	\$8,637,257
Extraordinary item	\$0	\$0	\$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	(\$5,460,321)	(\$16,383,937)	\$8,637,257

Note: Please input "(Restated)" where Actual 2010 comparatives are not as presented in the finalized 2009/2010 Audited Financial Statements filed with Alberta Education. Budget 2011 comparatives presented are final budget amounts formally approved by the Board.

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2011

(in dollars)

	2011	2010
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses	(\$5,460,321)	\$8,637,257
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	(\$23,751,314)	(\$18,539,988)
Total amortization expense	\$41,889,318	\$34,296,463
Gains on disposal of capital assets	(\$49,283)	(\$173,698)
Losses on disposal of capital assets	\$0	\$0
Changes in:		
Accounts receivable	(\$15,546,899)	\$4,466,636
Prepays and other current assets	(\$2,464,227)	(\$784,105)
Long term accounts receivable	\$0	\$0
Long term investments	(\$3,293,968)	(\$53,863,259)
Accounts payable and accrued liabilities	\$7,686,858	(\$13,265,225)
Deferred revenue	(\$3,914,196)	\$1,043,129
Employee future benefit liabilities	(\$1,027,220)	(\$1,118,505)
Other (describe) Working capital components and net investments	\$29,131,435	\$47,871,478
Total cash flows from Operations	\$23,200,386	\$8,450,185
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	(\$22,860)	(\$8,799,510)
Buildings	(\$8,331,010)	(\$8,864,576)
Equipment	(\$19,177,718)	(\$27,021,214)
Vehicles	(\$488,381)	(\$988,770)
Net proceeds from disposal of capital assets	\$52,799	\$135,527
Other (describe) Working capital components and long term investments	(\$2,743,333)	(\$51,713,638)
Total cash flows from investing activities	(\$30,710,503)	(\$97,252,181)
C. FINANCING ACTIVITIES		
Capital allocations	\$6,506,626	\$13,529,471
Issue of long term debt	\$0	\$0
Repayment of long term debt	\$11,265,635	(\$5,933,333)
Add back: supported portion	\$4,480,174	\$5,249,490
Other (describe) Working capital components and financing activities	(\$45,976,862)	\$3,695,985
Total cash flows from financing activities	(\$23,724,227)	\$16,541,613
Net cash flows from during the year	(\$31,234,344)	(\$72,260,383)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/10	\$82,308,794	\$154,569,177
Cash and temporary investments, net of bank indebtedness, at Aug. 31/11	\$51,074,450	\$82,308,794

Note: Please input "Restated" where Actual 2010 comparatives are not as presented in the finalized 2009/2010 Audited Financial Statements filed with Alberta Education.

**STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2011**

School Jurisdiction Code: 2030

(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	TOTAL NET ASSETS Col. 2+3+4+5	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	INTERNALLY RESTRICTED NET ASSETS											
				TOTAL OPERATING RESERVES Col. 6+8+10+12+14	TOTAL CAPITAL RESERVES Col. 7+9+11+13+15	School & Instruction Related		Operations & Maintenance		Board & System Administration		Transportation		External Services	
						Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2010	\$155,354,853	\$101,658,985	\$3,500,423	\$33,588,783	\$19,086,662	\$13,462,820	\$15,178,763	\$7,406,776	\$345,829	\$8,872,561	\$3,984,249	\$0	\$0	\$648,886	\$200,000
Prior period adjustments (reversals)															
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Adjusted Balance, Aug. 31, 2010	\$155,354,853	\$101,658,985	\$3,500,423	\$33,588,783	\$19,086,662	\$13,462,820	\$15,178,763	\$7,406,776	\$345,829	\$8,872,561	\$3,984,249	\$0	\$0	\$648,886	\$200,000
Excess (deficiency) of revenues over expenses	(\$5,460,321)		(\$5,460,321)												
Board funded capital additions		\$12,267,831	(\$12,267,831)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Disposal of unsupported capital assets	\$0	\$0	(\$49,283)		\$49,283		\$49,283		\$0		\$0		\$0		\$0
Disposal of supported capital assets (board funded portion)	\$0	(\$3,517)	\$3,517		\$0		\$0		\$0		\$0		\$0		\$0
Direct credits to net assets	\$0	\$0	\$0												
Amortization of capital assets		(\$41,893,318)	\$41,893,318												
Amortization of capital allocations		\$23,761,314	(\$23,761,314)												
Debt principal repayments (unsupported)		\$2,661,258	(\$2,661,258)												
Net transfers to operating reserves			(\$2,507,268)	\$2,507,268		\$1,091,217		\$1,282,584		\$0		\$0		\$143,467	
Net transfers from operating reserves			\$8,918,526	(\$8,918,526)		(\$5,000,893)		(\$1,879,375)		(\$3,247,553)		\$0		\$0	
Net transfers to capital reserves			(\$11,544,993)		\$11,544,993		\$11,544,993		\$0		\$0		\$0		\$0
Net transfers from capital reserves			\$5,314,493	(\$5,314,493)		(\$5,314,493)			\$0		\$0		\$0		\$0
Assumption/transfer of other operations' net assets	\$0	\$200,000	(\$200,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Balance at August 31, 2011	\$149,894,532	\$88,646,553	\$2,184,011	\$23,097,523	\$25,905,445	\$8,564,937	\$21,458,576	\$7,918,385	\$345,620	\$5,724,968	\$3,964,249	\$0	\$0	\$790,153	\$200,000

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)

for the Year Ended August 31, 2011
(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2010	\$23,066,154	\$553,158,805
Prior period adjustments	\$0	\$0
Adjusted balance, August 31, 2010	\$23,066,154	\$553,158,805
<u>Add:</u>		
Restricted capital allocations from: Alberta Education school building and modular projects	\$8,424,509	
Other Government of Alberta	\$0	
Federal Government and First Nations	\$0	
Other sources	\$0	
Interest earned on provincial government capital allocations	\$82,117	
Other capital grants and donations	\$0	
Net proceeds on disposal of supported capital assets	\$0	
Insurance proceeds (and related interest)	\$0	
Donated capital assets (amortizable, @ fair market value)		\$0
P3, other ASAP and Alberta Infrastructure managed projects		\$0
Transferred in capital assets (amortizable, @ net book value)		\$31,465,587
Current year supported debenture principal repayment		\$4,480,174
Expended capital allocations - current year	(\$23,431,549)	\$23,431,549
<u>Deduct:</u>		
Net book value of supported capital assets dispositions, write-offs, or transfer; Other	\$0	\$1,163,126
Capital allocations amortized to revenue		\$23,751,314
Balance at August 31, 2011	\$5,141,231	\$587,621,675

* Infrastructure Maintenance Renewal (IMR) Program allocations are excluded from this Statement, since those allocations are not externally restricted to capital.

1. ORGANIZATION

The Calgary Board of Education (the "Corporation") is an independent legal entity with an elected Board of Trustees as stipulated in the *School Act* (Alberta). The Corporation is registered as a charitable organization under the *Income Tax Act* (Canada) and, therefore, is exempt from income tax and may issue official receipts to donors for income tax purposes.

The Corporation provides a full range of educational services for all instructional programs ranging from Kindergarten through Grade 12.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of presentation

The financial statements of the Corporation have been prepared in accordance with Canadian Generally Accepted Accounting Principles (GAAP). A precise determination of many assets and liabilities is dependent upon future events and involves the use of estimates and approximations, which have been made using professional judgment. Actual results could differ from these estimates or approximations. In administration's opinion, these financial statements have been prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below.

The financial operations of EducationMatters (formerly The Calgary Board of Education Foundation) is a not-for-profit foundation which promotes and supports public education in Calgary (see Note 16 (b)) and is a controlled entity whose financial results are not consolidated in these financial statements, as permitted under Canadian Institute of Chartered Accountants (CICA) Handbook Accounting Part V 4450.14.

Budget information is unaudited and is presented on the Statement of Revenue and Expense and on the related schedules for information purposes only and represents the original budget submitted to Alberta Education in June, 2010, as amended during the fiscal year to reflect identified changes in circumstances relating to operating and program changes. The Board of Trustees approves the original budget and monitors all subsequent changes through quarterly reports of revisions and amendments.

(b) Cash and cash equivalents

Cash and cash equivalents are comprised of cash and short-term investments with original maturities of 90 days or less.

(c) Inventories

Inventories consist of maintenance and school supplies and are valued at the lower of cost and net realizable value. Inventory is expensed when items are shipped to schools or departments.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Investments

Held-for-trading assets are measured at fair value each reporting period. Unrealized gains and losses on held-for-trading financial instruments are recognized in earnings.

Short-term investments are investments held with a maximum of a one-year view to ensure the timely settlement of the Corporation's financial obligations. Investments usually consist of treasury bills and money market investments and are recorded at fair value.

Long-term investments are investments held for a period of at least one to five years, unless significant unforeseen factors occur. Long-term investments may include corporate and government bonds and equities and are recorded at fair value.

(e) Capital Assets and Capital Revenue

Capital assets are recorded at cost. Amortization is calculated on a straight-line basis at rates which amortize the cost of the capital assets over their estimated useful lives. The amortization rates applied are as follows:

Land improvements	20 years
Buildings	10 - 40 years
Furniture and equipment	4 - 10 years

No amortization is provided on construction in progress, as these assets are not ready and are not available for use. Once completed and placed into use, these assets are amortized in accordance with the Corporation's above amortization policy.

Certain capital assets, including new school construction and major renovations (except administrative buildings and replacement of equipment and vehicles), are funded by Alberta Education when approved, and are based on the Corporation's three-year capital plan. When received, capital grants for these assets are deferred and reflected in revenue and matched to the amortization expense over the lives of the related assets. Provincially funded Infrastructure Maintenance Renewal (IMR) projects that improve or sustain the operating functionality of building components or land improvements and do not extend the useful life of the underlying asset are expensed.

Capital assets which are paid by directly by the Province of Alberta are recorded by the Corporation at fair market value when title has transferred. A corresponding deferred capital grant is recorded and reflected in revenue over the life of the asset. Maintenance expense paid by directly by the Province of Alberta on behalf of the Corporation relating to these assets is expensed and corresponding grant revenue is recognized.

(f) Leases

Leases are classified as capital or operating leases. Leases which transfer substantially the entire benefits and risks incidental to the ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Asset Retirement Obligation

The Corporation recognizes the fair value of an Asset Retirement Obligation ("ARO") in the period in which it incurs a legal obligation associated with the retirement of capital assets. Certain building assets contain some asbestos. Although the asbestos is appropriately contained in accordance with environmental regulations, it is the Corporation's practice to, if necessary, remediate any asbestos upon disposal of a capital asset. The Corporation recognizes an ARO only when those assets have been approved by the Board of Trustees for disposition and when the fair value of the liability can be reasonably determined.

The estimated fair value of ARO are capitalized as part of the related long-lived asset and depreciated on the same basis as the underlying asset. ARO is adjusted for the passage of time, which is recognized as accretion expense, and for revisions to the timing or the amount of the estimated liability. Actual costs incurred are charged against the asset retirement obligation to the extent of the liability recorded. Differences between the actual costs incurred and the liability are recognized in earnings when remediation is completed.

(h) Revenue Recognition

Revenues are recognized when they are earned. Grants received, restricted donations and fees collected in advance of the provision or use of related services, are deferred until utilized. Unrestricted cash donations are recognized as revenue when they are received. Donations of materials and services are recognized as revenue when a fair value can be reasonably estimated and when the materials and services are used in the normal course of the organization's operations and would otherwise have been purchased.

Funds donated by individuals or organizations for the purpose of establishing scholarships and bursaries are accounted for as deferred revenues. Interest is calculated on each scholarship fund balance and is accrued for the benefit of the recipients of the fund. Individual scholarship payments are made to the recipients of the scholarships and bursaries in accordance with the various scholarship agreements, and a corresponding amount is recognized as revenue at that time.

The amortization of capital assets funded by Alberta Education and Alberta Infrastructure is recognized annually and is offset by a corresponding amount of revenue arising from the recognition in that year of related capital grants.

Each year, volunteers contribute a considerable number of hours which support the delivery of certain programs within schools. Due to the difficulty of determining or otherwise estimating these hours, and the fact that these services are not otherwise purchased, the value of these contributed services is not quantified nor recognized in these financial statements.

(i) Proceeds on Disposal of Capital Assets

The proceeds on disposal of capital assets are applied to fund future capital asset expenditures. Pursuant to Provincial regulations, the allocation of proceeds for each asset disposal is based upon the relative contribution from the Province of Alberta and the Corporation to fund the original purchase of the disposed asset. Proceeds relating to provincially funded assets are recorded as deferred capital allocations until a provincially approved capital expenditure is made. Proceeds relating to Corporation funded assets are reflected as income and a corresponding amount is transferred to capital reserves until a capital expenditure to be financed from capital reserves is approved by the Board of Trustees.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) School Generated Funds

These financial statements include amounts arising from certain school and student activities which are controlled and administered locally by each school but for which the Corporation is accountable. School generated funds revenues are primarily generated through fundraising activities, non-instructional fees and donations and grants to schools in support of extra-curricular activities, field trips and equipment.

(k) Financial Instruments

The Corporation's financial instruments consist of cash and cash equivalents, cash held by schools, short-term investments, accounts receivable, long-term investments, accounts payable and accrued liabilities, and long-term liabilities which include long-term debt and capital leases. Unless otherwise stated in Notes 3, 11 and 12, which are determined by market comparisons, the fair values of these financial instruments approximate their carrying values.

There are no financial assets on the balance sheet designated as available-for-sale or held-to-maturity. Cash and cash equivalents, cash held by schools and short-term investments are classified as held-for-trading. All other financial assets are classified as loans or receivables and are accounted for on an amortized cost basis. All financial liabilities are classified as other financial liabilities and are accounted for on an amortized cost basis.

Transaction costs and related cash flow impacts are included in the fair value assessment of each financial asset. Transaction costs that are directly attributable to the acquisition of other financial liabilities are not considered significant and are expensed when incurred.

The Corporation has a comprehensive risk management framework to monitor, evaluate and manage the principal risks assumed with financial instruments. The risks that arise from transacting financial instruments include credit risk, liquidity risk and price risk. Price risk arises from changes in interest rates, foreign currency exchange rates and market prices. The Corporation does not use derivative financial instruments to alter the effects of these risks. It is administration's opinion that the Corporation is not exposed to significant interest, currency or credit risks arising from these financial instruments.

The Corporation has elected to apply the scope provisions of paragraph 3855.07A such that the Corporation will not apply the requirements of Section 3855 to contracts for the purchase or sale of non-financial items and any embedded derivatives within these types of contracts or those embedded derivatives that may exist within lease or insurance contracts. In addition, the Corporation has elected to not adopt "Financial Instruments – Disclosures" and "Financial Instruments – Presentation." The Corporation does not invest in or use derivative financial instruments. Derivatives may be embedded in other financial instruments (the "host instrument") or other contracts (the "host contract"). The Corporation has not identified embedded derivatives in the host contracts.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(I) Pensions and Employee Future Benefits Plans

The Corporation participates in a number of defined benefit plans to provide pension, retirement and healthcare benefits to its employees.

The Corporation's certificated employees are required to contribute to the Alberta Teachers' Retirement Fund, a multi-employer pension plan. This defined benefit pension plan is the responsibility of the Province of Alberta and these employee members. Accordingly, no disclosure has been made in these financial statements relating to the effects of participation in the pension plan by the Corporation's certificated employees.

The Corporation and its non-certificated employees participate in the Local Authorities Pension Plan ("LAPP"), a multi-employer pension plan. Pension costs of LAPP included in these financial statements comprise the cost of employer contributions for current service of participating employees during the year (refer to Note 9).

The Corporation established a Supplemental Integrated Pension Plan ("SiPP") for certain members of senior administration comprised of both a registered and non-registered portion. The plan provides a supplement to the LAPP or Alberta Teachers' Retirement Fund (as appropriate) to provide an annual retirement benefit of 2% of total earnings. The cost of this SiPP is sponsored by the Corporation and is actuarially determined using the projected benefit method prorated on service and management's best estimate of expected salary and benefit escalation, retirement ages of employees and plan investment performance. Actuarial valuations of this plan occur annually as at August 31.

The Corporation provides a Supplementary Retirement Plan ("SRP") for certain senior employees of the Corporation, based on approved terms and conditions of the plan. The plan provides for annual contributions of 10% of the employee's salary which is above the LAPP or Alberta Teachers' Retirement Fund pensionable earnings cap.

The Corporation has a number of other defined benefit plans providing post-employment and post-retirement benefits for supplementary health care, dental care, life insurance and retiring allowances (collectively "Post-Retirement and Post-Employment Benefits Plans"). These plans are not funded by separately designated plan assets. For these plans, the Corporation accrues its obligations, and expenses the related costs, in accordance with the terms of the various collective agreements and other contracts of employment. The cost of employee future benefits earned by employees is actuarially determined using the projected benefit method pro-rated on service and management's best estimate of salary escalation, retirement ages of employees, and expected provincial and supplementary health care costs and dental care costs. The actuarially determined benefit obligation from the initial application of this policy is being amortized over the average remaining service period of employees active at September 1, 2000, the beginning of the fiscal year in which this policy was implemented. The balance of any unrecognized net plan experience, including changes in actuarial basis, in excess of 10% of the greater of the actuarial benefit obligation and the market value of plan assets is amortized over the average remaining service lifetime of the active members as of the applicable date. When changes to employee future benefit plans are negotiated, the related financial impacts are recognized when an agreement has been reached by the Corporation and the applicable group of employees. Effective January 1, 2011, all employees pay 100% of the post-retirement benefit premium costs. The most recent actuarial valuation of post-retirement and post-employment benefit plans was as of August 31, 2009. The next required valuation will be as of August 31, 2012.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Future Accounting Standards

Effective January 1, 2012, all Government controlled not-for-profit organizations ("GNFPOs") will be required to follow either the CICA Public Sector Accounting Handbook ("PSA Handbook"), including Sections PS 4200 to PS 4270 or, alternatively, the CICA PSA Handbook without Sections PS 4200 to PS 4270. The Alberta Treasury Board requires that the Corporation adopt the current public sector accounting standards without reference to the not-for-profit standards Sections PS 4200 to PS 4270 effective for the year ending August 31, 2013 with retrospective application and restatement for the comparative year ending August 31, 2012.

The Corporation is currently assessing the impacts of the conversion, including identifying the key differences, developing PSA accounting policies and new financial statement disclosures. The Corporation will continue to monitor the development of standards.

CALGARY BOARD OF EDUCATION
NOTES TO ALBERTA EDUCATION FINANCIAL STATEMENTS
AUGUST 31, 2011

3. CASH AND CASH EQUIVALENTS, INVESTMENTS AND BANK INDEBTEDNESS

	2011				
	Investments at Fair Value				Cost
	Cash and cash equivalents	Short-term	Long-term	Total	
<u>Cash and Fixed Income Investments</u>					
Bank balances	\$ 6,366,879	-	-	\$ 6,366,879	\$ 6,366,879
Outstanding cheques	(4,463,255)	-	-	(4,463,255)	(4,463,255)
Money market investments	-	48,521,682	355,744	48,877,428	48,878,990
Supplemental Integrated Pension Plan Assets	-	649,144	-	649,144	695,289
Fixed Income					
Government of Canada	-	-	17,752,067	17,752,067	17,094,509
Provincial	-	-	588,022	588,022	570,664
Municipal	-	-	2,140,428	2,140,428	2,036,520
Corporate	-	-	21,765,802	21,765,802	21,157,013
Restricted long-term investment (1)	-	-	42,998,757	42,998,757	42,998,757
<u>Equity Investments</u>					
Canadian equities	-	-	8,783,440	8,783,440	8,810,506
U.S. equity funds	-	-	5,844,364	5,844,364	6,697,058
International equity funds	-	-	7,404,678	7,404,678	8,263,676
Total at Fair Value	\$ 1,903,624	49,170,826	107,633,302	\$ 158,707,752	
Total at Cost	\$ 1,903,624	49,216,972	106,984,010		\$ 167,104,606

	2010				
	Investments at Fair Value				Cost
	Cash and cash equivalents	Short-term	Long-term	Total	
<u>Cash and Fixed Income Investments</u>					
Bank balances	\$ 2,679,312	-	-	\$ 2,679,312	\$ 2,679,312
Outstanding cheques	(952,202)	-	-	(952,202)	(952,202)
Money market investments	-	79,966,284	563,440	80,529,724	80,529,054
Supplemental Integrated Pension Plan Assets	-	615,400	-	615,400	690,301
Fixed Income					
Government of Canada	-	-	21,538,086	21,538,086	20,824,109
Provincial	-	-	588,119	588,119	570,664
Municipal	-	-	2,132,050	2,132,050	2,036,520
Corporate	-	-	32,454,980	32,454,980	31,765,265
Restricted long-term investment (1)	-	-	26,882,109	26,882,109	26,882,109
<u>Equity Investments</u>					
Canadian equities	-	-	7,857,980	7,857,980	8,616,340
U.S. equity funds	-	-	5,401,509	5,401,509	6,619,128
International equity funds	-	-	6,921,063	6,921,063	8,066,967
Total at Fair Value	\$ 1,727,110	80,581,684	104,339,336	\$ 186,648,130	
Total at Cost	\$ 1,727,110	80,656,584	103,943,873		\$ 186,327,567

(1) Restricted long-term investment relates to cash collateral requirements as a result of capital leases entered into between the years ended August 31, 2004 and August 31, 2011 (see Note 11).

CALGARY BOARD OF EDUCATION
NOTES TO ALBERTA EDUCATION FINANCIAL STATEMENTS
AUGUST 31, 2011

3. CASH AND CASH EQUIVALENTS, INVESTMENTS AND BANK INDEBTEDNESS (continued)

General Operating and Other Bank Indebtedness

The Corporation maintains a line of credit with 3% borrowing rate that has been negotiated with its banker for general operating purposes. The line of credit is secured against the Corporation's accounts receivable at bank prime rate. At August 31, 2011, no amount has been drawn against the Corporation's general operating line of credit.

Yields on current short-term and long-term investments reflect the cash value of all dividends, interest or other payments received or receivable on active investment instruments. These yields do not include any realized or unrealized capital gains of the underlying market values of the instrument. At August 31, 2011 the yields on these investments were as follows:

	2011		2010	
	Effective or Fair Value Yield	Fair Value	Effective or Fair Value Yield	Fair Value
<u>Short-Term Investments</u>				
Money Market Investments	0.99%	48,521,684	0.72%	79,966,284
Non-Registered Mutual Funds (SIPP)	2.21%	649,144	2.51%	615,401
<u>Long-Term Investments</u>				
Money Market Investments	0.93%	355,744	0.61%	563,441
Bond type				
Govt of Canada	1.42%	17,752,067	1.61%	21,538,086
Provincial	2.30%	588,022	2.65%	588,119
Municipal	1.67%	2,140,428	2.16%	2,132,050
Corporate	2.69%	21,765,802	1.74%	32,454,980
Canadian equities	2.81%	8,783,440	3.01%	7,857,980
U.S. equity pooled funds	1.90%	5,844,364	1.86%	5,401,509
International equity pooled funds	3.30%	7,404,678	3.34%	6,921,063

Supplementary Cash Flow Information

During the year ended August 31, 2011, cash interest paid on school building debenture debt and other debt amounted to \$2,146,054 (2010 - \$2,686,268) and cash interest earned (operating and capital) and dividends received on investments totalled \$4,047,050 (2010 - \$1,936,884).

CALGARY BOARD OF EDUCATION
NOTES TO ALBERTA EDUCATION FINANCIAL STATEMENTS
AUGUST 31, 2011

4. CASH HELD BY SCHOOLS

Changes in cash held by schools are as follows:

	<u>2011</u>	<u>2010</u>
Sources of school generated funds:		
Fundraising activities	\$ 11,446,061	\$ 10,896,230
Non-instructional fees and charges	17,805,344	17,000,131
Donations and grants to schools	6,118,329	6,780,110
Other income	28,498	27,556
Total additions to school generated funds	\$ 35,398,232	\$ 34,704,027
Application of school generated funds:		
Fundraising activities	(14,234,713)	(17,356,310)
Fees/charges (non-instructional) – related expenses	(12,098,403)	(12,240,537)
Donations and grants to schools – related expenses	(670,079)	(1,042,092)
Other – related expenses: bank charges	(85,154)	(81,931)
Extra-curricular activities	(4,203,506)	(4,278,121)
Field trips	(1,165,778)	(1,299,112)
Equipment	(1,132,639)	(1,352,875)
Total application of school generated funds	\$ (33,590,272)	\$ (37,650,978)
Net increase/(decrease) of school generated funds for the year	\$ 1,807,960	\$ (2,946,951)
Cash balance, beginning of year	11,687,587	14,634,538
Cash balance, end of year	\$ 13,495,547	\$ 11,687,587

5. ACCOUNTS RECEIVABLE AND PREPAID EXPENSES

	<u>2011</u>	<u>2010</u>
Alberta Education operating grants	\$ 4,636,495	\$ 300,583
Government of Alberta capital grants	10,144,062	952,335
Debenture interest grants	1,028,651	1,300,105
School jurisdictions and other governments	2,997,289	1,963,671
Other accounts receivable	9,329,453	8,072,557
Prepaid expenses	7,169,389	4,613,723
	\$ 35,305,339	\$ 17,202,974

CALGARY BOARD OF EDUCATION
NOTES TO ALBERTA EDUCATION FINANCIAL STATEMENTS
AUGUST 31, 2011

6. CAPITAL ASSETS

	Land	Construction In Progress - Buildings	Buildings	Equipment - Computer Hardware & Software	Other Equipment	Vehicles	Total Aug. 31, 2011	Total Aug. 31, 2010
Estimated Useful Life			25-40 Years	3-5 Years	5-10 Years	5-10 Years		
Historical cost								
September 1, 2010	\$4,808,832	\$43,717,015	\$944,339,576	\$72,712,816	\$92,548,966	\$7,257,718	\$1,165,385,023	\$839,327,373
Additions	0		59,482,437	8,758,008	10,345,290	488,381	79,074,114	229,336,273
Transfers in (out)	0	(9,639,179)	9,584,757	74,422	0	0	(0)	0
Less disposals including w/re-offs	(38,036)	0	(5,164,498)	0	(1,720,402)	(163,724)	(7,086,660)	(3,278,622)
August 31, 2011	\$4,770,796	\$34,077,836	\$1,008,222,272	\$81,545,344	\$101,173,854	\$7,582,375	\$1,237,372,477	\$1,185,385,023
Accumulated amortization								
September 1, 2010	-	-	\$ 347,935,552	\$ 47,706,543	\$ 64,344,265	\$ 3,600,781	\$ 462,987,151	\$431,700,154
Amortization expense	-	-	23,278,837	8,868,960	9,112,712	628,809	41,889,318	34,296,462
Transfers in (out)	-	-	0	0	0	0	0	0
Effect of disposals	-	-	(4,039,408)	0	(1,720,402)	(160,208)	(5,920,018)	(3,009,465)
August 31, 2011	-	-	\$366,574,981	\$56,575,503	\$71,735,576	\$4,069,381	\$498,955,450	\$462,987,151
Net Book Value at August 31, 2011	\$4,770,796	\$34,077,836	\$641,647,291	\$24,969,841	\$29,437,278	\$3,512,994	\$738,416,027	\$702,397,873

As of August 31, 2011, the Corporation had recorded an asset retirement obligation of \$1,644,140 (2010 - \$1,644,140) for the estimated costs of removing and disposing of asbestos in those schools and other buildings approved by the Board for disposition.

As of August 31, 2011, costs of \$31,465,587 (2010 - \$162,293,297) incurred by Alberta Education on behalf of the Corporation was recognized as capital assets as the projects were complete and the titles of the assets were transferred to the Corporation.

As of August 31, 2011, Alberta Education has confirmed that costs of \$68,964,898 related to the ASAP II P3 project have been incurred. Consistent with prior years, this amount will not be recorded as a capital asset acquisition until the project is substantially complete and title has transferred to the Corporation.

As of August 31, 2011, Land and Buildings with a net book value of \$3,124,725 (2010 - \$3,540,324) was approved by the Board for disposition, which is deemed as held-for-sale.

CALGARY BOARD OF EDUCATION
NOTES TO ALBERTA EDUCATION FINANCIAL STATEMENTS
AUGUST 31, 2011

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2011	2010
Salaries and benefits	\$ 35,156,520	\$ 30,090,709
Debenture interest	1,028,767	1,300,221
Federal government	871,000	730,407
Contractor payables	14,216,482	6,561,992
Deferred capital allocations	6,141,231	23,066,154
Other accounts payable	9,615,250	15,349,114
Other accrued liabilities	8,577,119	7,745,837
	<u>\$ 75,606,369</u>	<u>\$ 84,844,434</u>

8. DEFERRED REVENUE

SOURCE AND GRANT OR FUND TYPE	DEFERRED REVENUE as at Aug. 31, 2010	ADD: 2010/2011 Restricted Funds Received/ Receivable	DEDUCT: 2010/2011 Restricted Funds Expended/ (Paid / Payable)	ADD (DEDUCT): 2010/2011 Adjustments or Returned Funds	DEFERRED REVENUE as at Aug. 31, 2011
Alberta Education Restricted Operational Funding:					
Alberta Initiative for School Improvement	\$ 3,643,856	\$ 13,786,985	\$ (15,080,301)	\$ -	\$ 2,350,540
Children and Youth with Complex Needs	\$ -	\$ -	\$ -	\$ -	\$ -
Francophone Student Health Services	\$ -	\$ -	\$ -	\$ -	\$ -
Infrastructure Maintenance Renewal (IMR)	\$ 24,463,941	\$ 16,248,321	\$ (22,143,055)	\$ -	\$ 20,569,197
Institutional Education Programs	\$ -	\$ -	\$ -	\$ -	\$ -
Portable/Modular Unit Relocation	\$ -	\$ -	\$ -	\$ -	\$ -
Regional Consortium	\$ -	\$ -	\$ -	\$ -	\$ -
Regional Educational Consulting Services	\$ 666,471	\$ 3,739,792	\$ (4,064,173)	\$ -	\$ 342,090
Small Class Size Initiative	\$ -	\$ -	\$ -	\$ -	\$ -
Student Health Initiative (School Authorities)	\$ 479,794	\$ 3,215,389	\$ (3,688,432)	\$ -	\$ 6,751
SuperNet Service	\$ -	\$ -	\$ -	\$ -	\$ -
Classroom resources One time grant	\$ 1,834,621	\$ -	\$ (641,000)	\$ -	\$ 1,193,621
CTS Evergreening	\$ -	\$ 1,679,484	\$ (641,013)	\$ -	\$ 1,038,471
Classroom technology One time grant	\$ -	\$ -	\$ -	\$ -	\$ -
Technology infrastructure One time grant	\$ -	\$ -	\$ -	\$ -	\$ -
Innovative Classroom Technology Funding	\$ 18,492	\$ -	\$ (18,492)	\$ -	\$ -
Other Alberta Education deferred revenue	\$ 1,889,493	\$ 530,761	\$ -	\$ -	\$ 2,420,254
Other Government of Alberta Restricted Funding:	\$ -	\$ -	\$ -	\$ -	\$ -
Other Deferred Revenue:					
Scholarships	\$ 264,357	\$ 1,950	\$ (17,589)	\$ -	\$ 248,718
Funds from other Organizations	\$ 2,334,111	\$ 9,830	\$ (482,926)	\$ -	\$ 1,861,015
IMR interest earned	\$ 1,907,288	\$ 343,985	\$ -	\$ -	\$ 2,251,273
Student Fees	\$ 6,669,421	\$ 7,975,719	\$ (6,669,421)	\$ -	\$ 7,975,719
Total	\$ 44,172,045	\$ 49,532,216	\$ (53,446,412)	\$ -	\$ 40,257,849

9. PENSIONS/EMPLOYEE FUTURE BENEFITS

(a) Local Authorities Pension Plan (LAPP)

The Corporation's net pension expense of LAPP for the year amounts to \$15,297,145 (2010 - \$13,916,955).

(b) Supplemental Integrated Pension Plan (SiPP)

The Corporation's net pension expense for the registered portion of SiPP for the year was \$56,116 (2010 - \$37,167). The net pension expense for the non-registered portion was \$218,669 (2010 - \$149,850). The total liability for the SiPP at August 31, 2011 is \$393,994 (2010 - \$175,326).

(c) Supplementary Retirement Plan (SRP)

The total liability for the SRP at August 31, 2011 is \$131,955 (2010 - \$196,843).

(d) Post-Retirement and Post-Employment Benefits Plans

Changes in Projected Benefits Obligation

The following table provides the plans' change in Accrued Benefit Obligation ("ABO") for the year ended August 31:

	2011	2010
Benefit obligation, beginning of year	\$ 30,263,000	\$ 32,418,000
Service cost	848,000	845,000
Interest cost	1,365,000	1,574,000
Benefits payments	(4,152,000)	(4,756,000)
Actuarial losses	2,073,000	182,000
Benefit obligation, end of year	\$ 30,397,000	\$ 30,263,000

To date, \$18,570,000 (2010 - \$19,751,000) has been accrued in the Corporation's financial statements as an accrued benefit obligation.

Plan Funded Status

The following table provides the plans' funded status as of August 31, 2011 and 2010:

	2011	2010
Benefit obligation, end of year	\$ 30,397,000	\$ 30,263,000

The Corporation does not fund its post-retirement plans (see accounting policy Note 2(l)). Accordingly, the plans held no assets at August 31, 2011 and 2010.

9. PENSIONS/EMPLOYEE FUTURE BENEFITS (continued)

(d) Post-Retirement and Post-Employment Benefits Plans (continued)

Components of Net Periodic Post - Retirement Benefit Cost

The net period benefits cost for pension plans includes the following components for the year ended August 31:

	2011	2010
Current period service cost	\$ 848,000	\$ 845,000
Interest cost	1,365,000	1,574,000
Actuarial losses	2,073,000	182,000
Amortization of transitional obligation	687,000	687,000
Difference between actual and recognized past service	(672,000)	(824,000)
Difference between actual and recognized gains in year	(1,288,000)	757,000
Net Period Benefits Cost	\$ 3,013,000	\$ 3,221,000

The initial transitional obligation of \$35,664,263 at September 1, 2000 is being amortized over the expected average remaining service period of the employee group, which was estimated to be 12 years, of which 1 year remains. The unamortized transitional obligation of \$1,371,000 on September 1, 2010 has been reduced further by \$687,000 during 2011 to \$684,000 to reflect the change in the accrued benefit obligation to employee groups, and the annual amortization of the remaining initial transitional obligation.

Assumptions

The significant actuarial assumptions adopted in measuring the Corporation's employee future benefit obligation (based on a weighted average assumption of the various plans as of August 31, 2011) and comparative prior year are as follows:

	2011	2010
Amortization method	Straight-line	Straight-line
Discount rate	4.35%	4.70%
Supplementary health care cost escalation	8.0% for 1 year in 2011/2012 grading by 0.50% per year thereafter to an ultimate rate of 5.0%	8.0% for 2 years in 2010/2011 and 2011/2012 grading by 0.50% per year thereafter an ultimate rate of 5.0%
Dental care cost escalation	4.0% per year	4.0% per year
Provincial health care cost escalation	Not applicable	Not applicable

CALGARY BOARD OF EDUCATION
NOTES TO ALBERTA EDUCATION FINANCIAL STATEMENTS
AUGUST 31, 2011

10. UNAMORTIZED CAPITAL ALLOCATIONS

Changes in deferred capital grants are as follows:

	<u>2011</u>	<u>2010</u>
Balance, beginning of year	\$ 553,158,805	\$ 382,541,539
Debenture principal repaid by Alberta Finance	4,480,174	5,249,490
Capital assets funded by Alberta Infrastructure and Alberta Education	53,734,010	183,907,762
Capital allocations amortized to revenue	(23,751,314)	(18,539,986)
Balance, end of year	<u>\$ 587,621,675</u>	<u>\$ 553,158,805</u>

11. CAPITAL LEASES

Capital leases are approved by the Minister of Education for internally financed projects. All capital leases are secured by identified assets of the Corporation (restricted cash). As of August 31, 2011, capital lease obligations pertaining to the Corporation are as summarized below:

	<u>2011</u>	<u>2010</u>
Finance contracts, secured by certain equipment at interest rates ranging from 2.44% - 4.49%, repayable in annual installments of \$324,556 including interest, maturing September 2014.	\$ 1,105,221	\$ 1,395,361
Finance contracts, secured by certain building components at interest rates ranging from 3.75% - 4.24%, repayable in annual installments of \$546,516 including interest, maturing September 2014 through August 2015	3,137,315	3,542,415
Finance contracts, secured by certain building components at interest rates ranging from 2.70% - 3.19%, repayable in annual installments of \$4,904,845 including interest, maturing August 2016.	<u>37,583,217</u>	<u>21,142,169</u>
	41,825,753	26,079,945
Less: Current portion	<u>(9,920,023)</u>	<u>(2,681,452)</u>
	<u>\$ 31,905,730</u>	<u>\$ 23,398,493</u>

11. CAPITAL LEASES (continued)

Minimum lease payments for the future years are as follows:

	Minimum lease payments
2012	\$ 10,746,888
2013	4,952,217
2014	4,952,218
2015	4,920,086
2016	4,723,776
Thereafter	16,542,977
Total payments	46,838,162
Amount pertaining to interest	(5,012,409)
Balance of obligation	\$ 41,825,753

12. LONG-TERM DEBT

Long-term debt includes debentures for the acquisition of school buildings funded directly by Alberta Education (pre-1995). Those debentures were issued for periods of 15, 20 or 25 years in those years prior to 1995 when the Corporation had local taxing authority, at interest rates ranging from 7.38% -11.75%, and maturity at various dates to 2020. Fair value of this debt is \$21,930,320 (2010 - \$25,314,988) which is calculated using a discount rate of 4.35%, which reflects the average yield on high quality long-term corporate bonds at August 31, 2011. All debenture principle and interest payments are fully guaranteed by the Province of Alberta.

	2011	2010
Debentures outstanding	\$ 17,322,047	\$ 21,802,220
Less: Current portion	(3,857,344)	(4,480,173)
	\$ 13,464,703	\$ 17,322,047

Minimum principal repayments of debentures based on the terms above are as follows:

	Principal Payment
2012	\$ 3,857,344
2013	3,245,796
2014	2,793,147
2015	2,514,915
2016	1,974,990
Thereafter	2,935,855
Total	17,322,047

13. ASSET RETIREMENT OBLIGATION

The estimated asset retirement obligation of \$1,644,410 as at August 31, 2011 remained the same from August 31, 2010, as there were no changes in the estimated building assets approved for disposition by the Corporation between 2010 and 2011. An interest rate of 5.35% is applicable to discount expected cash flows for calculation of the initial obligation and a rate of 4.35% would be applicable for accretion of the obligation.

The following table summarizes the changes in the asset retirement obligations:

	2011	2010
Balance, beginning of year	\$ 1,644,140	\$ 1,725,700
Obligations discharged	-	(81,560)
Balance, end of year	\$ 1,644,140	\$ 1,644,140

The Corporation has not recorded an asset retirement obligation for the estimated costs of restoring certain schools that may have asbestos as the Corporation is unable to determine the value of this liability as all locations and amounts of asbestos are unknown.

14. CONTINGENCIES AND COMMITMENTS

- (a) From year to year, legal actions are brought against the Corporation in the normal course of operations. Management believes that the ultimate resolution of claims presently outstanding are not expected to be significant to the overall financial position of the Corporation.
- (b) The Corporation has contractual commitments to complete major capital projects relating to school buildings and Administrative sites. As at August 31, 2011, these outstanding contractual obligations amount to \$11,190,000 (2010 - \$26,762,000), with \$10,527,000 to be funded by Alberta Infrastructure/Education and \$663,000 by the Corporation.
- (c) To the extent the Corporation terminates certain contractual commitments for convenience under certain service and development management agreement, the Corporation would incur costs, depending on the date of termination, of between \$3,500,000 and \$9,900,000.
- (d) The Corporation has entered into various operating lease agreements for office spaces that expire beyond March 31, 2031. Future minimum annual lease payments and operating payments (including parking) under these leases, including provisions for renewals, are as follows:

	Minimum Lease payment	Operating Costs	Total
2012 \$	9,675,079	\$ 2,420,247	\$ 12,095,326
2013	9,822,940	2,451,710	12,274,650
2014	9,796,902	2,483,582	12,280,484
2015	10,052,544	2,515,869	12,568,413
2016	9,848,663	2,548,575	12,397,238
Thereafter	171,434,975	40,899,416	212,334,391
Total \$	220,631,103	\$ 53,319,399	\$ 273,950,502

Lease expense during the year amounted to \$4,990,000 (2010 - \$342,600).

14. CONTINGENCIES AND COMMITMENTS (continued)

- (e) The Corporation has entered into a service agreement related to certain payroll and human resources administration processes expiring October 16, 2015. Future minimum annual payments under this commitment are:

		Minimum payments
2012	\$	8,863,021
2013		9,060,634
2014		9,233,938
2015		9,410,353
2016		1,179,057
	\$	<u>37,747,003</u>

- (f) Effective September 1, 2006, the Corporation entered into a Master Transportation Agreement with Southland Transportation Ltd. and First Student Canada for the provision of student school bus transportation services. The initial term of the agreement is ten years (expiring August 31, 2016) and the Corporation may renew the agreement for two additional periods of five years each. Each year during the term, the Corporation enters into a Yearly Service Agreement with each carrier, outlining the services to be provided, the applicable daily base rate and all other anticipated fees and charges under the agreement.
- (g) Effective January 1, 2010, the Corporation entered into a one year fixed price natural gas supply agreement of a certain price for a majority of its total annual natural gas consumption, and this agreement was to expire on December 31, 2010, but was previously renewed for one additional year and will expire on December 31, 2011. During 2011, the Corporation further extended the agreement for one additional year which will now expire December 31, 2012.
- (h) Effective July 31, 2007, the Corporation entered into a fixed electricity supply agreement of a certain price for all of its electricity consumption from January 1, 2009 to December 31, 2012. This agreement has been extended by two additional years and will expire December 31, 2014.
- (i) Effective July 1, 2007, the Corporation entered into a Committed Retainer Legal Services Agreement of a certain price, with a one year evaluation stage and the provision for up to a four year extension period, upon mutual agreement of both parties, to June 30, 2012.
- (j) Effective June, 2011, the Corporation entered into a 5 year contract with Telus Corporation for all phone services.

15. NET ASSETS

The components of the Corporation's net assets of \$149,894,712 as at August 31, 2011 are described below:

(a) Accumulated Operating Surplus

As at August 31, 2011, the Corporation has an accumulated operating surplus of \$25,281,534 (2010 - \$34,009,206) comprised of the following:

i. Unrestricted Net Assets

Unrestricted operating surplus represents the aggregation of successive years' annual operating surpluses.

For the year ended August 31, 2011, the Corporation's operating deficit was \$1,316,412 (2010 - surplus of \$538,601), and the Corporation has unrestricted net assets of \$2,184,011 (2010 - \$3,500,423).

ii. Designated Operating Funds and Operating Reserves

Where certain instructional initiatives are planned or in progress, and consistent with prior years, the Corporation has designated or restricted operating funds for specific purposes. Operating reserves have been established for specific program requirements, to stabilize annual fee rates or to offset the cost of programs and services in future years. These fund designations and reserves have been established consistent with Provincial legislation and by Board of Trustees' resolution and will be applied to finance future expenses in accordance with the specific requirements of each of these resolutions.

Operating funds have been designated by the Board of Trustees for the following purposes:

	2011	2010
School decentralized budgets	\$ 5,482,066	\$ 5,054,074
Instructional and service unit initiatives	2,672,001	2,499,809
	<u>\$ 8,154,067</u>	<u>\$ 7,553,883</u>

Operating reserves have been established by the Board of Trustees for the following purposes:

	2011	2010
Continuing Education Fee Stabilization (1)	\$ 1,592,942	\$ 1,312,969
Unrealized Investment Gains/Losses (2)	3,032,178	1,749,595
Utility Expense Stabilization	3,370,000	4,870,000
Snow Removal Budget Stabilization	200,000	200,000
Administrative Systems Renewal	2,248,336	5,322,336
General Instruction	1,000,000	3,000,000
Fiscal Stability	2,000,000	5,000,000
System Transformation	1,500,000	1,500,000
	<u>\$ 14,943,456</u>	<u>\$ 22,954,900</u>

(1)Restricted operating reserve for Adult Education purposes only, and in accordance with Alberta Education reporting guidelines, cannot be used in support of K-12 educational programs

(2)Restricted operating reserve for unrealized gains/losses only, which result from changes in the fair market value of held-for-trading financial instruments

15. NET ASSETS (continued)

(a) Accumulated Operating Surplus (continued)

As at August 31, 2011, the Board of Trustees approved the use of \$3,352,000 of the Utility Expense Stabilization Fee Reserve, \$200,000 of the Snow Removal Reserve, \$1,000,000 of the General Instruction Reserve, \$2,000,000 of the Fiscal Stability Reserve, \$2,248,000 of the Administrative Systems Renewal Reserve, and \$1,500,000 of the System Transformation Reserve to support the 2011/12 Operating Budget. The Board has also approved the use of \$2,500,000 of School decentralized budgets, \$2,500,000 of Service Unit Designated Funds, and \$1,000,000 of Unrestricted Net Assets in support of the 2011/12 Operating Budget. Subsequent to the Board of Trustees' approval of the budget, the Province of Alberta committed additional funds to the CBE. It is expected that these various reserves may not be drawn down in 2011/12 to the same amounts depending on final budget adjustment decisions.

(b) Capital Reserves and Designated Capital Funds

The Corporation's capital reserves and designated capital funds are established by Board of Trustees' resolution and in accordance with Provincial regulation, and are funded from proceeds on disposals of capital assets, provision from operating funds, or from lease revenues. To date, the following capital reserves and designated capital funds have been established:

	2011	2010
Land, Buildings and Equipment	\$ 8,750,680	\$ 8,701,397
School Program Modernization	2,270,772	2,270,772
Leased School Buildings	2,000,000	2,000,000
Chinook Learning Services Relocation	1,400,000	1,400,000
Funds designated for approved capital projects	11,544,993	5,314,493
	<u>\$ 25,966,445</u>	<u>\$ 19,688,662</u>

These reserves and designated funds are to be applied to finance future capital expenditures in accordance with the specific requirements of each Board resolution. Funds may be committed from these reserves or designated amounts by the Board of Trustees from time to time to permit the completion of approved capital projects. As at August 31, 2011, the Board of Trustees has approved the use of \$11,544,993 of these funds for certain capital projects leaving \$14,422,000 uncommitted for future capital projects.

(c) Investment in Capital Assets

Investment in capital assets represents the Corporation's net investment of operating funds that have been used from time to time to purchase building improvements, capital equipment and technology infrastructure to support the general operating activities of the Corporation. As of August 31, 2011, the Corporation has \$98,646,553 invested in capital assets (2010 - \$101,658,985).

16. RELATED PARTIES

(a) Province of Alberta and economic dependence

The Corporation is economically dependent upon the Government of the Province of Alberta, since the viability of its on-going operations depends on grants and contributions from Alberta Education and other provincial ministries.

Effective 2005/06, school jurisdictions have been deemed to be controlled by the Government of Alberta according to criteria set out in the Canadian Institute of Chartered Accountants Public Sector Accounting Standards Section 1300, Government Reporting Entity. All entities consolidated or accounted for on a modified equity basis in the accounts of the Government of Alberta are now considered related parties of school jurisdictions for financial reporting purposes. These include government departments, health authorities, post-secondary institutions and all school jurisdictions in Alberta.

Assets, liabilities and transactions of the Corporation that relate to the Government of Alberta are as follows:

2010/2011	Assets (at cost or net realizable value)	Liabilities	Revenues	Expenses
Government of Alberta:				
Education	\$ 16,230,852	46,331,687	932,497,370	2,223,740
Finance	-	-	1,874,600	-
Human Resources/ Employment	-	-	338,256	-
Other Govt of AB Departments	384,410	-	-	-
Other:				
Health Authorities	-	47,033	-	-
Other Alberta school jurisdictions	-	-	7,851,403	141,661
Other related parties	-	723,425	-	15,297,145
TOTAL 2010/11	\$ 16,615,262	47,102,145	942,561,629	17,662,546
TOTAL 2009/10	\$ 3,054,544	56,926,930	928,095,313	18,285,576

CALGARY BOARD OF EDUCATION
NOTES TO ALBERTA EDUCATION FINANCIAL STATEMENTS
AUGUST 31, 2011

16. RELATED PARTIES (continued)

(b) EducationMatters

EducationMatters (the "Foundation") was established in 2003 by the Corporation under a trust indenture. The Corporation's Board of Trustees appoints the Governors of the Foundation. The Corporation's Trustees cannot hold a majority of the Governor positions. The Foundation promotes activities that support public education for the benefit of Calgary's students.

The Foundation is not consolidated into these financial statements. The resources held by the Foundation are not necessarily limited for use by the Corporation. Selected financial information for the Foundation for the year ended August 31, 2011 is as follows:

	2011	2010
	(unaudited)	(unaudited)
Total assets	\$ 2,930,000	\$ 2,481,000
Total liabilities	(13,000)	(18,000)
Net assets	<u>\$ 2,917,000</u>	<u>\$ 2,463,000</u>
Fund balances held by the Foundation:		
Flow through funds	\$ 598,000	342,000
Endowment funds	1,809,000	1,495,000
Operating funds	510,000	626,000
	<u>\$ 2,917,000</u>	<u>\$ 2,463,000</u>
Revenues (1)	2,032,000	1,616,000
Expenses (2)	(1,578,000)	(1,682,000)
Excess of revenues over expenses	<u>\$ 454,000</u>	<u>\$ (66,000)</u>

(1) Revenues include financial support from the Corporation of \$750,000 (2010 - \$750,000).

(2) Expenses paid to the Corporation amount to \$19,313 (2010 - \$18,647); approved Grant disbursements to CBE Schools and Programs amount to \$573,749 (2010 - \$610,448).

(c) The Urban Schools Insurance Consortium

The Corporation is a member of The Urban Schools Insurance Consortium (USIC), which facilitates the placement of property and liability insurance coverage for thirteen school jurisdictions throughout the Province of Alberta. Amounts are paid by each of the members to the consortium to pay for insurance premiums on policy renewals and to self-insure a portion of each member's risk exposure. The Corporation's share of the accumulated and unencumbered consortium funds as at August 31, 2011 was \$2,441,886 (2010 - \$2,272,553). This amount has not been recognized in the Corporation's financial statements, as accumulated consortium funds are payable only upon membership termination or dissolution of the consortium.

(d) Other fundraising groups and associations

Various parent groups, including societies and other associations, solicit donations and undertake fundraising activities to provide operating and capital donations to further the objectives of the Corporation. The financial information of these groups is not consolidated in these financial statements as the Corporation has no control, significant influence or economic interests in any of those entities.

17. MANAGEMENT OF CAPITAL

Effective September 1, 2008, the Corporation implemented new capital disclosure requirements per Section 1535 of the CICA Handbook.

In the short term, the Corporation's objectives for managing capital are to safeguard the Corporation's financial ability to continue to deliver education; and in the long-term, the Corporation aims to plan and build financial and sufficient physical capacity to meet future needs for the Corporation's education programs and services.

The Corporation defines its capital as the amounts included in net assets. The Corporation's objective when managing its capital is to safeguard the ability to continue as a going concern so that it can continue to provide an array of educational services to its complex and diverse student population.

In order to facilitate the management of its capital requirements, the Corporation prepares annual capital and operating budgets that are updated as necessary, depending on various factors, including the market valuation of the investments and general industry conditions. The annual budgets are approved by the Board of Trustees.

The majority of the Corporation's operating funds are received from Alberta Education which are generally paid every month. As a result, significantly less working capital is required. The Corporation monitors its working capital and cash flows against its forecasts.

A portion of the capital funding is restricted in that the Corporation is required to receive approval from the Minister of Education for draws against any amount in which the Provincial Department of Education has an interest. In addition, the Corporation has restricted a portion of its short-term cash for specific capital projects and specific lease payment obligations. The Corporation has internal control processes primarily through its Administrative Regulations, to ensure that the restrictions are met prior to the utilization of these resources. The Corporation has been in compliance with these restrictions throughout the year.

The Corporation has leveraged its excess short-term cash balances in support of energy retrofit projects in schools and in support of the Dr. Carl Safran Modernization project through capital leasing arrangements in order to minimize incremental borrowing costs. In addition, in 2009/10 the Corporation, in collaboration with its external investment advisor, invested \$30 million of short-term cash in high quality bonds of varying duration to enhance its investment income stream. However, during 2010/11, the Corporation disposed of \$14.5 million of those securities in support of cash flow requirements for the year.

The Corporation sets the amount of internally restricted funds in proportion to risk, manages the net asset structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets.

18. COMPARATIVE FIGURES

Certain 2010 amounts have been reclassified where necessary to conform to the current year's presentation.

**CALGARY BOARD OF EDUCATION
NOTES TO ALBERTA EDUCATION FINANCIAL STATEMENTS
AUGUST 31, 2011**

19. REMUNERATION AND MONETARY INCENTIVES

Board Members:	FTE	Remuneration	Benefits ^{1,2}	Negotiated Allowances	Performance Bonuses	ERP's / Other	Expenses ³
Chair	0.0	\$0	\$0	\$0			\$0
Pat Cochrane	1.0	\$56,874	\$6,660	\$3,600			\$596
Other members							
Lynn Ferguson	1.0	\$51,856	\$6,818	\$3,600			\$2,507
Carol Bazinet	1.0	\$46,818	\$6,821	\$3,600			\$3,426
Gordon Dirks	0.2	\$7,531	\$1,314	\$662		\$23,309	\$0
Pamela King	1.0	\$46,818	\$6,831	\$3,600			\$3,615
George Lane	1.0	\$46,818	\$4,662	\$3,600			\$3,449
Karen Kryczka	0.2	\$7,531	\$873	\$693			\$0
Sheila Taylor	0.8	\$39,087	\$6,032	\$3,046			\$450
Joy Bowen-Eyre	0.8	\$38,908	\$6,008	\$3,046			\$2,946
	0.0	\$0	\$0	\$0			\$0
	0.0	\$0	\$0	\$0			\$0
Subtotal	7.0	\$341,641	\$46,019	\$25,477		\$23,309	\$16,988
Chief Superintendent: ¹							
Naomi Johnson	1.0	\$263,825	\$49,957	\$15,000	\$0	\$0	\$2,390
Chief Financial Officer:							
Deborah Meyers	1.0	\$250,000	\$56,522	\$7,000	\$0	\$0	\$6,567
Corporate Secretary							
Rod Peden	1.0	\$209,225	\$52,724	\$7,000	\$0	\$0	\$6,722
Certificated teachers ²	5,934.9	\$532,613,673	\$55,206,961	\$36,000	\$0	\$0	
Non-certificated - other	3,168.3	\$173,342,617	\$37,162,692	\$29,768	\$0	\$1,485,422	
TOTALS		\$707,020,981	\$92,376,875	\$120,246	\$0	\$1,508,731	

Note 1: The benefit cost for the above named certificated Chief Superintendent does not reflect the Alberta Teachers' Retirement Fund (ATRF) contribution made by Alberta Education on behalf of the CBE in the amount of \$14,244 for 2010/11 (\$12,320 for 2009/10).

Note 2: The benefit costs for the certificated teaching staff do not reflect the Alberta Teachers' Retirement Fund contribution made by Alberta Education on behalf of the CBE.

Note 3: Expenses include the reimbursement of travel, subsistence, and other approved expenses on his/her behalf in performing the responsibilities of the named position.

UNAUDITED SCHEDULES
TO THE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2011
[School Act, Section 276]

CALGARY BOARD OF EDUCATION

Legal Name of School Jurisdiction

1221 8th Street SW, CALGARY, ALBERTA T2R 0L4

Mailing Address

Tel: (403) 817 - 4000 FAX: (403) 294 - 8254

Telephone and Fax Numbers

Declaration of Secretary-Treasurer / Chief Financial Officer

To the best of my knowledge and belief, these unaudited schedules have been prepared following Alberta Education's reporting requirements for Alberta school jurisdictions. These schedules were submitted to the board for information purposes.

SECRETARY TREASURER OR TREASURER

DEBORAH L. MEYERS

Name

Signature

Dated

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Wang@gov.ab.ca
PHONE: (780) 644-5672 FAX: (780) 422-6996

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ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2010/2011

REVENUES	ECS Instruction	Grades 1-12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration	External Services	TOTAL
(1) Alberta Education	\$34,693,837	\$722,861,978	\$105,142,638	\$28,938,739	\$37,298,895	\$3,559,262	\$932,497,359
(2) Other - Government of Alberta	\$0	\$0	\$2,991,354	\$0	\$0	\$0	\$2,991,354
(3) Federal Government and First Nations	\$45,170	\$2,052,766	\$0	\$0	\$2,214	\$1,568,690	\$3,668,640
(4) Other Alberta school authorities	\$0	\$599,543	\$198,049	\$42,204	\$32,631	\$0	\$872,427
(5) Out of province authorities	\$0	\$0	\$0	\$0	\$31,182	\$307,074	\$338,256
(6) Alberta Municipalities-special tax levies	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(7) Instruction resource fees	\$112,157	\$7,390,804					\$7,502,961
(8) Transportation fees-ECS				\$382,193			\$382,193
(9) Transportation fees-Grades 1-12				\$5,680,202			\$5,680,202
(10) Other sales and services	\$1,824	\$13,960,302	\$2,088,602	\$6,192	\$700,332	\$7,280,212	\$24,027,694
(11) Investment income	\$0	\$0	\$194,518	\$0	\$2,000,000	\$3,083,726	\$5,278,243
(12) Gifts and donations	\$0	\$1,209,629	\$0	\$0	\$0	\$36,720	\$1,246,349
(13) Rental of facilities	\$0	\$0	\$5,853,169	\$0	\$124,312	\$1,732,726	\$7,710,207
(14) Gross school generated funds	\$0	\$33,590,272	\$0	\$0	\$0	\$0	\$33,590,272
(15) Gains on disposal of capital assets	\$0	\$250	\$49,033	\$0	\$0	\$0	\$49,283
(16) Amortization of capital allocations	\$0	\$0	\$23,751,314	\$0	\$0	\$0	\$23,751,314
(17) Other revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(18) TOTAL REVENUES	\$34,852,698	\$781,696,544	\$149,276,749	\$35,069,505	\$40,191,008	\$17,558,369	\$1,049,608,223
EXPENSES							
(19) Certificated salaries	\$20,557,345	\$508,214,112			\$1,312,195	\$2,793,846	\$532,677,498
(20) Certificated benefits	\$2,273,630	\$52,440,964			\$243,497	\$351,826	\$55,309,917
(21) Non-certificated salaries and wages	\$5,243,765	\$97,516,401	\$47,369,364	\$1,367,103	\$16,258,895	\$6,187,963	\$174,143,492
(22) Non-certificated benefits	\$1,318,515	\$22,126,315	\$10,597,958	\$532,477	\$3,291,707	\$1,228,964	\$38,856,934
(23) SUB - TOTAL	\$29,393,255	\$680,296,792	\$58,967,326	\$1,699,580	\$21,106,205	\$10,563,599	\$801,226,831
(24) Services, contracts and supplies	\$1,758,480	\$63,476,683	\$53,000,807	\$35,221,935	\$16,805,658	\$4,770,862	\$175,004,525
(25) Gross school generated funds	\$0	\$33,590,272					\$33,590,272
(26) Amortization of capital assets	\$0	\$13,850,884	\$26,383,858	\$9,490	\$1,631,746	\$13,361	\$41,869,319
(27) Interest and charges	\$0	\$206,845	\$2,414,656	\$0	\$553,817	\$82,279	\$3,257,597
(28) Losses on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(29) Other expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(30) TOTAL EXPENSES	\$31,151,765	\$791,421,476	\$139,966,741	\$36,930,965	\$40,027,486	\$15,430,121	\$1,054,908,544
(31) EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$3,701,343	(\$9,814,802)	\$312,005	(\$1,861,460)	\$93,580	\$2,128,248	(\$5,490,321)

SCHEDULE B
SCHOOL GENERATED FUNDS (SGF) - 2010/2011

Unexpended SGF - Opening Balance August 31, 2010 (Note 1)			\$11,887,587
Sources of School Generated Funds:			
Fundraising activities	Gross SGF	Related Expenses	Net SGF
Student fees (non-instructional) (note 1)	\$11,448,061	\$14,234,713	(\$2,786,652)
Donations and grants to schools	\$17,805,344	\$12,098,403	\$5,706,941
Other (describe): Interest Income	\$6,118,329	\$670,079	\$5,448,250
Other (describe):	\$28,498	\$85,154	(\$56,656)
Net Additions to SGF	\$35,398,232	\$27,086,349	\$8,309,883
Net SGF Available			\$19,997,470
Uses of Net School Generated Funds:			
Extra-curricular activities			\$4,203,506
Field trips			\$1,165,778
Other (describe): Equipment Purchases			\$1,132,639
Total Uses of Net SGF (Note 2)			\$6,501,923
Unexpended SGF - Closing Balance August 31, 2011 (Note 3)			\$13,495,547
<p>School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include any other funds collected at the school but remitted to central office and accounted for by central office (facility rentals, capital assets purchases, etc.)</p> <p>Notes:</p> <ol style="list-style-type: none"> 1 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees related to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Fees charged for CEU-related activities are recorded as instruction resource fees, not SGF. 2 The sum of "total related expenses" and "total uses of net SGF" is reported as "gross school generated funds" in the Statement of Revenues & Expenses. 3 Unexpended SGF is reported as SGF assets and SGF liabilities in the Statement of Financial Position. 			

SCHEDULE C
OPERATIONS AND MAINTENANCE OF SCHOOLS & MAINTENANCE SHOPS PROGRAM EXPENSE DETAILS - 2010/2011

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMR & Modular Unit Relocations	Facility Planning & Operations Administration	Unsupported Amortization & Other Expenses	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	\$27,954,175	\$8,991,058	\$533,054	\$3,154,216	\$5,926,857		\$47,559,364		\$47,559,364
Uncertificated benefits	\$6,464,807	\$2,700,060	\$111,741	\$8,696	\$1,314,663		\$10,597,967		\$10,597,967
Sub-total Remuneration	\$34,428,986	\$11,691,118	\$644,795	\$3,162,912	\$8,241,520		\$58,167,321		\$58,167,321
Supplies and services	\$1,810,596	\$8,303,837	\$217,310	\$18,778,470	\$1,561,258		\$30,771,471		\$30,771,471
Electricity			\$10,910,792				\$10,910,792		\$10,910,792
Natural gas/heating fuel			\$7,623,955				\$7,623,955		\$7,623,955
Sewer and water			\$1,739,775				\$1,739,775		\$1,739,775
Telecommunications			\$134,184				\$134,184		\$134,184
Insurance					\$1,820,732		\$1,820,732		\$1,820,732
Amortization of capital assets									
Supported								\$23,863,121	\$23,863,121
Unsupported				\$0		\$2,720,737	\$2,720,737		\$2,720,737
Total Amortization				\$0		\$2,720,737	\$2,720,737	\$23,863,121	\$26,583,858
Interest on capital debt									
Supported								\$1,874,600	\$1,874,600
Unsupported				\$540,055		\$0	\$540,055		\$540,055
Other interest charges						\$0	\$0		\$0
Losses on disposal of capital assets						\$0	\$0		\$0
TOTAL EXPENSES	\$36,239,582	\$19,994,955	\$21,270,811	\$22,479,427	\$11,723,510	\$2,720,737	\$114,429,022	\$25,637,721	\$139,966,743
SQUARE METRES									
School buildings									1,265,721.0
Non school buildings									14,996.0

Note:**Custodial:**

All expenses related to activities undertaken to keep the school environment and maintenance shops clean and safe.

Maintenance:

All expenses associated with the repair, replacement, enhancement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components. Maintenance expenses exclude operational costs related to expensed IMR & Modular Unit relocations, as they are reported on separately.

Utilities & Telecommunications:

All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.

Expensed IMR & Modular Unit Relocations:

All operational expenses associated with non-capitalized Infrastructure Maintenance Renewal projects (AKA IMR and BCRP) and modular unit (portable) relocations.

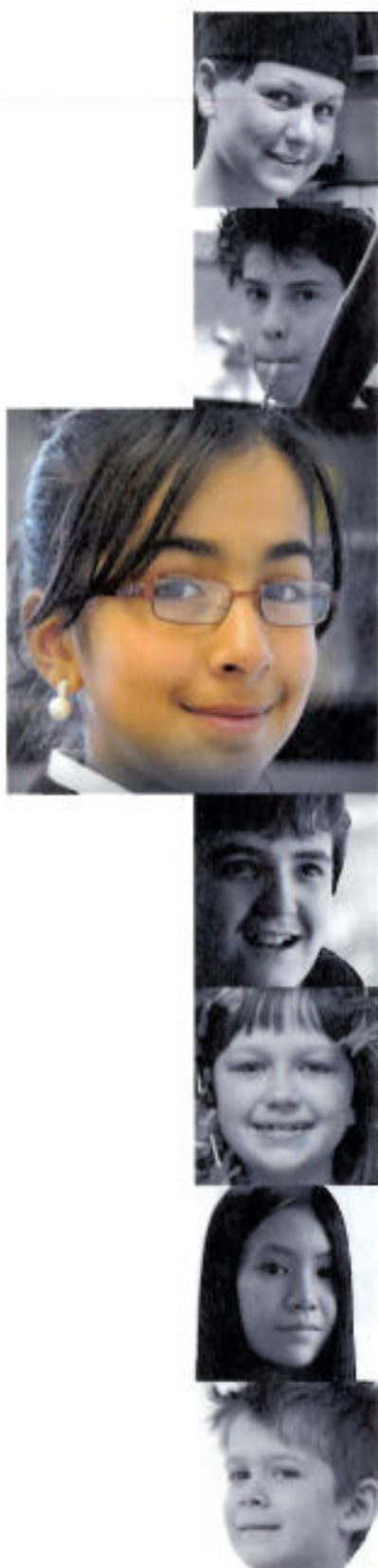
Facility Planning & Operations Administration:

All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees & contractors, school facility planning & project administration, administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety standards, codes and government regulations.

Supported Capital & Debt Services:

All expenses related to supported capital assets amortization and interest on supported capital debt.

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Calgary Board of Education

Financial Statements and Statistical Information

Year Ended
August 31, 2011

learning | **as unique** | as every student



Calgary Board
of Education

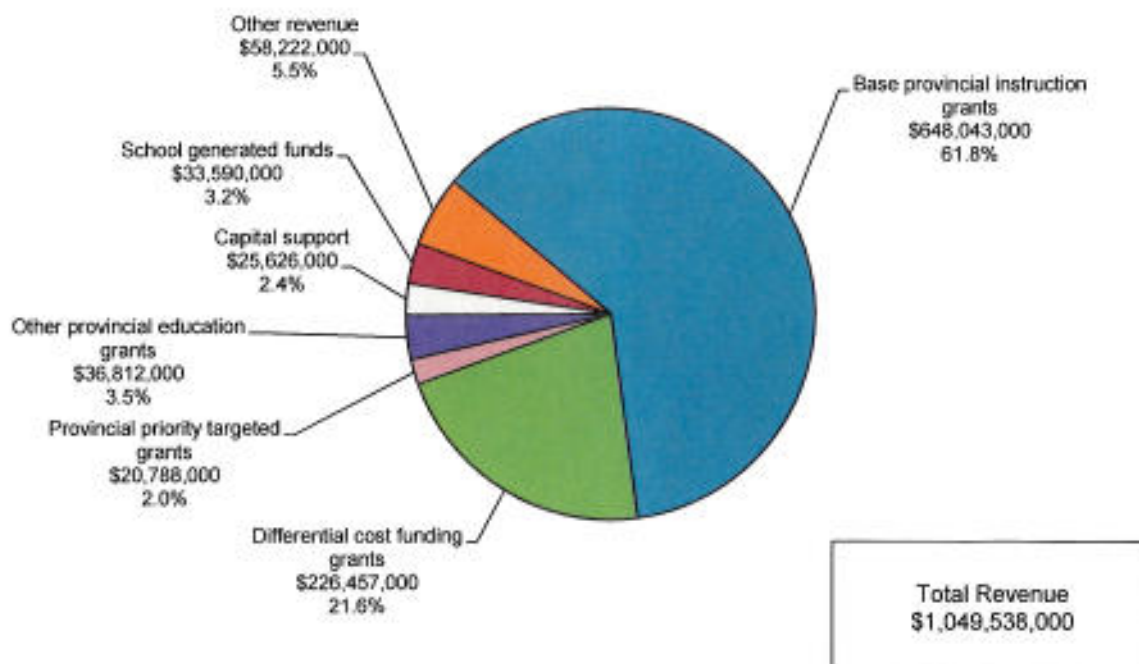
CALGARY BOARD OF EDUCATION
2010/11 FINANCIAL OPERATING RESULTS SUMMARY
(Unaudited)

The following is a brief summary of the Calgary Board of Education's financial results for the 2010/11 fiscal year. More detailed financial information can be obtained from the Calgary Board of Education's Financial Statements and Statistical Information for the Year Ended August 31, 2011, available on the CBE's website at www.cbe.ab.ca/trustees/budget.asp

Summarized Statement of Revenue, Expense and Accumulated Operating Surplus for the Year Ended August 31

	2011 (000's)	2010 (000's)
Revenue (Exhibit I)	\$ 1,049,538	\$ 1,030,075
Expense (Exhibits II and III)	1,054,998	1,021,438
(Deficiency)/excess of revenue over expense for the year	(5,460)	8,637
Transfers from/(to) operating reserves	8,011	(2,025)
Transfers to designated funds	(600)	(911)
Capital items paid by operating funds	(3,218)	(8,263)
Transfer (to)/from capital reserve	(49)	3,100
Unrestricted operating (deficit)/surplus for the year	(1,316)	538
Unrestricted operating surplus beginning of the year	3,500	2,962
Accumulated unrestricted operating surplus	<u>\$ 2,184</u>	<u>\$ 3,500</u>

EXHIBIT I - Revenue by Source for the Year Ended August 31, 2011



CALGARY BOARD OF EDUCATION
2010/11 FINANCIAL OPERATING RESULTS SUMMARY
(Unaudited)

EXHIBITS (Continued)

EXHIBIT II - Expense by Type for the Year Ended August 31, 2011

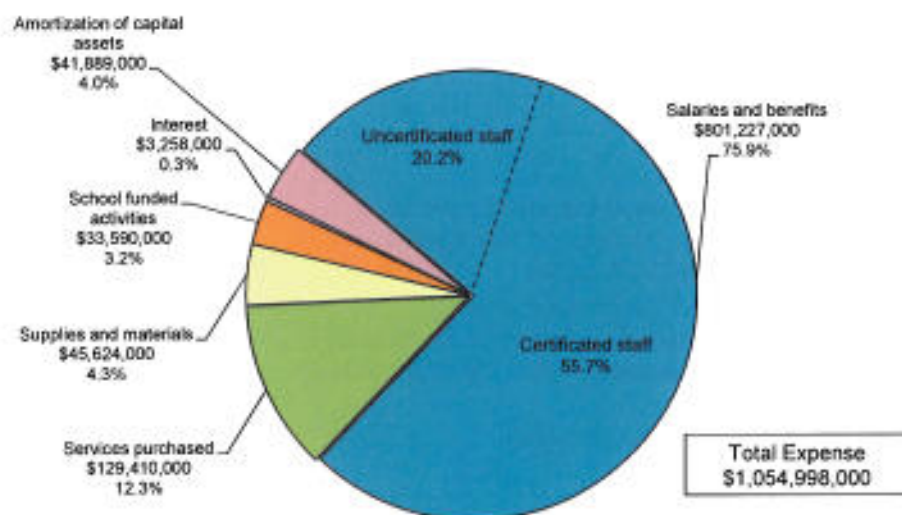
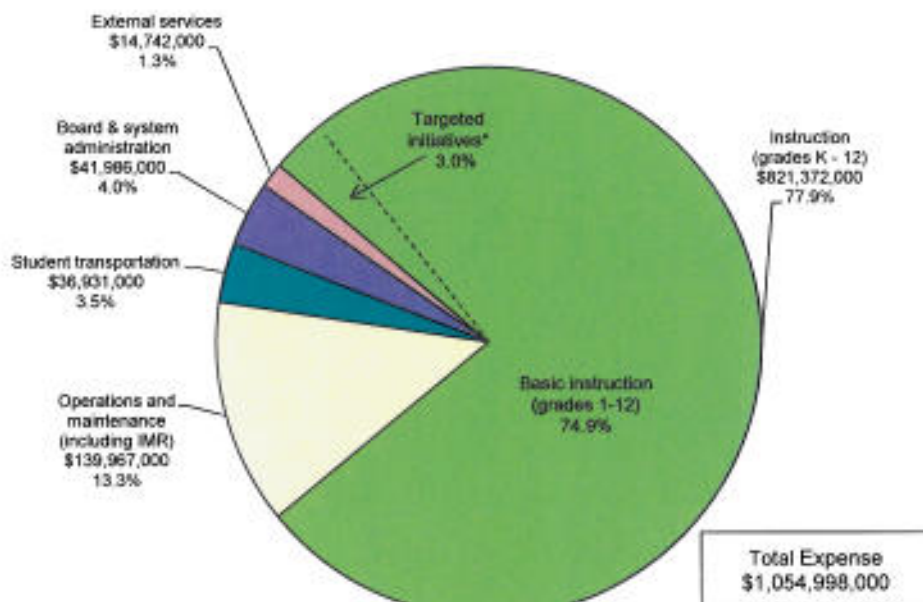


EXHIBIT III - Expense by Program for the Year Ended August 31, 2011



* Targeted initiatives include Alberta Initiative for School Improvement, Student Health Initiative, High Speed Networking (Supernet), Institutional Programs and the Southern Alberta Regional Assessment program (REACH). External services includes the adult learning program at Chinook Learning Service.

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**CALGARY BOARD OF EDUCATION
ADMINISTRATION'S DISCUSSION AND ANALYSIS OF FINANCIAL OPERATIONS
AUGUST 31, 2011**

The Calgary Board of Education (the "Corporation") is the largest public school system in Alberta and Western Canada and the fourth largest public school system in Canada. The Corporation is committed to being a caring and responsive school system with an overarching mission of 'Educating Tomorrow's Citizens Today'. With 223 school settings, the Corporation provides a broad range of differentiated educational services and programs for students enrolled from Kindergarten through Grade 12. In addition, the Corporation supports life-long learning by connecting adult learners to an array of continuing education programs offered by Chinook Learning Services.

Learning as unique as every student

The personalization of learning is the primary strategy adopted by the Calgary Board of Education to advance student academic success and to develop students who exhibit strong standards of Citizenship, Personal Development and Character. Through the personalization of learning and a focus on the instructional core, the Calgary Board of Education continues to address the needs of all learners. As a snapshot of student achievement, results on the Provincial Achievement Tests and Diploma Exams provide valuable data to inform our strategies and actions of working towards the continuous improvement of teaching and learning at all levels, as articulated by our Draft Three Year Education Plan 2011-2014. The most recent (2010-2011) Provincial Achievement Test and Diploma Exam results continue to show strong overall achievement by Calgary Board of Education students. Although these tests are only one measure of student achievement, these results help to confirm the direction taken by Calgary Board of Education staff as we work towards achieving the Ends Statements as envisioned by the Board of Trustees (the "Board").

Financial Overview (in \$ millions)

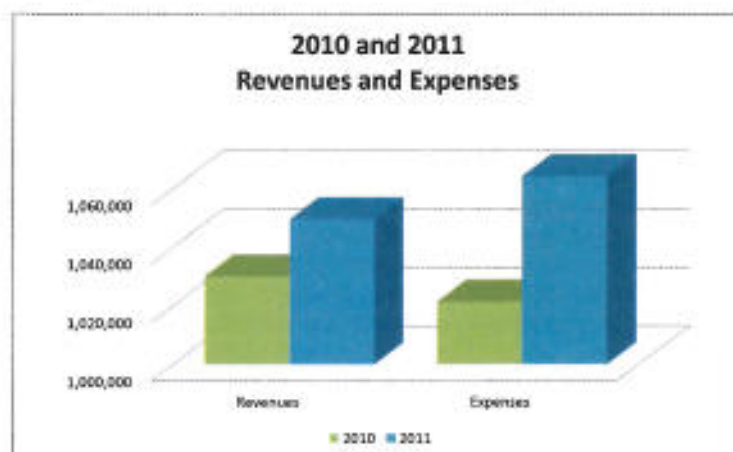
	Budget (1) 2010/11	Actual 2010/11	Actual 2009/10	Budget to 2010/11 Actual Variance		Actual to Actual Variance	
				As % of			
				Favorable / (Unfavorable)	Expense Budget	Increase / (Decrease)	%
Revenue							
Provincial revenue	960.3	959.6	939.6	(0.7)		20.0	
Other revenue	50.2	56.3	52.8	6.1		3.5	
School Generated Funds	35.4	33.6	37.7	(1.8)		(4.1)	
	<u>1,045.9</u>	<u>1,049.5</u>	<u>1,030.1</u>	<u>3.6</u>	<u>0.3%</u>	<u>19.4</u>	<u>1.9%</u>
Expense							
Salaries and benefits	809.4	801.2	781.7	8.2		19.5	
Supplies and services	168.4	175.0	164.8	(6.6)		10.2	
Other (Interest/Amortization)	49.1	45.2	37.2	3.9		8.0	
School Generated Funds	35.4	33.6	37.7	1.8		(4.1)	
	<u>1,062.3</u>	<u>1,055.0</u>	<u>1,021.4</u>	<u>7.3</u>	<u>0.7%</u>	<u>33.6</u>	<u>3.3%</u>
(Deficiency)/excess of revenue over expense	(16.4)	(5.5)	8.7	10.9	1.0%	(14.2)	
Net applications of operating funds	11.9	4.2	(8.2)	(7.7)		12.4	
Capital reserves (net)	2.0	-	-	(2.0)		-	
Net operating (deficit)/surplus	(2.5)	(1.3)	0.5	1.2	0.1%	(1.8)	
Draw from/(add to) unrestricted net assets	2.5	1.3	(0.5)	(1.2)		1.8	
Net annual operating surplus	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>		<u>-</u>	

(1) Represents the original, unaudited budget approved by the Board of Trustees as amended during the fiscal year for changes to programs and operations

CALGARY BOARD OF EDUCATION
ADMINISTRATION'S DISCUSSION AND ANALYSIS OF FINANCIAL OPERATIONS
AUGUST 31, 2011

The Corporation's administration is responsible for preparing the management discussion and analysis section of the financial statements respecting operations of the Calgary Board of Education. This should be read in conjunction with the financial statements and accompanying notes and statistical information schedules.

Analysis of Financial Operating Results



The Corporation's total revenues increased by \$19.5 million, or 1.9%, to \$1,049.5 million in 2010/11 from \$1,030.1 million in the previous year due to grant rate increases, enrolment growth and capital grants recognized. The Corporation's total expense increase year-over-year was \$33.6 million or 3.3%, resulting in total expenses of \$1,055.0 million, up from \$1,021.4 million in 2010 which is tied to compensation rate increases, partially offset by staff reductions, an increase in Infrastructure Maintenance Renewal spending and the implementation of the Education Centre operating lease.

The net result of the Corporation's financial operations is a small annual operating deficit of \$1.3 million (0.1% of total revenue), after Board-approved transfers into or withdrawals from reserves and the application of operating funds for the acquisition of Board-funded capital assets. This deficit was covered by an approved draw on unrestricted net assets.

The Corporation received 91.4% of its revenue in funding from the Provincial Government and is required to expend its resources in accordance with provincial policies and regulations. The 2010/11 school year reflects continued implementation of the three pillars of Alberta Education's Renewed Funding Framework – Flexibility, Accountability, and Funding with a primary focus on improved accountability for results achieved in 2008/09. Under the Framework there are prescribed restrictions on expenditures within specified funding blocks for instruction, support (Infrastructure Maintenance Renewal, certain technology initiatives, targeted initiative funding, and a restriction on Board governance and system administration expenses) and capital. For the year ended August 31, 2011, the Corporation was in full compliance with all these requirements. In addition, all transfers of funds impacting the Corporation's operating and capital reserves were made in accordance with provincial regulations and the Board of Trustees' direction and approval.

Enrolment

Based on the September 30, 2010 enrolment count, the Corporation experienced an overall increase of 211 students or 0.2% from the previous year (excluding CBe-learn and Chinook Learning Services students) with increases of:

Program	Increase / (Decrease) in Enrolment from Sept 30, 2009	
Kindergarten	282	3.9%
Grades 1 – 6	373	0.9%
Junior High	(418)	(1.9)%
Senior High	(54)	(0.2)%
Unique/Outreach	28	1.6%
Total	211	0.2%

At September 30, 2010, total students served, including CBe-learn and Chinook Learning Services, was 102,917 students, which includes learners who were 20 years of age and older.

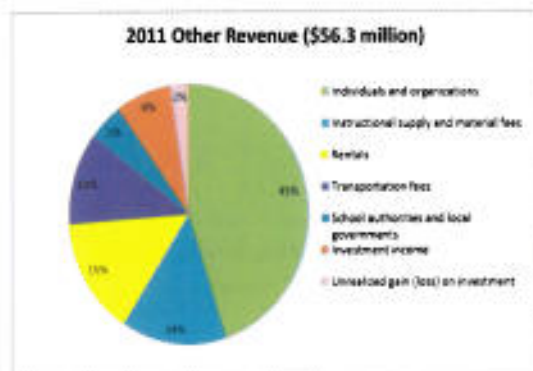
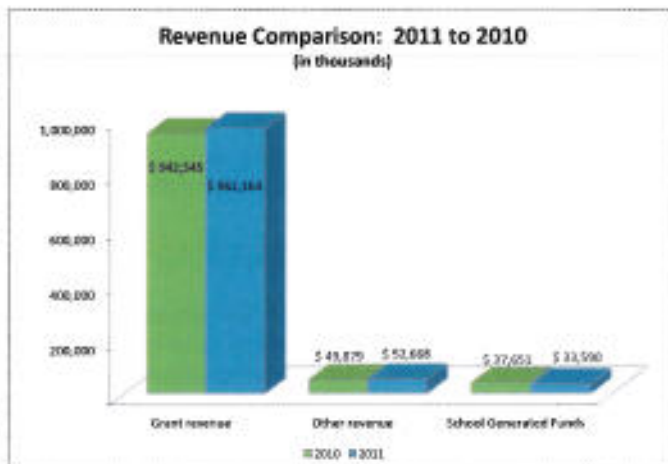
(1) For more information regarding outcomes under the accountability pillar, please read the "Annual Education Results Report" found on our website at <http://www.cbe.ab.ca/aboutus/>

CALGARY BOARD OF EDUCATION
ADMINISTRATION'S DISCUSSION AND ANALYSIS OF FINANCIAL OPERATIONS
AUGUST 31, 2011

Revenue

While Provincial and Other Revenue both increased marginally from 2010, School Generated Funds decreased by 10.8% from the prior year due to lower school activities. School Generated Funds are monies collected at the local school level to enhance the education of students and include such items as field trips, extracurricular activities and equipment to enhance program delivery.

With the exception of targeted grant funding and expenditure conditions (such as the 4% expenditure cap on Board Governance and System Administration expenditures), the Corporation has the flexibility under the provincial funding framework to internally allocate and use its resources to address student educational needs. The government and education stakeholders are committed to working collaboratively to implement all targeted initiatives to the greatest benefit of all students.



The Corporation receives the greatest proportion of its revenue from the Province, with 91.4% of the revenue budget coming from Alberta Education grants. Other revenue includes amounts from various sources (see accompanying chart).

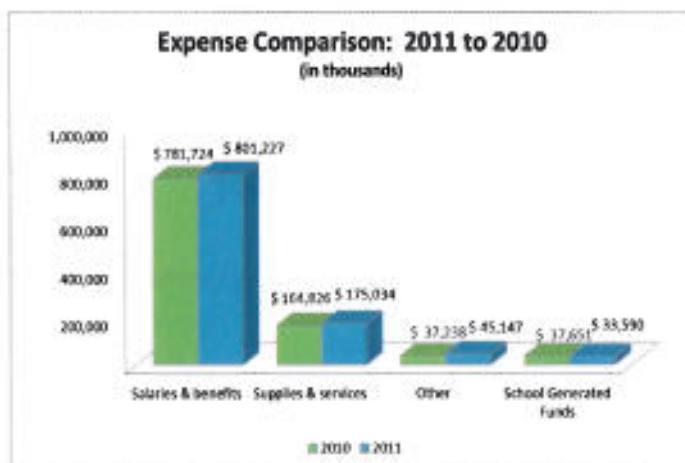
The Corporation has continued to manage its financial resources and specifically its cash balances in this low-interest rate environment to maximize investment returns within conservative risk parameters and to make available surplus school space for lease or rental to the various public organizations.

Expense

All major expense categories have increased from 2010 with the exception of School Generated Funds which declined with the corresponding revenue decrease.

Salaries and benefits account for the majority (76%) of the Corporation's total expenses. The 2.5% increase from 2010 primarily reflects negotiated salary increases within the various employee groups, prescribed benefit contribution changes and step grade increments, net of reductions in the number of staff positions.

Other expenses increased by the highest margin of expense categories, or 21.2%. This is due to increases in both amortization of capital assets and interest expense.



**CALGARY BOARD OF EDUCATION
ADMINISTRATION'S DISCUSSION AND ANALYSIS OF FINANCIAL OPERATIONS
AUGUST 31, 2011**

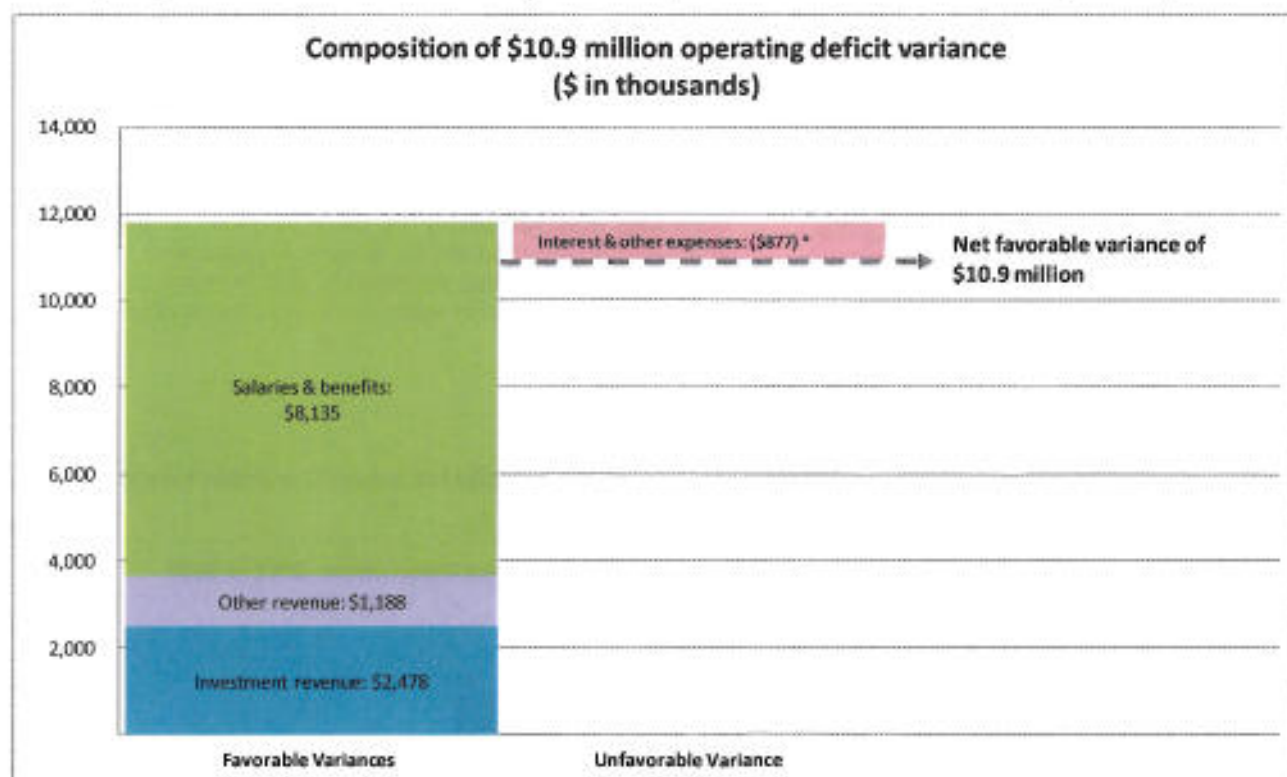
With the current provincial Funding Framework and funding to support facility operations and building renewal, the Corporation believes that there is an urgent need for the Province to immediately undertake a review of the school directed funding formula to ensure predictable, stable and sustainable funding. This is required to ensure that the Corporation has a good financial foundation to support the educational needs of all its learners. The Corporation continues to be vigilant, through being aware of changes in the external environment impacting the Corporation, by embarking on initiatives and strategic opportunities in order to position the Corporation for responding to building and program renewals, providing safe schools and work environments, and maintaining basic educational supports to schools.

Analysis of Financial Operating Results to Operating Budget

The Corporation's balanced 2010/11 Budget was approved in June 2010 by the Board of Trustees with an operating deficit of \$19.1 million which was to be totally funded by approved reserve draws. Additional funding from the Province was announced early in the year, and the 2010/11 First Quarter (Q1) Modified Budget was adjusted to accommodate these additional resources. The revised anticipated operating deficit was \$16.3 million with a corresponding \$2.7 million reduction in the planned use of reserve transfers.

Revenues and Expenses

The Corporation's actual operating deficit (before operating or capital item transfers) is \$10.9 million less than anticipated, due to a combination of both higher than expected revenues and lower than expected expenses:



* Includes offsetting variances from Supplies and services and other expense categories.

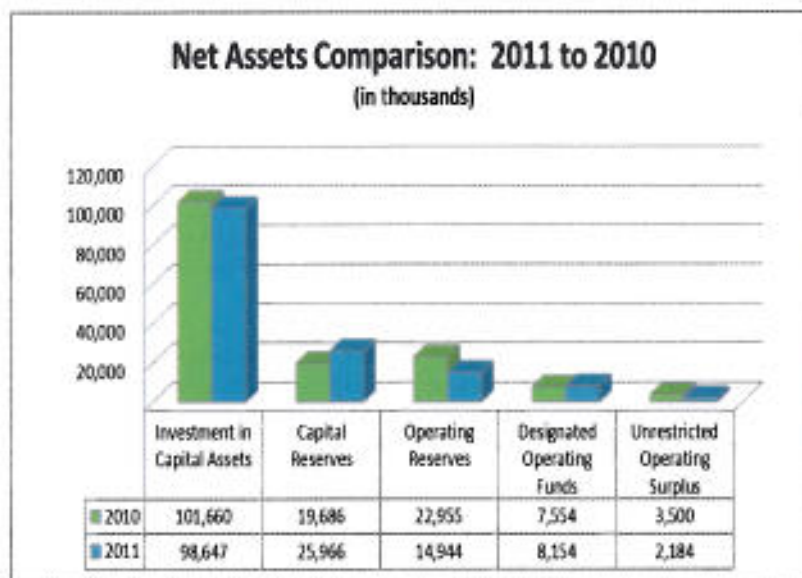
**CALGARY BOARD OF EDUCATION
ADMINISTRATION'S DISCUSSION AND ANALYSIS OF FINANCIAL OPERATIONS
AUGUST 31, 2011**

Reserves and Capital Items

As a result of favorable revenue and expense variances, the Corporation's reliance on funding from reserves was not as much as initially anticipated. This is a positive outcome, as the Corporation begins another year with further funding reliance required from reserves.

Board funded capital assets to be acquired were planned at a cost of \$25.9 million for 2010/11. However, due to project scope changes/delays, the actual capital assets acquired during the year was \$14.9 million, \$11.0 million less than planned. As a result, the Corporation has set aside \$11.5 million in Capital Reserves (designated funds) to complete these multi-year Board funded projects during the 2011/12 year versus the planned 2010/11 year. Overall, funds spent on Board funded capital projects will not vary significantly over the two year period.

Financial Position



As at August 31, 2011, the Corporation has a net asset balance of \$149.9 million reflecting total assets of \$946.8 million and total liabilities of \$796.9 million. The financial position declined by \$5.5 million from 2010 primarily due to the use of a net \$8.7 million of operating reserves and unrestricted net assets to fund the operating deficit, partially offset by a net increase to Capital reserves and Investment in Capital Assets of \$3.3 million to support capital projects.

Over the past several years when provincial funding was sufficient to meet the Corporation's operational needs, the Corporation pursued a

strategy to establish specific operating and capital reserves to minimize any adverse impacts of future uncontrollable and significant increases in certain costs and to mitigate any adverse impacts to parents and students through service reductions and fee increases. Due to provincial funding reductions in 2010/11, the Corporation was required to draw on previously established reserves to fund current year operations. Further draws on reserves are planned for the 2011/12 fiscal year to fund the anticipated deficit of \$19.3 million while working on a strategy to meet student and instructional needs while operating within the limitations of provincial grant funding.

Analysis of Capital Expenditures



LEED-accredited Ernest Manning High School, September 2011

Total Board funded capital assets acquired for 2010/11 were \$12.3 million, primarily reflecting investments in the new CBE Dr. Carl Safran Centre, technology investments, vehicles, and equipment. As at August 31, 2011, \$11.5 million of funds budgeted for specified Board funded capital projects started in 2010/11 will be carried forward for completion in 2011/12.

One of the Corporation's challenges is its ability to provide for new schools for Calgary's growing population in areas where they are required, and to provide resources for maintenance and renewal work necessary for established school facilities. As detailed in the Corporation's School Capital Plan 2012-2015, the Corporation continues to plan for and request provincial funding required to meet the significant shortfall of public schools in the new and developing communities of the City of Calgary.

In recent years, the Province has been supportive of these interests and has funded and constructed many schools in Calgary. Under the Alberta Schools Alternative Procurement (ASAP) project for construction of schools, current construction is ongoing on four middle schools which are planned for completion in 2011/12 and will welcome students in September 2012. The new Northwest High School in Arbour Lake is also under construction and the planned opening is for 2013.

In July 2011, the Corporation opened the new Ernest Manning High School located in the community of Springbank Hill which was constructed under a three-way agreement between the Corporation, the Province of Alberta and the City of Calgary. The City acquired the old Ernest Manning site from the Corporation for use in the West LRT expansion project.

The Corporation continues to develop appropriate strategies to better manage the underutilization of some of its school buildings, and the associated costs of operating and maintaining any excess space. In the past years, strategies for leasing unused space, program consolidation, expanded programs of choice and as a last resort, school closure, have been employed to mitigate underutilization of school building assets.

Outlook

A substantial amount of all funding received by the Corporation in 2010/11 was provided by provincial grants, with the majority coming from Alberta Education tied to the demographics and characteristics of the CBE student population. This relative percentage is expected to continue for the foreseeable future.

Subsequent to the preparation and approval of the 2011/12 Operating Budget, the Province announced a one-time restoration of education funding in the amount of \$107 million for the Province as a whole. The Calgary Board of Education's portion of this one-time funding is \$19.2 million which has been distributed directly to schools through the resource allocation method (RAM). However, the Corporation is continuing to rely on available one-time operating reserves to backstop the structure deficit identified in the 2011/12 approved operating budget (\$19.3 million).

Despite the receipt of this one-time funding, the Corporation continues to experience uncertainty moving forward regarding future grant funding increases which are to be received from the Province in 2012/13. In the absence of predictable and sustainable funding for all grant categories to fully offset increased costs, virtually all areas of the organization will experience additional cost pressures going forward. However, the Corporation is committed to reallocating resources and enhancing other revenue streams where possible to ensure the delivery of personalized learning to students and will address any financial challenges in the 2012/13 operating and capital budgets as required. The Corporation is committed to monitoring funding and the expenditures of the organization and will continue to be a unified voice in advocating for strong financial supports for students.

The Corporation, like many Calgary employers, will continue to be proactive, innovative and strategic in order to attract, retain and develop the human capital necessary to achieve the Board of Trustees Ends Statements. Under the guidance of the Superintendent of Human Resources, the Corporation continues to focus on strategic leadership training and development as well as succession planning for senior positions. Human resource strategies will focus on enhanced employee relations, and continue to build on new employee orientation programs for all employees to assist them in their roles of supporting student achievement.

On September 30, 2011, the Corporation's enrolment count was 100,632 kindergarten to grade 12 students (an increase of 1,141 students from September 30, 2010) and 3,550 students at CBe-learn and Chinook Learning Services (increase of 124 students) for a total enrolment of 104,182 students. The total enrolment also includes learners 20 years of age and older. The Corporation believes these increases in enrolment are an endorsement of our commitment to achieving improved learning outcomes through the personalization of learning and specifically the Board of Trustees Ends statements.

The Corporation continues to be strategic in its relentless pursuit of teaching excellence with its primary focus of supporting the personalization of student learning. Further supports and enhancements are being implemented for all our learners. With the Province initiating Inspiring Education and Action on Inclusion and a review of the School Act, these reviews may affect the associated funding to support these learners who constitute approximately 17% of the overall student population. Finally, the Corporation will continue its implementation of the Draft Three-Year Education Plan 2011-2014 which identifies key outcomes, strategies and actions to improve educational opportunities offered to our students to meet their own individual needs.

The Corporation recognizes the importance of the Alberta Initiative for School Improvement (AISI) targeted funding currently being received from the Province (\$11.1 million) and continues to encourage the Province to sustain this initiative going forward.

**CALGARY BOARD OF EDUCATION
STATEMENT OF ADMINISTRATION RESPONSIBILITY
AUGUST 31, 2011**

STATEMENT OF ADMINISTRATION RESPONSIBILITY

The Board of Trustees is responsible for ensuring that Administration fulfills its responsibility for financial reporting and control through its own ongoing monitoring and evaluation of its governance policies. The Board of Trustees carries out its responsibility for review of the financial statements principally through its Audit Committee. The Audit Committee, which consists of two Trustees and not less than three public members, meets with Administration and the External Auditor to discuss the results of the audit examination and financial reporting matters. The Audit Committee also reviews the financial statements, the Auditors' Report and other information, and recommends their approval to the Board of Trustees. The External Auditors have full access to the Audit Committee, with and without the presence of Administration.

In the context of the responsibilities of the Board, the Calgary Board of Education's Administration is responsible for the preparation, presentation and integrity of the financial statements and has prepared them in accordance with Canadian Generally Accepted Accounting Principles (GAAP). The financial statements present fairly the financial position of the Calgary Board of Education as at August 31, 2011 and the results of its operations and cash flows for the year then ended.

In fulfilling its responsibilities and recognizing the limits inherent in all systems, Administration has developed Administrative Regulations and maintains a system of internal controls, procedures and guidelines, supplemented by ongoing monitoring and evaluation of results, to provide reasonable assurance that assets are safeguarded and that transactions are properly executed in accordance with the governance policies established by the Board of Trustees.

KPMG LLP, the External Auditors appointed by the Board of Trustees, has performed an audit of the financial statements in this report. Their independent professional opinion on these financial statements is included in the Auditors' Report.

NAOMI E. JOHNSON
CHIEF SUPERINTENDENT OF SCHOOLS

DEBORAH L. MEYERS
SUPERINTENDENT, CHIEF FINANCIAL OFFICER,
AND CORPORATE TREASURER

December 6, 2011

INDEPENDENT AUDITORS' REPORT

To Board of Trustees

We have audited the accompanying financial statements of the Calgary Board of Education (the "Corporation"), which comprise the balance sheet as at August 31, 2011, the statements of revenue and expense, changes in net assets, and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Corporation as at August 31, 2011, and its results of operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Chartered Accountants

December 6, 2011
Calgary, Canada

**CALGARY BOARD OF EDUCATION
BALANCE SHEET
AS OF AUGUST 31**

	2011 (in thousands)	2010 (in thousands)
ASSETS		
Current assets		
Cash and cash equivalents (Note 3)	\$ 1,904	\$ 1,727
Cash held by schools (Note 4)	13,496	11,688
Short-term investments (Note 3)	49,171	80,582
Accounts receivable and prepaid expenses (Note 5)	35,305	17,203
Inventories	839	931
	<u>100,715</u>	<u>112,131</u>
Long-term investments (Note 3)	107,633	104,339
Capital assets (Note 6)	735,291	702,398
Assets held for sale (Note 6)	<u>3,125</u>	<u>-</u>
Total assets	<u>\$ 946,764</u>	<u>\$ 918,868</u>
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (Note 7)	\$ 75,605	\$ 84,845
Deferred revenue (Note 8)	40,258	44,172
Cash held by schools (Note 4)	13,496	11,688
Current portion of capital lease obligations (Note 11)	9,920	2,682
Current portion of long-term debt (Note 12)	3,857	4,480
	<u>143,136</u>	<u>147,867</u>
Employee future benefits (Note 9 (b), (c) and (d))	19,096	20,123
Deferred capital grants (Note 10)	587,622	553,159
Long-term capital lease obligations (Note 11)	31,906	23,398
Long-term debt (Note 12)	13,465	17,322
Asset retirement obligations (Note 13)	1,644	1,644
Total liabilities	<u>\$ 796,869</u>	<u>\$ 763,513</u>
Contingencies and commitments (Note 14)		
NET ASSETS (Note 15)		
Unrestricted net assets	\$ 2,184	\$ 3,500
Designated operating funds	8,154	7,554
Operating reserves	<u>14,944</u>	<u>22,955</u>
Accumulated operating surplus (AOS)	25,282	34,009
Capital reserves and designated capital funds	25,966	19,686
Investment in capital assets	<u>98,647</u>	<u>101,660</u>
Total net assets	<u>149,895</u>	<u>155,355</u>
Total liabilities and net assets	<u>\$ 946,764</u>	<u>\$ 918,868</u>

The notes are an integral part of these financial statements

**CALGARY BOARD OF EDUCATION
STATEMENT OF REVENUE AND EXPENSE
FOR THE YEAR ENDED AUGUST 31**

	Budget (unaudited)	Actual	
	2011	2011	2010
	(in thousands)	(in thousands)	(in thousands)
REVENUE (Schedule I)			
Alberta Education grants:			
Base provincial instruction	\$ 649,267	\$ 648,043	\$ 588,839
Differential cost funding	228,628	226,457	224,959
Provincial priority targeted grants	20,141	20,788	66,615
Other provincial education grants	34,258	36,812	37,070
Capital support	25,538	25,626	20,908
Total Alberta Education grants	\$ 957,832	\$ 957,726	\$ 938,391
Other provincial revenue	2,431	1,852	1,216
Federal grants and education agreements	2,973	3,702	2,938
School generated funds	35,375	33,590	37,651
Other revenue	47,261	52,668	49,879
Total revenue	\$ 1,045,872	\$ 1,049,538	\$ 1,030,075
EXPENSE (Schedule II)			
Salaries and benefits	809,362	801,227	781,724
Services purchased	119,153	129,410	115,892
Supplies and materials	49,284	45,624	48,933
School funded activities	35,375	33,590	37,651
Interest	6,093	3,258	2,942
Amortization of capital assets	42,988	41,889	34,296
Total expense	\$ 1,062,255	\$ 1,054,998	\$ 1,021,438
(Deficiency)/excess of revenue over expense for the year, before the undemoted	(16,383)	(5,460)	8,637
Transfer from/(to) operating reserves/designated funds			
Transfer from/(to) operating reserves	10,375	8,011	(2,025)
Transfer from/(to) designated funds	1,500	(600)	(911)
	11,875	7,411	(2,936)
Add/(deduct) capital items paid by operating funds			
Capital assets acquired	(24,770)	(13,396)	(25,383)
Capital asset amortization	19,325	17,938	15,208
Capital debt repayments	(2,682)	(2,682)	(685)
Transfer from school purchased assets	1,593	1,132	837
Transfer from capital carry forwards	5,314	5,314	7,074
Transfer to capital carry forwards	-	(11,545)	(5,314)
	(1,220)	(3,238)	(8,263)
Transfer from/(to) capital reserves			
Building and equipment reserves	3,228	(49)	3,100
Net operating (deficit)/surplus	(2,500)	(1,337)	538
Add to/(draw) from unrestricted net assets	2,500	1,337	(538)
Net operating (deficit)/surplus	\$ -	\$ -	\$ -

The notes are an integral part of these financial statements

**CALGARY BOARD OF EDUCATION
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED AUGUST 31**

	Investment in Capital Assets	Capital Reserves	Operating Reserves	Designated Operating Funds	Unrestricted Net assets	Total Net Assets (Note 15)
	(in thousands)					
Balance, August 31, 2009	\$ 91,637	\$ 24,546	\$ 20,930	\$ 6,643	\$ 2,962	\$ 146,718
Excess/(deficiency) of revenue over expense	(15,208)	-	-	-	23,845	8,637
Transfers during the year	(15)	(4,860)	2,025	911	1,939	-
Capital assets acquired with operating funds	24,561	-	-	-	(24,561)	-
Capital debt repayments from operating funds	685	-	-	-	(685)	-
Net increase/(decrease) for year	10,023	(4,860)	2,025	911	538	8,637
Balance, August 31, 2010	\$ 101,660	\$ 19,686	\$ 22,955	\$ 7,554	\$ 3,500	\$ 155,355
(Deficiency)/excess of revenue over expense	(18,138)	-	-	-	12,678	(5,460)
Transfers during the year	196	6,280	(8,011)	600	935	-
Capital assets acquired with operating funds	12,268	-	-	-	(12,268)	-
Capital debt repayments from operating funds	2,661	-	-	-	(2,661)	-
Net (decrease)/increase for year	(3,013)	6,280	(8,011)	600	(1,316)	(5,460)
Balance, August 31, 2011	\$ 98,647	\$ 25,966	\$ 14,944	\$ 8,154	\$ 2,184	\$ 149,895

The notes are an integral part of these financial statements

**CALGARY BOARD OF EDUCATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED AUGUST 31**

	<u>2011</u> (in thousands)	<u>2010</u> (in thousands)
Operating activities		
Excess/(deficiency) of revenue over expense for the year	\$ (5,460)	\$ 8,637
Add (less) items not requiring cash:		
Capital support revenue	(23,751)	(18,540)
Amortization of capital assets	41,889	34,296
Employee future benefits	(1,027)	(1,119)
Gain on disposal of assets	(49)	(173)
Unrealized gain on long-term investments	(467)	(4,495)
Changes in non-cash working capital:		
Short-term investments	31,411	72,390
Accounts receivable and prepaid expenses	(8,911)	186
Inventories	92	(245)
Accounts payable and accrued liabilities	7,875	(11,140)
Deferred revenue	(3,914)	1,043
Cash from operating activities	<u>\$ 37,688</u>	<u>\$ 80,840</u>
Financing activities		
Capital grants received	26,749	26,864
Repayment of long-term debt	(4,480)	(5,250)
Repayment of capital lease obligations	(2,682)	(683)
Changes in non-cash working capital:		
Accounts receivable and prepaid expenses	(9,192)	4,241
Accounts payable and accrued liabilities	(17,196)	(8,630)
Cash (used in)/from financing activities	<u>\$ (6,801)</u>	<u>\$ 16,542</u>
Investing activities		
Purchase of investments, net of disposals	(2,827)	(49,488)
Capital assets acquired	(28,019)	(45,675)
Proceeds from disposal of capital assets	53	136
Changes in non-cash working capital:		
Accounts receivable and prepaid expenses	-	(500)
Accounts payable and accrued liabilities	83	(1,725)
Cash used in investing activities	<u>\$ (30,710)</u>	<u>\$ (97,252)</u>
Net increase in cash and cash equivalents	177	130
Cash and cash equivalents, beginning of year	<u>1,727</u>	<u>1,597</u>
Cash and cash equivalents, end of year (Note 3)	<u><u>\$ 1,904</u></u>	<u><u>\$ 1,727</u></u>

Supplementary cash flow information (Note 3)

The notes are an integral part of these financial statements

1. ORGANIZATION

The Calgary Board of Education (the "Corporation") is an independent legal entity with an elected Board of Trustees as stipulated in the *School Act* (Alberta). The Corporation is registered as a charitable organization under the *Income Tax Act* (Canada) and, therefore, is exempt from income tax and may issue official receipts to donors for income tax purposes.

The Corporation provides a full range of educational services for all instructional programs ranging from Kindergarten through Grade 12.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of presentation

The financial statements of the Corporation have been prepared in accordance with Canadian Generally Accepted Accounting Principles (GAAP). A precise determination of many assets and liabilities is dependent upon future events and involves the use of estimates and approximations, which have been made using professional judgment. Actual results could differ from these estimates or approximations. In administration's opinion, these financial statements have been prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below.

The financial operations of EducationMatters (formerly The Calgary Board of Education Foundation) is a not-for-profit foundation which promotes and supports public education in Calgary (see Note 16 (b)) and is a controlled entity whose financial results are not consolidated in these financial statements, as permitted under Canadian Institute of Chartered Accountants (CICA) Handbook Accounting Part V 4450.14.

Budget information is unaudited and is presented on the Statement of Revenue and Expense and on the related schedules for information purposes only and represents the original budget submitted to Alberta Education in June, 2010, as amended during the fiscal year to reflect identified changes in circumstances relating to operating and program changes. The Board of Trustees approves the original budget and monitors all subsequent changes through quarterly reports of revisions and amendments.

Capital assets which are paid for directly by the Province of Alberta on behalf of the Corporation are recorded by the Corporation at fair market value when title has transferred. A corresponding deferred capital grant is recorded and reflected in revenue over the life of the assets. Maintenance expenses paid for directly by the Province of Alberta on behalf of the Corporation relating to these assets are expensed and corresponding grant revenue is recognized.

(b) Cash and cash equivalents

Cash and cash equivalents are comprised of cash and short-term investments with original maturities of 90 days or less.

(c) Inventories

Inventories consist of maintenance and school supplies and are valued at the lower of cost and net realizable value. Inventory is expensed when items are shipped to schools or departments.

**CALGARY BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2011**

(All amounts expressed in thousands of dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Investments

Held-for-trading assets are measured at fair value each reporting period. Unrealized gains and losses on held-for-trading financial instruments are recognized in earnings.

Short-term investments are investments held with a maximum of a one-year view to ensure the timely settlement of the Corporation's financial obligations. Investments usually consist of treasury bills and money market investments and are recorded at fair value.

Long-term investments are investments held for a period of at least one to five years, unless significant unforeseen factors occur. Long-term investments may include corporate and government bonds and equities and are recorded at fair value.

(e) Capital Assets and Capital Revenue

Capital assets are recorded at cost. Amortization is calculated on a straight-line basis at rates which amortize the cost of the capital assets over their estimated useful lives. The amortization rates applied are as follows:

Land improvements	20 years
Buildings	10 - 40 years
Furniture and equipment	4 - 10 years

No amortization is provided on construction in progress, as these assets are not ready and are not available for use. Once completed and placed into use, these assets are amortized in accordance with the Corporation's above amortization policy.

Certain capital assets, including new school construction and major renovations (except administrative buildings and replacement of equipment and vehicles), are funded by Alberta Education when approved, and are based on the Corporation's three-year capital plan. When received, capital grants for these assets are deferred and reflected in revenue and matched to the amortization expense over the lives of the related assets. Provincially funded Infrastructure Maintenance Renewal (IMR) projects that improve or sustain the operating functionality of building components or land improvements and do not extend the useful life of the underlying asset are expensed.

Capital assets which are paid for directly by the Province of Alberta on behalf of the Corporation are recorded by the Corporation at fair market value when title has transferred. A corresponding deferred capital grant is recorded and reflected in revenue over the life of the asset. Maintenance expenses paid for directly by the Province of Alberta on behalf of the Corporation relating to these assets are expensed and corresponding grant revenue is recognized.

(f) Leases

Leases are classified as capital or operating leases. Leases which transfer substantially the entire benefits and risks incidental to the ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Asset Retirement Obligation

The Corporation recognizes the fair value of an Asset Retirement Obligation ("ARO") in the period in which it incurs a legal obligation associated with the retirement of capital assets. Certain building assets contain some asbestos. Although the asbestos is appropriately contained in accordance with environmental regulations, it is the Corporation's practice to, if necessary, remediate any asbestos upon disposal of a capital asset. The Corporation recognizes an ARO only when those assets have been approved by the Board of Trustees for disposition and when the fair value of the liability can be reasonably determined.

The estimated fair value of ARO are capitalized as part of the related long-lived asset and depreciated on the same basis as the underlying asset. ARO is adjusted for the passage of time, which is recognized as accretion expense, and for revisions to the timing or the amount of the estimated liability. Actual costs incurred are charged against the asset retirement obligation to the extent of the liability recorded. Differences between the actual costs incurred and the liability are recognized in earnings when remediation is completed.

(h) Revenue Recognition

Revenues are recognized when they are earned. Grants received, restricted donations and fees collected in advance of the provision or use of related services, are deferred until utilized. Unrestricted cash donations are recognized as revenue when they are received. Donations of materials and services are recognized as revenue when a fair value can be reasonably estimated and when the materials and services are used in the normal course of the organization's operations and would otherwise have been purchased.

Funds donated by individuals or organizations for the purpose of establishing scholarships and bursaries are accounted for as deferred revenues. Interest is calculated on each scholarship fund balance and is accrued for the benefit of the recipients of the fund. Individual scholarship payments are made to the recipients of the scholarships and bursaries in accordance with the various scholarship agreements, and a corresponding amount is recognized as revenue at that time.

The amortization of capital assets funded by Alberta Education and Alberta Infrastructure is recognized annually and is offset by a corresponding amount of revenue arising from the recognition in that year of related capital grants.

Each year, volunteers contribute a considerable number of hours which support the delivery of certain programs within schools. Due to the difficulty of determining or otherwise estimating these hours, and the fact that these services are not otherwise purchased, the value of these contributed services is not quantified nor recognized in these financial statements.

(i) Proceeds on Disposal of Capital Assets

The proceeds on disposal of capital assets are applied to fund future capital asset expenditures. Pursuant to Provincial regulations, the allocation of proceeds for each asset disposal is based upon the relative contribution from the Province of Alberta and the Corporation to fund the original purchase of the disposed asset. Proceeds relating to provincially funded assets are recorded as deferred capital allocations until a provincially approved capital expenditure is made. Proceeds relating to Corporation funded assets are reflected as income and a corresponding amount is transferred to capital reserves until a capital expenditure to be financed from capital reserves is approved by the Board of Trustees.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) School Generated Funds

These financial statements include amounts arising from certain school and student activities which are controlled and administered locally by each school but for which the Corporation is accountable. School generated funds revenues are primarily generated through fundraising activities, non-instructional fees and donations and grants to schools in support of extra-curricular activities, field trips and equipment.

(k) Financial Instruments

The Corporation's financial instruments consist of cash and cash equivalents, cash held by schools, short-term investments, accounts receivable, long-term investments, accounts payable and accrued liabilities, and long-term liabilities which include long-term debt and capital leases. Unless otherwise stated in Notes 3, 11 and 12, which are determined by market comparisons, the fair values of these financial instruments approximate their carrying values.

There are no financial assets on the balance sheet designated as available-for-sale or held-to-maturity. Cash and cash equivalents, cash held by schools and short-term investments are classified as held-for-trading. All other financial assets are classified as loans or receivables and are accounted for on an amortized cost basis. All financial liabilities are classified as other financial liabilities and are accounted for on an amortized cost basis.

Transaction costs and related cash flow impacts are included in the fair value assessment of each financial asset. Transaction costs that are directly attributable to the acquisition of other financial liabilities are not considered significant and are expensed when incurred.

The Corporation has a comprehensive risk management framework to monitor, evaluate and manage the principal risks assumed with financial instruments. The risks that arise from transacting financial instruments include credit risk, liquidity risk and price risk. Price risk arises from changes in interest rates, foreign currency exchange rates and market prices. The Corporation does not use derivative financial instruments to alter the effects of these risks. It is administration's opinion that the Corporation is not exposed to significant interest, currency or credit risks arising from these financial instruments.

The Corporation has elected to apply the scope provisions of paragraph 3855.07A such that the Corporation will not apply the requirements of Section 3855 to contracts for the purchase or sale of non-financial items and any embedded derivatives within these types of contracts or those embedded derivatives that may exist within lease or insurance contracts. In addition, the Corporation has elected to not adopt "Financial Instruments – Disclosures" and "Financial Instruments – Presentation." The Corporation does not invest in or use derivative financial instruments. Derivatives may be embedded in other financial instruments (the "host instrument") or other contracts (the "host contract"). The Corporation has not identified embedded derivatives in the host contracts.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(I) Pensions and Employee Future Benefits Plans

The Corporation participates in a number of defined benefit plans to provide pension, retirement and healthcare benefits to its employees.

The Corporation's certificated employees are required to contribute to the Alberta Teachers' Retirement Fund, a multi-employer defined contribution pension plan. This defined benefit pension plan is the responsibility of the Province of Alberta and these employee members. Accordingly, no disclosure has been made in these financial statements relating to the effects of participation in the pension plan by the Corporation's certificated employees.

The Corporation and its non-certificated employees participate in the Local Authorities Pension Plan ("LAPP"), a multi-employer pension plan. Pension costs of LAPP included in these financial statements comprise the cost of employer contributions for current service of participating employees during the year (refer to Note 9).

The Corporation established a Supplemental Integrated Pension Plan ("SiPP") for certain members of senior administration comprised of both a registered and non-registered portion. The plan provides a supplement to the LAPP or Alberta Teachers' Retirement Fund (as appropriate) to provide an annual retirement benefit of 2% of total earnings. The cost of this SiPP is sponsored by the Corporation and is actuarially determined using the projected benefit method pro-rated on service and management's best estimate of expected salary and benefit escalation, retirement ages of employees and plan investment performance. Actuarial valuations of this plan occur annually as at August 31.

The Corporation provides a Supplementary Retirement Plan ("SRP") for certain senior employees of the Corporation, based on approved terms and conditions of the plan. The plan provides for annual contributions of 10% of the employee's salary which is above the LAPP or Alberta Teachers' Retirement Fund pensionable earnings cap.

The Corporation has a number of other defined benefit plans providing post-employment and post-retirement benefits for supplementary health care, dental care, life insurance and retiring allowances (collectively "Post-Retirement and Post-Employment Benefits Plans"). These plans are not funded by separately designated plan assets. For these plans, the Corporation accrues its obligations, and expenses the related costs, in accordance with the terms of the various collective agreements and other contracts of employment. The cost of employee future benefits earned by employees is actuarially determined using the projected benefit method pro-rated on service and management's best estimate of salary escalation, retirement ages of employees, and expected provincial and supplementary health care costs and dental care costs. The actuarially determined benefit obligation from the initial application of this policy is being amortized over the average remaining service period of employees active at September 1, 2000, the beginning of the fiscal year in which this policy was implemented. The balance of any unrecognized net plan experience, including changes in actuarial basis, in excess of 10% of the greater of the actuarial benefit obligation and the market value of plan assets is amortized over the average remaining service lifetime of the active members as of the applicable date. When changes to employee future benefit plans are negotiated, the related financial impacts are recognized when an agreement has been reached by the Corporation and the applicable group of employees. Effective January 1, 2011, all employees pay 100% of the post-retirement benefit premium costs. The most recent actuarial valuation of post-retirement and post-employment benefit plans was as of August 31, 2009. The next required valuation will be as of August 31, 2012.

**CALGARY BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2011**

(All amounts expressed in thousands of dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Future Accounting Standards

Effective January 1, 2012, all Government controlled not-for-profit organizations ("GNFPOs") will be required to follow either the CICA Public Sector Accounting Handbook ("PSA Handbook"), including Sections PS 4200 to PS 4270 or, alternatively, the CICA PSA Handbook without Sections PS 4200 to PS 4270. The Alberta Treasury Board requires that the Corporation adopt the current public sector accounting standards without reference to the not-for-profit standards Sections PS 4200 to PS 4270 effective for the year ending August 31, 2013 with retrospective application and restatement for the comparative year ending August 31, 2012.

The Corporation is currently assessing the impacts of the conversion, including identifying the key differences, developing PSA accounting policies and new financial statement disclosures. The Corporation will continue to monitor the development of standards.

CALGARY BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2011
(All amounts expressed in thousands of dollars)

3. CASH AND CASH EQUIVALENTS, INVESTMENTS AND BANK INDEBTEDNESS

	2011				
	Investments at Fair Value				Cost
	Cash and cash equivalents	Short-term	Long-term	Total	
<u>Cash and Fixed Income Investments</u>					
Bank balances	\$ 6,367	-	-	\$ 6,367	\$ 6,367
Outstanding cheques	(4,463)	-	-	(4,463)	(4,463)
Money market investments	-	48,522	356	48,878	48,876
Supplemental Integrated Pension Plan Assets	-	649	-	649	695
<u>Fixed Income</u>					
Government of Canada	-	-	17,752	17,752	17,095
Provincial	-	-	588	588	571
Municipal	-	-	2,140	2,140	2,037
Corporate	-	-	21,766	21,766	21,157
Restricted long-term investment (1)	-	-	42,999	42,999	42,999
<u>Equity Investments</u>					
Canadian equities	-	-	8,783	8,783	6,810
U.S. equity funds	-	-	5,844	5,844	6,697
International equity funds	-	-	7,405	7,405	8,264
Total at Fair Value	\$ 1,904	49,171	107,633	\$ 158,708	
Total at Cost	\$ 1,904	49,217	105,984		\$ 157,105

	2010				
	Investments at Fair Value				Cost
	Cash and cash equivalents	Short-term	Long-term	Total	
<u>Cash and Fixed Income Investments</u>					
Bank balances	\$ 2,679	-	-	\$ 2,679	\$ 2,679
Outstanding cheques	(952)	-	-	(952)	(952)
Money market investments	-	79,966	563	80,529	80,529
Supplemental Integrated Pension Plan Assets	-	616	-	616	691
<u>Fixed Income</u>					
Government of Canada	-	-	21,538	21,538	20,824
Provincial	-	-	588	588	571
Municipal	-	-	2,132	2,132	2,037
Corporate	-	-	32,455	32,455	31,765
Restricted long-term investment (1)	-	-	26,882	26,882	26,882
<u>Equity Investments</u>					
Canadian equities	-	-	7,858	7,858	6,616
U.S. equity funds	-	-	5,402	5,402	6,619
International equity funds	-	-	6,921	6,921	8,067
Total at Fair Value	\$ 1,727	80,582	104,339	\$ 186,648	
Total at Cost	\$ 1,727	80,657	103,944		\$ 186,328

(1) Restricted long-term investment relates to cash collateral requirements as a result of capital leases entered into between the years ended August 31, 2004 and August 31, 2011 (see Note 11).

CALGARY BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2011
 (All amounts expressed in thousands of dollars)

3. CASH AND CASH EQUIVALENTS, INVESTMENTS AND BANK INDEBTEDNESS (continued)

General Operating and Other Bank Indebtedness

The Corporation maintains a line of credit with 3% borrowing rate that has been negotiated with its banker for general operating purposes. The line of credit is secured against the Corporation's accounts receivable at bank prime rate. At August 31, 2011, no amount has been drawn against the Corporation's general operating line of credit.

Yields on current short-term and long-term investments reflect the cash value of all dividends, interest or other payments received or receivable on active investment instruments. These yields do not include any realized or unrealized capital gains of the underlying market values of the instrument. At August 31, 2011 the yields on these investments were as follows:

	2011		2010	
	Effective or Fair Value Yield	Fair Value	Effective or Fair Value Yield	Fair Value
<u>Short-Term Investments</u>				
Money Market Investments	0.99%	\$ 48,522	0.72%	\$ 79,966
Non-Registered Mutual Funds (SIPP)	2.21%	649	2.51%	615
<u>Long-Term Investments</u>				
Money Market Investments	0.93%	356	0.61%	563
Bond type				
Govt of Canada	1.42%	17,752	1.61%	21,538
Provincial	2.30%	588	2.65%	588
Municipal	1.67%	2,140	2.16%	2,132
Corporate	2.69%	21,766	2.67%	32,455
Canadian equities	2.81%	8,783	3.01%	7,858
U.S. equity pooled funds	1.90%	5,844	1.86%	5,402
International equity pooled funds	3.30%	7,405	3.34%	6,921

Supplementary Cash Flow Information

During the year ended August 31, 2011, cash interest paid on school building debenture debt and other debt amounted to \$2,146 (2010 - \$2,686) and cash interest earned (operating and capital) and dividends received on investments totaled \$4,047 (2010 - \$1,936).

CALGARY BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2011
(All amounts expressed in thousands of dollars)

4. CASH HELD BY SCHOOLS

Changes in cash held by schools are as follows:

	<u>2011</u>	<u>2010</u>
Sources of school generated funds:		
Fundraising activities	\$ 11,446	\$ 10,896
Non-instructional fees and charges	17,806	17,000
Donations and grants to schools	6,118	6,780
Other income	28	28
Total additions to school generated funds	\$ <u>35,398</u>	\$ <u>34,704</u>
Application of school generated funds:		
Fundraising activities	(14,235)	(17,356)
Fees/charges (non-instructional) – related expenses	(12,098)	(12,241)
Donations and grants to schools – related expenses	(670)	(1,042)
Other – related expenses: bank charges	(84)	(82)
Extra-curricular activities	(4,204)	(4,278)
Field trips	(1,166)	(1,299)
Equipment	(1,133)	(1,353)
Total application of school generated funds	\$ <u>(33,590)</u>	\$ <u>(37,651)</u>
Net increase/(decrease) of school generated funds for the year	\$ 1,808	\$ (2,947)
Cash balance, beginning of year	11,688	14,635
Cash balance, end of year	\$ <u>13,496</u>	\$ <u>11,688</u>

5. ACCOUNTS RECEIVABLE AND PREPAID EXPENSES

	<u>2011</u>	<u>2010</u>
Alberta Education operating grants	\$ 4,636	\$ 301
Government of Alberta capital grants	10,144	952
Debenture interest grants	1,029	1,300
School jurisdictions and other governments	2,997	1,963
Other accounts receivable	9,330	8,073
Prepaid expenses	7,169	4,614
	\$ <u>35,305</u>	\$ <u>17,203</u>

CALGARY BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
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(All amounts expressed in thousands of dollars)

6. CAPITAL ASSETS

	2011		
	Cost	Accumulated Amortization	Net Book Value
Land	\$ 4,571	\$ -	\$ 4,571
Land improvements	18,162	9,040	9,122
Buildings	943,328	348,779	594,549
Buildings under capital lease	36,849	1,797	35,052
Furniture and equipment	181,248	130,583	50,665
Furniture and equipment under capital lease	9,053	1,798	7,255
	<u>\$ 1,193,211</u>	<u>\$ 491,998</u>	<u>\$ 701,213</u>
Construction in progress	34,078	-	34,078
	<u>\$ 1,227,289</u>	<u>\$ 491,998</u>	<u>\$ 735,291</u>

	2010		
	Cost	Accumulated Amortization	Net Book Value
Land	\$ 4,809	\$ -	\$ 4,809
Land improvements	18,194	8,525	9,669
Buildings	901,489	338,183	563,306
Buildings under capital lease	24,656	627	24,029
Furniture and equipment	169,705	114,151	55,554
Furniture and equipment under capital lease	2,815	1,501	1,314
	<u>\$ 1,121,668</u>	<u>\$ 462,987</u>	<u>\$ 658,681</u>
Construction in progress	43,717	-	43,717
	<u>\$ 1,165,385</u>	<u>\$ 462,987</u>	<u>\$ 702,398</u>

As of August 31, 2011, the Corporation had recorded an asset retirement obligation of \$1,644 (2010 - \$1,644) for the estimated costs of removing and disposing of asbestos in those schools and other buildings approved by the Board for disposition.

As of August 31, 2011, costs of \$31,465 (2010 - \$162,293) incurred by Alberta Education on behalf of the Corporation was recognized as capital assets as the projects were complete and the titles of the assets were transferred to the Corporation.

As of August 31, 2011, Alberta Education has confirmed that costs of \$68,965 related to the ASAP II P3 project have been incurred. Consistent with prior years, this amount will not be recorded as a capital asset acquisition until the project is substantially complete and title has transferred to the Corporation.

As of August 31, 2011, Land and Buildings with a net book value of \$3,125 (2010 - \$3,540) was approved by the Board of Trustees for disposition, which is deemed as held-for-sale.

CALGARY BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2011
(All amounts expressed in thousands of dollars)

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<u>2011</u>	<u>2010</u>
Salaries and benefits	\$ 35,156	\$ 30,091
Debenture interest	1,029	1,300
Federal government	871	731
Contractor payables	14,216	6,562
Deferred capital allocations	6,141	23,066
Other accounts payable	9,615	15,349
Other accrued liabilities	8,577	7,746
	<u>\$ 75,605</u>	<u>\$ 84,845</u>

8. DEFERRED REVENUE

	<u>2011</u>	<u>2010</u>
Alberta Education operating grants	\$ 5,001	\$ 4,889
Alberta Initiative for School Improvement grants	2,352	3,644
Infrastructure Maintenance Renewal grants	20,569	24,464
Student fees	7,976	6,670
Scholarship funds	248	264
Other	4,112	4,241
	<u>\$ 40,258</u>	<u>\$ 44,172</u>

**CALGARY BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2011**

(All amounts expressed in thousands of dollars)

9. PENSIONS/EMPLOYEE FUTURE BENEFITS

(a) Local Authorities Pension Plan (LAPP)

The Corporation's net pension expense of LAPP for the year amounts to \$15,297 (2010 - \$13,917).

(b) Supplemental Integrated Pension Plan (SiPP)

The Corporation's net pension expense for the registered portion of SiPP for the year was \$56 (2010 - \$37). The net pension expense for the non-registered portion was \$219 (2010 - \$150). The total liability for the SiPP at August 31, 2011 is \$394 (2010 - \$175).

(c) Supplementary Retirement Plan (SRP)

The total liability for the SRP at August 31, 2011 is \$132 (2010 - \$197).

(d) Post-Retirement and Post-Employment Benefits Plans

Changes in Projected Benefits Obligation

The following table provides the plans' change in Accrued Benefit Obligation ("ABO") for the year ended August 31:

	<u>2011</u>	<u>2010</u>
Benefit obligation, beginning of year	\$ 30,263	\$ 32,418
Service cost	848	845
Interest cost	1,365	1,574
Benefits payments	(4,152)	(4,756)
Actuarial losses	2,073	182
Benefit obligation, end of year	\$ <u>30,397</u>	\$ <u>30,263</u>

To date, \$18,570 (2010 - \$19,751) has been accrued in the Corporation's financial statements as an accrued benefit obligation.

Plan Funded Status

The following table provides the plans' funded status as of August 31, 2011 and 2010:

	<u>2011</u>	<u>2010</u>
Benefit obligation, end of year	\$ <u>30,397</u>	\$ <u>30,263</u>

The Corporation does not fund its post-retirement plans (see accounting policy Note 2(l)). Accordingly, the plans held no assets at August 31, 2011 and 2010.

9. PENSIONS/EMPLOYEE FUTURE BENEFITS (continued)

(d) Post-Retirement and Post-Employment Benefits Plans (continued)

Components of Net Periodic Post-Retirement Benefit Cost

The net period benefits cost for pension plans includes the following components for the year ended August 31:

	2011	2010
Current period service cost	\$ 848	\$ 845
Interest cost	1,365	1,574
Actuarial losses	2,073	182
Amortization of transitional obligation	687	687
Difference between actual and recognized past service	(672)	(824)
Difference between actual and recognized gains in year	(1,288)	757
Net Period Benefits Cost	<u>\$ 3,013</u>	<u>\$ 3,221</u>

The initial transitional obligation of \$35,664 at September 1, 2000 is being amortized over the expected average remaining service period of the employee group, which was estimated to be 12 years, of which 1 year remains. The unamortized transitional obligation of \$1,371 on September 1, 2010 has been reduced further by \$687 during 2011 to \$684 to reflect the change in the accrued benefit obligation to employee groups, and the annual amortization of the remaining initial transitional obligation.

Assumptions

The significant actuarial assumptions adopted in measuring the Corporation's employee future benefit obligation (based on a weighted average assumption of the various plans as of August 31, 2011) and comparative prior year are as follows:

	2011	2010
Amortization method	Straight-line	Straight-line
Discount rate	4.35%	4.70%
Supplementary health care cost escalation	8.0% for 1 year in 2011/2012 grading by 0.50% per year thereafter to an ultimate rate of 5.0%	8.0% for 2 years in 2010/2011 and 2011/2012 grading by 0.50% per year thereafter an ultimate rate of 5.0%
Dental care cost escalation	4.0% per year	4.0% per year
Provincial health care cost escalation	Not applicable	Not applicable

CALGARY BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2011
(All amounts expressed in thousands of dollars)

10. DEFERRED CAPITAL GRANTS

Changes in deferred capital grants are as follows:

	<u>2011</u>	<u>2010</u>
Balance, beginning of year	\$ 553,159	\$ 382,542
Debenture principal repaid by Alberta Finance	4,480	5,249
Capital assets funded by Alberta Infrastructure and Alberta Education	53,734	183,908
Capital allocations amortized to revenue	(23,751)	(18,540)
Balance, end of year	<u>\$ 587,622</u>	<u>\$ 553,159</u>

11. CAPITAL LEASES

Capital leases are approved by the Minister of Education for internally financed projects. All capital leases are secured by identified assets of the Corporation (restricted cash). As of August 31, 2011, capital lease obligations pertaining to the Corporation are as summarized below:

	<u>2011</u>	<u>2010</u>
Finance contracts, secured by certain equipment at interest rates ranging from 2.44% - 4.49%, repayable in annual installments of \$325 including interest, maturing September 2014.	\$ 1,105	\$ 1,396
components at interest rates ranging from 3.75% - 4.24%, repayable in annual installments of \$547 including interest, maturing September 2014 through August 2015	3,138	3,542
Finance contracts, secured by certain building components at interest rates ranging from 2.70% - 3.19%, repayable in annual installments of \$4,905 including interest, maturing August 2016.	<u>37,583</u>	<u>21,142</u>
	41,826	26,080
Less: Current portion	<u>(9,920)</u>	<u>(2,682)</u>
	<u>\$ 31,906</u>	<u>\$ 23,398</u>

CALGARY BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2011
(All amounts expressed in thousands of dollars)

11. CAPITAL LEASES (continued)

Minimum lease payments for future years are as follows:

	Minimum lease payments
2012	\$ 10,747
2013	4,952
2014	4,952
2015	4,920
2016	4,724
Thereafter	16,543
Total payments	46,838
Amount pertaining to interest	(5,012)
Balance of obligation	\$ 41,826

12. LONG-TERM DEBT

Long-term debt includes debentures for the acquisition of school buildings funded directly by Alberta Education (pre-1995). Those debentures were issued for periods of 15, 20 or 25 years in those years prior to 1995 when the Corporation had local taxing authority, at interest rates ranging from 7.38% -11.75%, and maturity at various dates to 2020. Fair value of this debt is \$21,930 (2010 - \$25,315) which is calculated using a discount rate of 4.35%, which reflects the average yield on high quality long-term corporate bonds at August 31, 2011. All debenture principal and interest payments are fully guaranteed by the Province of Alberta.

	2011	2010
Debentures outstanding	\$ 17,322	\$ 21,802
Less: Current portion	(3,857)	(4,480)
	\$ 13,465	\$ 17,322

Minimum principal repayments of debentures based on the terms above are as follows:

	Principal Payment
2012	\$ 3,857
2013	3,246
2014	2,793
2015	2,515
2016	1,975
Thereafter	2,936
Total	17,322

CALGARY BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2011
 (All amounts expressed in thousands of dollars)

13. ASSET RETIREMENT OBLIGATION

The estimated asset retirement obligation of \$1,644 as at August 31, 2011 remained the same from August 31, 2010 as there were no changes in the estimated building assets approved for disposition by the Corporation between 2010 and 2011. An interest rate of 5.35% is applicable to discount expected cash flows for calculation of the initial obligation and a rate of 4.35% would be applicable for accretion of the obligation.

The following table summarizes the changes in the asset retirement obligations:

	2011	2010
Balance, beginning of year	\$ 1,644	\$ 1,726
Obligations discharged	-	(82)
Balance, end of year	<u>\$ 1,644</u>	<u>\$ 1,644</u>

The Corporation has not recorded an asset retirement obligation for the estimated costs of restoring certain schools that may have asbestos as the Corporation is unable to determine the value of this liability as all locations and amounts of asbestos are unknown.

14. CONTINGENCIES AND COMMITMENTS

- (a) From year to year, legal actions are brought against the Corporation in the normal course of operations. Management believes that the ultimate resolution of claims presently outstanding are not expected to be significant to the overall financial position of the Corporation.
- (b) The Corporation has contractual commitments to complete major capital projects relating to school buildings and Administrative sites. As at August 31, 2011, these outstanding contractual obligations amount to \$11,190 (2010 - \$26,762), with \$10,527 to be funded by Alberta Infrastructure and Alberta Education and \$663 by the Corporation.
- (c) To the extent the Corporation terminates certain contractual commitments for convenience under certain service and development management agreement, the Corporation would incur costs, depending on the date of termination, of between \$3,500 and \$9,900.
- (d) The Corporation has entered into various operating lease agreements for office spaces that expire up to February, 2031. Future annual lease payments and operating payments (including parking) under these leases are as follows:

	Minimum Lease payment	Estimated Operating Costs	Total
2012 \$	9,675	\$ 2,420	\$ 12,095
2013	9,823	2,452	12,275
2014	9,797	2,484	12,281
2015	10,053	2,516	12,569
2016	9,849	2,549	12,398
Thereafter	171,435	40,899	212,334
Total \$	<u>220,632</u>	<u>\$ 53,320</u>	<u>\$ 273,952</u>

Lease expense during the year amounted to \$4,990 (2010 - \$343).

14. CONTINGENCIES AND COMMITMENTS (continued)

- (e) The Corporation has entered into a service agreement related to certain payroll and human resources administration processes expiring October 16, 2015. Future minimum annual payments under this commitment are:

		Minimum payments
2012	\$	8,863
2013		9,061
2014		9,234
2015		9,410
2016		1,179
	\$	<u>37,747</u>

- (f) Effective September 1, 2006, the Corporation entered into a Master Transportation Agreement with Southland Transportation Ltd. and First Student Canada for the provision of student school bus transportation services. The initial term of the agreement is ten years (expiring August 31, 2016) and the Corporation may renew the agreement for two additional periods of five years each. Each year during the term, the Corporation enters into a yearly service agreement with each carrier, outlining the services to be provided, the applicable daily base rate and all other anticipated fees and charges under the agreement.
- (g) Effective January 1, 2010, the Corporation entered into a one year fixed price natural gas supply agreement of a certain price for a majority of its total annual natural gas consumption, and this agreement was to expire on December 31, 2010, but was previously renewed for one additional year and will expire on December 31, 2011. During 2011, the Corporation further extended the agreement for one additional year which will now expire December 31, 2012.
- (h) Effective July 31, 2007, the Corporation entered into a fixed electricity supply agreement of a certain price for all of its electricity consumption from January 1, 2009 to December 31, 2012. This agreement has been extended by two additional years and will expire December 31, 2014.
- (i) Effective July 1, 2007, the Corporation entered into a Committed Retainer Legal Services Agreement of a certain price, with a one year evaluation stage and the provision for up to a four year extension period, upon mutual agreement of both parties, to June 30, 2012.
- (j) Effective June, 2011, the Corporation entered into a 5 year contract with Telus Corporation for all phone services.

15. NET ASSETS

The components of the Corporation's net assets of \$149,895 as at August 31, 2011 are described below:

(a) Accumulated Operating Surplus

As at August 31, 2011, the Corporation has an accumulated operating surplus of \$25,282 (2010 - \$34,009) comprised of the following:

(i) Unrestricted Net Assets

Unrestricted operating surplus represents the aggregation of successive years' annual operating surpluses.

For the year ended August 31, 2011, the Corporation's operating deficit was \$1,316 (2010 - surplus of \$538), and the Corporation has an unrestricted accumulated operating surplus of \$2,184 (2010 - \$3,500).

(ii) Designated Operating Funds and Operating Reserves

Where certain instructional initiatives are planned or in progress, and consistent with prior years, the Corporation has designated or restricted operating funds for specific purposes. Operating reserves have been established for specific program requirements, to stabilize annual fee rates or to offset the cost of programs and services in future years. These fund designations and reserves have been established consistent with Provincial legislation and by Board of Trustees' resolution and will be applied to finance future expenses in accordance with the specific requirements of each of these resolutions.

Operating funds have been designated by the Board of Trustees for the following purposes:

	2011	2010
School decentralized budgets	\$ 5,482	\$ 5,054
Instructional and service unit initiatives	2,672	2,500
	<u>\$ 8,154</u>	<u>\$ 7,554</u>

Operating reserves have been established by the Board of Trustees for the following purposes:

	2011	2010
Continuing Education Fee Stabilization (1)	\$ 1,593	\$ 1,313
Unrealized Investment Gains/Losses (2)	3,032	1,750
Utility Expense Stabilization	3,370	4,870
Snow Removal Budget Stabilization	200	200
Administrative Systems Renewal	2,249	5,322
General Instruction	1,000	3,000
Fiscal Stability	2,000	5,000
System Transformation	1,500	1,500
	<u>\$ 14,944</u>	<u>\$ 22,955</u>

- (1) Restricted operating reserve for Adult Education purposes only, and in accordance with Alberta Education reporting guidelines, cannot be used in support of K-12 educational programs
 (2) Restricted operating reserve for unrealized gains/losses only, which result from changes in the fair market value of held-for-trading financial instruments

15. NET ASSETS (continued)

(a) Accumulated Operating Surplus (continued)

As at August 31, 2011, the Board of Trustees approved the use of \$3,352 of the Utility Expense Stabilization Fee Reserve, \$200 of the Snow Removal Reserve, \$1,000 of the General Instruction Reserve, \$2,000 of the Fiscal Stability Reserve, \$2,248 of the Administrative Systems Renewal Reserve, and \$1,500 of the System Transformation Reserve to support the 2011/12 Operating Budget. The Board has also approved the use of \$2,500 of School decentralized budgets, \$2,500 of Service Unit Designated Funds, and \$1,000 of Unrestricted Net Assets in support of the 2011/12 Operating Budget. Subsequent to the Board of Trustees' approval of the budget, the Province of Alberta committed additional funds to the CBE. It is expected that these various reserves may not be drawn down in 2011/12 to the same amounts depending on final budget adjustment decisions.

(b) Capital Reserves and Designated Capital Funds

The Corporation's capital reserves and designated capital funds are established by Board of Trustees' resolution and in accordance with Provincial regulation, and are funded from proceeds on disposals of capital assets, provision from operating funds, or from lease revenues. To date, the following capital reserves and designated capital funds have been established:

	<u>2011</u>	<u>2010</u>
Land, Buildings and Equipment	\$ 8,751	\$ 8,701
School Program Modernization	2,271	2,271
Leased School Buildings	2,000	2,000
Chinook Learning Services Relocation	1,400	1,400
Funds designated for approved capital projects	11,544	5,314
	<u>\$ 25,966</u>	<u>\$ 19,686</u>

These reserves and designated funds are to be applied to finance future capital expenditures in accordance with the specific requirements of each Board resolution. Funds may be committed from these reserves or designated amounts by the Board of Trustees from time to time to permit the completion of approved capital projects. As at August 31, 2011, the Board of Trustees has approved the use of \$11,544 of these funds for certain capital projects leaving \$14,422 uncommitted for future capital projects.

(c) Investment in Capital Assets

Investment in capital assets represents the Corporation's net investment of operating funds that have been used from time to time to purchase building improvements, capital equipment and technology infrastructure to support the general operating activities of the Corporation. As of August 31, 2011, the Corporation has \$98,647 invested in capital assets (2010 - \$101,660).

16. RELATED PARTIES

(a) Province of Alberta and economic dependence

The Corporation is economically dependent upon the Government of the Province of Alberta, since the viability of its on-going operations depends on grants and contributions from Alberta Education and other provincial ministries.

Effective 2005/06, school jurisdictions have been deemed to be controlled by the Government of Alberta according to criteria set out in the Canadian Institute of Chartered Accountants Public Sector Accounting Standards Section 1300, Government Reporting Entity. All entities consolidated or accounted for on a modified equity basis in the accounts of the Government of Alberta are now considered related parties of school jurisdictions for financial reporting purposes. These include government departments, health authorities, post-secondary institutions and all school jurisdictions in Alberta.

Assets, liabilities and transactions of the Corporation that relate to the Government of Alberta are as follows:

2011	Assets (at cost or net realizable value)	Liabilities	Revenues	Expenses
Government of Alberta:				
Education	\$ 16,231	46,332	932,497	2,224
Finance	-	-	1,875	-
Human Resources/ Employment	-	-	338	-
Other Gov't of AB Departments	384	-	-	-
Other:				
Health Authorities	-	47	-	-
Other Alberta school jurisdictions	-	-	7,851	142
Other related parties	-	723	-	15,297
TOTAL 2011	\$ 16,615	47,102	942,561	17,663
TOTAL 2010	\$ 3,054	56,926	928,095	18,285

CALGARY BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2011
 (All amounts expressed in thousands of dollars)

16. RELATED PARTIES (continued)

(b) EducationMatters

EducationMatters (the "Foundation") was established in 2003 by the Corporation under a trust indenture. The Corporation's Board of Trustees appoints the Governors of the Foundation. The Corporation's Trustees cannot hold a majority of the Governor positions. The Foundation promotes activities that support public education for the benefit of Calgary's students.

The Foundation is not consolidated into these financial statements. The resources held by the Foundation are not necessarily limited for use by the Corporation. Selected financial information for the Foundation for the year ended August 31, 2011 is as follows:

	<u>2011</u>	<u>2010</u>
	(unaudited)	(unaudited)
Total assets	\$ 2,930	\$ 2,481
Total liabilities	<u>(13)</u>	<u>(18)</u>
Net assets	<u>\$ 2,917</u>	<u>\$ 2,463</u>
Fund balances held by the Foundation:		
Flow through funds	\$ 598	\$ 342
Endowment funds	1,809	1,495
Operating funds	<u>510</u>	<u>626</u>
	<u>\$ 2,917</u>	<u>\$ 2,463</u>
Revenues (1)	2,032	1,616
Expenses (2)	<u>(1,578)</u>	<u>(1,682)</u>
Excess (deficiency) of revenues over expenses	<u>\$ 454</u>	<u>\$ (66)</u>

(1) Revenues include financial support from the Corporation of \$750 (2010 - \$750).

(2) Expenses paid to the Corporation amount to \$19 (2010 - \$18); approved Grant disbursements to CBE Schools and Programs amount to \$574 (2010 - \$610).

(c) The Urban Schools Insurance Consortium

The Corporation is a member of The Urban Schools Insurance Consortium (USIC), which facilitates the placement of property and liability insurance coverage for thirteen school jurisdictions throughout the Province of Alberta. Amounts are paid by each of the members to the consortium to pay for insurance premiums on policy renewals and to self-insure a portion of each member's risk exposure. The Corporation's share of the accumulated and unencumbered consortium funds as at August 31, 2011 was \$2,442 (2010 - \$2,272). This amount has not been recognized in the Corporation's financial statements, as accumulated consortium funds are payable only upon membership termination or dissolution of the consortium.

(d) Other fundraising groups and associations

Various parent groups, including societies and other associations, solicit donations and undertake fundraising activities to provide operating and capital donations to further the objectives of the Corporation. The financial information of these groups is not consolidated in these financial statements as the Corporation has no control, significant influence or economic interests in any of those entities.

17. MANAGEMENT OF CAPITAL

Effective September 1, 2008, the Corporation implemented new capital disclosure requirements per Section 1535 of the CICA Handbook.

In the short term, the Corporation's objectives for managing capital are to safeguard the Corporation's financial ability to continue to deliver education; and in the long-term, the Corporation aims to plan and build financial and sufficient physical capacity to meet future needs for the Corporation's education programs and services.

The Corporation defines its capital as the amounts included in net assets. The Corporation's objective when managing its capital is to safeguard the ability to continue as a going concern so that it can continue to provide an array of educational services to its complex and diverse student population.

In order to facilitate the management of its capital requirements, the Corporation prepares annual capital and operating budgets that are updated as necessary, depending on various factors, including the market valuation of the investments and general industry conditions. The annual budgets are approved by the Board of Trustees.

The majority of the Corporation's operating funds are received from Alberta Education which are generally paid every month. As a result, significantly less working capital is required. The Corporation monitors its working capital and cash flows against its forecasts.

A portion of the capital funding is restricted in that the Corporation is required to receive approval from the Minister of Education for draws against any amount in which the Provincial Department of Education has an interest. In addition, the Corporation has restricted a portion of its short-term cash for specific capital projects and specific lease payment obligations. The Corporation has internal control processes primarily through its Administrative Regulations, to ensure that the restrictions are met prior to the utilization of these resources. The Corporation has been in compliance with these restrictions throughout the year.

The Corporation has leveraged its excess short-term cash balances in support of energy retrofit projects in schools and in support of the Dr. Carl Safran Modernization project through capital leasing arrangements in order to minimize incremental borrowing costs. In addition, in 2009/10 the Corporation, in collaboration with its external investment advisor, invested \$30 million of short-term cash in high quality bonds of varying duration to enhance its investment income stream. However, during 2010/11, the Corporation disposed of \$14.5 million of those securities in support of cash flow requirements for the year.

The Corporation sets the amount of internally restricted funds in proportion to risk, manages the net asset structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets.

18. COMPARATIVE FIGURES

Certain 2010 amounts have been reclassified where necessary to conform to the current year's presentation.

**CALGARY BOARD OF EDUCATION
DETAILED SCHEDULE OF REVENUE
FOR THE YEAR ENDED AUGUST 31, 2011**

Schedule I

	Budget (unaudited) 2011 (in thousands)	Actual 2011 2010 (in thousands)	
Alberta Education grants			
Base provincial instruction grants			
Kindergarten	\$ 28,322	\$ 28,182	\$ 21,704
Instruction - Elementary	302,710	302,534	256,854
Instruction - Junior High	135,163	134,862	133,906
Instruction - Senior High	183,072	182,465	177,497
Alberta Education clawback	-	-	(1,122)
Total Base provincial instruction grants	\$ 649,267	\$ 648,043	\$ 588,839
Differential cost funding			
Operations and maintenance - Regular	79,698	79,698	79,276
Special education programs (Gr 1 - 12)	51,501	51,531	51,531
English as a second language	29,923	29,265	28,715
Transportation - Regular	28,135	28,193	29,315
Socioeconomic status	9,677	9,759	9,753
Kindergarten - Special Education (PUF and M&M)	8,191	8,220	6,371
Relative cost of purchasing goods and services adj (RCPA)	8,405	7,931	7,779
First Nations, Metis and Inuit education	3,660	3,760	3,425
Operations and maintenance - RCPA	3,288	3,288	3,270
Other differential cost funding	3,231	2,153	2,733
Small Schools by Necessity	2,192	1,930	2,050
Transportation - RCPA	727	729	741
Total Differential cost funding grants	\$ 228,628	\$ 226,457	\$ 224,959
Provincial priority targeted grants	\$ 20,141	\$ 20,788	\$ 86,815
Other provincial education grants			
Infrastructure Maintenance Renewal (IMR)	18,248	23,059	15,506
Other programs	16,010	13,753	21,564
Total Other provincial education grants	\$ 34,258	\$ 36,812	\$ 37,070
Capital support			
Supported school building amortization	23,663	23,751	18,540
Debenture interest for school projects	1,875	1,875	2,368
Total Capital support	\$ 25,538	\$ 25,626	\$ 20,908
Total Alberta Education grants	\$ 957,832	\$ 957,726	\$ 938,391
Other provincial revenue	\$ 2,431	\$ 1,852	\$ 1,216
Federal grants and education agreements	\$ 2,973	\$ 3,702	\$ 2,938
School generated funds	\$ 35,375	\$ 33,590	\$ 37,651
Other revenue			
Individuals and organizations	20,998	23,626	22,549
Rentals	7,629	7,710	8,035
Instructional supply and material fees	7,159	7,493	7,201
Transportation fees	6,319	6,062	5,562
Investment income	2,800	3,996	2,249
School authorities and local governments	2,356	2,449	2,359
Unrealized gain on investment	-	1,283	1,750
Gain on disposal of assets	-	49	174
Total Other revenue	\$ 47,261	\$ 52,668	\$ 49,879
Total revenue	\$ 1,045,872	\$ 1,049,538	\$ 1,030,075

**CALGARY BOARD OF EDUCATION
DETAILED SCHEDULE OF EXPENSE
FOR THE YEAR ENDED AUGUST 31, 2011**

Schedule II

	Budget (unaudited) 2011 (in thousands)	Actual	
		2011	2010
		(in thousands)	
Salaries and benefits			
Certificated regular	\$ 569,503	\$ 564,844	\$ 559,785
Certificated temporary	20,749	23,344	22,054
Non-certificated regular	211,081	200,366	187,217
Non-certificated temporary	8,029	12,673	12,668
Total salaries and benefits	\$ 809,362	\$ 801,227	\$ 781,724
Services purchased			
Transportation	34,373	35,529	36,201
Professional and technical	23,529	28,752	26,057
Maintenance and repair	23,648	26,361	19,183
Utilities	24,637	22,636	23,309
Equipment and facility rentals	3,368	8,060	3,335
Insurance premiums and losses	2,858	2,919	2,571
Dues and fees	1,939	1,564	1,621
Travel and subsistence	1,546	1,439	1,461
Transfer payments to other jurisdictions	1,201	1,379	1,337
Other	2,054	771	817
Total Services purchased	\$ 119,153	\$ 129,410	\$ 115,892
Supplies and materials			
Supplies	28,941	27,769	28,911
Minor equipment	16,952	14,829	16,615
Textbooks and media materials	3,391	3,026	3,407
Total Supplies and materials	\$ 49,284	\$ 45,624	\$ 48,933
School funded activities	\$ 35,375	\$ 33,590	\$ 37,651
Interest			
Interest on long-term liabilities	1,875	1,875	2,368
Bank and other interest	4,218	1,383	574
Total Interest	\$ 6,093	\$ 3,258	\$ 2,942
Amortization of capital assets	42,988	41,889	34,296
Total expense	\$ 1,062,255	\$ 1,054,998	\$ 1,021,438

Calgary Board of Education

Statistical Information

(Unaudited)

Year Ended
August 31, 2011



Calgary Board
of Education

**CALGARY BOARD OF EDUCATION
REVENUE BY SOURCE
LAST TEN YEARS
(UNAUDITED)**

Fiscal Year	Provincial revenue		%	Other revenue		%	School generated funds		%	Total revenue
2002	\$609,497		92.3%	\$43,007		6.5%	\$7,862		1.2%	\$660,366
2003	\$654,685		92.8%	\$43,844		6.2%	\$6,952		1.0%	\$705,481
2004	\$668,121		92.7%	\$46,240		6.4%	\$6,723		0.9%	\$721,084
2005	\$713,016		93.0%	\$44,909		5.8%	\$9,104		1.2%	\$767,029
2006	\$754,293		93.0%	\$49,676		6.1%	\$6,933		0.9%	\$810,902
2007	\$796,996		91.9%	\$62,685		7.2%	\$7,444		0.9%	\$867,125
2008	\$861,772		91.9%	\$68,428		7.3%	\$7,528		0.8%	\$937,728
2009	\$890,363		90.9%	\$53,198		5.4%	\$36,306		3.7%	\$979,867
2010	\$939,607		91.2%	\$52,817		5.1%	\$37,651		3.7%	\$1,030,075
2011	\$959,578		91.4%	\$56,370		5.4%	\$33,590		3.2%	\$1,049,538

Notes:

- (1) The provincial revenue column reflects all provincial revenues including property tax revenues which are collected and distributed by the Province.
- (2) Certain school generated funds expenses of prior years have been reclassified to conform with the presentation applied in 2000 and subsequent years.
- (3) In 2009, the Calgary Board of Education adopted Canadian Institution of Chartered Accountants (CICA) Handbook Section 4400 "Financial Statement presentation by not-for profit organizations" such that revenues and expenses should be recognized and presented at their gross amounts when an organization is acting as a principal in transactions.

**CALGARY BOARD OF EDUCATION
EXPENSE BY OBJECT
LAST TEN YEARS
(UNAUDITED)**

Fiscal Year	Salaries and benefits	Services purchased	Supplies and materials	Interest	Amortization	School funded activities	Total expenses
2002	\$514,838 79.5%	\$63,943 9.9%	\$32,500 5.0%	\$9,779 1.5%	\$18,847 2.9%	\$7,862 1.2%	\$647,769 100.0%
2003	\$546,791 79.3%	\$73,240 10.6%	\$33,690 4.9%	\$8,512 1.3%	\$20,178 2.9%	\$6,952 1.0%	\$689,363 100.0%
2004	\$556,750 79.6%	\$75,674 10.8%	\$32,767 4.7%	\$7,501 1.0%	\$20,192 2.9%	\$6,723 1.0%	\$699,607 100.0%
2005	\$592,365 79.0%	\$81,723 10.9%	\$38,499 5.2%	\$6,589 0.9%	\$21,218 2.8%	\$9,104 1.2%	\$749,498 100.0%
2006	\$621,591 78.3%	\$96,697 12.2%	\$40,583 5.1%	\$5,672 0.7%	\$22,178 2.8%	\$6,933 0.9%	\$793,654 100.0%
2007	\$650,262 76.8%	\$109,999 13.0%	\$48,771 5.7%	\$4,821 0.6%	\$25,395 3.0%	\$7,444 0.9%	\$846,692 100.0%
2008	\$699,537 77.2%	\$121,355 13.4%	\$47,207 5.2%	\$3,930 0.4%	\$26,886 3.0%	\$7,528 0.8%	\$906,443 100.0%
2009	\$740,295 75.4%	\$119,891 12.2%	\$49,898 5.1%	\$3,254 0.3%	\$32,288 3.3%	\$36,306 3.7%	\$981,932 100.0%
2010	\$781,724 76.5%	\$115,892 11.3%	\$48,933 4.8%	\$2,942 0.3%	\$34,296 3.4%	\$37,651 3.7%	\$1,021,438 100.0%
2011	\$801,227 75.9%	\$129,410 12.3%	\$45,624 4.3%	\$3,258 0.3%	\$41,889 4.0%	\$33,590 3.2%	\$1,054,998 100.0%

Notes:

- (1) Certain school generated funds expenses of prior years have been reclassified to conform with the presentation applied in 2000 and
- (2) In 2009, the Calgary Board of Education adopted Canadian Institution of Chartered Accountants (CICA) Handbook Section 4400 "Financial Statement presentation by not-for profit organizations" such that revenues and expenses should be recognized and presented at their gross amounts when an organization is acting as a principal in transactions.

**CALGARY BOARD OF EDUCATION
SUMMARY OF ENROLMENTS
LAST TEN YEARS
(UNAUDITED)**

Fiscal Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
KINDERGARTEN	6,196	6,241	6,361	6,140	6,223	6,487	6,574	7,060	7,201	7,490
ELEMENTARY										
Grade 1	6,441	6,217	6,049	6,394	6,347	6,650	6,311	6,661	6,989	7,155
Grade 2	6,286	6,212	5,827	6,112	6,388	6,389	6,372	6,334	6,551	6,943
Grade 3	5,900	6,009	5,853	5,953	6,005	6,424	6,154	6,272	6,074	6,415
Grade 4	5,881	5,595	5,600	5,747	5,654	5,882	6,016	5,736	5,893	5,847
Grade 5	5,964	5,841	5,484	5,736	5,671	5,776	5,825	5,843	5,612	5,892
Grade 6	6,160	5,926	5,702	5,625	5,616	5,867	5,743	5,647	5,711	5,726
Special Education (Gr 1 - 6)	5,782	5,700	6,857	5,342	5,789	5,352	5,274	5,676	5,833	5,054
Total Elementary	42,414	41,500	41,172	40,909	41,470	42,340	41,695	42,169	42,663	43,032
JUNIOR HIGH										
Grade 7	6,300	6,255	6,015	6,037	5,752	5,938	6,127	5,730	5,733	5,974
Grade 8	6,442	6,342	6,306	6,213	5,971	6,019	6,098	6,018	5,763	5,931
Grade 9	6,379	6,422	6,485	6,458	6,169	6,226	6,212	6,005	6,131	6,123
Special Education (Gr 7 - 9)	3,889	4,275	4,402	4,100	4,542	4,403	3,966	4,624	4,669	3,819
Total Junior High	23,010	23,294	23,208	22,808	22,434	22,586	22,403	22,377	22,296	21,847
SENIOR HIGH										
Grade 10	7,175	7,137	6,992	7,741	7,727	7,610	7,068	6,879	6,793	7,120
Grade 11	7,670	8,051	7,675	8,094	7,693	8,181	7,284	7,215	7,194	7,361
Grade 12	10,082	10,320	9,833	10,082	10,538	10,486	10,462	9,949	10,434	11,761
Special Education (Gr 10 - 12)	2,840	3,030	4,256	3,147	3,814	3,783	5,018	5,616	5,431	5,058
Total Senior High	27,767	28,538	28,756	29,064	29,772	30,060	29,832	29,659	29,852	31,300
TOTAL ENROLMENT	99,387	99,573	99,497	98,921	99,899	101,473	100,504	101,265	102,012	103,669

Notes: (1) Since 1995, senior high students are funded on course completion but enrolments are based on head counts.
(2) Special Education includes all students who are coded with a mild, moderate, gifted and talented or severe disability.
Commencing in 2002, funding for severely disabled students is provided based on a jurisdiction profile.

Sources: (1) Financial Services Department and Alberta Education, School Finance Department. Final enrolment count is reported on the basis on which grant funding was calculated.

**CALGARY BOARD OF EDUCATION
PER PUPIL COST STATISTICS
LAST TEN YEARS
(UNAUDITED)**



Note: In order to provide comparable information, the calculation of per pupil costs excludes expenses from both school funded activities, given the discretionary nature of these activities, and costs relating to adult students. Kindergarten children are counted as 0.5 FTE in the calculation.

**CALGARY BOARD OF EDUCATION
DEMOGRAPHIC AND MISCELLANEOUS INFORMATION
AUGUST 31, 2011
(UNAUDITED)**

GEOGRAPHIC AREA - City of Calgary:		848 Square Kilometres
POPULATION - April 2011 Census:		1,090,936
NUMBER OF SCHOOLS:*		
Elementary		133
Elementary/Junior High/Middle		27
Junior High		23
Junior/Senior High		7
Elementary/Junior High/Senior High (Home Education)		1
Senior High		17
Unique Settings and Unique Special Education Settings		11
Outreach Programs		4
TOTAL SCHOOLS		223
*The term school is defined as an instructional setting assigned a unique school code by Alberta Education.		
NUMBER OF BUDGETED EMPLOYEES:		
Certificated K Staff		245
Certificated 1 - 6 Staff		2,396
Certificated 7 - 9 Staff		1,479
Certificated 10 - 12 Staff		1,601
Other Certificated Staff (including secondments and professional improvement leaves)		213
Caretaking Staff		535
Other School Uncertificated Staff		1,810
Other Uncertificated Staff		825
TOTAL STAFF (in full-time equivalents)		9,104

Sources: (1) City of Calgary 2011 Civic Census
(2) Community Engagement and Operational Planning, September 2011
(3) Approved 2010/11 Operating Budget.

**CALGARY BOARD OF EDUCATION
SELECTED DEFINITIONS OF FINANCIAL TERMINOLOGY
AUGUST 31, 2011**

The following selected definitions have specific meanings as used in the Corporation's financial statements:

School generated funds are funds raised in the community for activities that come under the control and responsibility of school management (usually viewed as being the principal and/or those reporting to the Principal). Within school generated funds, when schools undertake fundraising and extra-curricular activities, the related costs are netted against the amount of recorded school generated funds revenue.

Net operating surplus (deficiency) or Excess (deficiency) of revenue over expense have the same definition, which is the annual determination of the extent to which the Corporation has been able to obtain resources to cover the cost of its services in the current fiscal year.

Capital assets, comprising tangible properties, such as land, buildings and equipment, and intangible properties, are identifiable assets that meet all of the following criteria:

- (a) are held for use in the provision of services, for administrative purposes, for production of goods or for the maintenance, repair, development or construction of other capital assets;
- (b) have been acquired, constructed or developed with the intention of being used on a continuing basis;
- (c) are not intended for sale in the ordinary course of operations; and
- (d) are not held as part of a collection.

Amortization of capital assets is the periodic charge to expense which recognizes that a capital asset has a finite life and that the cost of a capital asset is allocated to the periods, or years, of service provided by the asset.

Unearned revenue is the amount of restricted revenue for which the related restrictions remain unfulfilled (e.g., funding received for a project which is not yet completed).

Debt, including bank indebtedness, debenture debt and capital lease obligations, is a financial liability that is a contractual obligation to deliver cash or another financial asset to another party.

Deferred capital revenue contributions are capital grants that are deferred and recognized as revenue in the same periods as the related expense (i.e., amortization of the provincially funded capital asset) is recognized.

Total net assets represents the Corporation's residual interest in its assets after deducting its liabilities. The net assets balance therefore provides information about the net resources the Corporation has available for carrying out its service delivery activities in the future.

Total net assets is comprised of the following:

Unrestricted operating surplus represents the aggregation of successive years' annual unrestricted excesses and deficiencies of revenue over expense.

**CALGARY BOARD OF EDUCATION
SELECTED DEFINITIONS OF FINANCIAL TERMINOLOGY
AUGUST 31, 2011**

Designated funds are internally restricted operating funds which have been designated by the Board of Trustees for specific purposes. These funds generally fall within two categories:

1. School decentralized budgets carried forward represent the unspent balances of schools' decentralized budget allocations. This practice is followed in recognition of schools' needs to provide from these allocations, for many non-consumable resources (such as textbooks, photocopiers, technology and other instructional materials) which are not incurred in equal annual amounts.
2. Specific Board of Trustee designation for projects which occur over more than one school year or budget allotments which relate to a future school year.

Operating reserves are established by Provincial regulation or authorization of the Board of Trustees and may represent funds available for future operating expenses.

Accumulated operating surplus represents the aggregate of the Corporation's balances of unrestricted operating surplus, designated funds, and operating reserves.

Capital reserves are established by authorization of the Board of Trustees and are intended to be applied to finance future capital projects.

Investment in capital assets represents the Corporation's net investment of operating funds which have been used from time to time to purchase building improvements, capital equipment and technologies to support the general operating activities of the Corporation.

Certificated staff represents those staff that have acquired an Alberta Teaching Certificate.

Prepared by

Corporate Planning & Reporting
Corporate Finance



**Calgary Board
of Education**

www.cbe.ab.ca

CALGARY BOARD OF EDUCATION
REPORT TO THE REGULAR MEETING OF THE BOARD OF TRUSTEES
PUBLIC AGENDA

December 6, 2011

To: Board of Trustees

From: Naomi E. Johnson, Chief Superintendent of Schools

Re: **Combined Annual Education Results Report 2010-2011 and
Three-Year Education Plan 2011-2014**

Purpose: Approval

Governance Policy References: Ends 1 through 5
EL-3: Information, Counsel and Support to the Board of
Trustees
EL-5: Annual Report to the Public

Originator: Cathy Faber, Superintendent, Learning Innovation

Resource Persons: David Stevenson, Deputy Chief Superintendent of Schools
Frank Coppinger, Superintendent, Facilities and Environmental Services
Wayne Braun, Director – Corporate Financial Services
Elizabeth Gouthro, Director – Learning Services
Ronna Mosher, Director, Office of the Chief Superintendent
Sheila McLeod, Director – Global Learning Services
Brant Parker, Director – Innovation and Learning Technology
Darlene Selby, Director – Learning Services
Area Directors

I. RECOMMENDATIONS

It is recommended:

THAT the Board of Trustees approve the *Combined Annual Education Results Report 2010-2011 and Three-Year Education Plan 2011-2014*.

II. ISSUE

Alberta Education requires that school board and school education plans and annual results reports be aligned with the Ministry of Education's vision, mission, goals, outcomes and performance measures for the basic education system. Alberta Education's Accountability Framework thus works to ensure that the K-12 education system is effectively focused on meeting the educational needs of Alberta students. Jurisdiction and school plans also

incorporate local strategies and may include local goals, priorities, outcomes and measures that reflect the unique characteristics and circumstances of their communities.¹ School boards are responsible for putting their education plans into action, for reporting annually to parents, communities and government on results and use of resources, and for using the data to inform plans which enhance student success.

III. BACKGROUND

The Three Year Education Plan and the Annual Education Results Report are key elements of the Alberta Education Accountability Framework for the K – 12 education system. They support accountability and transparency throughout the system and ensure alignment of schools and authorities with provincial direction. The combined *Annual Education Results Report 2010-2011 and Three-Year Education Plan 2011-2014* also provides a broad strategic plan that encompasses all CBE Units of Change in support of student progress towards the Board's Governance Policy – Ends and informs the budgeting process as outlined in EL-10.

Current research on education planning emphasizes the importance of clarity of purpose. An effective plan articulates a single outcome and identifies three or four strategies to achieve it thereby providing clear direction for everyone in the organization. The Chief Superintendent therefore gave the direction to provide a compelling three year plan that would guide and direct the work of the Calgary Board of Education. The Three Year Education Plan 2011-2014 reflects this bold and innovative vision.

In positioning Ends 1: Mega End as our overarching goal, we recognize our primary accountability to the Board of Trustees of the Calgary Board of Education. Our accountability to Alberta Education is recognized in the single outcome, *student success*, demonstrating our understanding that this is the common goal of province and jurisdiction alike.

Four metastrategies – personalize learning, build our capacity, engage our public and steward our resources – lead us to this goal. Three strategies have been defined for each metastrategy. Following our school development planning processes and alignment of service units, each school, Area, department and service unit is required to devise actions and implement the system strategies in ways which speak to their context. The result is a Three Year Education Plan which sharpens the focus on student learning as the central purpose of the work while enabling schools, Areas, service units and departments to implement system strategies through actions which best meet the needs of students in particular contexts.

The combined *Annual Education Results Report 2010-2011 and Three-Year Education Plan 2011-2014* includes all required components.

¹Policy and Requirements for School Board Planning and Results Reporting April 2011 @ <http://www.education.alberta.ca/media/6470769/feb%202011%20school%20board%20planning%20guide%20version%2014.pdf>

IV. CONCLUSION

This document demonstrates the alignment between the jurisdiction's results, the ensuing strategies developed to improve student learning outcomes, and the ways in which budget and capital and facilities planning support our strategies.

A handwritten signature in black ink that reads "Naomi Johnson". The script is cursive and fluid, with the first name "Naomi" and last name "Johnson" clearly distinguishable.

**NAOMI E. JOHNSON
CHIEF SUPERINTENDENT OF SCHOOLS**

ATTACHMENT

Annual Education Results Report 2010-2011

Three-Year Education Plan 2011-2014



learning | **as unique** | as every student



**Calgary Board
of Education**

Part of being unique is that each student learns differently. Students can realize their full potential by learning in ways that recognize their individuality. This is why the CBE is dedicated to personalized learning. Each of our more than 104,000 students is supported by a system. The CBE has the capacity to lead in education while honouring each student's gifts. The result is a rich and dynamic learning experience that enables lifelong learning.

learning | **as unique** | as every student

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Our Ultimate Goals

The Annual Education Results Report 2010-2011 combined with the Three-Year Education Plan 2011-2014 helps the CBE build strategies that support student learning. These strategies align to the Board of Trustees' Ends statements, and contribute to learning as unique as every student. The Board of Trustees defines the objectives as:

Ends 1: Mega End

Each student, in keeping with his or her individual abilities and gifts, will complete high school with a foundation to function effectively in life, work and continued learning.

Ends 2: Academic Success

Each student will possess the knowledge, skills and attitudes required for academic success and be effectively prepared for life, work and further learning.

Ends 3: Citizenship

Each student will be a responsible citizen by being an informed and involved member in his or her local, national and global communities.

Ends 4: Personal Development

Each student will acquire the skills, attitudes and knowledge to achieve personal highest potential.

Ends 5: Character

Each student will possess the character to do what is right, act morally with wisdom, and balance individual concerns with the rights and needs of others.

Accountability

The Annual Education Results Report for the 2010–2011 school year and the Education Plan for the three years commencing Sept. 1, 2011 for the Calgary Board of Education was prepared under the direction of the Board in accordance with its responsibilities under the *School Act* and the *Government Accountability Act*. This document was developed in the context of the provincial government's business and fiscal plans. The Board has used the results reported in the document, to the best of its abilities, to develop the Education Plan and is committed to implementing the strategies contained within the Education Plan to improve student learning and results.

School councils play a key role in education and council advice is actively sought and seriously considered prior to making decisions on a wide range of school issues. School councils help build the context of School Development Plans through direct input at meetings and the opportunities for suggestions and feedback provided to all parents. The Calgary Board of Education has established Administrative Regulations that ensure school principals work toward:

- enhancing communication between the school and its parent community;
- providing a method by which the school, the home and the community may work together for the benefit of students;
- providing a forum for discussion of school philosophies, plans and operations that contributes to the creation of the School Development Plan.

The Board of Trustees approved this combined Annual Education Results Report for the 2010–2011 school year and the Three-Year Education Plan for 2011–2014 on Dec. 6, 2011.

Pat Cochrane, Chair
Board of Trustees
Calgary Board of Education

Naomi E. Johnson
Chief Superintendent of Schools
Calgary Board of Education

The Calgary Board of Education Three-Year Education Plan may be accessed using the following permalink:

<http://www.cbe.ab.ca/aboutus/documents/1011AERR.pdf>

Program Overview

Three-Year Education Plan 2011-2014 Overview

The Three-Year Education Plan guides our work and connects each CBE employee to our Mega End and our desired outcome of student success. Our task is to create an environment in which each student has the opportunity to become an engaged learner, prepared for success in life, work and future learning. We therefore focus on four objectives: personalize learning; build our capacity; engage our public; and steward our resources.

Each student, in keeping with his or her individual abilities and gifts, will complete high school with a foundation of learning to function effectively in life, work and continued learning.

Outcome: Student Success

Personalize Learning

Success for each student, every day, no exceptions

Instructional design and leadership focus on:

- student agency and intellectual engagement
- active and effortful tasks
- assessment that informs teaching and learning
- students knowing what they know, how they know it, how they show it, and what they need to learn next

Build Our Capacity

Capacity building with a focus on results

Professional Learning Communities and Communities of Practice focus on:

- adult agency and intellectual engagement
- shared standards of practice
- data driven, job-embedded professional learning
- staff knowing the decisions they have made, why they made them, what impact those decisions had, and what is required of them next

Engage Our Public

Everyone has a part to play in public education

Internal and external community members:

- recognize public education as foundational to a democratic society
- acknowledge and accept different roles, responsibilities and contributions
- practice and benefit from open and responsive communication
- accept collective responsibility for the success of the organization

Steward Our Resources

Resource management on behalf of student learning

Decisions at all levels of the organization (schools to service units) are:

- based on values and priorities
- data driven
- strategic
- responsive
- coherent with the learning agenda
- coherent with each other
- sustainable

Alberta Education Goals

Success for Every Student
Transformed Education through Collaboration
Success for FNMI Students

Three-Year Education Plan 2011-2014 Strategies

To achieve our desired outcome, the CBE has described strategies to achieve our Mega End. Among them, we are working to articulate and advance a coherent, system-wide vision of high-quality teaching and learning. These strategies are a work in progress that will continue to get better with ongoing input from employees.

Personalize Learning	Build Our Capacity	Engage Our Public	Steward Our Resources
Articulate and advance a coherent, system-wide vision of high quality teaching and learning.	Establish district-wide professional development in support of personalized learning and district coherence.	Enhance understanding of and participation in public education through increased civic engagement.	Facilitate collective capacity for resource creation, coordination, and integration.
Implement a well-articulated framework for system-wide inclusive practices.	Promote a workplace culture that ensures continuous improvement in program provision, service delivery, and professional learning across the system.	Promote a workplace culture built on the values of voice, accountability, self-sufficiency, clarity of role and responsibility, and in which all employees find meaning and fulfillment.	Improve access to data that supports transparent decision making.
Support instructional practices that reflect Alberta Education's competency-based conceptions of literacy and numeracy.	Develop integration strategies to maximize impact on student success across Calgary Board of Education Ends.	Engage community partners in collaborative ventures to support student learning.	Increase alignment of business practices with external efficiency standards.

October 2011 Accountability Pillar Overall Summary

Measure Category	Measure Category Evaluation	Measure	Calgary School District No. 19			Alberta			Measure Evaluation		
			Current Result	Prev Year Result	Prev 3 yr Average	Current Result	Prev Year Result	Prev 3 Yr Average	Achievement	Improvement	Overall
Safe and Caring Schools	Good	Safe and Caring	86.1	86.0	84.7	88.1	87.6	86.6	High	Improved Significantly	Good
Student Learning Opportunities	Good	Program of Studies	81.8	81.7	81.5	80.9	80.5	80.1	Very High	Maintained	Excellent
		Education Quality	88.0	88.0	87.5	89.4	89.2	88.9	High	Improved	Good
		Drop Out Rate	4.1	3.5	4.6	4.2	4.3	4.7	High	Improved Significantly	Good
		High School Completion Rate (3 yr)	70.8	69.6	69.5	72.6	71.5	71.1	Intermediate	Improved	Good
Student Learning Achievement (Grades K-9)	Good	PAT: Acceptable	80.7	80.7	79.6	79.3	79.1	78.0	Intermediate	Improved Significantly	Good
		PAT: Excellence	20.3	20.3	19.9	19.6	19.4	18.5	High	Maintained	Good
Student Learning Achievement (Grades 10-12)	Acceptable	Diploma: Acceptable	84.0	83.8	84.9	82.6	83.4	84.0	Intermediate	Declined	Issue
		Diploma: Excellence	23.1	23.4	23.2	18.7	19.0	18.9	High	Maintained	Good
		Diploma Exam Participation Rate (4+ Exams)	59.8	57.3	57.1	54.9	53.5	53.5	High	Improved Significantly	Good
		Rutherford Scholarship Eligibility Rate (Revised)	58.6	57.7	58.3	59.6	56.9	57.0	Intermediate	Maintained	Acceptable
Preparation for Lifelong Learning, World of Work, Citizenship	Good	Transition Rate (6 yr)	59.9	60.1	59.7	59.3	59.8	59.3	High	Maintained	Good
		Work Preparation	76.7	76.5	76.5	80.1	79.9	79.8	Intermediate	Maintained	Acceptable
		Citizenship	79.6	79.4	77.7	81.9	81.4	79.9	High	Improved Significantly	Good
Parental Involvement	Acceptable	Parental Involvement	76.2	76.0	75.8	79.9	80.0	79.4	Intermediate	Maintained	Acceptable
Continuous Improvement	Good	School Improvement	76.9	77.8	75.9	80.1	79.9	78.8	High	Improved Significantly	Good

Notes |

- PAT results are a weighted average of the percentage meeting standards (Acceptable, Excellence) on Provincial Achievement Tests. The weightings are the number of students enrolled in each course. Courses included: English Language Arts (Grades 3, 6, 9), Science (Grades 6, 9), French Language Arts (Grades 6, 9), Français (Grades 6, 9).
- Diploma results are a weighted average of percentage meeting standards (Acceptable, Excellence) on Diploma Examinations. The weightings are the number of students writing the Diploma Examination for each course. Courses included: English Language Arts 30-1, English Language Arts 30-2, French Language Arts 30-1, Français 30-1, Pure Mathematics 30, Applied Mathematics 30, Biology 30, Science 30.
- Overall evaluations can only be calculated when improvement and achievement evaluations are available.
- The subsequent pages include evaluations for each performance measure. If jurisdictions desire not to present this information for each performance measure in the subsequent pages, please include a reference to this overall summary page for each performance measure.

October 2011 Accountability Pillar Overall Summary

First Nations, Métis & Inuit Students (FNMI)

Measure Category	Measure Category Evaluation	Measure	Calgary School District No. 19			Alberta			Measure Evaluation		
			Current Result	Prev Year Result	Prev 3 yr Average	Current Result	Prev Year Result	Prev 3 Yr Average	Achievement	Improvement	Overall
Student Learning Opportunities	n/a	Drop Out Rate	13.6	10.5	12.9	10.4	11.2	11.3	Very Low	Maintained	Concern
		High School Completion Rate (3 yr)	25.2	22.1	25.7	38.2	34.1	34.8	Very Low	Maintained	Concern
Student Learning Achievement (Grades K-9)	Concern	PAT: Acceptable	50.3	58.7	52.8	58.1	59.1	56.5	Very Low	Maintained	Concern
		PAT: Excellence	4.2	4.8	4.3	6.0	6.4	5.7	Very Low	Maintained	Concern
Student Learning Achievement (Grades 10-12)	Issue	Diploma: Acceptable	84.4	81.4	84.9	77.7	76.3	76.8	Intermediate	Maintained	Acceptable
		Diploma: Excellence	10.9	10.1	11.3	7.4	8.7	9.0	Low	Maintained	Issue
		Diploma Exam Participation Rate	12.9	12.2	13.5	19.1	16.7	16.6	Very Low	Maintained	Concern
		(4+ Exams) Rutherford Scholarship Eligibility Rate (Revised)	19.7	25.0	22.8	32.1	27.5	27.4	Very Low	Maintained	Concern
Preparation for Lifelong Learning, World of Work, Citizenship	n/a	Transition Rate (5 yr)	22.9	28.5	24.7	31.2	33.9	31.8	Very Low	Maintained	Concern

Notes |

- PAT results are a weighted average of the percent meeting standards (Acceptable, Excellence) on Provincial Achievement Tests. The weightings are the number of students enrolled in each course. Courses included: English Language Arts (Grades 3, 6, 9), Science (Grades 6, 9), French Language Arts (Grades 6, 9), Français (Grades 6, 9).
- Diploma results are a weighted average of percent meeting standards (Acceptable, Excellence) on Diploma Examinations. The weightings are the number of students writing the Diploma Examination for each course. Courses included: English Language Arts 30-1, English Language Arts 30-2, French Language Arts 30-1, Français 30-1, Pure Mathematics 30, Applied Mathematics 30, Biology 30, Science 30.
- Overall evaluations can only be calculated if both improvement and achievement evaluations are available.
- The section for Goal 3 includes evaluations for the performance measures included in the table above. If jurisdictions desire not to present evaluations for each performance measure in that section, please include a reference to this overall summary page under Goal 3.

Goal One Success for Every Student

Outcome Students demonstrate proficiency in literacy & numeracy

Performance Measure	Results (in percentages)					Target	Evaluation			Targets		
	2007	2008	2009	2010	2011		Achievement	Improvement	Overall	2012	2013	2014
Overall percentage of students in Grades 3, 6 and 9 who achieved the acceptable standard on Provincial Achievement Tests (overall cohort results)	78.1	78.3	79.8	80.7	80.7		Intermediate	Improved Significantly	Good			
Overall percentage of students in Grades 3, 6 and 9 who achieved the standard of excellence on Provincial Achievement Tests (overall cohort results)	19.7	19.1	20.2	20.3	20.3		High	Maintained	Good			

Strategies

- Personalize learning

Notes

- Aggregated PAT results are based upon a weighted average of percent meeting standards (Acceptable, Excellence). The weightings are the number of students enrolled in each course. Courses included: English Language Arts (Grades 3, 6, 9), Science (Grades 6, 9), French Language Arts (Grades 6, 9), Français (Grades 6, 9). The percentages achieving the acceptable standard include the percentages achieving the standard of excellence.

Goal One Success for Every Student

Outcome Students achieve educational outcomes

Performance Measure	Results (in percentages)					Target 2011	Evaluation			Targets		
	2007	2008	2009	2010	2011		Achievement	Improvement	Overall	2012	2013	2014
Overall percentage of students who achieved the acceptable standard on diploma examinations (overall results)	85.6	85.6	85.3	83.8	84.0	84.8	Intermediate	Declined	Issue	85.0	86.0	87.0
Overall percentage of students who achieved the standard of excellence on diploma examinations (overall results)	24.1	23.1	23.1	23.4	23.1		High	Maintained	Good			

Performance Measure	Results (in percentages)					Target 2011	Evaluation			Targets		
	2006	2007	2008	2009	2010		Achievement	Improvement	Overall	2012	2013	2014
High School Completion Rate - percentages of students who completed high school within three years of entering Grade 10	69.9	69.9	68.9	69.6	70.8		Intermediate	Improved	Good			
Drop Out Rate - annual dropout rate of students aged 14 to 18	4.9	5.2	5.0	3.5	4.1		High	Improved Significantly	Good			
High school to post-secondary transition rate of students within six years of entering Grade 10	58.1	59.5	59.7	60.1	59.9		High	Maintained	Good			
Percentage of Grade 12 students eligible for a Rutherford Scholarship	57.5	58.9	58.4	57.7	58.6		Intermediate	Maintained	Acceptable			
Percentage of students writing four or more diploma exams within three years of entering Grade 10	56.5	57.1	57.0	57.3	59.8		High	Improved Significantly	Good			

Strategies

- Personalize learning
- Build our capacity
- Steward our resources

Notes |

- Aggregated Diploma results are a weighted average of percent meeting standards (Acceptable, Excellence) on Diploma Examinations. The weightings are the number of students writing the Diploma Examination for each course. Courses included: English Language Arts 30-1, English Language Arts 30-2, French Language Arts 30-1, Français 30-1, Pure Mathematics 30, Applied Mathematics 30, Biology 30, Science 30. The percentages achieving the acceptable standard include the percentages achieving the standard of excellence.
- Diploma Examination Participation, High School Completion and High school to Post-secondary Transition rates are based upon a cohort of Grade 10 students who are tracked over time.
- Please note that the rules for Rutherford Scholarships changed in 2008, which increased the number of students eligible for Rutherford Scholarships. The history for the measure has been re-computed to allow for trends to be identified.

Goal One Success for Every Student

Outcome Students are prepared for the 21st century

Performance Measure	Results (in percentages)					Target	Evaluation			Targets		
	2007	2008	2009	2010	2011		Achievement	Improvement	Overall	2012	2013	2014
Percentages of teachers, parents and students who are satisfied that students model the characteristics of active citizenship	74.5	75.6	78.1	79.4	79.5		High	Improved Significantly	Good			
Percentages of teachers and parents who agree that students are taught attitudes and behaviours that will make them successful at work when they finish school	74.2	75.9	76.0	76.5	76.7		Intermediate	Maintained	Acceptable			

Strategies

- Build our capacity
- Engage our public
- Steward our resources

Performance Measure	Results (in percentages)					Target	Evaluation			Targets		
	2007	2008	2009	2010	2011		Achievement	Improvement	Overall	2012	2013	2014
Percentage of teacher and parent satisfaction that high school graduates demonstrate the knowledge, skills and attitudes necessary for lifelong learning.	63.8	63.1	63.4	63.8	63.4		n/a	n/a	n/a			

Strategies

- Build our capacity
- Engage our public

Goal Two Transformed Education Through Collaboration

Outcome Students have access to programming and supports to enable their learning

Performance Measure	Results (in percentages)					Target 2011	Evaluation			Targets		
	2007	2008	2009	2010	2011		Achievement	Improvement	Overall	2012	2013	2014
Percentage of teachers, parents and students satisfied with the opportunity for students to receive a broad program of studies including fine arts, career, technology, and health and physical education	80.2	80.9	81.7	81.7	81.8		Very High	Maintained	Excellent			
Percentage of teachers, parents and students satisfied with the overall quality of basic education	86.2	86.5	88.0	88.0	88.0		High	Improved	Good			
Percentage of teacher, parent and student agreement that: students are safe at school, are learning the importance of caring for others, are learning respect for others and are treated fairly in school	82.6	83.2	85.0	86.0	86.1		High	Improved Significantly	Good			

Strategies

- Build our capacity
- Engage our public
- Steward our resources

Goal Two Transformed Education Through Collaboration

Outcome The education system demonstrates openness to new & innovative ideas, leadership and collaboration

Performance Measure	Results (in percentages)					Target	Evaluation			Targets		
	2007	2008	2009	2010	2011		Achievement	Improvement	Overall	2012	2013	2014
Percentage of teachers and parents satisfied with parental involvement in decisions about their child's education	74.9	74.7	76.6	76.0	76.2		Intermediate	Maintained	Acceptable			
Percentages of teachers, parents and students indicating that their school and schools in their jurisdiction have improved or stayed the same the last three years	72.9	73.1	76.6	77.8	76.9		High	Improved Significantly	Good			

Strategies

- Build our capacity
- Engage our public
- Steward our resources

Goal Three Success for First Nations, Métis & Inuit (FNMI)

Outcome FNMI students are engaged in learning

Performance Measure	Results (in percentages)					Target	Evaluation			Targets		
	2006	2007	2008	2009	2010		Achievement	Improvement	Overall	2012	2013	2014
High School Completion Rate - percentages of students who completed high school within three years of entering Grade 10	33.6	29.7	25.5	22.1	25.2	27.1	Very Low	Maintained	Concern	32.1	37.1	38.2
Drop Out Rate - annual dropout rate of students aged 14 to 18	13.4	14.6	13.6	10.5	13.6		Very Low	Maintained	Concern	12.5	11.5	10.5
High school to post-secondary transition rate of students within six years of entering Grade 10	2.3	20.4	25.2	28.5	22.9	29.5	Very Low	Maintained	Concern	30.5	31.5	32.5
Percentage of Grade 12 students eligible for a Rutherford Scholarship	19.0	21.7	21.8	25.0	19.7		Very Low	Maintained	Concern	20.7	22.7	24.7
Percentage of students writing four or more diploma exams within three years of entering Grade 10	14.2	15.4	12.8	12.2	12.9	13.2	Very Low	Maintained	Concern	14.2	15.2	16.2

Performance Measure	Results (in percentages)					Target	Evaluation			Targets		
	2007	2008	2009	2010	2011		Achievement	Improvement	Overall	2012	2013	2014
Overall percentage of students in Grades 3, 6 and 9 who achieved the acceptable standard on Provincial Achievement Tests (overall cohort results)	51.7	49.0	50.7	58.7	50.3		Very Low	Maintained	Concern	52.3	54.3	56.3
Overall percentage of students in Grades 3, 6 and 9 who achieved the standard of excellence on Provincial Achievement Tests (overall cohort results)	4.8	4.1	3.9	4.8	4.2	6.3	Very Low	Maintained	Concern	7.8	9.3	10.3
Overall percentage of students who achieved the acceptable standard on diploma examinations (overall results)	81.7	85.4	87.9	81.4	84.4	82.4	Intermediate	Maintained	Acceptable	83.4	84.4	85.4
Overall percentage of students who achieved the standard of excellence on diploma examinations (overall results)	17.5	11.1	12.7	10.1	10.9	11.1	Low	Maintained	Issue	12.1	13.1	14.1

Goal Three Success for First Nations, Métis & Inuit (FNMI) con't.

Outcome FNMI students are engaged in learning

Strategies

- Personalize learning
- Build our capacity
- Engage our public
- Steward our resources

Notes |

- Aggregated PAT results are based upon a weighted average of percent meeting standards (Acceptable, Excellence). The weightings are the number of students enrolled in each course. Courses included: English Language Arts (Grades 3, 6, 9), Science (Grades 6, 9), French Language Arts (Grades 6, 9), Français (Grades 6, 9). The percentages achieving the acceptable standard include the percentages achieving the standard of excellence.
- Aggregated Diploma results are a weighted average of percent meeting standards (Acceptable, Excellence) on Diploma Examinations. The weightings are the number of students writing the Diploma Examination for each course. Courses included: English Language Arts 30-1, English Language Arts 30-2, French Language Arts 30-1, Français 30-1, Pure Mathematics 30, Applied Mathematics 30, Biology 30, Science 30. The percentages achieving the acceptable standard include the percentages achieving the standard of excellence.
- Diploma Examination Participation, High School Completion and High school to Post-secondary Transition rates are based upon a cohort of grade 10 students who are tracked over time.
- Please note that the rules for Rutherford Scholarships changed in 2008, which increased the number of students eligible for Rutherford Scholarships. The history for the measure has been re-computed to allow for trends to be identified.

Summary of Financial Results for the 2010-2011 School Year

The Calgary Board of Education's total revenues increased by 1.9 per cent to \$1.050 billion in 2010-2011 from \$1.030 billion in the previous year. The corporation's total expenditure increase for the year was 3.3 per cent, resulting in total expenses of \$1.055 billion, up from \$1.021 billion in 2009-2010. As a result, the corporation managed its financial operations, after Board of Trustees approved transfers to and from reserves, to an actual annual operating deficit of \$1.3 million, which represents approximately 0.1 per cent of total revenue.

The following analysis is based on 99,924 full-time equivalent students in K-12 with kindergarten children counted at 0.5 FTE.

During the 2010-2011 school year, per-pupil costs (excluding adult programming, school-generated funds and Regional Assessment Services) were \$10,065, compared to \$9,890 in 2009-2010. This represents an increase of 1.8 per cent, primarily reflecting general inflationary increases.

The categories defining the distribution of the Board's \$1.055 billion expenses in 2010-2011 are:

- **Instruction (grades K – 12) \$822.6 million**
Includes salaries and benefits for certificated and non-certificated staff, supplies and minor equipment necessary to provide instruction that meets the learner expectations of students in core programs, complementary programs, and support for students who are English Language Learners and special education programs for students with disabilities. Also included are expenses that are at the discretion of schools and the Board. During the 2010-2011 school year, operational expenses per student for instruction (grades K – 12) were \$8,232 compared to \$8,177 in 2009-2010. This increase of 0.7 per cent is mainly as a result of general inflationary increases for all other CBE instructional expenses.
- **Operations and Maintenance (including Infrastructure Maintenance Renewal) \$140.0 million**
Includes operation and maintenance of school buildings, including utilities, custodial staff, and maintenance and repairs. During the 2010-2011 school year, operational expenses per student for operations and maintenance were \$1,401 compared to \$1,275 in 2009-2010, an increase of 9.9 per cent. This is mainly as a result of an increase in fully-funded Infrastructure Maintenance Renewal spending.
- **Student Transportation \$36.9 million**
Includes organization and transportation of students to and from schools, excluding charters for field trips. During the 2010-2011 school year, operational expenses per expected transported student for transportation were \$1,047 (based on 35,267 expected eligible student passengers for transportation funding purposes) compared to \$1,048 in 2009-2010, a decrease of 0.1 per cent.

- **Board and System Administration** \$40.1 million

Includes Board Governance and System Administration salaries, benefits, supplies and services expenses. During the 2010-2011 school year, operational expenses per student for board and system administration were \$401, which remained consistent with the prior year.

- Other Services \$15.4 million

Includes Chinook Learning Services and Regional Assessment Services program expenses. Total spending in 2009-2010 was \$13,825,000, an increase of 11.6 per cent.

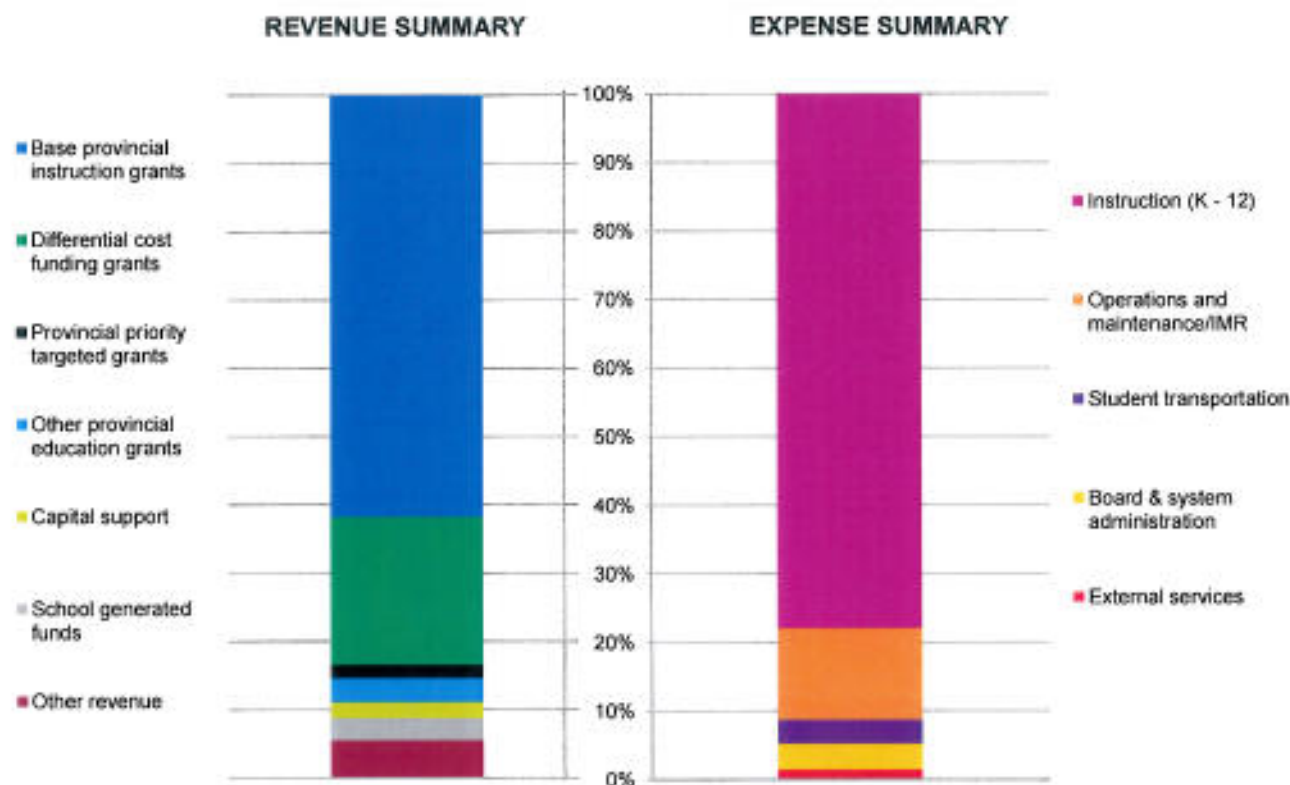
Financial Position

As at Aug. 31, 2011, the CBE had an unrestricted operating surplus of \$2.2 million which reflects a decrease of \$1.3 million from \$3.5 million in the 2009-2010 fiscal year. In addition, at Aug. 31, 2011, the corporation's overall net assets stand at \$149.9 million versus \$155.4 million for 2009-2010, which primarily represents operating and capital reserves, designated operating funds and Board-funded investments in capital assets. This decline is primarily tied to a planned draw down of restructured operating reserves during 2010-2011.

School-Generated Funds

School-generated funds (SGF) includes enhancement activities in support of enriched student learning opportunities. In 2010-2011, revenues and expenses were \$33.6 million and are reported at gross amounts in accordance with the new CICA Handbook standards. School-generated funds are primarily generated through fundraising activities, non-instructional fees and donations and grants. Corresponding expenses primarily support educational excursions, non-instructional fees and charges, extra-curricular activities, field trips, equipment and other expenditures that augment student learning.

Financial Summary for the Year Ended Aug. 31, 2011



		<u>2010-11</u>	<u>2009-10</u>			<u>2010-11</u>	<u>2009-10</u>
		Actual	Actual			Actual	Actual
		Revenue	Revenue			Expense	Expense
		(\$000)	(\$000)			(\$000)	(\$000)
Base provincial instruction grants	■	648,043	588,839	Instruction (K - 12)	■	822,573	804,701
Differential cost funding grants	■	226,457	224,959	Operations and maintenance/IMR	■	139,967	125,493
Provincial priority targeted grants	■	20,788	66,615	Student transportation	■	36,931	37,949
Other provincial education grants	■	36,812	37,070	Board & system administration	■	40,097	39,470
Capital support	■	25,626	20,908	External services	■	15,430	13,825
School-generated funds	■	33,590	37,651	Total expense		1,054,998	1,021,438
Other revenue	■	58,222	54,033	Net (use) application of operating funds		(4,144)	8,099
Total revenue		1,049,538	1,030,075	Total expense and net (use) application funds		1,050,854	1,029,537

Notes |

- Net applications of operating funds include contributions for capital expenditures and transfers to/from operating and capital reserves
- For additional financial information, including more information on the Calgary Board of Education's sources and uses of school-generated funds please review our 2010-2011 Audited Financial Statements, Notes to the Financial Statements, Note 4. Cash held by schools, located on our website at <http://www.cbe.ab.ca/trustees/budget.asp>
- Province-wide combined financial information, including the province-wide combined information on sources and uses of school-generated funds, can be accessed at <http://www.education.alberta.ca/admin/funding.aspx>

2011-2012 Updated Operating Budget

On Dec. 6, 2011, the Board of Trustees will be asked to approve the CBE's 2011-2012 updated operating budget reflecting total planned spending of \$1.15 billion. Approved budgets are prepared in accordance with the:

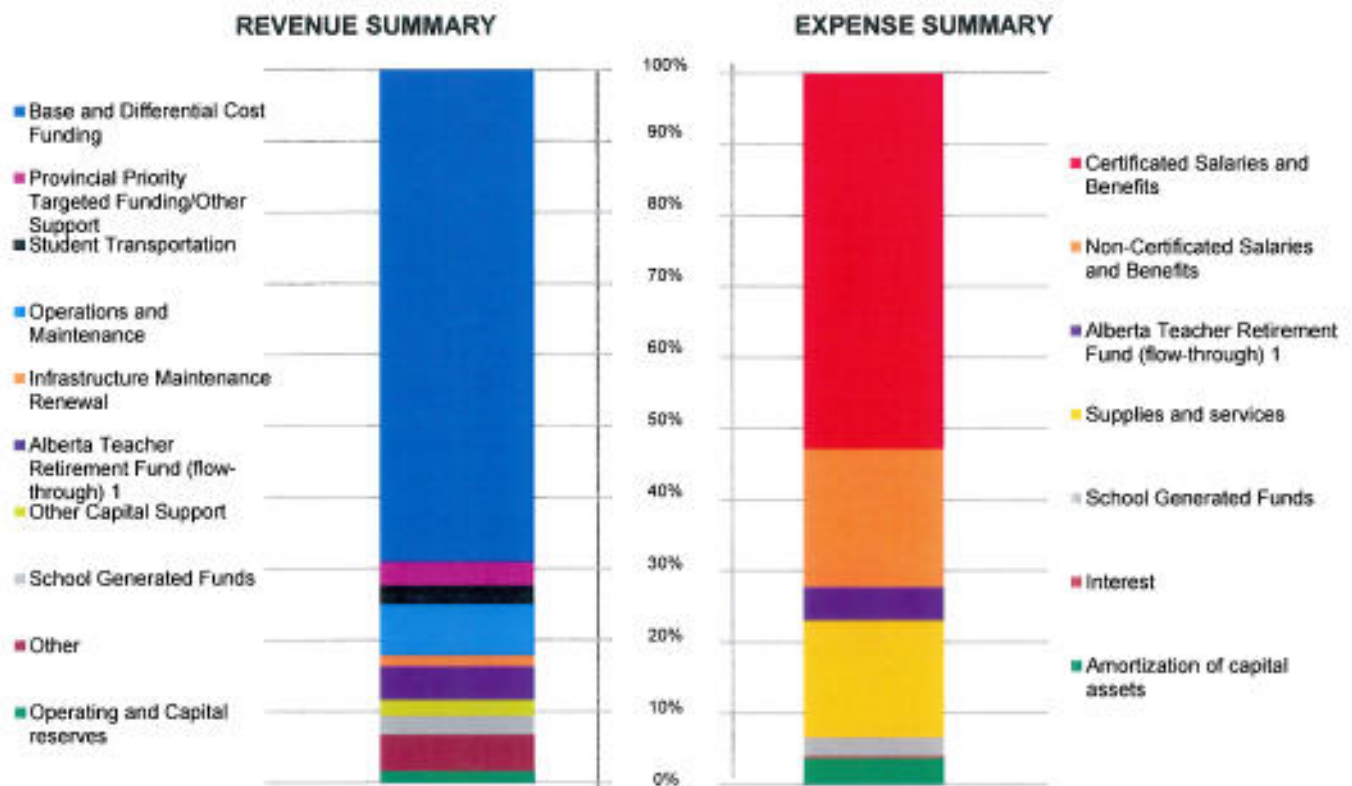
- Board of Trustees' Ends and Executive Limitation policies
- Three-Year Education Plan for the Calgary Board of Education
- service levels determined by Superintendents
- requirements of Alberta Education

In addition, through the original operating budget process, discussions were held with employee group representatives and other stakeholders. The focus of the 2011-2012 operating budget is to maintain services to our students by placing an emphasis on reducing, redeploying or reallocating resources and associated supports in regard to programs and services, and examining all areas of the organization for synergies and operational efficiencies particularly at service units.

The fall updated operating budget will be submitted to Alberta Education immediately following the Board of Trustees' approval and reflects financial support for the outcomes, strategies and actions articulated in the CBE's Three-Year Education Plan 2011-2014 and forms the basis of the 2011-2012 updated work plans for each of the CBE's service units and fall resource deployment by principals at schools.

The following is a brief summary of the Calgary Board of Education's 2011-2012 Fall updated operating budget and reflects additional funding received from the province and enrolment counts at Sept. 30, 2011.

2011-2012 Updated Operating Budget



		2011-12 Operating Budget (\$000)	2010-11 Approved Budget (\$000)			2011-12 Operating Budget (\$000)	2010-11 Approved Budget (\$000)
Alberta Education Funding							
Base and Differential Cost Funding		793,293	765,641	Certificated Salaries and Benefits		607,559	584,493
Provincial Priority Targeted Funding		37,952	31,142	Non-Certificated Salaries and Benefits		223,628	218,646
Student Transportation		30,244	29,013	ATRF (flow-through) ¹		53,725	50,029
Operations and Maintenance		82,272	82,986	Supplies and services		188,928	170,982
Infrastructure Maintenance Renewal		18,248	18,248	School-generated Funds		30,170	29,795
ATRF (flow-through) ¹		53,725	50,029	Interest		3,147	6,092
Other Capital Support		25,809	25,538	Amortization of capital assets		42,455	42,988
Total Provincial Grants		1,041,543	1,002,597	Total		1,149,612	1,103,025
Other Revenue							
School-generated Funds		30,170	29,795				
Other		58,744	54,250				
Operating and Capital reserves		19,155	16,383				
Total		1,149,612	1,103,025				

Notes |

¹ Alberta Teachers Retirement Fund (ATRF) 2010-2011 - \$50,029,000 reflected in both revenue and expense is for comparative purposes only as reporting was not required for the 2010-2011 fiscal year.

Funding & Other Revenues

Funding allocations from Alberta Education are distributed in three categories:

- base instructional funding
- differential cost factors funding
- provincial priority targeted funding

The base and differential cost funding is simply a method of allocating funds to the CBE. The CBE then allocates funds internally to address local school needs and service unit support areas. Provincial priority targeted funding is provided for specific purposes, and the related allocations must be spent on the priority programs for which the allocations were provided. The CBE currently receives provincial priority targeted funding for a multitude of programs including: the Alberta Initiative for School Improvement (AISI); the Student Health Initiative; high speed networking (Supernet); and the Children and Youth with Complex Needs Initiative.

The 2011-2012 fall updated operating budget reflects all applicable announced grant funding rate changes and the Sept. 30, 2011 student count. Of the \$1,130.5 million in total expected revenues (not including approved transfers from Operating and Capital reserves), grant revenues from Alberta Education are projected to be \$1,041.5 million. This budgeted grant revenue reflects an increase of \$38.9 million, or 3.9 per cent from the modified approved 2010-2011 budget and is a result of:

- \$19.2 million representing the one-time, additional funding which has been distributed directly to schools through the resource allocation method (RAM) as outlined in the funding announcement;
- \$17.9 million representing the announced increase in the base instruction grant rates, differential funding expected to be received tied to student complexity, and the finalized student enrolment at Sept. 30;
- \$3.7 million incremental tied to the Alberta Teacher Retirement Fund (2010-2011 reporting was not required);
- \$1.0 million reflecting student transportation grant funding revenues, primarily tied to a fuel grant increase;
- \$0.3 million for other capital support primarily reflecting the addition of the new Ernest Manning High School;
- (\$1.7) million in Plant, Operations and Maintenance (PO&M) funding;
- (\$1.5) million reflecting revenue reduction tied to provincial priority targeted funding.

School-generated funds (SGF) revenues are budgeted at \$30.2 million or a \$0.4 million increase from the 2010-2011 budget primarily reflecting increased activity at schools.

Outside of provincial grant funding and SGF, all other revenues (board mandated fee collections, discretionary program collections, interest income, rental and leasing revenues, and federal tuition fees) have been budgeted at \$58.7 million reflecting a \$4.5 million increase from the 2010-2011 budget due to the increase of noon-supervision fees as well as increases in transportation fee rates and other miscellaneous revenues.

Approximately 77 per cent of the CBE's operating budget provides for the certificated and non-certificated salaries and benefits of CBE employees (including the Alberta Teacher Retirement Fund flow-through expenses). The fall updated budgeted full time equivalent (FTE) staff is 9,026 reflecting 5,829 certificated staff and 3,197 non-certificated staff. The salary and benefit cost information presented in the 2011-2012 fall updated operating budget is based on certain expenditure assumptions, on past experience and on the fall resource allocation and deployment decisions made within CBE schools. These staffing levels reflect an increase of 243 FTEs since the budget was initially approved in June 2011 primarily reflecting increases in school based and instructional support staff funded by the one-time, additional \$19.2 million, net of decreases in service units.

Budget Initiatives

2011-2012 Budget Initiatives and Outlook

In the 2011-2012 school year, the CBE will focus on maintaining services to students and meeting priority needs. This will be achieved through investments in the personalization of student learning, and other strategic initiatives embedded in the Three-Year Education Plan. In the preparation of the 2011-2012 budget, the CBE was faced with the projected revenues not keeping pace with virtually all anticipated cost increases. In a provincial fiscal environment of negligible resource increases, emphasis has been placed on reducing, redeploying or reallocating resources and associated supports in regard to programs and services, and examining all areas of the organization for synergies and operational efficiencies particularly at service units. The CBE has identified considerable changes to both staffing and service levels through service delivery redesign to ensure a long-term financially sustainable, fiscal position while honouring the Board of Trustees' Values influencing the budget process, namely:

- Students come first
- Learning is our central purpose
- Public education serves the common good

Subsequent to the preparation and approval of the 2011-2012 Operating Budget, the province announced a one-time restoration of education funding in the amount of \$107 million for the province as a whole. The Calgary Board of Education's portion of this one-time funding is \$19.2 million which has been distributed directly to schools through the resource allocation method (RAM). However, the CBE is continuing to rely on available one-time operating reserves to backstop the structure deficit identified in the 2011-2012 approved operating budget (\$19.3 million).

Despite the receipt of this one-time funding, the CBE continues to experience uncertainty moving forward regarding future grant funding increases which are to be received from the province in 2012-2013. In the absence of predictable and sustainable funding for all grant categories to fully cover increased costs, virtually all areas of the organization will experience additional cost pressures going forward. However, the CBE is committed to reallocating resources and enhancing other revenue streams where possible to ensure the delivery of personalized learning to students and will address any financial challenges in the 2012-2013 operating and capital budgets as required. The CBE is committed to monitoring funding and the expenditures of the organization and will continue to be a unified voice in advocating for strong financial supports for students.

Summary of Facility & Capital Plans

2011-2014 Approved Capital Budget and Estimates

Calgary Board of Education and Reserve-funded Assets

Capital Budget Information

The Board of Trustees approved the 2011-2012 Board-funded Capital Budget of \$19.75 million based on recommendations by the Capital Budget Council. The capital budget was developed through information received from schools and departments within the various service units. The initial amount of budget requests was \$26.5 million; however, a number of items were deferred, deleted or spread over several fiscal years. Final recommendations were made by applying filters to each request, including the project type, category and priority. The committee focused on completion of projects underway, support for new technology projects, and energy efficiency projects.

Significant projects being funded from 2011-2014 include:

- \$4.5 million, over the next two years, to commission new schools:
 - four Grades 5-9 P3 schools announced during 2007-2008 (\$3 million), in the communities of Coventry Hills, Panorama, Taradale, Tuscany, and
 - a P3 Northwest High School announced during 2007-2008 (\$1.5 million), in the community of Arbour Lake.
- \$3.8 million, over the next three years, for school purchased capital assets.
- \$3.8 million, over the next three years, for the ITS Infrastructure Renewal and Growth project.
- \$2.7 million, over the next three years to continue to support the initiatives for program moves and expansions.
- \$2.1 million, over the next three years, for the Learning Resources Strategy project.
- \$1.7 million, over the next three years, to complete the Electronic Door Access project.
- \$1.7 million to complete the Enterprise Portal-deployment Expansion project.
- \$1.5 million, over the next two years to undertake the required upgrade of the Oracle Financials System to version 12.1.

In addition, the CBE carried forward \$11.5 million from 2010-2011 for multi-year capital projects underway but not yet completed. To complete these projects, work will continue in 2011-2012.

2011-2012 Capital Budget Summary

Calgary Board of Education and Reserve-funded Assets

Expenditures by Project Type

Capital Lease Payments (Contracts)

Performance Contracts	\$ 2,400,000
Dr. Carl Safran Modernization/Addition	3,000,000

Non-Facility Related Projects

Strategic	3,815,000
Enhancement	3,781,000
Lifecycle	3,654,000

Facility Related Projects

Strategic	3,000,000
Enhancement	<u>100,000</u>

Total Capital Expenditures **\$19,750,000**

Funding Sources

Amortization Reserve	18,500,000
School Purchased Assets	<u>1,250,000</u>

Total Capital Financing **\$19,750,000**

CBE Web links:

2012-2015 School Capital Plan:

<http://www.cbe.ab.ca/aboutus/documents/2012-2015SchoolCapitalPlan.pdf>

2011-2020 Ten-Year System Student Accommodation and Facilities Strategy:

<http://www.cbe.ab.ca/aboutus/documents/TenYearFacilitiesStrategy.pdf>

Summary of Facility & Capital Plans 2012-2015

Over the past decade, Calgary has seen tremendous growth and economic prosperity. One simple indicator of the magnitude of the growth is that the population of Calgary increased by 115,437 people since 2005 at an average of 23,087 new per Calgarians year. Currently, there are approximately 25 actively developing communities in varying stages of development in Calgary. New school construction is necessary in outlying communities of the city to provide students with equitable access to instructional programs and to comply with the Board of Trustees' Governance Policies. New school construction priorities are approved by the Board of Trustees and these priorities are submitted to the provincial government in accordance with the annual School Capital Plan process.

The CBE's School Capital Plan 2012-2015 was approved on April 5, 2011, by the Board of Trustees and can be found on the CBE Website at:

<http://www.cbe.ab.ca/aboutus/documents.asp>

The capital priorities for the three-year period consist of:

- 16 new school construction projects totalling \$309.3 million
- 20 major modernization projects totalling \$265.5 million

New school construction projects and school modernization projects previously approved by the province through CBE school capital plans as well as recently completed projects are listed below.

Schools Openings 2010-2011 School Year

The following elementary schools were approved by the Provincial government on June 14, 2007, to accommodate enrolment growth in Calgary's new and developing communities. These projects were part of the Alberta Schools Alternative Procurement (ASAP) Phase I project and were being built using a Private, Public, Partner (P3) model. The six new schools below opened for the 2010-2011 school year:

- Bridlewood School (K-6)
- Cranston School (K-4)
- Evergreen School (K-4)
- Royal Oak School (K-4)
- Saddle Ridge School (K-4)
- West Springs School (K-5)

Schools Under Construction

The City of Calgary, the province, and the CBE entered into a Memorandum of Agreement for the construction of the West Calgary High School with a capacity of 1,800 student spaces. This replaces the Ernest Manning High School that was closed as a result of the West LRT project. The new Ernest Manning High School opened for the 2011-2012 school year.

The following senior high and middle schools were approved by the provincial government on Jan. 30, 2008, to accommodate enrolment growth in Calgary's new and developing communities and are currently under construction. The 900-student middle schools are part of the ASAP Phase II project and will be built using a P3 model. These schools are scheduled to open for the 2012-2013 school year. The province has selected B2L Partnership as the ASAP Phase II P3 partner to design, build, finance and maintain the new schools.

- Coventry Hills School (Grades 5-9)
- Panorama Hills School (Grades 5-9)
- Taradale/Coral Springs School (Grades 5-9)
- Tuscany School (Grades 5-9)

The new Northwest Calgary High School is under construction. It has been procured through a design-build process and not through a P3 process. The school is scheduled to open for the 2013-2014 school year for up to 1,500 students.

Modernizations

A partial modernization to Western Canada High School was approved for \$35 million. Started in November 2008, the projected completion is scheduled for fall 2011.

A modernization to Lord Shaughnessy High School was approved for \$9 million. The project began in April 2010 and the projected completion is scheduled for fall 2012.

Measure Evaluation Reference

Achievement Evaluation

Achievement evaluation is based upon a comparison of current-year data to a set of standards which remain consistent over time. The standards are calculated by taking the three-year average of baseline data for each measure across all school jurisdictions and calculating the 5th, 25th, 75th and 95th percentiles. Once calculated, these standards remain in place year over year to allow for consistent planning and evaluation.

The table below shows the range of values defining the five achievement evaluation levels for each measure.

Measure	Very Low	Low	Intermediate	High	Very High
Safe and Caring	0.00 - 77.62	77.62 - 81.05	81.05 - 84.50	84.50 - 88.03	88.03 - 100.00
Program of Studies	0.00 - 66.31	66.31 - 72.65	72.65 - 78.43	78.43 - 81.59	81.59 - 100.00
Education Quality	0.00 - 80.94	80.94 - 84.23	84.23 - 87.23	87.23 - 89.60	89.60 - 100.00
Drop Out Rate	100.00 - 9.40	9.40 - 6.90	6.90 - 4.27	4.27 - 2.79	2.79 - 0.00
High School Completion Rate (3 yr)	0.00 - 57.03	57.03 - 62.36	62.36 - 73.88	73.88 - 81.79	81.79 - 100.00
PAT: Acceptable	0.00 - 65.53	65.53 - 78.44	78.44 - 85.13	85.13 - 89.49	89.49 - 100.00
PAT: Excellence	0.00 - 9.19	9.19 - 11.96	11.96 - 17.99	17.99 - 22.45	22.45 - 100.00
Diploma: Acceptable	0.00 - 74.42	74.42 - 83.58	83.58 - 88.03	88.03 - 92.35	92.35 - 100.00
Diploma: Excellence	0.00 - 10.31	10.31 - 15.67	15.67 - 20.27	20.27 - 23.77	23.77 - 100.00
Diploma Exam Participation Rate (4+ Exams)	0.00 - 31.10	31.10 - 44.11	44.11 - 55.78	55.78 - 65.99	65.99 - 100.00
Rutherford Scholarship Eligibility Rate (Revised)	0.00 - 43.18	43.18 - 49.83	49.83 - 59.41	59.41 - 70.55	70.55 - 100.00
Transition Rate (6 yr)	0.00 - 39.80	39.80 - 46.94	46.94 - 56.15	56.15 - 68.34	68.34 - 100.00
Work Preparation	0.00 - 66.92	66.92 - 72.78	72.78 - 77.78	77.78 - 86.13	86.13 - 100.00
Citizenship	0.00 - 66.30	66.30 - 71.63	71.63 - 77.50	77.50 - 81.08	81.08 - 100.00
Parental Involvement	0.00 - 70.76	70.76 - 74.58	74.58 - 78.50	78.50 - 82.30	82.30 - 100.00
School Improvement	0.00 - 65.25	65.25 - 70.85	70.85 - 76.28	76.28 - 80.41	80.41 - 100.00

Notes

- For all measures except Drop Out Rate: The range of values at each evaluation level is interpreted as greater than or equal to the lower value, and less than the higher value. For the Very High evaluation level, values range from greater than or equal to the lower value to 100 per cent.
- Drop Out Rate measure: As "Drop-out Rate" is inverse to most measures (i.e. lower values are "better"), the range of values at each evaluation level is interpreted as greater than the lower value and less than or equal to the higher value. For the Very High evaluation level, values range from zero per cent to less than or equal to the higher value.

Improvement Table

For each jurisdiction, improvement evaluation consists of comparing the current-year result for each measure with the previous three-year average. A chi-square statistical test is used to determine the significance of the improvement. This test takes into account the size of the jurisdiction in the calculation to make improvement evaluation fair across jurisdictions of different sizes.

The table below shows the definition of the five improvement evaluation levels based upon the chi-square result.

Evaluation Category	Chi-Square Range
Declined Significantly	3.84 + (current < previous 3-year average)
Declined	1.00 - 3.83 (current < previous 3-year average)
Maintained	less than 1.00
Improved	1.00 - 3.83 (current > previous 3-year average)
Improved Significantly	3.84 + (current > previous 3-year average)

Overall Evaluation Table

The overall evaluation combines the achievement evaluation and the improvement evaluation. The table below illustrates how the achievement and improvement evaluations are combined to get the overall evaluation.

Improvement	Achievement				
	Very High	High	Intermediate	Low	Very Low
Improved Significantly	Excellent	Good	Good	Good	Acceptable
Improved	Excellent	Good	Good	Acceptable	Issue
Maintained	Excellent	Good	Acceptable	Issue	Concern
Declined	Good	Acceptable	Issue	Issue	Concern
Declined Significantly	Acceptable	Issue	Issue	Concern	Concern

Category Evaluation

The category evaluation is an average of the overall evaluation of the measures that make up the category. For the purpose of the calculation, consider an overall evaluation of Excellent to be 2, Good to be 1, Acceptable to be 0, Issue to be -1, and Concern to be -2. The simple average (mean) of these values rounded to the nearest integer produces the Category Evaluation value. This is converted back to a colour using the same scale above (e.g. 2=Excellent, 1=Good, 0=Intermediate, -1=Issue, -2=Concern)

Enrolment Program Overview

In the 2011-2012 school year, the Calgary Board of Education will provide programs and services in 221 schools, addressing the complexity and diversity of a population of 104,182 students.

Type and Number of Schools* 2011-2012 School Year

Elementary	132
Middle or Elementary Junior	28
Junior	22
Junior Senior	7
Senior High	16
Elementary Junior Senior**	1
Unique Settings including Discovering Choices	15
Outreach at four locations	
Total	221

* School is defined as an instructional setting with a unique school code assigned by Alberta Education

** Home Education

Student Enrolment as of September 30, 2011

Early Learning	
Pre-Kindergarten	51
Kindergarten	7,718
Grades 1 to 3	23,421
Grades 4 to 6	20,593
Grades 7 to 9	21,505
Grades 10 to 12	25,547
Unique Settings	
Outreach Programs	1,113
Chinook Learning Services*	2,935
CBe-learn	615
Other	684
Total Enrolment	104,182

* 936 are 20 years old and older

CBE Budgeted Employee Count* 2011-2012

Teaching**	5,829
Non-Teaching	3,197
Total	9,026

* Reported as Full-Time Equivalents as of Nov. 8, 2011

** Excludes substitute teachers

Program Overview

The CBE offers a depth and breadth of programs and supports to meet the unique learning interests and needs of our increasingly diverse student populations.

Unique settings and outreach programs providing specialized services and supports

- CBe-Learn
- Children's Village School
- Chinook Learning Services
- Christine Meikle School
- Discovering Choices Outreach: Downtown, Marlborough, Westbrook, Bowness
- Dr. Gordon Townsend School at Alberta Children's Hospital
- Dr. Oakley School
- Emily Follensbee School
- Encore CBE
- West View School
- William Roper Hull School
- Wood's Homes Schools – George Wood Learning Centre and William Taylor Learning Centre

Sports enhanced learning programs

- National Sports Academy
- National Sports Development program
- National Sport School

Specialized school-based programming

- Autism
- Behaviour
- Blind and visually impaired
- Deaf and hard of hearing
- Developmental disabilities
- Early development pre-school
- English-language learning
- Gifted and talented
- Learning disability
- Mental health

CBE-supported community-based programming

- Alberta Alcohol and Drug Abuse Commission (AADAC)
- Adolescent Day Treatment Program (ADTP) – Holy Cross Centre
- Alberta Adolescent Recovery Centre (AARC)
- Emergency Women's Shelter Liaison
- R.A.D.A.R. (Re-engaging Academically Disconnected Adolescents Respectfully)
- HERA Program
- Young Adult Program (YAP)

Alternative Programs

Content program focus

- Arts-Centred Learning
- Juno Beach Academy of Canadian Studies
- Montessori
- Science School

Teaching philosophy programs

- Alice Jamieson Girls' Academy
- All-Boys Alternative Program
- Traditional Learning Centres

Language and culture programs

- French Immersion and Late Immersion
- German Bilingual
- Mandarin Bilingual
- Medicine Wheel Kindergarten
- Piitoayis Family School – Aboriginal Culture Program
- Spanish Bilingual

November 2011



CALGARY BOARD OF EDUCATION
REGULAR MEETING OF THE BOARD OF TRUSTEES
PUBLIC AGENDA

DECEMBER 6, 2011

CORRESPONDENCE

RECOMMENDATION:

THAT the Board of Trustees receives the following correspondence for information and for the record, in the form as submitted:

- **Correspondence dated November 7, 2011 from the Honourable Thomas Lukaszuk, Minister of Education, to Board Chair Pat Cochrane regarding Columbia College's application to operate a charter school in Calgary.**

Respectfully Submitted,

J.R. Barkway,
Office of the Corporate Secretary



ALBERTA
EDUCATION

*Office of the Minister
MLA, Edmonton-Castle Downs*



AR 71828

November 7, 2011

Ms. Pat Cochrane
Chair
Calgary Board of Education
1221 - 8 Street SW
Calgary AB T2R 0L4

Dear Ms. Cochrane:

Following your board's rejection of Columbia College's proposal to establish an alternative English as a Second Language program, Columbia College applied to me to establish a charter school. Subsequent to my review of this application, I have informed Columbia College that I will not be approving its application to operate a charter school in Calgary.

Thank you for considering the Columbia Charter School proposal for an alternative program within the Calgary Board of Education.

Sincerely,

Thomas A. Lukaszuk
Minister of Education
MLA, Edmonton – Castle Downs

Alberta

423 Legislature Building 10800 - 97 Avenue, Edmonton, Alberta T5K 2B6 Canada
Telephone 780-427-5010 Fax 780-427-5018 Email Education.Minister@gov.ab.ca
www.education.alberta.ca

12120 - 161 Avenue NW, Edmonton, Alberta T5X 5M8 Canada
Telephone 780-414-0705 Fax 780-414-0707 Email edmonton.castledownse@assembly.ab.ca
www.thomasmla.com

CALGARY BOARD OF EDUCATION

REPORT TO THE REGULAR MEETING OF THE BOARD OF TRUSTEES

PUBLIC AGENDA

December 6, 2011

To: BOARD OF TRUSTEES

From: Trustee Pat Cochrane

Re: **Liaison Report – Calgary Association of Parents & School Councils (CAPSC)**

Purpose: Information

Governance Policy Reference: GP-13: Board of Trustees' Linkages

I. RECOMMENDATION

THAT the attachments with respect to the Calgary Association of Parents and School Councils (CAPSC) be received for information and be considered as the liaison report for that organization.

II. ISSUE

The attached is a report provided by the Calgary Association of Parents and School Councils. As the Board of Trustees' representative for CAPSC, I am providing this report for your information.

Respectfully submitted,

Trustee Pat Cochrane
Liaison Representative

Attachments (3)

Calgary Association of Parents and School Councils

Minutes of Meeting held Wednesday, October 19, 2011

A.E. Cross School Library

7:00 pm

- 1) Meeting called to order at 7:03 pm by Co-President Eryn Kelly
- 2) Rachael Hinz moved that the Minutes from the September 22, 2011 CAPSC meeting be accepted. Motion was seconded by Leslie Newton. Motion carried.

3) Guest Speakers:

CAPSC Trustee Liaison Pat Cochrane

Trustee Cochrane provided an update regarding the CBE Board of Trustees Annual Organizational meeting held October 18th. Chair and Vice Chair were named. Trustee Pat Cochrane was named Chair, and became official Trustee Liaison to Calgary Association of Parents and School Councils. Lynn Ferguson was named Vice Chair.

Bill Belsey

Bill Belsey, President of Bullying.org, provided a presentation on the inception of the website and its subsequent expansion. He offered parents several options for resources on the topic and promoted the upcoming Bullying Awareness Week (November 13th to 19th 2011).

- 4) Meeting adjourned at 8:43 pm.

Calgary Association of Parents and School Councils

AGENDA

November 16, 2011

7 to 9 PM

Library at AE Cross School

1. Approval of agenda and October's meeting minutes
2. Co-Presidents' Report
3. Presentations:
 - a. Canadian Parents for French
 - b. Junior Achievement of Southern Alberta
4. Guest Speaker: Dr. Sharon Friesen - class-size research and other factors that influence student learning
5. Trustee Liaison Report – Trustee Pat Cochrane with Trustee Joy Bowen-Eyre
6. Adjournment

November 2011

[HOME](#)[NEWS & NEWSLETTERS](#)[MEETINGS](#)[RESOURCES](#)[ABOUT US](#)[CONTACT](#)**CAPSC NOVEMBER MEETING NOVEMBER 16TH!!!!**

Please join us Wednesday November 16th at 7:00 pm, AE Cross School (library). Our guest speaker for the evening will be Sharon Friesen, who will be presenting on class-size research and other factors that influence student learning. We will also hear an update from the Board of Trustees.

Our meetings are always informative and offer great resources for parents and school councils. We welcome both new and returning attendees and would love to see YOU there.

You don't want to miss it!

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CALGARY BOARD OF EDUCATION
REGULAR MEETING OF THE BOARD OF TRUSTEES
PUBLIC AGENDA

DECEMBER 6, 2011

To: Board of Trustees

From: Trustee Pamela King, Chair, Board Evaluation Committee

Re: Report from the Board Evaluation Committee

Purpose: Approval

Governance Policy Reference: GP-11: Board of Trustees' Committees

RECOMMENDATION:

THAT the Board of Trustees adopts the revised GP-11E: Board of Trustees' Committees – Terms of Reference, Board Evaluation Committee, as submitted.

BACKGROUND:

The members of the Board Evaluation Committee met on November 16, 2011 to review the Terms of Reference for the committee and the processes for monitoring the Board's governance process policies.

The proposed revisions to the Terms of Reference for the Board Evaluation Committee are provided as Attachment I to the report.

Respectfully submitted,

Trustee Pamela King,
Chair of the Board Evaluation Committee

Attachment: Amended Terms of Reference, Board Evaluation Committee



CALGARY BOARD OF EDUCATION

Board of Trustees' Policy – Governance Process GP-11E: Board of Trustees' Committees – Terms of Reference

BOARD EVALUATION COMMITTEE

PURPOSE AND RESPONSIBILITIES

The Board Evaluation Committee is responsible for:

1. ensuring that the Board of Trustees conducts the retrospective review stipulated by Governance Process Policy GP-4: Board of Trustees' Annual Planning Cycle; and
2. planning for the annual retrospective review to be conducted each September; and
3. arranging for monitoring of the Governance Process policies (GP 1-13) throughout a school year relative to goals that the Board of Trustees has set for such year and for its term of office; and
4. recommending to the Board of Trustees the processes to be used for such monitoring; and
5. recommending to the Board of Trustees the processes to be used for the Chief Superintendent's summative evaluation.

MEMBERSHIP

The Committee shall consist of not less than two trustees appointed annually by the Board of Trustees at its organizational meeting.

All Committee members shall commit to ethical conduct, proper use of authority, decorum, and professional conduct.

AUTHORITY

The Committee shall be appointed by and report to the Board of Trustees.

The Committee is advisory in nature and shall bring forward recommendations to the Board of Trustees.



CALGARY BOARD OF EDUCATION

Board of Trustees' Policy – Governance Process GP-11E: Board of Trustees' Committees – Terms of Reference

BOARD EVALUATION COMMITTEE – Page 2

MEETINGS

The Committee Chair shall establish the agenda for meetings and ensure that prepared agenda materials are circulated to the members within a reasonably sufficient time to enable members to study the materials prior to the meeting.

All meetings will be scheduled to permit timely consideration of topics or responsibilities. Meetings may be held as deemed necessary by the Chairperson of the Committee or as requested by any member of the Committee.

A quorum at meetings of the Committee shall be the appointed trustees. The Committee may hold its meetings, and members of the Committee may attend meetings by electronic means, provided all meeting attendees can hear each other.

All meetings of the Committee shall be held in private.

The minutes of the Committee meetings shall accurately record the recommendations of the Committee and shall be distributed to the Board of Trustees.

REPORTING

The Committee shall report, through the Chairperson of the Committee, to the Board of Trustees following each meeting on the major discussions and recommendations made by the Committee. The reports will include the minutes of meeting of the Committee, which will include, at minimum: the date and place of meeting, attendees, record of recommendations and which member or other individual is assigned any actions arising, and date, time and place of the next meeting.

The Committee shall review the Committee's Terms of Reference annually and propose recommended changes, if any, to the Board of Trustees.

BUDGET

There is no identified budget for this Committee. However, should there be an occasion whereby financial resources are required, the Committee shall bring forward a recommendation to the Board of Trustees. Committee members are not entitled to any fees or compensation.

Adopted: _____, 2011

CALGARY BOARD OF EDUCATION

REPORT TO THE REGULAR MEETING OF THE BOARD OF TRUSTEES PUBLIC AGENDA

December 6, 2011

To: Board of Trustees
From: Naomi E. Johnson, Chief Superintendent of Schools
Re: Chief Superintendent's Update
Purpose: Information

I. RECOMMENDATION

It is recommended that the Board of Trustees receives this report for information.

II. PURPOSE OF THE UPDATE REPORT

As the Board of Trustees' Chief Executive Officer, the Chief Superintendent is accountable for meeting the expectations set by the Board of Trustees. These expectations are stated in Ends and Executive Limitations (EL) policies.

Executive Limitation 3: Information, Counsel and Support to the Board of Trustees requires the provision of timely information, prudent counsel and support to the Board of Trustees. Along with other reports submitted to the Board of Trustees, this update meets the requirement of EL-3 for the provision of information in a timely, accurate and understandable manner.

III. TIMELY INFORMATION

Office of the Chief Superintendent

Advancing Student Learning--Bilingual, Immersion and Second Language Programs

EL-3: Information, Counsel and Support to the Board of Trustees

EL-6: Instructional Program

Chief Superintendent Johnson was recently in France and Spain to sign important agreements in support of the Calgary Board of Education's language and global learning programs. The agreements are part of the CBE's strategy to ensure its students are globally connected and have opportunities to engage with the wider world.

In France, Chief Superintendent Johnson and her counterpart at the Académie Besançon, Rector Eric Martin, signed a memorandum of understanding that will open the door for mutual partnerships and learning effective immediately. High school students in French Immersion programs can extend their knowledge of the French

language and deepen their understanding of French culture through opportunities such as:

- Short-term homestay and school integration programs.
- Language immersion programs for CBE teachers.
- Virtual partnerships among classrooms for authentic learning in French.

The Calgary Board of Education is an official examination centre of the Diplôme d'Étude en Langue Française (DELFL).

In Spain, Chief Superintendent Johnson met with the Spanish Ministry of Education to build relations around our current International Spanish Academy Memorandum of Understanding. Discussion focused on strategies for students and teachers to deepen and strengthen their understanding of Spanish language and culture including:

- Future programming for CBE students such as immersion programs in Spain.
- Opportunities for CBE teachers through summer or long-term institutes.

Visit the CBE website at www.cbe.ab.ca for more detail.

2011 YMCA Peace Medal Recipients

EL-3: Information, Counsel and Support to the Board of Trustees

On Wednesday, November 23 the 2011 Peace Medal recipients were honoured at the YMCA awards ceremony. Individuals or groups in eight categories were recognized for their efforts to spread peace in our world. The Calgary Board of Education is proud to highlight the winners in two categories.

The Diversity and Student for Change Council at Bob Edwards School received the Community Youth award for their work to support their communities, to increase respect for diversity and to raise awareness of justice causes. This council is run by students for students. Council members come from diverse backgrounds and are role-models for their peers and their communities. The Diversity and Student for Change Council organized and participated in a variety of events such as anti-bullying days, lunchtime speakers and a school-wide full-day conference where community facilitators talked with students about diversity and peace, and fundraising for the victims of natural disasters in Haiti and Japan. The council also sponsors a child living in Honduras through Plan Canada.

Jocelyn Davis, a student at Western Canada High School, received the International Youth award for her work as co-founder of The 8th Rung. The primary focus of this youth-driven organization is youth empowerment to create sustainable development. The consistent message is that youth can be empowered to make contributions to social issues on an international scale. The 8th Rung operates using a unique approach developed by Ms. Davis. The organization develops partnerships with corporations and adult philanthropists to create stretch targets for youth.

Examples of agencies working with The 8th Rung and the results of these collaborations include:

- Solar lighting to reduce gorilla poaching in Africa with Light Up the World.
- Solar lighting on remote hilltops for first aid and birthing stations in the mountain forests of Papua New Guinea with the Captain Nicola Goddard Foundation.

- Water systems for 45,000 people in Vietnam, Laos, Cambodia and Thailand with the Centre for Affordable Water and Sanitation Technology.

Students Engaged in David Suzuki Virtual Classroom

EL-3: Information, Counsel and Support to the Board of Trustees

EL-6: Instructional Program

On November 2, 50 grade 11 students from Beaverbrook and Centennial high schools participated with David Suzuki in a virtual classroom in the link. Students watched the National Film Board's, *David Suzuki: Forces of Nature*, at their home school prior to the event and brainstormed questions that were presented to the National Film Board and Dr. Suzuki. Although questions from our students were not specifically chosen, questions answered were of a similar nature and our students felt their interests were addressed. The education centre proved to be a student-friendly environment with the added opportunity for students to tour the Future of Learning Lab, the historical classroom and the Innovation and Learning Commons.

Facilities and Environmental Services

Fire Drill Update

EL-3: Information, Counsel and Support to the Board of Trustees

EL-16: Learning Environment/Treatment of Students

Administrative Regulation 3021 – Fire Drills and Alarms was developed for schools in accordance with the Alberta Fire Code and stipulates the number of fire drills required in a school year and the conditions under which fire drills must be held. The first expectation is that schools monitored by the CBE hold a fire drill within one month of the school opening, or before September 30, whichever date comes earlier.

As a result of the dedication to safety of our school principals, area directors, and facilities operations and school safety services employees, all school sites are compliant with the fire drill expectations for the beginning of this school year.

Environmental Stewardship

EL-3: Information, Counsel and Support to the Board of Trustees

EL-6: Instructional Program

EL-13: Facilities

Student-led environment clubs at schools across the CBE are examples of extra-curricular and co-curricular initiatives that engage students in planning and acting on reducing our ecological footprint. Through the Strategic Framework to Advance Environmental Stewardship, the CBE is committed to local and global environmental stewardship. Student learning and their resulting actions are key strategies in attaining this aim.

CBE junior high and middle school students participate in learning experiences as part of the Environmental and Outdoor Education curriculum. This program includes three pathways; environmental core, personal and group development and outdoor core. These three pathways ask students to examine the impacts of human choices on the environment and to take action to change behaviour.

Students at Bishop Pinkham School have explored and investigated natural environments in several locations including North Glenmore Park, Banff National Park and Kananaskis Country. Students identify issues of interest, engage with experts in the field and create action plans to reduce their personal eco footprint. Students have extended their interest in environmental learning by exploring possibilities for solar thermal or solar photovoltaic installations at their school. Students are currently talking with representatives from Dr. EP Scarlett's about their solar energy infrastructure. In addition, Bishop Pinkham's Teaming UP for Healthy Learners/EcoSites team is exploring possibilities for installing a water bottle filling station to replace a water fountain near the gymnasium.

Sam Livingston School students are actively engaged a collaboration with Climate Change Central (CCC) in a unique learning opportunity that connects to the school's inquiry framework. CCC is providing devices that allow for real time utility metering both at school and at participating students' homes. The connection between home and school allows for student-generated questions about lifestyle and energy choices. Student gifts and abilities are engaged through the active construction of knowledge linking to learning outcomes of the Programs of Study. Energy & Environmental Services (EES) is working with teachers on optimizing learning opportunities through using Elmore's Instructional Core model to provide student agency in the learning process. EES is also working with CCC to ensure alignment with educational ends, learning outcomes and the personalization of learning.

Learning Innovation

CBe-learn Open and Continuous Entry

EL-3: Information, Counsel and Support to the Board of Trustees

EL-6: Instructional Program

This past fall CBe-learn high school began a new registration model called Open and Continuous Registration and Access. The model was successfully piloted last year with CTS. It has changed student access to education and influenced staffing decisions, teacher collaboration and team-teaching at CBe-learn.

Although registration at CBe-learn has always permitted flexibility, this new model ensures that students have adequate preparation and support as they become successful online learners. Students are able to register in their online courses any week of the school year. This week-by-week intake offers students choice and flexibility. Students, with support from their families, counsellors and administrators, make an educated decision about registration based on when they want to finish and how much time they have available to work on a course. Within a week of first registering, students have full access to their course and can begin working with their cohort.

Term 1 has been highly successful with over 2500 course registrations from August 20 to October 6, 2011. These students are scheduled to finish their courses in December and write their final exams in January. Senior high courses are taught by teams of teachers. Students have support from multiple avenues and multiple perspectives. This team-teaching model is one significant way CBe-learn is building capacity within their school. For more information about CBe-learn, check out www.cbelearn.ca.

Empowering Minds

EL-3: Information, Counsel and Support to the Board of Trustees

EL-16: Learning Environment and Treatment of Students

Building on the successful high school program, the Empowering Minds Teen Leadership program has expanded to junior and middle schools. Seven CBE schools are now involved with six more schools waiting to join. The program has met with enthusiastic support from school administrators and students. Through follow-up sessions with students, it is evident there is a measurable change in how students feel they can engage in their learning and what they can give back to their school community.

Risk Assessment Framework

EL-3: Information, Counsel and Support to the Board of Trustees

EL-6: Instructional Program

Alberta Education has recognized that risk assessment in the context of educational technology has not been attended to with the same rigour as other areas. The CBE, with support from Alberta Education and in collaboration with a number of other jurisdictions, has taken the leadership role in creating a risk assessment framework. This framework will serve as a foundation for the development of a provincial educational technology risk assessment strategy. System and school-based leaders across the province will have a foundation for making balanced, well-informed decisions when weighing off the educational benefit of technology against the risk.

ePD Update

EL-3: Information, Counsel and Support to the Board of Trustees

EL-6: Instructional Program

We are engaging in strategic planning and development of formal and informal professional development programs that are responsive to system needs and the learning agenda of the Three-Year Education Plan. The current integrated ePD strategy provides multiple, flexible entry points for CBE employees, with opportunities to connect and learn online and face-to-face. Courses are built and revised based on on-going research, emerging theories in the field of educational technology, and feedback from both ePD participants and non-participants.

Since September, ePD courses have been delivered to over 60 participants and two fully revised courses are in the pilot phase. Our goal is to support CBE professionals to build and grow their own Professional Learning Networks (PLN) to facilitate collaborative learning and draw on collective knowledge.

Teaming UP for Healthy Learners Update

EL-3: Information, Counsel and Support to the Board of Trustees

EL-6: Instructional Program

There are 18 new schools joining the 110 CBE schools already implementing the Comprehensive School Health pillars: nutrition, physical activity and positive social environments. This is a significant increase to the Teaming UP family of schools.

System-based Teaming UP employees continue to provide proactive support to schools as they connect and respond to questions about Administrative Regulation 3047 – Nutrition, which comes into effect on January 1, 2012. School and system employees are working together to ensure a solid understanding of the implications of the new regulation and effective implementation.

Ensuring Students and Employees are Safe Online

EL-3: Information, Counsel and Support to the Board of Trustees

A variety of different strategies are used to maintain a safe and secure computing environment for CBE students and employees. Multiple layers of security are strategically placed throughout the environment to defend systems against intruders, for example, hackers. Hardware and software used to support this work is continually upgrade to keep pace with the volume of data and the latest documented threats to systems and data.

Strategies include:

- Firewalls to enforce segregation and to protect computing resources against internal and external intrusion.
- Spam filtering and anti-virus scanning to guard against threats that might be delivered via email messages.
- Anti-virus software as a defence against malware and virus threats to workstations and servers.
- Utilization of web content filtering to ensure safe, age appropriate web surfing experiences.

Since 2005, good success has been achieved with avoiding widespread virus outbreaks. Continued vigilance and proactive strategies remain the primary guiding principles for our work in this area.

Learning Services

English Language Learning Updates

EL-3: Information, Counsel and Support to the Board of Trustees

EL-6: Instructional Program

In late 2009, in response to increasing requests for assistance from the field for programming for refugee students with limited formal schooling, Alberta Education approached CBE to assist in the creation of a standalone website. The website is called Teaching Refugees with Limited Formal Schooling and serves as a central repository of information and resources for Kindergarten to grade 12 educators.

Since it was launched at the end of August, 2011 the website has had 70,000 hits and has received wide interest and acclaim provincially, nationally and internationally. Alberta Education has promoted its use through their website and their field office communiqués. The CBE-developed Benchmarks posted on the site are being adopted as the provincial standard for assessment and instructional planning for students of this profile. The website is located at www.teachingrefugees.com

The Calgary Board of Education has experienced a 31% increase from September of 2010 to September of 2011 in the enrolment of refugees into CBE programs. Although Citizenship and Immigration Canada (CIC) calculates an 8% annual increase, we have identified a trend. The numbers of refugees settling in large urban centres, and Calgary in particular, is much higher due to the settlement services available.

The number of refugees among our immigrant population remains steady and significant. According to information from CIC, under the *Balanced Refugee Reform Act*, Canada will be increasing landings of both government-sponsored and privately sponsored refugees, receiving 14,000 in 2011, 15,800 in 2012 and 16,400 in 2013. The top source countries are Iraq, Bhutan, Somalia, Afghanistan, Ethiopia, Democratic Republic of the Congo, Eritrea, Burma, Colombia and Iran. Many of the targeted groups have been displaced for extended periods of time, often over a decade.

In addition to increasing numbers, there is increasing complexity among the refugees with, according to the CIC, "a prevalence of psycho-social needs" and a history of trauma that impacts the settlement resources required to support them.

Discovering Choices

Ends 4: Personal Development

EL-3: Information, Counsel and Support to the Board of Trustees

Discovering Choices is a CBE community-based high school program for young people who, due to particular personal and/or family situations, experience obstacles in their educational pursuits and find that regular school programs and services do not meet their needs. Discovering Choices offers courses based on Alberta Education high school curriculum and work experience opportunities. Discovering Choices provides students with additional services such as personal and career counselling, conflict resolution, anger management, time management and study skills, parenting skills and learning strategies.

All students enrolling at Discovering Choices sites complete the Resiliency Canada Online Survey with two purposes in mind:

- As a method for staff to engage with students by learning their stories and beginning to establish a relationship.
- As a way for students to begin to better understand themselves.

After completion of the survey students begin to develop goals based on their strengths identified through the survey. This is an exemplar of Ends 4: Personal Development, which states "Each student will acquire the skills, attitudes and knowledge to achieve personal highest potential." In the 2011 CBE student survey, Discovering Choices graduates answered the question, "Does your school support your personal development?" Following are a few examples of their responses.

"They were very helpful in showing me how my personal talents could be applied to obtain a career."

"Yes, I was encouraged to work on my weaknesses and grow even further in my areas of strength."

"Yes, the school motivates its students to represent themselves through assignments and explore new ideas and ways of doing them."

"Yes, I took resiliency and psychology."

"Yes, both my teachers and other staff are always encouraging me and my talents and my goals for the future."

"Very much so, they had a whole module on resiliency and all that."

"Help with resiliency by setting up supports and helps with confidence by being encouraging and using compliments."

"My school strongly supports my personal development. I truly feel that the teachers here take the time to understand each student on a personal level to help them succeed."

"My school supports me in many ways and I appreciate that greatly. As I've been here for three years the people at my school have shown they care about my school as well as my well-being. They want me to succeed and so they support me in my interests, my ability to learn, and my resiliency."

IV. ENDS STATEMENT FOCUS

The focus of this report is on Ends 4: Personal Development. The Board of Trustees has stated, "Each student will acquire the skills, attitudes and knowledge to achieve personal highest potential." Calgary Board of Education schools have provided illustrative examples of how personalized student learning that supports the Board of Trustees' Ends is lived in classrooms across the district.

Area I

A priority at W.O. Mitchell School is developing students' higher order thinking skills. This involves engaging in activities such as planning how to approach a given learning task, monitoring comprehension and evaluating progress toward the completion of a task. Cognitive strategies are used to help achieve a particular academic goal while metacognitive strategies are used to ensure that the goal is being achieved and students understand what they need to do along the way to be successful. Each month, students are responsible for setting a goal for themselves and listing strategies that will help them achieve that goal. At the end of each month, students assess to what degree they have achieved the goal and whether they need to add new strategies.

A grade 4 student identified her need to orally participate more in French. The student was able to articulate she chose this goal because, "When I don't understand what something means, I don't put up my hand and participate." She has identified in her strategy that she needs to be able to take greater risks and sometimes "just guess" if she is not sure. The teacher will encourage participation by the student and continue to nurture an environment where the student feels confident to take risks. By setting goals and reflecting on them on a regular basis both students and teachers gain insight into their work together to ensure optimal learning occurs.

Area II

Students start their high school experience at William Aberhart School by completing three informal inventories within their e-portfolio: Multiple Intelligence, Learning Styles and True Colours. The information gathered from the inventories is used to develop a Personal Learning Profile. The purpose of this work is to help students increase self-awareness and to help equip each student to better manage themselves in school and in life.

Students are asked to consider the following questions in the context of becoming a better student:

- How am I smart?
- How do I learn?
- What are my personality strengths and weaknesses?
- How do I want to be characterized as a student/person?

Our belief at William Aberhart is that if students become aware of their specific learning strengths, needs and interests and advocate for themselves as learners and, if teachers personalize their practice relative to students' specific learning strengths, needs and interests, then students' academic achievement will increase. When students are informed about themselves as learners this influences the instructional design. During high school at William Aberhart, students are continually developing their ideas, job and career plans and are engaging in opportunities that support their educational and personal lifelong learning goals.

Area III

Students at Dr. Egbert School are given a wide variety of opportunities to demonstrate personal development through learning. When visiting classrooms at the school, one can observe students engaged in meaningful, constructive work because, as designers of learning, teachers utilize the principles of Universal Design for Learning and other differentiation strategies to ensure that students have the opportunity to experience success. Teachers work with students to help them set appropriate goals for their learning. For example, in a mathematics class we see students working in groups of three or four using computers, students using the SmartBoard, some students working independently with print materials and the teacher circulating amongst the students as a facilitator of the learning process.

Our focus on school-wide literacy encourages students to set goals around reading and comprehension strategies and engage in a variety of self-assessment and peer assessment strategies to monitor their progress. Teachers also provide formative feedback to students.

Our school professional learning communities focus on student learning (the task) and student development (the process). Modifications and improvements are made on the basis of objective feedback and from this, tasks are created that are intentionally meaningful. Student learning profiles give teachers quick access to student strengths, abilities and interests. For example, our grade 9 professional learning community meets regularly to collaboratively evaluate specific tasks within their subject area, and also

examine ways to integrate the various concepts and metacognitive strategies into their own classes.

Area IV

Earl Grey School focuses on personal development through learning. We use The 7 Habits for Happy Children (Steven and Sean Covey) as a framework for addressing personal development, character and citizenship in our school. Some of the general indicators of Ends 4: Personal Development are:

- Plans a strategic approach to meeting goals, solving problems and performing tasks.
- Demonstrates interest in and curiosity about ideas, objects, events and resources.
- Develops and uses meta-cognitive strategies.

Grade 4/5 students from two classrooms took a leadership role in arranging an assembly around the 2nd Habit, Begin with End in Mind – Have a Plan! The classes also tied in their recent Open Minds Ralph Klein Park experience with the 7 Habits and their year big question, "How Can I Make a difference?" Here are some of the students' comments.

"We talked about our big question how can I make a difference in our school, our house, our city and our world. Some classmates did songs or jingles. We also did power points, plays or skits. Everything in the assembly bordered around our big question for the year and the 7 Habits. Our field trip to Ralph Klein Park helped us understand our big question."

"We sent a positive message."

"The 7 Habits are really useful to us, especially Habit 2, Start with the end in mind – which means plan."

"We made the assembly, not to have all the attention, but to tell everybody how to make a difference in our school."

"We can make a difference by: being a good leader, following the rules, saving water and electricity. We learned how important wetlands are to the environment for filtering water and creating a habitat for different animals and plants."

"We had a great time because we worked together."

"Our teacher's son Kiefer wrote a 7 Habits song for Earl Grey. We all think that the Division I learned a lot of things that day from our assembly."

Area V

This demonstration of students working to achieve End Statement 4 – Personal Development has been provided by a teacher at Dr. E.P. Scarlett High School. It describes the results of the work of students from Dr. E.P. Scarlett High School and their student leadership work in support of students at Canyon Meadows School.

Every week I take a group of Leadership students, 40 of them to be exact, and we mentor students from Canyon Meadows Elementary. Leadership students are involved in an array of activities...everything from literature circles to math stations, science, social studies and even PE. They have grown to love the relationship and bonding they have created with the younger students. The leadership students have mentioned that this is the most meaningful activity that they have been a part this year. Working with the elementary students has opened their minds to creativity and has had them think twice about how they answer questions, especially from the younger students. At first both the elementary students and the leadership students were nervous but now they have become confident... and extremely happy to go every week.

The amount that each student has matured is significant especially in the areas of responsibility, accountability and independence. The elementary teacher asked if my students could come up with activities that they would find meaningful so they could teach. The next day in class they were preparing mini lessons for math manipulatives and trying to find books that were their favourite when they were young. I could see that their reflection back on what they used to do and how they could do it "better" was a good indicator of their personal development.

At the beginning of this I expected simply that my class would go there and read with the students...it has become so much more. Students from Leadership are involved in the environment club here at school, and they are looking at starting an environment club at the elementary. In terms of personal development the students are always trying to improve what they do with every visit. Leadership students who were shy at first have now become role models for the younger students and are committed to making goals that are attainable for themselves and them. The love for learning has become very evident and students are constantly striving to make each visit better than the last. I remember a specific example where one of the elementary students was having difficulty doing math. The Scarlett Leadership student that was helping him told him that its ok if he does it wrong that's how you learn! I thought that was quite profound for a 16 year old. I find that sometimes my students are not as enthusiastic about some activities as others – but when it's time to go to Canyon Meadows attendance is perfect...



Naomi E. Johnson
Chief Superintendent of Schools
CALGARY BOARD OF EDUCATION

CALGARY BOARD OF EDUCATION

REPORT TO THE REGULAR MEETING OF THE BOARD OF TRUSTEES

PUBLIC AGENDA

December 6, 2011

To: BOARD OF TRUSTEES

From: Naomi E. Johnson, Chief Superintendent of Schools

Re: **Report on the Financial Status of the Operating Budget as at
August 31, 2011 and Unaudited Financial Results for the Year Ending
August 31, 2011**

Purpose: Monitoring Information and for the Record

Governance Policy Reference: EL-10: Budgeting Process
EL-11: Financial Condition

Originator: Deborah L. Meyers, Superintendent, Chief Financial Officer, Corporate Treasurer

Resources: Wayne T. Braun, Director, Corporate Finance
Donna Rogers, Manager, Corporate Planning and Reporting

I. RECOMMENDATIONS

It is recommended:

1. THAT information regarding all budget revisions made during the period June 1, 2011 to August 31, 2011 inclusive, be received for monitoring information and for the record.
2. THAT the 2010/11 Budget Variance Report as at August 31, 2011 (identified in the Attachment I) be received for monitoring information and for the record.

II. ISSUE

In accordance with the Board of Trustees' Executive Limitation 11: Financial Condition, the Chief Superintendent shall not cause or allow the development of fiscal jeopardy or a material deviation from budget policy, and shall not fail to inform the Board of Trustees in a timely manner of significant deviations or projected deviations in either the income or expenditures in the approved budget. The Chief Superintendent is also required to provide a report to the Board prior to November 30 regarding the actual use of operating and capital reserves in comparison to Board approval commitments, and this was provided on October 18, 2011 to the Board of Trustees through the fourth quarter Capital

Budget and Reserves Status Reports as at August 31, 2011. In addition, at the same Board meeting, the Board of Trustees received and approved The Financial Status of Operating Reserves and Designated Funds as at August 31, 2011.

III. BACKGROUND

Each spring the Calgary Board of Education prepares its operating budget for the following fiscal year. Quarterly and annual reports are presented to the Board of Trustees to provide updates on the status of the results of operations. These results are compared to the approved and current operating budget to meet the monitoring requirements of EL-11: Financial Condition.

This report includes:

- The 2010/11 Budget Variance Report (Attachment I).

IV. ANALYSIS

Statement of 2010/11 Annual Budgeted Revenue and Expense

A number of small budget transfers were made during the fourth quarter of 2010/11 to reflect revenue and expenditure adjustments. Transfers generally reflect the updated plans of schools and service units.

During the fourth quarter, the following net budget revisions and transfers occurred.

	<u>(\$ millions)</u>
Net revenue transfer increases to offset changes in expenditures described below.	0.3
Net expenditure transfer increases related mainly to finalized enrolments, and adjustments to school's decentralized budgets.	(0.3)
Net budgetary impact	<u>-</u>

2010/11 Budget Variance Report

The 2010/11 Budget Variance Report highlights variances between the current budget and actual revenue and expense. The principle components of the variances and the resulting small operating surplus are as follows:

	Favorable/ (Unfavorable) (in \$ millions)
Revenues	
• Basic Provincial Instruction and Differential Grants mainly due to finalized enrolments and reduction in enrollment decline funding.	(3.4)
• Other Net Provincial Educational, Priority Targeted and IMR Grants to reflect confirmed funding.	3.3
• School Generated Funds due to lower than planned activities at the school level.	(1.8)
• Other revenues mainly due to realized and unrealized gains on investments, fluctuations from expectation of other provincial and federal revenue and increased program, lease and other revenue earned.	5.6
	<u>3.7</u>
Expenses	
• Salaries and benefits: mainly due to non-certificated Service Unit gapping (vacant positions), partially offset by use of temporary staff in Service Units. Also includes \$2.0 million Professional Improvement Fellowship budget carryforward to 2011/12.	8.1
• Supplies and services: mainly due to increased IMR spending, and facility operating costs as well as higher than budgeted lease costs due to accounting treatment applied.	(6.6)
• School funded activities: due to lower than planned activities at the school level.	1.8
• Amortization and Interest due to additional amortization of capital assets acquired in 2009/10 and increased interest paid on energy retrofit projects.	3.9
	<u>7.2</u>
Net favorable variance before transfers	<u>10.9</u>

2010/11 Budget Variance Report (cont'd)

	Favorable/ (Unfavorable) (in \$ millions)
Transfers from Operating Reserves/to Designated Funds	
• Reflects reduction in net transfers from operating reserves as approved in the Report of Financial Status of Operating Reserves report presented at the October 18, 2011 Public Meeting of the Board of Trustees.	2.4
• Reflects increase in net transfers to designated funds	2.1
	<u>4.5</u>
Capital Assets Paid by Operating Funds	
• Decrease in capital assets acquired: comprised mainly of delays in completion of Board funded capital projects.	(11.0)
• Decrease in board-funded amortization: Due to change in application of accounting treatment for leases than budgeted.	1.4
• Increase in transfer to capital carryforward: due to delays in current year Board funded capital projects in progress.	11.5
	<u>1.9</u>
Transfer from Capital Reserves	
• Results from actual expenditures being less than anticipated and a reduction in transfers from capital reserves.	3.3
	<u>9.7</u>
Net variances from transfers	
	<u>9.7</u>
Net favorable operating variance – (0.11% of total operating budget)	<u>1.2</u>

V. FINANCIAL IMPACT

Statement of 2010/11 Annual Budgeted Revenue and Expense

The Calgary Board of Education's budgeted net financial results do not change based on the budget revisions or transfers made in the fourth quarter of 2010/11.

Impact on Future Years

For the year ended August 31, 2011, the Calgary Board of Education is reporting a favorable variance of \$10.9 million before contributions to/transfers from capital activities and reserves as explained in the 2010/11 Budget Variance Report. This represents 1% of the budgeted operating expenses. After consideration of the net \$8.9 million from reductions in restricted funds used and \$0.8 million from unrestricted reserves already committed for use in 2011/12, the Calgary Board of Education has an additional \$1.2 million available to commit to future year operations from unrestricted net assets.

VI. IMPLEMENTATION CONSEQUENCES

Superintendents' Team will be assessing the 2011/12 Operating Budget to determine if any changes in courses of action, as determined in the preparation and approval of the 2011/12 Operating Budget, are required as a result of the conclusion of the Calgary Board of Education's 2010/11 fiscal year.

VII. CONCLUSION

This report represents the fourth quarterly monitoring report to the Board of Trustees in connection with the 2010/11 Operating Budget for the Calgary Board of Education, as required by Executive Limitation 11: Financial Condition.



Naomi E. Johnson
Chief Superintendent of Schools
CALGARY BOARD OF EDUCATION

Attachment I: 2010/11 Budget Variance Report as at August 31, 2011

Attachment I: 2010/11 Budget Variance Report as at August 31, 2011

Description	2010/11 Current Annual Budget, Effective August 31, 2011 (\$000)	2010/11 Actual Annual Revenue and Expense (\$000)	2010/11 Annual Variance Favorable/ (Unfavorable)
REVENUE			
Alberta Education grants:			
Base provincial instruction	\$ 649,267	\$ 648,043	\$ (1,224)
Differential cost funding	228,628	226,457	(2,172)
Provincial priority targeted grants	20,141	20,788	647
Other provincial education grants	34,258	36,812	2,554
Provincial Capital support	25,538	25,626	88
Other provincial revenue	2,431	1,852	(579)
Federal grants and education agreements	2,973	3,702	729
School generated funds	35,375	33,590	(1,784)
Other revenue	47,261	52,668	5,407
Total revenue	\$ 1,045,872	\$ 1,049,538	\$ 3,666
EXPENSE			
Salaries and benefits	\$ 809,362	\$ 801,227	\$ 8,135
Supplies and services	168,437	175,034	(6,596)
Interest	6,093	3,258	2,836
School funded activities	35,375	33,590	1,784
Amortization	42,988	41,889	1,099
Total expense	\$ 1,062,255	\$ 1,054,998	\$ 7,258
Deficiency of operating revenue over expense for the year	(16,383)	(5,460)	10,923
Transfer from /(to) operating reserves/designated funds			
Transfer from operating reserves	10,375	8,011	(2,364)
Transfer from/(to) designated funds	1,500	(600)	(2,100)
	11,875	7,411	(4,464)
Add/(deduct) capital items paid by operating funds			
Capital assets acquired	(24,770)	(13,396)	11,374
Board-funded amortization	19,325	17,938	(1,387)
Capital debt repayments	(2,682)	(2,661)	21
Transfer from school purchased assets	1,593	1,132	(461)
Transfer from capital carryforward	5,314	5,314	
Transfer to capital carryforward	-	(11,545)	(11,545)
	(1,220)	(3,218)	(1,999)
Transfer from/(to) capital reserves			
Building and equipment reserves	3,228	(49)	(3,277)
Net operating deficit	(2,500)	(1,316)	1,184
Draw from unrestricted net assets	2,500	1,316	(1,184)
Net operating (deficit)/surplus	\$ -	\$ -	\$ -

CALGARY BOARD OF EDUCATION
REPORT TO THE REGULAR MEETING OF THE BOARD OF TRUSTEES
PUBLIC AGENDA
December 6, 2011

To: BOARD OF TRUSTEES

From: Naomi E. Johnson, Chief Superintendent of Schools

Re: November 30, 2011 Budget Report Update to the 2011/2012 Operating Budget

Purpose: Approval

Governance Policy Reference: EL-10: Budgeting Process
EL-11: Financial Condition

Originator: Deborah L. Meyers, Superintendent, Chief Financial Officer, Corporate Treasurer

Resources: Wayne T. Braun, Director, Corporate Finance
Donna Rogers, Manager, Corporate Planning and Reporting

I. RECOMMENDATIONS

It is recommended:

1. THAT the Board of Trustees approve the Fall 2011 Update to the 2011/2012 Operating Budget (Attachment II) as at November 30, 2011, reflecting total planned spending of \$1.150 billion, and authorize for submission to Alberta Education.
2. THAT the Board of Trustees approve the amended planned operating reserve draws as follows for 2011/2012 for a total planned draw of \$19.2 million (\$145,000 less than what was approved in the 2011/2012 Operating Budget. See Attachment I for details):

	Increase / (Decrease)
	(\$000's)
School Designated Funds	\$ 2,152
Service Unit Designated Funds	(828)
Capital amortization transfer to operating	(2,469)
Unrestricted Net Assets	1,000
Total Decrease	\$ (145)

II. ISSUE

Alberta Education requires an approved Fall 2011 Budget Update to the 2011/2012 Approved Operating Budget. The purpose of this document is to provide an update to the Operating Budget as originally adopted by the Board of Trustees on June 28, 2011. The Fall Budget Update also includes specific reporting on the use of the Minister's additional, one-time funding allocation announced in October, 2011. Administration has taken this opportunity to also include revisions related to enrolment, etc. that would normally come before the Board for approval with the First Quarter Report in December, 2011.

III. BACKGROUND

The approved 2011/2012 Operating Budget was prepared using a consultative process, based on the CBE Three-Year Education Plan, Area Renewal Plans and Service Unit Plans. Alignment with Board Ends Policies and Executive Limitations has also been facilitated. The Board approved the Operating Budget on June 28, 2011 and documentation was submitted to Alberta Education.

As a result of the additional one-time funding announced in July and in October, 2011, and to reflect September 30 enrolment counts, the Minister requires a Fall 2011 Budget Update submitted by November 30, 2011. Once this Budget Report is approved by the Board of Trustees, it will be immediately submitted to Alberta Education. Alberta Education requires this approved document for use in their financial forecasting and preparing for any Provincial budget submissions for its subsequent fiscal year. As this report includes all budget revisions normally presented for approval in December, no further First Quarter revisions are anticipated.

IV. ANALYSIS

This Fall 2011 Update Report reflects all known financial information up to November 17, 2011 including the additional, one-time grant funding and the Fall Resource Allocation Method (RAM) decisions by principals utilizing the September 30th student enrolment count and associated changes in full time equivalents (FTEs) staffing levels. The Operating Budget for 2011/2012 remains in a balanced position, and includes amended planned and required draws to balance as represented in Attachment I.

V. FINANCIAL IMPACT

The recommended amended Operating Reserve draws are consistent with Alberta Education expectations. These draws will be funding sustainable (long-term) expenses, although the draws are available only as one-time supports. The 2012/2013 Operating Budget cycle, which commences in January, 2012 will incorporate all cost pressures on a go forward basis.

It should be noted that the total Balances in Operating Reserves and Designated Funds and Unrestricted Net Assets (UNA) at August 31, 2011 as identified in Attachment I, are available to the Board of Trustees to support CBE expenses in the total amount of \$25,282,000, however \$6.4 million is for restrictive purposes. Attachment I summarizes the reserve balances at August 31, 2011; the original budgeted transfers to/from reserves approved in June 2011; the revised planned transfers recommended consistent with this report, and the resulting balances expected for August 31, 2012.

Attachment II summarizes the proposed revisions to the original budgeted revenues and expenses. This includes a \$30.2 million increase in revenue from the operating budget approved by the Board on June 28, 2011. This increase is comprised of the following:

- \$19.2 million from the additional, one-time funding from the Province announced in October, 2011;
- \$2.5 million one-time funding for Action on Inclusion;
- \$0.95 million funding from the transportation Fuel Price Contingency Program;
- Base funding increases due to enrolment growth based on September 30, 2011 counts;
- Use of previously deferred revenues

Budgeted expense revisions include updated salary and benefit expenses driven by deployment decisions made within CBE schools, revised accounting treatment for the Education Centre lease, updated amortization expenses and other expenses tied to projects funded by deferred revenues. With the additional transportation funding, the budgeted transportation deficit of \$0.5 million approved in June, 2011 has been mitigated. The balance of the transportation funding increase has been applied to additional bus routes.

VI. CONCLUSION

The Fall 2011 Update to the 2011/2012 Operating Budget will be submitted to Alberta Education on December 7, 2011, as required by Alberta Education, following approval by the Board of Trustees. In the interim, a preliminary draft was forwarded on November 30, 2011.



Naomi E. Johnson
Chief Superintendent of Schools
CALGARY BOARD OF EDUCATION

Attachment I: 2011/12 Reserve Draws
Attachment II: Fall 2011 Update to the 2011/2012 Budget

Attachment I – 2011/12 Reserve Draws

2011/12 Reserve Draws (in 000s)

	<u>Reserve Balance</u> <u>Aug 31, 2011</u>	<u>Budgeted use</u> <u>2011/12</u> <u>Approved June 2011</u>	<u>Budgeted use</u> <u>2011/12</u> <u>Revised Fall 2011</u>	<u>Anticipated Balance</u> <u>Aug 31, 2012</u>
<u>Operating Reserves</u>				
Continuing Education Fee Stabilization Reserve	1,593	-	-	1,593
Unrealized Investment Gains/Losses Reserve	3,033	-	-	3,033
Utility Expense Stabilization Reserve	3,370	(3,352)	(3,352)	18
Snow Removal Budget Reserve	200	(200)	(200)	-
Administrative Systems Renewal Reserve	2,248	(2,248)	(2,248)	-
General Instruction Reserve	1,000	(1,000)	(1,000)	-
Fiscal Stability Reserve	2,000	(2,000)	(2,000)	-
System Transformation Reserve	1,500	(1,500)	(1,500)	-
Unrestricted Net Assets (UNA)	2,184	(1,000)	(2,000)	184
Total Operating Reserves and UNA	17,128	(11,300)	(12,300)	4,828
<u>Designated Funds</u>				
Schools Designated Funds	5,482	(2,500)	(4,652)	830
Service Unit Designated Funds	2,672	(2,500)	(1,672)	1,000
Total Operating Reserves, UNA and Designated Funds	25,282	(16,300)	(18,624)	6,658
Capital transfer to operating		(3,000)	(531)	
Total Reserves/Funding sources	\$ 25,282	\$ (19,300)	\$ (19,155)	\$ 6,658

Attachment II: Budget Report for the Year Ending August 31, 2012

3030 Calgary School District No. 19

School Jurisdiction Code and Name

FALL 2011 UPDATE TO THE 2011/2012 BUDGET

	Fall 2011 Update to the Budget 2011/2012	Spring 2011 Budget Report 2011/2012	Variance
OPERATIONS (SUMMARY)			
Revenues			
Government of Alberta	\$1,018,224,053	\$989,083,443	\$29,140,610
Fees	\$26,480,633	\$26,480,633	\$0
Other sales and services revenue	\$32,948,087	\$32,770,712	\$177,375
Amortization of capital allocations revenue	\$24,345,127	\$23,663,121	\$682,006
All other revenues	\$26,457,944	\$26,253,713	\$204,231
Total Revenues	\$1,130,455,844	\$1,100,251,622	\$30,204,222
Expenses			
Certificated salaries, wages and benefits expense	\$661,284,270	\$645,475,984	\$15,808,286
Non-certificated salaries, wages and benefits expense	\$223,627,351	\$219,204,852	\$4,422,499
Services, contracts and supplies expense	\$219,097,291	\$205,310,306	\$13,786,985
Amortization expense	\$42,455,019	\$45,127,269	(\$2,672,250)
Interest on capital debt expense	\$1,464,046	\$1,464,046	\$0
All other expenses	\$1,683,105	\$1,683,105	\$0
Total Expenses	\$1,149,611,082	\$1,118,265,562	\$31,345,520
Excess (Deficiency) of Revenues over Expenses	(\$19,155,238)	(\$18,013,940)	(\$1,141,298)
Accumulated Operating Surplus (Projected)			
Accumulated Operating Surplus - Aug.31, 2011	\$25,281,534	\$20,199,792	\$5,081,742
Accumulated Operating Surplus - Aug.31, 2012	\$6,658,534	\$3,900,000	\$2,758,534
Certificated Staff FTE's			
School based	5,657.2	5,489.9	167.3
Non-school based	127.1	122.7	4.4
Total Certificated Staff FTE's	5,784.3	5,612.6	171.7
Certificated Staffing Change due to:			
Enrolment	27.2	19.3	
Other factors	144.5	(302.4)	
Total Change	171.7	(283.1)	
Eligible Funded Students			
Early childhood services (ECS headcount)	7,766	7,667	99
Grades 1 to 9 (headcount)	65,680	65,489	171
Grade 10 to 12 (FTE)	28,971	28,181	790
Total Eligible Funded Students	102,397	101,337	1,060

Comments/Explanations of Variance:

Details of additional resources and staffing implemented with your portion of the \$107 million funding commitment:

The CBE's portion of the additional resources from Alberta Education was \$19.2 million. The entire amount was allocated to our schools and was completely spent on staffing as follows:

- Certificated FTEs: 159.45 FTEs \$15.5 million
- Non-certificated FTEs: 64.68 FTEs \$3.7 million

Additional information on the various supports that the one-time funding provides are on the Additional Funding Details page.

Attestation of Secretary-Treasurer/Treasurer:

This information was formally received by the Board of Trustees at the meeting held on:

December 6, 2011

3030 Calgary School District No. 19

School Jurisdiction Code and Name

FALL 2011 UPDATE TO THE 2011/2012 BUDGET

Details of additional resources and staffing implemented with your portion of the \$107 million funding commitment:

Total of \$19.2 million for CBE.

- 1) Advancement of school-based projects related to Personalized Learning re: A/SI-directed funding (\$4.2 million, 44.97 FTEs):
(Schools may be reflected in more than one category)

Indicates the number of schools that supported building capacity by: # of Schools

Instructional leadership time for formal and/or informal leaders	202
Substitute time for teacher collaboration/networking/professional learning	28

- 2) Theory of Action, Instructional Goals, Achievement Goals, Three-Year Education Plan (\$15.0 million, 179.16 FTEs):
(Schools may be reflected in more than one category)

Indicated the number of schools that supported: # of Schools

Class Size	69
Support for English Language Learners	38
Support for students with special education needs	79
Inclusive practices - enhancing universal supports for all learners	102
Second language learning	4
Enrolment growth and decline	24
Knowledge & Employability support	6
Career & Technology Studies/Career & Technology Foundations support	2
Other	24

December 6, 2011

CALGARY BOARD OF EDUCATION
REPORT TO THE REGULAR MEETING OF THE BOARD OF TRUSTEES
PUBLIC AGENDA
December 6, 2011

To: BOARD OF TRUSTEES

From: Naomi E. Johnson, Chief Superintendent of Schools

Re: **Locally Developed Courses**

Purpose: Approval

Governance Policy References: E-2: Academic Success
EL-6: Instructional Programs

Originator: Deborah Lewis, Superintendent, Learning Services

Resource Persons: Ronna Mosher, Director, Office of the Chief Superintendent
Elizabeth Gouthro, Director, Instructional Design & Assessment in Learning

I. RECOMMENDATIONS

It is recommended:

1. THAT the following renewed Calgary Board of Education senior high locally developed courses and resources as listed in the course outline submitted to Alberta Education be authorized for use in Calgary Board of Education schools for the period listed within each course outline:

Astronomy

Level: 15 Credits: 3

Mentorship

Level: 25 Credits: 5
Level: 35 Credits: 5

Sculpting Advanced Techniques

Level: 15, 25, 35 Credits: 5

2. THAT the following expiring or expired Calgary Board of Education senior high locally developed courses be withdrawn from the list of authorized courses available for use in Calgary Board of Education schools:

Mentorship

Level: 15 Credits: 5

3. THAT the following renewed Calgary Board of Education junior high locally developed course and resources required to teach them be authorized for use in Calgary Board of Education schools for the period listed within the course outline:

Power Up Your Learning

Grades: 7, 8, 9

4. THAT the following expiring or expired Calgary Board of Education junior high locally developed courses be withdrawn from the list of authorized courses available for use in Calgary Board of Education schools:

Creative Communication

Grades: 7, 8, 9

Speaking Out

Grades: 7, 8, 9

II. ISSUE

Alberta Education Policy 1.2.1 – *Locally Developed/Acquired and Authorized Junior and Senior High Complementary Courses* (4) requires that, “Approval of a locally developed/acquired and authorized course (junior and/or senior high) shall be by Board motion and shall be for a maximum duration of three years.”

III. BACKGROUND

Policy References

Calgary Board of Education Executive Limitation 6: Instructional Programs states,

“Accordingly, the Chief Superintendent shall not fail to:

3. ensure that the instructional program includes opportunities for students to develop talents and interests in more specialized areas;
4. ensure that the instructional program addresses the different learning styles and needs of students of various backgrounds and abilities;
5. encourage innovative programs, carefully monitoring and evaluating the effectiveness of all such programs...”

Alberta Education Policy 1.2.1 – *Locally Developed/Acquired and Authorized Junior and Senior High Complementary Courses* states,

“Alberta Learning supports the local development and authorization of junior high school and senior high school complementary courses, which do not duplicate provincially authorized courses, to further develop and cultivate the unique interests and abilities of students, to foster educational improvement and excellence through innovation at the local level to meet the unique needs of a local community.”

Alberta Education Policy 1.2.1 further states,

“...in the interest of increasing local flexibility to meet the needs of students, local school authorities will authorize senior high locally developed/acquired and authorized courses and provide Alberta Learning with information regarding these authorizations.”

Alberta Education requires a copy of the Board of Trustee motion showing specific information about the Board authorization of senior high locally developed courses. In order to meet provincial requirements, the motion must be received by Alberta Education on or before December 31 of a given year for course implementation in the first semester of the next school year.

Process

Locally developed courses (LDC) are approved and authorized for a maximum period of three years. When a course is expiring, it must be reviewed in the context of local student need and a decision made by the originating district about whether to go forward with the renewal process.

All locally developed and acquired courses are scrutinized by the Director, Office of the Chief Superintendent, and the Superintendent, Learning Services. The intention of the CBE process is to facilitate seamless access for students by renewing expiring courses and authorizing new courses for February 1, 2012.

Notice of authorization of the recommendations in this report will be provided to Alberta Education's Curriculum Branch and appropriate Calgary Board of Education staff. Copies of the new or revised course outlines will be made available to all middle, junior and senior high schools through a web site in the Portal – Teacher's Resource Centre.

To provide a current provincial context for Locally Developed Courses, the following information has been taken from the Alberta Education website:

Strategic Review of Locally Developed Courses

Over the past year, Education has been engaging Albertans in an ongoing dialogue about many aspects of education through forums and activities, such as Inspiring Education, Speak-Out and Setting the Direction. The ideas and suggestions gathered from Albertans are providing key insights as we look at research and effective practices. This has set the stage to further examine the learning needs of students in the 21st century in relation to delivering curriculum at both the provincial and local levels.

As part of the information gathering, Education is initiating a strategic review of LDCs (including religious studies LDCs), and will examine how the ministry should continue to provide support. The review will help assess whether LDCs, in their current form and administration, are effective and efficient in meeting student needs, provide school authorities with options for innovation and responsiveness, and align with the ministry's strategic direction for the future.

During the review, school authorities may continue to offer their currently authorized LDCs, students will continue to receive credits for course completions and Education will continue to fund LDCs that meet the current requirements. To facilitate the review, Education will not accept submissions for newly developed or newly acquired LDCs until the 2012/2013 school year.

School authorities will be able to renew or extend their currently authorized LDCs, providing these courses do not overlap with current or new provincial programs and that acquired courses are renewed by the developing board.

(Retrieved on October 25, 2011 from:
<http://education.alberta.ca/departments/ipr/lcpr.aspx>)

IV. ANALYSIS

Senior High – Course Withdrawals

Mentorship 15, 25, 35

Alberta Education has recommend a close review of the Mentorship series since there are a number of new Leadership and Mentorship courses in Career and Technology Study which may duplicate the learning outcomes. The CBE has determined that significant overlap has been identified between the Mentorship locally developed courses and the emerging Career & Technology Studies (CTS). This overlap resulted in the decision by Calgary Board of Education to seek permission from Alberta Education to grandfather Mentorship as follows:

Schedule of Mentorship LDC Grandfathering	
2011-2012	Mentorship 15 – available Mentorship 25 – available Mentorship 35 – available
2012-2013	Mentorship 15 – not available Mentorship 25 – available to students with credit in Mentorship 15 Mentorship 35 – available to students with credit in Mentorship 25
2013-2014	Mentorship 15 – not available Mentorship 25 – not available Mentorship 35 – available to students with credit in Mentorship 25
2014-2015	Mentorship 15 – not available Mentorship 25 – not available Mentorship 35 – not available

During this grandfathering process, Mentorship is gradually replaced with the CTS Human and Social Services pathway. The authorization period for Mentorship 25, 35 align with the grandfathering schedule and the final expiry of this LDC is on January 31, 2014.

CBE high schools offering Mentorship to students are working closely with Instructional Design and Assessment in Learning specialists in Physical Education and Health, Middle Years, and Language Arts to generate strategies and actions that will ensure a seamless educational experience for students impacted by this change.

Junior High – Course Withdrawals

Speaking Out

Creative Communication

Calgary Board of Education has reviewed these Junior High courses and found there to be considerable overlap with the new Career and Technology Foundation (CTF) Program of Studies.

Learning Services specialists will continue to work with middle/junior high principals and teachers to build understanding of the new CTF Program of Studies and how the outcomes previously addressed through these LDCs are better served by the CTF Program of Studies.

V. CONCLUSION

Board of Trustee approval of the listed locally developed and acquired courses will ensure that the Calgary Board of Education is compliant with Alberta Education Policy 1.2.1. Approval of the new and renewed courses will enable the Calgary Board of Education to be innovative and responsive in personalizing learning to address the individual needs of our students.



Naomi E. Johnson
Chief Superintendent of Schools
CALGARY BOARD OF EDUCATION