



*Office of the Director of Education  
Office of the Chair of the Board*

November 13, 2014

Dear Parent/Guardian, Staff:

This is to advise you that the Toronto Catholic District School Board's year-end financial statement for 2013-2014 will show an in-year deficit in the amount of \$8,902,650. This is a significant change from the \$292,000 in-year surplus approved by the Board of Trustees on June 13, 2013. It represents less than one percent of the TCDSB's annual budget of \$1.2 billion.

Please be assured that the deficit is not related to any decision or action taken by the Board of Trustees, nor is it the result of any impropriety or fraud by staff. The situation is the result of a combination of inaccurate calculations made through human error during budget preparations, and gaps in financial reporting, which were discovered through the auditing process, and reported to the Board of Trustees at the first opportunity.

Board staff has taken full responsibility for these accounting errors, and steps are being taken to ensure this never happens again. Plans are in place to improve quality assurance, develop additional levels of oversight and improve checks and balances during the complex budget process. We are working with Ministry of Education staff to formulate a deficit recovery plan to return the TCDSB to a positive fiscal position as soon as possible. The Board will also be relying on the expertise of its Audit Committee – which includes external accountants and auditors - to identify appropriate protocols and oversight to remove the potential for such errors to occur in the future.

The Board remains committed to ensuring student achievement and well-being as well as fiscal responsibility, and therefore our top priority is to ensure that the current deficit situation does not adversely impact students and staff in the classroom.

In addition, the leadership of all of the Board's major stakeholders, including union partners, principals, professional staff, and chairs of the parent advisory groups (CPIC, OAPCE, SEAC) have been notified of the current fiscal situation. We thank everyone for their expressions of support for a collaborative approach to resolve this short term financial challenge as promptly as possible.

Further information, including the year-end financial report, press release and FAQ/Fact Sheet is available on the Board's website at [www.tcdsb.org](http://www.tcdsb.org).

Sincerely,

Handwritten signature of Angela Gauthier in black ink.

Angela Gauthier  
Director of Education

Handwritten signature of Jo-Ann Davis in black ink.

Jo-Ann Davis  
Chair of the Board

cc. Trustees