
2011–12 Grants for Student Needs

OVERVIEW

March 2011

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Purpose

- To provide school boards and other key stakeholders with an overview of the major elements proposed for the 2011–12 Grants for Students Needs (GSN).

It should be noted that a regulation to govern grants to school boards in their 2011–12 fiscal year has not yet been made. The information in this presentation is provided in the absence of such a regulation.

The initiatives and investments described herein must be implemented by, and are conditional upon, the making of such a regulation by the Lieutenant Governor in Council.

The Ministry intends to seek such a regulation in April 2011 and will advise you if such a regulation is made.



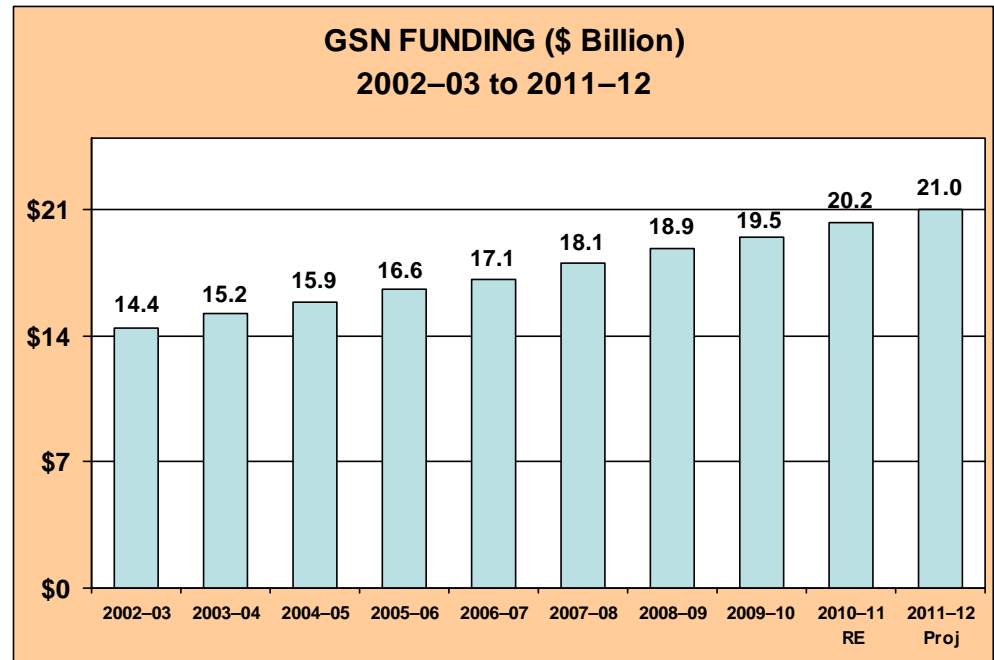
Context for Decision Making

The Grants for Student Needs Funding Formula Review:

- The Review was launched in 2010.
- More than 30 hours of consultations were held with key stakeholders, and over 150 pages of submissions were received.
- The suggestions and concerns that emerged from this review process were carefully considered, and the Government is moving on as many of them as it can, given the current fiscal context.

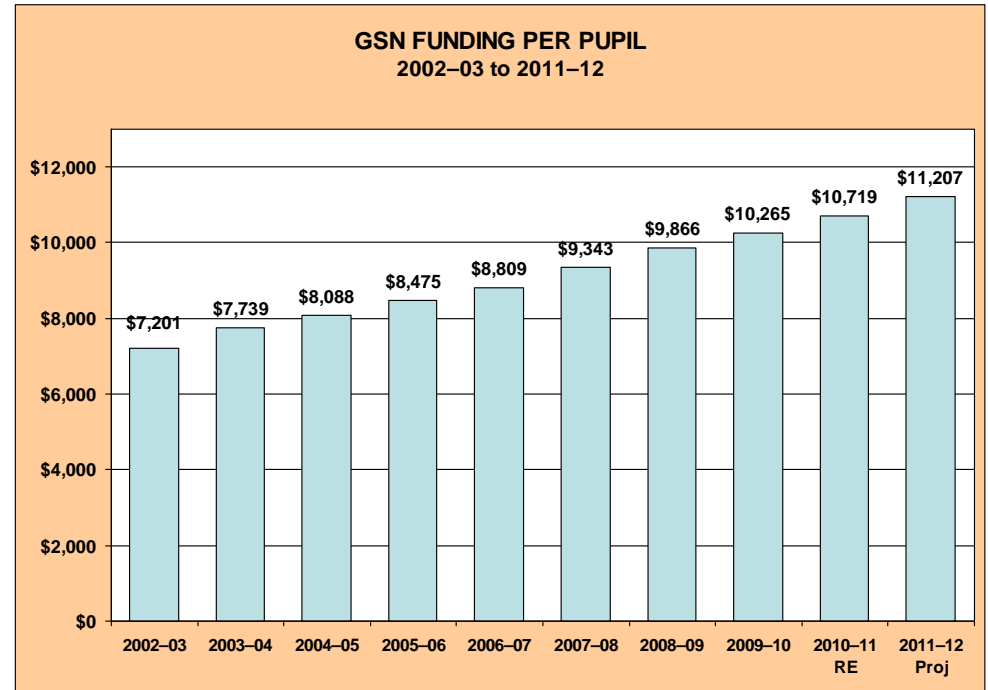
Overview – Total Funding

- The Grants for Student Needs (GSN) in 2011–12 is projected to be about \$21B, or:
 - almost \$770M (3.8%) more than in 2010–11; and
 - over \$6.6B (46%) more in operating funding compared to the 2002–03 school year.



Overview – Per-pupil Funding

- Per-pupil funding in 2011–12 is projected to rise to \$11,207. This is an increase of:
 - \$489 (4.6%) more per pupil compared to the 2010–11 school year; and
 - \$4,006 (56%) more per pupil compared to the 2002–03 school year.



Provincial Discussion Table Agreements

- In 2011–12, the sector will be entering the fourth and final year of the Provincial Discussion Table Agreements (PDTs) for the 2008–12 period.
- Most of the enhancements that will be implemented in 2011–12 will provide school boards with the resources to meet their commitments under these agreements.
- Despite its continuing fiscal challenges, the Government is committed to supporting continued labour peace and stability.
- The 2011–12 GSN will be funding the costs for Year 4 of the current 2008–12 PDTs, which includes a 3% salary increase for teaching and non-teaching staff who bargain collectively.

More Supports for Student Achievement

- \$52.7M for 578 more funded **elementary specialist teachers** to support 10 additional minutes of preparation time.
- \$12.7M for 137 funded **Grade 4–8 teachers** to reduce class sizes to 24.5 to 1 by 2012–13.
- \$120.3M to increase the number of working days for **education assistants** from 188 to 194.
- \$9.5M for increased **professional learning** opportunities for elementary teachers.
- \$20.0M for 214 funded **secondary teachers** to support locally developed strategies to expand secondary programming.

Keeping up with Costs: OMERS Contributions

- In July 2010, the Ontario Municipal Employees Retirement Systems (OMERS), which is the pension plan for most non-teaching staff, announced that contribution rates would be going up by 2.9% over three years beginning with a 1% increase in January 2011.
- To address this cost pressure, new GSN funding is being allocated to school boards for the contribution increases as follows:
 - For 2010–11, retroactive payments totalling \$21M for the current school year (January 1 to August 31, 2011), will be made to boards through a table amount in the 2010–11 GSN regulations.
 - For 2011–12, funding will be allocated to boards through an additional 1.67% increase to the Foundation Grants' benefits benchmarks for non-teaching staff, with similar adjustments to the benchmarks in the affected special purpose grants. This support will provide boards with an additional \$49.9M in 2011–12.



Keeping up with Costs: School Operations

- The non-staff portion of the School Operations Allocation benchmark will be increased by 2% again this year to help boards manage increases in commodity prices and insurance costs.
- In addition, we will also be allocating a further \$4.1M specifically to help school boards with projected increases in electricity costs.
- This increase brings total School Operations funding to \$1.96B, which represents a 36% increase under this Government.

Keeping up with Costs: Transportation

- The cost benchmark for the Student Transportation Grant will be increased by 2% again this year to recognize higher fuel, capital, and other costs. As in previous years, boards with transportation surpluses equal to, or greater than the 2% cost benchmark increase, will be ineligible for this enhancement.
- The Ministry will update the pegged price of fuel in the Fuel Escalator and De-escalator Allocation as part of the cost benchmark increase. This update will help ensure funding stability for boards in the event of fuel price market volatility.
- As with 2010–11, the stable funding guarantee for declining enrolment boards will be based on 50 percent of enrolment decline for 2011–12.
- In March 2009, we introduced a 1% reduction in transportation allocations for boards with routing and technology ratings below “high.” A 1% reduction followed in 2010–11 and a 1% reduction will also be implemented in 2011–12.
- Despite these savings measures, the Student Transportation Grant will increase to \$845M in 2011-12 – a 34% increase under this Government.

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Keeping up with Costs: Community Use of Schools

- The Community Use of Schools Allocation (CUS) will also be increased again this year by \$0.6M to support affordable school space for after-school activities.
- This additional funding, which helps cover the impact of inflation, brings the total allocation for CUS through the GSN to \$28.1M in 2011–12.
- Funding is also available to support Community Use of Schools outside the GSN.



Supporting Reform: Transportation

- The first Effectiveness and Efficiency (E&E) reviews began in 2006–07 as part of the Ministry’s student transportation reform strategy. To date, the Ministry has conducted E&E reviews on all consortia in the province, including four follow-up reviews.
- It is expected that all consortia will receive an overall “high” rating in their follow-up reviews, which will result in funding resets.
- To ensure the ongoing success of the reform strategy, the government will continue with the follow-up reviews which may result in funding adjustments in 2011–12.

Grant Updates, Refinements and Reforms: Census Updates

- Prior to 2010–11, four allocations were relying on outdated Canadian census data in their formulas:
 - Learning Opportunities Grant (LOG)
 - English as a Second Language (ESL)
 - Actualisation linguistique en français (ALF)
 - Safe Schools Supplement
- In 2010–11, these formulas were adjusted so that the most up-to-date census data (2006) were used to calculate all four allocations.
- The updates for ALF and the Safe Schools Supplement were fully implemented for the 2010–11 school year. The updates to LOG and ESL are being phased in over 4 years to limit the annual redistribution impacts.
- 2011–12 is the second year of the four-year phase in.

Grant Updates, Refinements and Reforms: Phase out of Distant Schools Allocation

- The Distant Schools Allocation (DSA) was established in 2003–04 and was largely replaced in 2007–08 by the Supported Schools Allocation and the School Foundation Grant.
- These allocations were never fully harmonized. As a result, there are frozen or outdated elements of the DSA that should be eliminated, such as:
 - “Hold Harmless” funding that was used to help in the transition from DSA to the Supported Schools Allocation; and
 - funding for Distant Schools that are not Supported Schools.
- 2011–12 is the second year of the three-year phase out that was announced in 2010–11.

Grant Updates, Refinements and Reforms: First Nations, Métis and Inuit Supplement

- The First Nations, Métis and Inuit (FNMI) Supplement was introduced in 2007–08 to support programs designed for Aboriginal students.
- To allow boards to offer these programs despite limited enrolment, the funding benchmarks for Native Studies and Native Languages were originally based on an average class size of 8 students.
- With take-up having increased significantly, the average class size for funding purposes is being increased accordingly to twelve students.

Grant Updates, Refinements and Reforms: *Supervised Alternative Learning*

- Currently, students enrolled in Supervised Alternative Learning (SAL) programs are funded as full-time pupils (1.0 FTE), although they are not in a full-time program of studies.
- Beginning in 2011–12, students in SAL will be funded as 0.5 FTE, plus the appropriate FTE adjustments to a maximum of 1.0 FTE for any academic program that they are taking.



Transfers into the GSN

- Funding support for FDK transportation will be transferred from Education Program - Other (EPO) to the GSN.
- This funding will be allocated to boards based on approval of submissions made to the Ministry.

Capital Funding

- The Ministry will be providing boards with \$150M in funding for school renewal needs in each of the next three years through a new School Condition Improvement Allocation.
- Limited multi-year capital funding will be available to school boards for the next three years beginning in 2011-12.
- The Ministry will allocate up to \$600M in funding for major capital projects, including building or purchasing schools, building additions, or undertaking major retrofits to existing schools.
 - The focus will be on funding the most urgent and pressing needs to address accommodation pressures and facility condition and/or facility utilization, including support for under-served French-language rights holders
- The Ministry is continuing the Temporary Accommodation Allocation, introduced in 2010-11, to support the cost of portable moves, leases and purchases, as well as lease costs for permanent instruction space.
- The capital allocation also includes funding to support acquisition of land for new schools from third parties where required.

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Capital Funding (FDK)

- Over \$450M has been provided to boards to meet the accommodation needs of the first three years of the FDK program.
- Starting in the 2011–12 school year, school boards will be able to use up to 2.5% of their FDK capital funding allocations in any single year to lease or relocate portables as a temporary solution to address FDK-related accommodation needs.
 - Boards will be limited to spending a lifetime maximum of 5% of their FDK capital funds on portable leases and relocations.
- The 2010-11 and 2011-12 GSN will reflect the recently announced FDK funding allocations to address the major capital needs of Year 3 sites.
- The 2011-12 GSN will reflect the Year 3 FDK capital allocations to address First-Time Equipping and Minor Renovation needs (\$10,000 per funded FDK classroom).

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Savings Measures Already Announced

- As previously announced (March 2009), the following savings measures will take effect in 2011–12:
 - **Facilities Top-Up:** Top-up funding for schools with enrolment below capacity will be reduced to a maximum of 15% of capacity in 2011–12, from the current 18%. As previously announced, Supported Schools and Rural Schools will continue to receive top-up at 100% of capacity.
 - **Board Administration:** School Board Administration and Governance Grant will be reduced by \$6.8M in 2011–12, and a further \$6.4M the following year, yielding an overall savings target of \$15.4M in savings by 2012-13.
 - **Transportation:** a 1% reduction in transportation allocations for boards with routing and technology ratings that are below “high.”

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New Savings Measures

- The following new savings measures will be implemented in 2011–12:
 - **Classroom Computers:** the two-year savings measure announced in 2009–10 will be extended for one additional year for a savings of \$24.9M.
 - **Staff Professional Development:** savings will be achieved through a reduction in the Staff Development component in the Pupil Foundation Grant benchmarks. A similar one-time measure was announced in 2009–10. The current measure will yield \$21.3M in savings.

New Savings Measures (cont'd)

- **No New Funding for Salary Increases for Staff Who Do Not Bargain Collectively:** For 2011–12, the 3% increase for staff who do not bargain collectively will not be flowed to boards.

Boards' funding levels have been calculated based on board staffing data and will show as a table amount in the 2011–12 GSN regulation. This measure will yield \$10M in savings.

Process Improvements: Updates

- **Board Administration and Governance Grant Advisory Group:** In 2010, the Ministry established the Advisory Group to provide advice on the development of a new allocation model for the School Board Administration and Governance Grant. The Advisory Group expects to report in time for the successor model to be implemented in the 2012–13 school year.
- **Special Education Consultations:** Regional and sector discussions were held during September and October, 2010 with major special education stakeholders. The findings of the Fall discussions were presented at the February 15, 2011, one-day session, as part of the 2011–12 GSN consultations. In the Spring 2011, the Ministry will initiate a review to examine reasons for the variation in board reporting of students with special education needs, as well as matters related to the Special Equipment Amount (SEA).

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Process Improvements: Updates (cont'd)

- **School Operations Allocation Review:** The School Operations Working Group was established as a forum for the Ministry, the PDT unions, and school boards to collect and analyse data, to identify and discuss issues, and to develop recommendations regarding the funding of school operations.

The Working Group has had two meetings (February 9th and March 21st) to discuss and analyze the data. Meetings are scheduled for May 9th and June 20th.

Process Improvements for Reform

- The Ministry will be moving forward on a variety of process improvements designed to make school finances more efficient. These include:
 - Examining EPO programs with a view to rolling mature programs into the GSN;
 - Examining current reporting requirements to reduce and consolidate the number of reports that the Ministry requires from boards;
 - Working with school boards to increase and expand the range of consortia opportunities (e.g., back-office functions, IT);
 - Using the School Board Administration and Governance Grant Review process to look at workload pressures identified by board administrators;
 - Working with Indian and Northern Affairs Canada (INAC) to address issues with tuition fee agreements; and
 - The Spring 2011 special education review will look into reporting practices and the compliance level of SEA Claims-based applications, and will discuss the SEA Per Pupil Amount.

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Due Date for Submissions

- The Ministry has established the following dates for submission of financial reports in the 2011–12 school year:
 - **June 30, 2011** Board Estimates for 2011–12
 - **November 15, 2011** Board Financial Statements for 2010–11
 - **December 15, 2011** Board Revised Estimates for 2011–12
 - **May 15, 2012** Board Financial Report for September 1, 2011 to March 31, 2012
- The Ministry expects that Estimates forms will be available on EFIS in mid-April, 2011.

Investments Outside the GSN

- As in previous years, the Government will continue to support other education initiatives that advance student achievement, including FDK, with investments outside the GSN.
- Details of initiatives funded through “Education Programs – Other” (EPO) transfer payments and “Official Languages in Education” (OLE) transfer payments will also be announced today.