

AGENDA

Regular Public Board Meeting		Monday, June 17, 2024	
Item		Responsibility	Page #
1	Call to Order – 6:00 p.m.	S. Binder	
2	Acknowledgment of Traditional Lands	E. Charlton	
3	Presentation: (a) Destreaming Update	T. Elliott	
4	Motion to Convene into Closed Committee of the Whole At approximately 6:20 p.m.	S. Binder	
5	Reconvene to Regular Public Board Meeting	S. Binder	
6	Roll Call	S. Binder	
7	Approval of Agenda	S. Binder	
8	Declarations of Conflict of Interest	S. Binder	
9	Consent Agenda Items	S. Binder	
	(a) Regular Public Board Meeting Minutes May 27, 2024		3
	(b) Committee Meeting Minutes (for information only)		
	i) Governance and Policy May 21, 2024		11
	ii) Special Education Advisory Committee April 25, 2024		14
	iii) Special Education Advisory Committee May 13, 2024		17
	iv) Parent Involvement Committee - nil		
	v) Physical Planning, Finance and Building Committee May 13, 2024		20
	vi) Physical Planning, Finance and Building Committee May 28, 2024,		22
	vii) Student Learning, Well-Being and Equity Committee May 6, 2024		24
	viii) Accessibility Advisory Committee – nil		
	ix) Audit Committee November 20, 2023		26
10	Rise and Report from Committee of the Whole	A. Robertson	
11	Report from External Organizations		
	(a) Ontario Public School Board Association (OPSBA)	A. Robertson	
	(b) Food for Learning Meeting	nil	
12	Report from Standing Committee Reports		
	(a) Governance and Policy Meeting June 10, 2024	S. Binder	
	i) Recommendation: Policy XX: Board Governance		28
	ii) Recommendation: HPEDSB Multi-Year Strategic Plan		38
	iii) Recommendation: Annual Schedule of Meeting Dates 2024-2025		40
	(b) Student Learning, Well-being, and Equity Meeting June 3, 2024	S. Lewis	
	(c) Physical Planning, Finance and Building Meeting June 11, 2024	K. Kramp	

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	i) Recommendation: 2024-2025 Budget	B. Wilson 46
13	Report from Statutory Committee Reports	
	(a) Audit Committee June 5, 2024	R. Prinzen 72
	i) Recommendation: External Auditor's Plan	B. Wilson
	(b) Parent Involvement Committee	nil
	(c) Special Education Advisory Committee June 6, 2024	S. Binder
	(d) Supervised Alternative Learning, May 29, 2024, and June 11, 2024	R. Speck
14	Report from Advisory Committee Reports	
	(a) Accessibility Advisory	nil
	(b) Equity and Inclusivity Advisory, May 29, 2024	K. Hambly
	(c) Indigenous Education Advisory, June 5, 2024	S. Maracle
	(d) Student Voice Plan 2023-2024	Student Trustees
	i) Vaping in School Bathrooms Report	128
15	Ad Hoc Committee Report	
	(a) Director's Performance Appraisal Ad Hoc Committee Update	A. Robertson
	i) Recommendation: Director's Performance Appraisal 2024	130
16	Chair's Report	S. Binder
	(a) Presentation to outgoing Student Trustees	
	(b) Invitation for Trustee Sharing	
17	Director's Report	K. MacIver
18	HPEDSB Staff Reports	
	(a) Building Renewal Project between \$500K - \$1M Update	B. Wilson/K. Horrigan 131
	(b) Student Achievement Plan (SAP) Update	T. Elliott 132
19	Calendar of Events	S. Binder 134
20	Correspondence	nil
21	Unfinished Business	nil
22	Trustee Motions for Consideration	nil
23	Trustee Notice of Motion	nil
24	Adjournment	S. Binder

Next Regular Public Board Meeting: August 26, 2024, at 6:00 p.m.

Members present: S. Binder, E. Charlton, K. Hambly, K. Kramp (v), S. Lewis, S. Maracle, E. Parsons, R. Prinzen (v), A. Robertson, R. Speck (v)

Student Trustees: A. Shah, C. Vance, J. Webster

Absent:

Guests: Luna Fleming, Grade 11 student, Bayside Secondary School, Jolie Brant, Mental Health Lead, Lieutenant-Colonel J.P. Hoekstra, Liaison Officer from the Canadian Armed Forces, Melissa Burns, Teacher at Stirling Public School

Resources: K. Donnell, K. Dostaler, T. Elliott, K. Horrigan, T. Jones, K. MacIver, D. McFarlane, B. Wilson

Minutes: D. Lucas, Executive Assistant

1. Call to order

Chair Binder called the meeting to order at 6:00 p.m. and welcomed everyone to the Regular Public Board meeting.

2. Acknowledgement of Traditional Lands - Trustee Parsons offered the Land Acknowledgement.

3. Presentation –

(a) Mental Health “A Student Voice Presentation”

Luna Fleming, Grade 11 at Bayside Secondary School, and Jolie Brant, Mental Health Lead, spoke about their involvement in mental health journeys at HPEDSB.

Luna described her three days of training to become a Well-being Champion last fall. This included, among other topics, the Five Golden Rules:

1. Say what you see.
2. Show you care.
3. Hear them out.
4. Know your role.
5. Connect them to help.

Jolie Brant shared the upcoming mental health summer programming, which includes partnerships with Heal with Horses Camp and YMCA Mental Health Promotion Camp.

(b) Certificate of Appreciation, Canadian Armed Forces Presentation

Lieutenant-Colonel J.P. Hoekstra, Liaison Officer from the Canadian Armed Forces, and Melissa Burns, Teacher at Stirling Public School, presented two HPEDSB Human Resources staff members with certificates of appreciation. Ben Chapman, Manager, and Darren McFarlane, Superintendent, were recognized for supporting the Canadian Armed Forces. Melissa was recognized on several occasions when she requested periods of leave to support her military commitments as a Naval officer with the Royal Canadian Navy. Like all Reservists, Melissa requires periods of leave from her civilian career from time to time to

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complete military courses and to respond to domestic emergencies within Canada, such as floods, ice storms, or wildfires. Leave requests can also be in response to overseas missions that involve Canada's Armed Forces.

4. Motion to convene into a Closed Committee of the Whole - not required

5. Reconvened to Regular Public Board meeting - not required

6. Roll Call

Chair Binder requested a roll call for trustees and student trustees. All members present.

7. Approval of the agenda

Recommendation

Mover: A. Robertson

Secunder: E. Charlton

That the agenda for the May 27, 2024, Regular Public Board Meeting be approved

Carried

8. Conflict of Interest – none declared.

9. Consent Agenda Items:

Trustee Prinzen requested that item 9(a) be removed from the consent agenda items.

Recommendation

Mover: A. Robertson

Secunder: E. Charlton

That the following Consent Agenda items be approved:

- (a) item removed from the consent agenda**
- (b) Committee Meeting Minutes (for information only)**
 - i) Governance and Policy April 15, 2024**
 - ii) Special Education Advisory Committee April 4, 2024**
 - iii) Parent Involvement Committee nil**
 - iv) Physical Planning, Finance and Building Committee April 8, 2024**
 - v) Student Learning, Well-Being and Equity Committee April 2, 2024**
 - vi) Accessibility Advisory Committee March 21, 2024**

Carried

9.1 Trustee Prinzen requested that the minutes from the Regular Public Board meeting held on April 22, 2024 be amended as follows:

- item 12(a), third bullet point, remove “approve the Governance Directive Terms of Reference and approve the Trustee Membership for the Ad Hoc Committee,”
- item 12(c), remove the third bullet point, and
- item 14(b), remove the fourth bullet point

Recommendation

Mover: A. Robertson

Secunder: S. Maracle

Minutes from the April 22, 2024, Regular Public Board Meeting be approved as amended.

Carried

10. Rise and Report from Closed Committee of the Whole—Vice-chair Robertson reported that a Closed Committee of the Whole meeting was held earlier on May 27, 2024, to receive a presentation from the Director of Education, Katherine MacIver, as part of the Director's Performance Appraisal process.

11. Report from External Organizations:

(a) Ontario Public School Board Association (OPSBA) – Vice-chair Robertson provided the following highlights from OPSBA:

- received a presentation from executive members of OSTA-AECO,
- received a presentation by Sheila MacKinnon on the Amended and Restates OPSBA General By-Law,
- discussed the Provincial Budget and the renaming of the GSN to Core Education Funding
- discussed member board issues regarding the new Director of Educational Performance Appraisals,
- discussed the Cell Phone and Vaping Policy,
- received an update on Copyright Litigation,
- discussed the OPSBA AGM Elections

Chair Binder provided highlights from the Human Resource Symposium:

- attended a session with a keynote address by Rob Rickler on Employment Law and Human Resources in the age of Artificial Intelligence,
- attended a session on the Tension between Employee Privacy and Disclosure Obligations presented by Sheila MacKinnon,
- attended a session on the Do's and Don'ts of social media, mostly about employees, with some focus on trustees,
- attended a session on Trauma Enforced Workplace Investigations outlining the event experience and effects of trauma on both ourselves and its ongoing impacts.
- attended a session on Statute Case Law, which focused on current arbitration court and tribunal decisions that are impacting school boards relating to bargaining, sick leave and termination of teachers,
- the last session covered ransomware attacks on school boards and covered the nature of ways to prepare for threats.

i) Recommendation - Appointments to the OPSBA Board of Directors and Identification of (Voting) Delegates for 2024-2025

Director MacIver conducted the election for the first position of OPSBA Board of Directors representative. Trustee Binder self-nominated, and Trustee Charlton seconded the nomination. Director MacIver asked a second and third time for any other nominations for the OPSBA Board of Director representative; no further nominations came forward. Director MacIver declared Trustee Binder as the acclaimed OPSBA Board of Directors Representative.

Director MacIver conducted the election for the OPSBA Voting Delegate and Alternate. Trustee Binder self-nominated, and Trustee Hambly seconded the nomination. Director MacIver asked a second and third time for any other nominations for the OPSBA Voting Delegate; no further nominations came forward. Director MacIver declared Trustee Binder the acclaimed OPSBA Voting Delegate.

Chair Binder conducted the elections for the OPSBA Alternate Voting Delegate. Trustee Robertson self-nominated herself, and Trustee Maracle seconded the nomination. Chair

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Binder asked a second and third time for any other nominations for the OPSBA Alternate Voting Delegate; no further nominations came forward. Chair Binder declared Trustee Robertson as the acclaimed OPSBA Alternate Voting Delegate.

Recommendation:

Mover: E. Charlton

Seconder: S. Maracle

That the Hastings and Prince Edward District School Board approve the following appointments to the Ontario Public School Board Association for the 2024-2025 term of office:

1. That Trustee Binder be appointed as the OPSBA Board of Directors,
2. Trustee Binder be appointed as the OPSBA Voting Delegate.
3. Trustee Robertson be appointed as the OPSBA Alternate Voting Delegate.

Carried

(b) Food for Learning Steering Committee – Trustee Hambly provided highlights from the Food for Learning Steering Committee meeting held on May 16, 2024:

- attended the 80's neon benefit auction, with \$26,000.00 raised for Food for Learning,
- results from the "Smile Cookie" campaign will be shared on Tuesday, May 28, 2024.

12. Standing Committee Reports:

(a) Governance and Policy Committee – Chair Binder provided highlights from the Governance and Policy Committee meeting held on Monday, May 21, 2024:

- reviewed the fourth draft of Policy XX: Board Governance,
- reviewed the second draft of Policy XX: Board Review/Self Evaluation with a recommendation to the Board for approval,
- reviewed the 2024-2025 Committee meeting dates.

**Report 12(a)i Recommendation: Policy XX: Board Review/Self Evaluation:
Recommendation**

Mover: S. Lewis

Seconder: K. Hambly

That the Hastings and Prince Edward District School Board approve Policy XX: Board Review/Self Evaluation and Policy 3-J will be revoked.

Carried

(b) Student Learning, Well-Being, and Equity Committee – Trustee Lewis provided highlights from the May 6, 2024 meeting:

- received an update on mental health and well-being,
- received an update on human rights professional learning,
- received an update on the school climate survey,
- reviewed the 2024-2025 committee meeting dates and topics.

(c) Physical Planning, Finance and Building Committee – Trustee Charlton provided highlights from the May 13, 2024 meeting:

- reviewed a report on budget updates, which included a review of the funding model that has been released by the Province and how it relates to our existing model,
- reviewed various borrowing resolutions to meet current and upcoming fiscal year operating in capital expenditures of the Board, with a recommendation to the Board.

**Report 12(c)i Recommendation: Borrowing Resolution
 Recommendation**

Moved: K. Kramp
Seconded: A. Robertson

That the Hastings and Prince Edward District School Board approve the various borrowing resolutions in order to meet current and upcoming fiscal year operating and capital expenditures of the board.

- Authorizing the borrowing of a sum of up to \$10,000,000 from the Canadian Imperial Bank of Commerce, in order to meet short-term borrowing requirements for current expenditures.
- Authorizing the borrowing of a sum of up to \$19,594,905 from the Canadian Imperial Bank of Commerce, in order to meet short-term borrowing requirements for various school improvements under the School Condition Improvement Program.
- Authorizing the borrowing of a sum of up to \$1,448,137 from the Canadian Imperial Bank of Commerce, in order to meet short-term borrowing requirements for an addition and renovations at Central Hastings School under the Capital Priorities Grant.
- Authorizing the borrowing of a sum of up to \$4,359,404 from the Canadian Imperial Bank of Commerce, in order to meet short-term borrowing requirements for the demolition of an existing building and the construction of a new K-8 elementary school, Easthill Elementary School on the Queen Elizabeth (Belleville) site under the Capital Priorities Grant, Full Day Kindergarten and Childcare Capital programs.

Trustees asked questions, and Superintendent Wilson responded to them. Trustee Prinzen requested the following motion to revise the recommendation.

Moved: R. Prinzen
Seconded: R. Speck

In the last bullet of the Borrowing Resolution recommendation, be revised to remove the words “existing building” and the actual name of the school being demolished, Queen Elizabeth (Belleville).

Not Carried

The original recommendation was voted on.

Carried

13. Standing Committee Reports:

(a) **Audit Committee** – no report

(b) **Parent Involvement Committee** – Trustee Charlton provided highlights from the May 15, 2024 meeting:

- unable to approve minutes from the November and April Parent Involvement Committee meeting as we did not have quorum,
- received reports from School Councils providing highlights from their year, fundraising activities including the Terry Fox Run and purchasing Smart Boards,
- an approved notice of motion was brought forward from April 17, 2023, requesting a free and accessible training opportunity for all parents in the community, specific to anti-racism and 2SLGBTQIA education and inclusivity. Director MacIver will fulfil this motion by looking for an opportunity in June to have this event hosted online.

- (c) **Special Education Advisory Committee** – Trustee Lewis provided highlights from the April 25, 2024 and May 13, 2024 meeting:
- received a presentation on the development of K-Credit Guide,
 - received a staff report on the elementary resource and secondary regional programs for 2024-2025,
 - reviewed student needs and programs for the 2024-2025 school year, there will be a total of 21 elementary resource programs in 23 section regional programs and additional life skills programs and added to Trenton High School,
 - attended a Tri-Board SEAC meeting,
 - reviewed and approved the Special Education Plan with a recommendation to approve the amendments,
 - attended the Tri-Board SEAC meeting on May 13, 2024 held at the Algonquin and Lakeshore Catholic School Board,
 - received a budget overview for 2024-2025 from Superintendent Wilson
 - received an update on the Special Education Services restructuring at Limestone District School Board.

Report 13(c)i Recommendation: Special Education Plan 2023-2024
Recommendation

Moved: S. Lewis

Seconded: A. Robertson

That the Hastings and Prince Edward District School Board approve the amendments Special Education Plan 2023-2024.

Carried

Trustees asked questions and Superintendent Dostaler responded.

- (d) **Supervised Alternative Learning Committee** – Trustee Hambly provided highlights from the May 1, 2024 and May 15, 2024 meeting:
- approved nine students on May 1, 2024 and 11 students on May 15, 2024, for the Supervised Alternative Learning Program.

14. Advisory Committee Reports:

- (a) **Accessibility Advisory Committee** – Trustee Parsons provided highlights from the May 8, 2024, Accessibility Advisory Committee:
- reviewed the Multi-Year Annual Accessibility Plan, which is a 5-year rolling plan,
 - shared significant progresses made in schools and at the Education Centre compared to 10 years ago.
- (b) **Equity and Inclusivity Advisory Committee** – no report
- (c) **Indigenous Education Advisory Committee** – no report
- (d) **Student Voice Committee** – Student Trustees provided highlights from the student voice meeting:
- approximately 70 students from all secondary schools attended the Student Voice Leadership Conference held at the Education Centre; there were three break-out sessions: Leadership from an Indigenous Perspective, Super Student Leadership Skills, and Leadership and Mental Health,
 - elections were held for the three incoming student trustees for 2024-2025: Alisha Makkar, Centennial Secondary School; Julia Cranshaw, Eastside Secondary School; and Matthew Shalla, North Hastings High School,

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- planning a meeting with Megan Adams regarding the vaping concerns in the school bathrooms, a report will come forward to the June 17, 2024, Regular Public Board Meeting.

15. Ad Hoc Committee Report - Vice-Chair Robertson provided highlights from the Director's Performance Ad Hoc Committee meetings held on May 2, 2024:

- reviewed the stakeholder questions,
- stakeholder interviews scheduled to begin the week of May 6, 2024, and were completed with 100% participation,
- Director MacIver presented a report to the Committee of the Whole on May 27, 2024, as part of the Director's Performance Appraisal process,
- next meeting is scheduled for June 5, 2024; a draft report will be available for the committee members to review from the stakeholder interviews,
- a final report will be shared with the Director before the June 17, 2024, Regular Public Board Meeting,
- a recommendation will come forward to the June 17, 2024 Regular Public Board Meeting.

16. Chair's Report - Chair Binder shared the following highlights:

- visited "The Roc" recreation centre in Picton earlier this month,
- attended the Minds in Motion STEM Challenge for Grade 7 and 8 students at Loyalist College,
- attended the HPEDSB Community Partner Breakfast for Belleville and Quinte West on May 23, 2024, and some Trustees attended the Inspiring Excellence Awards celebration that same evening,
- participated in Take Your MPP to Work Day with MPP Todd Smith and Trustee Robertson, where we visited Park Dale School,

(a) Invitation for Trustee Sharing

Trustee Speck shared:

- Coe Hill School held a road toll/fundraiser over the May long weekend raising approximately \$5,500,
- attended an online Safety Presentation by Paul Davis to Parents/Guardians on Protecting Children and Empowering Parents on the topic of online safety.
- attended the Inspiring Excellence Awards celebration at Trenton High School.

Trustee Prinzen shared:

- attended Sophiasburgh Central School for the annual spring concert on May 16, 2024,
- will be attending the HPEDSB Community Partner Breakfast in Prince Edward County on May 28, 2024.

Trustee Kramp shared:

- congratulated Central Hastings on the Beauty and the Beast performances,
- congratulated all of Grade 7 and 10 students who attended Camp Quin-Mo-Lac for leadership training,

Student Trustee Clara Vance shared:

- the Wolfpack, which is the Indigenous Club at North Hastings High School, will be attending Camp Quin-Mo-Lac on May 28, 2024,
- the North Hastings High School Music Program will attend the Royal Ballet performance in Toronto.

17. Director's Report - Director MacIver shared the following highlights:

- congratulated Ian Ketcheson from Bayside Secondary School, who won Gold for the third year at the Skills Ontario Competition. Approximately 20 HPEDSB students were participating,
- shared participation in Music Monday, Band Fest, and Minds in Motion Skills Competition for Grade 7 and 8 students,

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- shared information on the PA Day activities held on Friday, May 31, 2024, with a board-wide professional learning day for CUPE staff,
- shared information about Centennial Secondary School holding their first Relay for Life and raising over \$50,000, surpassing the goal of \$30,000. Schools also participate in Terry Fox cancer fundraising, and the total for all schools is \$72,903.31,
- commended the student trustees on the Student Leadership Day held on April 26. Three new student trustees were selected and will be sworn in at the first Board meeting in the fall,
- school climate surveys are being rolled out, with the student survey happening now. More to come about the surveys for parents/caregivers and staff,
- planning is underway for a parent involvement session on June 11, 2024. The guest speaker is Alice Te, who will speak about how to engage in conversations about anti-oppression, anti-racism, 2SLGBTQIA+ education and inclusivity,
- held a Community partner breakfast meeting for Belleville/Quinte West on May 23, 2024, and Prince Edward County will be held on May 28, 2024, and Central and North Hastings will be held on May 30, 2024,
- attended the Inspiring Excellence Awards celebration held on May 23, 2024, honouring eight award recipients nominated by their peers and community.

18. HPEDSB Staff Reports

- (a) **Communications Services: Connections to the 2020-2025 Strategic Plan** -This report included an update on the Communications team's support for schools and departments through consultation, prompt and time-sensitive actions, and collaborative efforts. To review the entire report, click [here](#) and go to page 55 of the agenda.
- (b) **Summer Learning** – The report included an update on the leadership development strategies implemented and in process for the upcoming academic year. To review the entire report, click [here](#) and go to page 49.

19. Calendar of Events: To review the calendar of events and meetings, click [here](#) and go to page 55.

20. Correspondence – nil

21. Unfinished Business – nil

22. Trustee Motions for Consideration - nil

23. Trustee Notice of Motions - nil

24. Meeting adjourned at 7:53 p.m.

Chair

Secretary

Members present: S. Binder, K. Kramp (v), S. Lewis, R. Prinzen (v), R. Speck (v)

Absent: K. Donnell, A. Shah,

Student Trustee:

Resources: K. MacIver

Minutes: D. Lucas, Executive Assistant

1. Call to Order

Chair Binder called the meeting to order at 3:30 p.m.

2. Motion to Convene a closed Governance and Policy Committee meeting—a closed meeting was scheduled, but it was determined that a closed meeting was not required.

3. Reconvene to Public Governance and Policy Committee meeting - not required.

4. Acknowledgement of Traditional Lands

Trustee Speck offered the Land Acknowledgement.

5. Roll Call

Chair Binder requested a roll call of committee members; all members were present except for Student Trustee A. Shah and Communications Manager Kerry Donnell.

6. Approval of agenda

Moved: S. Lewis

Seconded: K. Kramp

That the agenda for May 21, 2024, be approved.

Carried

7. Declaration of Conflict of Interest - none declared.

8. Approval of Minutes

Moved: S. Lewis

Seconded: R. Speck

That the April 22, 2024, meeting minutes be approved.

Carried

When the vote was taken, a question was raised simultaneously, and the committee allowed further discussion. Trustee Prinzen requested that the minutes be amended as follows:

Moved: R. Prinzen

Seconded: S. Lewis

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Item 10(c): add the words “will be”

Moved: R. Prinzen
 Seconded: S. Lewis

ried

That the April 22, 2024 meeting minutes be approved as amended.

Carried

9. Delegations - none

10. Report from Staff

(a) Fourth Review - Policy XX: Board Governance

Director MacIver noted that this is the fourth review of this revised policy. Public feedback received was shared and reviewed with the Governance and Policy Committee. Trustee Prinzen proposed several changes to this policy, as noted below:

Motion #1

Moved: R. Prinzen
 Seconded: K. Kramp

Trustee Prinzen requested that the full name of Hastings and Prince Edward District School Board be replaced with the acronym “HPEDSB” throughout the entire document, except in the first paragraph of the purpose statement.

Carried

Discussion amongst the committee members suggested that the wording remain the same in the “purpose” statement. Anything after that, as noted in the definitions, should read HPEDSB. Director MacIver noted this is a housekeeping item; corrections will be made throughout the document to ensure consistency.

Motion #2

Moved: R. Prinzen
 Seconded: R. Speck

Trustee Prinzen requested that in item 3) c), 3rd sentence add “public board”

Not Carried

Motion #3

Moved: R. Prinzen
 Seconded: S. Lewis

Trustee Prinzen requested in item 3), e), i,d remove the word “a” and add the letter “s” to the word outcome.

Carried

Motion #4

Moved: R. Prinzen
 Seconded: K. Kramp

Trustee Prinzen requested in item 3), e),ii, add item “d” “liaise with members of all levels of government, the school system, and with local organizations or individuals in the community.”

Not Carried

Motion #5**Moved:** R. Prinzen**Seconded:** K. Kramp

Trustee Prinzen requested in item 3), e) iii, b remove “and provide effective stewardship of Board resources,”

Not Carried**Motion #6****Moved:** R. Prinzen**Seconded:** R. Speck

Trustee Prinzen requested in item 3) ,e), iii, d add “a clear and transparent process for”

Carried

Chair Binder noted that, given the number of revisions being made to this policy, a fifth and final draft would be brought back to the Governance and Policy Committee meeting on June 10, 2024, with a recommendation to the Regular Public Board Meeting on June 17, 2024, for final approval.

(b) Second Review - Draft Policy 3-J: Board Review/Self-Evaluation

Director MacIver noted this is the policy’s second review. Public feedback received was shared and reviewed with the Governance and Policy Committee, discussing and implementing further changes to this revised policy and recommending that this revised policy be brought forward to the May 27, 2024, Regular Public Board Meeting for approval.

Recommendation:**Moved:** S. Lewis**Seconded:** R. Speck

That the Governance and Policy Committee recommends the Hastings and Prince Edward District School Board approve Policy XX: Board Review/Self Evaluation. With the approval of this revised policy, Policy 3-J will be revoked.

Carried**(c) Draft Agendas**

(i) Public Board Meeting May 27, 2024, highlights:

- Presentation: Mental Health
- Recommendation- Policy 3-J: Board Review/Self Evaluation
- Recommendation - Special Education Plan
- Recommendation - Borrowing Resolution
- Reports from staff:
 - Communications Update
 - Summer Program Learning

11. Trustee Motions for Considerations – nil**12. Trustee Notices of Motion****13. Correspondence - nil****14. Adjournment** - the meeting adjourned at 5:09 p.m.

**Special Education Advisory Committee
(SEAC) Meeting
April 25, 2024 - 4:00 p.m.**

Members present: S. Binder, S. Lewis, E. Palmer, A. Card, L. Isenegger, R. Glenn, W. Haystead, D. Vanderkloet, E. Cotman, J. Christie, A. James, K. Hanoski

Absent: L. Rashotte, R. Howard, S. Ward, J. Parker, L. Solski, C. Breau

Resource: T. Whittaker, K. Dostaler, S. Taylor-Harvey

Minutes: G. McCurdy

1. Call to order

In the absence of Chair Rashotte, Vice-chair Card called the meeting to order at 4:00 p.m. and welcomed everyone to the Special Education Advisory Committee meeting.

2. Acknowledgement of Traditional Lands

Trustee Lewis offered the Land Acknowledgement.

3. Roll Call

Vice-chair Card requested a roll call of members.

4. Approval of the agenda

Mover: Stacey Lewis

Seconder: Wendy Haystead

That the agenda for the April 25, 2024 Special Education Advisory Committee meeting be approved.

Carried

5. Declaration of Conflict of Interest

There was no conflict of interest declared.

6. Approval of Minutes from Previous Meetings

(a) April 4, 2024

Mover: Eve Cotman

Seconder: Stacey Lewis

That the minutes of the April 4, 2024 meeting be approved.

Carried

7. Delegations/Presentations

a) Development of K-Credit Guide

Vice-chair Card welcomed and introduced Heather Munroe and Andrew Kritzer, Learning Support Coordinators, Student Services and Rebecca Delaney, Elementary Resource Program teacher, Centennial Secondary School, to the meeting. Heather shared that students attending a Life Skills Program (LSP), usually work to complete “K Courses” as they work to attain a Certificate of Accomplishment. The writing team created a Student Services Guide for Alternative (non-credit) Courses for Secondary School Students “K Courses”. The presenters noted the objectives of the Guide as follows:

- improve LSP programming, assessment, evaluation and reporting;
- establish clear goals and expectations for K course codes;

- support writing Individual Education Plan (IEP) goals and alternative report cards in LSP;
- increase the variety of course offerings.

Rebecca shared examples of practical applications of learning, including safety in the community (e.g., recognition of walking signs, knowing your community, and knowing how to call for help). Andrew shared the sources consulted and collaborative effort in creating the Guide, to ensure that the courses are relevant to students and will meet their learning needs. Next steps will include sharing the Guide with secondary learning support and life skills program teachers, followed by a system launch to implement the Guide. A request was made for the Guide to be shared with community partners through SEAC.

8. Committee Reports

a) Recommendation to approve the amendments to the Special Education Plan 2023-2024 and Summary of Amendments

Superintendent Dostaler referenced the 2023-2024 Special Education Plan and Summary of Amendments, which capture changes that have occurred within the 2023-2024 school year.

He shared that opportunities to provide input and feedback on the annual Special Education Plan have been provided to SEAC members, community agency representatives, and members of the public regarding special education matters. He referred members to the Summary of Amendments and provided an overview of the changes that have been made to the plan for 2023-2024. He thanked members for providing input.

The Special Education Plan and Summary of Amendments will be brought forward to the Regular Public Board Meeting on Monday, May 27, 2024 for final approval.

Mover: Shannon Binder

Second: Wendy Haystead

That the Special Education Advisory Committee recommends that the Hastings and Prince Edward District School Board approve the amendments to the Special Education Plan 2023-2024.

Carried

9. Staff Reports

a) Elementary Resource/Secondary Regional Programs 2024-2025

Superintendent Dostaler referred to the Elementary Resource and Secondary Regional Program 2024-2025 handout contained in the agenda package. He shared that as part of the annual review process, the location and/or continuation of Elementary Resource and Secondary Regional Programs are reviewed and are subject to change.

Work has been occurring to review student needs and locations of programs for next year. For 2024-2025, there will be a total of 21 Elementary Resource Programs and 23 Secondary Regional Programs. An additional Life Skills Program (LSP) will be added to Trenton High School.

b) Tri-Board Special Education Advisory Committee meeting
Monday, May 13, 2024

Vice-chair Card noted that the Tri-Board SEAC meeting is scheduled for Monday, May 13, 2024 and will be hosted by Algonquin & Lakeshore Catholic District School Board (ALCDSB) at 151 Dairy Avenue in Napanee. The schedule for the evening is as follows:

- 5:00 p.m.
 - HPEDSB local SEAC meeting
- 5:45 p.m.
 - Networking and dinner
- 6:30 p.m.
 - Presentation by Dr. Laurie Faith

Members were asked to:

- update their calendars with this date and time;
- confirm with Julie Kezar jkezar@hpedsb.on.ca that you are attending/not attending the May 13, 2024 meeting, by April 30, 2024 and advise of any food allergies or sensitivities.

c) Sub-committee updates

Mental Health

- Superintendent Dostaler reported that there will be opportunities for members to provide feedback on the mental health questions that are embedded in the School Climate Surveys every two years. An update is forthcoming.

Individual Education Plans (IEPs)

- Trustee Lewis noted that the committee worked on the one-pager on parent communication and the tier levels of support.
- Members are looking at a second brochure for parents on “How to understand your child’s IEP.” The document could be a poster that reviews the highlights of the IEP and how to best understand it. The content is ready, and members are experimenting with the best format to use.

10. Correspondence

a) Tri-Board SEAC meeting flyer

System-Lead Taylor-Harvey noted the learning that has occurred around Executive Functioning that has been guided by the work of Dr. Laurie Faith, who will be conducting a research project that will be connected to our board. Trustee Lewis noted that her book is excellent and would be a great resource for members to have.

b) Dufferin-Peel Catholic District School Board letter – February 21, 2024

c) Ministry of Education email response – April 2, 2024

11. Adjournment

The meeting was adjourned at 4:55 p.m.

**Special Education Advisory Committee
(SEAC) Meeting
May 13, 2024 - 5:00 p.m.**

Members present: S. Binder, S. Lewis, N. Hamilton-Powers, A. Card, L. Isenegger, R. Glenn, W. Haystead, D. Vanderkloet, E. Cotman, J. Christie, S. Ward, A. James, K. Hanoski

Absent: L. Rashotte, R. Howard, J. Parker, L. Solski, C. Breau

Resource: T. Whittaker, K. Dostaler, S. Taylor-Harvey

Minutes: J. Kezar

1. Call to order

In the absence of Chair Rashotte, Vice-chair Card called the meeting to order at 5:00 p.m. and welcomed everyone to the Special Education Advisory Committee meeting.

2. Acknowledgement of Traditional Lands

Trustee Binder offered the Land Acknowledgement.

3. Roll Call

Vice-chair Card requested a roll call of members.

4. Approval of the agenda

Mover: Shannon Binder

Seconder: Stacey Lewis

That the agenda for the May 13, 2024 Special Education Advisory Committee meeting be approved.

Carried

5. Declaration of Conflict of Interest

There was no conflict of interest declared.

6. Approval of Minutes from Previous Meetings

(a) April 25, 2024

Mover: Lauren Isenegger

Seconder: Eve Cotman

That the minutes of the April 25, 2024 meeting be approved.

Carried

7. Delegations/Presentations

a) Budget overview 2024-2024

Superintendent Dostaler welcomed and introduced Bryce Wilson, Superintendent of Business Services to the meeting to present an overview of budget, for 2024-2025.

Superintendent Wilson shared that budget was released on April 26, 2024.

The focus is to remain status quo, while working through the new funding framework which includes:

- Core Education Funding – Core Ed (formerly Grants for Student Needs);
- Responsive Education Programs - REPs (formerly Priorities and Partnership Funding);
- Building, Expanding and Renewing Schools - BERS (formerly known as Capital and Building Funding).

Superintendent Wilson shared that the budget includes 2021 Stats Can Census data, and that a new financial dashboard will be released in the summer of 2024. Also, the following budget to budget comparison was shared:

Budget to Budget Comparison	2023-24	2024-25
Core Education Funding	\$219.6 Million	\$223.4 Million
Responsive Education Programs	\$ 3.3 Million	\$ 2.2 Million
Building, Expanding and Renewing Schools	\$ 21.3 Million	\$ 11.7 Million
Special Education Fund	\$ 27.7 Million	\$ 27.6 Million

The final budget will be presented at the Regular Public Board Meeting of June 17, 2024 for final approval.

8. **Committee Reports**

There were no committee reports.

9. **Staff Reports**

a) **Special Education Services Restructuring – Limestone District School Board**

Superintendent Dostaler referred to the handout contained in the agenda package, which summarized the Special Education Review conducted by Limestone District School Board (LDSB) that occurred between February 2023 and October 2024. As a result of this review, a decision was made that elementary special education classrooms and itinerant support positions would not continue, and staff would be reallocated into schools to provide support and service to students in their home school. No changes were made at the secondary level. The adjustment allowed LDSB to increase supports in elementary schools.

Superintendent Dostaler noted that no changes in Elementary Resource or Secondary Regional Programs will occur within Hastings and Prince Edward District School Board (HPEDSB).

b) **Sub-committee updates**

Mental Health

- There are no further sub-committee updates until the School Climate Survey results are collected in the fall.

Individual Education Plans (IEPs)

- Trustee Lewis noted the next sub-committee meeting is scheduled for May 30, 2024 where members will be reviewing the document entitled Understanding your Child's IEP.

10. **Correspondence**

a) **SEAC Year-end Summary**

Superintendent Dostaler referred members to the SEAC Year-end Summary document contained in the agenda package. The document is created to summarize and highlight the goals and tasks that SEAC has achieved each school year. The summary will be posted on the board website for reference and will also be sent to committee members to share with others as relevant.

b) **Durham District School Board letter – April 24, 2024**

11. **Adjournment**

The meeting was adjourned at 5:45 p.m.

Members then joined the virtual Tri-Board Special Education Advisory Committee meeting.

Members present: E. Charlton (Vice Chair), K. Kramp (Chair), K. Hambly, E. Parsons, A. Robertson

Regrets: K. Donnell, T. Rodgers, J. Webster (Student Trustee)

Absent:

Guests:

Resources: K. Horrigan, K. MacIver, D. McFarlane, B. Wilson

Minutes: J. McLaren, Executive Assistant

1. Call to order

The meeting was called to order at 3:30 p.m. by Vice Chair Charlton.

2. Acknowledgment of Traditional Lands

Trustee Parsons offered the Land Acknowledgement.

3. Roll Call

Vice Chair Charlton requested a roll call of Trustees.

4. Approval of Agenda

Moved: K. Hambly
Seconded: A. Robertson

Carried

5. Declarations of Conflict of Interest

None.

6. Delegations

None.

7. Approval of Minutes from Previous Meeting

Moved: K. Hambly
Seconded: A. Robertson

That the minutes of Monday, April 8, 2024 meeting be approved.

Carried

8. Staff Reports

Borrowing Resolution

Superintendent Wilson referred to Report 8(a), dated May 13, 2024.

That the Physical Planning, Finance and Building Committee recommend the Hastings and Prince Edward District School Board approve the various borrowing resolutions in order to meet current and upcoming fiscal year operating and capital expenditures of the board.

- **Authorizing the borrowing of a sum of up to \$10,000,000 from the Canadian Imperial Bank of Commerce, in order to meet short-term borrowing requirements for current expenditures.**
- **Authorizing the borrowing of a sum of up to \$19,594,905 from the Canadian**

Imperial Bank of Commerce, in order to meet short-term borrowing requirements for various school improvements under the School Condition Improvement Program.

- **Authorizing the borrowing of a sum of up to \$1,448,137 from the Canadian Imperial Bank of Commerce, in order to meet short-term borrowing requirements for an addition and renovations at Central Hastings School under the Capital Priorities Grant.**
- **Authorizing the borrowing of a sum of up to \$4,359,404 from the Canadian Imperial Bank of Commerce, in order to meet short-term borrowing requirements for the demolition of an existing building and the construction of a new K-8 elementary school, Easthill Elementary School on the Queen Elizabeth (Belleville) site under the Capital Priorities Grant, Full Day Kindergarten and Child Care Capital programs.**

Moved: K. Hambly
Seconded: E. Parsons

Carried

Budget Update

Superintendent Wilson referred to Report 8(b), dated May 13, 2024.

Clarification/discussion items included:

- Trustees inquired about the reduced funding for de-streaming and its impact on schools. Director MacIver responded that funding will continue to support professional learning but acknowledged there will be some changes to the manner in which the learning is operationalized, with HPE working hard to maximize funds.
- Trustees asked questions about the transportation budget, which Director MacIver and Superintendent Wilson responded to. While Ministry funding has increased, it does not meet anticipated HPEDSB' transportation costs. Trustee discussions will be required to explore options for cost reduction. Superintendent Wilson is working with TriBoard's CEO to determine operational efficiency options, with updates to follow.
- Trustees asked about funding allocations in the new Ministry model, which Superintendent Wilson responded to. Allocations vary (some must be spent specifically to stated reason while others may have flexibility). A draft budget will be presented at the PPFB meeting on May 28, 2024 and discussion will focus on funding spend, allocation and cost savings.

9. Trustee Motions for Consideration (Introduced at Previous Meeting)

None.

10. Trustee Notices of Motion (Discussion for Next Meeting)

Moved: K. Hambly
Seconded: E. Parsons

To provide updates on major system projects for the 2024-2025 school year at the next Physical Planning, Finance and Building (PPFB) Committee meeting, including Boundary Review Ad Hoc Committee (BRAC), Harmony Public School and Bayside Public School, Central Hastings School, North Hastings High School, Massassaga-Rednersville Public School and the Education Centre.

Carried

11. Adjournment

The meeting adjourned at 4:08 p.m. The next meeting will be on Tuesday, May 28, 2024.



**Physical Planning, Finance and Building Committee
Public Session Minutes
May 28, 2024**

Members present: S. Binder (Ex-Officio), E. Charlton (Vice Chair), K. Kramp (Chair), K. Hambly, E. Parsons, A. Robertson, J. Webster (Student Trustee)

Regrets:

Absent:

Guests:

Resources: K. Donnell, K. Horrigan, K. MacIver, D. McFarlane, T. Rodgers, B. Wilson

Minutes: J. McLaren, Executive Assistant

1. Call to order

The meeting was called to order at 3:31 p.m. by Chair Kramp.

2. Acknowledgment of Traditional Lands

Trustee Robertson offered the Land Acknowledgement.

3. Roll Call

Chair Kramp requested a roll call of Trustees.

4. Approval of Agenda

Moved: A. Robertson

Seconded: K. Hambly

That the agenda be approved for Tuesday, May 28 2024.

Carried

5. Declarations of Conflict of Interest

None.

6. Delegations

None.

7. Approval of Minutes from Previous Meeting

Moved: E. Charlton

Seconded: A. Robertson

That the minutes of Monday, May 13, 2024 meeting be approved.

Carried

8. Staff Reports

Draft Budget

Superintendent Wilson and T. Rodgers, Senior Manager, Finance, referred to Report 8(a), dated May 28, 2024.

Clarification/discussion items included:

- Trustees asked questions about the decrease in elementary projections and its impact on staffing, to which Superintendent McFarlane responded. Currently, HPEDSB is staffing conservatively to ensure alignment with all collective agreements but is optimistic that there will

be an increase in enrolments through the summer and will allocate staff in the fall to ensure appropriate class size requirements are met.

- Trustees inquired about extracurricular activities, specifically athletics and the arts, and whether there are funding opportunities to support these initiatives. Director Maclver advised that direction would be required from the PPFB Committee to determine where funding could be pulled from and that HPEDSB was putting a high focus on remaining financially healthy.
- Trustees asked further questions regarding average costs to run sports/arts programs and Director Maclver shared a report that was brought forward at the Student Learning, Well-Being and Equity (SWEL) Committee meeting on April 2, 2024, which provided a summary of total expenses (art subsidy, athletics, etc.) and how schools utilize the funding. The PPFB Committee was encouraged to review the documentation.
- Trustees asked who determined financial needs in the schools. Director Maclver responded that School Administrators are responsible for determining the needs of their schools, with direction from the Senior Management to stay within budget, while also aligning with collective agreements and HPEDSB's strategic plan.
- Director Maclver emphasized the value of parent and community feedback but also the importance of individual school feedback. There is a high need for renewed technology and other items for student learning and learning outcomes, along with requests for additional staffing that take priority at the school level to ensure students receive the highest quality of service.

Transportation Update

Superintendent Wilson referred to Report 8(b), dated May 28, 2024.

Clarification/discussion items included:

- Trustees inquired about the cost impact of hiring an analyst at TriBoard. Superintendent Wilson confirmed the cost will be divided amongst three boards (Algonquin Lakeshore Catholic DSB, Limestone DSB and HPEDSB). All three boards fully support the recruitment initiative.
- Trustees questioned efficiencies and whether software, in place of an analyst, would be more beneficial. Director Maclver advised that the Ministry of Education does an analysis of bus routes and praised the efficiency of Tri-Board. HPEDSB is working collaboratively with Tri-Board to ensure board efficiencies align to reduce impact on students and families.

9. Trustee Motions for Consideration (introduced at Previous Meeting)

Moved: A. Robertson

Seconded: E. Charlton

This motion is up for consideration to provide updates on major system projects for the 2024-2025 school year at the next Physical Planning, Finance and Building (PPFB) Committee meeting on June 11, 2024.

Not Carried

Clarification/discussion items included:

- Trustees requested system projects be added as regularly scheduled agenda items at meetings in the 2024-25 school year.

10. Trustee Notices of Motion (Discussion for Next Meeting)

None.

11. Adjournment

The meeting adjourned at 4:58 p.m. The next meeting will be on Tuesday, June 11, 2024.

Members present: E. Charlton, K. Dostaler, T. Jones, S. Lewis, E. Parsons, R. Prinzen

Absent: S. Maracle

Regrets: T. Elliott, C. Vance

Resources: S. Binder, K. Donnell

Minutes: E. Power, Executive Assistant, Curriculum Services

1. Call to Order

Chair Lewis called the meeting to order at 3:30 p.m.

2. Acknowledgement of Traditional Lands

Superintendent Jones offered the Land Acknowledgement.

3. Roll Call

Chair Lewis requested a roll call of committee members.

4. Approval of agenda

Moved: S. Binder

Seconded: E. Parsons

That the agenda for the May 6, 2024 Student Learning, Well-being and Equity Committee meeting be approved.

Carried

5. Declaration of Conflict of Interest

- None declared

6. Approval of Minutes from April 2, 2024 Meeting

Moved: S. Binder

Seconded: E. Charlton

That the minutes of the April 2, 2024 Student Learning, Well-being and Equity Committee meeting be approved.

Carried

7. Delegations

None.

Hastings and Prince Edward District School Board
Student Learning, Well-being and Equity Committee Minutes
May 6, 2024

Page | 2

8. Reports from Staff:**(a) Mental Health and Well-being Update**

Superintendent Dostaler referred to report 8(a), dated May 6, 2024.

Clarification and discussion took place regarding:

- What the Mental Health team have been working on throughout the school year, ie., winter wellness tips, exam tips, different platforms offered at both the elementary and secondary levels.
- The work being done between HPEDSB, ALCDSB and the local Children's Mental Health with regards to PPM 169 and how we can work together so that families have one point of access.
- The piloting of an interactive virtual room at Stirling PS, PECL, north schools and some Belleville schools.
- The tiered support provided by our Social Workers and Attendance Counsellor at our secondary schools and elementary schools where needed.

(b) Human Rights Professional Learning

Superintendent Jones referred to report 8(b), dated May 6, 2024.

Clarification and discussion took place regarding:

- Professional learning that has been ongoing throughout the school year, ie., guest speaker Alice Te presented at the March K-12 Leadership meeting as well as virtually to the entire board on the April 8th PA Day.
- The school climate survey and questions related to the Human Rights Code.

9. Trustee Report**(a) Draft 2024-2025 Student Learning, Well-being and Equity Committee Meeting Dates and Topics**

Chair Lewis referred to report 9(a), dated May 6, 2024.

Clarification and discussion took place regarding:

- This is a beginning planning phase for next year's agendas and the topics are flexible.
- Potential agenda items and their inclusion on agendas at specific times of the year, ie., the Mental Health Action Plan.

10. Review of Indigenous Education Advisory Committee Minutes

None

11. Review of March 26, 2024 Equity and Inclusivity Advisory Committee Minutes

No questions arose from the review of the minutes.

12. Trustee Motions for Consideration (Introduced at Previous Meeting)

None.

13. Trustee Notices of Motion (Discussion for Next Meeting)

None.

14. The meeting adjourned at 4:08 p.m. The next meeting will be on Monday, June 3, 2024.

Members present: S. Binder, K. Kramp, R. Prinzen, A. Robertson, K. Egan, J. Edmonds

Regrets: G. Segu

Absent: None

Guests: G. Champagne, L. Huber, A. Michael

Resources: N. Brant, N. Kishinchandani, K. MacIver, T. Rodgers

Minutes: J. McLaren, Executive Assistant

1. Call to order

The meeting was called to order at 3:38 p.m. by Chair Robertson.

2. Motion to Convene into a Closed Session

Moved: R. Prinzen

Seconded: K. Kramp

That the Audit Committee convening to a closed session be approved for Monday, November 20, 2023.

Carried

3. Reconvene to the Public Audit Committee Meeting

The public session reconvened at 4:47 p.m.

4. Acknowledgement of Traditional Lands

Trustee Prinzen offered the Land Acknowledgement.

5. Roll Call

Chair Robertson requested a roll call of Trustees.

6. Approval of agenda

Moved: R. Prinzen

Seconded: K. Kramp

That the agenda be approved for Monday, November 20, 2023.

Carried

7. Declarations of Conflict of Interest – None.

8. Delegations – None.

9. Approval of Minutes from Previous Meeting

Moved: R. Prinzen

Seconded: K. Kramp

That the minutes of the Monday, September 20, 2023 meeting be approved.

Carried

10. Committee Reports

2022-2023 Audited Consolidated Financial Statements and Auditor's Report

Superintendent Kishinchandani referred to Report 10(a), dated November 20, 2023.

That the Audit Committee recommend that Hastings and Prince Edward District School Board approve the Consolidated Financial Statements for the year ending August 31, 2023.

Moved: K. Egan
Seconded: K. Kramp

Carried

Clarification/discussion items included:

- Trustees inquired about the use of funding reserves and board compliance, which Superintendent Kishinchandani responded to.
- Trustees asked questions about learning perspectives and priorities for future meetings. Superintendent Kishinchandani responded that internal processes will be reviewed with debrief meetings taking place.

Internal Audit Update

Superintendent Kishinchandani and Gord Champagne, Senior Internal Auditor (SIA) referred to Report 10(b), dated November 20, 2023.

Clarification/discussion items included:

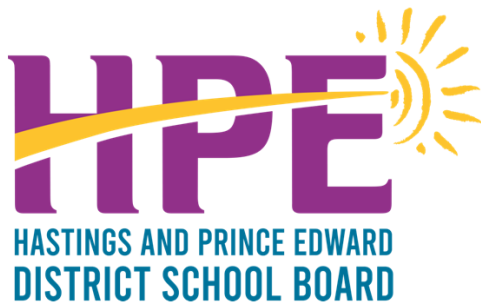
- Trustees inquired about preliminary observations of a school audit. The SIA responded that it will be brought forward at the June 2024 meeting.
- Trustees asked about deadlines for the legislative compliance project. The SIA advised that HPEDSB will determine a deadline. The Director of Education responded that HPEDSB would follow up with the Regional Internal Audit Manager (RIAM).

11. Trustee Motions for Consideration – None.

12. Trustee Notices of Motion – None.

13. Adjournment

The meeting adjourned at 5:25 p.m. The next meeting will be on Wednesday, June 5, 2024.



Decision X Information

To: Hastings and Prince Edward District School Board
From: Shannon Binder, Chair of Governance and Policy Committee
Re: Recommendation: Draft Policy XX: Board Governance

Purpose

To bring forward a recommendation to approve the Draft Policy XX: Board Governance.

Link to Strategic Plan

1.7 Advocate for public education and demonstrate sound decision-making through good governance.

Background

Draft Policy XX: Board Governance was reviewed at the February 20, 2024, March 18, 2024, April 15, 2024, May 21, 2024, and a fifth and final review at the June 10, 2024, Governance and Policy Committee meeting with no further revisions required.

Next Steps

The Governance and Policy Committee recommends that the Board approve this revised policy Draft Policy XX: Board Governance, which will be numbered Policy 02: Board Governance. Once approved, the following policies will be revoked.

- Policy 04: Corporate Board Job Description,
- Policy 05: Director of Education Job Description,
- Policy 09: Role of the Board Member, and
- Policy 10: Duties of the Board Chair and Vice-Chair.

Recommendation:

Moved:

Seconded:

That the Hastings and Prince Edward School Board approve Policy XX: Board Governance. This policy will be renamed Policy 02: Board Governance, and through this approval, policies 4, 5, 9 and 10 will be revoked.

Appendix A: Draft Policy XX: Board Governance

BOARD POLICY XX	
Adopted	
Last Revised	
Review Date	

BOARD GOVERNANCE

1) PURPOSE

School Boards are a creature of statute and have no inherent powers - only those given by the Education Act or other legislation and other powers reasonably inferred from the legislation.

This policy delineates the governance roles of the Board, Trustees, Chair, and Committees, and the operational role of Staff to ensure the effective delivery of public education in our schools. As a statutory corporation, Hastings and Prince Edward District School Board is governed by nine elected trustees and one appointed Indigenous trustee who make decisions at public meetings, as a collective body, to foster a strong public education system in the best interests of student success and well-being within the legislative requirements of the Province of Ontario.

Hastings and Prince Edward District School Board believes that a fundamental obligation is to preserve and enhance public trust in education generally and in the affairs of Hastings and Prince Edward District School Board operations. The Board believes that its ability to discharge its obligations efficiently and effectively depends on developing and implementing a sound governance model. The Board has adopted policies in addition to the HPEDSB By-Laws to ensure that the Board's business will be conducted in an open, transparent, and orderly way.

2) DEFINITIONS

Act: means the *Education Act*; the regulations thereunder, and any related Ministry of Education policies, directives, guidelines, memorandum, etc.

Board or Board of Trustees: means the collective governing body of HPEDSB, constituted as a Board of 10 Trustees pursuant to the *Education Act*, including section 208(1).

Board Members: means a member of the Board of Trustees (may be referred to as a "trustee" pursuant to section 1(12) of the *Act*) with duties specified in section 218.1 of the *Act*.

Chair of the Board of Trustees, or Chair: means a Member of the Board of Trustees elected by Trustees to fill the role of Chair of the Board.

Director of Education or Director: means the Chief Education Officer, Chief Executive Officer, and Secretary of HPEDSB, appointed by the Board.

HPEDSB: means the Hastings and Prince Edward District School Board.

Parent/Guardian: means the custodial parent or guardian of a minor child who is not an adult student.

Staff: means the persons employed by HPEDSB. Staff does not include any Member of the Board of Trustees.

Student Trustee: means one of up to three Grade 11 or 12 students elected by peers to represent the interests of students in Grades 9 to 12.

3) ROLE OF THE BOARD:

- a) The Board of Trustees should be mindful of devoting the greatest time and effort to those policies which are central to promoting student achievement and well-being;
- b) The powers and duties of the HPEDSB, as an organization, are distinct from those of individual Trustees and those of Staff. It is the duty of the Board of Trustees, rather than Staff, to make policy decisions and, in doing so, consider the interests of HPEDSB as a whole;
- c) The Board is the legislative source of all decisions, and individual Trustees are granted no authority through the *Act*. Legal accountability for Board decisions applies to the Board rather than individual Board Members. Once a decision is made by the Board at a duly constituted Meeting the decision is binding with HPEDSB, and all Trustees are legally bound to uphold that decision;
- d) The Board is responsible for setting policy and the strategic direction of HPEDSB, hiring and appraising the performance of the Director of Education, approving the allocation of resources, monitoring the effectiveness of the Board's policies in achieving HPEDSB's multi-year strategic plan, and engaging with education partners, stakeholders and the broader public;
- e) The HPEDSB's major areas of responsibility are as follows:
 - i) **Accountability For Student Achievement In The District:**
 - a) promote a culture that supports student achievement and well-being and a positive climate that is inclusive and prevents bullying;
 - b) ensure that effective and appropriate educational programs are available for every student;
 - c) make decisions that reflect HPEDSB's philosophy and beliefs that all students can learn;
 - d) promote clear, consistent expectations that focus on successful outcomes for students.
 - ii) **Accountability To The Provincial Government:**
 - a) act in accordance with the *Act* and other statutory requirements to ensure implementation of provincial and education standards and policies;
 - b) perform HPEDSB functions required by provincial legislation and Board policy;
 - c) provide advice to the Ministry of Education through the Ontario Public School Boards' Association (OPSBA) regarding regional and local implications of government policy recommendations.
 - iii) **Accountability To The Community:**
 - a) make decisions that reflect the HPEDSB's philosophy, goals and strategic plan that represent the interests of the entire district;
 - b) establish processes that provide the community with opportunities for input and provide effective stewardship of Board resources;
 - c) establish HPEDSB process for communication with parents/guardians in accordance with Ministry of Education policies and guidelines;
 - d) provide a clear and transparent process for two-way communications between HPEDSB and school councils,
 - e) provide reports outlining district results in accordance with provincial policy.
 - iv) **Policy Development, Implementation and Review:**
 - a) develop and maintain policies that set the overall direction for HPEDSB and reflect the provincial and strategic plan priorities that focus on promoting student achievement, a positive school climate, preventing bullying, ensuring effective stewardship of HPEDSB's resources, and delivering effective and appropriate education programs to its pupils;
 - b) monitor and evaluate the effectiveness of the above policies to achieve the provincial priorities and strategic plan through appropriate reports from HPEDSB's Staff with the understanding that the Director of Education and their Staff determine how to implement the policies;
 - c) regularly review HPEDSB policies to ensure they are current and reflect the desired impact and/or purpose.

- v) **Board Relations with Director:**
- a hire in accordance with the Board's Director recruitment policy; monitor and evaluate the performance of the Director of Education in accordance with the Ministry of Education's policies and guidelines;
 - b in accordance with any Board mandate or job description provided to the Director of Education at the time of hiring or otherwise work with the Director of Education to mutually agree upon annual goals established in line with the strategic plan or as otherwise provided by the Ministry of Education;
 - c understand that the Director of Education implements the policies of the Board and the strategic plan as they reasonably determine in their discretion based on best practices for school Board education and administration subject to the provisions or restrictions of the *Act*;
 - d entrust the day-to-day management of HPEDSB to its Staff through the Director of Education;
 - e unless otherwise set out in Ministry of Education policies or guidelines for the performance review of the Director of Education, evaluate the Director of Education in the first year of service and annually or biannually thereafter. Use the Director of Education's job description or annual goals, if any, and the district's strategic plan as the basis for the evaluation and perform the evaluation using a mutually agreed upon evaluation process between the Director of Education and the Board;
 - f at least once a year at the Director of Education's request, provide the Director of Education with an opportunity to meet alone with the Board in closed session;
 - g periodically review the compensation of the Director of Education and senior staff in accordance with the Executive Compensation Plan and/or such other applicable legislation, if any;
 - h promote a positive working relationship with the Director of Education that is based on understanding the role of the Director of Education to operationalize the Board's policies and strategic plan and the role of the Board in setting the overall direction of the Board through the strategic plan and policies. The Board monitors the effectiveness of the strategic plan based on regular reports from the Director of Education and the staff.
- vii) **Strategic Plan:**
- a provide overall direction for the HPEDSB by establishing the Board's vision, mission and priorities;
 - b after consulting with the parents/guardians, students and supporters of HPEDSB, the Board, together with the Director of Education, develops a multi-year strategic plan that covers three or more school years and is aimed at achieving the goals in section 169.1 of the *Act* and the provincial priorities for student achievement as prescribed by the Ministry of Education;
 - c annually review the strategic plan with the Director;
 - d publicly post the strategic plan in the form required by the Ministry of Education on the HPEDSB website and take steps to bring the strategic plan to the attention of parents/guardians of pupils, supporters and employees of HPEDSB;
 - e meet with parents/guardians of pupils about the strategic plan and within the first months of each school year, discuss with them the plan as it applies to that school year and within the last two months of each school year, report to them on progress and results achieved in that school year. The meeting topics must include information on planned and actual spending related to the plan and provide means for the parents/guardians to participate in the meetings and engage with all other participants;
 - f ensure that the strategic plan includes measures respecting the allocation of resources to improve student outcomes that fall below the outcomes specified in regulations made under section 11.1 of the *Act*;
 - g annually set priorities with outcomes (strategic plan);
 - h annually use the strategic plan to drive the budget process;
 - i monitor the progress of student achievement.

viii) Fiscal Responsibility:

- a develop a budget review process to help determine annual resource allocations. Use the strategic plan and other provincial and local directions;
- b annually approve the budget to ensure that the financial resources are allocated to achieve the desired results;
- c approve as per legislation, all capital plans and other planning documents that will drive budget decisions;
- d have in place an audit committee to ensure that the district is compliant with the provincial audit regulations and that the district has in place appropriate accountability processes;
- e ratify Memoranda of Agreements/Letters of Agreement with all employee groups on local issues;
- f approve borrowing, both short and long-term, according to Board By-laws.

iv) Additional Responsibilities:

- a approval of school year calendars;
- b the naming of educational facilities;
- c approval of tender selection for major building construction and modernization as per Board procedure;
- d approval of disposition of land and buildings in accordance with Ministry of Education regulations, policies or guidelines;
- e approval of education development charges;
- f approval for the issuance of debentures.

4) ROLE OF A BOARD MEMBER:

- a) Individual Trustees will perform their duties under section 218.1 of the Education Act. Trustees are elected officials who must work closely with the community in order to make sound decisions as a Board. Trustees exercise a vitally important role, not just in representing the community but in helping the community understand the decisions and policies of HPEDSB.
- b) **Accountability:**
 - i) The declaration of office made by each Board Member when they assume office binds that person to work faithfully in the cause of education;
 - ii) Once elected, Trustees act in the best interest of all students of HPEDSB, and not just, their electoral district or a particular interest group;
 - iii) A Board Member's primary task is to act as a Member of the Board and serve the community as an elected/appointed representative. Board Members are accountable to the public for the collective decisions of the Board;
 - iv) Each Board Member has a duty to support the Board in providing accountability for the educational, financial and operational performance of the school system;
 - v) The decisions of the Board made in a legally constituted meeting are those of HPEDSB. A Board Member who is given authority to act on behalf of the Board by means of written policy or resolution may carry out specific duties, but only as an agent of the Board. In such cases, the actions of the Board Member are those of the Board, which is then responsible for them;
 - vi) Individual Board Members have no authority to act on behalf of the Board or conduct HPEDSB business;
 - vii) Board Members have the duties described in section 218.1 of the *Act* and section 2.2 of the HPEDSB By-Laws.
- c) **Community Representation:**
 - i) As the representatives in their local jurisdiction, Trustees are required to listen to the concerns and needs of their communities, bring those to the attention of the Board, and ensure programs and strategies of the Board help all students. It is through the process of collaborating and engaging in joint decision-making as members of the Board that Trustees work to translate the values, priorities and expectations of the community into policy;
 - ii) Board members support the Board's responsibility to consult with parents/guardians and the community about the Board's multi-year strategic plan and report to stakeholders about the progress in implementing the strategic plan.

d) Decision Making:

- i) Board members are responsible for staying informed about developments in education. They have a responsibility to learn about the school system and the many issues that face publicly funded education;
- ii) Board members will be familiar with HPEDSB policies, By-Laws, parliamentary procedure, meeting agendas and reports in order to participate effectively in Board business;
- iii) The Board takes action through motions passed at a duly constituted public Board meeting. Board members actively participate in those motions through proper debate on action items on an agenda that reflects the Board's mandate and the strategic plan.

e) Communication/Addressing Concerns:

- i) Board Members serve large areas, and fulfilling the representational role may be challenging;
- ii) A democratic system entitles everyone to a voice but does not ensure that everyone will always be content with the decisions that are made. Effective, regular two-way communication will enhance a Board member's ability to build understanding and consensus in the community;
- iii) HPEDSB will establish informational materials to provide to parents/guardians as required by the Ministry of Education and develop and comply with the Ministry's protocol setting out standards for responding to parent and guardian inquiries;
- iv) HPEDSB strives to maintain open and fair communication with parents/guardians and members of the school community. Board members are responsible for staying informed about what the Board has developed to comply with the Ministry of Education's protocol for informational materials and standards for responding to parent and guardian inquiries and directing parents/guardians to these materials and standards;
- v) Board Members refer governance issues and problems that are not covered by Board policy to the Board for discussion and determination of decision-making authority;
- vi) Board Members support the belief that the most efficient way to run an organization is to deal with issues or problems as close as possible to the place where they occurred. If a parent/guardian calls concerning a student, the Board member will refer the parent/guardian to Board Procedure 108 for the next steps. The Board member may also refer the matter to the Director of Education if the steps in Procedure 108 have been exhausted:
 - a) Depending upon the seriousness of the issue, the Board Member may also inform the Director of Education immediately;
 - b) The Board Member will leave the investigation and solution of the matter in the hands of the professional staff. The appropriate administrator will ensure that the issue is investigated and resolved. Staff will advise the Board Member in a timely manner when the issue has been resolved.
- vii) In cases where the concern or complaint cannot be resolved by the administration or is related to Board policy that may need amending or the creation of a policy, the Director of Education may refer the issue to a Board committee;
- viii) If the concern is related to a governance issue, Governance Directive 7.3 Public Participation and Delegations provides the opportunity for a member of the public to be heard. In accordance with the terms of the Governance Directive 7.3, a person or group that is officially elected or appointed to represent another or others may address the Board or Committee of the Board once a delegation request has been referred by the Governance and Policy Committee.

f) Advocacy and Leadership:

- i) Board Members act as education advocates at various levels. At the local level, Board members work on behalf of the community and must consider the unique needs of that community when deciding what position to take on an issue. They encourage members of the community to participate in the school system. This involves familiarizing people with the avenues for involvement, such as the school council, the Parent Involvement Committee or volunteer work. It also involves informing people about the procedures for bringing their views before the Board through public or written submissions;
- ii) The Board Member's role as an education advocate often extends beyond the boundaries of the district school Board. Board Members are education advocates across the province and with the provincial government;

- iii) Board Members participate in Board and Board Member professional development and training as required by Ministry of Education policies and guidelines so that the quality of leadership and service in HPEDSB will be enhanced.

5) ROLE OF THE CHAIR AND VICE-CHAIR:

a) Duties of the Chair of the Board:

- i) The Chair of the Board in addition to the duties and responsibilities of the Chair described in HPEDSB's By-Laws shall:
 - a) as required by the Act maintain the Board's focus on the strategic plan and HPEDSB's mission and vision;
 - b) be a signing officer of the Board and sign such documents as required of the Chair,
 - c) be the official spokesperson for the Board on governance matters which reflect the will of the Board through resolution and in situations where a system level comment or response is required, including:
 - o speak on matters concerning trustees, such as Trustee Code of Conduct and the selection of and Performance Appraisal of the Director of Education. The Director of Education speaks on all operational matters.
 - d) in consultation with the Senior Business Official and in compliance with any HPEDSB policies and Ontario Government directives issued pursuant to the Broader Public Sector Accountability Act, 2010 (part IV), review and approve expense reimbursement claims for the Director of Education and other Board Members;
 - e) ensure that members of the Board have the information needed for informed discussion of the agenda items.

b) Reviewing the Agenda:

- i) The Chair shall ensure that the content of the Board meeting agenda relates only to those issues which are not operational in nature and reflect the day-to-day management of HPEDSB but are strategic as described in the strategic plan and relate to the Board's policy-making duties, including the duty to monitor through appropriate reporting from Staff and evaluate the effectiveness of those policies in achieving the strategic plan.

c) Presiding at Board Meetings:

- i) The Chair is the presiding officer at Board meetings and is responsible for ensuring the meetings are conducted in accordance with the agenda, the HPEDSB By-Laws and parliamentary procedure;
- ii) The Chair may vote on all motions where they do not have a conflict of interest. They do not have an extra or deciding vote, and any equality of votes results in a lost motion;
- iii) Best practice is for the Chair, when sitting as the presiding officer, not to participate in the debate of a motion but as an elected Board Member may simply at the end of the debate state their reason for their vote. If the Chair wishes to debate a motion, the Vice-Chair of the Board will preside over the meeting until the vote on that motion has been decided. If the Vice-chair is unable to preside, then the Chair will select another Board Member who does not wish to debate the motion to preside;
- iv) The Chair, when presiding at a Board Meeting, may facilitate the meeting and debate of a motion by drawing to the attention of the Board, without leaving the chair, any material facts related to the motion that appears to be overlooked such as legislation, Board policy, previous decisions of the Board, etc., to assist the Board in arriving at a decision that reflects their true intent.

d) Providing Board Leadership:

- i) the Chair shall be kept informed of significant developments within HPEDSB and shall be in regular contact with the Director of Education to maintain a working knowledge of current issues and events. The Chair has no individual authority to instruct the Director of Education;
- ii) the Chair shall ensure that the Board engages in regular review or self-evaluation of its effectiveness as a Board;
- iii) in addition to the duties described in the HPEDSB By-Laws, the Vice-chair shall be one of the signing officers of the Board;

- iv) act as liaison to the Student Trustees.

6) ROLE OF THE DIRECTOR OF EDUCATION:

- a) the Director of Education and other Staff are responsible for the day-to-day management and administration of all schools and departments and for implementing the policies approved by the Board of Trustees;
- b) the Director of Education is the Chief Education Officer, the Chief Executive Officer and the Secretary of the Board of HPEDSB in accordance with the *Act*. The Director of Education reports directly to and is accountable to the Board of Trustees. The Director of Education has certain responsibilities under the *Act* to provide reports to the Ministry of Education. All Staff report ultimately to the Director of Education and not the Board, and Board authority delegated to Staff is delegated through the Director of Education.
- c) **Job Description/Areas of Responsibility:**
 - i) Shall within policies established by the Board, develop and maintain an effective organization in the programs required to implement such policies (s.283 of the *Act*);
 - ii) Student Achievement and Well-Being:
 - a takes the necessary steps to provide a safe and caring environment that fosters and maintains respectful and responsible behaviour for each student;
 - b takes the necessary steps to provide for the safety, well-being and achievement of students while participating in school programs or while being transported to or from school programs on transportation provided by HPEDSB;
 - c takes the necessary steps to provide facilities to accommodate HPEDSB students;
 - d acts as Board delegate for emergency school closures;
 - e acts as, or designates, the local attendance counsellor for the district;
 - f broadly promotes the Board's mission, vision, and goals articulated in the multi-year strategic plan, which is founded on the ambitious images of the educated person;
 - g assumes responsibility for ensuring evidence of a coherent instructional guidance system through an operational plan.
 - iii) **Leadership and Leadership Development:**
 - a provides leadership in all matters relating to education in the district;
 - b ensures that students in the district have the opportunity to meet the standards of education mandated by the Ministry of Education;
 - c provides leadership to promote clear, consistent expectations that focus on successful outcomes for students;
 - d develops and maintains positive and effective relations with staff at the provincial and local government levels;
 - e develops and maintains positive and effective relations with schools and district departments;
 - f provides leadership in planning, developing, implementing, reviewing and evaluating administrative procedures;
 - g demonstrates positive and proactive leadership that has the support of the staff with whom the Director works most closely;
 - h undertakes training and ensures supervisory officers of HPEDSB undertake training as required by the Ministry of Education policies and guidelines;
 - i implements policies and directives of the Board;
 - j directs and monitors all operations of HPEDSB in a manner consistent with the multi-year strategic plan approved by the Board.
- iv) **Fiscal Responsibility:**
 - a ensures that the fiscal management of the district is in accordance with the Ministry of Education's funding and other applicable grant regulations and in accordance with the provisions of the *Act*;
 - b ensures that the fiscal management of the district is in alignment with priorities and goals in the Board's multi-year strategic plan;
 - c monitors to ensure that strategic plan priorities and goals are used to develop aligned and specific school and department level goals;

- d uses appropriate evidence for accounting to stakeholders and provides planned and actual spending related to the multi-year strategic plan as required by s.169.1 (4.1) of the *Act*.
- v) **Organizational Management:**
 - a demonstrates effective organizational skills that result in district compliance with all legal, Ministerial, Board and all other government mandates and timelines;
 - b reports to the Minister of Education concerning matters identified in and required by the *Act*;
 - c brings to the attention of the Board any act or omission by the Board that in the opinion of the Director of Education may result in or has resulted in a contravention of the *Act*;
 - d if the Board does not respond satisfactorily to an act or omission brought to its attention, the Director of Education must advise the Deputy Minister of the Ministry of the act or omission;
 - e provide evidence of an effective organization through budgets, structures, procedures and time usage aligned with the strategic plan.
- vi) **Planning:**
 - a provides leadership for the development of HPEDSB's multi-year strategic plan and annually reviews it with the Board;
 - b ensures that the multi-year strategic plan establishes Board priorities and identifies specific measures and resources that will be applied in achieving those priorities, specifically with regard to the Board's responsibility for student achievement and well-being (s.283.1 of the *Act*);
 - c implements and monitors the implementation of the multi-year strategic plan (s.283.1);
 - d ensures appropriate involvement of the Board in the development of the multi-year strategic plan (approval of process and timelines, the establishment of Board priorities and outcomes, key results and final Board approval);
 - e reports regularly on implementation and results achieved in relation to the Board's multi-year strategic plan and the related operational plan.
- vii) **Personnel Management:**
 - a takes the necessary steps to provide a safe and caring environment that fosters and maintains respectful and responsible behaviour for all Staff;
 - b has overall authority and responsibility for all personnel-related issues, save and except those personnel matters precluded by Board policy, legislation or collective agreements;
 - c performance review of all Staff who are direct reports to the Director of Education;
 - d ensures effective processes are in place for capacity building and succession planning;
 - e ensures compliance with human rights and labour relations legislation;
 - f makes every effort to identify and remove discriminatory biases and systemic barriers that limit the opportunities for individuals from diverse communities for employment, mentoring, promotion, and succession planning in all Board and school positions.
 - g assumes authority and responsibility for legislated and implemented performance appraisal procedures and all personnel-related issues, save and except those personnel matters precluded by Board policy, legislation or collective agreements.
- viii) **Director and Board Relations:**
 - a establishes and maintains positive working relations with the Board;
 - b supports the Board in performing its role and facilitates the implementation of its role based on best practices for school Board governance, respecting the distinction between policy development by the Board and implementation of Board policies by the Director of Education as outlined in Board policy;
 - c communicates effectively with the Board and individual Board Members and is the main point of contact at the Staff level;
 - d promotes opportunities for establishing a policy-oriented Board of Trustees as described in the role of the Board.
- ix) **Board Communications and Community Relations:**
 - a establishes effective communication strategies to keep the district informed of key monitoring reports; student, volunteer and staff successes; local issues and Board decisions;
 - b ensures open, transparent and positive internal and external communications.

- c ensures that School Councils have the opportunity to provide appropriate advice and support as required in the Act and/or Board policy;
 - d participates in community affairs in order to enhance and support the district and promote public education;
 - e provides a Director of Education's annual report to the Board and the Minister on action taken during the previous year, as legislation requires.
- x) **Student, Staff and District Recognition/Public Relations:**
- a establishes effective recognition programs and strategies to ensure that the internal and external audiences are aware of student, volunteer, staff and district successes.

Legal References:

- *Education Act, sections 169.1, 170-171 Duties and Powers of Boards; section 209 Trustee Declaration; section 218.1 Trustee Duties; section 218.4 Additional Duties of Chair; Regulation 224/23: Provincial Priorities in Education – Student Achievement; Regulation 43/10 Provincial Interest in Education; section 283 and 283.1 Director of Education; Part VIII Compliance with Board Obligations; Part IX Finance*

Resources:

- HPEDSB Board Policy
- HPEDSB By-Laws:
- OESC *A Guide for Trustees, School Boards, Directors of Education and Communities*
- The Ontario Education Services Corporation (OESC). *Professional Development Program for School Board Trustees*
- 2022-2026 Good Governance Guide
- School Board Governance a Focus on Achievement - a Report of the Governance Review Committee of the Minister of Education April 2009
- The Governance Core by Davis Campbell and Michael Fullan
- Multi-Year Strategic Plan

To: Hastings and Prince Edward District School Board

From: Shannon Binder, Chair of Governance and Policy Committee

Re: Recommendation: HPEDSB Multi-year Strategic Plan

Purpose

To bring forward a recommendation for approval to initiate the development of a new strategic plan for implementation by June 2025.

Link to Strategic Plan

1.7 Advocate for public education and demonstrate sound decision-making through good governance.

Background

Strategic planning is a process by which an organization analyzes its current state and determines long-term strategic priorities and goals. The HPEDSB Multi-Year Strategic Plan 2020-2025 will be coming to a close in 2025. As such, it is time to consider the process and timelines for renewing the plan.

Under the Education Act, Section 169.1 and according to HPEDSB By-Laws and Policy 4: Corporate Board Job Description, the School Board is required to develop a multi-year strategic plan of no less than 3 years aimed to:

- (a) promote student achievement and well-being;
 - (a.1) promote a positive school climate that is inclusive and accepting of all pupils, including pupils of any race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, sexual orientation, gender identity, gender expression, age, marital status, family status or disability;
 - (a.2) promote the prevention of bullying;
- (b) ensure effective stewardship of the board's resources;
- (c) deliver effective and appropriate education programs to its pupils;

The multi-year strategic plan must be developed to achieve goals related to the provincial priorities in education in the area of student achievement, which are:

- (a) Achievement of Learning Outcomes in Core Academic Skills;
- (b) Preparation of Students for Future Success; and
- (c) Student Engagement and Well-Being.

The Governance and Policy Committee met on June 10, 2024, to discuss the process, timelines, and committee establishment. The committee also discussed obtaining a professional service to guide the process, facilitate consultation, and develop a final product with the goals and metrics.

A tentative timeline for the process is presented here, which will be refined through the Ad Hoc committee and facilitator:

Phase	Approximate Timeline	Actions
	July/August 2024	<ul style="list-style-type: none"> • Research professional services, cost and availability
Organization	September 2024	<ul style="list-style-type: none"> • Establish a Strategic Planning Committee • Engage facilitator • Finalize work plan • Develop a communication plan to accompany the work plan
Initiation	October 2024	<ul style="list-style-type: none"> • Identify stakeholder groups • Collect and review system data • Determine phases and process of consultation • Develop Thought Exchange or survey questions
Consultation	November/ December 2024/ January 2025	<ul style="list-style-type: none"> • Host in-person/virtual strategic planning session(s) • Review Thought Exchange or survey results • Refine focus based on data and feedback • Determine the length of the plan • Consider further consultation if needed
Draft	February/ March 2025	<ul style="list-style-type: none"> • Draft Strategic Plan • Host in-person draft consultation(s) • Establish feedback loop
Final	March 2025	<ul style="list-style-type: none"> • Finalize Strategic Plan • Determine launch plan • Design marketing materials
Launch	April/May/June 2025	<ul style="list-style-type: none"> • Present to Trustees at the April Board meeting • Share broadly across HPEDSB for 2025-2026 planning

Next Steps

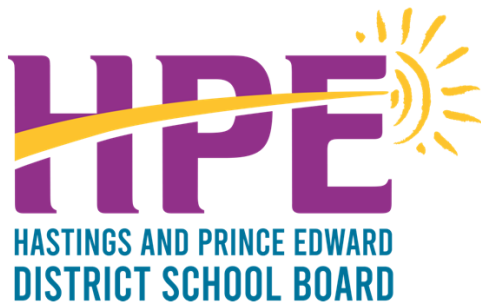
The Governance and Policy Committee recommends beginning the process and establishing an Ad Hoc Committee.

Recommendation:

Moved:

Seconded:

That the Hastings and Prince Edward District School Board begin the initial planning for a new multi-year strategic plan and work with a third party to accomplish this task with an Ad Hoc Strategic Planning Committee established at the first board meeting of the 2024-2025 school year.



Decision X Information

To: Hastings and Prince Edward District School Board

From: Shannon Binder, Chair of Governance and Policy Committee

Re: Recommendation: Annual Schedule of Meeting Dates 2024-2025

Purpose

To bring forward a recommendation to approve the Annual Schedule of Meeting Dates for 2024-2025.

Link to Strategic Plan

1.7 Foster a Culture of Excellence and High Expectations: Advocate for public education and demonstrate sound decision-making through good governance.

Background

As per HPEDSB By-laws, section 5.1 Scheduling a meeting, sub-section 5.1.2, the Annual Schedule of Meetings is prepared by the Governance and Policy Committee in consultation with the Director and the Committee Chairs or Vice-chairs (in the Chair's absence) and brought forward to the Board for approval no later than the June Board meeting. This report outlines all Standing, Statutory and Advisory Committee meeting dates for the 2024-2025 school year. Committees review their meeting schedules each year and provide dates and times for the upcoming school year. This report outlines all Standing, Statutory and Advisory Committee meeting dates for the 2024-2025 school year, attached as Appendix A.

Next steps

The Governance and Policy Committee recommends that the Board approve the Annual Schedule of Meetings Dates for 2024-2025.

Recommendation:

Moved:

Seconded:

That the Hastings and Prince Edward District School Board approve the Annual Schedule of Meetings for 2024-2025.

Appendix A: Annual Schedule of Meetings 2024-2025

Annual Schedule of Meeting Dates 2024-2025 by Month

August, 2024

Date	Time	Committee
August 19, 2024	3:30 p.m.	Governance and Policy Committee
August 26, 2024	6:00 p.m.	Regular Public Board Meeting

September, 2024

Date	Time	Committee
September 9, 2024	3:30 p.m.	Physical Planning, Finance and Building Committee
September 16, 2024	3:30 p.m.	Governance and Policy Committee
September 18, 2024 (Tentative)	9:30 a.m.	Supervised Alternative Learning
September 18, 2024	3:30 p.m.	Audit Committee
September 23, 2024	6:00 p.m.	Regular Public Board Meeting
September 25, 2024 (Tentative)	9:30 a.m.	Supervised Alternative Learning
September 26, 2024	4:00 p.m.	Special Education Advisory Committee

October, 2024

Date	Time	Committee
October 2, 2024 (Tentative)	9:30 a.m.	Supervised Alternative Learning
October 7, 2024	3:30 p.m.	Student Learning, Well-Being and Equity Committee
October 9, 2024	12:00 pm	Equity and Inclusivity Advisory Committee
Tuesday October 15, 2024	3:30 p.m.	Physical Planning, Finance and Building Committee
October 16, 2024 (Tentative)	9:30 a.m.	Supervised Alternative Learning
October 16, 2024	6:00 p.m.	Parent Involvement Committee
October 21, 2024	3:30 p.m.	Governance and Policy Committee
October 22, 2024	3:30 p.m.	Indigenous Education Committee
October 24, 2024	4:00 p.m.	Special Education Advisory Committee
October 28, 2024	6:00 p.m.	Regular Public Board Meeting

Annual Schedule of Meeting Dates 2024-2025 by Month

November, 2024

Date	Time	Committee
November 4, 2024	3:30 p.m.	Student Learning, Well-Being and Equity Committee
November 6, 2024 (Tentative)	9:30 a.m.	Supervised Alternative Learning
November 11, 2024	3:30 p.m.	Physical Planning, Finance and Building Committee
November 13, 2024	6:00 p.m.	Parent Involvement Committee
November 18, 2024	6:00 p.m.	Inaugural Meeting of the Board
November 19, 2024	3:30 p.m.	Governance and Policy Committee
November 20, 2024	3:30 p.m.	Audit Committee
November 20, 2024 (Tentative)	9:30 a.m.	Supervised Alternative Learning
November 28, 2024	4:00 p.m.	Special Education Advisory Committee
November 25, 2024	6:00 p.m.	Organization Meeting of the Board

December, 2024

Date	Time	Committee
December 2, 2024	3:30 p.m.	Student Learning, Well-being and Equity Committee
December 3, 2024	3:30 p.m.	Indigenous Education Committee
December 4, 2024 (Tentative)	9:30 a.m.	Supervised Alternative Learning
December 5, 2024	4:00 p.m.	Special Education Advisory Committee
December 9, 2024	3:30 p.m.	Physical Planning, Finance and Building Committee (this meeting cannot happen any earlier than the 7th of December)
December 11, 2024	3:30 pm	Equity and Inclusivity Advisory Committee
December 18, 2024 (Tentative)	9:30 a.m.	Supervised Alternative Learning

Annual Schedule of Meeting Dates 2024-2025 by Month

January, 2025

Date	Time	Committee
January 6, 2025	3:30 p.m.	Physical Planning, Finance and Building Committee
January 14, 2025	3:30 p.m.	Indigenous Education Committee
January 15, 2025	9:30 a.m.	Supervised Alternative Learning (SAL REVIEW)
January 20, 2025	3:30 p.m.	Governance and Policy Committee
January 23, 2025	4:00 p.m.	Special Education Advisory Committee
January 27, 2025	6:00 p.m.	Regular Public Board Meeting

February, 2025

Date	Time	Committee
February 3, 2025	3:30 p.m.	Student Learning, Well-Being and Equity Committee
February 10, 2025	3:30 p.m.	Physical Planning, Finance and Building Committee
February 12, 2025 (Tentative)	9:30 a.m.	Supervised Alternative Learning
February 12, 2025	3:30 p.m.	Equity and Inclusivity Advisory Committee
Tuesday February 18, 2025	3:30 p.m.	Governance and Policy Committee
February 12, 2025	6:00 p.m.	Parent Involvement Committee
February 27, 2025	4:00 p.m.	Special Education Advisory Committee
February 24, 2025	6:00 p.m.	Regular Public Board Meeting
February 26, 2025 (Tentative)	9:30 a.m.	Supervised Alternative Learning

March, 2025

Date	Time	Committee
March 3, 2025	3:30 p.m.	Physical Planning, Finance and Building Committee
March 4, 2025	3:30 p.m.	Indigenous Education Committee
March 17, 2025	3:30 p.m.	Governance and Policy Committee
March 19, 2025 (Tentative)	9:30 a.m.	Supervised Alternative Learning

Annual Schedule of Meeting Dates 2024-2025 by Month

March 24, 2025	6:00 p.m.	Regular Public Board Meeting
March 27, 2025	4:00 p.m.	Special Education Advisory Committee

April, 2025

Date	Time	Committee
April 7, 2025	3:30 pm	Student Learning, Well-Being and Equity Committee
April 2, 2025	9:30 a.m.	Supervised Alternative Learning
April 14, 2025	3:30 p.m.	Physical Planning, Finance and Building Committee
April 16, 2025	3:30 p.m.	Equity and Inclusivity Advisory Committee
Tuesday April 22, 2025	3:30 p.m.	Governance and Policy Committee
April 16, 2025	9:30 a.m.	Supervised Alternative Learning
April 24, 2025	4:00 p.m.	Special Education Advisory Committee
April 28, 2025	6:00 p.m.	Regular Public Board Meeting
April 30, 2025	9:30 a.m.	Supervised Alternative Learning

May, 2025

Date	Time	Committee
May 14, 2025 (Tentative)	9:30 a.m.	Supervised Alternative Learning
May 12, 2025	3:30 p.m.	Physical Planning, Finance and Building Committee
May 13, 2025	3:30 p.m.	Indigenous Education Committee
May 14, 2025	6:00 p.m.	Parent Involvement Committee
Tuesday May 20, 2025	3:30 p.m.	Governance and Policy Committee
May 22, 2025 <i>Date subject to change</i>	4:00 p.m.	Tri-board Special Education Advisory Committee
May 26, 2025	6:00 p.m.	Regular Public Board Meeting
May 26, 2025	3:30 p.m.	Physical Planning, Finance and Building Committee
May 28, 2025 (Tentative)	9:30 a.m.	Supervised Alternative Learning

Annual Schedule of Meeting Dates 2024-2025 by Month

June, 2025

Date	Time	Committee
June 2, 2025	3:30 p.m.	Student Learning, Well-Being and Equity Committee
June 4, 2025	3:30 p.m.	Audit Committee
June 5, 2025	4:00 p.m.	Special Education Advisory Committee
June 9, 2025	3:30 p.m.	Physical Planning, Finance and Building Committee
June 11, 2025 (Tentative)	9:30 a.m.	Supervised Alternative Learning (SAL Review)
June 11, 2025	12:00 p.m.	Equity and Inclusivity Advisory Committee
June 16, 2025	3:30 p.m.	Governance and Policy Committee
June 23, 2025	6:00 p.m.	Regular Public Board Meeting

Decision X Information

To: Hastings and Prince Edward District School Board

From: Kari Kramp, Chair of the Physical Planning, Finance and Building Committee

Re: **2024-2025 Budget**

Purpose

To recommend approval of the 2024-2025 budget.

Link to Strategic Plan

5.3 "Ensure Responsible Communication" - Improve public relations by providing information that is timely, transparent, and accessible for all.

Background

A draft budget, with a small surplus of \$35,000, was brought to the Physical Planning, Finance and Building Committee meeting on June 11, 2024.

Current Situation

A balanced budget has been developed for 2024-25 based on forecast enrolment, board priorities, and funding. This proposed budget is further described below and is shown in Appendix A.

Consolidated Statement of Operations, Revenues, and Expenses

A draft budget is shown in Appendix A. This draft budget is balanced with a small surplus of \$35,000. The Consolidated Statement of Operations shows a high-level summary on page 8.

Overall, projected Core Education Funding (Core Ed), formerly Grants for Student Needs, revenues are increased to \$212.9 million. The Responsive Education Program (REP), formerly Priorities and Partnership Funding, grants are decreased to \$2.2 million. Total revenue is \$246.5 million.

Total expenses of \$246.9 million are shown in the draft budget. There is \$0.48 million in costs described as unavailable for compliance which leads to a slight surplus for compliance of about \$35,000.

Capital Expenditures

The Capital Appendix Summary shown in Appendix A on page 20 reflects the construction and building renewal projects and capital equipment purchases planned for 2024-25. The budgeted expense of \$11.8 million reflects the planned completion of several large projects.

Accumulated Surplus

The projected in-year surplus for 2024-25 is \$35,000 and is shown in Appendix A on page 8. The forecast accumulated surplus available for compliance at the beginning and end of 2024-25 is shown in Appendix A on page 21. The September 1, 2024 opening amount of \$10.6 million is based upon Revised Estimates. The change in total accumulated surplus for compliance is the budgeted in-year accumulated surplus (revenues minus expenses) minus the in-year accumulated surplus that is unavailable for compliance. The balanced draft budget increases the total accumulated surplus available for compliance by \$35,000.

Asset Retirement Obligations

The Ministry requirement for the reporting of Asset Retirement Obligations (ARO) in accordance with the new accounting standard. ARO is the liability that HPEDSB has when an asset (building, land) is retired from use and includes, primarily, asbestos abatement and other environmental remediation costs. This ARO liability is included in the opening balance of the accumulated surplus unavailable for compliance. The in-year change on this line is due to funding and changes in future retirement liabilities and the amortization of ARO liability costs. The ARO liability does not impact the accumulated surplus available for compliance.

Factors for HPEDSB

- \$1.8 million deficit for transportation.
- Increase of mandatory statutory benefits (CPP, EI) that the federal government has escalated without corresponding increases to funding.
- Continued high costs related to supply/absence replacement.
- Decrease in student enrollment (62 students overall).
- Current inflationary environment, CPI increased by 3.9% in 2023 as per Stats Can.
- Prioritization of ERP implementation.

How was a balanced budget achieved?

Prior to the release of funding information, HPEDSB took an intentional approach to review internal climate and plan for potential changes in funding. HPEDSB staff utilized data gathered from the community engagement survey results (as presented to PPFB committee on February 12, 2024) while making budget decisions. Throughout the budget process, while navigating the new funding framework, HPEDSB staff utilized the following to achieve the balanced budget:

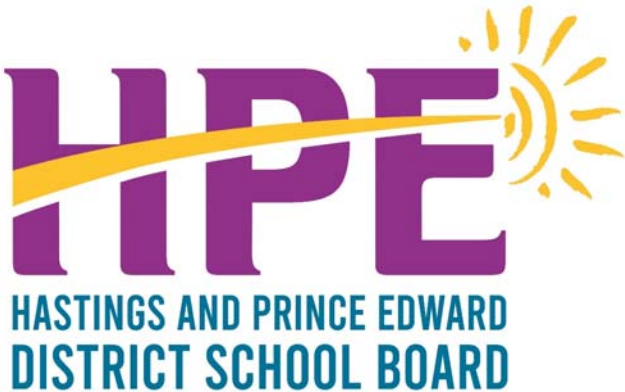
- Business rules to assign resources equitably across the Board.
- StaffingPlus software to optimize classroom staffing allocation Board wide.
- Aligning funding to expenses.

Recommendation

That the Hastings and Prince Edward District School Board approve the 2024-2025 budget.

Appendices

Appendix A – 2024-2025 Budget

A large, stylized yellow sun icon with rays is positioned on the right side of the page. A thick yellow swoosh curves from the left side of the page towards the sun. Below the swoosh, the text "2024-2025 BUDGET" is written in a large, bold, blue, sans-serif font with a reflection effect underneath.

2024-2025 BUDGET

Education Centre
156 Ann Street
Belleville, ON K8N 3L3
613-966-1170 1-800-267-4350
information@hpedsb.on.ca
www.HPEschools.ca

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Board of Trustees to November 15, 2026

School board trustees are elected every four years through municipal elections. Their role involves establishing the school board vision, mission and strategic plan; setting policy; and ensuring effective stewardship of the board's resources. Trustees are responsible for operating publicly-funded schools within their jurisdiction and for the delivery and quality of educational programs and services. Legal accountability for Board decisions applies to the Board as a corporate entity rather than to individual trustees.

SHANNON BINDER, Southeast Hastings
Chair of the Board

ERICA CHARLTON, Belleville/Thurlow

KANDIS HAMBLY, Trenton and CFB Trenton

KARI KRAMP, Central Hastings

STACEY LEWIS, South Prince Edward

SANDRA MARACLE, Tyendinaga Mohawk Territory

ERNIE PARSONS, Sidney and Frankford

RACHAEL PRINZEN, North Prince Edward

AMANDA ROBERTSON, Belleville/Thurlow
Vice-chair of the Board

RON SPECK, North Hastings

Student Trustees

Three student trustees are elected each year to serve a one-year term on the Board. Student trustees participate in public school board meetings, represent student opinions at the Board level and participate actively on committees. Through student involvement at the Board level, Board members become aware of student issues and student opinions.

CLARA VANCE, North Hastings High School

AASHVI SHAH, Centennial Secondary School

JULIA WEBSTER, Eastside Secondary School

KATHERINE MacIVER, Director of Education and Secretary of the Board

KEN DOSTALER, Superintendent of Education, Schools and Student Services

TINA ELLIOTT, Superintendent of Education, Schools, Curriculum Services and Student Achievement K-12

TINA JONES, Superintendent of Education, Schools, Innovation and Inclusion Services

DARREN McFARLANE, Superintendent of Education, Schools and Human Resources Support Services

BRYCE WILSON, Superintendent of Business Services and Treasurer of the Board

Student enrolment

Elementary	10,701
Secondary	<u>4,650</u>
	15,351

Schools

Elementary schools	31
K-12 schools	2
7-12 schools	4
Secondary schools	<u>1</u>
	38

Trustees and student trustees

10 (9 elected, one appointed, and three student trustees)

Elector population

109,463

Jurisdiction area

7221 square kilometres

Students transported

10,175

Contracted bus operators

12

Daily kilometres travelled (excluding taxis)

24,768 (some routes/runs shared with Algonquin and Lakeshore Catholic District School Board)

Hastings and Prince Edward District School Board is a member of the Tri-Board Student Transportation Services consortium, with Algonquin and Lakeshore Catholic District School Board, and Limestone District School Board.

The *Education Act* has specific requirements for school boards regarding the preparation and adoption of financial estimates (budgets), “Every board, before the beginning of each fiscal year ... shall prepare and adopt estimates of its revenues and expenses for the fiscal year.”

Education funding is intended to mirror cost structures; however, school boards have flexibility in their actual expenditures. There are restrictions on how school boards may use their funding allocation which includes that a budget must be generally balanced, certain components of funding must be spent in a specified manner (also referred to as enveloped funding), and provincial regulations and ministry memoranda must be complied with.

A balanced budget, with a small surplus of \$35,000, has been developed for 2024-25 based on forecast enrolment, board priorities, and funding. The budget is aligned to priorities identified in the 2020-2025 Strategic Plan, and decisions were made from a student-centered approach considering the impact on students in order to realize the goals of the 2020-2025 Strategic Plan. Student achievement is directly supported in the budget.

Operational priorities continue to be in service of learning through raising the bar and ensuring equity in:

- Literacy
- Math
- Credit Accumulation

A budget is a one-year plan to meet strategic goals and mandatory requirements within funding constraints. Each year is unique based upon external factors. The circumstances that impact the 2024-25 budget include:

- requirement for a balanced budget
- decreased enrolment to 15,351 (10,701 elementary, 4,650 secondary)
- compliance with class size regulations and collective agreement obligations
- wage increases for bargaining units not yet ratified
- trend of increasing costs for supply/absence replacement staffing
- current inflationary environment
- increasing reliance of data and technology to support learning and accountability

Overall, there are pressures caused by transportation funding, removal of temporary funding, reduction in teacher funding, and inflation.

To achieve the balanced budget, the following strategies were utilized:

- Aligned expenses to funding
- School staff: Staffed to meet regulation and collective agreement requirements
- Temporary funding: Expenses reduced where funding was removed

The budget shown is balanced with a small surplus of \$35,000. The Consolidated Statement of Operations shows a high-level summary of revenues and expenses. These revenues and expenses are described in more detail in the Provincial Grants and Statement of Expenses. Overall, projected Core Education Funding (Core Ed) revenues are increased to \$212.9 million, and Responsive Education Program (REP) grants are decreased to \$2.6 million. Total revenue

\$0.48 million in costs that are unavailable for compliance which leads to a slight in-year surplus for compliance of \$35,000 and a forecast accumulated surplus for compliance purposes of \$11.25 million as at August 31, 2025.

The Capital Expenditures Summary reflects the construction and building renewal projects and capital equipment purchases planned for 2024-25. The total planned amount of \$11.8 million is a decrease compared to 2023-24 and reflects the planned completion of several large projects.

The Summary of Staffing provides a high-level comparative summary of staffing by role. Additional staffing detail can be found in the Breakdown of Functional Areas. Overall, the proposed budget has twelve fewer positions (full-time equivalent, FTE) than the 2023-24 budget.

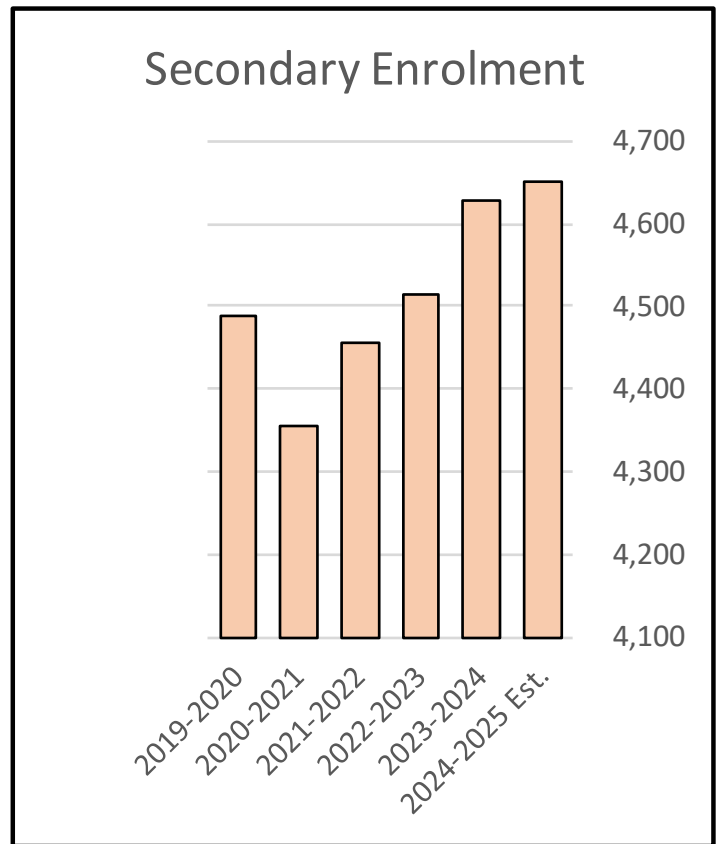
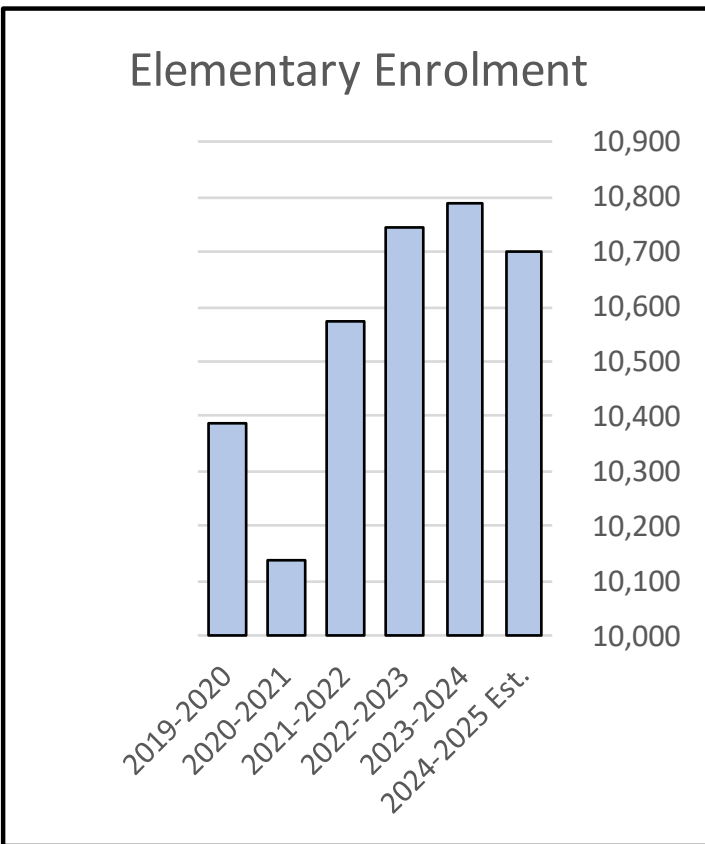
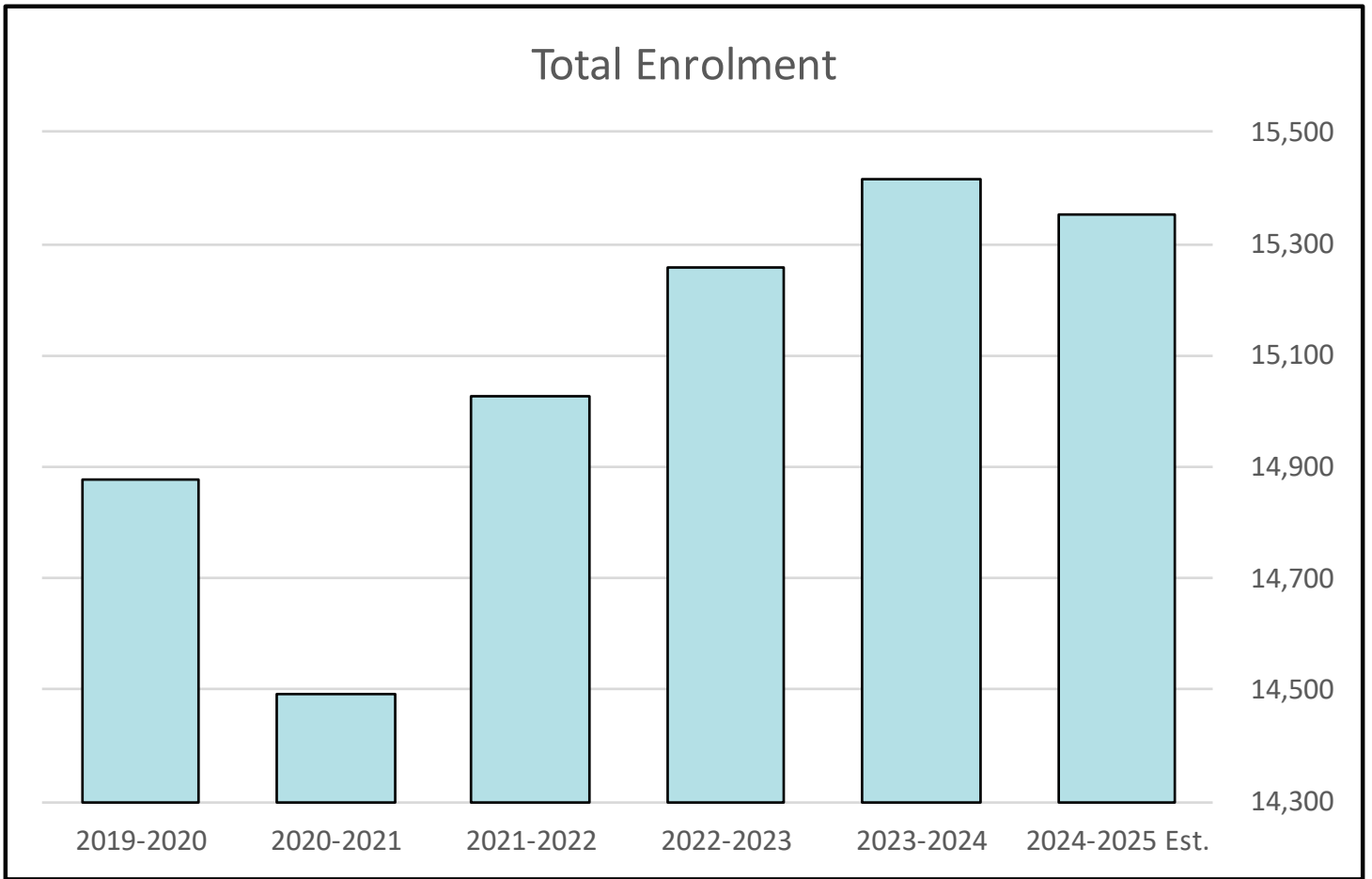
Supply/absence replacement costs remain constant from prior year; in 2024-25 a monetary equivalent of 89 FTE are budgeted for supply/absence replacement.

A summary of the 2024-25 operating budget and comparison to 2023-24 operating budget is shown below:

	2024-25 Budget	2023-24 Budget
Enrolment (average daily enrolment)	15,352	15,413
Revenues	\$246.5 M	\$233.2 M
Expenses	\$246.9 M	\$232.5 M
In-Year Surplus (Deficit) for Compliance	\$35,000	\$23,000
Accumulated Surplus for Compliance at End of Year	\$11.2 M	\$8.9 M
Staff (full-time equivalent)	1,738	1,750

ENROLMENTS (2019-2020 - 2024-2025)

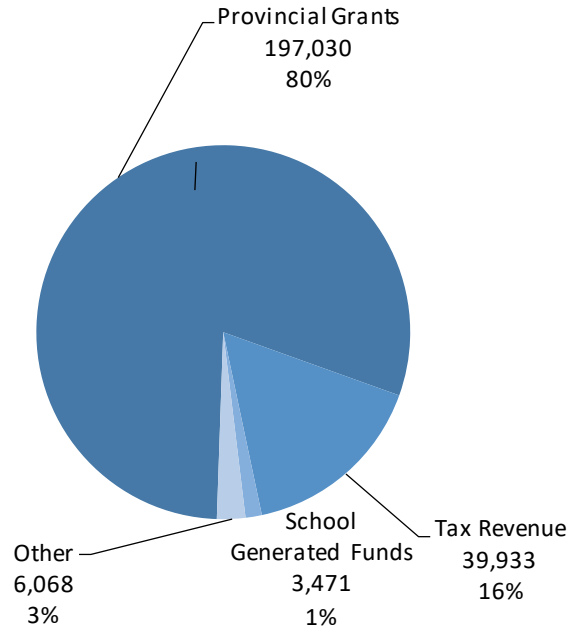
Report 12(c)i



SOURCES OF REVENUE

BASED ON 2024-2025 BUDGET OF

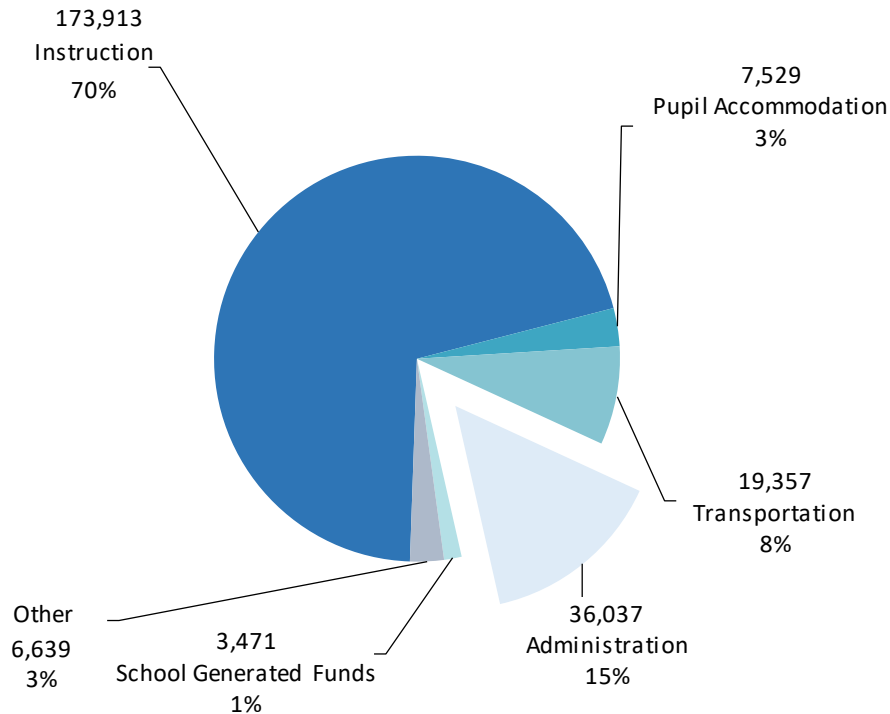
(in thousands of dollars) **246,502**



OPERATING EXPENSES

BASED ON 2024-2025 BUDGET OF

246,946



CONSOLIDATED STATEMENT OF OPERATIONS

Report 12(c)i

(in thousands of dollars)	2024-2025 Estimates	2023-2024 Estimates	Increase/ (Decrease) to Estimates	% Change from Estimates	2023-2024 Revised Estimates	2022-23 Financials
Revenues						
Provincial legislative grants	173,013	172,659	354	0.20	171,562	165,230
Local taxation	39,933	38,289	1,644	4.29	38,289	43,088
Total Core-Ed Funding	212,945	210,948	1,997	0.95	209,851	208,318
Provincial grants - other	9,593	3,078	6,515	211.71	3,289	4,052
School generated funds revenues	3,471	3,236	235	7.25	3,236	4,121
Federal grants and fees	2,521	2,541	-20	(0.79)	2,974	2,555
Investment income	550	350	200	57.14	350	720
Total other fees and revenues from school boards	8	42	-34	(80.00)	134	119
Fees and revenues from other sources	2,989	3,801	-812	-21.36	5,122	3,375
Amortization of Deferred Capital Contributions	14,425	9,175	5,250	57.22	13,684	13,236
	246,502	233,171	13,332	5.72	238,641	236,496
Expenses						
Instruction	173,913	170,285	3,629	2.13	171,065	168,773
Administration	7,529	6,658	871	13.08	6,696	7,054
Transportation	19,357	18,774	583	3.11	18,890	17,890
Pupil accommodation	36,037	29,345	6,692	22.80	34,209	33,528
School generated funds	3,471	3,236	235	7.25	3,236	3,848
Other expenses ¹	6,639	4,182	2,457	58.76	4,182	2,998
	246,946	232,480	14,466	6.22	238,277	234,091
Annual surplus (deficit)	-444	690	-1,135	(164.37)	364	2,404
Unavailable for compliance ²	-480	668	-1,147	(171.83)	335	1,237
Surplus/deficit for compliance	35	23	13	56.16	29	1,167

1- Includes \$\$4,850,998 planning provision for collective bargaining, recorded in accordance with Ministry instructions and \$1,688,364 of salaries for seconded positions

2 - Items included in unavailable for compliance are employee future benefits, asset retirement obligations, interest to be accrued, school generated funds, and revenues recognized for land. See Glossary on page 23 for further details.

(in thousands of dollars)

	2024-2025 Estimates	2023-2024 Revised Estimates	Increase/ (Decrease) to Estimates	% Change from Estimates
Operating Allocation				
Classroom Staffing Fund (CSF)	105,084	103,632	1,452	1.40
Learning Resources Fund (LRF) ¹	32,725	32,558	167	0.51
Special Education Fund (SEF)	28,941	28,036	905	3.23
School Facilities Fund (including School Renewal Allocation) ¹	23,785	23,426	359	1.53
Student Transportation Fund (STF)	17,665	17,118	548	3.20
School Board Administration Fund (SBAF)	5,891	5,684	207	3.65
Sub total	214,092	210,454	3,638	1.73
Less tangible capital assets	-685	-573	-112	19.58
Interest on Capital Debt Allocation	1,378	1,599	-221	(13.83)
Less school renewal capital and short-term interest	-1,840	-1,630	-210	12.91
Total operating allocation	212,945	209,851	3,095	1.47
Provincial Grants - other				
Forecasted 2024-25 benchmark increases due to cumulative Bill 124 impact	7,051			
De-streaming Implementation Supports	31			
Math Recovery Plan: Digital Math Tools	113			
Math Recovery Plan: Board Math Lead	167			
Math Recovery Plan: School Math Facilitator	558			
Early Reading Enhancements: Early Reading Screening Tools	94			
Education Staff to Support Reading Interventions	573			
Licenses for Reading Intervention Supports	138			
Critical Physical Security Infrastructure	82			
Entrepreneurship Education Pilot Projects	20			
Health Resources, Training and Supports	11			
Experiential Professional Learning in the Skilled Trades for Guidance Teacher-Counsellors	28			
Learn and Work Bursary	20			
Indigenous Grad Coach	141			
Skilled Trades Bursary Program	12			
OYAP	311			
Educators autism AQ subsidy	10			
Summer Mental Health Supports	141			
Mental Health Strategy Supports - Emerging Needs	11			
Special Education Needs Transition Navigators	81			
Total Provincial Grants - Other	9,593	3,289	6,304	191.64

1 - 2023-2024 Revised Estimates figures include grants from deferred revenues which were not included in Ministry projections.

STATEMENT OF EXPENSES

Report 12(c)i

(in thousands of dollars)	2024-2025 Estimates	2023-2024 Estimates	Increase/ (Decrease) to Estimates	% Change from Estimates	2023-2024 Revised Estimates	2022-23 Financials
Instruction						
Classroom teachers	106,574	104,540	2,034	1.95	103,711	104,272
Supply staff	7,573	7,522	51	0.68	7,564	8,171
Teacher assistants	16,160	14,954	1,207	8.07	16,461	14,039
Early childhood educator	4,685	4,791	-106	(2.21)	4,839	4,489
Textbooks/supplies	4,619	5,741	-1,122	(19.54)	5,108	3,819
Computers	1,676	1,426	250	17.52	1,465	1,304
(Para) professionals and technicians	6,060	5,389	672	12.46	5,639	5,894
Library & guidance	3,027	2,895	132	4.57	2,895	2,824
Staff development	1,080	1,047	33	3.14	829	876
Department heads	369	471	-103	(21.76)	471	471
Principals & vice-principals	8,993	9,151	-158	(1.73)	9,211	9,763
School office	6,870	6,508	362	5.56	6,480	6,126
Coordinators and consultants	5,264	4,669	596	12.76	4,957	5,377
Continuing education	537	515	22	4.22	515	470
Amortization	427	668	-241	(36.05)	657	878
Instruction subtotal	173,913	170,285	3,629	2.13	170,803	168,773
Administration						
Trustees	226	226	0	0.02	226	207
Director & supervisory officer	786	711	75	10.58	778	697
Board administration	6,445	5,613	832	14.82	5,848	6,004
Amortizations and write downs	72	108	-36	(33.64)	106	145
Administration subtotal	7,529	6,658	871	13.08	6,958	7,054
Transportation						
Pupil transportation	19,040	18,494	547	2.96	18,609	17,633
Transportation-provincial schools	317	281	37	13.01	281	258
Amortizations and write downs	0	0	0	-	0	0
Loss on disposal of TCA and assets held for sale	0	0	0	-	0	0
Transportation subtotal	19,357	18,774	583	3.11	18,890	17,890
Pupil accommodation						
School operations/maintenance	17,190	16,380	810	4.94	16,405	16,591
School renewal expense	2,205	2,205	0	-	2,205	2,205
Other pupil accommodation	1,412	1,448	-35	(2.44)	1,457	1,507
Amortizations and write downs	15,229	9,312	5,917	63.55	14,142	13,224
Loss on disposal of TCA and assets held for sale	0	0	0	-	0	0
Pupil accommodation subtotal	36,037	29,345	6,692	22.80	34,209	33,528
Other						
School generated funds-expenses	3,471	3,236	235	7.25	3,236	3,848
Other non-operating expenses ¹	1,788	1,832	-44	(2.41)	1,832	2,998
Amortizations and write downs	0	0	0	-	0	0
Loss on disposal of TCA and assets held for sale	0	0	0	-	0	0
Provision for contingencies ²	4,851	2,350	2,501	106.47	2,350	0
Other subtotal	10,110	7,418	2,692	36.29	7,418	6,846
Total operating expenses	246,946	232,480	14,466	6.22	238,277	234,091

1 - Includes \$1,688,364 of salaries related to seconded positions that are reimbursed to the board. Included in Other Functional Area on page 19 as part of the compensation.

2 - Budgeted wage increase for bargaining units that have not yet been ratified, amount on separate line as directed by the Ministry. Included in Other Functional Area on page 19 as part of the compensation.

SUMMARY OF FUNCTIONAL AREAS

Report 12(c)i

(in thousands of dollars)	2024-2025 Estimates	2023-2024 Estimates	Increase/ (Decrease) to Estimates	% Change from Estimates
Day school	105,948	105,377	572	0.54
School management	14,527	14,547	-20	(0.14)
Curriculum services	3,399	3,418	-19	(0.56)
Student success	412	150	261	174.21
Library	1,562	1,482	80	5.42
Innovation and inclusion services	1,975	1,744	231	13.26
Indigenous Education	1,827	2,735	-908	(33.21)
Guidance	1,407	1,356	51	3.74
Continuing education	542	521	22	4.18
Program and leadership grant	1,070	987	83	8.41
Student services	31,716	28,698	3,018	10.52
Student services - education and community partnership program (ECPP)	1,111	1,076	34	3.19
Student services - school climate	1,788	1,902	-114	(5.98)
Student support	502	471	31	6.53
Trustees	289	288	0	0.17
Director & superintendents	1,053	984	69	6.98
Administration other	515	507	8	1.57
International students	638	623	15	2.46
Human resources	1,849	1,608	241	15.00
School operations	15,069	14,267	802	5.62
School maintenance	2,466	2,389	77	3.22
Non instructional operations & maintenance	285	293	-8	(2.57)
Community engagement	124	119	5	3.96
Plant capital	11,015	20,155	-9,140	(45.35)
School renewal	2,205	2,205	0	-
Information services	6,587	5,906	681	11.53
Business services	1,846	1,472	373	25.36
Procurement	197	182	15	8.28
Payroll	399	389	10	2.68
Transportation	19,357	18,774	583	3.11
Other	25,738	17,406	8,332	47.87
Debt	1,353	1,782	-430	(24.11)
Total (operating & capital)	258,772	253,814	4,957	1.95
Less capital budget	11,825	21,334	-9,509	(44.57)
Net operating budget	246,946	232,480	14,466	6.22

	2024-2025 Estimates	2023-2024 Estimates	Increase/ (Decrease) to Estimates	% Change from Estimates	2024-2025 FTE	2023-2024 FTE
(in thousands of dollars)						
Day school						
Compensation	99,018	98,512	506	0.51	873.06	904.99
Non-compensation						
Release time	5,330	5,324	6	0.11	54.91	56.06
Professional development	163	160	3	1.56		
Supplies & services	1,293	1,243	50	4.02		
Fees & contractual services	146	138	8	5.55		
Other expenses	0	0	0	-		
Total compensation and non-compensation	<u>105,948</u>	<u>105,377</u>	<u>572</u>	<u>0.54</u>	<u>927.97</u>	<u>961.05</u>
School management						
Compensation	13,617	13,645	-28	(0.21)	136.75	140.00
Non-compensation						
Release time	468	460	8	1.70	5.78	6.15
Professional development	36	36	0	-		
Supplies & services	406	406	0	-		
Fees & contractual services	0	0	0	-		
Other expenses	0	0	0	-		
Total compensation and non-compensation	<u>14,527</u>	<u>14,547</u>	<u>-20</u>	<u>(0.14)</u>	<u>142.53</u>	<u>146.15</u>
Curriculum services						
Compensation	2,711	2,498	213	8.53	21.97	21.31
Non-compensation						
Release time	0	0	0	-	-	-
Professional development	177	430	-253	(58.83)		
Supplies & services	509	488	22	4.43		
Fees & contractual services	2	3	-1	-		
Other expenses	0	0	0	-		
Total compensation and non-compensation	<u>3,399</u>	<u>3,418</u>	<u>-19</u>	<u>(0.56)</u>	<u>21.97</u>	<u>21.31</u>
Student success						
Compensation	30	28	3	9.44	0.50	0.50
Non-compensation						
Release time	50	50	0	-	-	-
Professional development	265	14	252	1,864.36		
Supplies & services	66	59	7	11.88		
Fees & contractual services	0	0	0	-		
Other expenses	0	0	0	-		
Total compensation and non-compensation	<u>412</u>	<u>150</u>	<u>261</u>	<u>174.21</u>	<u>0.50</u>	<u>0.50</u>
Library						
Compensation	1,561	1,481	80	5.42	21.17	21.20
Non-compensation						
Release time	0	0	0	-	-	-
Professional development	0	0	0	-		
Supplies & services	1	1	0	-		
Fees & contractual services	0	0	0	-		
Other expenses	0	0	0	-		
Total compensation and non-compensation	<u>1,562</u>	<u>1,482</u>	<u>80</u>	<u>5.42</u>	<u>21.17</u>	<u>21.20</u>

(in thousands of dollars)	2024-2025	2023-2024	Increase/ (Decrease) to	% Change	Report 12(c) 2024-2025	2023-2024
	Estimates	Estimates	Estimates	from Estimates	FTE	FTE
Innovation & Inclusion Services						
Compensation	1,088	723	365	50.48	9.33	6.50
Non-compensation						
Release time	0	0	0	-	-	-
Professional development	68	215	-148	(68.59)		
Supplies & services	804	791	14	1.73		
Fees & contractual services	15	15	0	-		
Other expenses	0	0	0	-		
Total compensation and non-compensation	<u>1,975</u>	<u>1,744</u>	<u>231</u>		<u>9.33</u>	<u>6.50</u>
Indigenous Education						
Compensation	1,085	702	383	54.54	10.67	7.16
Non-compensation						
Release time	0	0	0	-	-	-
Professional development	70	36	33	91.15		
Supplies & services	665	1,996	-1,331	(66.69)		
Fees & contractual services	7	0	7	-		
Other expenses	0	0	0	-		
Total compensation and non-compensation	<u>1,827</u>	<u>2,735</u>	<u>-908</u>		<u>10.67</u>	<u>7.16</u>
Guidance						
Compensation	1,407	1,356	51	3.74	12.17	12.00
Non-compensation						
Release time	0	0	0	-	-	-
Professional development	0	0	0	-		
Supplies & services	0	0	0	-		
Fees & contractual services	0	0	0	-		
Other expenses	0	0	0	-		
Total compensation and non-compensation	<u>1,407</u>	<u>1,356</u>	<u>51</u>		<u>12.17</u>	<u>12.00</u>
Continuing education						
Compensation	528	507	22	4.30	5.36	5.40
Non-compensation						
Release time	0	0	0	-	-	-
Professional development	0	0	0	-		
Supplies & services	12	12	0	-		
Fees & contractual services	2	2	0	-		
Other expenses	0	0	0	-		
Total compensation and non-compensation	<u>542</u>	<u>521</u>	<u>22</u>	<u>4.18</u>	<u>5.36</u>	<u>5.40</u>
Program leadership grant						
Compensation	975	892	83	9.29	6.00	6.00
Non-compensation						
Release time	0	0	0	-	-	-
Professional development	95	95	0	0.10		
Supplies & services	0	0	0	-		
Fees & contractual services	0	0	0	-		
Other expenses	0	0	-	-		
Total compensation and non-compensation	<u>1,070</u>	<u>987</u>	<u>83</u>	<u>8.41</u>	<u>6.00</u>	<u>6.00</u>

(in thousands of dollars)	2024-2025	2023-2024	Increase/ (Decrease) to	% Change	Report 12(c) 2024-2025	2023-2024
	Estimates	Estimates	Estimates	from Estimates	FTE	FTE
Student services						
Compensation	29,982	27,483	2,499	9.09	382.71	368.71
Non-compensation						
Release time	452	452	1	0.14	27.81	30.86
Professional development	172	20	152	779.49		
Supplies & services	1,055	670	385	57.42		
Fees & contractual services	55	73	-19	(25.41)		
Other expenses	0	0	-	-		
Total compensation and non-compensation	<u>31,716</u>	<u>28,698</u>	<u>3,018</u>	<u>10.52</u>	<u>410.52</u>	<u>399.57</u>
Student services - education and community partnership program (ECP)						
Compensation	972	942	30	3.23	11.00	11.00
Non-compensation						
Release time	0	0	0	-	-	-
Professional development	0	0	0	-		
Supplies & services	32	28	4	14.41		
Fees & contractual services	107	107	0	-		
Other expenses	-	-	-	-		
Total compensation and non-compensation	<u>1,111</u>	<u>1,076</u>	<u>34</u>	<u>3.19</u>	<u>11.00</u>	<u>11.00</u>
Student services - school climate						
Compensation	1,683	1,799	-115	(6.42)	18.50	20.50
Non-compensation						
Release time	0	0	0	-	-	-
Professional development	30	34	-4	(12.85)		
Supplies & services	76	70	6	8.53		
Fees & contractual services	0	0	0	-		
Other expenses	-	-	-	-		
Total compensation and non-compensation	<u>1,788</u>	<u>1,902</u>	<u>-114</u>	<u>(5.98)</u>	<u>18.50</u>	<u>20.50</u>
Student support						
Compensation	502	471	31	6.53	9.28	9.28
Non-compensation						
Release time	0	0	0	-	-	-
Professional development	0	0	0	-		
Supplies & services	0	0	0	-		
Fees & contractual services	0	0	0	-		
Other expenses	0	0	0	-		
Total compensation and non-compensation	<u>502</u>	<u>471</u>	<u>31</u>	<u>6.53</u>	<u>9.28</u>	<u>9.28</u>

(in thousands of dollars)	2024-2025	2023-2024	Increase/ (Decrease) to	% Change	2024-2025	2023-2024
	Estimates	Estimates	Estimates	from Estimates	FTE	FTE
Trustees						
Compensation	104	108	-4	(4.04)	10.00	10.00
Non-compensation						
Release time	0	0	0	-	-	-
Professional development	48	30	18	60.87		
Supplies & services	32	45	-12	(27.80)		
Fees & contractual services	0	0	0	-		
Other expenses	105	106	-1	(0.83)		
Total compensation and non-compensation	<u>289</u>	<u>288</u>	<u>0</u>	<u>0.17</u>	<u>10.00</u>	<u>10.00</u>
Director & supervisory officers						
Compensation	855	780	74	9.50	4.00	4.00
Non-compensation						
Release time	0	0	0	-	-	-
Professional development	8	8	0	-		
Supplies & services	162	167	-5	(3.27)		
Fees & contractual services	12	12	0	-		
Other expenses	17	17	0	-		
Total compensation and non-compensation	<u>1,053</u>	<u>984</u>	<u>69</u>	<u>6.98</u>	<u>4.00</u>	<u>4.00</u>
Administration other						
Compensation	306	298	8	2.68	3.00	3.00
Non-compensation						
Release time	0	0	0	-	-	-
Professional development	5	3	2	66.67		
Supplies & services	105	107	-2	(1.88)		
Fees & contractual services	0	0	0	-		
Other expenses	100	100	0	-		
Total compensation and non-compensation	<u>515</u>	<u>507</u>	<u>8</u>	<u>1.57</u>	<u>3.00</u>	<u>3.00</u>
International students						
Compensation	422	407	15	3.61	4.00	4.00
Non-compensation						
Release time	0	0	0	-	-	-
Professional development	3	4	-1	(28.57)		
Supplies & services	45	43	2	4.43		
Fees & contractual services	166	166	-1	(0.48)		
Other expenses	3	3	1	20.00		
Total compensation and non-compensation	<u>638</u>	<u>623</u>	<u>15</u>	<u>2.46</u>	<u>4.00</u>	<u>4.00</u>
Human resources						
Compensation	1,352	1,201	151	12.57	12.00	11.00
Non-compensation						
Release time	143	43	100	232.56	-	-
Professional development	101	111	-10	(8.76)		
Supplies & services	41	41	0	-		
Fees & contractual services	195	195	0	-		
Other expenses	18	18	0	-		
Total compensation and non-compensation	<u>1,849</u>	<u>1,608</u>	<u>241</u>	<u>15.00</u>	<u>12.00</u>	<u>11.00</u>

	2024-2025	2023-2024	Increase/ (Decrease) to	% Change from	2024-2025	2023-2024
(in thousands of dollars)	Estimates	Estimates	Estimates	Estimates	FTE	FTE
School operations						
Compensation	8,744	8,043	701	8.72	113.37	113.37
Non-compensation						
Release time	0	0	0	-	-	-
Professional development	11	11	0	-		
Supplies & services	5,117	5,108	9	0.18		
Fees & contractual services	1,198	1,106	92	8.29		
Other expenses	0	0	0	-		
Total compensation and non-compensation	<u>15,069</u>	<u>14,267</u>	<u>802</u>		<u>113.37</u>	<u>113.37</u>
School maintenance						
Compensation	1,620	1,453	168	11.53	25.50	25.50
Non-compensation						
Release time	0	0	0	-	-	-
Professional development	17	11	6	54.55		
Supplies & services	692	788	-97	(12.24)		
Fees & contractual services	137	137	0	-		
Other expenses	0	0	0	-		
Total compensation and non-compensation	<u>2,466</u>	<u>2,389</u>	<u>77</u>	<u>3.22</u>	<u>25.50</u>	<u>25.50</u>
Non instructional operations & maintenance						
Compensation	148	141	7	4.80	2.00	2.00
Non-compensation						
Release time	0	0	0	-	-	-
Professional development	0	0	0	-		
Supplies & services	131	146	-14	(9.83)		
Fees & contractual services	6	6	0	-		
Other expenses	0	0	0	-		
Total compensation and non-compensation	<u>285</u>	<u>293</u>	<u>-8</u>	<u>(2.57)</u>	<u>2.00</u>	<u>2.00</u>
Community engagement						
Compensation	71	66	5	7.18	1.00	1.00
Non-compensation						
Release time	0	0	0	-	-	-
Professional development	1	1	0	-		
Supplies & services	34	34	0	-		
Fees & contractual services	18	18	0	-		
Other expenses	1	1	0	-		
Total compensation and non-compensation	<u>124</u>	<u>119</u>	<u>5</u>	<u>3.96</u>	<u>1.00</u>	<u>1.00</u>
Plant capital						
Compensation	0	0	0	-		
Non-compensation						
Release time	0	0	0	-		
Professional development	0	0	0	-		
Supplies & services	215	215	0	-		
Fees & contractual services	0	0	0	-		
Other expenses	10,800	19,940	-9,140	(45.84)		
Total compensation and non-compensation	<u>11,015</u>	<u>20,155</u>	<u>-9,140</u>	<u>(45.35)</u>	<u>-</u>	<u>-</u>
School renewal						
Compensation	0	0	0	-		
Non-compensation						
Release time	0	0	0	-		
Professional development	0	0	0	-		
Supplies & services	0	0	0	-		
Fees & contractual services	0	0	0	-		
Other expenses	2,205	2,205	0	-		
Total compensation and non-compensation	<u>2,205</u>	<u>2,205</u>	<u>0</u>	<u>-</u>	<u>-</u>	<u>-</u>

(in thousands of dollars)	2024-2025	2023-2024	Increase/ (Decrease) to	% Change	2024-2025	2023-2024
	Estimates	Estimates	Estimates	from Estimates	FTE	FTE
Information and technology services						
Compensation	2,778	2,371	406	17.14	26.00	24.00
Non-compensation						
Release time	0	0	0	-	-	-
Professional development	34	74	-40	(54.62)		
Supplies & services	3,706	3,456	250	7.23		
Fees & contractual services	71	6	65	1,181.82		
Other expenses	0	0	0	-		
Total compensation and non-compensation	<u>6,587</u>	<u>5,906</u>	<u>681</u>	<u>11.53</u>	<u>26.00</u>	<u>24.00</u>
Business services						
Compensation	988	832	156	18.75	9.00	8.00
Non-compensation						
Release time	170	167	3	1.72	0.81	0.81
Professional development	13	13	0	-		
Supplies & services	47	44	3	7.35		
Fees & contractual services	370	362	8	2.32		
Other expenses	259	56	203	364.13		
Total compensation and non-compensation	<u>1,846</u>	<u>1,472</u>	<u>373</u>	<u>25.36</u>	<u>9.81</u>	<u>8.81</u>
Procurement						
Compensation	189	174	15	8.67	2.00	2.00
Non-compensation						
Release time	0	0	0	-	-	-
Professional development	6	6	0	-		
Supplies & services	2	2	0	-		
Fees & contractual services	0	0	0	-		
Other expenses	1	1	0	-		
Total compensation and non-compensation	<u>197</u>	<u>182</u>	<u>15</u>	<u>8.28</u>	<u>2.00</u>	<u>2.00</u>
Payroll						
Compensation	387	370	16	4.43	4.00	4.00
Non-compensation						
Release time	0	0	0	-	-	-
Professional development	6	5	1	18.69		
Supplies & services	2	3	-1	(33.33)		
Fees & contractual services	0	6	-6	(100.00)		
Other expenses	4	4	0	-		
Total compensation and non-compensation	<u>399</u>	<u>389</u>	<u>10</u>	<u>2.68</u>	<u>4.00</u>	<u>4.00</u>
Transportation						
Compensation	0	0	0	-		
Non-compensation						
Release time	0	0	0	-		
Professional development	0	0	0	-		
Supplies & services	0	0	0	-		
Fees & contractual services	19,357	18,774	583	3.11		
Other expenses	0	0	0	-		
Total compensation and non-compensation	<u>19,357</u>	<u>18,774</u>	<u>583</u>	<u>3.11</u>	<u>-</u>	<u>-</u>

	2024-2025	2023-2024	Increase/ (Decrease) to	% Change from	Report 42(c) 2024-2025	2023-2024
(in thousands of dollars)	Estimates	Estimates	Estimates	Estimates	FTE	FTE
Other						
Compensation ¹	6,539	4,082	2,457	60.20		
Non-compensation				-		
Release time	0	0	0	-		
Professional development	0	0	0	-		
Supplies & services	3,471	3,236	235	7.25		
Fees & contractual services	0	0	0	-		
Other expenses ²	15,728	10,088	5,640	55.91		
Total compensation and non-compensation	<u>25,738</u>	<u>17,406</u>	<u>8,332</u>	<u>47.87</u>	-	-
Debt						
Compensation	0	0	0	-		
Non-compensation				-		
Release time	0	0	0	-		
Professional development	0	0	0	-		
Supplies & services	0	0	0	-		
Fees & contractual services	0	0	0	-		
Other expenses	1,353	1,782	-430	(24.11)		
Total compensation and non-compensation	<u>1,353</u>	<u>1,782</u>	<u>-430</u>	<u>(24.11)</u>	-	-
Total						
Compensation	179,660	171,364	8,296	4.84	1,734.34	1,746.42
Non-compensation						
Release time	6,613	6,496	117	1.80	89.31	93.87
Professional development	1,325	1,314	11	0.81		
Supplies & services	18,719	19,197	-477	(2.49)		
Fees & contractual services	21,861	21,124	737	3.49		
Other expenses	30,593	34,319	-3,726	(10.86)		
Total compensation and non-compensation	<u>258,772</u>	<u>253,814</u>	<u>4,957</u>	<u>1.95</u>	<u>1,823.65</u>	<u>1,840.29</u>

1 - Includes seconded salaries of \$1,688,364 and provision for contingency of \$4,850,998 related to wage increases for unions that are not yet ratified. See notes on Statement of Expenses on page 11.

2 - Total amount is amortization expense, labelled as other expense for consistency.

SUMMARY OF STAFFING Full-Time Equivalent (FTE)

Report 12(c)i

	2024-25 Estimates FTE	2023-24 Estimates FTE	Increase/ (Decrease) to budget FTE	% Change from Estimate s FTE	2023-24 Revised Estimates FTE	2022-23 Financials FTE
Classroom instruction						
Classroom teachers - other than included elsewhere	878.9	884.9	(6.01)	(0.68)	884.2	916.4
Classroom teachers - student success teachers (secondary)	7.0	7.0	-	-	7.0	7.0
Classroom teachers - resource teachers and other	17.0	17.3	(0.30)	(1.73)	18.9	2.0
Classroom teachers - principals (instruction time only)	1.5	0.5	1.00	200.00	1.5	1.5
Classroom Teachers - Vice-Principals (Instruction Time Only)	5.5	5.0	0.50	10.00	4.5	3.6
Classroom Teachers - Care and Treatment and Correctional Facilities	6.0	6.0	-	-	6.0	6.0
Total classroom instruction staff	915.9	920.7	(4.8)	(0.52)	922.1	936.5
Teacher assistants and early childhood educators						
Teacher assistants (general)	258.8	280.9	(22.10)	(7.87)	302.9	270.8
Teacher assistants (temporary)	15.00	-	15.00	100.00	14.0	-
Early childhood educators	69.0	75.0	(6.00)	(8.00)	76.0	74.0
Care and treatment and correctional facilities assistants	5.0	5.0	-	-	5.0	5.0
Total teacher assistants and early childhood educators	347.8	360.9	(13.1)	(3.63)	397.9	349.8
Student support - professionals, paraprofessionals and technicians						
Student support staff - social services	15.5	14.5	1.00	6.90	14.5	13.5
Student support staff - child & youth workers	9.0	9.0	-	-	9.0	11.8
Student support staff - speech services	2.0	2.0	-	-	2.0	3.0
Student support staff - psychological services	3.0	3.0	-	-	3.0	4.0
Student support staff - attendance counselling	7.0	1.0	6.00	600.00	7.0	2.0
Student support staff - lunchroom or noon hour or bus or yard supervision	9.3	9.3	-	-	9.3	8.6
Student support staff - computer and other technical services	22.0	20.0	2.00	10.00	21.0	20.0
Student support staff - administrative support staff	3.0	3.0	-	-	3.0	3.0
Student support staff - other prof and paraprof, teachers or teacher assistants	1.0	1.0	-	-	1.0	1.0
Student support - professionals, paraprofessionals and technicians	71.8	62.8	9.0	14.33	69.8	66.9
Library and guidance						
Library and guidance staff - library teachers	6.2	6.0	0.20	3.33	6.0	6.0
Library and guidance staff - guidance teachers	12.7	12.5	0.20	1.60	12.5	12.3
Library and guidance staff - library technicians	16.0	16.2	(0.20)	(1.23)	16.2	16.2
Library and guidance	34.9	34.7	0.2	0.58	34.7	34.5
School administration						
School administration staff - principals (administrative time)	35.5	36.5	(1.00)	(2.74)	36.5	38.5
School administration staff - vice-principals (administrative time)	25.5	26.5	(1.00)	(3.77)	26.5	26.4
School administration staff - administrative support staff	77.8	79.0	(1.20)	(1.52)	79.00	79.0
School administration	138.8	142.0	(3.2)	(2.25)	142.0	143.9
Coordinators and consultants						
Staff - coordinators and consultants	27.3	29.5	(2.20)	(7.46)	26.5	30.0
Staff - administrative support staff	5.0	5.0	-	-	5.00	5.0
Coordinators and consultants	32.3	34.5	(2.2)	(6.38)	31.5	35.0
Administration and governance						
Admin & govern staff - trustees	13.0	13.0	-	-	13.0	13.0
Admin & govern staff - directors and supervisory officers	6.0	6.0	-	-	6.0	6.0
Admin & govern staff - directors office	1.0	1.0	-	-	1.0	1.0
Admin & govern staff - finance	9.0	8.0	1.00	12.50	8.0	7.0
Admin & govern staff - finance - capital planning capacity-related	1.0	1.0	-	-	1.0	1.0
Admin & govern staff - procurement	2.0	2.0	-	-	2.0	3.0
Admin & govern staff - human resource administration	12.0	11.0	1.00	9.09	11.5	11.0
Admin & govern staff - payroll administration	4.0	4.0	-	-	4.0	4.0
Admin & govern staff - information technology administration	4.0	4.0	-	-	4.0	4.0
Admin & govern staff - other	5.0	5.0	-	-	5.0	8.0
Administration and governance	57.0	55.0	2.0	3.64	55.5	58.0
School operations						
School operations staff - managerial or professional	5.0	5.0	-	-	5.0	7.0
School operations staff - administrative support staff	3.0	3.0	-	-	3.0	3.0
School operations staff - custodial staff	108.9	108.9	-	-	108.9	112.7
School operations staff - maintenance	22.0	22.0	-	-	22.0	22.0
School operations	138.9	138.9	-	-	138.9	144.7
Staffing total	1,737.4	1,749.5	(12.1)	(0.69)	1,792.4	1,769.3

CAPITAL EXPENDITURES SUMMARY

(in thousands of dollars)	<u>2024-2025 Estimates</u>	<u>2023-2024 Estimates</u>	<u>Increase/ (Decrease) to Estimates</u>	<u>% Change from Estimates</u>	<u>2023-2024 Revised Estimates</u>	<u>2022-23 Financials</u>
Minor capital assets (furniture, computers, vehicles)	685	715	-30	(4.20)	573	379
Land, buildings, construction in progress						
Eastside Secondary School	0	0	0		0	132
Central Hastings School	0	889	-889	(100.00)	1,448	143
Easthill Elementary School	0	0	0		4,980	7,459
School renewal	1,500	1,401	99	7.08	1,401	2,989
School condition improvement	9,300	16,832	-7,532	(44.75)	5,600	5,623
COVID resilience funding (CVRIS)	0	818	-818	(100.00)	519	787
School generated funds		0	0	-	0	35
Other		0	0	-	100	587
Interest on capital	340	680	-339	(49.91)	504	642
	<u>11,825</u>	<u>21,334</u>	<u>-9,509</u>	<u>(44.57)</u>	<u>15,125</u>	<u>18,776</u>

ACCUMULATED SURPLUS/(DEFICIT) - 2024/2025

(in thousands of dollars)	Accumulated Surplus(Deficit) September 1, 2024	Accumulated Surplus(Deficit) - In-Year Increase (Decrease)	Accumulated Surplus(Deficit) August 31, 2025
Available for compliance - unappropriated	10,983	58	11,041
Available for compliance - internally appropriated	232	-23	209
Total accumulated surplus (deficit) available for compliance	11,215	35	11,250
Total accumulated surplus (deficit) unavailable for compliance	-21,806	-480	-22,286
Total accumulated surplus/(deficit)	-10,592	-444	-11,036

GLOSSARY

Program leadership grant (PLG) - Expenditures related to the PLG grant that support the six lead positions of Early Years, Indigenous Education, Mental Health, School Effectiveness, Student Success and Technology Enabled Learning and Teaching. These leads are responsible for the organization, administration, management and implementation of supports to achieve the goals within their respective program areas.

Education and community partnership program (ECP) - Expenditures for education programs for school-aged children and youth in care, in treatment centres or who are in youth justice facilities.

School climate - includes expenses for schools to promote a positive climate which includes expenditures for Attendance Councillors, Social Workers, Social Service Workers, Resource Coordinator, Child and Youth workers as well as associated professional development, travel and supplies.

Full time equivalent (FTE) - unit measure equivalent to one full time employee

Unavailable for compliance - Certain amounts are to be included as unavailable from compliance under Ontario Regulation 488/10 Determination of Boards' Surpluses and Deficits. These amounts are deducted from the gross in-year surplus (revenues minus expenses) to determine the in-year surplus for compliance with Regulation 488/10. The items included as unavailable for compliance are: employee future benefits, interest to be accrued, school generated funds, revenues recognized for land, and liability for contaminated sites.

Available for compliance - the gross in-year surplus (revenues minus expenses) minus the amount that is unavailable for compliance.

Decision X Information

To: Hastings and Prince Edward District School Board

From: Rachael Prinzen, Chair of the Audit Committee

Re: External Auditor's Audit Plan

Purpose

To recommend approval of the External Auditor's Audit Plan for the 2023-2024 fiscal year end.

Link to Strategic Plan

5.3 "Ensure Responsible Communication" - Improve public relations by providing information that is timely, transparent, and accessible for all.

Background

Under [Ontario Regulation 361/10](#), Audit Committees are required to make recommendations to the Board on the content of the external auditor's audit plan and on all proposed major changes to the plan.

Current Situation

At the June 5, 2024, meeting, the Audit Committee reviewed the Audit Plan for the audit of the 2023-24 annual financial statements of Hastings and Prince Edward District School Board (HPEDSB), as shown as Appendix A, along with their Terms of Engagement found at Appendix B.

Recommendation

That the Hastings and Prince Edward District School Board approve the External Auditor's Audit Plan for the 2023-24 fiscal year end.

Appendices

Appendix A – External Auditor's Audit Plan

Appendix B – Terms of Engagement



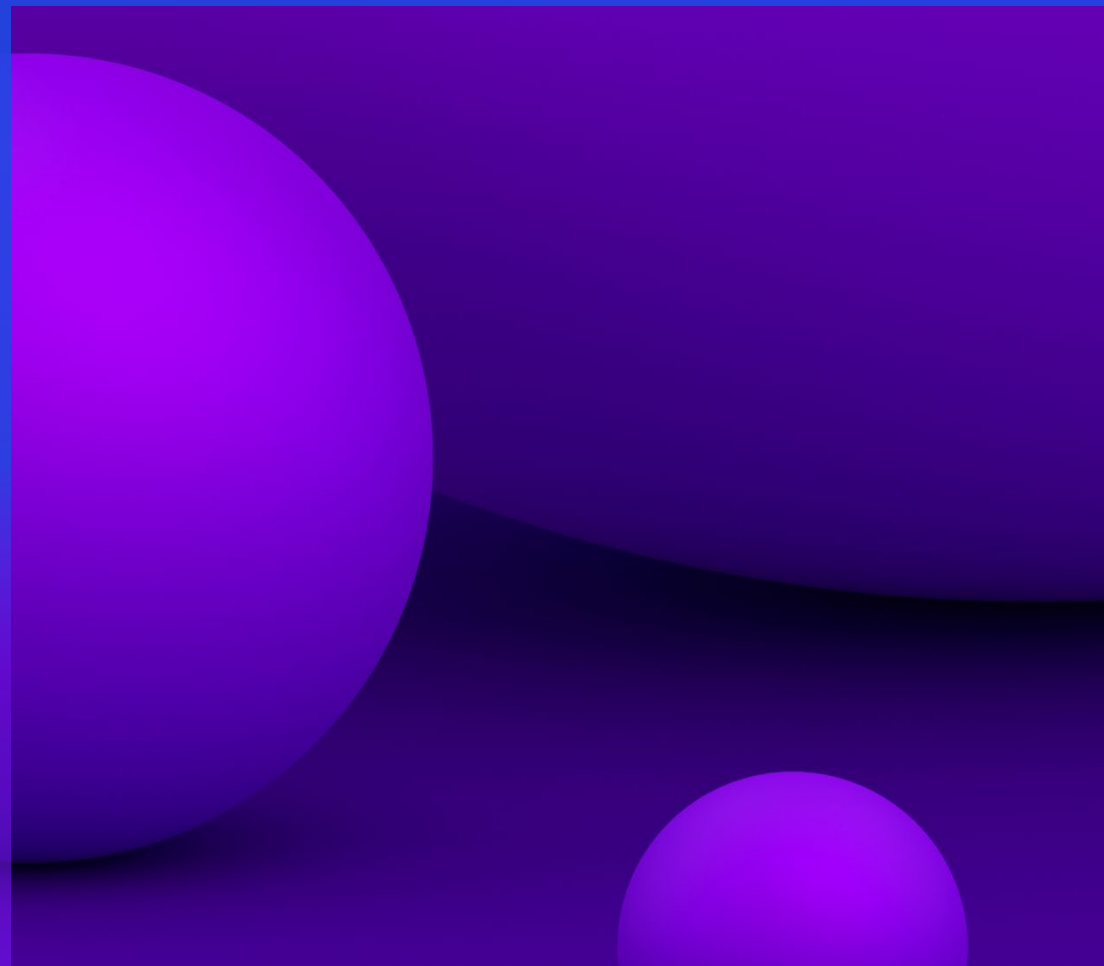
Hastings and Prince Edward District School Board

**Audit Planning Report
for the year ending August 31, 2024**



Prepared on May 24, 2024 for the Audit Committee meeting
on June 5, 2024

kpmg.ca/audit



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Digital use information

This Audit Planning Report is also available as a “hyper-linked” PDF document.

If you are reading in electronic form (e.g. In “Adobe Reader” or “Board Books”), clicking on the home symbol on the top right corner will bring you back to this slide.



Click on any item in the table of contents to navigate to that section.

4	Highlights	7	Audit strategy	10	Risk assessment	16	Key milestones and deliverables
17	Audit quality	19	Independence	20	Appendices		

The purpose of this report is to assist you, as a member of the Audit Committee, in your review of the plan for our audit of the financial statements. This report is intended solely for the information and use of Management, the Audit Committee, and the Board of Trustees and should not be used for any other purpose or any other party. KPMG shall have no responsibility or liability for loss or damages or claims, if any, to or by any third party as this report to the Audit Committee has not been prepared for, and is not intended for, and should not be used by, any third party or for any other purpose.





Audit highlights

Scope

Our audit of the financial statements of the Hastings and Prince Edward District School Board (the “School Board”) as at and for the year ending August 31, 2024 will be performed in accordance with Canadian generally accepted auditing standards (CASs).

[Engagement letter](#)

Audit strategy

Materiality \$6,000,000

Involvement of others

Newly effective accounting standards

There are newly effecting accounting standards in the current year:

- Amendments to PS 3400, Revenue
- PS 3160, Public Private Partnerships (“P3s”)
- PSG-8, Purchased Intangibles

Newly effective auditing standards

Newly effective changes to auditing standards

Upcoming changes to auditing standards

Risk assessment

Risk of management override of controls

Presumed risk of fraudulent revenue recognition

Other significant risks

Other risks of material misstatement

- Grant revenue, accounts receivable and deferred revenue
 - Payroll expenses
 - Operating expenses
- Capital assets and deferred capital contributions
 - Asset retirement obligations
- Employee future benefit liabilities
- Financial reporting

No matters to report Matters to report – see link for details

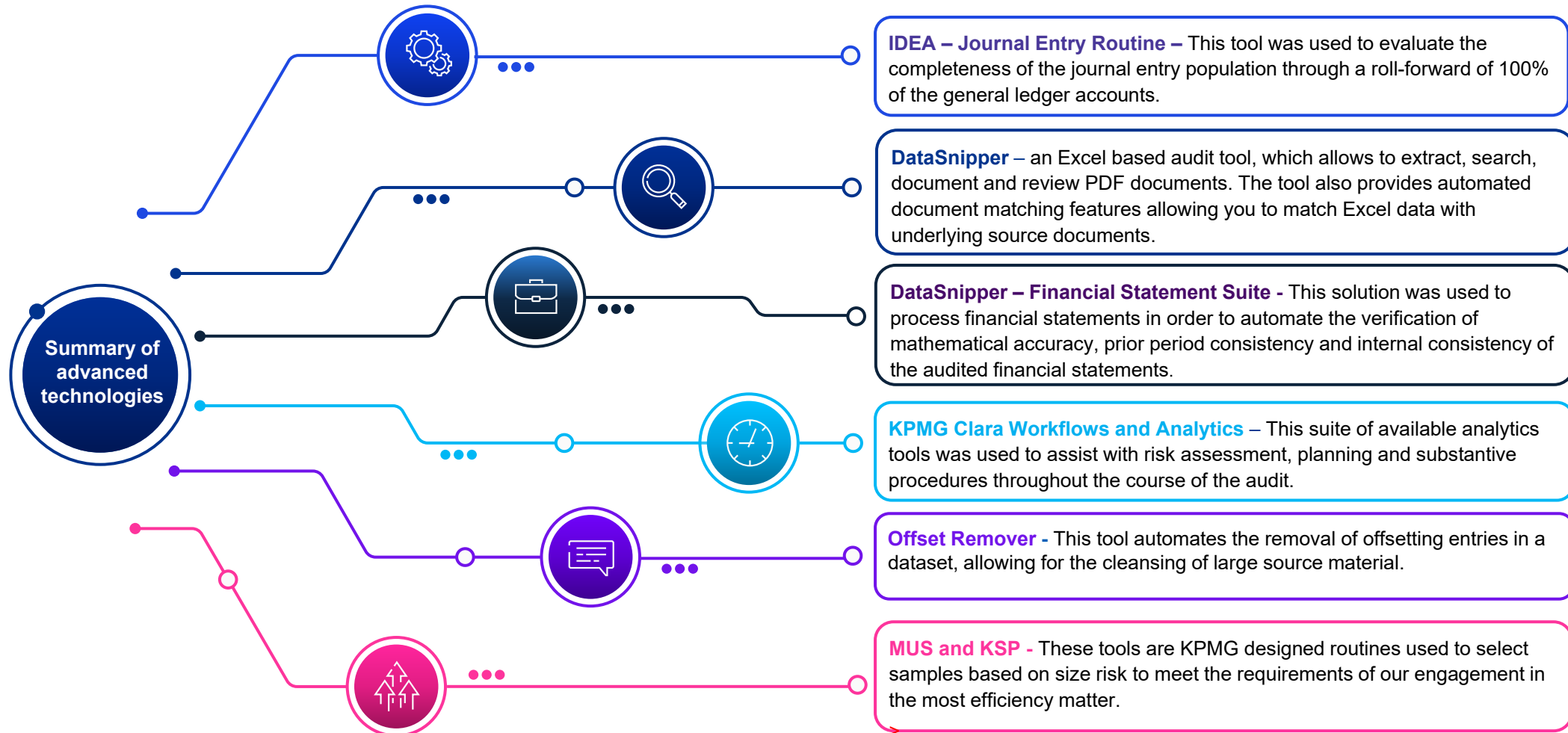


Technology highlights

KPMG Clara



We have technologies in our toolkit to continue to enhance the quality and effectiveness of the audit.





Updates to our prior year audit plan

Accounting changes



Newly effective accounting standards



The amendments to PS 3400, *Revenue*, become effective for this year end (fiscal years beginning on or after April 1, 2023).

- The standard establishes a single framework to categorize revenues to enhance the consistency of revenue recognition and its measurement.
- The standard notes that in the case of revenues arising from an exchange transaction, a public sector entity must ensure the recognition of revenue aligns with the satisfaction of related performance obligations.
- The standard notes that unilateral revenue arises when no performance obligations are present, and recognition occurs when there is authority to record the revenue and an event has happened that gives the public sector entity the right to the revenue.



Newly effective accounting standards



PS 3160, *Public Private Partnerships ("P3s")* becomes effective for this year end (fiscal years beginning on or after April 1, 2023).

- This standard includes new requirements for the recognition, measurement and classification of infrastructure procured through a public private partnership. The standard may be applied retroactively or prospectively.
- The standard notes that recognition of infrastructure by the public sector entity would occur when it controls the purpose and use of the infrastructure, when it controls access and the price, if any, charged for use, and it controls any significant interest accumulated in the infrastructure when the P3 ends.
- The public sector entity recognizes a liability when it needs to pay cash or non-cash consideration to the private sector partner for the infrastructure.



Newly effective accounting standards

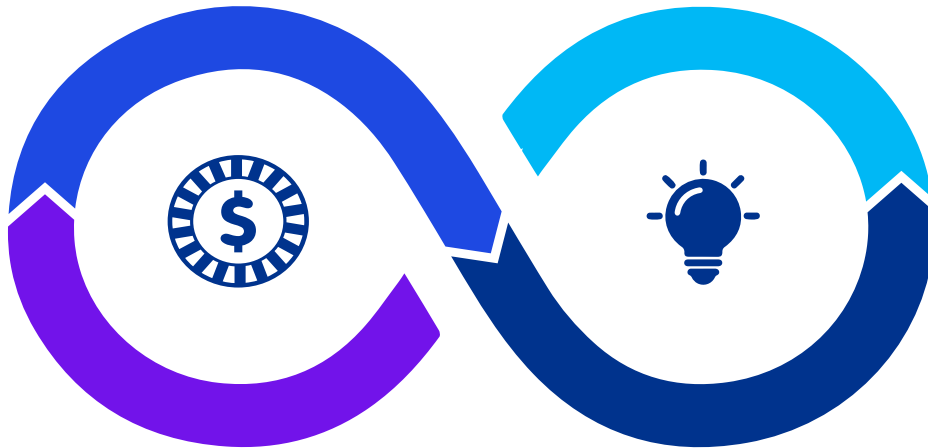


PSG-8, *Purchased Intangibles*, becomes effective for this year end (fiscal years beginning on or after April 1, 2023).

- The guideline allows public sector entities to recognize intangibles purchased through an exchange transaction. The definition of an asset, the general recognition criteria and GAAP hierarchy are used to account for purchased intangibles.
- Narrow scope amendments were made to PS 1000 Financial statement concepts to remove the prohibition to recognize purchased intangibles and to PS 1201 Financial statement presentation to remove the requirement to disclose purchased intangibles not recognized.
- The guideline can be applied retroactively or prospectively.



Materiality



We **initially determine materiality** at a level at which we consider that misstatements could reasonably be expected to influence the economic decisions of users. Determining materiality is a matter of **professional judgement**, considering both quantitative and qualitative factors, and is affected by our perception of the common financial information needs of users of the financial statements as a group. We do not consider the possible effect of misstatements on specific individual users, whose needs may vary widely.

We **reassess materiality** throughout the audit and revise materiality if we become aware of information that would have caused us to determine a different materiality level initially.

Plan and perform the audit

We **initially determine materiality** to provide a basis for:

- Determining the nature, timing and extent of risk assessment procedures;
- Identifying and assessing the risks of material misstatement; and
- Determining the nature, timing, and extent of further audit procedures.

We design our procedures to detect misstatements at a level less than materiality in individual accounts and disclosures, to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole.

Evaluate the effect of misstatements

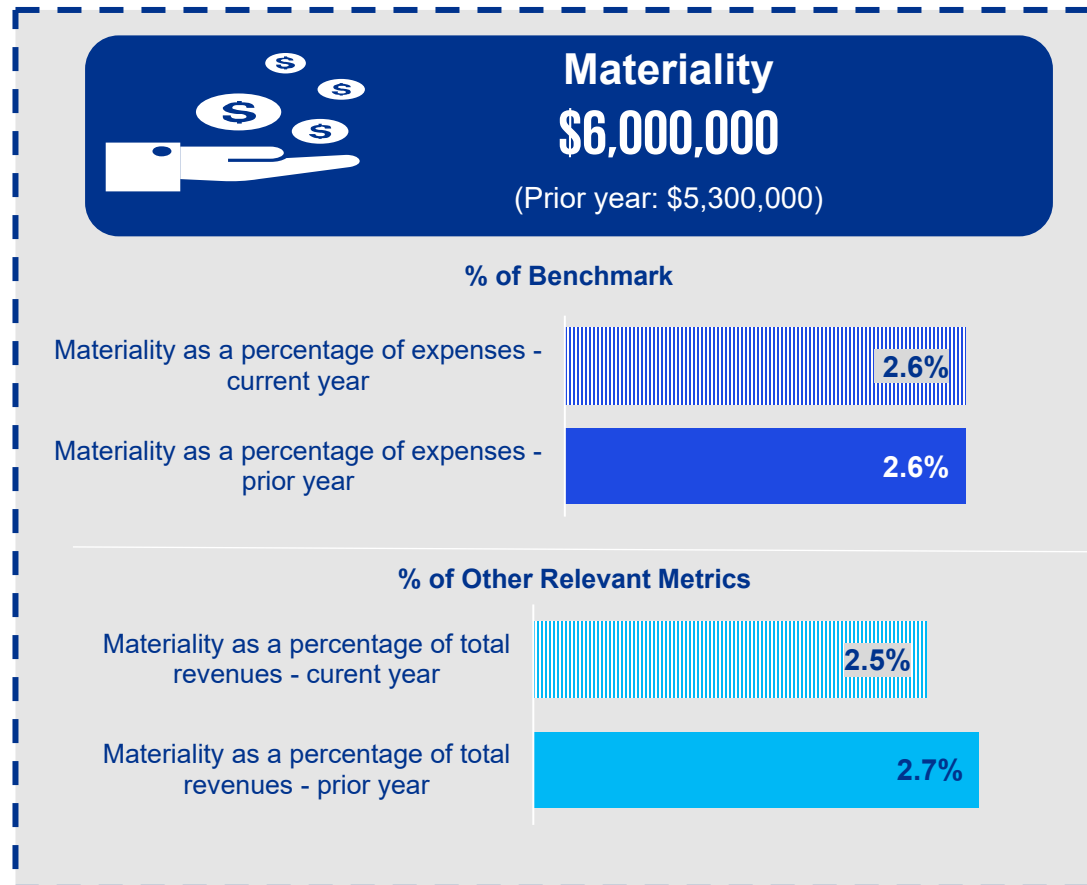
We also **use materiality** to evaluate the effect of:

- Identified misstatements on our audit; and
- Uncorrected misstatements, if any, on the financial statements and in forming our opinion.



Initial materiality

Initial materiality has been set using the prior year audited financial statements. Performance materiality has been set at 75% of materiality or \$4,500,000. Our assessment of misstatements, if any, in amounts or disclosures at the completion of our audit will include the consideration of both qualitative and quantitative factors.



We will report:



Corrected audit misstatements



Uncorrected audit misstatements



Errors and omissions in disclosure (corrected and uncorrected)

Prior year total expenses

\$234,091,000

(Prior year: \$227,644,000)

Prior year total revenues

\$236,350,000

(Prior year: \$226,306,000)

Professional standards require us to re-assess materiality at the completion of our audit based on period-end results or new information in order to confirm whether the amount determined for planning purposes remains appropriate.



Involvement of others

The following parties are involved in the audit of the financial statements:

Involved party	Nature and extent of planned involvement
Management expert – Actuary	We will obtain and leverage the work of management’s expert, the Actuary, related to the calculation of the liability for employee benefit liabilities. Refer to page 14 for additional details.



Risk assessment summary

Our planning begins with an assessment of risks of material misstatement in your financial statements.

We draw upon our understanding of the School Board and its environment (e.g. the industry, the wider economic environment in which the business operates, etc.), our understanding of the School Board's components of its system of internal control, including our business process understanding.

	Risk of fraud	Risk of error	PY Risk Rating
● Management override of controls	✓		Significant
● Grant revenue, accounts receivable and deferred revenue		✓	Base
● Payroll expenses		✓	Base
● Operating expenses		✓	Base
● Capital assets and deferred capital contributions		✓	Base
● Employee future benefit liabilities		✓	Base
● Asset retirement obligation		✓	Significant
● Financial reporting		✓	Base

Legend:

● PRESUMED RISK OF MATERIAL MISSTATEMENT

● OTHER AREA OF FOCUS

These areas of focus may be revised because of new transactions or events at the School Board, or changes in systems, people or structure, and/or the results of our audit procedures. We will report any changes to the Committee in our Audit Findings Report.



Significant risks



Management Override of Controls (non-rebuttable significant risk of material misstatement)

RISK OF



FRAUD

Why is it significant?

**Presumption
of the risk of fraud
resulting from
management
override of
controls**

Management is in a unique position to perpetrate fraud because of its ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Although the level of risk of management override of controls will vary from entity to entity, the risk nevertheless is present in all entities.

Our planned response

As this presumed risk of material misstatement due to fraud is not rebuttable, our audit methodology incorporates the required procedures in professional standards to address this risk. These procedures include:

- testing of journal entries and other adjustments,
- performing a retrospective review of estimates
- evaluating the business rationale of significant unusual transactions.

Advanced technologies

Our KPMG Clara Journal Entry Analysis Tool assists in the performance of detailed journal entry testing based on engagement-specific risk identification and circumstances. Our tool provides auto-generated journal entry population statistics and focusses our audit effort on journal entries that are riskier in nature.



[Click to learn more](#)



Significant risks (continued)



Presumed risk of fraud involving improper revenue recognition (rebuttable significant risk of material misstatement)

RISK OF

FRAUD

Why is it significant?

Presumption
of the risk of fraud
involving
improper revenue
recognition

As is common with government and not-for-profit organizations, we have not identified any risk of material misstatement resulting from fraudulent revenue recognition, and as a result have rebutted this fraud risk.

Relevant inherent risk factors affecting our risk assessment

Generally, there are pressures or incentives on management to commit fraudulent financial reporting through inappropriate revenue recognition when performance is measured in terms of year-over-year revenue growth or profit.

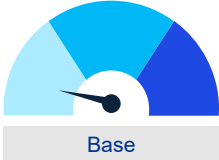
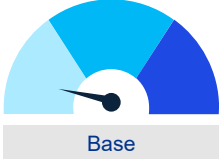
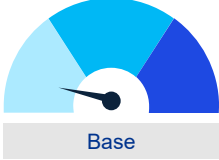
The School Board is not publicly traded, is not incentivized to meet analyst expectations of revenue, and does not sell goods or services with complex contracts as its main line of business. The School Board receives most of its revenue through government funding which is generally viewed as non-judgmental and routine. Any risks related to adjustments made to the financial statement amounts at year end are addressed in the risk identified below and as part of our audit approach.

Our audit approach

The fraud risk related to revenue recognition has been rebutted for the purposes of this audit.

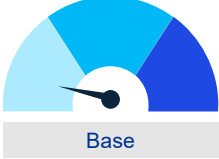

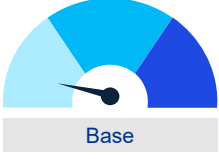


Other areas of focus

Areas	Risk due to error	Audit approach
<p>Grant Revenue (including related receivables, payables and deferred revenue)</p>		<ul style="list-style-type: none"> — We will complete substantive audit including confirmation of cash flows during the year and verification of any significant performance criteria. — We will complete analytical and substantive procedures to ensure appropriate recognition of revenue and related payables, deferrals and receivables, as required. — We will perform substantive procedures to address the eligibility of costs incurred.
<p>Payroll Expenses (including related accruals)</p>		<ul style="list-style-type: none"> — We will perform substantive audit procedures over salaries and benefits, including related accruals. — Significant payroll-related accruals will be recalculated and vouched to supporting documentation, including grievances, severance costs and retroactive pay including Bill 124, as applicable.
<p>Operating Expenses (including related accruals)</p>		<ul style="list-style-type: none"> — We will perform substantive procedures over operating expenses and accounts payable and accrued liabilities. — Perform a search for unrecorded liabilities and recalculate significant accruals. — Vouch a sample of expenses to supporting documentation.
<p>Capital Assets and Deferred Capital Contributions (including related amortization)</p>		<ul style="list-style-type: none"> — Vouch significant additions and disposals to supporting documentation, including additions to work-in-progress. — Review of repair and maintenance expenses for proper accounting treatment. — Perform analytical audit procedures to ensure adequacy of amortization and amortization of deferred capital contributions. — Inquire as to the status of major capital projects. — Inquire as to the impairment of any capital assets. — Review presentation of capital assets note disclosure.



Other areas of focus (continued)

Areas	Risk due to error	Audit approach
Employee Future Benefit Liabilities	 <p>Base</p>	<ul style="list-style-type: none"> – We will obtain the School Board’s most recent actuarial valuation/extrapolation report and will agree the details to the provision and applicable note disclosure related to employee future benefit accruals. – We will perform required accounting estimates procedures per the auditing estimates standards including gaining a detailed understanding of the process used by Management to make the assumptions and develop procedures to test the reasonableness of the assumptions, completeness and accuracy of the data and resulting amount recorded in the School Board’s financial statements
Asset Retirement Obligation	 <p>Elevated</p>	<ul style="list-style-type: none"> – In the post-implementation year, update management’s process on ensuring this calculation is complete and accurate. – Obtain management’s calculation of the asset retirement obligation liability and perform substantive testing on any changes during the year, including the impacts of any inflation, remediation or construction activity.
Financial Reporting	 <p>Base</p>	<ul style="list-style-type: none"> – Review by the engagement partner to ensure the disclosure is consistent with current public sector accounting, disclosure requirements and industry practice.



Required inquiries of the audit committee



Inquiries regarding risk assessment, including fraud risks

- What are the Audit Committee's views about fraud risks, including management override of controls, in the School Board? And have you taken any actions to respond to any identified fraud risks?
- Is the Audit Committee aware of, or has the Audit Committee identified, any instances of actual, suspected, or alleged fraud, including misconduct or unethical behavior related to financial reporting or misappropriation of assets?
 - If so, have the instances been appropriately addressed and how have they been addressed?
- How does the Audit Committee exercise oversight of the School Board's fraud risks and the establishment of controls to address fraud risks?



Inquiries regarding School Board processes

- Is the Audit Committee aware of tips or complaints regarding the School Board's financial reporting (including those received through the Audit Committee's internal whistleblower program, if such programs exist)? If so, the Audit Committee's responses to such tips and complaints?

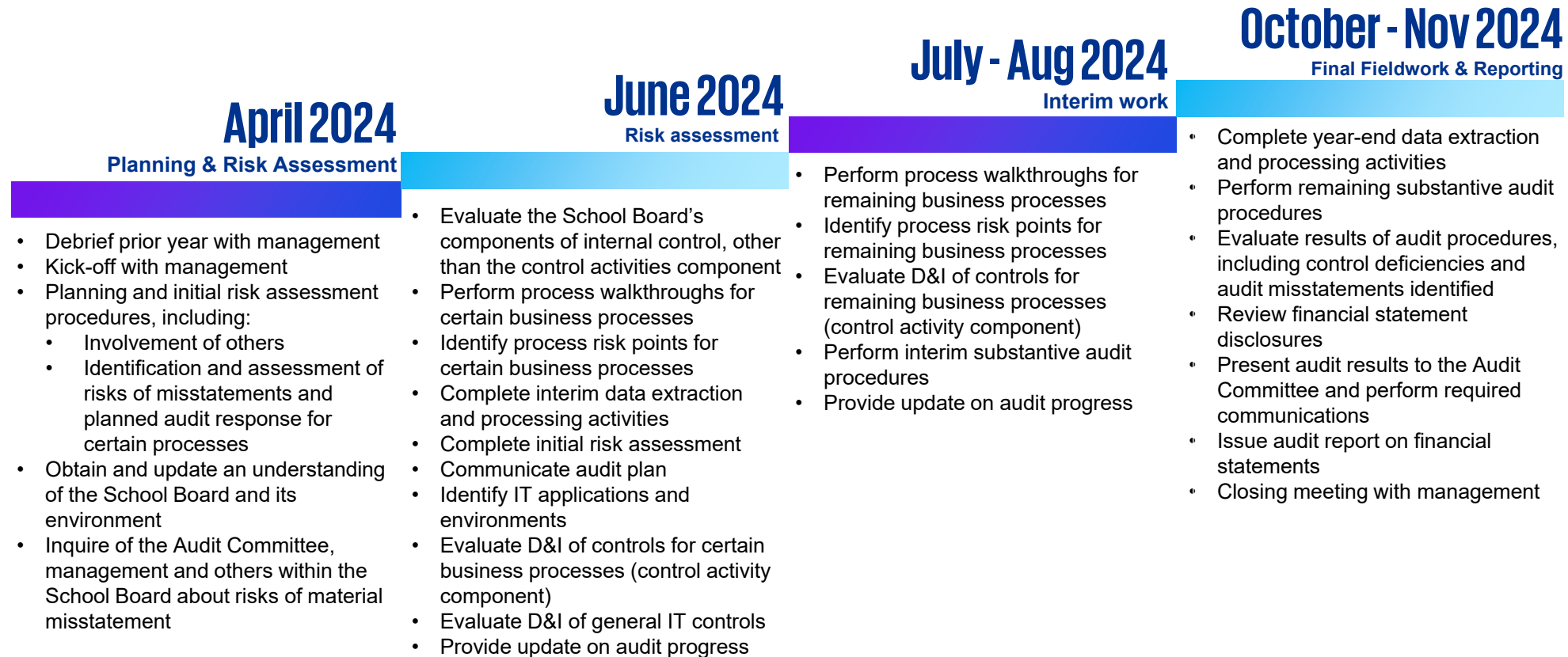


Inquires regarding related parties and significant unusual transactions

- Is the Audit Committee aware of any instances where the School Board entered into any significant unusual transactions?
- What is the Audit Committee's understanding of the School Board's relationships and transactions with related parties that are significant to the School Board?
- Is the Audit Committee concerned about those relationships or transactions with related parties? If so, the substance of those concerns?



Key milestones and deliverables





How do we deliver audit quality?

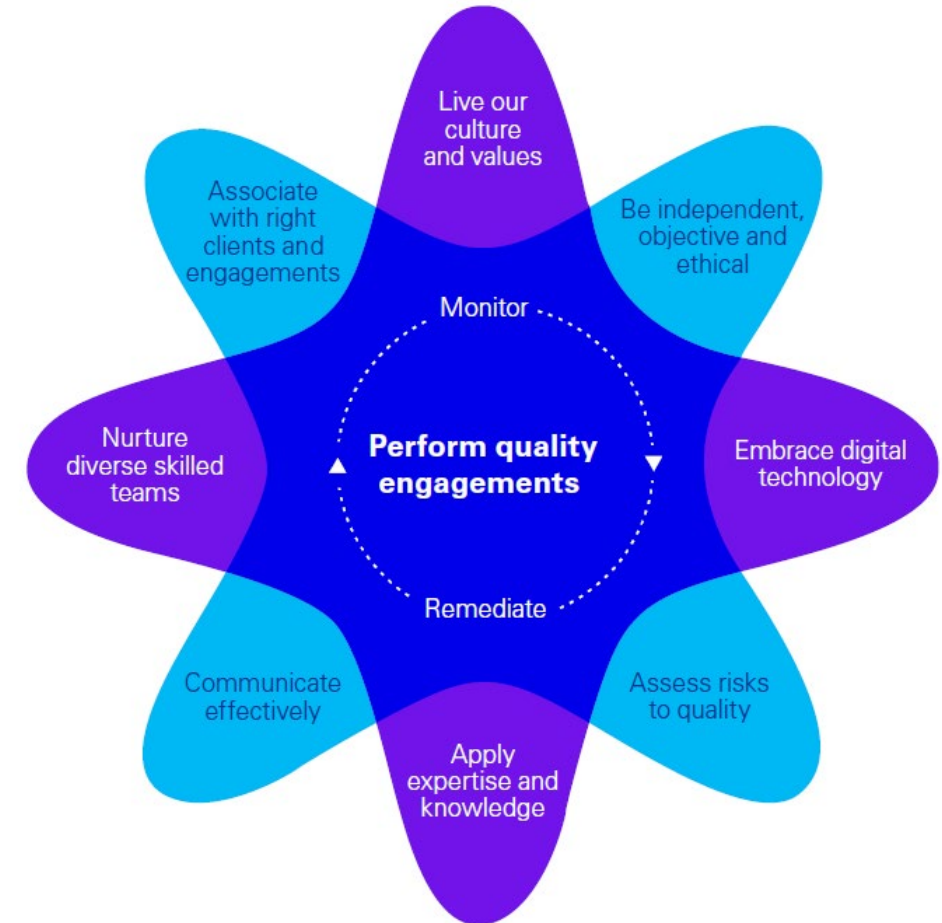
Quality essentially means doing the right thing and remains our highest priority. Our Global Quality Framework outlines how we deliver quality and how every partner and staff member contributes to its delivery.

The drivers outlined in the framework are the ten components of the KPMG System of Quality Management (SoQM). Aligned with ISQM 1/CSQM 1, our SoQM components also meet the requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA) and the relevant rules of professional conduct / code of ethics applicable to the practice of public accounting in Canada, which apply to professional services firms that perform audits of financial statements. Our Transparency Report includes our firm's Statement on the Effectiveness of our SoQM.

 [KPMG Canada Transparency Report](#)

We define 'audit quality' as being the outcome when:

- audits are **executed consistently**, in line with the requirements and intent of **applicable professional standards** within a strong **system of quality management**; and
- all of our related activities are undertaken in an environment of the utmost level of **objectivity, independence, ethics and integrity**.



Doing the right thing. Always.



Indicators of audit quality (AQIs)

The objective of these measures is to provide more in-depth information about factors that influence audit quality within an audit process. Below are the AQIs that we have agreed with management are relevant for the audit. We would like to obtain agreement of the Audit Committee that these are the relevant AQIs.

We will communicate the status of the below AQIs upon completion of our audit.



Team composition

Experience of the team

- Role – number of years experience in the industry, number of years on this engagement



Technology in the audit

Implementation of Technology in the Audit

- Increase in use of technology in the audit year over year



Timing of prepared by client (PBC) items

Timeliness of PBC items

- Number of timely and overdue items received by the audit team.



Quality reviews

Results of internal and external reviews

- Number and nature of findings specific to the audit engagement



Independence



In determining the fees for our services, we have considered the nature, extent and timing of our planned audit procedures. At least once annually, we will confirm our independence with respect to our role as external auditors of the School Board. The services detailed below are not prohibited and no threats to our independence have been any identified.

Description of service	Current period (budget)	Prior period (actual)
Audit of the annual financial statements of the School Board ¹	\$43,000	\$63,000
Agreed Upon Procedures for the 7-month period ended March 31, 2024 ²	\$6,700	\$10,000

¹ In response to the implementation of PS 3280 in fiscal 2023, there may continue to be additional fees based on time incurred related to this new accounting standard depending on the level of activity during the year. Similarly, the new Canadian auditing standard that was in effect in fiscal 2023, CAS 315 Identifying and Assessing the Risks of Material Misstatement, will continue to require additional effort in subsequent years after adoption.

² There will be additional fees based on time incurred as the Ministry's 7-month procedures include incremental effort related to the adoption of new accounting standards, consistent with the previous year.

Appendices

1

Engagement letter

4

Audit and assurance insights

2

Other required communications

5

Technology

3

Newly effective and upcoming changes to auditing standards



Appendix 1: Engagement letter



KPMG LLP
863 Princess Street, Suite 400
Kingston ON K7L 5N4
Canada
Telephone 613-549-1550
Fax 613-549-6349

Bryce Wilson
Superintendent of Business Services
Hastings and Prince Edward District School Board
156 Ann Street
Belleville, ON K8N 3L3

May 24, 2024

The purpose of this letter is to outline the terms of our engagement to audit the consolidated financial statements ("financial statements") of Hastings and Prince Edward District School Board ("the Entity"), commencing for the year ending August 31, 2024 and in the future.

This letter supersedes our previous letter to the Entity dated January 30, 2023.

The terms of the engagement outlined in this letter will continue in effect from period to period, unless amended or terminated in writing. The attached Assurance Terms and Conditions and any exhibits, attachments and appendices hereto and subsequent amendments form an integral part of the terms of this engagement and are incorporated herein by reference (collectively the "Engagement Letter").

Financial Reporting Framework for the Financial Statements

The financial statements will be prepared and presented in accordance with the basis of accounting described in note 1 of the financial statements (hereinafter referred to as the "financial reporting framework").

The financial statements will include an adequate description of the financial reporting framework.

Management's Responsibilities

Management responsibilities are described in [Appendix A – Management's Responsibilities](#).

An audit of the annual financial statements does not relieve management or those charged with governance of their responsibilities.

Auditor's Responsibilities

Our responsibilities are described in [Appendix B – Auditor's Responsibilities](#).

If management does not fulfill the responsibilities above, we cannot complete our audit.

KPMG LLP, an Ontario limited liability partnership and member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. KPMG Canada provides services to KPMG LLP.



Additional Responsibilities regarding "Other Information"

"Other information" is defined in professional standards to be the financial or non-financial information (other than the financial statements and the auditors' report thereon) included in the "annual report". An "annual report" is defined in professional standards to comprise a document or combination of documents. Professional standards also indicate that:

- an annual report is prepared typically on an annual basis in accordance with law, regulation or custom (i.e., is reoccurring)
- an annual report contains or accompanies the financial statements and the auditors' report thereon
- an annual report's purpose is to provide owners (or similar stakeholders) with information on the Entity's:
 - operations; and/or
 - financial results and financial position as set out in the financial statements.

Based on discussions with management, there are no documents, or combination of documents, expected to meet the definition of an "annual report" under professional standards.

Auditor's Deliverables

Unless otherwise specified, our report will be in writing and the expected content of our report are provided in [Appendix C – Expected Form of Report](#). However, there may be circumstances in which a report may differ from its expected form and content.

In addition, if we become aware of information that relates to the information we reported on after we have issued our report, but which was not known to us at the date of our report, and which is of such a nature and from such a source that we would have investigated that information had it come to our attention during the course of our engagement, we will, as soon as practicable: (1) communicate such an occurrence to those charged with governance; and (2) undertake an investigation to determine whether the information is reliable and whether the facts existed at the date of our report. Further, management agrees that in conducting that investigation, we will have the full cooperation of the Entity's personnel. If the subsequently discovered information is found to be of such a nature that: (a) our report would have been affected if the information had been known as of the date of our report; and (b) we believe that the report may have been distributed to someone who would attach importance to the information, appropriate steps will be taken by KPMG, and appropriate steps will also be taken by the Entity, to advise of the newly discovered facts and the impact to the information we reported on.

Non-Audit Service – Certain Assistance Relating to Word Processing and Preparation of Financial Statements

Word Processing

We will assist management by providing word processing for the Entity's financial statements and related notes.





Appendix 1: Engagement letter (continued)



Assistance in Preparing Financial Statements

We will assist management in preparing the financial statements and related notes in accordance with the financial reporting framework.

We will use information from the trial balance and/or other source documents provided by management to assist management in preparing the financial statements and related notes. We may also provide advice and recommendations to assist management of the Entity in performing its responsibilities.

We will not assume management responsibilities on behalf of the Entity.

The Entity agrees to:

- Assume all management responsibilities, including determining the accuracy and completeness of the financial statements and notes.
- Assign a suitable employee with appropriate skills, knowledge and/or experience to oversee the financial statement preparation assistance and evaluate the adequacy and results of the services.
- Accept responsibility for the results of the financial statement preparation assistance.

Income Tax Compliance and Advisory Services

Our deliverables regarding income tax compliance and advisory services are described in [Appendix D – Income Tax Compliance and Advisory Services](#).

Use of KPMG Clara for clients

The terms and conditions for use of KPMG Clara for clients apply to the use of the collaboration tool and can be found [here](#).

Fees

[Appendix E – Fees for Professional Services](#) to this letter lists our fees for professional services to be performed under this Engagement Letter.

3



We are available to provide a wide range of services beyond those outlined above. Additional services are subject to separate terms and arrangements.

We are proud to provide you with the services outlined above and we appreciate your confidence in our work. We shall be pleased to discuss this letter with you at any time. If the arrangements and terms are acceptable, please sign the duplicate of this letter in the space provided and return it to us.

Yours very truly,

Lori Huber, CPA, CA, Licensed Public Accountant
Partner, responsible for the engagement and its performance, and for the report that is issued on behalf of KPMG LLP, and who, where required, has the appropriate authority from a professional, legal or regulatory body
613-541-7320

Enclosure

The terms of the engagement set out are as agreed:

Bryce Wilson, Superintendent of Business Services
(having the appropriate authority to engage the Entity)

Date (DD/MM/YYYY)

4





Appendix 1: Engagement letter (continued)



Appendix A – Management’s Responsibilities

Management acknowledges and understands that they are responsible for:

- (a) the preparation and fair presentation of the annual financial statements in accordance with the financial reporting framework referred to above
- (b) providing us with all information of which management is aware that is relevant to the preparation of the financial statements (“relevant information”) such as financial records, documentation and other matters, including:
 - the names of all related parties and information regarding all relationships and transactions with related parties
 - the complete minutes of meetings, or summaries of actions of recent meetings for which minutes have not yet been prepared, of board of trustees and committees of the board of trustees that may affect the financial statements. All significant actions are to be included in such summaries.
- (c) providing us with unrestricted access to such relevant information.
- (d) providing us with complete responses to all enquiries made by us during the engagement.
- (e) providing us with additional information that we may request from management for the purpose of the engagement
- (f) providing us with unrestricted access to persons within the Entity from whom we determine it necessary to obtain evidence
- (g) such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. Management also acknowledges and understands that they are responsible for the design, implementation and maintenance of internal control to prevent and detect fraud.
- (h) ensuring that all transactions have been recorded and are reflected in the financial statements.
- (i) providing us with written representations required to be obtained under professional standards and written representations that we determine are necessary. Management also acknowledges and understands that, as required by professional standards, we may disclaim an audit opinion when management does not provide certain written representations required.

5



Appendix B – Auditor’s Responsibilities

Auditor’s responsibilities regarding the audit of the financial statements

Our function as auditors of the Entity is:

- to express an opinion on whether the Entity’s annual financial statements, prepared by management with the oversight of those charged with governance, are, in all material respects, in accordance with the financial reporting framework referred to above
- to report on the annual financial statements

We will conduct the audit of the Entity’s annual financial statements in accordance with Canadian generally accepted auditing standards and relevant ethical requirements, including those pertaining to independence (hereinafter referred to as applicable “professional standards”).

We will plan and perform the audit to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error. Accordingly, we will, among other things:

- identify and assess risks of material misstatement, whether due to fraud or error, based on an understanding of the Entity and its environment, including the Entity’s internal control. In making those risk assessments, we consider internal control relevant to the Entity’s preparation of the annual 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
- obtain sufficient appropriate audit evidence about whether material misstatements exist, through designing and implementing appropriate responses to the assessed risks
- form an opinion on the Entity’s annual financial statements based on conclusions drawn from the audit evidence obtained
- communicate matters required by professional standards, to the extent that such matters come to our attention, to the appropriate level of management, those charged with governance and/or the board of directors. The form (oral or in writing) and the timing will depend on the importance of the matter and the requirements under professional standards.

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Appendix 1: Engagement letter (continued)



Appendix C – Expected Form of Report

INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of the Hastings and Prince Edward District School Board

Opinion

We have audited the consolidated financial statements of Hastings and Prince Edward District School Board (the Entity), which comprise:

- the Consolidated Statement of Financial Position as at end of August 31, 2024
- the Consolidated Statements of Operations and Accumulated Surplus for the year then ended
- the Consolidated Statement of Changes in Net Debt for the year then ended
- the Consolidated Statement of Accumulated Remeasurement Gains (Losses) for the year then ended
- the Consolidated Statement of Cash Flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Entity as at end of August 31, 2024 and its consolidated results of operations and its consolidated cash flows for the year then ended in accordance with the Financial Administration Act supplemented by Ontario Ministry of Education memorandum 2004: B2 and Ontario Regulation 395/11 of the Financial Administration Act.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "Auditors' Responsibilities for the Audit of the Financial Statements" section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

7



Emphasis of Matter – Financial Reporting Framework

We draw attention to note 1 to the consolidated financial statements which describes the applicable financial reporting framework and the purpose of the financial statements.

As a result, the financial statements may not be suitable for another purpose.

Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Financial Administration Act supplemented by Ontario Ministry of Education memorandum 2004: B2 and Ontario Regulation 395/11 of the Financial Administration Act, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

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Appendix 1: Engagement letter (continued)



The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion

Chartered Professional Accountants, Licensed Public Accountants
Kingston, Canada
(date)



Appendix D – Income Tax Compliance and Advisory Services

This letter details the general tax advisory services to be provided to Hastings and Prince Edward District School Board ("the Entity") for the year ending August 31, 2024 and in the future. If there are tax services to be delivered outside the scope of those described in this letter, we will require a separate engagement letter for those services.

General tax advisory services

Our advice generally falls under one of the following situations:

- 1) On an ongoing basis, we will provide advisory services of a general nature relating to various income, capital, payroll and indirect tax matters as they arise. This type of service generally arises on a periodic basis as a result of preliminary inquiries made by you. In rendering these services, it is important to recognize that the advice provided is dependent on the detail of the information provided and the environment in which it is rendered. When professional judgment suggests written confirmation of the facts and advice is necessary, we will draft the appropriate correspondence to ensure the appropriate standard of care is met by all parties.
- 2) Periodically, you will seek detailed advice from us in connection with a specific transaction or undertaking you are contemplating. In such a situation, our advice will be based on the information provided to us. It is the responsibility of the Entity to ensure we are provided with all the information necessary in order for us to render the advice sought. Our tax advice will most likely be communicated to you, or your designate, in writing.

Our tax advisory services, both written and oral, will be based on the facts and assumptions submitted to us. We will not independently verify this information. Inaccuracy or incompleteness of the information could have a material effect on our conclusions.

To be of greatest assistance to the Entity, we should be advised in advance of any proposed transactions. If such matters exceed the scope of this engagement letter, we will issue additional engagement letters to confirm the particular scope and terms.



Appendix 1: Engagement letter (continued)



Appendix E – Fees for Professional Services

Regarding our audit of the annual financial statements as described in this letter, the Entity and KPMG agree to an estimated fee of \$44,000 for this service as outlined in our proposal dated October 18, 2022.

In response to the new accounting standards in fiscal 2023 related to Asset Retirement Obligations, there may continue to be additional fees based on the incremental time incurred related to the audit work required in response to the adoption of this standard, PS 3280.

Our fees will be billed as the work progresses for this service.

KPMG will notify management should there be any risk that the engagement cannot be completed within the original fee quoted due to change in scope or unforeseen circumstances.

The information technology infrastructure costs and administrative support charge as described in the Assurance Terms and Conditions ("Fee and Other Arrangements") shall be 7% of total fees.

Interest on overdue invoices as described in the Assurance Terms and Conditions ("Fee and Other Arrangements") shall be (1)% per month, calculated and compounded monthly (effective annual rate of (12.683)%).

Assumptions

Our proposed professional fees assume that we will receive full participation from your staff, and that all necessary information will be available and appropriate for us to deliver our professional services as agreed upon with management.

KPMG will notify management should there be any risk that the engagement cannot be completed within the original fee quoted due to change in scope or unforeseen circumstances.

Our proposed professional fees are based on the assumption that management and employees are fully available throughout the audit period, that all necessary information is provided at the beginning of the first day of the audit work as agreed upon with management, and that this information is appropriate for us to perform our audit under Canadian Auditing Standards. Furthermore, these proposed professional fees assume the following:

- The assets, liabilities, revenues and expenses reported on the financial statements and other schedules to be audited will not change significantly from the prior year;
- There are no retroactive changes required to the prior year financial statements;
- We are not required to provide accounting assistance, preparation of correcting accounting entries or accounting advisory services;
- Your financial records are in good order, are appropriately adjusted at the start of the audit, and are prepared in accordance with the appropriate accounting framework;
- Your internal controls around financial reporting operated effectively throughout the fiscal year under audit;
- There are no changes to Accounting Standards, or Canadian Auditing Standards (CAS) requirements that significantly impact the financial statements; and
- There are no impairment issues nor adjustment on any investments or capital assets.

If these assumptions are not met, our professional fees will be subject to revision, and will be discussed with management during the audit process.

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TERMS AND CONDITIONS FOR ASSURANCE ENGAGEMENTS (PRIVATE COMPANY CLIENTS)

These Terms and Conditions are an integral part of the accompanying engagement letter or proposal from KPMG that identifies the engagement to which they relate (and collectively form the "Engagement Letter"). The Engagement Letter supersedes all written or oral representations on this matter. The term "Entity" used herein has the meaning set out in the accompanying engagement letter or proposal. The term "Management" used herein means the management of Entity.

1. DOCUMENTS AND LICENSES.

- a. All working papers, files and other internal materials created or produced by KPMG in relation to this engagement and all copyright and intellectual property rights therein are the property of KPMG.
- b. Only in connection with the services herein, Entity hereby grants to KPMG a limited, revocable, non-exclusive, non-transferable, paid up and royalty-free license, without right of sublicense, to use all logos, trademarks and service marks of Entity solely for presentations or reports to Entity or for internal KPMG presentations and intranet sites. Further, Entity agrees that KPMG may list Entity as a customer in KPMG's internal and external marketing materials, including KPMG websites and social media, indicating the general services rendered (e.g., "Client is an Audit, Advisory, and/or Tax client of KPMG LLP").

2. ENTITY'S RESPONSIBILITIES.

- a. Entity agrees that all management responsibilities will be performed and all management decisions will be made by Entity, and not by KPMG.
- b. Entity's provision of documents and information to KPMG on a timely basis is an important factor in our ability to issue any reports under this Engagement Letter. KPMG is not responsible for any consequences arising from Entity's failure to deliver documents and information as required.
- c. To the extent that KPMG personnel are on Entity's premises, Entity will take all reasonable precautions for their safety.
- d. Entity understands and acknowledges that KPMG's independence may be impaired if any KPMG partner, employee or contractor accepts any offer of employment from Entity.
- e. Except as required by applicable law or regulation, Entity shall keep confidential the terms of this Engagement Letter, and such confidential information shall not be distributed, published or made available to any other person without KPMG's express written permission.
- f. Management agrees to promptly provide us with a copy of any comment letter or request for information issued by any securities or other regulatory authority in respect of information on which KPMG reported, including without limitation any continuous disclosure filings.

3. FEE AND OTHER ARRANGEMENTS.

- a. KPMG's estimated fee is based in part on the quality of Entity's records, the agreed-upon level of preparation and assistance from Entity's personnel, and adherence by Entity to the agreed-upon timetable. KPMG's estimated fee also assumes that Entity's financial statements and/or other financial information, as applicable, are prepared in accordance with the relevant financial reporting framework or the relevant criteria, as applicable, and that there are no significant changes to the relevant financial reporting framework or the relevant criteria, as applicable; no significant new or changed accounting policies; no significant changes to internal control; and no other significant issues.
- b. Additional time may be incurred for such matters as significant issues, significant unusual and/or complex transactions, informing management about new professional standards, and any related accounting advice. Where these matters arise and require research, consultation and work beyond that included in the estimated fee, Entity and KPMG agree to revise the estimated fee. Our professional fees are also subject to an additional charge to cover information technology infrastructure costs and administrative support of our client service personnel. Disbursements for items such as travel, accommodation and meals will be charged based on KPMG's actual disbursements.
- c. KPMG's invoices are due and payable upon receipt. In order to avoid the possible implication that unpaid fees might be viewed as creating a threat to KPMG's independence, it is important that KPMG's bills be paid promptly when rendered. If a situation arises in which it may appear that KPMG's independence is threatened because of significant unpaid bills, KPMG may be prohibited from signing any applicable report and/or consent.

- d. Fees for any other services will be billed separately from the services described in this Engagement Letter and may be subject to written terms and conditions supplemental to those in the Engagement Letter.
- e. Canadian Public Accountability Board ("CPAB") participation fees, when applicable, are charged to Entity based on the annual fees levied by CPAB.

4. USE OF MEMBER FIRMS AND THIRD PARTY SERVICE PROVIDERS; STORAGE AND USE OF INFORMATION.

- a. KPMG is a member firm of the KPMG International Cooperative ("KPMG International"). Entity acknowledges that in connection with the provision of services hereunder, KPMG may use the services of KPMG International member firms, as well as other third party service providers or subcontractors, and KPMG shall be entitled to share with them all documentation and information related to the engagement, including Entity's confidential information and personal information ("Information"). KPMG may also: (i) directly, or using such aforementioned KPMG International member firms, third party service providers or subcontractors, perform data analytics in respect of the information; and (ii) retain and disclose to KPMG International member firms the information to share best practices or for knowledge sharing purposes. In all such cases, such information may be used, retained, processed, or stored outside of Canada by such KPMG International member firms, other third party service providers or subcontractors, and may be subject to disclosure in accordance with the laws applicable in the jurisdiction in which the information is used, retained, processed or stored, which laws may not provide the same level of protection for such information as will Canadian laws. KPMG represents that such KPMG International member firms, other third party service providers or subcontractors have agreed or shall agree to conditions of confidentiality with respect to Entity's confidential information, and that KPMG is responsible to ensure their compliance with those conditions. Any services performed by KPMG International member firms or other third party service providers or subcontractors shall be performed in accordance with the terms of this Engagement Letter, but KPMG remains solely responsible to Entity for the delivery of the services hereunder. Entity agrees that any claims that may arise out of the engagement will be brought solely against KPMG, the contracting party, and not against any other KPMG International member firms or other third party service providers or subcontractors referred to above.
 - b. Certain information (including information relating to time, billing and conflicts) collected by KPMG during the course of the engagement may be used, retained, processed and stored outside of Canada by KPMG, KPMG International member firms or third party service providers or subcontractors providing support services to KPMG for administrative, technological and clerical/organizational purposes, including in respect of client engagement acceptance procedures and maintaining engagement profiles; and to comply with applicable law, regulation or professional standards (including for quality performance reviews). Such information may be subject to disclosure in accordance with the laws applicable in the jurisdiction in which the information is used, retained, processed or stored, which laws may not provide the same level of protection for such information as will Canadian laws. KPMG may also share information with its legal advisers and insurers for the purposes of obtaining advice.
 - c. Entity acknowledges that KPMG aggregates anonymous information from sources including the Entity for various purposes, including to monitor quality of service, and Entity consents to such use. KPMG may also use Entity's information to offer services that may be of interest to Entity.
- ### 5. PERSONAL INFORMATION CONSENTS AND NOTICES.
- KPMG may be required to collect, use and disclose personal information about individuals during the course of the engagement. Any collection, use or disclosure of personal information is subject to KPMG's Privacy Policy available at www.kpmg.ca. Entity represents and warrants that (i) it has obtained any consents required to allow KPMG to collect, use and disclose personal information in the course of the engagement, and (ii) it has provided notice to those individuals whose personal information may be collected, used and disclosed by KPMG hereunder of the potential processing of such personal information outside of Canada (as described in Section 4 above). KPMG's Privacy Officer noted in KPMG's privacy policy is able to answer any individual's questions about the collection of personal information required for KPMG to deliver services hereunder.

TERMS AND CONDITIONS FOR ASSURANCE ENGAGEMENTS – PRIVATE COMPANY CLIENTS
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Appendix 1: Engagement letter (continued)



TERMS AND CONDITIONS FOR ASSURANCE ENGAGEMENTS (PRIVATE COMPANY CLIENTS)

6. THIRD PARTY DEMANDS FOR DOCUMENTATION AND INFORMATION / LEGAL AND REGULATORY PROCESSES.

- a. Entity on its own behalf hereby acknowledges and agrees to cause its subsidiaries and affiliates to acknowledge that KPMG or a foreign component auditor which has been engaged in connection with an assurance engagement ("component auditor") may from time to time receive demands from a third party (each, a "third party demand"), including without limitation (i) from CPAB or from professional, securities or other regulatory, taxation, judicial or governmental authorities (both in Canada and abroad), to provide them with information and copies of documents in KPMG's or the component auditor's files including (without limitation) working papers and other work-product relating to the affairs of Entity, its subsidiaries and affiliates, and (ii) summons for production of documents or information related to the services provided hereunder, which information and documents may contain confidential information of Entity, its subsidiaries or affiliates. Except where prohibited by law, KPMG or its component auditor, as applicable, will advise Entity or its affiliate or subsidiary of the third party demand. Entity acknowledges, and agrees to cause its subsidiaries and affiliates to acknowledge, that KPMG or its component auditor, as applicable, will produce documents and provide information in response to the third party demand, without further authority from Entity, its subsidiaries or affiliates.
- b. KPMG will use reasonable efforts to withhold from production any documentation or information over which Entity asserts privilege. Entity must identify any such documentation or information at the time of its provision to KPMG by marking it as "privileged". Notwithstanding the foregoing, where disclosure of such privileged documents is required by law, KPMG will disclose such privileged documents. If and only if the authority requires such access to such privileged documents pursuant to the laws of a jurisdiction in which express consent of Entity is required for such disclosure, then Entity hereby provides its consent.
- c. Entity agrees to reimburse KPMG for its professional time and any disbursements, including reasonable legal fees and taxes, in responding to third party demands.
- d. Entity waives and releases KPMG from any and all claims that it may have against KPMG as a result of any disclosure or production by KPMG of documents or information as contemplated herein.
- e. Entity agrees to notify KPMG promptly of any request received by Entity from any third party with respect to the services hereunder, KPMG's confidential information, KPMG's advice or report or any related document.

7. CONNECTING TO THE ENTITY'S IT NETWORK; EMAIL AND ONLINE FILE SHARING AND STORAGE TOOLS.

- a. Entity authorizes KPMG personnel to connect their computers to Entity's IT Network and the Internet via the Network while at the Entity's premises for the purpose of conducting normal business activities.
- b. Entity recognizes and accepts the risks associated with communicating electronically, and using online file sharing, storage, collaboration and other similar online tools to transmit information to or sharing information with KPMG, including (but without limitation) the lack of security, unreliability of delivery and possible loss of confidentiality and privilege. Entity assumes all responsibility or liability in respect of the risk associated with the use of the foregoing, and agrees that KPMG is not responsible for any issues that might arise (including loss of data) as a result of Entity using the foregoing to transmit information to or otherwise share information with KPMG and, in the case of online tools other than email, KPMG's access to and use of the same in connection with obtaining Entity information and documents.

8. LIMITATION ON WARRANTIES.

THIS IS A SERVICES ENGAGEMENT. KPMG WARRANTS THAT IT WILL PERFORM SERVICES HEREUNDER IN GOOD FAITH WITH QUALIFIED PERSONNEL IN A COMPETENT AND WORKMANLIKE MANNER IN ACCORDANCE WITH APPLICABLE INDUSTRY STANDARDS. SUBJECT TO SECTION 14, KPMG DISCLAIMS ALL OTHER WARRANTIES, REPRESENTATIONS OR CONDITIONS, EITHER EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, WARRANTIES, REPRESENTATIONS OR CONDITIONS OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

9. LIMITATION ON LIABILITY AND INDEMNIFICATION.

- a. Subject to Section 14: (i) Entity agrees that KPMG shall not be liable to Entity for any actions, damages, claims, fines, penalties, complaints,

demands, suits, proceedings, liabilities, costs, expenses, or losses (collectively, "Claims") in any way arising out of or relating to the services performed hereunder for an aggregate amount in excess of the lesser of one million dollars (\$1,000,000) or two times the fees paid by Entity to KPMG under the engagement; and (ii) on a multi-phase engagement, KPMG's liability shall be based on the amount actually paid to KPMG for the particular phase that gives rise to the liability.

b. Subject to Section 14, in the event of a Claim by any third party against KPMG that arises out of or relates to the services performed hereunder, Entity will indemnify and hold harmless KPMG from all such Claims, including, without limitation, reasonable legal fees, except to the extent finally determined to have resulted from the intentional, deliberate or fraudulent misconduct of KPMG.

c. Subject to Section 14: (i) in no event shall KPMG be liable for consequential, special, indirect, incidental, punitive or exemplary damages, liabilities, costs, expenses, or losses (including, without limitation, lost profits and opportunity costs); (ii) in any Claim arising out of the engagement, Entity agrees that KPMG's liability will be several and not joint and several; and (iii) Entity may only claim payment from KPMG of KPMG's proportionate share of the total liability based on degree of fault.

d. For purposes of this Section 9, the term KPMG shall include its subsidiaries, its associated and affiliated entities and their respective current and former officers, directors, officers, employees, agents and representatives. The provisions of this Section 9 shall apply regardless of the form of Claim, whether in contract, statute, tort (including, without limitation, negligence) or otherwise.

10. CONSENT TO THE USE OF THE KPMG NAME OR KPMG REPORT.

Except as otherwise specifically agreed in this Engagement Letter, KPMG does not consent to:

- the use of our name or our report in connection with information, other than what we have reported on as part of this Engagement Letter, or our report thereon, that contains, incorporates by reference, or otherwise accompanies our report or our name;
- the use of our report in another language, or the use of our report in connection with information that we reported on that has been translated into another language, or the use of our name in connection with information that we reported on that has been translated into another language;
- the use of our report in connection with an offering document or other securities filing, including continuous disclosure filings; or
- the use of our name or our report in connection with the interim financial statements (or other interim financial information) or any statement by the Entity regarding the services that we provided on the interim financial statements or other interim financial information.

Any communication, report, statement or conclusion on the interim financial statements may not be included in, or otherwise referred to in any public document or public oral statements except when the interim review conclusion contains a modified conclusion, in which case our interim review report will accompany the interim financial statements.

If the Entity wishes to obtain KPMG's consent regarding the matters above or other matters not otherwise specifically covered by this Engagement Letter, we will be required to perform procedures as required by applicable professional standards, and such procedures would be a separate engagement and subject to separate engagement terms.

11. ALTERNATIVE DISPUTE RESOLUTION.

Any dispute or claim between the parties arising under or relating to this Engagement Letter or the services provided hereunder (the "Dispute") shall be submitted to non-binding mediation. If mediation is not successful within 90 days after the issuance by a party of a request for mediation, then the Dispute shall be referred to and finally resolved by arbitration under the Arbitration Rules of the ADR Institute of Canada in force at that time. The Seat of Arbitration shall be the province where KPMG's principal office performing this engagement is located. The language of the arbitration shall be English. The Arbitral Tribunal shall be made up of a single Arbitrator. The arbitration award shall be final, conclusive and binding upon the parties, and not subject to appeal.

12. POTENTIAL CONFLICTS OF INTEREST.

- a. KPMG is or may be engaged by entities and individuals who have potentially conflicting legal and business interests to Entity. Entity agrees that, without further notice or disclosure to Entity, KPMG may: (i) accept or



TERMS AND CONDITIONS FOR ASSURANCE ENGAGEMENTS (PRIVATE COMPANY CLIENTS)

continue such engagements on matters unrelated to KPMG's engagement for Entity; and (ii) provide advice or services to any other person or entity making a competing bid or proposal to that of Entity whether or not KPMG is providing advice or services to Entity in respect of Entity's competing bid or proposal.

b. In accordance with professional standards, KPMG will not use any confidential information regarding Entity in connection with its engagements with other clients, and will establish confidentiality and other safeguards to manage conflicts, which may include, in KPMG's sole discretion, the use of separate engagement teams and data access controls.

c. In no event shall KPMG be liable to Entity, or shall Entity be entitled to a return of fees or disbursements, or any other compensation whatsoever as a result of KPMG accepting or continuing a conflicting engagement in accordance with the terms of this Engagement Letter.

d. Entity agrees that KPMG may, in its sole discretion, disclose the fact and nature of its engagement for Entity to (i) KPMG International member firms to inform conflict searches, and (ii) to the extent reasonably required in order to obtain the consent of another entity or individual in order to permit KPMG to act for such entity or individual, or for Entity, in connection with the engagement or any future engagement.

e. In the event that circumstances arise that place KPMG into a conflict of interest as between Entity and a pre-existing client, which in KPMG's sole opinion cannot be adequately addressed through the use of confidentiality and other safeguards, KPMG shall be entitled to immediately terminate the engagement with Entity, without liability.

f. Other KPMG International member firms are or may be engaged by entities and individuals who have potentially conflicting legal and business interests to Entity. Entity agrees that (i) it will not assert that other KPMG International member firms are precluded from being engaged by those other entities or individuals, and (ii) those engagements of other KPMG International member firms do not conflict with KPMG's engagement for Entity.

13. LOBBYING.

Unless expressly stated in this Engagement Letter, KPMG will not undertake any lobbying activity, as that term is defined in all applicable federal, provincial and municipal lobbyist registration statutes and regulations, in connection with the engagement. In the event that KPMG and Entity agree that KPMG will undertake lobbying activity in connection with the engagement, such agreement shall be set out in an amendment to this Engagement Letter.

14. SEVERABILITY.

The provisions of these Terms and Conditions and the accompanying proposal or engagement letter shall only apply to the extent that they are not prohibited by a mandatory provision of applicable law, regulation or professional standards. If any of the provisions of these Terms and Conditions or the accompanying proposal or engagement letter are determined to be invalid, void or unenforceable, the remaining provisions of these Terms and Conditions or the accompanying proposal or engagement letter, as the case may be, shall not be affected, impaired or invalidated, and each such provision shall remain valid and in effect and be enforceable and binding on the parties to the fullest extent permitted by law.

15. GOVERNING LAW.

This Engagement Letter shall be subject to and governed by the laws of the province where KPMG's principal office performing this engagement is located (without regard to such province's rules on conflicts of law).

16. LLP STATUS.

KPMG is a registered limited liability partnership ("LLP") established under the laws of the Province of Ontario, and, where applicable, has been registered extra-provincially under provincial LLP legislation.

17. INDEPENDENT LEGAL ADVICE.

Entity agrees that it been advised to retain independent legal advice at its own expense prior to signing this Engagement Letter (including without limitation with respect to Entity's rights in connection with potential future conflicts) and agrees that any failure on its part to retain such independent





Appendix 1: Engagement letter (continued)



TERMS AND CONDITIONS FOR ADVISORY AND TAX SERVICES

1. TERMS AND CONDITIONS.

a. These Terms and Conditions are an integral part of the accompanying Proposal or Engagement Letter from KPMG that identifies the engagement to which they relate.

b. In the event of conflict between the Proposal or Engagement Letter and these Terms and Conditions, these Terms and Conditions shall prevail unless specific reference to a provision of the Terms and Conditions being varied is made in the Proposal or Engagement Letter. Other capitalized words in these Terms and Conditions shall have the meanings given to them in the Proposal or Engagement Letter.

2. SERVICES.

KPMG will use reasonable efforts to complete the performance of the services within any agreed-upon time-frame. It is understood and agreed that KPMG's services may include advice and recommendations, but all decisions in connection with the implementation of such advice and recommendations shall be the responsibility of, and made by, Client. KPMG will not perform management functions or make management decisions for Client. Nothing in these Terms and Conditions or Engagement Letter (or Proposal) shall be construed as precluding or limiting in any way the right of KPMG to provide services of any kind or nature whatsoever to any person or entity as KPMG in its sole discretion deems appropriate.

3. CLIENT RESPONSIBILITIES.

a. Client agrees to cooperate with KPMG in the performance of the services under the Engagement Letter and shall provide or arrange to provide KPMG with timely access to and use of the personnel, facilities, equipment, data and information necessary for KPMG to perform the services under the Engagement Letter. To the extent that KPMG personnel are on Client premises, Client will take all reasonable precautions for the safety of KPMG partners and employees at Client premises. Client shall be responsible for the performance of its employees and agents and for the accuracy and completeness of all data and information provided to KPMG for purposes of the performance by KPMG of its services hereunder. The Proposal or Engagement Letter may set forth additional responsibilities of Client in connection with the engagement. Client acknowledges that Client's failure to perform these obligations could adversely impact KPMG's ability to perform its services.

b. Client agrees that Client, and not KPMG, shall perform the following functions: (i) make all management decisions and perform all management functions; (ii) designate an individual who possesses suitable skill, knowledge and experience preferably within senior management, to oversee the performance of the services under the Engagement Letter, and to evaluate the adequacy and results of such services; (iii) accept responsibility for the results of such services; and (iv) establish and maintain internal controls over the processes with which such services are concerned, including, without limitation, monitoring ongoing activities.

c. Client acknowledges and agrees that KPMG will, in performing the services, base its conclusions on the facts and assumptions that Client furnishes and that KPMG may use data, material, and other information furnished by or at the request or direction of Client without any independent investigation or verification and that KPMG shall be entitled to rely upon the accuracy and completeness of such data, material and other information. Inaccuracy or incompleteness of such data, material and other information furnished to KPMG could have a material effect on KPMG's conclusions.

d. Client acknowledges that information made available by it, or by others on Client's behalf, or otherwise known to partners or staff of KPMG who are not engaged in the provision of the services hereunder shall not be deemed to have been made available to the individuals within KPMG who are engaged in the provision of the services hereunder. Client undertakes that, if anything occurs after information is provided by Client to KPMG to render such information untrue, unfair or misleading, Client shall promptly notify KPMG.

4. REPORTING.

a. All oral and written communications by KPMG to Client with respect to the engagement, including, without limitation, drafts and those communications occurring prior to the execution of the Engagement Letter will be subject to the terms and conditions of the Engagement Letter and these Terms and Conditions. During the performance of the services, KPMG may supply oral, draft or interim advice, reports or presentations but in such

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circumstances KPMG's written advice or final written report shall take precedence. No reliance should be placed by Client on any oral, draft or interim advice, reports or presentations. Where Client wishes to rely on oral advice or oral presentation, Client shall inform KPMG and KPMG will provide documentary confirmation of the advice concerned.

b. Subsequent to the completion of the engagement, KPMG will not update its advice, recommendations or work product for changes or modification to the law and regulations, or to the judicial and administrative interpretations thereof, or for subsequent events or transactions, unless Client separately engages KPMG to do so in writing after such changes or modifications, interpretations, events or transactions occur.

5. WORKING PAPERS AND USE OF REPORTS; USE OF NAME AND LOGO

a. KPMG retains all rights in all methodologies, know-how, knowledge, applications and software developed by KPMG either prior to or during the engagement. KPMG also retains all rights (including, without limitation, copyright) in all reports, written advice and other working papers and materials developed by KPMG during the engagement. Unless contemplated by the Engagement Letter, all reports and written advice are confidential and intended solely for Client's internal use (or the use of Client's management, as applicable) to assist with this specific matter or transaction, and, where applicable, government taxation authorities, and are not for general use, circulation or publication. Such reports and written advice shall not be edited, referred to, circulated, reproduced, distributed, published, made available, used for any other purpose or relied upon by any other person without KPMG's express written permission and on such terms and conditions as KPMG may require in its sole discretion. If such permission is given, Client shall not publish any extract or excerpt of KPMG's written advice or report or refer to KPMG without providing the entire advice or report at the same time. Notwithstanding the foregoing, Client may disclose in whole any report or written advice given to Client by KPMG hereunder solely to Client's legal and professional advisors for the purposes of Client seeking advice in respect of the transaction or matter to which the engagement relates, provided that when doing so Client informs such advisors that: (i) disclosure by them (except as permitted herein) is not permitted without KPMG's prior written consent; and (ii) KPMG accepts no responsibility or liability to such advisors in connection with such reports or written advice. Subject to the restrictions of Section 6, KPMG is entitled to use or develop the knowledge, experience and skills of general application gained through performing the engagement.

b. Client shall not refer to KPMG or use KPMG's name or logo in any manner or medium without the prior written permission of KPMG in each instance, which permission may be unreasonably withheld by KPMG.

c. The contents of this Section 5 may be reproduced in any report or written advice of KPMG, in whole or in part, at KPMG's sole discretion. Any failure of KPMG to include any such language shall not derogate from the obligations set out in this Section 5.

6. CONFIDENTIALITY.

a. Except as described in Section 5 above, Client will treat in confidence any information provided by KPMG to Client, including but not limited to KPMG methodologies, know-how, knowledge, application or software, and will not use or disclose any such confidential information of KPMG to others.

b. Except as expressly set forth herein, KPMG will treat as confidential all proprietary information and personal information obtained from Client in the course of the engagement.

c. The restrictions in subsections b (a) and (b) above shall not apply to any information that: (i) is required by law or professional standards applicable to KPMG to be disclosed; (ii) that is in or hereafter enters the public domain; (iii) that is or hereafter becomes known to Client or KPMG, as the case may be, without breach of any confidentiality obligation; or (iv) that is independently developed by KPMG.

d. KPMG shall be entitled to include a description of the services rendered in the course of the engagement in marketing and research materials and disclose such information to third parties, provided that all such information will be rendered anonymous and not subject to association with Client.

e. KPMG shall be entitled to share all information with all other member firms of KPMG International Cooperative ("KPMG International"). KPMG may also use such information to offer services that may be of interest to Client. KPMG may retain and may disclose to other KPMG International



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member firms, subject to terms of this Section 6, such information required for compliance with applicable professional standards or internal policies or for quality reviews or to share best practices.

f. Professional standards require KPMG personnel performing any audit or assurance services for clients to discuss or have available to them all information and materials that may affect the audit or assurance engagement. Client authorizes, if Client is or becomes an assurance Client, KPMG personnel performing services under the engagement to make available to the KPMG assurance engagement team and other KPMG personnel, the findings, observations and recommendations from the engagement and agrees that KPMG may use all such findings, observations and recommendations in KPMG's assurance engagement.

g. Except as required by applicable law or regulation, Client shall keep confidential the existence and terms of the Proposal or the Engagement Letter (as applicable) and these Terms and Conditions. Such confidential information shall not be distributed, published or made available to any other person without KPMG's express written permission. Further, for purposes of the services described in the Engagement Letter only, the Client hereby grants to KPMG a limited, revocable, non-exclusive, non-transferable, paid up and royalty-free license, without right of sublicense, to use all logos, trademarks and service marks of Client solely for presentations or reports to the Client or for internal KPMG presentations and intranet sites.

7. PERSONAL INFORMATION COMMENTS AND NOTICES.

Any collection, use or disclosure of personal information is subject to KPMG's Privacy Policy available at www.kpmg.ca. KPMG may be required to collect, use and disclose personal information about individuals during the course of the engagement. Client represents and warrants that: (i) it will obtain from individuals all consents required by law to permit KPMG to collect, use and disclose all personal information reasonably required in the course of the engagement; and (ii) it has provided notice of KPMG's potential processing of information outside of Canada (as described in Section 8 below) to all individuals whose personal information is disclosed to KPMG.

8. USE OF MEMBER FIRMS AND THIRD PARTY SERVICE PROVIDERS.

Personal and/or confidential information collected by KPMG during the course of the engagement may be used, processed and stored outside of Canada by KPMG, KPMG International member firms providing services hereunder, KPMG subsidiaries, affiliates and related parties or third party service providers to provide professional services and administrative, analytical and clerical support and to comply with applicable law, regulations and professional standards. Client also understands and agrees that KPMG aggregates Client's information with information from other sources for the purpose of improving quality and service, and for use in presentations to clients and non-clients, in a form where such information is sufficiently de-identified so as not to be attributable to Client. KPMG represents to Client that each KPMG International member firm, KPMG subsidiary, affiliate and related party and third party service provider providing services hereunder has agreed or shall agree to conditions of confidentiality with respect to Client's information to the same or similar extent as KPMG has agreed pursuant to Section 6. Further, KPMG is responsible to Client for causing such KPMG subsidiaries, affiliates, related parties and third party service providers to comply with such conditions of confidentiality, and KPMG shall be responsible to Client for their failure to comply and failure of each KPMG International member firm providing services hereunder to comply with its obligations of confidentiality owed to KPMG. Any services performed by KPMG subsidiaries, affiliates, related parties and third party service providers shall be performed in accordance with the terms of the Engagement Letter, including Section 6, but KPMG shall remain responsible to Client for the performance of such services and services performed by each KPMG International member firm providing services hereunder. Such personal and/or confidential information may be subject to disclosure in accordance with the laws applicable in the jurisdiction in which the information is processed or stored, which laws may not provide the same level of protection for such information as will Canadian laws. KPMG's Privacy Officer noted in KPMG's Privacy Policy is able to answer any individual's questions about the collection of personal information required for KPMG to deliver services hereunder.

9. TAXES/BILLS/NOI/EXPENSES/FEES.

a. All fees and other charges do not include any applicable federal, provincial, or other goods and services or sales taxes, or any other taxes or

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member firms, subject to terms of this Section 6, such information required for compliance with applicable professional standards or internal policies or for quality reviews or to share best practices.

f. Bills will be rendered on a regular basis as the engagement progresses. Our professional fees are also subject to a technology and support charge to cover information technology infrastructure costs and administrative support of our client service personnel which are not included in our client service personnel fee. The technology and support fee covers costs such as our client service personnel computer hardware and customized KPMG software, telecommunications equipment, client service professional administrative support, IT programming, professional services and other client support services. Other direct out-of-pocket costs, such as travel, will be charged separately based on our actual costs. For certainty, Client acknowledges that to the extent a subsidiary, affiliate or related party of KPMG is engaged by KPMG to assist KPMG in providing the services hereunder, Client may receive bills from such subsidiary, affiliate or related party of KPMG for such services. Accounts are due when rendered. Interest on overdue accounts is calculated at the rate noted on the invoice commencing 30 days following the date of the invoice.

c. Without limiting its rights or remedies, KPMG shall have the right to halt or terminate entirely its services until payment is received on past due invoices.

d. In the event that the engagement is terminated and Client proceeds to complete the transaction or financing within 18 months from the termination date, then the full amount of any Completion Fee shall be payable on closing of the transaction or the completion of financing, regardless of whether KPMG provided further service.

10. LIMITATION ON WARRANTIES.

THIS IS A SERVICES ENGAGEMENT. KPMG WARRANTS THAT IT WILL PERFORM SERVICES HEREIN IN ACCORDANCE WITH THE QUALIFIED PERSONNEL IN A COMPETENT AND WORKMANLIKE MANNER IN ACCORDANCE WITH APPLICABLE INDUSTRY STANDARDS. KPMG DISCLAIMS ALL OTHER WARRANTIES, REPRESENTATIONS OR CONDITIONS, EITHER EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, WARRANTIES, REPRESENTATIONS OR CONDITIONS OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

11. LIMITATION ON LIABILITY.

a. Client agrees that KPMG shall not be liable to Client for any actions, damages, claims, fines, penalties, complaints, demands, suits, proceedings, liabilities, costs, expenses, or losses (collectively, "Claims") in any way arising out of or relating to the services performed hereunder for an aggregate amount in excess of the fees paid by Client to KPMG under the engagement. On a multi-phase engagement, KPMG's liability shall be based on the amount actually paid to KPMG for the particular phase that gives rise to the liability.

b. In the event of a Claim by a third party against KPMG that arises out of or relates to the services performed hereunder, Client will indemnify and hold harmless KPMG from all such Claims, including, without limitation, reasonable legal fees, except to the extent finally determined to have resulted from the intentional, deliberate or fraudulent misconduct of KPMG.

c. In no event shall KPMG be liable, and KPMG shall not be responsible, for incidental, punitive or exemplary damages, liabilities, costs, expenses, or losses (including, without limitation, lost profits and opportunity costs). In any Claim arising out of the engagement, Client agrees that KPMG's liability will be several and not joint and several. Client may only claim payment from KPMG of KPMG's proportionate share of the total liability based on degree of fault.

d. For purposes of this Section 11, the term KPMG shall include its subsidiaries, its associated and affiliated entities and their respective current and former partners, directors, officers, employees, agents and representatives. The provisions of this Section 11 shall apply regardless of the form of Claim, whether in contract, statute, tort (including, without limitation, negligence) or otherwise.

12. LEGAL PROCEEDINGS.

a. Client agrees to notify KPMG promptly of any request received by Client from any court or applicable regulatory authority with respect to the services hereunder, KPMG's confidential information, KPMG's advice or report or any related document.

duties whether presently in force or imposed in the future. Any such taxes or duties shall be assumed and paid by Client without deduction from the fees and charges hereunder.

b. Bills will be rendered on a regular basis as the engagement progresses. Our professional fees are also subject to a technology and support charge to cover information technology infrastructure costs and administrative support of our client service personnel which are not included in our client service personnel fee. The technology and support fee covers costs such as our client service personnel computer hardware and customized KPMG software, telecommunications equipment, client service professional administrative support, IT programming, professional services and other client support services. Other direct out-of-pocket costs, such as travel, will be charged separately based on our actual costs. For certainty, Client acknowledges that to the extent a subsidiary, affiliate or related party of KPMG is engaged by KPMG to assist KPMG in providing the services hereunder, Client may receive bills from such subsidiary, affiliate or related party of KPMG for such services. Accounts are due when rendered. Interest on overdue accounts is calculated at the rate noted on the invoice commencing 30 days following the date of the invoice.

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11. LIMITATION ON LIABILITY.

a. Client agrees that KPMG shall not be liable to Client for any actions, damages, claims, fines, penalties, complaints, demands, suits, proceedings, liabilities, costs, expenses, or losses (collectively, "Claims") in any way arising out of or relating to the services performed hereunder for an aggregate amount in excess of the fees paid by Client to KPMG under the engagement. On a multi-phase engagement, KPMG's liability shall be based on the amount actually paid to KPMG for the particular phase that gives rise to the liability.

b. In the event of a Claim by a third party against KPMG that arises out of or relates to the services performed hereunder, Client will indemnify and hold harmless KPMG from all such Claims, including, without limitation, reasonable legal fees, except to the extent finally determined to have resulted from the intentional, deliberate or fraudulent misconduct of KPMG.

c. In no event shall KPMG be liable, and KPMG shall not be responsible, for incidental, punitive or exemplary damages, liabilities, costs, expenses, or losses (including, without limitation, lost profits and opportunity costs). In any Claim arising out of the engagement, Client agrees that KPMG's liability will be several and not joint and several. Client may only claim payment from KPMG of KPMG's proportionate share of the total liability based on degree of fault.

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a. Client agrees to notify KPMG promptly of any request received by Client from any court or applicable regulatory authority with respect to the services hereunder, KPMG's confidential information, KPMG's advice or report or any related document.

b. Bills will be rendered on a regular basis as the engagement progresses. Our professional fees are also subject to a technology and support charge to cover information technology infrastructure costs and administrative support of our client service personnel which are not included in our client service personnel fee. The technology and support fee covers costs such as our client service personnel computer hardware and customized KPMG software, telecommunications equipment, client service professional administrative support, IT programming, professional services and other client support services. Other direct out-of-pocket costs, such as travel, will be charged separately based on our actual costs. For certainty, Client acknowledges that to the extent a subsidiary, affiliate or related party of KPMG is engaged by KPMG to assist KPMG in providing the services hereunder, Client may receive bills from such subsidiary, affiliate or related party of KPMG for such services. Accounts are due when rendered. Interest on overdue accounts is calculated at the rate noted on the invoice commencing 30 days following the date of the invoice.

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Appendix 1: Engagement letter (continued)



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b. If KPMG is required by law, pursuant to government regulation, subpoena or other legal process to produce documents or personnel as witnesses arising out of the engagement and KPMG is not a party to such proceedings, Client shall reimburse KPMG at standard billing rates for professional time and expenses, including, without limitation, reasonable legal fees, expenses and taxes incurred in responding to such compelled assistance.

c. If Client requests that KPMG produce documents or personnel as witnesses in any proceedings in any way related to the engagement or services provided by KPMG hereunder and KPMG is not a party to such proceedings, KPMG may agree to produce documents or personnel as witnesses on such terms and conditions as KPMG may, in its sole discretion, determine. Without limiting the generality of the foregoing, Client shall reimburse KPMG at standard billing rates for professional time and expenses, including, without limitation, reasonable legal fees, expenses and taxes, incurred in responding to such Client requests.

d. Client acknowledges that KPMG may from time to time receive requests or orders from professional, securities or other regulatory, judicial or governmental authorities (both in Canada and abroad) to provide them with information and copies of documents in KPMG's files including, without limitation, working papers and other work-product relating to Client, which information and documents may contain confidential information of Client. Except where prohibited by law, KPMG will advise Client of the request or order. Client hereby acknowledges that KPMG will provide these documents and information without further reference to, or authority from Client.

Client must mark any document over which it asserts privilege as "privileged". When such an authority requests access to KPMG's working papers and other work-product relating to Client's affairs, KPMG will, on a reasonable efforts basis, refuse access to any document over which Client has expressly informed KPMG at the time of delivery that the Client asserts privilege (by the Client marking such document as "privileged" as contemplated in the foregoing sentence). Notwithstanding the foregoing, where disclosure of documents is required by law, KPMG will disclose such privileged documents. If and only if the authority requires such access to such privileged documents pursuant to the laws of a jurisdiction in which express consent of the Client is required for such disclosure, then Client hereby provides its consent.

Where privileged Client documents are disclosed by KPMG as contemplated above, KPMG is directed to advise the authority that Client is permitting disclosure only to the extent required by law and for the limited purpose of the authority's exercise of statutory authority. KPMG is directed to advise the authority that Client does not intend to waive privilege for any other purpose and that Client expects its documents to be held by the authority as privileged and confidential materials for greater certainty, Client and KPMG hereby agree that this acknowledgement (and, if required, consent) does not negate or constitute a waiver of privilege for any purpose and Client expressly relies upon the privilege protections afforded under statute and otherwise under law.

13. LIMITATION PERIOD.

No proceeding arising under or relating to the engagement, may be brought by either party more than one year after the cause of action has accrued or in any event not more than five years after completion of the engagement in the case of an advisory services engagement and not more than eight years after completion of the engagement in the case of a tax services engagement, except that a proceeding for non-payment may be brought by KPMG at any time following the date of the last payment due to KPMG hereunder. For purposes of this Section 13, the term KPMG shall include its subsidiaries and associated and affiliated entities, and their respective current and former partners, directors, officers, employees, agents and representatives.

14. TERMINATION.

Unless terminated sooner in accordance with its terms, the engagement shall terminate on the completion of KPMG's services hereunder, which

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completion shall be evidenced by the delivery by KPMG to Client of the final invoice in respect of the services performed hereunder. Should Client not fulfill its obligations set out herein or in the Engagement Letter and in the absence of rectification by Client within 10 days, KPMG may, upon written notice, terminate its performance and will not be responsible for any loss, cost or expense resulting therefrom. If at any time during the engagement it is determined by KPMG, in its sole discretion, that there may be an actual or potential breach by KPMG of applicable professional standards, KPMG may terminate the engagement, without liability, immediately on notice to Client. The engagement may be terminated by either party at any time by giving written notice to the other party not less than 30 calendar days before the effective date of termination. Upon early termination of the engagement, Client shall be responsible for the payment to KPMG for KPMG's time and expenses incurred up to the termination date, as well as reasonable time and expenses to bring the engagement to a close in a prompt and orderly manner.

15. E-MAIL COMMUNICATION.

Client recognizes and accepts the risks associated with communicating by Internet e-mail, including (but without limitation) the lack of security, unreliability of delivery and possible loss of confidentiality and privilege. Unless Client requests in writing that KPMG does not communicate by Internet e-mail, Client assumes all responsibility or liability in respect of the risk associated with its use.

16. POTENTIAL CONFLICTS OF INTEREST.

a. For purposes of this Section 16, "KPMG" means KPMG LLP and KPMG subsidiaries, affiliates and related parties providing services hereunder, if applicable. KPMG is engaged by a wide variety of entities and individuals, some of whom may be creditors, investors, borrowers, shareholders, competitors, suppliers or customers of Client, or other parties with conflicting legal and business interests to Client, including, without limitation, in relation to the audit, tax or advisory services provided to Client by KPMG. KPMG's engagements with such companies and individuals may result in a conflict with Client's interests.

b. As a condition of KPMG's engagement by Client, Client agrees that: (i) without further notice or disclosure, KPMG may accept or continue engagements on unrelated matters to KPMG's engagement for Client in which KPMG may act contrary to Client's interests even if those unrelated matters are materially and directly adverse to Client; and (ii) without further notice or disclosure, KPMG may provide advice or services to any other person or entity making a competing bid or proposal to that of Client whether or not KPMG is providing advice or services to Client in respect of Client's competing bid or proposal.

c. In accordance with professional standards, and except as set out below, KPMG will not use any confidential information regarding Client in connection with its engagements with other clients, and will establish confidentiality and other safeguards to manage conflicts, which may include, in KPMG's sole discretion, the use of separate engagement teams and data access controls. In no event shall KPMG be liable to Client or shall Client be entitled to a return of fees and disbursements incurred on behalf of Client or any other compensation whatsoever as a result of KPMG accepting or continuing a conflicting engagement.

d. Client further agrees that KPMG may, in its sole discretion, disclose the fact or general nature of its engagement for Client to (i) KPMG International and other KPMG International member firms in order to check against potential conflicts of interest, and (ii) to the extent reasonably required in order to obtain the consent of another entity or individual in order to permit KPMG to act for such entity or individual, or for Client, in connection with the engagement or any future engagement.

e. Where another party has engaged KPMG to deliver services before Client has done so, and subsequently circumstances change such that there is a conflict, which in KPMG's sole opinion cannot be adequately managed through the use of confidentiality and other safeguards, KPMG shall be entitled to terminate the engagement for Client, without liability, immediately upon notice.

f. Other KPMG International member firms are engaged by many entities and individuals, including, without limitation, entities and individuals that may enter into transactions or may have disputes with Client or Client's related or affiliated entities (i) Client agrees that (i) it will not assert that other KPMG International member firms are precluded from being engaged by those other entities or individuals, and (ii) those engagements of other



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KPMG International member firms do not conflict with KPMG's engagement for Client.

g. Client will indemnify and hold harmless KPMG, its subsidiaries and associated and affiliated entities, and their respective current and former partners, directors, officers, employees, agents and representatives from any claim by any third party (including, without limitation, reasonable legal fees) that alleges that KPMG was in a conflict of interest by providing services hereunder. The provisions of this subsection 16(g) shall apply regardless of the form of claim, whether in contract, statute, tort (including, without limitation, negligence) or otherwise.

h. KPMG encourages Client to obtain legal advice with respect to Client's rights in connection with potential future conflicts prior to entering into the engagement.

17. FORCE MAJEURE.

Neither Client nor KPMG shall be liable for any delays resulting from circumstances or causes beyond its reasonable control, including, without limitation, fire or other casualty, act of God, strike or labour dispute, war or other violence, or any law, order or requirement of any governmental agency or authority.

18. INDEPENDENT CONTRACTOR.

It is understood and agreed that each of the parties hereto is an independent contractor and that neither party is, nor shall be considered to be, an agent, distributor or representative of the other. Neither party shall act or represent itself, directly or by implication, as an agent of the other or in any manner assume or create any obligation on behalf of, or in the name of, the other.

19. SURVIVAL.

Sections 1, 4(b), 5-16, 18-30, 31(a) and (b)-(g), and 33-34 hereof shall survive the expiration or termination of the engagement.

20. SUCCESSORS AND ASSIGNS.

These Terms and Conditions and the accompanying Proposal or Engagement Letter shall be binding upon the parties hereto and their respective subsidiaries and associated and affiliated entities and their respective partners, directors, officers and employees and successors and permitted assigns. Except as provided below, neither party may assign, transfer or delegate any of the rights or obligations hereunder without the prior written consent of the other party. KPMG may assign its rights and obligations hereunder to any affiliate or successor in interest to all or substantially all of the assets or business of the relevant KPMG practice, without the consent of Client. In addition, KPMG may arrange for or engage (as applicable) KPMG affiliates, subsidiaries, related parties, independent contractors and KPMG International member firms to assist KPMG in performing the services hereunder.

21. SEVERABILITY.

The provisions of these Terms and Conditions and the accompanying Proposal or Engagement Letter shall only apply to the extent that they are not prohibited by a mandatory provision of applicable law, regulation or professional standards. If any of these provisions shall be held to be invalid, void or unenforceable, then the remainder of these Terms and Conditions and the attached Proposal or Engagement Letter, as the case may be, shall not be affected, impaired or invalidated, and each such provision shall be valid and enforceable to the fullest extent permitted by law.

22. ENTIRE AGREEMENT.

These Terms and Conditions and the accompanying Proposal or Engagement Letter including, without limitation, Exhibits, constitute the entire agreement between KPMG and Client with respect to the engagement and supersede all other oral and written representation, understandings or agreements relating to the engagement.

23. GOVERNING LAW.

These Terms and Conditions and the accompanying Proposal or Engagement Letter shall be subject to and governed by the laws of the province in which KPMG's principal Canadian office performing the engagement is located (without regard to such province's rules on conflicts of law).

24. PUBLICITY.

Upon the closing of a transaction, KPMG will have the right (but shall not be obliged), at its expense, to publicize its association with the transaction by

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way of public announcement in "tomestone" or similar format, subject to prior review of the wording for any such announcement with Client.

25. KPMG INTERNATIONAL MEMBER FIRMS.

In the case of multi-firm engagements, all KPMG International member firms performing services hereunder shall be entitled to the benefits of these Terms and Conditions. Client agrees that any Claims that may arise out of the engagement will be brought solely against KPMG, the contracting party, and not against any other KPMG International member firms or such third party service providers referred to in Section 8 above.

26. SARBANES-OXLEY ACT.

Except as set forth in the Engagement Letter, Client acknowledges that completion of the engagement or acceptance of KPMG's reports, advice, recommendations and other deliverables resulting from the engagement will not constitute a basis for Client's assessment of internal control over financial reporting or Client's evaluation of disclosure controls and procedures, or its compliance with its principal officer certification requirements under Section 302 of the Sarbanes-Oxley Act of 2002 (the "Act"). The engagement shall not be construed to support Client's responsibilities under Section 404 of the Act requiring each annual report filed under Section 13(a) or 15(d) of the Securities Exchange Act of 1934 to contain an internal control report from management.

27. NATIONAL INSTRUMENT 52-109.

Except as set forth in the Engagement Letter, Client acknowledges that completion of the engagement or acceptance of KPMG's reports, advice, recommendations and other deliverables resulting from the engagement will not constitute a basis for Client's evaluation of disclosure controls and procedures and internal control over financial reporting, or its compliance with its CEO/CFO certification requirements under National Instrument 52-109, Certification of Disclosure in Issuers' Annual and Interim Filings, including those related to the design of disclosure controls and procedures and internal control over financial reporting.

28. SPECIFIC ACCOUNTING AND OTHER ADVICE.

Except as set forth in the Engagement Letter, the engagement does not contemplate the provision of specific accounting advice or opinions or the issuance of a written report on the application of accounting standards to specific transactions and facts and circumstances of Client. Such services, if requested, would be provided pursuant to a separate engagement. Client should consult with and/or engage legal counsel for the purpose of advising on legal aspects of matters on which KPMG provides its advice and drafting any legal documents and/or agreements that may be required. To the extent legal counsel or other professional service providers are required, Client is exclusively responsible for engaging and paying such service providers.

29. TAX SERVICES.

a. If tax work is specifically requested by Client, KPMG will perform the procedures in accordance with this Section 29. KPMG will base its findings exclusively on the facts and assumptions provided to KPMG by Client and Client's personnel and advisors. KPMG will consider the applicable provisions of the relevant taxing statutes, the regulations thereunder, applicable tax treaties and judicial and administrative interpretations thereof. In the case of Canadian tax services only, KPMG will also take into account all specific proposals to amend such statutes, regulations and treaties publicly announced prior to the date of KPMG's reports, based on the assumption that these amendments will be enacted substantially as proposed. For certainty, in the case of US tax services, KPMG shall not take into account any specific proposals to amend such statutes, regulations and treaties. The authorities referred to in this subsection 29(a) are subject to change, retroactively and/or prospectively, and any such changes could affect the validity of KPMG's findings and may result in incremental taxes, interest or penalties. KPMG's findings will not otherwise take into account or anticipate any changes in law or practice, by way of judicial, governmental or legislative action or interpretation. Unless Client specifically requests otherwise, KPMG will not update tax work to take any such changes into account.

b. KPMG will use professional judgment in providing advice, and will, unless Client instructs otherwise, take the position most favourable to Client whenever reasonable. All returns are subject to examination by tax authorities, and KPMG's advice may be audited and challenged by a tax

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Appendix 1: Engagement letter (continued)



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authority. Client understands that KPMG's conclusions are not binding on the courts or the courts should not be construed as a representation, warranty or guarantee that the tax authorities or courts will agree with KPMG's conclusion.

c. Client is also responsible for ensuring that KPMG's advice is implemented strictly in accordance with KPMG's recommendations. KPMG is not responsible for any penalties or interest assessed against Client as a result of a failure by Client to provide KPMG with accurate and complete information.

d. Unless expressly provided for, KPMG's services do not include representing Client in the event of a challenge by the Canada Revenue Agency or other tax or revenue authorities.

30. TAX SERVICES FOR SEC REGISTERED AUDIT CLIENTS AND/OR US TAX SERVICES

a. In circumstances where the services provided by KPMG hereunder (i) involve the delivery of any tax services, Client is or is an affiliate of (whether at the time of the engagement or at any point thereafter) an entity that is registered with the United States Securities and Exchange Commission ("SEC"), and Client or such affiliate is audited by KPMG; or (ii) involve the delivery of US tax services, then the prohibition regarding the distribution of KPMG's reports and written advice set out in Section 5 of these Terms and Conditions shall not apply and no provision of the Engagement Letter is or is intended to be construed as a condition of confidentiality in relation to the tax services to which (i) and/or (ii) above are applicable. Further, in respect of the services to which (i) and/or (ii) above are applicable, no provision in the Engagement Letter or these Terms and Conditions is or is intended to be construed as a condition of confidentiality within the meaning of Internal Revenue Code ("IRC") sections 6011, 6111, 6112 or the regulations thereunder, or under any similar or analogous provisions of the laws of a state or other jurisdiction. In particular, Client (and each employee, representative, or other agent of Client) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of any transaction within the scope of the engagement and all materials of any kind (including opinions and other tax analyses) that are provided to Client relating to such tax treatment and tax structure. Client also agrees to use commercially reasonable efforts to inform KPMG of any conditions of confidentiality imposed by third party advisors with respect to any transaction on which KPMG's advice is requested. Such notification must occur prior to KPMG providing any advice with respect to the transaction.

b. For certainty, Section 5 of these Terms and Conditions shall continue to apply in its entirety, and this Section 30 shall not apply, to any tax services to which subsection 30(a)(i) and/or (ii) above are not applicable. In this Section 30, the term "affiliate" is interpreted as that term is used by the SEC with reference to auditor independence rules.

c. In respect of any tax services to which subsection 30(a)(i) or (ii) above are applicable, any reports or advice ("Tax Deliverable") released to Client in any form or medium shall be supplied by KPMG on the basis that it is for Client's benefit and use only. If Client refers to or discloses in whole or in part any Tax Deliverable to a third party, Client shall notify such third party in writing as follows: that (i) the tax services performed by KPMG for Client were designed to meet Client's agreed requirements only, as determined by Client's needs at the time; (ii) any product of the tax services should not be regarded as suitable to be used or relied upon by any party wishing to acquire any rights against KPMG other than Client; (iii) KPMG does not assume any responsibility in respect of the tax services performed for Client, any product of the tax services, or any judgments, conclusions, opinions, findings or recommendations that KPMG may have formed or made, to any party except Client; (iv) to the fullest extent permitted by law, KPMG accepts no liability in respect of any such matters to any other person; and (v) should any person or entity except Client choose to rely on the tax services or any product thereof, that person or entity will do so at their own risk. Notwithstanding the foregoing, (A) in the event of a disclosure made by Client that is required by law, that is made to a regulatory authority having jurisdiction over Client, or that is made pursuant to subsection 30(a) above, no such notification shall be required and (B) no such notification shall be required with respect to disclosures expressly authorized by the Engagement Letter.

d. If Client refers or discloses in whole or in part any Tax Deliverable to any third party but does not notify such third party in writing as required in subsection 30(c) above, Client shall compensate KPMG and reimburse

TERMS AND CONDITIONS FOR ADVISORY AND TAX SERVICES
MARCH 2016

KPMG for and protect, indemnify and hold harmless KPMG against any Claims incurred by KPMG (including, without limitation, KPMG's legal fees) as a result of, arising from or in connection with any such reference or disclosure, unless KPMG has agreed in writing with such third party to accept responsibility and liability to that third party in respect of the tax services and the Tax Deliverable. If any payment is made by Client under this subsection 30(d), Client shall not seek recovery of that payment from KPMG at any time. In this subsection 30(e), "KPMG" shall include KPMG and its subsidiaries, its associated and affiliated entities and their respective current and former partners, directors, officers, employees, agents and representatives, and "Client" shall include Client, Client's affiliates and any other beneficiaries of KPMG's tax services. The foregoing indemnification obligations shall apply regardless of the form of Claim, whether in contract, statute, tort (including, without limitation, negligence) or otherwise.

e. Treasury regulations under IRC section 6011 require taxpayers to disclose to the IRS their participation in reportable transactions and IRC section 6707A imposes strict penalties for noncompliance. Client agrees to use commercially reasonable efforts to inform KPMG if Client is required to disclose any transaction covered by the Engagement Letter as a reportable transaction to the IRS or to any state or other jurisdiction adopting similar or analogous provisions. IRC section 6111 requires a material advisor with respect to a reportable transaction to disclose information on the transaction to the IRS by a prescribed date, and IRC section 6112 requires the material advisor to maintain, and make available to the IRS upon request, a list of persons and other information with respect to the transaction. KPMG will use commercially reasonable efforts to inform Client of information provided to the IRS by a prescribed date, and IRC section 6111 or 6112, or to any state or other jurisdiction adopting similar or analogous provisions. f. For engagements where services will be provided by a KPMG International member firm with offices located in California, Client acknowledges that certain of KPMG's personnel and information are "owners" under the California Accountancy Act and implementing regulations (California Business and Professions Code section 5079(a); 16 Cal. Code Regs. sections 51 and 51.1) and who may provide services in connection with the engagement, may not be licensed as certified public accountants under the laws of any of the various states.

31. DUE DILIGENCE SERVICES (TAX AND TRANSACTION SERVICES)

a. The procedures KPMG will perform are limited to those referred to in the Engagement Letter and its appendices. The procedures KPMG will perform are limited in nature and extent to those determined by Client to meet its needs and, as such, will not necessarily disclose all significant matters about Target or reveal errors in the underlying information, instances of fraud, or illegal acts, if any. KPMG provides no assurance and makes no representation regarding the sufficiency of the procedures either for the purpose of the proposed transaction in the context of which KPMG has been engaged or for any other purpose. KPMG's findings will not constitute recommendations to Client as to whether or not Client should proceed with any proposed transactions. In performing the procedures and reporting its findings, KPMG will rely exclusively upon information provided to KPMG by Target, its personnel and advisors, Client's advisors, and Client, and any publicly available information KPMG obtains, and will not independently verify the accuracy or completeness of such information. KPMG's procedures with respect to Target's financial information will be substantially less in scope than any audit or other attestations, including without limitation those established by the Auditing and Assurance Standards Board and the Chartered Professional Accountants of Canada. Consequently, KPMG expresses no opinion and will provide no other form of assurance on Target's prospective financial information, financial statements or Target's internal control over financial reporting.

b. Client agrees to review reports promptly and to advise KPMG on a timely basis of any additional procedures Client would like KPMG to perform or areas to address.

c. In the event KPMG performs procedures related to future-oriented financial information, KPMG will not compile, examine, or apply other assurance procedures to such information and, accordingly, will express no opinion or any other form of assurance or representations concerning its accuracy, completeness or presentation format. Future-oriented financial information is based on assumptions regarding future events, actual results will vary from the information presented and the variations may be material. d. Unless specifically requested by Client, KPMG is not obligated to provide a copy of the report to Target for the purpose of confirming Target's



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representations concerning the accuracy of the factual information presented in the report. If Client would like Target to review the report, KPMG will require Client and Target to indemnify KPMG for any Claims arising out of or relating to such review on such terms and conditions specified by KPMG in its sole discretion. In certain instances, Client may request that KPMG's report be distributed to a third party for informational purposes. KPMG will consider consenting to distribution based on such factors as the identity of the third party and the third party's intended use of the report. If KPMG agrees to the distribution of the report to a third party, Client agrees to execute and agree to require the third party to execute an agreement in the form provided by KPMG regarding the release of information.

e. Client expressly acknowledges and agrees that if Client and Target (as such terms are defined in the Engagement Letter) are the same entity, that all references herein to "Target" shall be deemed to be references to "Client".

f. The provisions of subsections 3(c)-(d) and Section 6 shall apply to information about Target provided to KPMG in the course of performing the services under the Engagement Letter. Client agrees to use all reasonable efforts to arrange for KPMG's access to Target's personnel and advisors, business offices and financial information as required for KPMG to perform the services contemplated by the Engagement Letter.

g. If KPMG serves as independent auditors of Target or another party disclosed to Client, or provides any other audit or attestation services to Target or such other party (such as the target of a contract compliance review or a party having a connection to an investigation or proceeding), Client hereby acknowledges and agrees that KPMG may be in possession of confidential information concerning Target or such other party that may be relevant to Client's due diligence procedures or other services KPMG is providing to Client under the Engagement Letter and that such information will not be disclosed to Client unless Target or such other party provides prior written consent to such disclosure or provides such information directly to Client or to the KPMG engagement team serving Client for purposes of the services under the Engagement Letter.

32. LOBBYING

Unless expressly stated in the Engagement Letter, KPMG will not undertake any lobbying activity, as that term is defined in all applicable federal, provincial and municipal lobbyist registration statutes and regulations, in connection with the engagement. In the event that KPMG and Client agree that KPMG will undertake lobbying activity in connection with the engagement, such agreement shall be set out in an amendment to the Engagement Letter.

33. LLP

KPMG LLP is a registered limited liability partnership ("LLP") established under the laws of the Province of Ontario and, where applicable, has been

registered extra-provincially under provincial LLP legislation. KPMG is a partnership, but its partners have a degree of limited liability. A partner is not personally liable for any debts, obligations or liabilities of the LLP that arise from a negligent act or omission by another partner or any person under that other partner's direct supervision or control. The legislation relating to limited liability partnerships does not, however, reduce or limit the liability of the firm. The firm's insurance exceeds the mandatory professional indemnity insurance requirements established by the relevant professional bodies. Subject to the other provisions hereof, all partners of the LLP remain personally liable for their own actions and/or actions of those they directly supervise or control.

34. ALTERNATIVE DISPUTE RESOLUTION

The parties shall, and shall cause both their and their respective subsidiaries, affiliates and associated entities' current and former officers, partners, directors, employees, agents and representatives, to first attempt to settle any dispute arising out of or relating to the Engagement Letter or the services provided hereunder (the "Dispute") through good faith negotiations in the spirit of mutual cooperation between representatives of each of the parties with authority to resolve the Dispute. In the event that the parties are unable to settle or resolve a Dispute through negotiation within 30 days of when one of the parties has notified the other party of the Dispute by delivering a notice of dispute, or such longer period as the parties may mutually agree upon, such Dispute shall, as promptly as is reasonably practicable, be subject to mediation pursuant to the National Mediation Rules of the ADR Institute of Canada, Inc. that are in force at the time the notice of dispute is delivered. Any Dispute remaining unresolved for more than 60 days following the parties first meeting with a mediator or such longer period as the parties may mutually agree upon shall, as promptly as is reasonably practicable, be resolved by arbitration pursuant to the Arbitration Rules of the ADR Institute of Canada, Inc. (the "Arbitration Rules") that are in force at the time the Dispute is subject to arbitration. For certainty, the parties hereby waive any right they may otherwise have to bring a court action in connection with a Dispute. The parties also waive any right they may otherwise have to bring or participate in a class, collective or representative proceeding in connection with a Dispute, whether in court or before an arbitrator. The arbitrator's decision shall be final, conclusive and binding upon the parties, and the parties shall have no right to appeal or seek judicial review of the arbitrator's decision. For certainty, the parties hereby waive any right of appeal which may otherwise be available under applicable legislation or under the Arbitration Rules. The place of mediation and arbitration shall be the city in Canada in which the principal KPMG office that performed the engagement is located. The language of the mediation and arbitration shall be English.





Appendix 2: Other required communications



CPAB communication protocol

The reports available through the following links were published by the Canadian Public Accountability Board to inform Audit Committees and other stakeholders about the results of quality inspections conducted over the past year:

- [CPAB Audit Quality Insights Report: 2021 Annual Inspections Results](#)
- [CPAB Audit Quality Insights Report: 2022 Interim Inspections Results](#)
- [CPAB Audit Quality Insights Report: 2022 Annual Inspections Results](#)
- [CPAB Audit Quality Insights Report: 2023 Interim Inspections Results](#)



Report

A draft report will be provided at the completion of the audit which will highlight the form and content of the report.



Representations of management

We will obtain from management certain representations at the completion of the audit engagement.



Matters pertaining to independence and confidentiality

We are independent of the School Board, and we have a robust and consistent system of quality control.

Confidentiality of our clients' information is an on-going professional and business requirement of both KPMG and our overall profession. In addition to our internal confirmation of independence of team members, we will request confirmation and acknowledgement of our policies regarding confidentiality of the School Board's information.



Engagement terms

Unless you inform us otherwise, we understand that you acknowledge and agree to the terms of the engagement set out in the engagement letter and any subsequent amendments as previously provided by management.



Control deficiencies

On a timely basis, identified significant deficiencies will be communicated to the Committee in writing. Other control deficiencies identified that do not rise to the level of a significant deficiency will be communicated to management.



Appendix 3: Newly effective and upcoming changes to auditing standards

Effective for periods beginning on or after December 15, 2022

ISA/CAS 220

.....
 (Revised) Quality management for an audit of financial statements

ISQM1/CSQM1

.....
 Quality management for firms that perform audits or reviews of financial statements or other assurance or related services engagements

ISQM2/CSQM2

.....
 Engagement quality reviews

For more information on newly effective and upcoming changes to auditing standards - see Current Developments 

Effective for periods beginning on or after December 15, 2023

ISA 600/CAS 600

.....
 Revised special considerations – Audits of group financial statements



Appendix 4: Audit and assurance insights

Our latest thinking on the issues that matter most to Audit Committees, boards of trustees and management.

KPMG Audit & Assurance Insights

Curated research and insights for audit committees and boards.

Board Leadership Centre

Leading insights to help board members maximize boardroom opportunities

Current Developments

Series of quarterly publications for Canadian businesses including Spotlight on IFRS, Canadian Assurance & Related Services, Canadian Securities Matters, and US Outlook reports.

Audit Committee Guide – Canadian Edition

A practical guide providing insight into current challenges and leading practices shaping audit committee effectiveness in Canada.

Accelerate 2024

The key issues driving the audit committee agenda in 2024.

Sustainability Reporting

Resource centre on implementing the new Canadian reporting standards

IFRS Breaking News

A monthly Canadian newsletter that provides the latest insights on accounting, financial reporting and sustainability reporting.





Appendix 5: Our technology story



Streamlined client experience

And deeper insights into your business, translating to a better audit experience.



Secure

A secure client portal provides centralized, efficient coordination with your audit team.



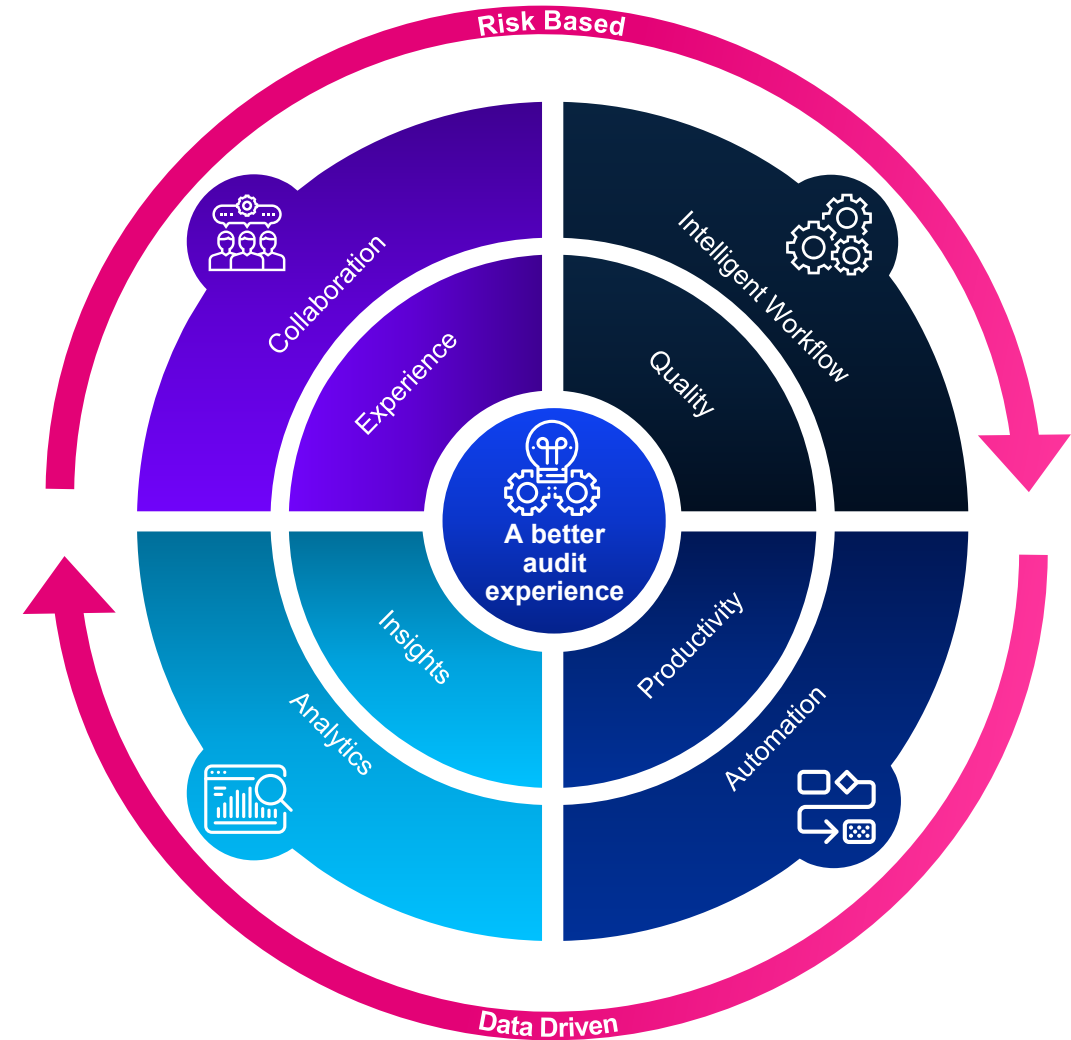
Intelligent workflow

An intelligent workflow guides audit teams through the audit.



Increased precision

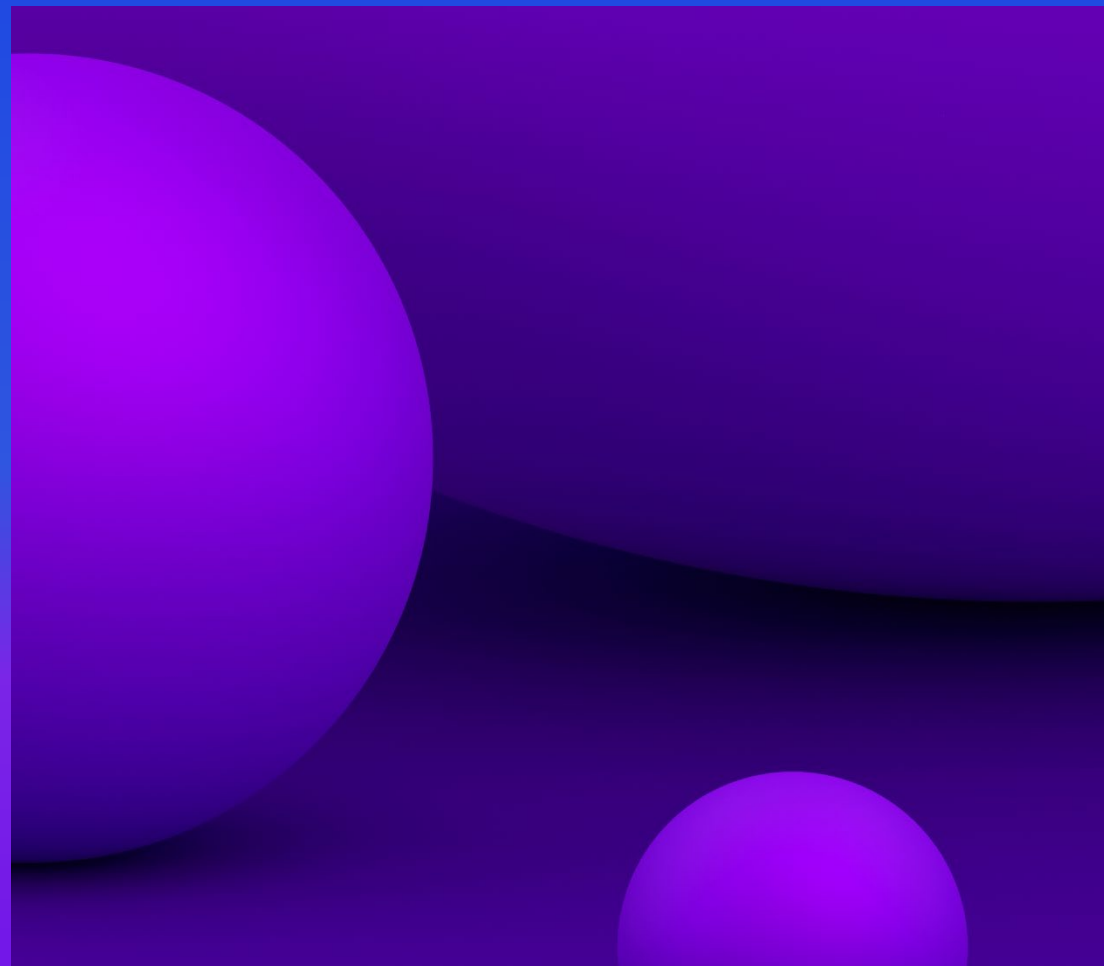
Advanced data analytics and automation facilitate a risk-based audit approach, increasing precision and reducing your burden.





[kpmg.ca](https://www.kpmg.ca)

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Bryce Wilson
 Superintendent of Business Services
 Hastings and Prince Edward District School Board
 156 Ann Street
 Belleville, ON K8N 3L3

May 24, 2024

The purpose of this letter is to outline the terms of our engagement to audit the consolidated financial statements (“financial statements”) of Hastings and Prince Edward District School Board (“the Entity”), commencing for the year ending August 31, 2024 and in the future.

This letter supersedes our previous letter to the Entity dated January 30, 2023.

The terms of the engagement outlined in this letter will continue in effect from period to period, unless amended or terminated in writing. The attached Assurance Terms and Conditions and any exhibits, attachments and appendices hereto and subsequent amendments form an integral part of the terms of this engagement and are incorporated herein by reference (collectively the “Engagement Letter”).

Financial Reporting Framework for the Financial Statements

The financial statements will be prepared and presented in accordance with the basis of accounting described in note 1 of the financial statements (hereinafter referred to as the “financial reporting framework”).

The financial statements will include an adequate description of the financial reporting framework.

Management’s Responsibilities

Management responsibilities are described in [Appendix A – Management’s Responsibilities](#).

An audit of the annual financial statements does not relieve management or those charged with governance of their responsibilities.

Auditor’s Responsibilities

Our responsibilities are described in [Appendix B – Auditor’s Responsibilities](#).

If management does not fulfill the responsibilities above, we cannot complete our audit.



Additional Responsibilities regarding “Other Information”

“Other information” is defined in professional standards to be the financial or non-financial information (other than the financial statements and the auditors’ report thereon) included in the “annual report”. An “annual report” is defined in professional standards to comprise a document or combination of documents. Professional standards also indicate that:

- an annual report is prepared typically on an annual basis in accordance with law, regulation or custom (i.e., is reoccurring)
- an annual report contains or accompanies the financial statements and the auditors’ report thereon
- an annual report’s purpose is to provide owners (or similar stakeholders) with information on the Entity’s:
 - operations; and/or
 - financial results and financial position as set out in the financial statements.

Based on discussions with management, there are no documents, or combination of documents, expected to meet the definition of an “annual report” under professional standards.

Auditor’s Deliverables

Unless otherwise specified, our report will be in writing and the expected content of our report are provided in [Appendix C – Expected Form of Report](#). However, there may be circumstances in which a report may differ from its expected form and content.

In addition, if we become aware of information that relates to the information we reported on after we have issued our report, but which was not known to us at the date of our report, and which is of such a nature and from such a source that we would have investigated that information had it come to our attention during the course of our engagement, we will, as soon as practicable: (1) communicate such an occurrence to those charged with governance; and (2) undertake an investigation to determine whether the information is reliable and whether the facts existed at the date of our report. Further, management agrees that in conducting that investigation, we will have the full cooperation of the Entity’s personnel. If the subsequently discovered information is found to be of such a nature that: (a) our report would have been affected if the information had been known as of the date of our report; and (b) we believe that the report may have been distributed to someone who would attach importance to the information, appropriate steps will be taken by KPMG, and appropriate steps will also be taken by the Entity, to advise of the newly discovered facts and the impact to the information we reported on.

Non-Audit Service – Certain Assistance Relating to Word Processing and Preparation of Financial Statements

Word Processing

We will assist management by providing word processing for the Entity’s financial statements and related notes.

***Assistance in Preparing Financial Statements***

We will assist management in preparing the financial statements and related notes in accordance with the financial reporting framework.

We will use information from the trial balance and/or other source documents provided by management to assist management in preparing the financial statements and related notes. We may also provide advice and recommendations to assist management of the Entity in performing its responsibilities.

We will not assume management responsibilities on behalf of the Entity.

The Entity agrees to:

- Assume all management responsibilities, including determining the accuracy and completeness of the financial statements and notes.
- Assign a suitable employee with appropriate skills, knowledge and/or experience to oversee the financial statement preparation assistance and evaluate the adequacy and results of the services.
- Accept responsibility for the results of the financial statement preparation assistance.

Income Tax Compliance and Advisory Services

Our deliverables regarding income tax compliance and advisory services are described in [Appendix D – Income Tax Compliance and Advisory Services](#).

Use of KPMG Clara for clients

The terms and conditions for use of KPMG Clara for clients apply to the use of the collaboration tool and can be found [here](#).

Fees

[Appendix E – Fees for Professional Services](#) to this letter lists our fees for professional services to be performed under this Engagement Letter.



We are available to provide a wide range of services beyond those outlined above. Additional services are subject to separate terms and arrangements.

We are proud to provide you with the services outlined above and we appreciate your confidence in our work. We shall be pleased to discuss this letter with you at any time. If the arrangements and terms are acceptable, please sign the duplicate of this letter in the space provided and return it to us.

Yours very truly,

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. Below the signature is a horizontal line that starts under the 'K' and ends under the 'P'.

Lori Huber, CPA, CA, Licensed Public Accountant
Partner, responsible for the engagement and its performance, and for the report that is issued on behalf of KPMG LLP, and who, where required, has the appropriate authority from a professional, legal or regulatory body
613-541-7320

Enclosure

The terms of the engagement set out are as agreed:

Bryce Wilson, Superintendent of Business Services
(having the appropriate authority to engage the Entity)

Date (DD/MM/YYYY)



Appendix A – Management’s Responsibilities

Management acknowledges and understands that they are responsible for:

- (a) the preparation and fair presentation of the annual financial statements in accordance with the financial reporting framework referred to above
- (b) providing us with all information of which management is aware that is relevant to the preparation of the financial statements (“relevant information”) such as financial records, documentation and other matters, including:
 - the names of all related parties and information regarding all relationships and transactions with related parties
 - the complete minutes of meetings, or summaries of actions of recent meetings for which minutes have not yet been prepared, of board of trustees and committees of the board of trustees that may affect the financial statements. All significant actions are to be included in such summaries.
- (c) providing us with unrestricted access to such relevant information.
- (d) providing us with complete responses to all enquiries made by us during the engagement.
- (e) providing us with additional information that we may request from management for the purpose of the engagement
- (f) providing us with unrestricted access to persons within the Entity from whom we determine it necessary to obtain evidence
- (g) such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. Management also acknowledges and understands that they are responsible for the design, implementation and maintenance of internal control to prevent and detect fraud.
- (h) ensuring that all transactions have been recorded and are reflected in the financial statements.
- (i) providing us with written representations required to be obtained under professional standards and written representations that we determine are necessary. Management also acknowledges and understands that, as required by professional standards, we may disclaim an audit opinion when management does not provide certain written representations required.



Appendix B – Auditor’s Responsibilities

Auditor’s responsibilities regarding the audit of the financial statements

Our function as auditors of the Entity is:

- to express an opinion on whether the Entity's annual financial statements, prepared by management with the oversight of those charged with governance, are, in all material respects, in accordance with the financial reporting framework referred to above
- to report on the annual financial statements

We will conduct the audit of the Entity's annual financial statements in accordance with Canadian generally accepted auditing standards and relevant ethical requirements, including those pertaining to independence (hereinafter referred to as applicable “professional standards”).

We will plan and perform the audit to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error. Accordingly, we will, among other things:

- identify and assess risks of material misstatement, whether due to fraud or error, based on an understanding of the Entity and its environment, including the Entity's internal control. In making those risk assessments, we consider internal control relevant to the Entity's preparation of the annual 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
- obtain sufficient appropriate audit evidence about whether material misstatements exist, through designing and implementing appropriate responses to the assessed risks
- form an opinion on the Entity's annual financial statements based on conclusions drawn from the audit evidence obtained
- communicate matters required by professional standards, to the extent that such matters come to our attention, to the appropriate level of management, those charged with governance and/or the board of directors. The form (oral or in writing) and the timing will depend on the importance of the matter and the requirements under professional standards.



Appendix C – Expected Form of Report

INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of the Hastings and Prince Edward District School Board

Opinion

We have audited the consolidated financial statements of Hastings and Prince Edward District School Board (the Entity), which comprise:

- the Consolidated Statement of Financial Position as at end of August 31, 2024
- the Consolidated Statements of Operations and Accumulated Surplus for the year then ended
- the Consolidated Statement of Changes in Net Debt for the year then ended
- the Consolidated Statement of Accumulated Remeasurement Gains (Losses) for the year then ended
- the Consolidated Statement of Cash Flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the “financial statements”).

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Entity as at end of August 31, 2024 and its consolidated results of operations and its consolidated cash flows for the year then ended in accordance with the Financial Administration Act supplemented by Ontario Ministry of Education memorandum 2004: B2 and Ontario Regulation 395/11 of the Financial Administration Act.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the “**Auditors’ Responsibilities for the Audit of the Financial Statements**” section of our auditors’ report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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



Emphasis of Matter – Financial Reporting Framework

We draw attention to note 1 to the consolidated financial statements which describes the applicable financial reporting framework and the purpose of the financial statements.

As a result, the financial statements may not be suitable for another purpose.

Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Financial Administration Act supplemented by Ontario Ministry of Education memorandum 2004: B2 and Ontario Regulation 395/11 of the Financial Administration Act, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.



The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion

Chartered Professional Accountants, Licensed Public Accountants

Kingston, Canada

(date)



Appendix D – Income Tax Compliance and Advisory Services

This letter details the general tax advisory services to be provided to Hastings and Prince Edward District School Board (“the Entity”) for the year ending August 31, 2024 and in the future. If there are tax services to be delivered outside the scope of those described in this letter, we will require a separate engagement letter for those services.

General tax advisory services

Our advice generally falls under one of the following situations:

- 1) On an ongoing basis, we will provide advisory services of a general nature relating to various income, capital, payroll and indirect tax matters as they arise. This type of service generally arises on a periodic basis as a result of preliminary inquiries made by you. In rendering these services, it is important to recognize that the advice provided is dependent on the detail of the information provided and the environment in which it is rendered. When professional judgment suggests written confirmation of the facts and advice is necessary, we will draft the appropriate correspondence to ensure the appropriate standard of care is met by all parties.
- 2) Periodically, you will seek detailed advice from us in connection with a specific transaction or undertaking you are contemplating. In such a situation, our advice will be based on the information provided to us. It is the responsibility of the Entity to ensure we are provided with all the information necessary in order for us to render the advice sought. Our tax advice will most likely be communicated to you, or your designate, in writing.

Our tax advisory services, both written and oral, will be based on the facts and assumptions submitted to us. We will not independently verify this information. Inaccuracy or incompleteness of the information could have a material effect on our conclusions.

To be of greatest assistance to the Entity, we should be advised in advance of any proposed transactions. If such matters exceed the scope of this engagement letter, we will issue additional engagement letters to confirm the particular scope and terms.



Appendix E – Fees for Professional Services

Regarding our audit of the annual financial statements as described in this letter, the Entity and KPMG agree to an estimated fee of \$44,000 for this service as outlined in our proposal dated October 18, 2022.

In response to the new accounting standards in fiscal 2023 related to Asset Retirement Obligations, there may continue to be additional fees based on the incremental time incurred related to the audit work required in response to the adoption of this standard, PS 3280.

Our fees will be billed as the work progresses for this service.

KPMG will notify management should there be any risk that the engagement cannot be completed within the original fee quoted due to change in scope or unforeseen circumstances.

The information technology infrastructure costs and administrative support charge as described in the Assurance Terms and Conditions (“Fee and Other Arrangements”) shall be 7% of total fees.

Interest on overdue invoices as described in the Assurance Terms and Conditions (“Fee and Other Arrangements”) shall be (1)% per month, calculated and compounded monthly (effective annual rate of (12.683)%).

Assumptions

Our proposed professional fees assume that we will receive full participation from your staff, and that all necessary information will be available and appropriate for us to deliver our professional services as agreed upon with management.

KPMG will notify management should there be any risk that the engagement cannot be completed within the original fee quoted due to change in scope or unforeseen circumstances.

Our proposed professional fees are based on the assumption that management and employees are fully available throughout the audit period, that all necessary information is provided at the beginning of the first day of the audit work as agreed upon with management, and that this information is appropriate for us to perform our audit under Canadian Auditing Standards. Furthermore, these proposed professional fees assume the following:

- The assets, liabilities, revenues and expenses reported on the financial statements and other schedules to be audited will not change significantly from the prior year;
- There are no retroactive changes required to the prior year financial statements;
- We are not required to provide accounting assistance, preparation of correcting accounting entries or accounting advisory services;
- Your financial records are in good order, are appropriately adjusted at the start of the audit, and are prepared in accordance with the appropriate accounting framework;
- Your internal controls around financial reporting operated effectively throughout the fiscal year under audit;
- There are no changes to Accounting Standards, or Canadian Auditing Standards (CAS) requirements that significantly impact the financial statements; and
- There are no impairment issues nor adjustment on any investments or capital assets.

If these assumptions are not met, our professional fees will be subject to revision, and will be discussed with management during the audit process.

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These Terms and Conditions are an integral part of the accompanying engagement letter or proposal from KPMG that identifies the engagement to which they relate (and collectively form the "Engagement Letter"). The Engagement Letter supersedes all written or oral representations on this matter. The term "Entity" used herein has the meaning set out in the accompanying engagement letter or proposal. The term "Management" used herein means the management of Entity.

1. DOCUMENTS AND LICENSES.

a. All working papers, files and other internal materials created or produced by KPMG in relation to this engagement and all copyright and intellectual property rights therein are the property of KPMG.

b. Only in connection with the services herein, Entity hereby grants to KPMG a limited, revocable, non-exclusive, non-transferable, paid up and royalty-free license, without right of sublicense, to use all logos, trademarks and service marks of Entity solely for presentations or reports to Entity or for internal KPMG presentations and intranet sites. Further, Entity agrees that KPMG may list Entity as a customer in KPMG's internal and external marketing materials, including KPMG websites and social media, indicating the general services rendered (e.g., "Client is an Audit, Advisory, and/or Tax client of KPMG LLP").

2. ENTITY'S RESPONSIBILITIES.

a. Entity agrees that all management responsibilities will be performed and all management decisions will be made by Entity, and not by KPMG.

b. Entity's provision of documents and information to KPMG on a timely basis is an important factor in our ability to issue any reports under this Engagement Letter. KPMG is not responsible for any consequences arising from Entity's failure to deliver documents and information as required.

c. To the extent that KPMG personnel are on Entity's premises, Entity will take all reasonable precautions for their safety.

d. Entity understands and acknowledges that KPMG's independence may be impaired if any KPMG partner, employee or contractor accepts any offer of employment from Entity.

e. Except as required by applicable law or regulation, Entity shall keep confidential the terms of this Engagement Letter, and such confidential information shall not be distributed, published or made available to any other person without KPMG's express written permission.

f. Management agrees to promptly provide us with a copy of any comment letter or request for information issued by any securities or other regulatory authority in respect of information on which KPMG reported, including without limitation any continuous disclosure filings.

3. FEE AND OTHER ARRANGEMENTS.

a. KPMG's estimated fee is based in part on the quality of Entity's records, the agreed-upon level of preparation and assistance from Entity's personnel, and adherence by Entity to the agreed-upon timetable. KPMG's estimated fee also assumes that Entity's financial statements and/or other financial information, as applicable, are prepared in accordance with the relevant financial reporting framework or the relevant criteria, as applicable, and that there are no significant changes to the relevant financial reporting framework or the relevant criteria, as applicable; no significant new or changed accounting policies; no significant changes to internal control; and no other significant issues.

b. Additional time may be incurred for such matters as significant issues, significant unusual and/or complex transactions, informing management about new professional standards, and any related accounting advice. Where these matters arise and require research, consultation and work beyond that included in the estimated fee, Entity and KPMG agree to revise the estimated fee. Our professional fees are also subject to an additional charge to cover information technology infrastructure costs and administrative support of our client service personnel. Disbursements for items such as travel, accommodation and meals will be charged based on KPMG's actual disbursements.

c. KPMG's invoices are due and payable upon receipt. In order to avoid the possible implication that unpaid fees might be viewed as creating a threat to KPMG's independence, it is important that KPMG's bills be paid promptly when rendered. If a situation arises in which it may appear that KPMG's independence is threatened because of significant unpaid bills, KPMG may be prohibited from signing any applicable report and/or consent.

d. Fees for any other services will be billed separately from the services described in this Engagement Letter and may be subject to written terms and conditions supplemental to those in the Engagement Letter.

e. Canadian Public Accountability Board ("CPAB") participation fees, when applicable, are charged to Entity based on the annual fees levied by CPAB.

4. USE OF MEMBER FIRMS AND THIRD PARTY SERVICE PROVIDERS; STORAGE AND USE OF INFORMATION.

a. KPMG is a member firm of the KPMG International Cooperative ("KPMG International"). Entity acknowledges that in connection with the provision of services hereunder, KPMG may use the services of KPMG International member firms, as well as other third party service providers or subcontractors, and KPMG shall be entitled to share with them all documentation and information related to the engagement, including Entity's confidential information and personal information ("information"). KPMG may also: (i) directly, or using such aforementioned KPMG International member firms, third party service providers or subcontractors, perform data analytics in respect of the information; and (ii) retain and disclose to KPMG International member firms the information to share best practices or for knowledge sharing purposes. In all such cases, such information may be used, retained, processed, or stored outside of Canada by such KPMG International member firms, other third party service providers or subcontractors, and may be subject to disclosure in accordance with the laws applicable in the jurisdiction in which the information is used, retained, processed or stored, which laws may not provide the same level of protection for such information as will Canadian laws. KPMG represents that such KPMG International member firms, other third party service providers or subcontractors have agreed or shall agree to conditions of confidentiality with respect to Entity's confidential information, and that KPMG is responsible to ensure their compliance with those conditions. Any services performed by KPMG International member firms or other third party service providers or subcontractors shall be performed in accordance with the terms of this Engagement Letter, but KPMG remains solely responsible to Entity for the delivery of the services hereunder. Entity agrees that any claims that may arise out of the engagement will be brought solely against KPMG, the contracting party, and not against any other KPMG International member firms or other third party service providers or subcontractors referred to above.

b. Certain information (including information relating to time, billing and conflicts) collected by KPMG during the course of the engagement may be used, retained, processed and stored outside of Canada by KPMG, KPMG International member firms or third party service providers or subcontractors providing support services to KPMG for administrative, technological and clerical/organizational purposes, including in respect of client engagement acceptance procedures and maintaining engagement profiles; and to comply with applicable law, regulation or professional standards (including for quality performance reviews). Such information may be subject to disclosure in accordance with the laws applicable in the jurisdiction in which the information is used, retained, processed or stored, which laws may not provide the same level of protection for such information as will Canadian laws. KPMG may also share information with its legal advisers and insurers for the purposes of obtaining advice.

c. Entity acknowledges that KPMG aggregates anonymous information from sources including the Entity for various purposes, including to monitor quality of service, and Entity consents to such use. KPMG may also use Entity's information to offer services that may be of interest to Entity.

5. PERSONAL INFORMATION CONSENTS AND NOTICES.

KPMG may be required to collect, use and disclose personal information about individuals during the course of the engagement. Any collection, use or disclosure of personal information is subject to KPMG's Privacy Policy available at www.kpmg.ca. Entity represents and warrants that (i) it will obtain any consents required to allow KPMG to collect, use and disclose personal information in the course of the engagement, and (ii) it has provided notice to those individuals whose personal information may be collected, used and disclosed by KPMG hereunder of the potential processing of such personal information outside of Canada (as described in Section 4 above). KPMG's Privacy Officer noted in KPMG's privacy policy is able to answer any individual's questions about the collection of personal information required for KPMG to deliver services hereunder.



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6. THIRD PARTY DEMANDS FOR DOCUMENTATION AND INFORMATION / LEGAL AND REGULATORY PROCESSES.

a. Entity on its own behalf hereby acknowledges and agrees to cause its subsidiaries and affiliates to acknowledge that KPMG or a foreign component auditor which has been engaged in connection with an assurance engagement ("component auditor") may from time to time receive demands from a third party (each, a "third party demand"), including without limitation (i) from CPAB or from professional, securities or other regulatory, taxation, judicial or governmental authorities (both in Canada and abroad), to provide them with information and copies of documents in KPMG's or the component auditor's files including (without limitation) working papers and other work-product relating to the affairs of Entity, its subsidiaries and affiliates, and (ii) summons for production of documents or information related to the services provided hereunder; which information and documents may contain confidential information of Entity, its subsidiaries or affiliates. Except where prohibited by law, KPMG or its component auditor, as applicable, will advise Entity or its affiliate or subsidiary of the third party demand. Entity acknowledges, and agrees to cause its subsidiaries and affiliates to acknowledge, that KPMG or its component auditor, as applicable, will produce documents and provide information in response to the third party demand, without further authority from Entity, its subsidiaries or affiliates.

b. KPMG will use reasonable efforts to withhold from production any documentation or information over which Entity asserts privilege. Entity must identify any such documentation or information at the time of its provision to KPMG by marking it as "privileged". Notwithstanding the foregoing, where disclosure of such privileged documents is required by law, KPMG will disclose such privileged documents. If and only if the authority requires such access to such privileged documents pursuant to the laws of a jurisdiction in which express consent of Entity is required for such disclosure, then Entity hereby provides its consent.

c. Entity agrees to reimburse KPMG for its professional time and any disbursements, including reasonable legal fees and taxes, in responding to third party demands.

d. Entity waives and releases KPMG from any and all claims that it may have against KPMG as a result of any disclosure or production by KPMG of documents or information as contemplated herein.

e. Entity agrees to notify KPMG promptly of any request received by Entity from any third party with respect to the services hereunder, KPMG's confidential information, KPMG's advice or report or any related document.

7. CONNECTING TO THE ENTITY'S IT NETWORK; EMAIL AND ONLINE FILE SHARING AND STORAGE TOOLS.

a. Entity authorizes KPMG personnel to connect their computers to Entity's IT Network and the Internet via the Network while at the Entity's premises for the purpose of conducting normal business activities.

b. Entity recognizes and accepts the risks associated with communicating electronically, and using online file sharing, storage, collaboration and other similar online tools to transmit information to or sharing information with KPMG, including (but without limitation) the lack of security, unreliability of delivery and possible loss of confidentiality and privilege. Entity assumes all responsibility or liability in respect of the risk associated with the use of the foregoing, and agrees that KPMG is not responsible for any issues that might arise (including loss of data) as a result of Entity using the foregoing to transmit information to or otherwise share information with KPMG and, in the case of online tools other than email, KPMG's access to and use of the same in connection with obtaining Entity information and documents.

8. LIMITATION ON WARRANTIES.

THIS IS A SERVICES ENGAGEMENT. KPMG WARRANTS THAT IT WILL PERFORM SERVICES HEREUNDER IN GOOD FAITH WITH QUALIFIED PERSONNEL IN A COMPETENT AND WORKMANLIKE MANNER IN ACCORDANCE WITH APPLICABLE INDUSTRY STANDARDS. SUBJECT TO SECTION 14, KPMG DISCLAIMS ALL OTHER WARRANTIES, REPRESENTATIONS OR CONDITIONS, EITHER EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, WARRANTIES, REPRESENTATIONS OR CONDITIONS OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

9. LIMITATION ON LIABILITY AND INDEMNIFICATION.

a. Subject to Section 14: (i) Entity agrees that KPMG shall not be liable to Entity for any actions, damages, claims, fines, penalties, complaints,

demands, suits, proceedings, liabilities, costs, expenses, or losses (collectively, "Claims") in any way arising out of or relating to the services performed hereunder for an aggregate amount in excess of the lesser of one million dollars (\$1,000,000) or two times the fees paid by Entity to KPMG under the engagement; and (ii) on a multi-phase engagement, KPMG's liability shall be based on the amount actually paid to KPMG for the particular phase that gives rise to the liability.

b. Subject to Section 14, in the event of a Claim by any third party against KPMG that arises out of or relates to the services performed hereunder, Entity will indemnify and hold harmless KPMG from all such Claims, including, without limitation, reasonable legal fees, except to the extent finally determined to have resulted from the intentional, deliberate or fraudulent misconduct of KPMG.

c. Subject to Section 14: (i) in no event shall KPMG be liable for consequential, special, indirect, incidental, punitive or exemplary damages, liabilities, costs, expenses, or losses (including, without limitation, lost profits and opportunity costs); (ii) in any Claim arising out of the engagement, Entity agrees that KPMG's liability will be several and not joint and several; and (iii) Entity may only claim payment from KPMG of KPMG's proportionate share of the total liability based on degree of fault.

d. For purposes of this Section 9, the term KPMG shall include its subsidiaries, its associated and affiliated entities and their respective current and former partners, directors, officers, employees, agents and representatives. The provisions of this Section 9 shall apply regardless of the form of Claim, whether in contract, statute, tort (including, without limitation, negligence) or otherwise.

10. CONSENT TO THE USE OF THE KPMG NAME OR KPMG REPORT.

Except as otherwise specifically agreed in this Engagement Letter, KPMG does not consent to:

i. the use of our name or our report in connection with information, other than what we have reported on as part of this Engagement Letter or our report thereon, that contains, incorporates by reference, or otherwise accompanies our report or our name;

ii. the use of our report in another language, or the use of our report in connection with information that we reported on that has been translated into another language, or the use of our name in connection with information that we reported on that has been translated into another language;

iii. the use of our report in connection with an offering document or other securities filing, including continuous disclosure filings; or

iv. the use of our name or our report in connection with the interim financial statements (or other interim financial information) or any statement by the Entity regarding the services that we provided on the interim financial statements or other interim financial information.

Any communication, report, statement or conclusion on the interim financial statements may not be included in, or otherwise referred to in any public document or public oral statements except when the interim review conclusion contains a modified conclusion, in which case our interim review report will accompany the interim financial statements.

If the Entity wishes to obtain KPMG's consent regarding the matters above or other matters not otherwise specifically covered by this Engagement Letter, we will be required to perform procedures as required by applicable professional standards, and such procedures would be a separate engagement and subject to separate engagement terms.

11. ALTERNATIVE DISPUTE RESOLUTION.

Any dispute or claim between the parties arising under or relating to this Engagement Letter or the services provided hereunder (the "Dispute") shall be submitted to non-binding mediation. If mediation is not successful within 90 days after the issuance by a party of a request for mediation, then the Dispute shall be referred to and finally resolved by arbitration under the Arbitration Rules of the ADR Institute of Canada in force at that time. The Seat of Arbitration shall be the province where KPMG's principal office performing this engagement is located. The language of the arbitration shall be English. The Arbitral Tribunal shall be made up of a single Arbitrator. The arbitration award shall be final, conclusive and binding upon the parties, and not subject to appeal.

12. POTENTIAL CONFLICTS OF INTEREST.

a. KPMG is or may be engaged by entities and individuals who have potentially conflicting legal and business interests to Entity. Entity agrees that, without further notice or disclosure to Entity, KPMG may: (i) accept or



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continue such engagements on matters unrelated to KPMG's engagement for Entity; and (ii) provide advice or services to any other person or entity making a competing bid or proposal to that of Entity whether or not KPMG is providing advice or services to Entity in respect of Entity's competing bid or proposal.

b. In accordance with professional standards, KPMG will not use any confidential information regarding Entity in connection with its engagements with other clients, and will establish confidentiality and other safeguards to manage conflicts, which may include, in KPMG's sole discretion, the use of separate engagement teams and data access controls.

c. In no event shall KPMG be liable to Entity, or shall Entity be entitled to a return of fees or disbursements, or any other compensation whatsoever as a result of KPMG accepting or continuing a conflicting engagement in accordance with the terms of this Engagement Letter.

d. Entity agrees that KPMG may, in its sole discretion, disclose the fact and nature of its engagement for Entity to (i) KPMG International member firms to inform conflict searches, and (ii) to the extent reasonably required in order to obtain the consent of another entity or individual in order to permit KPMG to act for such entity or individual, or for Entity, in connection with the engagement or any future engagement.

e. In the event that circumstances arise that place KPMG into a conflict of interest as between Entity and a pre-existing client, which in KPMG's sole opinion cannot be adequately addressed through the use of confidentiality and other safeguards, KPMG shall be entitled to immediately terminate the engagement with Entity, without liability.

f. Other KPMG International member firms are or may be engaged by entities and individuals who have potentially conflicting legal and business interests to Entity. Entity agrees that (i) it will not assert that other KPMG International member firms are precluded from being engaged by those other entities or individuals, and (ii) those engagements of other KPMG International member firms do not conflict with KPMG's engagement for Entity.

13. LOBBYING.

Unless expressly stated in this Engagement Letter, KPMG will not undertake any lobbying activity, as that term is defined in all applicable federal, provincial and municipal lobbyist registration statutes and regulations, in connection with the engagement. In the event that KPMG and Entity agree that KPMG will undertake lobbying activity in connection with the engagement, such agreement shall be set out in an amendment to this Engagement Letter.

14. SEVERABILITY.

The provisions of these Terms and Conditions and the accompanying proposal or engagement letter shall only apply to the extent that they are not prohibited by a mandatory provision of applicable law, regulation or professional standards. If any of the provisions of these Terms and Conditions or the accompanying proposal or engagement letter are determined to be invalid, void or unenforceable, the remaining provisions of these Terms and Conditions or the accompanying proposal or engagement letter, as the case may be, shall not be affected, impaired or invalidated, and each such provision shall remain valid and in effect and be enforceable and binding on the parties to the fullest extent permitted by law.

15. GOVERNING LAW.

This Engagement Letter shall be subject to and governed by the laws of the province where KPMG's principal office performing this engagement is located (without regard to such province's rules on conflicts of law).

16. LLP STATUS.

KPMG is a registered limited liability partnership ("LLP") established under the laws of the Province of Ontario and, where applicable, has been registered extra-provincially under provincial LLP legislation.

17. INDEPENDENT LEGAL ADVICE.

Entity agrees that it been advised to retain independent legal advice at its own expense prior to signing this Engagement Letter (including without limitation with respect to Entity's rights in connection with potential future conflicts) and agrees that any failure on its part to retain such independent

legal counsel shall not affect (and it shall not assert that the same affects) the validity of the provisions of this Engagement Letter.

18. SURVIVAL.

All sections hereof other than Section 7(a) shall survive the expiration or termination of the engagement.

**TERMS AND CONDITIONS FOR ADVISORY AND TAX SERVICES****1. TERMS AND CONDITIONS.**

a. These Terms and Conditions are an integral part of the accompanying Proposal or Engagement Letter from KPMG that identifies the engagement to which they relate.

b. In the event of conflict between the Proposal or Engagement Letter and these Terms and Conditions, these Terms and Conditions shall prevail unless specific reference to a provision of the Terms and Conditions being varied is made in the Proposal or Engagement Letter. Other capitalized words in these Terms and Conditions shall have the meanings given to them in the Proposal or Engagement Letter.

2. SERVICES.

KPMG will use reasonable efforts to complete the performance of the services within any agreed-upon time-frame. It is understood and agreed that KPMG's services may include advice and recommendations, but all decisions in connection with the implementation of such advice and recommendations shall be the responsibility of, and made by, Client. KPMG will not perform management functions or make management decisions for Client. Nothing in these Terms and Conditions or Engagement Letter (or Proposal) shall be construed as precluding or limiting in any way the right of KPMG to provide services of any kind or nature whatsoever to any person or entity as KPMG in its sole discretion deems appropriate.

3. CLIENT RESPONSIBILITIES.

a. Client agrees to cooperate with KPMG in the performance of the services under the Engagement Letter and shall provide or arrange to provide KPMG with timely access to and use of the personnel, facilities, equipment, data and information necessary for KPMG to perform the services under the Engagement Letter. To the extent that KPMG personnel are on Client premises, Client will take all reasonable precautions for the safety of KPMG partners and employees at Client premises. Client shall be responsible for the performance of its employees and agents and for the accuracy and completeness of all data and information provided to KPMG for purposes of the performance by KPMG of its services hereunder. The Proposal or Engagement Letter may set forth additional responsibilities of Client in connection with the engagement. Client acknowledges that Client's failure to perform these obligations could adversely impact KPMG's ability to perform its services.

b. Client agrees that Client, and not KPMG, shall perform the following functions: (i) make all management decisions and perform all management functions; (ii) designate an individual who possesses suitable skill, knowledge and experience, preferably within senior management, to oversee the performance of the services under the Engagement Letter, and to evaluate the adequacy and results of such services; (iii) accept responsibility for the results of such services; and (iv) establish and maintain internal controls over the processes with which such services are concerned, including, without limitation, monitoring ongoing activities.

c. Client acknowledges and agrees that KPMG will, in performing the services, base its conclusions on the facts and assumptions that Client furnishes and that KPMG may use data, material, and other information furnished by or at the request or direction of Client without any independent investigation or verification and that KPMG shall be entitled to rely upon the accuracy and completeness of such data, material and other information. Inaccuracy or incompleteness of such data, material and other information furnished to KPMG could have a material effect on KPMG's conclusions.

d. Client acknowledges that information made available by it, or by others on Client's behalf, or otherwise known to partners or staff of KPMG who are not engaged in the provision of the services hereunder shall not be deemed to have been made available to the individuals within KPMG who are engaged in the provision of the services hereunder. Client undertakes that, if anything occurs after information is provided by Client to KPMG to render such information untrue, unfair or misleading, Client shall promptly notify KPMG.

4. REPORTING.

a. All oral and written communications by KPMG to Client with respect to the engagement, including, without limitation, drafts and those communications occurring prior to the execution of the Engagement Letter will be subject to the terms and conditions of the Engagement Letter and these Terms and Conditions. During the performance of the services, KPMG may supply oral, draft or interim advice, reports or presentations but in such

circumstances KPMG's written advice or final written report shall take precedence. No reliance should be placed by Client on any oral, draft or interim advice, reports or presentations. Where Client wishes to rely on oral advice or oral presentation, Client shall inform KPMG and KPMG will provide documentary confirmation of the advice concerned.

b. Subsequent to the completion of the engagement, KPMG will not update its advice, recommendations or work product for changes or modification to the law and regulations, or to the judicial and administrative interpretations thereof, or for subsequent events or transactions, unless Client separately engages KPMG to do so in writing after such changes or modifications, interpretations, events or transactions occur.

5. WORKING PAPERS AND USE OF REPORTS; USE OF NAME AND LOGO

a. KPMG retains all rights in all methodologies, know-how, knowledge, applications and software developed by KPMG either prior to or during the engagement. KPMG also retains all rights (including, without limitation, copyright) in all reports, written advice and other working papers and materials developed by KPMG during the engagement. Unless contemplated by the Engagement Letter, all reports and written advice are confidential and intended solely for Client's internal use (or the use of Client's management, as applicable) to assist with this specific matter or transaction, and, where applicable, government taxation authorities, and are not for general use, circulation or publication. Such reports and written advice shall not be edited, referred to, circulated, reproduced, distributed, published, made available, used for any other purpose or relied upon by any other person without KPMG's express written permission and on such terms and conditions as KPMG may require in its sole discretion. If such permission is given, Client shall not publish any extract or excerpt of KPMG's written advice or report or refer to KPMG without providing the entire advice or report at the same time. Notwithstanding the foregoing, Client may disclose in whole any report or written advice given to Client by KPMG hereunder solely to Client's legal and professional advisors for the purposes of Client seeking advice in respect of the transaction or matter to which the engagement relates, provided that when doing so Client informs such advisors that: (i) disclosure by them (except as permitted herein) is not permitted without KPMG's prior written consent; and (ii) KPMG accepts no responsibility or liability to such advisors in connection with such reports or written advice. Subject to the restrictions of Section 6, KPMG is entitled to use or develop the knowledge, experience and skills of general application gained through performing the engagement.

b. Client shall not refer to KPMG or use KPMG's name or logo in any manner or medium without the prior written permission of KPMG in each instance, which permission may be unreasonably withheld by KPMG.

c. The contents of this Section 5 may be reproduced in any report or written advice of KPMG, in whole or in part, at KPMG's sole discretion. Any failure of KPMG to include any such language shall not derogate from the obligations set out in this Section 5.

6. CONFIDENTIALITY.

a. Except as described in Section 5 above, Client will treat in confidence any information provided by KPMG to Client, including but not limited to KPMG methodologies, know-how, knowledge, application or software, and will not use or disclose any such confidential information of KPMG to others.

b. Except as expressly set forth herein, KPMG will treat as confidential all proprietary information and personal information obtained from Client in the course of the engagement.

c. The restrictions in subsections 6 (a) and (b) above shall not apply to any information that: (i) is required by law or professional standards applicable to KPMG to be disclosed; (ii) that is in or hereafter enters the public domain; (iii) that is or hereafter becomes known to Client or KPMG, as the case may be, without breach of any confidentiality obligation; or (iv) that is independently developed by KPMG.

d. KPMG shall be entitled to include a description of the services rendered in the course of the engagement in marketing and research materials and disclose such information to third parties, provided that all such information will be rendered anonymous and not subject to association with Client.

e. KPMG shall be entitled to share all information with all other member firms of KPMG International Cooperative ("KPMG International"). KPMG may also use such information to offer services that may be of interest to Client. KPMG may retain and may disclose to other KPMG International

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member firms, subject to terms of this Section 6, such information required for compliance with applicable professional standards or internal policies or for quality reviews or to share best practices.

f. Professional standards require KPMG personnel performing any audit or assurance services for clients to discuss or have available to them all information and materials that may affect the audit or assurance engagement. Client authorizes, if Client is or becomes an assurance Client, KPMG personnel performing services under the engagement to make available to the KPMG assurance engagement team and other KPMG personnel, the findings, observations and recommendations from the engagement and agrees that KPMG may use all such findings, observations and recommendations in KPMG's assurance engagement.

g. Except as required by applicable law or regulation, Client shall keep confidential the existence and terms of the Proposal or the Engagement Letter (as applicable) and these Terms and Conditions. Such confidential information shall not be distributed, published or made available to any other person without KPMG's express written permission. Further, for purposes of the services described in the Engagement Letter only, the Client hereby grants to KPMG a limited, revocable, non-exclusive, non-transferable, paid up and royalty-free license, without right of sublicense, to use all logos, trademarks and service marks of Client solely for presentations or reports to the Client or for internal KPMG presentations and intranet sites.

7. PERSONAL INFORMATION CONSENTS AND NOTICES.

Any collection, use or disclosure of personal information is subject to KPMG's Privacy Policy available at www.kpmg.ca. KPMG may be required to collect, use and disclose personal information about individuals during the course of the engagement. Client represents and warrants that: (i) it will obtain from individuals all consents required by law to permit KPMG to collect, use and disclose all personal information reasonably required in the course of the engagement, and (ii) it has provided notice of KPMG's potential processing of information outside of Canada (as described in Section 8 below) to all individuals whose personal information is disclosed to KPMG.

8. USE OF MEMBER FIRMS AND THIRD PARTY SERVICE PROVIDERS.

Personal and/or confidential information collected by KPMG during the course of the engagement may be used, processed and stored outside of Canada by KPMG, KPMG International member firms providing services hereunder, KPMG subsidiaries, affiliates and related parties or third party service providers to provide professional services and administrative, analytical and clerical support and to comply with applicable law, regulations and professional standards. Client also understands and agrees that KPMG aggregates Client's information with information from other sources for the purpose of improving quality and service, and for use in presentations to clients and non-clients, in a form where such information is sufficiently de-identified so as not to be attributable to Client. KPMG represents to Client that each KPMG International member firm; KPMG subsidiary, affiliate and related party and third party service provider providing services hereunder has agreed or shall agree to conditions of confidentiality with respect to Client's information to the same or similar extent as KPMG has agreed pursuant to Section 6. Further, KPMG is responsible to Client for causing such KPMG subsidiaries, affiliates, related parties and third party service providers to comply with such conditions of confidentiality, and KPMG shall be responsible to Client for their failure to comply and failure of each KPMG International member firm providing services hereunder to comply with its obligations of confidentiality owed to KPMG. Any services performed by KPMG subsidiaries, affiliates, related parties and third party service providers shall be performed in accordance with the terms of the Engagement Letter, including Section 6, but KPMG shall remain responsible to Client for the performance of such services and services performed by each KPMG International member firm providing services hereunder. Such personal and/or confidential information may be subject to disclosure in accordance with the laws applicable in the jurisdiction in which the information is processed or stored, which laws may not provide the same level of protection for such information as will Canadian laws. KPMG's Privacy Officer noted in KPMG's Privacy Policy is able to answer any individual's questions about the collection of personal information required for KPMG to deliver services hereunder.

9. TAXES/BILLING/EXPENSES/FEES.

a. All fees and other charges do not include any applicable federal, provincial, or other goods and services or sales taxes, or any other taxes or

duties whether presently in force or imposed in the future. Any such taxes or duties shall be assumed and paid by Client without deduction from the fees and charges hereunder.

b. Bills will be rendered on a regular basis as the engagement progresses. Our professional fees are also subject to a technology and support charge to cover information technology infrastructure costs and administrative support of our client service personnel which are not included in our client service personnel fee. The technology and support fee covers costs such as our client service personnel computer hardware and customized KPMG software, telecommunications equipment, client service professional administrative support, IT programming, professional services and other client support services. Other direct out-of-pocket costs, such as travel, will be charged separately based on our actual costs. For certainty, Client acknowledges that to the extent a subsidiary, affiliate or related party of KPMG is engaged by KPMG to assist KPMG in providing the services hereunder, Client may receive bills from such subsidiary, affiliate or related party of KPMG for such services. Accounts are due when rendered. Interest on overdue accounts is calculated at the rate noted on the invoice commencing 30 days following the date of the invoice.

c. Without limiting its rights or remedies, KPMG shall have the right to halt or terminate entirely its services until payment is received on past due invoices.

d. In the event that the engagement is terminated and Client proceeds to complete the transaction or financing within 18 months from the termination date, then the full amount of any Completion Fee shall be payable on closing of the transaction or the completion of financing, regardless of whether KPMG provided further service.

10. LIMITATION ON WARRANTIES.

THIS IS A SERVICES ENGAGEMENT. KPMG WARRANTS THAT IT WILL PERFORM SERVICES HEREUNDER IN GOOD FAITH WITH QUALIFIED PERSONNEL IN A COMPETENT AND WORKMANLIKE MANNER IN ACCORDANCE WITH APPLICABLE INDUSTRY STANDARDS. KPMG DISCLAIMS ALL OTHER WARRANTIES, REPRESENTATIONS OR CONDITIONS, EITHER EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, WARRANTIES, REPRESENTATIONS OR CONDITIONS OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

11. LIMITATION ON LIABILITY.

a. Client agrees that KPMG shall not be liable to Client for any actions, damages, claims, fines, penalties, complaints, demands, suits, proceedings, liabilities, costs, expenses, or losses (collectively, "Claims") in any way arising out of or relating to the services performed hereunder for an aggregate amount in excess of the fees paid by Client to KPMG under the engagement. On a multi-phase engagement, KPMG's liability shall be based on the amount actually paid to KPMG for the particular phase that gives rise to the liability.

b. In the event of a Claim by any third party against KPMG that arises out of or relates to the services performed hereunder, Client will indemnify and hold harmless KPMG from all such Claims, including, without limitation, reasonable legal fees, except to the extent finally determined to have resulted from the intentional, deliberate or fraudulent misconduct of KPMG.

c. In no event shall KPMG be liable for consequential, special, indirect, incidental, punitive or exemplary damages, liabilities, costs, expenses, or losses (including, without limitation, lost profits and opportunity costs). In any Claim arising out of the engagement, Client agrees that KPMG's liability will be several and not joint and several. Client may only claim payment from KPMG of KPMG's proportionate share of the total liability based on degree of fault.

d. For purposes of this Section 11, the term KPMG shall include its subsidiaries, its associated and affiliated entities and their respective current and former partners, directors, officers, employees, agents and representatives. The provisions of this Section 11 shall apply regardless of the form of Claim, whether in contract, statute, tort (including, without limitation, negligence) or otherwise.

12. LEGAL PROCEEDINGS.

a. Client agrees to notify KPMG promptly of any request received by Client from any court or applicable regulatory authority with respect to the services hereunder, KPMG's confidential information, KPMG's advice or report or any related document.

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b. If KPMG is required by law, pursuant to government regulation, subpoena or other legal process to produce documents or personnel as witnesses arising out of the engagement and KPMG is not a party to such proceedings, Client shall reimburse KPMG at standard billing rates for professional time and expenses, including, without limitation, reasonable legal fees, expenses and taxes incurred in responding to such compelled assistance.

c. If Client requests that KPMG produce documents or personnel as witnesses in any proceedings in any way related to the engagement or services provided by KPMG hereunder and KPMG is not a party to such proceedings, KPMG may agree to produce documents or personnel as witnesses on such terms and conditions as KPMG may, in its sole discretion, determine. Without limiting the generality of the foregoing, Client shall reimburse KPMG at standard billing rates for professional time and expenses, including, without limitation, reasonable legal fees, expenses and taxes, incurred in responding to such Client requests.

d. Client acknowledges that KPMG may from time to time receive requests or orders from professional, securities or other regulatory, judicial or governmental authorities (both in Canada and abroad) to provide them with information and copies of documents in KPMG's files including, without limitation, working papers and other work-product relating to Client, which information and documents may contain confidential information of Client. Except where prohibited by law, KPMG will advise Client of the request or order. Client hereby acknowledges that KPMG will provide these documents and information without further reference to, or authority from Client.

Client must mark any document over which it asserts privilege as "privileged". When such an authority requests access to KPMG's working papers and other work-product relating to Client's affairs, KPMG will, on a reasonable efforts basis, refuse access to any document over which Client has expressly informed KPMG at the time of delivery that the Client asserts privilege (by the Client marking such document as "privileged" as contemplated in the foregoing sentence). Notwithstanding the foregoing, where disclosure of documents is required by law, KPMG will disclose such privileged documents. If and only if the authority requires such access to such privileged documents pursuant to the laws of a jurisdiction in which express consent of the Client is required for such disclosure, then Client hereby provides its consent.

Where privileged Client documents are disclosed by KPMG as contemplated above, KPMG is directed to advise the authority that Client is permitting disclosure only to the extent required by law and for the limited purpose of the authority's exercise of statutory authority. KPMG is directed to advise the authority that Client does not intend to waive privilege for any other purpose and that Client expects its documents to be held by the authority as privileged and confidential material. For greater certainty, Client and KPMG hereby agree that this acknowledgement (and, if required, consent) does not negate or constitute a waiver of privilege for any purpose and Client expressly relies upon the privilege protections afforded under statute and otherwise under law.

13. LIMITATION PERIOD.

No proceeding arising under or relating to the engagement, may be brought by either party more than one year after the cause of action has accrued or in any event not more than five years after completion of the engagement in the case of an advisory services engagement and not more than eight years after completion of the engagement in the case of a tax services engagement, except that a proceeding for non-payment may be brought by KPMG at any time following the date of the last payment due to KPMG hereunder. For purposes of this Section 13, the term KPMG shall include its subsidiaries and associated and affiliated entities and their respective current and former partners, directors, officers, employees, agents and representatives.

14. TERMINATION.

Unless terminated sooner in accordance with its terms, the engagement shall terminate on the completion of KPMG's services hereunder, which

completion shall be evidenced by the delivery by KPMG to Client of the final invoice in respect of the services performed hereunder. Should Client not fulfill its obligations set out herein or in the Engagement Letter and in the absence of rectification by Client within 10 days, KPMG may, upon written notice, terminate its performance and will not be responsible for any loss, cost or expense resulting therefrom. If at any time during the engagement it is determined by KPMG, in its sole discretion, that there may be an actual or potential breach by KPMG of applicable professional standards, KPMG may terminate the engagement, without liability, immediately on notice to Client. The engagement may be terminated by either party at any time by giving written notice to the other party not less than 30 calendar days before the effective date of termination. Upon early termination of the engagement, Client shall be responsible for the payment to KPMG for KPMG's time and expenses incurred up to the termination date, as well as reasonable time and expenses to bring the engagement to a close in a prompt and orderly manner.

15. E-MAIL COMMUNICATION.

Client recognizes and accepts the risks associated with communicating by Internet e-mail, including (but without limitation) the lack of security, unreliability of delivery and possible loss of confidentiality and privilege. Unless Client requests in writing that KPMG does not communicate by Internet e-mail, Client assumes all responsibility or liability in respect of the risk associated with its use.

16. POTENTIAL CONFLICTS OF INTEREST.

a. For purposes of this Section 16, "KPMG" means KPMG LLP and KPMG subsidiaries, affiliates and related parties providing services hereunder, if applicable. KPMG is engaged by a wide variety of entities and individuals, some of whom may be creditors, investors, borrowers, shareholders, competitors, suppliers or customers of Client, or other parties with conflicting legal and business interests to Client, including, without limitation, in relation to the audit, tax or advisory services provided to Client by KPMG. KPMG's engagements with such companies and individuals may result in a conflict with Client's interests.

b. As a condition of KPMG's engagement by Client, Client agrees that: (i) without further notice or disclosure, KPMG may accept or continue engagements on unrelated matters to KPMG's engagement for Client in which KPMG may act contrary to Client's interests even if those unrelated matters are materially and directly adverse to Client; and (ii) without further notice or disclosure, KPMG may provide advice or services to any other person or entity making a competing bid or proposal to that of Client whether or not KPMG is providing advice or services to Client in respect of Client's competing bid or proposal.

c. In accordance with professional standards, and except as set out below, KPMG will not use any confidential information regarding Client in connection with its engagements with other clients, and will establish confidentiality and other safeguards to manage conflicts, which may include, in KPMG's sole discretion, the use of separate engagement teams and data access controls. In no event shall KPMG be liable to Client or shall Client be entitled to a return of fees and disbursements incurred on behalf of Client or any other compensation whatsoever as a result of KPMG accepting or continuing a conflicting engagement.

d. Client further agrees that KPMG may, in its sole discretion, disclose the fact or general nature of its engagement for Client to (i) KPMG International and other KPMG International member firms in order to check against potential conflicts of interest, and (ii) to the extent reasonably required in order to obtain the consent of another entity or individual in order to permit KPMG to act for such entity or individual, or for Client, in connection with the engagement or any future engagement.

e. Where another party has engaged KPMG to deliver services before Client has done so, and subsequently circumstances change such that there is a conflict, which in KPMG's sole opinion cannot be adequately managed through the use of confidentiality and other safeguards, KPMG shall be entitled to terminate the engagement for Client, without liability, immediately upon notice.

f. Other KPMG International member firms are engaged by many entities and individuals, including, without limitation, entities and individuals that may enter into transactions or may have disputes with Client or Client's related or affiliated entities. Client agrees that (i) it will not assert that other KPMG International member firms are precluded from being engaged by those other entities or individuals, and (ii) those engagements of other

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KPMG International member firms do not conflict with KPMG's engagement for Client.

g. Client will indemnify and hold harmless KPMG, its subsidiaries and associated and affiliated entities, and their respective current and former partners, directors, officers, employees, agents and representatives from any Claim by any third party (including, without limitation, reasonable legal fees) that alleges that KPMG was in a conflict of interest by providing services hereunder. The provisions of this subsection 16(g) shall apply regardless of the form of Claim, whether in contract, statute, tort (including, without limitation, negligence) or otherwise.

h. KPMG encourages Client to obtain legal advice with respect to Client's rights in connection with potential future conflicts prior to entering into the engagement.

17. FORCE MAJEURE.

Neither Client nor KPMG shall be liable for any delays resulting from circumstances or causes beyond its reasonable control, including, without limitation, fire or other casualty, act of God, strike or labour dispute, war or other violence, or any law, order or requirement of any governmental agency or authority.

18. INDEPENDENT CONTRACTOR.

It is understood and agreed that each of the parties hereto is an independent contractor and that neither party is, nor shall be considered to be, an agent, distributor or representative of the other. Neither party shall act or represent itself, directly or by implication, as an agent of the other or in any manner assume or create any obligation on behalf of, or in the name of, the other.

19. SURVIVAL.

Sections 1, 4(b), 5-16, 18-30, 31(a) and (c)-(g), and 33-34 hereof shall survive the expiration or termination of the engagement.

20. SUCCESSORS AND ASSIGNS.

These Terms and Conditions and the accompanying Proposal or Engagement Letter shall be binding upon the parties hereto and their respective subsidiaries and associated and affiliated entities and their respective partners, directors, officers and employees and successors and permitted assigns. Except as provided below, neither party may assign, transfer or delegate any of the rights or obligations hereunder without the prior written consent of the other party. KPMG may assign its rights and obligations hereunder to any affiliate or successor in interest to all or substantially all of the assets or business of the relevant KPMG practice, without the consent of Client. In addition, KPMG may arrange for or engage (as applicable) KPMG affiliates, subsidiaries, related parties, independent contractors and KPMG International member firms to assist KPMG in performing the services hereunder.

21. SEVERABILITY.

The provisions of these Terms and Conditions and the accompanying Proposal or Engagement Letter shall only apply to the extent that they are not prohibited by a mandatory provision of applicable law, regulation or professional standards. If any of these provisions shall be held to be invalid, void or unenforceable, then the remainder of these Terms and Conditions and the attached Proposal or Engagement Letter, as the case may be, shall not be affected, impaired or invalidated, and each such provision shall be valid and enforceable to the fullest extent permitted by law.

22. ENTIRE AGREEMENT.

These Terms and Conditions and the accompanying Proposal or Engagement Letter including, without limitation, Exhibits, constitute the entire agreement between KPMG and Client with respect to the engagement and supersede all other oral and written representation, understandings or agreements relating to the engagement.

23. GOVERNING LAW.

These Terms and Conditions and the accompanying Proposal or Engagement Letter shall be subject to and governed by the laws of the province in which KPMG's principal Canadian office performing the engagement is located (without regard to such province's rules on conflicts of law).

24. PUBLICITY.

Upon the closing of a transaction, KPMG will have the right (but shall not be obliged), at its expense, to publicize its association with the transaction by

way of public announcement in "tombstone" or similar format, subject to prior review of the wording for any such announcement with Client.

25. KPMG INTERNATIONAL MEMBER FIRMS.

In the case of multi-firm engagements, all KPMG International member firms performing services hereunder shall be entitled to the benefits of these Terms and Conditions. Client agrees that any Claims that may arise out of the engagement will be brought solely against KPMG, the contracting party, and not against any other KPMG International member firms or such third party service providers referred to in Section 8 above.

26. SARBANES-OXLEY ACT.

Except as set forth in the Engagement Letter, Client acknowledges that completion of the engagement or acceptance of KPMG's reports, advice, recommendations and other deliverables resulting from the engagement will not constitute a basis for Client's assessment of internal control over financial reporting or Client's evaluation of disclosure controls and procedures, or its compliance with its principal officer certification requirements under Section 302 of the *Sarbanes-Oxley Act of 2002* (the "Act"). The engagement shall not be construed to support Client's responsibilities under Section 404 of the Act requiring each annual report filed under Section 13(a) or 15(d) of the *Securities Exchange Act of 1934* to contain an internal control report from management.

27. NATIONAL INSTRUMENT 52-109.

Except as set forth in the Engagement Letter, Client acknowledges that completion of the engagement or acceptance of KPMG's reports, advice, recommendations and other deliverables resulting from the engagement will not constitute a basis for Client's evaluation of disclosure controls and procedures and internal control over financial reporting, or its compliance with its CEO/CFO certification requirements under *National Instrument 52-109, Certification of Disclosure in Issuers' Annual and Interim Filings*, including those related to the design of disclosure controls and procedures and internal control over financial reporting.

28. SPECIFIC ACCOUNTING AND OTHER ADVICE.

Except as set forth in the Engagement Letter, the engagement does not contemplate the provision of specific accounting advice or opinions or the issuance of a written report on the application of accounting standards to specific transactions and facts and circumstances of Client. Such services, if requested, would be provided pursuant to a separate engagement. Client should consult with and/or engage legal counsel for the purpose of advising on legal aspects of matters on which KPMG provides its advice and drafting any legal documents and/or agreements that may be required. To the extent legal counsel or other professional service providers are required, Client is exclusively responsible for engaging and paying such service providers.

29. TAX SERVICES.

a. If tax work is specifically requested by Client, KPMG will perform the procedures in accordance with this Section 29. KPMG will base its findings exclusively on the facts and assumptions provided to KPMG by Client and Client's personnel and advisors. KPMG will consider the applicable provisions of the relevant taxing statutes, the regulations thereunder, applicable tax treaties and judicial and administrative interpretations thereof. In the case of Canadian tax services only, KPMG will also take into account all specific proposals to amend such statutes, regulations and treaties publicly announced prior to the date of KPMG's reports, based on the assumption that these amendments will be enacted substantially as proposed. For certainty, in the case of US tax services, KPMG shall not take into account any specific proposals to amend such statutes, regulations and treaties. The authorities referred to in this subsection 29(a) are subject to change, retroactively and/or prospectively, and any such changes could affect the validity of KPMG's findings and may result in incremental taxes, interest or penalties. KPMG's findings will not otherwise take into account or anticipate any changes in law or practice, by way of judicial, governmental or legislative action or interpretation. Unless Client specifically requests otherwise, KPMG will not update tax work to take any such changes into account.

b. KPMG will use professional judgment in providing advice, and will, unless Client instructs otherwise, take the position most favourable to Client whenever reasonable. All returns are subject to examination by tax authorities, and KPMG's advice may be audited and challenged by a tax

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authority. Client understands that KPMG's conclusions are not binding on tax authorities or the courts and should not be construed as a representation, warranty or guarantee that the tax authorities or courts will agree with KPMG's conclusion.

c. Client is also responsible for ensuring that KPMG's advice is implemented strictly in accordance with KPMG's recommendations. KPMG is not responsible for any penalties or interest assessed against Client as a result of a failure by Client to provide KPMG with accurate and complete information.

d. Unless expressly provided for, KPMG's services do not include representing Client in the event of a challenge by the Canada Revenue Agency or other tax or revenue authorities.

30. TAX SERVICES FOR SEC REGISTERED AUDIT CLIENTS AND/OR US TAX SERVICES

a. In circumstances where the services provided by KPMG hereunder: (i) involve the delivery of any tax services, Client is or is an affiliate of (whether at the time of the engagement or at any point thereafter) an entity that is registered with the United States Securities and Exchange Commission ("SEC"), and Client or such affiliate is audited by KPMG; or (ii) involve the delivery of US tax services, then the prohibition regarding the distribution of KPMG's reports and written advice set out in Section 5 of these Terms and Conditions shall not apply and no provision of the Engagement Letter is or is intended to be construed as a condition of confidentiality in relation to the tax services to which (i) and/or (ii) above are applicable. Further, in respect of the services to which (i) and/or (ii) above are applicable, no provision in the Engagement Letter or these Terms and Conditions is or is intended to be construed as a condition of confidentiality within the meaning of Internal Revenue Code ("IRC") sections 6011, 6111, 6112 or the regulations thereunder, or under any similar or analogous provisions of the laws of a state or other jurisdiction. In particular, Client (and each employee, representative, or other agent of Client) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of any transaction within the scope of the engagement and all materials of any kind (including opinions and other tax analyses) that are provided to Client relating to such tax treatment and tax structure. Client also agrees to use commercially reasonable efforts to inform KPMG of any conditions of confidentiality imposed by third party advisors with respect to any transaction on which KPMG's advice is requested. Such notification must occur prior to KPMG providing any advice with respect to the transaction.

b. For certainty, Section 5 of these Terms and Conditions shall continue to apply in its entirety, and this Section 30 shall not apply, to any tax services to which subsection 30(a)(i) and/or (ii) above are not applicable. In this Section 30, the term "affiliate" is interpreted as that term is used by the SEC with reference to auditor independence rules.

c. In respect of any tax services to which subsection 30(a)(i) or (ii) above are applicable, any reports or advice ("Tax Deliverable") released to Client in any form or medium shall be supplied by KPMG on the basis that it is for Client's benefit and use only. If Client refers to or discloses in whole or in part any Tax Deliverable to any third party, Client shall notify such third party in writing as follows: that (i) the tax services performed by KPMG for Client were designed to meet Client's agreed requirements only, as determined by Client's needs at the time; (ii) any product of the tax services should not be regarded as suitable to be used or relied upon by any party wishing to acquire any rights against KPMG other than Client; (iii) KPMG does not assume any responsibility in respect of the tax services performed for Client, any product of the tax services, or any judgments, conclusions, opinions, findings or recommendations that KPMG may have formed or made, to any party except Client; (iv) to the fullest extent permitted by law, KPMG accepts no liability in respect of any such matters to any other person; and (v) should any person or entity except Client choose to rely on the tax services or any product thereof, that person or entity will do so at their own risk. Notwithstanding the foregoing, (A) in the event of a disclosure made by Client that is required by law, that is made to a regulatory authority having jurisdiction over Client, or that is made pursuant to subsection 30(a) above, no such notification shall be required and (B) no such notification shall be required with respect to disclosures expressly authorized by the Engagement Letter.

d. If Client refers or discloses in whole or in part any Tax Deliverable to any third party but does not notify such third party in writing as required in subsection 30(c) above, Client shall compensate KPMG and reimburse

KPMG for and protect, indemnify and hold harmless KPMG against any Claim incurred by KPMG (including, without limitation, reasonable legal fees) as a result of, arising from or in connection with any such reference or disclosure, unless KPMG has agreed in writing with such third party to accept responsibility and liability to that third party in respect of the tax services and the Tax Deliverable. If any payment is made by Client under this subsection 30(d), Client shall not seek recovery of that payment from KPMG at any time. In this subsection 30(d), "KPMG" shall include KPMG and its subsidiaries, its associated and affiliated entities and their respective current and former partners, directors, officers, employees, agents and representatives, and "Client" shall include Client, Client's affiliates and any other beneficiaries of KPMG's tax services. The foregoing indemnification obligations shall apply regardless of the form of Claim, whether in contract, statute, tort (including, without limitation, negligence) or otherwise.

e. Treasury regulations under IRC section 6011 require taxpayers to disclose to the IRS their participation in reportable transactions and IRC section 6707A imposes strict penalties for noncompliance. Client agrees to use commercially reasonable efforts to inform KPMG if Client is required to disclose any transaction covered by the Engagement Letter as a reportable transaction to the IRS or to any state or other jurisdiction adopting similar or analogous provisions. IRC section 6111 requires a material advisor with respect to a reportable transaction to disclose information on the transaction to the IRS by a prescribed date, and IRC section 6112 requires the material advisor to maintain, and make available to the IRS upon request, a list of persons and other information with respect to the transaction. KPMG will use commercially reasonable efforts to inform Client if KPMG provides Client's identifying information to the IRS under IRC section 6111 or 6112, or to any state or other jurisdiction adopting similar or analogous provisions.

f. For engagements where services will be provided by a KPMG International member firm with offices located in California, Client acknowledges that certain of KPMG's personnel who may be considered "owners" under the California Accountancy Act and implementing regulations (California Business and Professions Code section 5079(a); 16 Cal. Code Regs. sections 51 and 51.1) and who may provide services in connection with the engagement, may not be licensed as certified public accountants under the laws of any of the various states.

31. DUE DILIGENCE SERVICES (TAX AND TRANSACTION SERVICES)

a. The procedures KPMG will perform are limited to those referred to in the Engagement Letter and its appendices. The procedures KPMG will perform are limited in nature and extent to those determined by Client to meet its needs and, as such, will not necessarily disclose all significant matters about Target or reveal errors in the underlying information, instances of fraud, or illegal acts, if any. KPMG provides no assurance and makes no representation regarding the sufficiency of the procedures either for the purpose of the proposed transaction in the context of which KPMG has been engaged or for any other purpose. KPMG's findings will not constitute recommendations to Client as to whether or not Client should proceed with any proposed transactions. In performing the procedures and reporting its findings, KPMG will rely exclusively upon information provided to KPMG by Target, its personnel and advisors, Client's advisors, and Client, and any publicly available information KPMG obtains, and will not independently verify the accuracy or completeness of such information. KPMG's procedures with respect to Target's financial information will be substantially less in scope than any audit or other attestation standards, including without limitation those established by the Auditing and Assurance Standards Board and the Chartered Professional Accountants of Canada. Consequently, KPMG expresses no opinion and will provide no other form of assurance on Target's prospective financial information, financial statements or Target's internal control over financial reporting.

b. Client agrees to review reports promptly and to advise KPMG on a timely basis of any additional procedures Client would like KPMG to perform or areas to address.

c. In the event KPMG performs procedures related to future-oriented financial information, KPMG will not compile, examine, or apply other assurance procedures to such information and, accordingly, will express no opinion or any other form of assurance or representations concerning its accuracy, completeness or presentation format. Future-oriented financial information is based on assumptions regarding future events, actual results will vary from the information presented and the variations may be material.

d. Unless specifically requested by Client, KPMG is not obligated to provide a copy of the report to Target for the purpose of confirming Target's

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representations concerning the accuracy of the factual information presented in the report. If Client would like Target to review the report, KPMG will require Client and Target to indemnify KPMG for any Claims arising out of or relating to such review on such terms and conditions specified by KPMG in its sole discretion. In certain instances, Client may request that KPMG's report be distributed to a third party for informational purposes. KPMG will consider consenting to distribution based on such factors as the identity of the third party and the third party's intended use of the report. If KPMG agrees to the distribution of the report to a third party, Client agrees to execute and agrees to require the third party to execute an agreement in the form provided by KPMG regarding the release of information.

e. Client expressly acknowledges and agrees that if Client and Target (as such terms are defined in the Engagement Letter) are the same entity, that all references herein to "Target" shall be deemed to be references to "Client".

f. The provisions of subsections 3(c)-(d) and Section 6 shall apply to information about Target provided to KPMG in the course of performing the services under the Engagement Letter. Client agrees to use all reasonable efforts to arrange for KPMG's access to Target's personnel and advisors, business offices and financial information as required for KPMG to perform the services contemplated by the Engagement Letter.

g. If KPMG serves as independent auditors of Target or another party disclosed to Client, or provides any other audit or attestation services to Target or such other party (such as the target of a contract compliance review or a party having a connection to an investigation or proceeding), Client hereby acknowledges and agrees that KPMG may be in possession of confidential information concerning Target or such other party that may be relevant to Client's due diligence procedures or other services KPMG is providing to Client under the Engagement Letter and that such information will not be disclosed to Client unless Target or such other party provides prior written consent to such disclosure or provides such information directly to Client or to the KPMG engagement team serving Client for purposes of the services under the Engagement Letter.

32. LOBBYING

Unless expressly stated in the Engagement Letter, KPMG will not undertake any lobbying activity, as that term is defined in all applicable federal, provincial and municipal lobbyist registration statutes and regulations, in connection with the engagement. In the event that KPMG and Client agree that KPMG will undertake lobbying activity in connection with the engagement, such agreement shall be set out in an amendment to the Engagement Letter.

33. LLP.

KPMG LLP is a registered limited liability partnership ("LLP") established under the laws of the Province of Ontario and, where applicable, has been

registered extra-provincially under provincial LLP legislation. KPMG is a partnership, but its partners have a degree of limited liability. A partner is not personally liable for any debts, obligations or liabilities of the LLP that arise from a negligent act or omission by another partner or any person under that other partner's direct supervision or control. The legislation relating to limited liability partnerships does not, however, reduce or limit the liability of the firm. The firm's insurance exceeds the mandatory professional indemnity insurance requirements established by the relevant professional bodies. Subject to the other provisions hereof, all partners of the LLP remain personally liable for their own actions and/or actions of those they directly supervise or control.

34. ALTERNATIVE DISPUTE RESOLUTION.

The parties shall, and shall cause both their and their respective subsidiaries', affiliates' and associated entities' current and former officers, partners, directors, employees, agents and representatives, to first attempt to settle any dispute arising out of or relating to the Engagement Letter or the services provided hereunder (the "Dispute") through good faith negotiations in the spirit of mutual cooperation between representatives of each of the parties with authority to resolve the Dispute. In the event that the parties are unable to settle or resolve a Dispute through negotiation within 30 days of when one of the parties has notified the other party of the Dispute by delivering a notice of dispute, or such longer period as the parties may mutually agree upon, such Dispute shall, as promptly as is reasonably practicable, be subject to mediation pursuant to the National Mediation Rules of the ADR Institute of Canada, Inc. that are in force at the time the notice of dispute is delivered. Any Dispute remaining unresolved for more than 60 days following the parties first meeting with a mediator or such longer period as the parties may mutually agree upon shall, as promptly as is reasonably practicable, be resolved by arbitration pursuant to the Arbitration Rules of the ADR Institute of Canada, Inc. (the "Arbitration Rules") that are in force at the time the Dispute is subject to arbitration. For certainty, the parties hereby waive any right they may otherwise have to bring a court action in connection with a Dispute. The parties also waive any right they may otherwise have to bring or participate in a class, collective or representative proceeding in connection with a Dispute, whether in court or before an arbitrator. The arbitrator's decision shall be final, conclusive and binding upon the parties, and the parties shall have no right to appeal or seek judicial review of the arbitrator's decision. For certainty, the parties hereby waive any right of appeal which may otherwise be available under applicable legislation or under the Arbitration Rules. The place of mediation and arbitration shall be the city in Canada in which the principal KPMG office that performed the engagement is located. The language of the mediation and arbitration shall be English.

Decision ___ Information X

To: Hastings and Prince Edward District School Board

From: Student Trustees - Aashvi Shah, Clara Vance, Julia Webster

Re: Vaping in Bathrooms

Purpose

To update the Board and other stakeholders on student voice regarding the subject of vaping in bathrooms and Board Code of Conduct and School Code of Conduct Safety Policy 5b ix:

“All member of the school community must not:

ix) be in possession of, or be under the influence of alcohol, cannabis (unless the individual has been authorized to use cannabis for medical purposes), and illegal drugs;”

Background

The Student Voice group established by the student trustees in September 2023 has outlined vaping in bathrooms as a priority issue among students. The topic has been discussed at each meeting and extensive brainstorming has taken place among the group. The following is a response received in a Google Form to secondary students which outlines the extent to which vaping in bathrooms impacts students:

“I feel strongly about the topic of smoking, drugs and alcohol and how many students do these things. I feel even more strongly about vaping because many students vape inside my school and do not get in trouble because they are not caught. I think that there needs to be more enforcement of the rules against smoking, vaping. The bathroom is always filled with students vaping, and the people who need to use the bathroom have to get past the groups of students in the way of the stalls and sink. It makes me and many others uncomfortable.”

- *Grade 11, Prince Edward Collegiate Institute (2023)*

Current situation

In several meetings, the Student Voice group has discussed various potential solutions to the vaping problem in bathrooms and would now like to bring forward some suggestions to the board.

Next Steps

The following steps are those that the Student Voice group recommends to the board.

Expectations for the Board:

1. Partner with Hasting and Prince Edward Public Health to impose discipline (in the form of warning letters, fines, and suspensions) on students found to be in violation of Board Policy.

Expectations for each school:

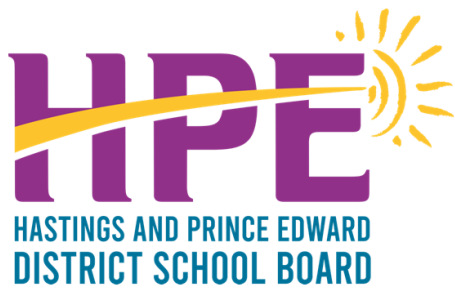
1. organize scheduled visits from Public Health Officers to schools, or in locations outside of Belleville, be responsible for the submission of an [Incident Report](#) to HPE Public Health if students are found vaping on school property.
2. conduct inspections of school property to ensure all areas of the property are smoke-free, especially during transition times such as breaks and lunch.
3. ensure posters are put up which warn students about the imposition of fines for vaping on school property.

4. issue warnings for non-compliance.

The Student Voice group has decided on these actionable steps because they can be implemented quickly and at minimal to no cost.

Some additional ideas for bathroom safety include:

- An increased number of tables/eating spaces for students at lunch to prevent the overcrowding of bathrooms.



Decision X Information

To: Hastings and Prince Edward District School Board

From: Trustee Robertson, Chair of the Director's Performance Appraisal – Ad Hoc Committee

Re: Recommendation - Director's Performance Appraisal 2024

Purpose

To bring forward a recommendation to the Board.

Background

The Director's Performance Appraisal (DPA) Ad Hoc Committee members had five meetings: April 10th, 18th, May 2nd, June 5th and June 11th, 2024. The Chair of the committee reported to the Board on each of these meetings.

Next Steps

As per the Terms of Reference for the Ad Hoc Director's Performance Appraisal Committee, the Chair of the Committee brings forward a letter to be presented to Director MacIver. Approval of this recommendation shall dissolve the Director's Performance Appraisal Ad Hoc Committee.

Recommendation

Moved:

Seconded:

That the Hastings and Prince Edward District School Board present Director MacIver with a management letter and dissolve the Director's Performance Appraisal Ad Hoc Committee effective June 17, 2024.

To: Hastings and Prince Edward District School Board

From: Bryce Wilson, Superintendent, Business Services
Kim Horrigan, Senior Manager, Facility Services

Re: Report on Projects between \$500K & \$1M

Purpose

To provide board notification for all construction or renovation projects exceeding \$500,000 and up to \$1 million in accordance with [Procedure 505: Procurement](#).

Link to Strategic Plan

5.3 "Ensure Responsible Communication" - Improve public relations by providing information that is timely, transparent, and accessible for all.

Background

This information is provided in accordance with [Procedure 505: Procurement](#) (6.e.i), which requires that board notification is required for all construction or renovation projects exceeding \$500,000 and up to \$1 million.

Current situation

The table below illustrates the tenders for building renewal projects over \$500,000 and less than \$1 million that have been evaluated and awarded in the 2023-2024 school year.

Name of School & RFQ	Closing Date	Awarded To	Value
Athol South Marysburgh Public School MECHANICAL RENEWAL	April 11, 2024	Strong Bros.	\$802,654.78
Bayside Secondary School/Bayside Public School PAVED PATHWAY	September 28, 2023	AI White Construction	\$507,657.50
Eastside Secondary School WINDOW REPLACEMENT	April 12, 2024	K. Knudsen Construction	\$927,108
Foxboro Public School SEPTIC SYSTEM REPLACEMENT	February 21, 2024	AI White Construction	\$932,638.50
Madoc Township Public School BOILER & FUEL SYSTEM REPLACEMENT (Phase 2)	April 2, 2024	Hamilton Smith	\$630,000
Massassaga-Rednersville CISTERN REPLACEMENT & PAVING	June 7, 2024	Information currently in evaluation process	
North Hasting High School NISH SPACE	June 4, 2024	Beacon Construction	\$977,050.74.
Prince Charles Public School (Belleville) TRAFFIC CIRCLE	May 16, 2024	Morven Construction Ltd.	\$499,604.00

To: Hastings and Prince Edward District School Board

From: Ken Dostaler, Superintendent of Education, Special Education Services
Tina Elliott, Superintendent of Education, Curriculum Services
Tina Jones, Superintendent of Education, Inclusion and Innovation Services

Re: Student Achievement Plan Update

Purpose

To provide an update on the Student Achievement Plan process and Ministry of Education submission.

Links to Strategic Plan

- Improve student success and achievement.
- Provide timely, transparent and accessible communications to all.

Background

On July 28, 2023, the Ministry of Education (MOE) issued a memorandum detailing key reforms under the Better Schools and Student Outcomes Act, 2023. These reforms include provincial priorities for Student Achievement: Core Academic Skills, Preparation for Future Success, and Student Engagement and Well-being. Following MOE directives, the school board published the [HPEDSB Student Achievement Plan](#) (SAP) to enhance transparency in April 2024.

Current Situation

Public consultation on the Student Achievement Plan is mandated during the last two months of the school year and the first two months of the subsequent year. A ThoughtExchange survey is currently underway with parents/guardians, seeking feedback on the Hastings Prince Edward DSB priorities, goals, actions, and modes of sharing information. The survey has been shared with each parent/guardian via School Messenger and promoted through social media and will remain open for completion until June 24, 2024.

Information gleaned from trends in the data and feedback from stakeholders will inform SAP action design that align with specific initiatives outlined in our multi-year Strategic Plan, the Math Achievement Action Plan, the Equity Plan, the Special Education Plan and the Board Action Plan for Indigenous Education, department plans, and school achievement plans. The HPE Student Achievement Plan will be submitted to the Ministry of Education as of June 28, 2024.

Next Steps

- Submit the completed HPE Student Achievement Plan to the Ministry of Education as of June 28, 2024.
- Provide updates on achievement data and progress on the Student Achievement Plan to the Student Learning, Well-being and Equity Committee in early Fall 2024.
- Conduct a parent/guardian consultation in late October 2024 to share progress on student achievement and gather further feedback to refine the SAP.

Appendix

Ministry of Education Student Achievement Plan

Student Achievement Plan

PURPOSE:

Levelling up achievement outcomes and experiences for every student.

For each priority and indicator, school boards will use board-level data on their student populations to further refine actions.



PRIORITY:
Achievement of Learning Outcomes in Core Academic Skills



PRIORITY:
Preparation of Students for Future Success



PRIORITY:
Student Engagement & Well-being

Goal: Improve students' literacy learning and achievement.

Indicators:

1. % of students who meet or exceed the provincial standard on:
 - Grade 3 EQAO Reading
 - Grade 3 EQAO Writing
 - Grade 6 EQAO Reading
 - Grade 6 EQAO Writing
2. % of fully participating, first-time eligible students who are successful on the OSSLT/TPCL

Goal: Improve students' math learning and achievement.

Indicators:

3. % of students who meet or exceed the provincial standard on:
 - Grade 3 EQAO Math
 - Grade 6 EQAO Math
 - Grade 9 EQAO Math

Goal: Improve students' graduation rates and preparedness for future success.

Indicators:

4. % of students who earn 16 or more credits by the end of Grade 10
5. % of students participating in at least one job skills program (Specialist High Skills Major, Dual Credits or Ontario Youth Apprenticeship Program)
6. % of students graduating with an OSSD within five years of starting Grade 9
7. % of students enrolled in at least one Grade 12 math or Grade 11 or 12 science courses
8. % of students who believe their learning has prepared them for the next step in their learning experience (i.e. next grade, post secondary, etc)

Goal: Improve students' participation in class time and learning.

Indicators:

9. % of students in Grades 1-8 whose individual attendance rate is equal to or greater than 90 percent
10. % of students in Grades 4-12 who were suspended at least once

Goal: Improve student well-being.

Indicators:

11. % of Grade 6, 9 and 10 students who report being aware of mental health supports and services in order to seek supports for mental health

Calendar of Events

Trustee Events	Name of Event
July 3-5, 2024	2024 Canadian School Boards Association Congress and National Trustee Gathering on Indigenous Education
Committee Meetings	Committee Name
School	Events
Bayside Secondary School	<ul style="list-style-type: none"> June 27, 2024 @ 6:00 p.m. @ Duncan McDonald Memorial Arena
Centennial Secondary School	<ul style="list-style-type: none"> June 27, 2024 @ 5:00 p.m., @ CSS Gymnasium
Central Hastings School	<ul style="list-style-type: none"> June 26, 2024 @ 6:00 p.m. CHS Gymnasium
Eastside Secondary School	<ul style="list-style-type: none"> June 27, 2024 @ 6:00 p.m. @ ESS Gymnasium
North Hastings High School	<ul style="list-style-type: none"> June 27, 2024 @ 7:00 p.m. @ NHHS Gymnasium
Prince Edward Collegiate Institute	<ul style="list-style-type: none"> June 27, 2024 @ 6:00 p.m. @ Picton Community Centre
Trenton High School	<ul style="list-style-type: none"> June 26, 2024 @ 6:00 p.m. @ THS
School within a College	<ul style="list-style-type: none"> June 19, 2024 @ 11:30 a.m. @ Loyalist College
Quinte Adult Education	<ul style="list-style-type: none"> June 20, 2024 @ 4:00 p.m. @ Kirk Building