

Education Funding

## **Technical Paper (Draft)**

2008–09

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Ministry of Education

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It should be noted that a regulation to govern grants to school boards in their 2008–09 fiscal year has not yet been made. The information in this document is provided in the absence of such a regulation.

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

The Ministry intends to seek approval for such a regulation in March/April 2008.



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# Introduction

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## Purpose

This paper contains details of the grant formulas and other criteria for education funding through the Grants for Student Needs (GSN) for the 2008–09 school year. It is intended to provide an overview of the formulas that are used to calculate school boards' 2008–09 allocations for budgeting and financial reporting purposes.

The grant formulas outlined in this paper are based on the following regulations: *Grants for Student Needs – Legislative Grants for the 2008-2009 School Board Fiscal Year*, *Calculation of Average Daily Enrolment for the 2008-2009 School Board Fiscal Year*, and *Calculation of Fees for Pupils for the 2008-2009 School Board Fiscal Year*.\*

## Changes for 2008–09

A summary of the changes in the 2008–09 education funding approach is outlined below. Further details are provided in the relevant sections of this paper.

In 2008–09, funding to school boards through the GSN is projected to be \$18.8 billion. The \$18.8 billion represents an increase of \$315 million over the GSN's projected allocation for the 2007–08 school year and does not include funding to support new collective agreements. Additional funding may be announced once discussions between boards and representatives of teaching and non-teaching staff to facilitate local long-term labour agreements are concluded.

Enhancements for the 2008–09 GSN include:

- commitments from the 2004–08 labour framework,
- enhancements for 2008–09 announced in August 2007,
- new Safe Schools Supplement,
- enhanced funding for improved student achievement,
- enhanced Community Use of Schools funding as a new grant, and
- funding to sustain existing capital commitments and support new capital programs.

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\* Should there be any discrepancy between this paper and the regulations, the regulations prevail.

In addition, funding for the New Teacher Induction Program and the Reporting Entity Project is being transferred to the GSN in 2008–09.

## **Four-Year Labour Framework (2004 to 2008)**

In the 2008–09 GSN, two remaining commitments from the 2004–08 labour framework are being met:

- \$103 million in recognition of the 0.7 percent increase for all salary benchmarks as of August 31, 2008, and
- \$44 million in recognition of a 10-minute increase in elementary teacher preparation time from 190 to 200 minutes, which funds 590 additional elementary specialist teachers.

## **August 2007 Enhancements**

In August 2007, the Government announced new funding for 2007–08 (\$182 million) and for 2008–09 (\$127 million). The enhancements for the 2008–09 school year announced in August are outlined below.

### **Special Education**

An additional \$10 million is being provided for special education in 2008–09. Boards will be advised of the allocation details at a future date.

### **Student Transportation**

An additional \$10 million is being provided for all boards to support wage enhancements for bus drivers.

A projected \$12 million to support the delivery of safe and effective transportation services where contract rates were below the cost benchmark was also announced in August 2007 for the 2007–08 school year. As a result of validation and verification of board-submitted data, revised funding of \$16.9 million was provided for 2007–08. This funding is being continued in 2008–09 and future years.

## **School Operations**

An additional \$10 million in 2008–09 supports an increase in school operations benchmarks and similar increases to the benchmarks for regular, rural, and supported schools top-up funding in the Pupil Accommodation Grant.

## **Staff Benefits**

An additional \$50 million in 2008–09 helps boards meet the actual costs of existing benefits for education assistants, office support staff, professionals, para-professionals, and classroom teachers, including teacher-librarians, guidance teachers and department heads. The \$50 million is being allocated through the Pupil and School Foundation Grants, the Primary Class Size (PCS) Reduction Amount, the Actualisation linguistique en français (ALF) component of the Language Grant, the Supported Schools Allocation of the Geographic Circumstances Grant, the Native Languages and the Native Studies components of the First Nations, Métis, and Inuit Education Supplement, and the Cost Adjustment and Teacher Qualifications and Experience Grant.

## **New Schools In Growth Areas**

An additional \$10 million in 2008–09 supports a further \$137 million for Growth Schools through the Pupil Accommodation Grant.

## **English as a Second Language (ESL)/English Literacy Development (ELD) and Perfectionnement du français (PDF)**

An additional \$10 million in 2008–09 enhances the ESL/ELD and PDF components of the Language Grant. This new funding is allocated by increasing the weighting factor used for second year immigrant students from 70 percent to 85 percent.

## **Program Enhancement Grant**

An additional \$10 million in 2008–09 increases the per-school amount of the Program Enhancement Grant to \$9,650 – an increase of \$2,150 per school, or almost 30 per cent.

## **Board Administration**

An additional \$10 million in 2008–09 increases the Board Administration Component of the School Board Administration and Governance Grant. All boards with less than 26,000 average daily enrolment (ADE) receive a base amount of \$200,000 in addition to the current base amount of \$91,216.

## **Continuing Education and Other Programs Grant**

An additional \$6.5 million increases the Continuing Education and Other Programs Grant to \$106 million. Boards will be advised of the allocation details of the \$6.5 million at a future date.

## **Safe Schools Supplement**

In 2008–09, funding for safe schools becomes a part of the GSN as the \$43.5 million Safe Schools Supplement.

The supplement has two allocations: a \$33.5 million Safe Schools Strategy Allocation (with a Professional Support Staff Component and a Program and Support Component), formerly allocated outside the GSN, and a new \$10 million Urban and Priority High Schools Allocation for urban schools struggling with safety issues and other challenges.

## **Funding for Student Achievement**

### **Special Education**

In addition to the \$10 million increase announced in August 2007, the Special Education Grant is being enhanced by \$57.3 million for the 2008–09 school year. The \$57.3 million supports the high needs funding levels for school boards as a transitional measure, and ensures supports for the highest needs students and for special education equipment and facilities.

### **First Nations, Métis, and Inuit Education Supplement**

The Per-Pupil Component of the First Nations, Métis, and Inuit Education Supplement is being increased by \$5 million. This new funding is unallocated on a board-by-board basis.

The current allocation, along with the new \$5 million, are being allocated using 2006 census data at a future date.

## **Community Use of Schools Grant**

To help make school space more affordable for use after hours, the \$20 million Community Use of Schools Grant is being increased by \$12.9 million, \$6.4 million of which is for Outreach Coordinators, bringing the total to \$32.9 million. The Community Use of Schools Grant, formerly part of the School Operations Allocation, is now a separate special purpose grant.

## **Utilities**

The utilities benchmark of the School Operations Allocation is being increased by 1 percent, or \$7 million, to address the rising cost of energy and utilities.

## **Non-salary benchmarks**

An increase of \$8.5 million, or 1 percent, is being provided for non-salary benchmarks to assist boards with the costs of textbooks, learning materials, classroom supplies, classroom computers, and school office supplies.

## **Student Transportation**

The Student Transportation Grant is being increased by \$27.1 million, or 3.5 percent, in addition to the \$10 million increase announced in August 2007, to support higher wages for bus drivers.

# **School Capital Programs**

## **New Capital Funding**

Additional capital funding is available to support \$750 million worth of capital projects.

- \$250 million is to address the backlog in school renewal needs. This funding is being allocated as Good Places to Learn (GPL) Stage 4 funding in 2008–09.
- \$500 million is for capital program priority needs, including Growth and Prohibitive to Repair schools.

## **New Schools in Growth Areas**

The criteria for Growth Schools have been expanded as follows:

- school boards without Education Development Charges by-laws are eligible for Growth Schools funding consideration; and
- the planned school is needed for the 2008–09, 2009–10, 2010–11, or the 2011–12 school year.

## **Short-term financing**

Boards are being reimbursed for their short-term interest costs incurred on projects that are underway. In 2008–09, where a board short-term finances by borrowing from its internal reserves, the Ministry recognizes these costs at the three-month Banker's Acceptance (BA) rate in effect on September 2, 2008.

In 2008–09, where a board short-term finances by external borrowing, the Ministry continues to recognize the short-term interest costs for the one-, two-, or three-month BA rate plus 20 points.

## **Programs Transferred to the GSN**

In addition to the funding for the Safe Schools Supplement, funding for two programs previously funded outside the GSN – the New Teacher Induction Program and the Reporting Entity Project – are being funded through the GSN starting in 2008–09.

### **New Teacher Induction Program**

Starting in the 2008–09 school year, current annual funding of \$15 million for the New Teacher Induction Program (NTIP) is being allocated as permanent funding through the GSN as a new component of the Cost Adjustment and Teacher Qualifications and Experience Grant. Funding is being allocated on the same basis as in previous years.

The New Teacher Induction Program (NTIP) provides a full year of professional support to new teachers to help them develop the requisite skills and knowledge to enable them to be effective in the classroom.

## **Reporting Entity Project**

Beginning in 2008–09, the \$6 million in funding for the Reporting Entity Project is being allocated as permanent funding through the GSN as part of the Board Administration component of the School Board Administration and Governance Grant. The allocation method is the same as that used for the 2007–08 school year.

## **Declining Enrolment Working Group**

From 2002–03 to 2007–08, enrolment declined by 68,000 students. This trend is expected to continue. While the Government has introduced a variety of changes to the funding formula to help boards with declining enrolment, the effect of these stabilizing measures has not been fully assessed.

The Ministry will establish a working group to assess current measures as well as other strategies that might help boards in adjusting costs to declining enrolment in ways that advance the goals of student achievement and student retention.

## **School Authorities**

Funding for school authorities is being adjusted in 2008–09 to reflect changes in funding to district school boards.

## **Investments Outside the GSN**

In 2008–09, the Government continues to support other important initiatives with \$270 million in investments outside the GSN. This includes funding for the first year of a commitment to provide school boards with an additional \$40 million over the next four years to hire approximately 160 more school library staff. Further information about 2008-09 funding outside the GSN will be provided in the near future.

## Further Information

If you have any questions about the material in this paper, please contact your Ministry of Education regional office finance officer or the following branches of the Ministry:

Capital Programs Branch	(416) 325-4242
Education Finance Branch	(416) 325-8407
School Business Support Branch	(416) 325-9243
Transfer Payments and Financial Reporting Branch	(416) 314-3711



## Education Funding Grants

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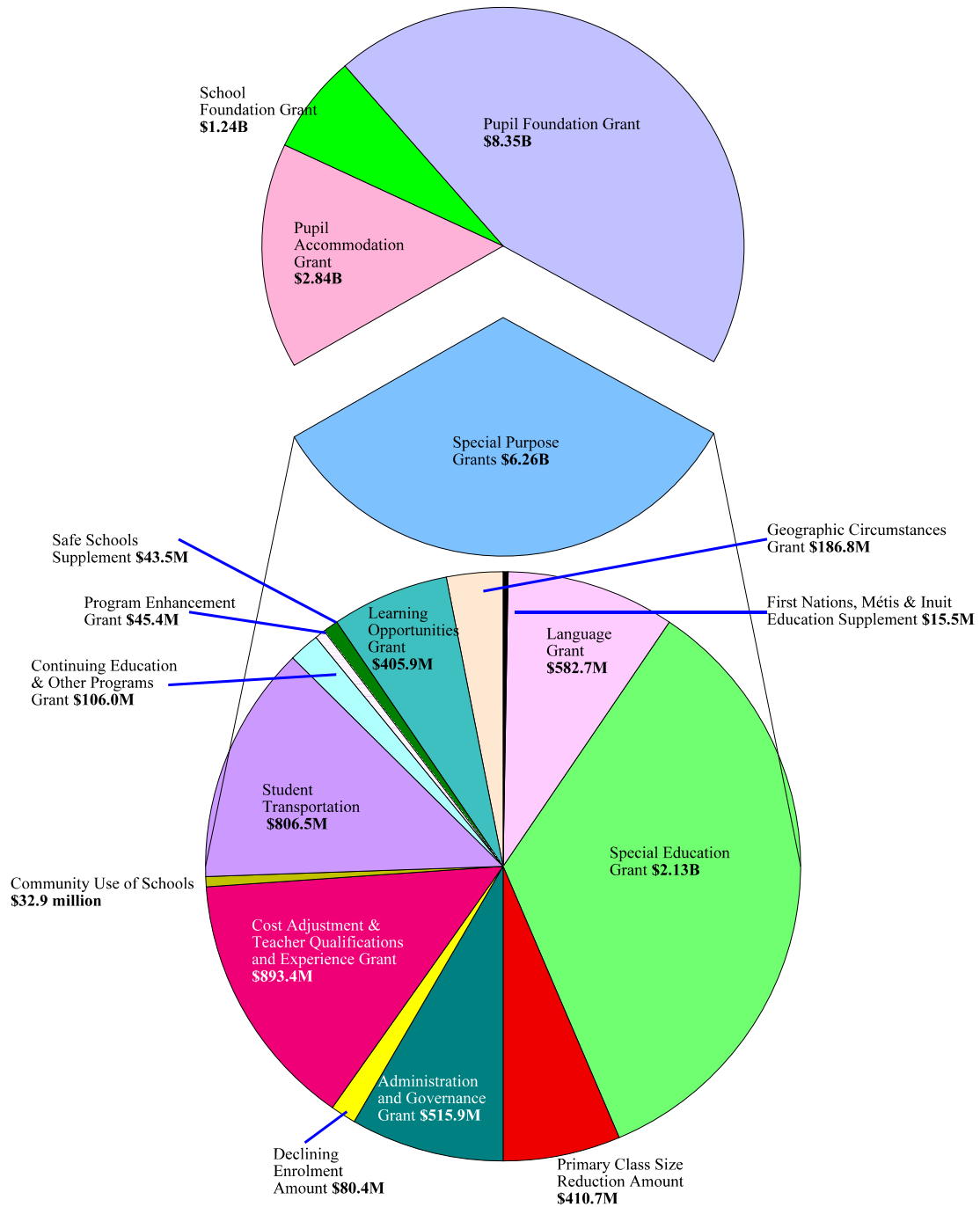
Education funding in 2008–09 consists of a Pupil Foundation Grant, a School Foundation Grant, fourteen special purpose grants, and a Pupil Accommodation Grant as summarized below.

		<b>Projected funding in 2008–09* (\$ Million)</b>
<b>PUPIL FOUNDATION GRANT</b>	Classroom teachers	
	Education assistants	
	Textbooks and learning materials	
	Classroom supplies	
	Classroom computers	
	Library and guidance services	\$8,350.6
	Specialist teachers (including preparation time)	
	Student Success teachers (including preparation time)	
	Professional and para-professional supports	
	Classroom consultants	
<b>SCHOOL FOUNDATION GRANT</b>	Principals	
	Vice-Principals	
	Secretaries	\$1,235.1
	School Office Supplies	
<b>SPECIAL PURPOSE GRANTS</b>	1. Primary Class Size Reduction Amount	
	2. Special Education Grant	
	3. Language Grant	
	4. First Nations, Métis, and Inuit Education Supplement	
	5. Geographic Circumstances Grant	
	6. Learning Opportunities Grant	
	7. Safe Schools Supplement	
	8. Program Enhancement Grant	\$6,262.1
	9. Continuing Education and Other Programs Grant	
	10. Cost Adjustment and Teacher Qualifications and Experience Grant	
	11. Student Transportation Grant	
	12. Community Use of Schools Grant	
	13. Declining Enrolment Adjustment	
	14. School Board Administration and Governance Grant	
<b>PUPIL ACCOMMODATION GRANT</b>	1. School Operations	
	2. School Renewal	
	3. New Pupil Places	
	4. Primary Class Size Reduction Capital	
	5. Growth Schools	\$2,839.0
	6. Capital Transitional Adjustment	
	7. Prohibitive to Repair	
	8. Prior Capital Commitments	

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\* Excludes unallocated funding (\$23.6 million) and school authorities funding (\$50 million).

## 2008–09 Grant Allocations\* (Projections)



\* Excludes \$50 million for school authorities and \$23.6 million in unallocated funding.



## **Pupil Foundation Grant**

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The Pupil Foundation Grant is a per-pupil allocation that supports the elements of a classroom education that are required by, and generally common to, all students.

For 2008–09, funding through the Pupil Foundation Grant is projected to be \$8.35 billion.

The \$8.35 billion includes a 0.7 percent increase to salary benchmarks; a portion of \$50 million for an increase to benefits for education assistants, professionals and para-professionals, and classroom teachers, including teacher-librarians, guidance teachers, and department heads; a portion of \$8.5 million for a 1 percent increase to non-salary benchmarks such as textbooks; and \$44 million for the 10-minute increase in elementary teacher preparation time beginning in the 2008–09 school year.

### **Salary and Benefits Benchmarks**

To meet the commitments of the 2004–08 labour framework agreement, the salary benchmarks for teaching and non-teaching staff are increasing by 0.7 percent for 2008–09. The 2004–08 labour framework agreement is in effect until August 31, 2008.

### **Benefits Benchmarks**

An enhancement to better reflect actual costs raises the benchmark for benefits for education assistants to 24 percent, for professionals and para-professionals to 19 percent, and for classroom teachers, including teacher-librarians, guidance teachers, and department heads, to 11.34 percent.

### **Non-Salary Benchmarks**

An enhancement of 1 percent, is being applied to non-salary benchmarks for classroom items such as textbooks, computers, and classroom resources.

### **Specialist Teachers**

The 2008–09 school year is the last year of a four-year initiative that is increasing the number of elementary specialist teachers in subject areas such as literacy and numeracy, physical education, music, the arts, French, and anglais.

The increase in specialist teachers is implemented through an increase in funded preparation time, and the number of specialist teachers added each year has been in accordance with the additional minutes of preparation time agreed to in the 2004–08 labour framework.

In 2008–09, new funding of \$44 million recognizes an increase in elementary teacher preparation time from 190 to 200 minutes beginning in the 2008–09 school year and funds 590 additional elementary specialist teachers.

The additional teachers funded as a result of the elementary specialist teachers initiative are recognized in calculating the Cost Adjustment and Teacher Qualifications and Experience Grant. Funding to boards is adjusted to reflect the costs of the additional teachers according to the teachers' placement on the salary grid.

## **Description of Pupil Foundation Grant Components**

### **Classroom Teachers**

Salaries and benefits for classroom teachers, elementary specialist teachers, secondary Student Success teachers, supply and occasional teachers, and professional development for teachers

Additional funding for classroom teachers is recognized through the Cost Adjustment and Teacher Qualifications and Experience Grant.

### **Education Assistants**

Salaries and benefits for education assistants who support teachers in the classroom

### **Textbooks and Learning Materials**

Textbooks, workbooks, resource materials, updating library materials, instructional software, CD ROMs, DVDs, internet expenses, and technology supporting distance education

### **Classroom Supplies**

Classroom supplies, such as paper, pens, pencils and other materials, and classroom equipment

### **Classroom Computers**

Classroom computers (hardware only) and the associated network costs

### **Library and Guidance Services**

Salaries and benefits for teacher-librarians and guidance teachers

Guidance teachers at the elementary level are those providing guidance primarily to Grades 7 and 8 pupils.

### **Professional and Para-professional Services**

Salaries and benefits for staff who provide support services to students and teachers, such as attendance counsellors, lunchroom supervisors, hall monitors, social workers, child/youth workers, community workers, and computer technicians

Professionals and para-professionals who provide support for special education, such as psychologists, psychometrists, and speech pathologists, are funded through a combination of the Pupil Foundation Grant and the Special Education Grant and other special purpose grants.

### **Classroom Consultants**

Salaries and benefits for teacher consultants and coordinators such as reading specialists and program specialists who assist teachers in developing curriculum or in working with individual students

<b>Pupil Foundation Grant – ELEMENTARY</b>	<b># staff per 1,000 students</b>		<b>benchmark salary + % benefits</b>	<b>\$ per pupil for supplies and services</b>	<b>\$ allocation per pupil</b>
Classroom Teacher Class size 24.5:1	Classroom Teacher	40.82	64,751 + 11.34%	\$108.76	\$2,942.87
	Specialist Teacher/ Preparation Time	6.22			\$448.43
	Supply Teacher				\$108.76
	Staff Development				\$11.00
Education Assistants		0.20	32,406 + 24%		\$8.04
Textbooks and Learning Materials				\$80.80	\$80.80
Classroom Supplies				\$82.82	\$82.82
Classroom Computers				\$46.46	\$46.46
Library and Guidance Services	Teacher-Librarian	1.31	64,751 + 11.34%		\$94.30
	Guidance Teacher	0.20	64,751 + 11.34%		\$14.42
Professional/Para-Professional Supports		1.40	51,263 + 19%		\$85.40
Classroom Consultants		0.48	89,136 + 11.1%		\$47.53
<b>TOTAL Pupil Foundation Grant (Elementary)</b>		<b>50.63</b>		<b>\$329.84</b>	<b>\$3,970.83</b>

Note: Pension plan contributions for teachers and eligible members of OTPP are matched by the Government and are not included in the benchmark salaries and benefits.

<b>Pupil Foundation Grant – SECONDARY</b>	<b># staff per 1,000 students</b>	<b>benchmark salary + % benefits</b>	<b>\$ per pupil for supplies and services</b>	<b>\$ allocation per pupil</b>	
Classroom Teacher Class size 22:1	Classroom Teacher	42.61	64,751 + 11.34%	\$3,071.92	
Credit load per pupil 7.5	Student Success Teacher/ Preparation Time	15.15		\$1,092.22	
	Supply Teacher			\$79.55	
	Staff Development			\$12.00	
	Department Head allowances	9.00	4,145 + 11.34%	\$41.54	
Textbooks and Learning Materials			\$108.07	\$108.07	
Classroom Supplies			\$188.87	\$188.87	
Classroom Computers			\$60.60	\$60.60	
Library and Guidance Services	Teacher-Librarian	1.10	64,751 + 11.34%	\$79.30	
	Guidance Teacher	2.60	64,751 + 11.34%	\$187.44	
Professional/Para- Professional Supports		2.21	51,263 + 19%	\$134.82	
Classroom Consultants		0.54	89,136 + 11.1%	\$53.48	
<b>TOTAL Pupil Foundation Grant (Secondary)</b>	<b>(excluding Department Heads)</b>	<b>64.21</b>		<b>\$449.09</b>	<b>\$5,109.81</b>

Note: Pension plan contributions for teachers and eligible members of OTPP are matched by the Government and are not included in the benchmark salaries and benefits.

## School Foundation Grant

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The School Foundation Grant supports the costs of in-school administration and leadership (salaries and benefits for principals, vice-principals, and office support staff), as well as supplies for school administration purposes.

In 2008–09, the benefits benchmark for office support staff (secretaries) is being increased to 23.9 percent.

The total School Foundation Grant is projected to be \$1.24 billion in 2008–09.

School boards continue to be responsible for decisions regarding the allocation of in-school administration staff to schools.

### **Definition of a *school* for the purposes of the School Foundation Grant**

The following criteria are used to define a *school* and its eligibility for generating School Foundation Grant funding.

***Single campus*** – a facility or collection of facilities operated by the same board that are on the same site

***Single program*** – a facility or collection of facilities operated by the same board that form a single program

***Grouped facilities and/or programs*** – where multiple facilities and/or programs are grouped to form a school for the purposes of the School Foundation Grant, the school is identified as:

- an *elementary school* if all the facilities and/or programs offer elementary-level instruction
- a secondary school, if all the facilities and/or programs offer secondary-level instruction
- a *combined school*, if the facilities and/or programs in the group offer a combination of elementary and secondary instruction (for example, Grade 7 and 8 with Grades 9 to 12)

A combined school is treated as a secondary school for the purpose of funding. In addition, any combined school with 300 or more elementary students and 500 or more secondary students receives funding for one additional full-time equivalent (FTE) principal.

## **Calculations of the School Foundation Grant**

A board's School Foundation Grant is the sum of the allocations for each of its eligible schools.

The allocation for each eligible school is a combination of:

### ***(a) base funding***

- funding for a principal and a school secretary is allocated for each school with an average daily enrolment (ADE) of 50 or more. Schools with an ADE of 1 to 49 receive funding for a 0.5 FTE principal and 1.0 FTE school secretary.
- \$2,050 for school office supplies is allocated for each elementary school and \$3,050 for each secondary school, regardless of enrolment.

### ***(b) supplementary funding***

Based on each elementary school's enrolment, formulas, which follow, are used to determine additional allocations for:

- vice-principals,
- office support staff (secretaries), and
- school office supplies.

## School Foundation Grant – ELEMENTARY

In-School Administration and Leadership				School Office Supplies
	Principal	Office Support Staff (Secretaries)	Vice-Principal	Per School
Salary + % benefits	\$100,774 + 11.1%	\$37,175 + 23.9%	\$95,453 + 11.1%	
<b>Base Amount</b>				
School enrolment 1 to 49 ADE	0.5	1		\$2,050
School enrolment 50 or more ADE	1			
<b>Supplementary Amount</b>				
School enrolment 100 to 249 ADE		0.00125 x (ADE - 100)		\$6.06 / ADE
School enrolment 250 to 299 ADE		0.1875 + 0.00125 x (ADE - 250)	0.0030 x (ADE - 250)	
School enrolment 300 to 499 ADE		0.25 + 0.0025 x (ADE - 300)	0.1500 + 0.0030 x (ADE - 300)	
School enrolment 500 to 999 ADE		0.75 + 0.0035 x (ADE - 500)	0.75 + 0.0025 x (ADE - 500)	
School enrolment 1,000 + ADE		2.5 + 0.0035 x (ADE - 1,000)	2.0	

Note: Pension plan contributions for teachers and eligible members of OTPP are matched by the Government and are not included in the benchmark salaries and benefits.

### Calculation of the School Foundation Grant – Elementary

$$\begin{aligned}
 \text{Principal} &= (\text{base}) \times (\text{salary} + \text{benefits}) \\
 \text{Office Support Staff} &= (\text{base} + \text{supplementary}) \times (\text{salary} + \text{benefits}) \\
 \text{Vice - Principal} &= (\text{base} + \text{supplementary}) \times (\text{salary} + \text{benefits}) \\
 \text{School Office Supplies} &= (\text{base} + \text{supplementary})
 \end{aligned}$$

$$\text{Total Allocation} = \text{Principal} + \text{Office Support Staff} + \text{Vice - Principal} + \text{School Office Supplies}$$

## School Foundation Grant – SECONDARY

In-School Administration and Leadership				School Office Supplies
Position	Principal	Office Support Staff (Secretaries)	Vice-Principal	Per School
Salary + % benefits	\$109,902 + 11.1%	\$39,162 + 23.9%	\$100,700 + 11.1%	
<b>Base Amount</b>				
School enrolment 1 to 49 ADE	0.5	1		\$3,050
School enrolment 50 or more ADE	1			
<b>Supplementary Amount</b>				
School enrolment 100 to 499 ADE		0.003125 x (ADE - 100)	0.0025 x (ADE - 100)	\$7.07 / ADE
School enrolment 500 to 999 ADE		1.25 + 0.0055 x (ADE - 500)	1 + 0.002 x (ADE - 500)	
School enrolment 1,000 to 1,499 ADE		4 + 0.004 x (ADE - 1,000)	2 + 0.002 x (ADE - 1,000)	
School enrolment 1,500 + ADE		6 + 0.004 x (ADE - 1,500)	3 + 0.001 x (ADE - 1,500)	

Note: Pension plan contributions for teachers and eligible members of OTPP are matched by the Government and are not included in the benchmark salaries and benefits.

### Calculation of the School Foundation Grant – Secondary

$$\begin{aligned}
 \text{Principal} &= (\text{base}) \times (\text{salary} + \text{benefits}) \\
 \text{Office Support Staff} &= (\text{base} + \text{supplementary}) \times (\text{salary} + \text{benefits}) \\
 \text{Vice – Principal} &= (\text{base} + \text{supplementary}) \times (\text{salary} + \text{benefits}) \\
 \text{School Office Supplies} &= (\text{base} + \text{supplementary})
 \end{aligned}$$

$$\text{Total Allocation} = \text{Principal} + \text{Office Support Staff} + \text{Vice – Principal} + \text{School Office Supplies}$$

## Special Purpose Grants

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The cost of education differs depending on the needs of a student and where that student lives. The special purpose grants respond to these differences by recognizing the need for specialized programs for students with individual requirements. Special purpose grants also recognize the different levels of support required by students related to language proficiency, location, transportation, and other variations in personal and local circumstances. The fourteen special purpose grants in 2008–09 are as follows:

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<b>Grant</b>	<b>Projected Funding in 2008–09* (\$ Million)</b>
1. Primary Class Size Reduction Amount	\$410.7
2. Special Education Grant	\$2,131.1
3. Language Grant	\$582.7
4. First Nations, Métis, and Inuit Education Supplement	\$15.5
5. Geographic Circumstances Grant	\$186.8
6. Learning Opportunities Grant	\$405.9
7. Safe Schools Supplement	\$43.5
8. Program Enhancement Grant	\$45.4
9. Continuing Education and Other Programs Grant	\$106
10. Cost Adjustment and Teacher Qualifications and Experience Grant	\$893.4
11. Community Use of Schools Grant	\$32.9
12. Student Transportation Grant	\$812.0
13. Declining Enrolment Adjustment	\$80.4
14. School Board Administration and Governance Grant	\$515.9

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\* Does not include investments unallocated at the time of publication.



## **Primary Class Size Reduction Amount**

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The 2004–05 school year was the beginning of the Government’s commitment to cap class sizes at 20:1 for Junior Kindergarten to Grade 3 students. Funding in 2008–09 for this initiative brings the total support for smaller primary classes to approximately 5,100 teaching positions.

The total Primary Class Size (PCS) Reduction Amount is projected to be \$410.7 million in 2008–09.

The PCS Reduction Amount is calculated by multiplying the 2008–09 average daily enrolment (ADE) of pupils enrolled in Junior Kindergarten to Grade 3 by \$799.31.

In 2008–09, school boards are again required to organize their elementary classes so that, on a board-wide basis:

- At least 90 per cent of primary classes have 20 or fewer students,
- 100 per cent of primary classes have 23 or fewer students,
- 100 per cent of combined Grade 3-4 classes have 23 or fewer students, and
- Average class size in Grade 4 to 8 does not increase beyond 2003–04 levels or 25:1. Boards that had an average Grade 4 to 8 class size greater than 25 in 2003–04 are encouraged to achieve an average of 25 or to match the lowest average class size achieved since 2003–04.

Boards may be subject to cash flow penalties if any of the PCS targets are not met. Once a school board meets the PCS targets, it may use any surplus from the PCS Reduction Amount to address other needs in the elementary panel.

### **Transitional Program Equivalency**

Transitional Program Equivalency (TPE) was provided on a limited basis in 2007–08 to allow boards to exempt specific primary classes from the PCS standards. In 2008–09, TPE will be considered only for programs such as French immersion or other specialty programs that require congregating students. Classes exempted under TPE are capped at 23 students.

## **Reporting and Accountability**

As in previous years, schools boards are required to complete a comprehensive PCS plan by the end of June with the projected primary class size for 2008–09. The information is to be updated in September to reflect the actual primary class size results. The board reports include current and historical class size statistics on each school with elementary classes and for the board overall. The Ministry uses the data from the actual primary class size results to populate the Class Size Tracker on the public website.

In cases where boards' plans do not meet the PCS targets, the Ministry will work with those boards to ensure that the targets are achieved in September 2008.

## Special Education Grant

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The Special Education Grant provides additional funding for students who need special education programs, services, and equipment. The Special Education Grant is made up of five components:

- Special Education Per Pupil Amount (SEPPA) – \$956.8 million
- High Needs Amount (HNA) – \$994.4 million
- Special Equipment Amount (SEA) – \$54.6 million
- Special Incidence Portion (SIP) – \$32.1 million
- Facilities Amount (FA) – \$93.2 million

The Special Education Grant may only be used for special education. Any unspent funding must be placed in a special education reserve fund.

As the special education funding approach evolves, the Special Education Grant in 2008–09 is being increased by \$57.3 million in addition to the \$10 million that was announced in August 2007. Boards will be advised of the allocation details for the \$10 million at a future date. This funding supports the Government’s commitment to increase special education funding.

The total Special Education Grant is projected to be \$2.13 billion in 2008–09.

The \$57.3 million enhancement:

- extends, as a transitional measure, the funding levels for the High Needs Amount (HNA) to ensure that no board receives less HNA funding in 2008–09 than it received in 2007–08;
- recognizes the increase in the number of highest needs students accessing support through the Special Incidence Portion (SIP);
- addresses the increased need in the special education sector by recognizing the growth in applications for the Special Equipment Amount (SEA); and
- increases the number of programs for school-aged children/youth in Government-approved care and/or treatment, custody, and correctional facilities.

The Ministry continues to implement the recommendations of the Working Table on Special Education by reviewing and refining the components of the grant and consulting with stakeholders to ensure that the evolution of the funding approach supports students with special needs, improves student outcomes, and places less emphasis on the identification process for students with high needs.

## Special Education Per-Pupil Amount (SEPPA)

The Special Education Per Pupil Amount (SEPPA) recognizes the cost of providing additional assistance to the majority of students with special education needs. SEPPA is allocated to boards on the basis of total enrolment.

The SEPPA amounts for 2008–09 are:

\$678.59 per JK to Grade 3 student

\$522.38 per Grade 4 to 8 student

\$344.88 per Grade 9 to 12 student

## High Needs Amount (HNA)

The High Needs Amount (HNA) addresses the cost of providing the intensive staff support required by the small number of students with high needs.

For 2008–09, the HNA is determined by multiplying the board specific per-pupil amount from 2007–08 by the board's projected 2008–09 total ADE to arrive at the board's base HNA for 2008–09.

The transitional approach to HNA, introduced in 2007–08 to mitigate the impact of enrolment decline, is being continued in the 2008–09 school year.

Boards with declining enrolment are *not* having a decrease in HNA funding, which will be held at the transitional 2007–08 funding level. However, boards with increasing enrolment have an increase in HNA funding.

## Special Equipment Amount (SEA)

The Special Equipment Amount (SEA) covers the cost of an individual student's equipment needs in excess of \$800 in the year of purchase. Boards are responsible for the first \$800 in cost for any student per year. For example, a board with an approved claim for a student who requires an adapted computer that costs \$3,000 would generate \$2,200 through SEA. SEA claims are submitted to the Ministry of Education Regional Offices for approval\*.

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\* Software available through the Ontario Educational Software Service (OESS) is not eligible for SEA funding.

Boards may also claim 80 percent of the average cost of salaries and benefits for board-paid technicians assigned for installation and maintenance, as well as staff training and warranties related to a student's special education related equipment. The Ministry provides SEA funding for up to one technician per 30,000 students, with low-enrolment boards eligible for a minimum of 0.2 FTEs.

Equipment purchased with the SEA travels with the student as described in the *Special Education Funding Guidelines: Special Equipment Amount (SEA) and Special Incidence Portion (SIP), 2008–09\**

## **Special Incidence Portion (SIP)**

The Special Incidence Portion (SIP) supports pupils who require more than two full-time staff to address the health and safety needs of both the students who have extraordinarily high needs related to their disabilities and/or exceptionalities and/or of others at school. Eligibility criteria for SIP are outlined in the *Special Education Funding Guidelines: Special Equipment Amount (SEA) and Special Incidence Portion (SIP), 2008–09\**. SIP claims are submitted to the Ministry of Education Regional Offices for approval.

## **Facilities Amount (FA)**

The Facilities Amount (FA) supports education programs for school-aged children and youth in Government-approved care and/or treatment, custody and correctional facilities operated by the Ministry of Children and Youth Services, the Ministry of Community and Social Services, the Ministry of Health and Long-Term Care, and/or the Ministry of Community Safety and Correctional Services. These facilities include hospitals, children's mental health centres, psychiatric institutions, detention and correctional facilities, community group homes, and other social services agencies. The provision of education in these facilities is subject to an agreement between a district school board and the facility.

Funding for the FA is based on an approval process specified in a guideline issued for these programs. The recognized costs include teachers, education assistants, and classroom supplies.

Revenue is reduced for boards when a program is operating on a smaller scale than was projected or ceases to operate during the school year. For 2008–09, funding available for this component is increasing to recognize cost increases.

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\* This document is available on the Ministry of Education website.

The Ministry provides funding to school boards to help offset the accommodation and transportation costs of classrooms in care and treatment and custody settings that operate in school board space. This funding is included in the Pupil Accommodation Grant and the Student Transportation Grant calculations.

## Language Grant

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The Language Grant provides funding to meet school boards' costs for language instruction.

The Language Grant has five components:

- French as a First Language (FFL) – \$62.0 million
- French as a Second Language (FSL) – \$225.6 million
- English as a Second Language/English Literacy Development (ESL/ELD) – \$210.4 million
- Actualisation linguistique en français (ALF) – \$81.8 million
- Perfectionnement du français (PDF) – \$2.9 million

As announced in August 2007, an enhancement of \$10 million in 2008–09 is increasing funding for the ESL/ELD and PDF components of the Language Grant. This enhancement supports the Government's commitment to increase ESL/ELD and PDF funding.

The total Language Grant is projected to be \$582.7 million in 2008–09.

### French as a First Language (FFL)

This funding, available only to French-language boards, recognizes the higher costs of instructional materials and program support incurred in providing French-language programs.

The FFL allocation in 2008–09 is projected to be \$62.0 million.

Funding benchmarks on an ADE basis are increasing to \$667.63 per elementary day school pupil. Benchmarks per secondary day school pupil are \$757.92.

Start-up funding for new elementary classes in French is provided at the rate of \$16,576.95 for each new elementary school established by a board in 2008–09.

## French as a Second Language (FSL)

This funding, which is only available to English-language boards, supports the additional costs of providing core French, extended French, and French immersion programs.

### French as a Second Language (FSL) – Elementary

At the elementary level, funding is provided for core and extended French based on enrolment in French programs for Grades 4 to 8. French immersion programs, if offered by the board, are funded based on enrolment in French programs for Junior Kindergarten to Grade 8.

Current Ministry policy requires that each elementary student accumulate at least 600 hours of French-language instruction by the end of Grade 8. School boards are required to plan their French-language programs so that students meet this requirement.

Average daily length of program		Allocation per pupil enrolled in the program
20 – 59 minutes	(Core, Grades 4 to 8)	\$266.67
60 – 149 minutes	(Extended, Grades 4 to 8)	\$303.82
150 minutes or more	(Immersion, Grades 1 to 8)	\$339.89
75 minutes or more	(Immersion, JK and K)	

### French as a Second Language (FSL) – Secondary

The funding is established according to credits as follows:

Grades	Allocation per-pupil credit – French as a subject	Allocation per-pupil credit – subjects other than French taught in French
9 and 10	\$68.00	\$111.87
11 and 12	\$89.93	\$174.40

## **Second-Language and Second-Dialect Instruction**

Ontario's curriculum requires that students develop strong English- or French-language skills. The cultural and linguistic diversity of Ontario's population means that many students require extra help to develop proficiency in their language of instruction. These students include those who are recent immigrants to Canada and students who live in homes where the first language spoken is neither English nor French.

Two components of the Language Grant provide school boards with resources to meet the needs of these students. English-language school boards receive the English as a Second Language/English Literacy Development (ESL/ELD) component. French-language boards receive the Perfectionnement du français (PDF) and the Actualisation linguistique en français (ALF) components.

The number of students eligible to be counted as recent immigrants is now based on the country of birth, rather than the country from which the student entered Canada. This change simplified reporting and recognized students who had "stopped over" in an English-speaking country, such as the USA, before entering Canada.

In this context, *eligibility* means that a pupil meets the funding criteria, that is, the date of entry into Canada and country of birth. As in previous years, the language of instruction components of the Language Grant use available data to determine each school board's relative share of need. The calculations are not intended to count every student who requires support or to determine individual needs for these programs. Boards determine need and use resources provided by the Language Grant to provide language services and supports accordingly.

## **English-Language Instruction**

### **English as a Second Language/English Literacy Development (ESL/ELD)**

For 2008–09, the ESL/ELD allocation is projected to be \$210.4 million, which includes a share of the \$10 million increase to the Recent Immigrant Component. The funding is available to English-language boards and is based on the sum of the Recent Immigrant and Pupils in Canada components.

#### **Recent Immigrant Component**

The Recent Immigrant component provides a total of \$9,029.80 per eligible pupil over four years and is based on the number of recent immigrant pupils born in countries other than Canada, Great Britain, Ireland, the United States, Australia, and New Zealand,

where English is not a first or standard language. The enhancement in 2008–09 increases the weighting factor for second year recent immigrant pupils from 70 percent to 85 percent.

The variables used in calculating this funding are:

- a weighting factor for each of the four years; and
- the number of eligible pupils who entered Canada in each year.

***Weighting Factors***

<b>Year</b>	<b>Start date</b>	<b>End date</b>	<b>Weighting Factor</b>
<b>1</b>	September 1, 2007	October 31, 2008	1
<b>2</b>	September 1, 2006	August 31, 2007	0.85
<b>3</b>	September 1, 2005	August 31, 2006	0.5
<b>4</b>	September 1, 2004	August 31, 2005	0.25

***Number of Eligible Pupils***

Principals are required to report through the Ontario Student Information System (OnSIS) the number of pupils enrolled in the schools who entered Canada during the last four years and were born in a country where English is not a first or standard language. Schools are required to keep appropriate immigration information in a pupil’s Ontario Student Record (OSR) to support the number of pupils reported as having entered Canada during the last four years.

***Total Recent Immigrant Component***

The allocation is the sum of the weighted numbers of eligible pupils for each year multiplied by \$3,473.

$$\begin{array}{l}
 \text{Recent Immigrant} \\
 \text{Component}
 \end{array}
 =
 \begin{array}{l}
 \text{Total number of weighted} \\
 \text{recent immigrant pupils}
 \end{array}
 \times \$3,473$$

## Pupils in Canada Component

The Pupils in Canada component is calculated by the Ministry based on Statistics Canada data on the number of children 5 to 19 years old whose language spoken most often at home is neither English nor French. This data is a proxy measure for the relative ESL/ELD need among boards for pupils not covered by the Recent Immigrant component. The distribution of children aged 5 to 19 between public and separate boards is based on the number of pupils residing within each enumeration area and on assessment data\*.

Each board's allocation is set out in the *Grants for Student Needs – Legislative Grants for the 2008-2009 School Board Fiscal Year* regulation. The distribution among boards is calculated as follows:

$$\frac{\text{Number of children described above within board's area}}{\text{Provincial total of children described above}} \times \$28.1 \text{ million}$$

## Total ESL/ELD Allocation

$$\text{ESL / ELD Allocation} = \text{Total Recent Immigrant component} + \text{Total Pupils in Canada component from 2008 – 09 grant regulation}$$

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\* Data source: Statistics Canada, 1996 Census – information on the 5 to 19 year old population group where the language spoken most often at home is neither English or French.

## **French-Language Instruction**

Funding for French-language boards for language programs in addition to FFL is based on two allocations – Perfectionnement du français (PDF) and Actualisation linguistique en français (ALF).

### **Perfectionnement du français (PDF)**

In 2008–09, the Perfectionnement du français (PDF) allocation is projected to be \$2.9 million.

PDF provides a total of \$9,029.80 per eligible student over four years. It is based on the number of recent immigrant pupils who do not have Section 23 rights under the Charter, and who were born in countries where French is a language of administration or schooling.

The additional \$10 million in 2008–09 for PDF and ESL/ELD increases the weighting factor for second year recent immigrant pupils from 70 percent to 85 per cent.

PDF programs are intended for pupils who have been admitted in the schools through the board's admissions committee. These pupils are generally born outside Canada and have one of the following characteristics:

- they speak a variety of language that is different from standard French,
- their schooling has been interrupted, or
- they have little knowledge of Canada's two official languages or need to familiarize themselves with the new environment.

The variables used in calculating the PDF allocation are:

- a weighting factor for each of the four years; and
- the number of eligible pupils who entered Canada in each year.

### *Weighting Factors*

<b>Year</b>	<b>Start date</b>	<b>End date</b>	<b>Weighting Factor</b>
<b>1</b>	September 1, 2007	October 31, 2008	1
<b>2</b>	September 1, 2006	August 31, 2007	0.85
<b>3</b>	September 1, 2005	August 31, 2006	0.5
<b>4</b>	September 1, 2004	August 31, 2005	0.25

### *Number of Eligible Pupils*

Principals are required to report in OnSIS the number of enrolled pupils, who entered Canada during the last four years and were born in a country where French is not a first or standard language. Schools are required to keep appropriate immigration information in a pupil's Ontario Student Record (OSR) to support the number of pupils reported as having entered Canada during the last four years.

### *Total PDF Allocation*

The allocation is the sum of the weighted numbers of eligible pupils for each year multiplied by \$3,473.

$$\text{PDF Allocation} = \frac{\text{Total number of weighted recent immigrant pupils}}{\text{recent immigrant pupils}} \times \$3,473$$

## **Actualisation linguistique en français (ALF)**

Total ALF funding in 2008–09 is projected to be \$81.8 million.

ALF supports French-language school boards in providing language instruction to pupils who are entitled to French-language education by virtue of Section 23\* of the *Canadian Charter of Rights and Freedoms* and who have limited or no competencies in French, or use a variety of language that is different from standard French.

The ALF allocation is the sum of the per-pupil, school, and board components.

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\* Section 23 refers to the linguistic and education rights conferred by Part 1 of the *Constitution Act, 1982*.

## **Per-Pupil Component**

Using 2001 Statistics Canada data on individuals aged 0 to 19 whose language spoken most often at home does not include French, a proxy measure of assimilation has been developed to reflect the cultural environment of the boards' students.

### ***Calculation of the Assimilation Factor***

The percentage of students who use a language other than French at home is calculated at the census sub-division (CSD) level. The CSD percentages are weighted using the CSD's share of board enrolment of the CSDs to calculate the board's assimilation factor.

Note:

- 1 Only CSDs where the board operates a facility are included.
- 2 The enrolment of a CSD is the sum of enrolments of all facilities of the board in the CSD.
- 3 The Assimilation Factors are listed in the *Grants for Student Needs – Legislative Grants for the 2008-2009 School Board Fiscal Year* regulation.

### ***Elementary Per-Pupil Allocation***

$$[\textit{Elementary ADE} \times \textit{Assimilation Factor}] \times \$799.68$$

### ***Secondary Per-Pupil Allocation***

$$[\textit{Secondary ADE} \times \textit{Assimilation Factor}] \times \$352.89$$

## **School Component**

The school component is calculated using the definition of *school* used in the School Foundation Grant.

### ***Elementary School Allocation***

$$\textit{Total number of elementary schools} \times \$42,166.88$$

### ***Secondary School Allocation***

The secondary school allocation comprises a school amount and an enrolment amount:

<b>Number of Students</b>	<b>2008–09 Total Per Secondary School</b>
$1 \leq \text{ADE} \leq 100$	\$150,307.52
$100 \leq \text{ADE} \leq 200$	\$186,354.40
$200 \leq \text{ADE} \leq 300$	\$222,401.28
$300 \leq \text{ADE} \leq 400$	\$258,448.16
$400 \leq$	\$294,495.04

### **Board Component**

The board amount for 2008–09 is \$261,282.44.

### **Total ALF Allocation**

The total ALF allocation for a French-language board is the sum of the per-pupil, school, and board components.

$$\begin{array}{l} \mathbf{Total\ ALF} \\ \mathbf{Allocation} \end{array} = \begin{array}{l} \mathit{Per - Pupil} \\ \mathit{Component} \end{array} + \begin{array}{l} \mathit{School} \\ \mathit{Component} \end{array} + \begin{array}{l} \mathit{Board} \\ \mathit{Component} \end{array}$$



## **First Nations, Métis, and Inuit Education Supplement**

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The First Nations, Métis, and Inuit Education Supplement supports programs designed for Aboriginal students as outlined in the Ontario First Nation, Métis, and Inuit Education Policy Framework released in January 2007.

The First Nations, Métis, and Inuit Education Supplement has three components:

- Native Languages – \$4.3 million
- Native Studies – \$0.8 million
- Per-Pupil Amount – \$10.4 million, includes unallocated funding

As announced in August 2007, the Per-Pupil Amount has been enhanced by \$5 million. Boards will be advised of the allocation details of this enhancement at a future date.

The total First Nations, Métis, and Inuit Education Supplement is projected to be \$15.5 million in 2008–09.

### **Native Languages**

\$4.3 million supports the elementary and secondary Native Language programs. Funding is based on the number of pupils\* enrolled and the average daily length of the program as set out below.

#### **Native Language (NL) – Elementary**

<b>Average daily length of program</b>	<b>Staff per 8 elementary students</b>	<b>Allocation per pupil enrolled in the program</b>
20 – 39 minutes	0.2	\$1,802.34
40 minutes or more	0.3	\$2,703.52

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\* The term “pupils” refers to “pupils of the board.” However, even if enrolled in a board’s school, First Nations pupils resident on reserves are not considered to be pupils of the board for the purposes of calculating grants to school boards.

## Native Language (NL) – Secondary

The funding is established according to credits as follows:

Grades	Staff per 8 secondary students	Allocation per-pupil credit
9 to 12	0.167	\$1,504.96

## Native Studies

In 2008–09, \$845,000 is being provided to fund secondary Native Studies\* courses. Funding is based on the same benchmarks used to allocate funding for students enrolled in secondary school Native Languages programs.

### Native Studies

The funding is established according to credits as follows:

Grades	Staff per 8 secondary students	Allocation per-pupil credit
9 to 12	0.167	\$1,504.96

## Per-Pupil Amount

In 2008–09, the Per-Pupil Amount is \$10.4 million with a benchmark of approximately \$69.48 per estimated Aboriginal student, with a weighting factor that directs more funding to boards with a higher estimated proportion of First Nation, Métis, and Inuit students.

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\* Refer to the Common Course Codes document on the Ministry of Education website, <http://www.edu.gov.on.ca/eng/general/list/commoncc/cc.html> for course listings.

In 2007–08, only a limited number of boards had confidential, voluntary self-identification policies in place for First Nation, Métis, and Inuit students and, therefore, this component was based on 2001 Census data.

In 2008–09, the 2006 Census data, which is the most recent available, is being used for calculating this allocation. Boards are to be advised of their updated allocations once the Ministry receives and analyses the 2006 Census data.

The Ministry continues to work with boards and Aboriginal communities on self-identification policies.

<b>Estimated percentage of First Nation, Métis, and Inuit Student population</b>	<b>Weighting factor</b>
between 0 and 7.49%	1
between 7.5% and 14.99%	2
15% or more	3

### ***Estimating the Percentage of First Nation, Métis, and Inuit Population in a Board***

The percentage of First Nation, Métis, and Inuit population is calculated at the census sub-division (CSD) level. The CSD percentages are weighted using the CSD’s share of board enrolment of the CSDs to estimate the board’s population.

$$\text{Per – Pupil Funding} = ADE \times \begin{matrix} \text{Estimated Percentage} \\ \text{of First Nation, Métis,} \\ \text{and Inuit Population} \end{matrix} \times \begin{matrix} \text{Weighting} \\ \text{Factor} \end{matrix}$$

Note:

- 1 Only CSDs where the board operates a facility are included.
- 2 The enrolment of a CSD is the sum of enrolments of all facilities of the board in the CSD.
- 3 The estimated percentage of First Nation, Métis, and Inuit population for each board is listed in the *Grants for Student Needs – Legislative Grants for the 2008-2009 School Board Fiscal Year* regulation.



## **Geographic Circumstances Grant**

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The Geographic Circumstances Grant recognizes the additional costs of operating small schools in isolated areas and costs that are associated with the geography of boards, including board size and school dispersion.

The Geographic Circumstances Grant consists of the following:

- Remote and Rural Allocation – \$120.0 million
- Supported Schools Allocation – \$62.4 million
- Rural and Small Community Allocation – \$4.4 million

The total Geographic Circumstances Grant is projected to be \$186.8 million in 2008–09.

### **Remote and Rural Allocation**

The Remote and Rural Allocation supports the higher cost of purchasing goods and services for small school boards, as well as for boards that are distant from major urban centres, and boards with schools that are distant from one another.

Board enrolment, distance from an urban centre, and school dispersion are used to determine funding.

#### **Board Enrolment**

This component supports the higher per-pupil costs for goods and services faced by smaller school boards.

<b>Enrolment</b>	<b>Per-Pupil Allocation</b>
0 to < 4,000	\$302.72 – (Day School ADE x 0.01644)
4,000 to < 8,000	\$236.96 – ([Day School ADE – 4,000] x 0.01888)
8,000 or more	\$161.45 – ([Day School ADE – 8,000] x 0.02018)

## Distance/Urban Factor/French-Language Equivalence

This allocation takes into account the additional costs of goods and services related to remoteness and the absence of nearby urban centres. This allocation also recognizes that, much like remote school boards, French-language school boards in southern Ontario operating in a minority language context face higher costs in obtaining goods and services.

Distance (referred to as  $D$  in the formula below) is measured from the nearest defined cities of Toronto, Ottawa, Hamilton, London, or Windsor to the town or city located nearest to the geographic centre of the board.

$$\frac{\text{Distance / Urban Allocation}}{\text{Allocation}} = \left( \begin{array}{l} \text{per pupil allocation} \\ \text{based on distance (D)} \end{array} \times \text{urban factor} \right)$$

Distance	Per-Pupil Allocation
0 to < 151 kilometres	\$0
151 to < 650 kilometres	$\$1.03274 \times (D-150)$
650 to < 1,150 kilometres	$\$516.37 + [\$0.13900 \times (D-650)]$
1,150 kilometres +	\$585.87

City or town within a board's jurisdiction with a population of	Urban factor
0 – 25,000	1
25,000 – 200,000	$1 - \left( \frac{\text{population} - 25,000}{175,000} \right)$
200,000 +	0

### *Distance Equivalence*

French-language school boards receive the higher of their distance/urban allocation or a distance allocation of \$168.69 per pupil.

## School Dispersion

This component recognizes the higher costs of providing goods and services to students in widely dispersed schools.

The school dispersion measure consists of:

- the average distance between a board's schools, calculated on the basis of the shortest unique road route linking all the schools in a board, and
- the average road distance between the central board office and each school of the board, based on the shortest unique road route linking the board office with each school.

The average dispersion is expressed as the weighted average of two distances: the school-to-school average weighted at 0.8 and the board-office-to-school average weighted at 0.2.

Average Dispersion	Per-Pupil Allocation
0 – 14 kilometres	\$0
14 kilometres +	\$5.43399 x (Average Dispersion – 14)

Only boards with an average dispersion distance greater than 14 kilometres qualify for funding under the dispersion component. Each qualifying board's allocation for this component is determined by the following formula.

$$\text{Dispersion Allocation} = (2008 - 09 ADE) \times (\$5.43399 / \text{pupil}) \times \left( \frac{\text{Dispersion}}{\text{Factor}} - 14 \text{ km} \right)$$

Each board's average school dispersion distance is set out in the *Grants for Student Needs – Legislative Grants for the 2008-2009 School Board Fiscal Year* regulation.

## Supported Schools Allocation

The Supported Schools Allocation recognizes the challenges faced by school boards with low enrolment and/or declining enrolment by ensuring that the fixed costs of teachers are funded.

The definition of a *school* is the same as defined in the School Foundation Grant.

- An elementary school is deemed to be “supported” if the next closest elementary school of the board is at least 20 kilometres away.
- A secondary school is deemed to be “supported” if the next closest secondary school of the board is at least 45 kilometres away.

Funding is provided so that:

- Supported elementary schools with 50 or more students generate funding for a minimum of 7.5 teachers.
- Supported secondary schools with 50 or more students generate funding for a minimum of 14 teachers.
- As enrolment increases beyond 150 for a supported elementary school, or beyond 200 for a supported secondary school, these schools generate additional funding for teachers, above funding formula standards, to reflect the fact that providing specialist teachers and programs may require travel by teachers.
- Funding for teachers is scaled for supported schools with enrolments between 1 and 49 students.

Supported schools\* also generate top-up funding through the School Operations and School Renewal Allocations of the Pupil Accommodation Grant when enrolment is less than the capacity of a school (see page 90.)

### Elementary Supported Schools

<b>Supported School Size (2008–09 ADE)</b>	<b>Funding (using 2008–09 ADE)</b>
ADE ≥ 1 and ADE < 50	$\$62,000.63 + (\text{ADE} \times \$6,214.48)$
ADE ≥ 50 and ADE < 150	$\$540,703.22 - (\text{ADE} \times \$3,359.57)$
ADE ≥ 150	$\$36,767.82$

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\* Supported schools are referred to as “outlying schools” in the *Grants for Student Needs – Legislative Grants for the 2008-2009 School Board Fiscal Year* regulation.

## Secondary Supported\* Schools

Supported School Size (2008–09 ADE)	Funding (using 2008–09 ADE)
ADE ≥ 1 and ADE < 50	\$52,988.91 + (ADE x \$14,959.46)
ADE ≥ 50 and ADE < 200	\$1,009,312.67 - (ADE x \$4,167.02)
ADE ≥ 200 and ADE < 500	\$245,118.79 - (ADE x \$346.05)
ADE ≥ 500	\$72,093.76

Funding for French-language secondary supported schools is net of funding received through the secondary school component of the ALF allocation of the Language Grant.

## Rural and Small Community Allocation

The Rural and Small Community Allocation (RSCA) supports boards with schools in rural or small communities. This allocation is based on the Rural and Small Community Measure, which represents the proportion of a municipality’s population residing in rural areas or small communities. The Rural and Small Community Measure is currently used to support provincial grants to municipalities through the Ontario Municipal Partnership Fund (OMPF). As with OMPF, the Ministry of Education’s RSCA is provided to boards with a minimum rural measure of 25 percent, and on a sliding scale up to a rural measure of 75 percent. Boards\*\* receive the full amount of support if they have a rural measure of 75 percent or greater.

$$RSCA = ADE \times \text{per-pupil amount} \times RCSI \text{ factor}$$

Boards with a minimum measure of 25 percent are eligible for this funding and it is calculated as follows:

$$\text{If } RCSI \geq 75\%, \text{ then } RSCA = ADE \times \$20.67$$

$$\text{If } RCSI \geq 25\% \text{ and } \leq 75\%, \text{ then } RSCA = ADE \times \$20.67 \times (RCSI - 25\%) \times 2$$

\* Includes schools designated as “combined schools” in the School Foundation Grant.

\*\* The Rural and Small Community Index (RCSI) factors are listed in the *Grants for Student Needs – Legislative Grants for the 2008-2009 School Board Fiscal Year* regulation.



# Learning Opportunities Grant

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The original Learning Opportunities Grant (LOG) supported boards in offering a wide range of locally determined programs for students with a higher risk of academic difficulty. The grant then consisted of a single allocation, which was later called the Demographic Component. Two other components to further address student achievement were added in 2000–01 and 2003–04.

The Learning Opportunities Grant comprises the following:\*

- Demographic Component – \$334.5 million
- Literacy and Math Outside the School Day Component – \$15.3 million
- Student Success, Grades 7 to 12 Component – \$56.1 million

The total Learning Opportunities Grant is projected to be \$405.9 million in 2008–09.

## Demographic Component

The largest portion of LOG funding – \$334.5 million – is flowed through the Demographic Component, which provides funding based on social and economic indicators that have been associated with a higher risk of academic difficulties. The Demographic Component supports boards in offering a wide range of programs to improve the educational achievement of these students. Boards have considerable latitude in determining the kinds of programs and supports that they provide with this funding.

The Demographic Component uses three allocation methods, each for a designated portion of funding, to determine allocations for school boards. While the first method determines the base amount, the second and third methods are specific to the enhancements introduced in 2002–03, 2003–04, and 2004–05.

$$\begin{array}{l} \textit{Demographic} \\ \textit{Component} \end{array} = \begin{array}{l} 1998 - 99 \\ \textit{Model} \end{array} + \begin{array}{l} 2002 - 03 \\ \textit{Model} \end{array} + \begin{array}{l} 2003 - 04 \textit{ and} \\ 2004 - 05 \textit{ Model} \end{array}$$

Each board's allocation for the Demographic Component is set out in the *Grants for Student Needs—Legislative Grants for the 2008-2009 School Board Fiscal Year* regulation.

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\* May not add up due to the effects of rounding.

## 1998–99 Allocation Method

The initial method, created for the 1998–99 school year, was determined by the following socio-economic indicators derived from 1991 census information provided by Statistics Canada:

Indicator	Description	Provincial Rate
Low Income Cut-Off (LICO)	The percent of all persons who are living below the low income cut-off (LICO) point. LICOs are determined by Statistics Canada and vary from community to community.	13.1%
Low Education	The percent of all persons 15 years old or older who have less than a Grade 9 level education.	11.5%
Recent Immigration	The percent of all persons who immigrated to Canada between 1988 and 1991.	3.25%
Aboriginal Status	The percent of all persons indicating Aboriginal as their sole ethnic origin.	0.7%

The funding is based on:

- the eligible enumeration areas within the board,
- the funding units within eligible enumeration areas, and
- the allocation of funding units among each board within the eligible areas.

### *Eligible Area*

The area used for the purpose of the calculation is an enumeration area. An area is eligible where the percentage of the area population in any one of the four socio-economic indicators is at least twice the provincial rate. Once an enumeration area is eligible on any one of the four indicators, funding is calculated based on the LICO rate for that enumeration area.

### *Funding Units*

$$\text{Funding Units} = \frac{\text{Child population (less than 18 years of age)}}{\text{Provincial LICO rate}} \times \left( \frac{\% \text{ area population [LICO]}}{\text{Provincial LICO rate}} \right)$$

In some instances, LICO information was not available for an eligible enumeration area due to the suppression of low response rates by Statistics Canada. Where no LICO information is available for the eligible enumeration area, the Low Education variable is used in place of LICO for the calculation of funding units.

Example:

Data for enumeration area A:

Child population (under 18 years old)	1300
% of population below the LICO point	11.1%
% of population with Aboriginal status	0.1%
% of population 15 years old and older with lower than Grade 9 education	24.0%
% of population who recently immigrated	5.0%

In this example, the enumeration area qualifies since it is more than twice the provincial rate on the Low Education variable.

Funding units for eligible area A:

$$1,300 \times \left( \frac{11.1 [LICO \text{ rate of area A}]}{13.1 [provincial LICO \text{ rate}]} \right)$$

### ***Allocation of Funding Units Among Boards***

All funding units in eligible enumeration areas are summed according to census subdivisions (CSD). Funding units in a CSD are apportioned to each board by using municipal enumeration data showing school-aged population of public and separate and English- and French-language electors.

The funding units that a board has accumulated are then translated into funding as follows:

$$\left( \frac{\text{Total number of funding units for a board}}{\text{Total number of funding units for all boards}} \right) \times \text{Total Allocation}$$

### **2002–03 Allocation Method**

In 2002–03 funding for the Demographic Component was increased by \$15 million. A second model was created to calculate boards' shares of the \$15 million enhancement. In addition to the four indicators identified in 1998–99, a new factor was introduced to recognize lone-parent status.

The method of the Demographic Component added in 2002–03 is determined by the following socio-economic indicators from the 1996 Census.

<b>Indicator</b>	<b>Description (1996 Census)</b>	<b>Weight</b>
Low Income Cut-Off (LICO)	The percent of all persons who are living below the low income cut-off (LICO) point.	50%
Low Education	The percent of all persons 15 years or over who have less than a Grade 9 level education.	12.5%
Recent Immigration	The percent of all persons who immigrated to Canada between 1991 and 1996.	12.5%
Lone-Parent Status	The percent of families that are lone-parent families.	12.5%
Aboriginal Origin	The percent of all persons indicating Aboriginal as their ethnic origin.	12.5%

1. Schools are ranked for each indicator.
2. Based on their variable ranks, schools generate per-pupil funding units according to the funding unit scale. The 40 percent of schools with the most at-risk students for a given variable receive funding units. The funding unit scale provides a gradual increase in the per-pupil amount generated based on the level of risk in the school.
3. The per-pupil funding units for each indicator are multiplied by the enrolment of the school to create a school-level funding units total for the indicator. Funding units for all indicators are summed to produce total school funding units.
4. The total funding amount is distributed on a school basis proportional to the funding units.

$$\text{Funding Unit Value} = \frac{\text{Total Funding Available}}{\text{Total Funding Units}}$$

$$\text{School LOG Funding} = \text{School Funding Units} \times \text{Funding Unit Value}$$

5. School funding is summed to determine total funding for each school board.

## 2003–04 and 2004–05 Allocation Method

Funding for the Demographic Component was enhanced by \$95 million in December 2003 and \$65 million in August 2004. This funding provides a greater share of the increases to boards with the largest number of students at risk because of social and economic factors or because the students have arrived in Canada recently.

A third model was created to determine boards' shares of the \$95 million and \$65 million enhancements based on the following socio-economic indicators from the 1996 census:

<b>Indicator</b>	<b>Description (1996 Census)</b>	<b>Weight</b>
Recent Immigration	The percent of all persons who immigrated to Canada between 1991 and 1996.	50%
Low Income Cut-Off (LICO)	The percent of all persons who are living below the low income cut-off (LICO) point.	40%
Low Education	The percent of all persons 15 years or over who have less than a Grade 9 level education.	5%
Lone Parent Status	The percent of families that are lone-parent families.	5%

1. Schools are ranked for each indicator.
2. Based on their variable ranks, schools generate per-pupil funding units according to the funding unit scale. The 40 percent of schools with the most at-risk students for a given variable receive funding units. The funding unit scale provides a gradual increase in the per-pupil amount generated based on the level of risk in the school.
3. The per-pupil funding units for each indicator are multiplied by the enrolment of the school to create a school-level funding units total for the indicator. Funding units for all indicators are summed to produce total school funding units.
4. The total funding amount is distributed on a school basis proportional to the funding units.

$$\text{Funding Unit Value} = \frac{\text{Total Funding Available}}{\text{Total Funding Units}}$$

$$\text{School LOG Funding} = \text{School Funding Units} \times \text{Funding Unit Value}$$

5. School funding is summed to determine total funding for each school board.

## Literacy and Math Outside the School Day Component

The Literacy and Math Outside the School Day Component provides funding for additional supports to enhance the literacy and math skills of students at risk of not meeting the curriculum standards and the requirements of the Grade 10 literacy test. In 2008–09, this component is projected to be \$15.3 million.

These programs may be provided during the summer and during the school year outside the regular school day for:

- a class or course in literacy and math for Grade 7 or 8 students for whom a remedial program in literacy and math has been recommended by the principal of the day school;
- a non-credit class in literacy and math for Grade 9 to 12 students for whom a Grade 9 or 10 remedial program in literacy and math has been recommended by the principal of the day school;
- a literacy or math class or course for adults who are parents or guardians of students in any grade for whom the principal of the day school has recommended a remedial course in literacy or math.

In 2008–09, per-pupil funding is increasing to \$5,840 per ADE.

### Summer Literacy and Math Programs

Per-pupil funding for literacy and math programs at \$5,840 per ADE is available in the summer of 2008, for at-risk students in Grades 7 to 12 and for parents of at-risk students. Transportation for students to summer programs in 2008–09 is provided at the increased level of funding (see page 72).

Transportation for pupils enrolled in summer school literacy and math programs is provided as follows:

$$\frac{2008 - 09 \text{ transportation allocation for the board}}{2008 - 09 \text{ ADE of pupils of the board}} \times \begin{matrix} \text{ADE of Grades 7 to 12} \\ \text{literacy and math summer} \\ \text{school programs} \end{matrix} \times 3$$

The School Operations (p. 91) and School Renewal (p. 92) Allocations of the Pupil Accommodation Grant are also provided for students in Grades 7 to 12 literacy and math summer school programs.

## Student Success, Grades 7 to 12 Component

In 2008–09, \$56.1 million is being provided for the Student Success, Grades 7 to 12 Component to assist students who may not achieve their educational goals. This funding is to be used to enhance preparation of students for passing the Grade 10 literacy test, and to increase opportunities for students to participate in successful school-to-work, school-to-apprenticeship, or school-to-college program pathways.

Funding for the Student Success, Grades 7 to 12 component is allocated\* as follows:

- Co-ordinator: 20 percent (\$11.1 million) – provides each school board with a dedicated leader to assist schools in developing programs to improve student success;
- Enrolment: 47 percent (\$26.6 million) – based on enrolment in Grades 7 to 12;
- Demographic: 20 percent (\$11.1 million) – based on socio-economic factors associated with academic success (using the same factors used to allocate the \$15 million added to the Demographic Component of LOG in 2002–03) – ensures that school boards with a higher proportion of risk factors receive a higher proportion of funds. Each board’s Student Success Demographic Factor is set out in the *Grants for Student Needs – Legislative Grants for the 2008-2009 School Board Fiscal Year* regulation;
- Dispersion: 10 percent (\$5.5 million) – recognizes increased program costs for widely dispersed schools (using the same factor that is used in the Remote and Rural Allocation) and ensures that small, non-urban, and French-language school boards receive a higher proportion of funds; and
- Transportation: 3 percent (\$1.8 million).

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\* May not add up due to the effects of rounding.



## Safe Schools Supplement

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Formerly allocated outside the GSN, the Safe Schools Supplement supports amendments to the safe schools provisions of the *Education Act*, which came into effect February 1, 2008. The purpose of these amendments was to more effectively combine prevention support, early intervention, and discipline with opportunities for students to continue their education. Safe Schools Supplement funding supports the Government's comprehensive Safe Schools Strategy as well as selected secondary schools in priority urban neighbourhoods.

In response to challenges faced by some secondary schools in urban settings, new funding of \$10 million is being provided in 2008–09 and future years to support selected secondary schools in priority urban neighbourhoods.

The Safe Schools Supplement comprises:

- Safe School Strategy Allocation – \$33.5 million
- Urban and Priority High Schools Allocation – \$10 million

The total Safe Schools Supplement is projected to be \$43.5 million in 2008–09.

### Safe Schools Strategy Allocation

This section of the Safe Schools Supplement is made up of the Professional Support Staff component and the Program and Support component. Using the same method as that used in 2007–08, the 2008–09 allocation is based on enrolment, geographic factors, and on social and economic indicators with all boards receiving a minimum allocation of \$25,000 for professional supports and \$50,000 for programs and supports for suspended and expelled students.

#### Professional Support Staff Component

The \$10.5 million Professional Support Staff Component supports "non-teaching" staff such as social workers, child and youth workers, psychologists, and attendance counsellors. The activity of such para-professional staff is critical to preventing and mitigating at-risk factors for a significant number of students.

The professional support amount is calculated by taking the larger of \$25,000 or the sum of the following three amounts:

$$\begin{aligned}
 & ADE \times \$3.28 \\
 & \quad + \\
 & ADE \times \begin{array}{l} \text{Board's Weighted Per – Pupil} \\ \text{Amount for Professional Supports} \end{array} \\
 & \quad + \\
 & (ADE \text{ Grades } 9-12 \times \$0.209664 + ADE \text{ Grades } 4-8 \times \$0.078624) \times \begin{array}{l} \text{Board's Remote and} \\ \text{Rural Dispersion Factor} \end{array}
 \end{aligned}$$

Each board's allocation for the weighted per-pupil amount for professional support is set out in the *Grants for Student Needs—Legislative Grants for the 2008-2009 School Board Fiscal Year* regulation.

### **Program and Support Component**

Annual funding of \$23 million is being provided for programs and support for expelled students and students serving long term suspensions.

The amount for programs and support for these students is calculated by taking the larger of \$50,000 or the sum of the following three amounts:

$$\begin{aligned}
 & ADE \times \$7.17 \\
 & \quad + \\
 & ADE \times \begin{array}{l} \text{Board's Weighted Per – Pupil} \\ \text{Amount for the Program and} \\ \text{Support Component} \end{array} \\
 & \quad + \\
 & (ADE \text{ Grades } 9-12 \times \$0.458976 + ADE \text{ Grades } 4-8 \times \$0.172116) \times \begin{array}{l} \text{Board's Remote and} \\ \text{Rural Dispersion Factor} \end{array}
 \end{aligned}$$

Each board's allocation for the weighted per-pupil amount for program and support is set out in the *Grants for Student Needs—Legislative Grants for the 2008-2009 School Board Fiscal Year* regulation.

The following demographic factors based on 2001 census data were used to construct the Weighted Per-Pupil Amounts:

- Estimated percentage of student-aged population in households whose income is below the Low Income Cut-Off;
- Estimated percentage of student-aged population having at least one parent without at least some post-secondary education;
- Estimated percentage of student-aged population in a lone parent family;
- Estimated percentage of First Nation, Métis and Inuit student population; and
- Estimated percentage of student-aged population who immigrated to Canada between 1996 and 2001.

## **Urban and Priority High Schools Allocation**

Urban secondary schools struggling with safety issues may face challenges that arise from their size and their neighbourhood and community settings, including poverty and lack of community resources.

In response to these challenges, new funding of \$10 million is being provided in 2008–09 and future years to support selected secondary schools in priority urban neighbourhoods. This funding would be used for in-school supports and development of resources targeted to students and their families.

The Ministry will provide additional details in-year on the criteria for selecting these schools and applying for funding.



## Program Enhancement Grant

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The Program Enhancement Grant supports the Government's commitment to providing students with a well-rounded education through programs such as arts, music, physical education, and outdoor education.

In 2008–09, a \$10 million increase raises the per-school amount to \$9,650, which is an increase of \$2,150 per school, or almost 30 per cent.

The total Program Enhancement Grant is projected to be \$45.4 million in 2008–09.

This grant may be used to:

- fund or enrich existing programs, or
- offer new programs.

Funding is provided as follows:

$$\begin{array}{l} \textit{Program Enhancement} \\ \textit{Grant Funding} \end{array} = \begin{array}{l} \textit{No. of} \\ \textit{schools} \end{array} \times \$9,650$$

It should be noted that, while each board's level of funding is based on its number of schools, boards have flexibility to decide how to use this funding.



## **Continuing Education and Other Programs Grant**

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The Continuing Education and Other Programs Grant supports adult day school programs and continuing education programs, adult Native language, adult credit for diploma, correspondence/self-study programs, secondary crossover or transfer courses, summer school courses, elementary and secondary reach-ahead courses, elementary international language courses, and Prior Learning Assessment and Recognition (PLAR) for mature students.

The Continuing Education and Other Programs Grant consists of:

- Adult Day School – \$12.8 million (plus an additional unallocated amount with allocation details to be made available at a later date)
- Summer School – \$20.8 million
- Continuing Education – \$51.1 million
- Prior Learning Assessment and Recognition (PLAR) – \$0.9 million
- International Languages, Elementary – \$20.4 million

Funding is increasing to \$2,679 per ADE (excluding pupils in respect of whom fees are chargeable under the tuition fees regulation).

The total Continuing Education and Other Programs Grant is projected to be \$106 million in 2008–09.

Funding through the School Operations and School Renewal Allocations of the Pupil Accommodation Grant is provided for day school students aged 21 and over, and for students enrolled in summer school programs and in continuing education credit courses offered during the day.

### **Secondary School Crossover or Transfer Courses**

Funding is provided for crossover or transfer courses to allow secondary students to move between the applied and academic streams, and to allow partial credits as permitted by Ontario secondary school curriculum policy documents.

### **Summer School and After-School Credit Courses**

This grant supports credit courses for elementary reach-ahead students and credit courses for secondary school students in the summer or outside the school day, for example, in the evenings.

## **Prior Learning Assessment and Recognition**

Prior Learning Assessment and Recognition (PLAR) for mature students is a formal evaluation and accreditation process carried out under the direction of a school principal and through which the principal may grant secondary school credits to mature students. PLAR assessment services that are funded include:

- \$108 for an individual student assessment for Grade 9 and 10 credits (maximum of one such assessment per mature student in any one school year);
- \$108 for an individual student equivalency assessment for Grade 11 and 12 credits (maximum of one such assessment per mature student in any one school year); and
- \$324 for each completed challenge assessment for a Grade 11 or 12 full credit course, whether successful or unsuccessful.

School boards are funded based on their reporting of these assessment activities.

## **International Language Programs, Elementary**

Funding is also provided for international language programs for elementary students. The allocation for international languages for school boards offering approved classes for international language instruction in a language other than English or French is based on a rate of \$45.64 per classroom hour where the board's average class size for the program is 23 or more. Where the average class size for a board with this program is less than 23, the rate of \$45.64 per classroom hour is reduced by \$1 for every pupil less than 23.

## Cost Adjustment and Teacher Qualifications and Experience Grant

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The Cost Adjustment and Teacher Qualifications and Experience Grant provides funding to boards with teachers who, because of their qualifications and experience, have salaries above the benchmark level used in the Pupil Foundation Grant.

Funding through the Cost Adjustment and Teacher Qualifications and Experience Grant is provided through three components:

- Cost Adjustment Component – \$14.8 million
- Teacher Qualifications and Experience Component – \$863.8 million
- New Teacher Induction Program Component (NTIP) – \$14.8 million

New to this grant in 2008–09 is the \$15 million New Teacher Induction Program (NTIP) to support the growth and professional development of new teachers. This funding was formerly allocated outside the GSN.

The total Cost Adjustment and Teacher Qualifications and Experience Grant is projected to be \$893.4 million in 2008–09.

### Cost Adjustment Component

A cost adjustment for non-teaching staff is being provided in 2008–09 on the same basis as in 2007–08. The Ministry has estimated the amount of funding needed by calculating average salaries for various staffing categories – using salary and staffing information reported by boards in the 2007–08 Revised Estimates – and comparing these average salaries to the benchmarks.

Each board's funding under the Cost Adjustment Component is set out in the *Grants for Student Needs – Legislative Grants for the 2008-2009 School Board Fiscal Year* regulation.

## Teacher Qualifications and Experience Component

The elementary per-pupil allocation for teacher qualifications and experience is calculated as follows:

$$\left( \text{Sum of} \left[ \frac{\text{Elementary teachers on board's regular grid} \times \text{Instructional salary matrix}}{\text{Number of elementary teachers on board's regular grid distribution}} \right] - 1 \right) \times \$3,500.02$$

The secondary per-pupil allocation for teacher qualifications and experience is calculated as follows:

$$\left( \text{Sum of} \left[ \frac{\text{Secondary teachers on board's regular grid} \times \text{Instructional salary matrix}}{\text{Number of secondary teachers on board's regular grid distribution}} \right] - 1 \right) \times \$4,430.88$$

### *Instructional Salary Matrix*

<b>Qualifications &amp; Experience</b>	<b>D</b>	<b>C</b>	<b>B</b>	<b>A1</b>	<b>A2</b>	<b>A3</b>	<b>A4</b>
<b>0</b>	0.5825	0.5825	0.5825	0.6178	0.6478	0.7034	0.7427
<b>1</b>	0.6185	0.6185	0.6185	0.6557	0.6882	0.7487	0.7898
<b>2</b>	0.6562	0.6562	0.6562	0.6958	0.7308	0.7960	0.8397
<b>3</b>	0.6941	0.6941	0.6941	0.7359	0.7729	0.8433	0.8897
<b>4</b>	0.7335	0.7335	0.7335	0.7772	0.8165	0.8916	0.9418
<b>5</b>	0.7725	0.7725	0.7725	0.8185	0.8600	0.9398	0.9932
<b>6</b>	0.8104	0.8104	0.8104	0.8599	0.9035	0.9881	1.0453
<b>7</b>	0.8502	0.8502	0.8502	0.9013	0.9475	1.0367	1.0973
<b>8</b>	0.8908	0.8908	0.8908	0.9435	0.9919	1.0856	1.1500
<b>9</b>	0.9315	0.9315	0.9315	0.9856	1.0356	1.1344	1.2025
<b>10</b>	1.0187	1.0187	1.0187	1.0438	1.0999	1.2166	1.2982

In 2008–09, the salary benchmark for teachers is being increased by 0.7 per cent as part of the four-year labour framework agreement.

The salary matrix reflects a benchmark of \$64,751 for a teacher's salary and excludes teacher-consultants, continuing education teachers, and the administrative component of principals and vice-principals. They are, therefore, to be excluded from the board's regular grid distribution for the purpose of calculating grant entitlements. Teachers providing instruction in care and treatment facilities are also excluded from the board's grid distribution. This is because the instructional cost of such programs is funded under special education, and pupils in these programs are not counted as pupils of the board.

The teacher distribution as of October 31, 2008, is used for the calculation of this grant. Where the qualification of a teacher changes after October 31, 2008, and the change for salary purposes is retroactive to October 2007, or earlier, the changed qualification category is used for the purpose of this calculation.

Funding recognizes teachers' actual experience and ensures consistent claims for the Teacher Qualifications and Experience component by recognizing part years of teaching. Boards are to place teachers on the experience grid by rounding part-year experience to the nearest whole number of years of experience.

## **New Teacher Induction Program (NTIP)**

The New Teacher Induction Program (NTIP) was established in 2005–06 and was designed to support the growth and professional development of new teachers in the system. The program provides a full year of professional support to help new teachers develop the requisite skills and knowledge to be effective as teachers in Ontario.

For three years, NTIP was funded outside the GSN. Beginning in the 2008–09 school year, almost \$15 million is being allocated through the GSN for NTIP.

New teachers are defined as all new teachers, including those trained out of province, certified by the Ontario College of Teachers, who have been hired into full-time or part-time permanent positions by a school board, school authority, or provincial school to teach for the first time in Ontario.

NTIP consists of:

- orientation for all new teachers to the school and school board;
- mentoring for new teachers by experienced teachers; and
- professional development and training in such areas as Literacy and Numeracy strategies, Student Success, and Safe Schools; classroom management; effective parent communication skills; and instructional strategies that address the learning and culture of students with special needs and other diverse learners.

New teachers are appraised by their principals twice within the first twelve months of employment. New teachers who successfully complete two appraisals within the required time period receive a notation of successful completion of NTIP on their Certificate of Qualification and on the Ontario College of Teachers public register.

Funding is provided as follows:

$$NTIP \text{ Funding} = \$20,000 + (\$2,000 \times \text{New Teachers})$$

Allocations are based on a head-count of new teachers hired between October 2, 2007, and October 31, 2008, inclusive. Boards report the number of new teachers through Estimates and Revised Estimates.

Starting in September 2008, NTIP funding will be flowed to boards monthly as part of the regular GSN transfer payment, rather than quarterly as in the 2007–08 school year.

Boards are expected to use NTIP funding for eligible NTIP expenditures and are required to meet NTIP program requirements according to legislation and the *New Teachers Induction Programs: Induction Elements Manual*, and to participate in any NTIP-related support and evaluation activities. Boards are expected to continue to submit an NTIP plan and a final report (including a detailed accounting statement) to the Teaching Policy and Standards Branch via the Ministry's regional offices.

Boards may also use NTIP funds to support beginning long-term occasional (LTO) teachers. For the purposes of NTIP, a beginning LTO teacher is defined as a certified occasional teacher who is in his or her first long-term assignment, with that assignment being 97 or more consecutive school days as a substitute for the same teacher.

## Student Transportation Grant

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This grant provides school boards with funding in order to transport students to and from home and school, including transporting students with special needs.

In 2008–09, the Student Transportation Grant is being increased by \$27.1 million, or 3.5 percent.

This \$27.1 million increase includes:

- \$15.4 million, or 2 percent, in recognition of the higher costs associated with providing school bus services
- \$10 million to support increased wages for bus drivers
- \$1.7 million for boards with increased enrolment

The total Student Transportation Grant is projected to be \$812.0 million in 2008–09.

As a transitional support, boards with declining enrolment in 2008–09 will not have their funding reduced.

## School Boards with Declining Enrolment

For school boards with declining enrolment, funding is calculated as follows:

$$\text{Transportation Allocation} = \left[ \begin{array}{c} 2007 - 08 \text{ Allocation for Transportation} \\ \text{less} \\ \text{Expenditures in 2007 - 08 for} \\ \text{Transportation to Provincial Schools} \end{array} \right] \times (1.033)$$

## School Boards with Increasing Enrolment

For school boards with increasing enrolment, funding is calculated as follows:

$$\text{Transportation Allocation} = \left[ \begin{array}{c} 2007 - 08 \text{ Allocation} \\ \text{for Transportation} \\ \text{less} \\ \text{Expenditures in 2007 - 08 for} \\ \text{Transportation to Provincial Schools} \end{array} \right] \times \left[ \begin{array}{c} 2008 - 09 \\ \text{Day School ADE} \\ \hline 2007 - 08 \\ \text{Day School ADE} \end{array} + 0.033 \right]$$

## Funding for Transportation to Provincial Schools

Funding for provincial schools transportation is allocated based on expenditures reported by the board in 2008–09, as approved by the Ministry.

Continuing with the changes that were introduced in 2006–07, the Consortium de transport scolaire d'Ottawa, served by Conseil des écoles catholiques de langue française du Centre-Est, is coordinating transportation for all students attending Centre Jules-Léger. The Ottawa-Carleton District School Board is coordinating transportation for all students attending a residential program at an English-language provincial or demonstration school. Transportation funding to cover these expenditures flows directly to the two boards.

School boards that provide daily transportation to an English-language provincial or demonstration school continue to be reimbursed, based on approved expenditures reported by the board.

## Funding for Summer School Transportation

Additional allowances for transportation are included under the Learning Opportunities Grant for literacy and math remediation and student success programs. Please refer to the Learning Opportunities Grant for details (p. 56).

## Student Transportation Reform

Student transportation is undergoing fundamental reform to increase the transparency and effectiveness of the system. As outlined in Memorandum 2006: SB13, school boards were required to submit plans indicating how they would meet the consortium requirements outlined by the Ministry. Once a consortium has achieved full consortium status, an Effectiveness and Efficiency (E&E) review is scheduled. The E&E reviews are conducted by third party consultants under contract to the Ministry. In 2006–07, four consortia sites were reviewed. As a result, a total of \$7.6M in additional funding was provided to the boards reviewed. Between October 2007 and January 2008, five consortia sites were scheduled for E&E reviews. For the boards involved, the reviews resulted in \$2.3 million of funding adjustments, which were implemented through amendments to the 2007–08 GSN subject to approval by the Lieutenant Governor in Council. Over the next two years, E&E reviews of established consortia will continue and, based on findings and recommendations, funding adjustments will be made.

As part of the reform of student transportation, the Ministry engaged Deloitte and Touche LLP to conduct a school bus cost study, incorporating standards for safe vehicles and trained drivers. This cost study, released in Memorandum 2007: SB16, establishes a new cost benchmark, adjusted for local circumstances, for the operation of a 72-passenger school bus. The benchmark is primarily intended to serve as a reference and resource for school boards and operators in negotiating school bus contracts.

As per Memorandum 2007: SB17, school boards were notified of the details regarding the methodology for calculating funding enhancements for boards that have contract rates below the adjusted cost study benchmarks. This funding is meant to raise the financial capacity of boards to deliver effective and safe transportation services. Following verification of the data collection exercise, \$16.9 million will be provided to eligible boards. The change will be applied through amendments to the 2007–08 GSN subject to approval by the Lieutenant Governor in Council.



## **Community Use of Schools Grant**

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The Community Use of Schools Grant supports boards in making schools more accessible for community use after regular school hours. This grant allows boards to reduce the rates for school space used by the community by helping boards with the costs involved with keeping schools open after hours. In response to the demand for after-hours use of school space, the \$20 million Community Use of Schools program, formerly a component of the School Operations Allocation, is now a new grant. In 2008–09, the grant includes a \$12.9 million enhancement of which \$6.4 million is a new allocation for Outreach Coordinators to help make the programs more effective.

The Community Use of Schools Grant has two components:

- Operations Component – \$26.5 million
- Outreach Coordinators Component – \$6.4 million.

The total Community Use of Schools Grant is projected to be \$32.9 million in 2008–09.

This investment supports the Government’s commitment to increase access to after-hours use of school space.

### **Operations Component**

This component provides funding to support reduced rates and increased access by helping school boards with the costs of heating, lighting, and cleaning.

### **Outreach Coordinators Component**

This new component of the Community Use of Schools Grant enables school boards to hire Outreach Coordinators.

Each district school board receives \$36,000 through this component plus \$800 per school using the same definition of *school* as is used for the School Foundation Grant.

Outreach Coordinators help ensure the effectiveness of the Community Use of Schools program at the local level through community outreach, developing school board Community Use of Schools policies, coordinating with the Ministry, school boards, local schools and the local community, and sharing information and collecting data.



## Declining Enrolment Adjustment

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Much of a school board's revenue is determined by enrolment. This is appropriate because when there are fewer students boards no longer need the same number of teachers and other supports.

Boards' costs, however, do not decline in a way that is strictly proportional to declining enrolment. Some costs can be adjusted easily. For example, the cost of classroom teachers can be reduced by changing the arrangement of classes. Other costs cannot be adjusted as easily. The Declining Enrolment Adjustment (DEA) recognizes that it takes time for boards to adjust their cost structures to declines in enrolment.

The DEA is projected to be \$80.4 million in 2008–09.

For 2008–09, the DEA is calculated as follows:

1. "First year component" is determined by measuring the decrease in operating revenue between 2007–08 and 2008–09, excluding the impact of new investments added to education funding in 2008–09.

(A in the following formula).

$$A = B - C$$

Where:

*B* = Total operating revenue in 2007–08 (excluding allocations not based on enrolment<sup>\*</sup>)

*C* = Total operating revenue in 2008–09 (excluding allocations not based on enrolment and new investments<sup>\*\*</sup>).

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\* Operating revenue for 2007–08 includes: Pupil Foundation Grant, the Special Education Per Pupil Amount (SEPPA) of the Special Education Grant, the French as a First Language component of the Language Grant, the Remote and Rural Allocation of the Geographic Circumstances Grant, all components – except Trustees and the Reporting Entity Project – of the School Board Administration and Governance Grant, and the School Operations Allocation of the Pupil Accommodation Grant.

\*\* 2008–09 operating revenue also excludes new investments.

- Calculate the reduction in costs the board is expected to achieve as a result of the enrolment decline ( $D$ ). This equals 58 percent of the percent decline in enrolment applied to the 2007–08 operating revenue.

$$D = (58\% \text{ of rate of enrolment decline}) \times B$$

- Where revenue has declined, determine the amount by which the operating revenue decline exceeds the expected reduction in the board's costs ( $E$ ). (A board is only eligible for the DEA if the operating revenue decline is greater than the expected cost reduction.)

$$E = A - D$$

- Apply scaling factor ( $G$ ) to determine DEA ( $F$ ). The scaling factor increases as enrolment decreases in recognition that the more significant the decline in enrolment, the more transitional assistance a board may need to adjust its cost structure.

$$F = G \times E$$

To determine the scaling factor ( $G$ ) of a board that has declining enrolment, apply the following formula (to five decimal points):

$$H = 1 - \frac{2008 - 09 \text{ day school ADE of the board}}{2007 - 08 \text{ day school ADE of the board}}$$

Day school ADE includes enrolment of JK to Grade 12 pupils of the board, excluding pupils 21 and over.

If the amount  $H$  does not exceed 0.0025, the scaling factor is 0.5.

If the amount  $H$  is greater than 0.0025 but does not exceed 0.015, the scaling factor is calculated as follows:

$$G = \frac{(H - 0.0025) + 0.00125}{H}$$

If the amount  $H$  is greater than 0.015, the scaling factor is calculated as follows:

$$G = \frac{1.5 (H - 0.015) + 0.01375}{H}$$

The table below provides examples of scaling factors for specific percentage enrolment declines.

<b>Percent Enrolment Decline</b>	<b>Scaling Factor (G)</b>	<b>Percent Enrolment Decline</b>	<b>Scaling Factor (G)</b>	<b>Percent Enrolment Decline</b>	<b>Scaling Factor (G)</b>
0.1%	0.50000	1.1%	0.88636	2.1%	1.08333
0.2%	0.50000	1.2%	0.89583	2.2%	1.10227
0.3%	0.58333	1.3%	0.90385	2.3%	1.11957
0.4%	0.68750	1.4%	0.91017	2.4%	1.13542
0.5%	0.75000	1.5%	0.91667	2.5%	1.15000
0.6%	0.79167	1.6%	0.95313	2.6%	1.16346
0.7%	0.82143	1.7%	0.98529	2.7%	1.17593
0.8%	0.84375	1.8%	1.01389	2.8%	1.18750
0.9%	0.86110	1.9%	1.03947	2.9%	1.19828
1.0%	0.87500	2.0%	1.06250	3.0%	1.20833

The “first year component” is then added to the following to arrive at total DEA funding for a board.

- 50 percent of the school board’s DEA in 2007–08 (first year component only)
- 25 percent of the school board’s DEA in 2006–07 (first year component only)

### **Declining Enrolment Working Group**

While the Government has introduced a variety of changes to the funding formula to help declining boards, the impact and effectiveness of these stabilizing measures has not been fully assessed. The Ministry will establish a working group to look at these measures as well as other strategies that might help boards in adjusting costs to enrolment decline in ways that advance the goals of student achievement and student retention. The results of the working group will be an important input for the 2010 funding formula review.



## **School Board Administration and Governance Grant**

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The School Board Administration and Governance Grant provides funding for administration and governance costs such as operating board offices and central facilities, board-based staff and expenditures, including supervisory officers and their secretarial support.

Funding is provided through five components:

- Trustees – \$11.1 million
- Directors and Supervisory Officers – \$83.5 million
- Board Administration – \$415.3 million
- Reporting Entity Project – added in 2008–09 – \$5.7 million
- Multiple Municipalities – \$0.3 million

The School Board Administration and Governance Grant is being enhanced in 2008–09 by \$10 million to address pressures facing small and low enrolment boards.

New to the School Board Administration and Governance Grant in 2008–09 is permanent funding for the Reporting Entity Project, formerly funded outside the GSN.

The total School Board Administration and Governance Grant is projected to be \$515.9 million in 2008–09.

### **Trustees Component**

#### **Trustee Honoraria**

Bill 78, the *Education Statute Law Amendment Act (Student Performance)*, 2006, provides a formula which establishes the maximum honorarium a board member may receive. The honorarium at each board is established in an election year by the outgoing trustees prior to October 31 and after consultation with a local citizens' advisory committee.

This funding component, which is based on the number of trustees, supports trustee honoraria, expenses, meeting costs, and professional development (for example, conferences).

Under the old funding approach, the funding was calculated as follows:

\$5,000	per trustee (including chair) for trustee honoraria
\$5,000	per trustee (including chair) for travel and expense allowance, professional development, and other costs
\$10,000	per board as additional honoraria for the chair and vice-chair

In 2006, the Ministry amended the formula. Under the new formula for calculating trustee remuneration, the honoraria and expense costs are calculated as follows:

base amount (\$5,900) + attendance amount (\$1,200) that assumes attendance at two committees of the board per month, which are required under the <i>Education Act</i>	per trustee (including chair and vice-chair) for trustee honoraria and attendance amount
base amount (\$5,000) for chair + base amount of (\$2,500) for vice-chair	per board as additional honorarium for the chair and vice-chair
distance amount (\$1,800) for boards with a jurisdiction greater than 9,000 square kilometres (as listed in Ontario Regulation 412/00, <i>Elections To and Representation On District School Boards</i> ) – funding assumes travel to two committees of the board per month, which are required under the <i>Education Act</i> , as well as travel to one board meeting per month	per trustee (including chair and vice-chair) for distance amount
enrolment amount ( $\$1.75 \times \text{ADE} \div \text{the number of trustees excluding First Nations and student trustees; native trustees receive amount equivalent to the enrolment amount received by the non-native trustees}^*$ )	per trustee (including chair) for trustee honoraria
enrolment amount ( $\$0.05 \times \text{ADE}$ , with a minimum amount of \$500 and a maximum amount of \$5,000*)	per board as additional honorarium for the chair
enrolment amount ( $\$0.025 \times \text{ADE}$ , with a minimum amount of \$250 and a maximum amount of \$2,500*)	per board as additional honorarium for the vice-chair
\$5,000	per trustee (including chair and vice-chair) for travel and expense allowance, professional development, and other costs

\* ADE = Average Daily Enrolment. The ADE figures used are those submitted by school boards through their Estimates submission from the previous school year.

Currently, the Ministry funds the full trustee honorarium calculated under the old method, plus 50 percent of the incremental cost between the new and old methods of calculating trustee honoraria, while boards provide for any additional costs.

### **Student Trustee Honoraria**

Ontario Regulation 7/07, *Student Trustees*, supplements the rights and responsibilities given to student trustees by the *Education Act*. The regulation requires district school boards to have at least one, and not more than three, student trustees. Boards pay an honorarium of \$2,500 to each student trustee and provide student trustees with the same access to compensation as the other trustees.

To assist boards, the Ministry provides through the School Board Administration and Governance Grant:

\$1,250	per student trustee for trustee honorarium, based on the actual number of student trustees per board
\$5,000	per student trustee for travel and expense allowance, professional development, and other costs

This approach is consistent with current provisions for other trustees by which the Ministry funds 50 percent of the incremental cost of trustee honoraria.

### **Directors and Supervisory Officers Component**

Funding is based on costs for one director per board and a number of supervisory officers reflecting board enrolment. This component is intended to cover salaries and benefits of these staff. This component also recognizes the higher administrative costs incurred by some boards, by using their Remote and Rural Allocation of the Geographic Circumstances Grant, the Demographic Component of the Learning Opportunities Grant, and the capital components of the Pupil Accommodation Grant\* as factors in the calculation that follows:

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\* Pupil Accommodation Grant, excluding School Operations, School Renewal, and Capital Debt Commitments.

<b>Directors and Supervisory Officers Component</b>	<b>2008–09</b>
Base amount	\$490,503.00
Per-pupil amount for first 10,000 pupils	\$12.50
Per-pupil amount for next 10,000 pupils	\$18.26
Per-pupil amount for remaining pupils	\$25.10
% Geographic Circumstances Grant (Remote and Rural Allocation)	2.17%
% Learning Opportunities Grant (Demographic Component)	0.62%
% Pupil Accommodation Grant (Capital components)	1%

## Board Administration Component

This component provides funding for the business and other administrative functions of a board and the costs of operating and maintaining board offices and facilities. As with the Director and Supervisory Officers Component, the Board Administration Component recognizes the higher costs of administration in some boards. This component covers expenses and support staff for the director and supervisory officers.

Dues to stakeholder organizations, including trustee associations, as well as support staff costs for trustees, are also funded from the Board Administration Component.

This component also provides funding for school councils.

In 2008–09, there is a \$10 million increase to the base funding provided under the Board Administration Component. This funding supports low-enrolment boards to ensure that board administration resources and capacity are not compromised as a result of declining enrolment.

<b>Board Administration Component</b>	<b>2008–09</b>
Base amount	\$91,216.00
Base amount (per board with less than 26,000 ADE)	\$200,000.00
Per-pupil amount	\$197.58

<b>Board Administration Component</b>	<b>2008–09</b>
% Geographic Circumstances Grant (Remote and Rural Allocation)	11.94%
% Learning Opportunities Grant (Demographic Component)	0.62%
% Pupil Accommodation Grant (Capital components)	1%

Enrolment used for determining the funding is the day-school ADE of pupils of the board (JK to Grade 12, excluding pupils 21 and over).

### **Reporting Entity Project**

Funding for the Reporting Entity Project (REP) supports school boards with the costs of preparing and reporting financial information to the Province for the implementation of the generally accepted accounting standards prescribed by the Public Sector Accounting Board (PSAB).

Since 2005–06, the Ministry of Education has been working with school boards to ensure all financial information required for consolidation purposes is accurately collected, prepared, and reported. This has resulted in new reporting requirements for boards including:

- a new March reporting cycle corresponding with the Government fiscal year end;
- the requirement for boards to track and report investments in major tangible capital assets (land and buildings) to the Province; and
- the future implementation of full capital asset accounting in school board financial statements.

For 2008–09, funding for the REP, formerly funded outside the GSN, is \$5.7 million. The allocation method is the same as that used in 2007–08:

<b>Reporting Entity Project</b>	<b>2008–09</b>
Base amount per board	\$50,000.00
Per-pupil amount	\$1.05

## Multiple Municipalities Component

The Multiple Municipalities Component recognizes the additional costs of boards that are required to interact with a large number of municipalities and other local governing agencies. Boards incur administrative costs from dealing with municipalities on property tax matters. Boards are also required to reach protocols and agreements with local agencies, such as police services and children's aid societies.

Additional funding is provided to a board with 30 or more municipalities within its jurisdiction.

<b>Allocation Per Municipality</b>	
<b># of municipalities in a board</b>	
Fewer than 30	\$0
Between 30 and $\leq 49$	$(n - 29) \times \$500$
Between 50 and $\leq 99$	$[(n - 49) \times \$750] + \$10,000$
100 or more	$[(n - 99) \times \$1,000] + \$47,500$

NOTE: "n" is the number of municipalities

## **Pupil Accommodation Grant**

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The Pupil Accommodation Grant has eight major allocations:

- School Operations
- School Renewal, including Good Places to Learn Renewal
- New Pupil Places
- Primary Class Size Reduction
- Growth Schools
- Capital Transitional Adjustment
- Prohibitive to Repair
- Prior Capital Commitments

The total Pupil Accommodation Grant\* is projected to be \$2.84 in billion 2008–09. This funding addresses current accommodation pressures facing the education sector and sets the stage for longer term reform of capital funding.

## **Factors Used to Determine the Pupil Accommodation Grant**

### **Enrolment**

#### ***Elementary Enrolment***

Day School Average Daily Enrolment (ADE) of pupils enrolled in Junior Kindergarten, Kindergarten, and Grades 1 to 8.

#### ***Secondary Enrolment***

Day School ADE of pupils enrolled in Grades 9 through 12, excluding students 21 years of age and older.

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\* This amount is a Ministry of Education projection for the 2008–09 school year. Actual funding varies over the course of the school year because of changes in enrolment and board program decisions.

### ***Adult Enrolment***

Day School ADE of students 21 years of age or older plus the ADE of students enrolled in Continuing Education credit courses during the day, excluding pupils enrolled in correspondence self-study programs, but including students in summer school programs.

## **Benchmarks**

### ***Area Requirements Per Pupil***

#### ***Elementary (2005): 104.4 square feet (9.70 m<sup>2</sup>)***

Provides sufficient teaching and ancillary space to permit the effective delivery of elementary school programming and includes changes to recognize the increase in the number of classrooms needed for reducing primary class size and provides additional space required to accommodate the typical distribution of special education, learning opportunities, and language (for example, ESL) programming.

#### ***Elementary (1998): 100 square feet (9.29 m<sup>2</sup>)***

Provided sufficient teaching and ancillary space to permit the effective delivery of elementary school programming consistent with the average class size limits under the *Education Act* and provided additional space required to accommodate the typical distribution of special education, learning opportunities, and language (for example, ESL) programming.

#### ***Secondary: 130 square feet (12.07 m<sup>2</sup>)***

Provides sufficient teaching and ancillary space to permit the effective delivery of secondary school programming consistent with the average class size limits under the *Education Act* and provides additional space required to accommodate the typical distribution of special education, learning opportunities, and language (for example, ESL) programming.

#### ***Adult: 100 square feet (9.29 m<sup>2</sup>)***

Lower than the traditional secondary school panel because less additional space is required for specialized programs.

### ***Operating Cost***

The funding benchmark for elementary, secondary, and adult education for the School Operations Allocation is:

\$6.26 per square foot (\$67.41/m<sup>2</sup>).

### ***Renewal Cost***

The weighted average of \$0.65 and \$0.98 per square foot (\$7.03 and \$10.54 per m<sup>2</sup>) for schools under and over 20 years of age, respectively.

### ***Construction Cost***

#### ***Elementary (2005): \$11.22 per square foot (\$120.77/m<sup>2</sup>)***

Represents the estimated cost of \$154 per square foot (\$1,660/m<sup>2</sup>) to design, construct, furnish, and equip new elementary schools, amortized over a 25-year period.

#### ***Elementary (1998): \$11.00 per square foot (\$118.40/m<sup>2</sup>)***

Represented an estimated cost of \$117 per square foot (\$1,259/m<sup>2</sup>) to design, construct, furnish, and equip new elementary schools, amortized over a 25-year period.

#### ***Secondary (2005): \$12.24 per square foot (\$131.75/m<sup>2</sup>)***

Represents the estimated cost of \$168 per square foot (\$1,811/m<sup>2</sup>) to design, construct, furnish, and equip new secondary schools, amortized over a 25-year period.

#### ***Secondary (1998): \$12.00 per square foot (\$129.17/m<sup>2</sup>)***

Represented the estimated cost of \$126 per square foot (\$1,356/m<sup>2</sup>) to design, construct, furnish, and equip new secondary schools, amortized over a 25-year period.

### ***Geographic Adjustment Factor***

A Geographic Adjustment Factor (GAF) is applied to most capital allocations and the School Renewal Allocation in recognition of differences in construction costs across the province. These factors were updated in 2005.

### ***Supplementary Area Factor***

An adjustment factor is applied in the calculation of the School Operations Allocation and the School Renewal Allocation. The Supplementary Area Factor recognizes unique design features of a board's schools, such as wide hallways, large shop spaces, auditorium space, and the additional space needs of special education programs.

Separate factors that reflect the area per-pupil place are calculated for elementary and secondary schools.

### ***Top-Up Funding***

#### ***Regular Top-Up Funding (20-percent Adjustment to Capacity Levels)***

Additional funding is provided for school operations and renewal for schools that are operating at less than full capacity. Top-up funding is calculated on a school-by-school basis for schools offering a regular day school program (exclusive of adult day school). This additional funding, which is not to exceed the revenue generated by enrolment equal to 20 percent of school capacity, increases total revenue for school operations and renewal for a school up to the amount that would be generated if the school were operating at full capacity.

### *Supported Schools Top-Up Funding*

Schools identified as “supported” under the Supported Schools Allocation of the Geographic Circumstances Grant, are provided with enhanced top-up funding for school operations and renewal up to 100 percent of school capacity to recognize the higher per-pupil costs of cleaning and maintaining these facilities where enrolment is less than the capacity of the school (see page 48). Supported schools are not eligible for rural schools or distant schools top-up funding.

### *Rural Schools Top-Up Funding*

A “rural” school is a school that has an enrolment greater than zero (0), that meets at least one of the following two criteria:

- on October 31, 2008, the second character of the school’s postal code is zero (0), or
- the school is listed as a rural school in the *Grants for Student Needs – Legislative Grants for the 2008-2009 School Board Fiscal Year* regulation.

Schools identified as “rural” are eligible for enhanced top-up funding for school operations and renewal up to 100 percent of school capacity to recognize the higher per-pupil costs of cleaning and maintaining these facilities where enrolment is less than the capacity of the school.

Rural schools are not eligible for supported schools or distant schools top-up funding.

### *Distant Schools Top-Up Funding*

Schools identified as “distant” under the 2003–04 Rural Education Strategy receive an amount equivalent to that received under the 2003–04 Distant Schools top-up funding, in addition to the regular top-up entitlement. The Distant Schools top-up funding has been adjusted to take into account schools that have been opened or closed since 2003–04. Distant schools are not eligible for supported schools or rural schools top-up funding.

## School Operations Allocation

All boards receive the School Operations Allocation, which addresses the costs of operating schools, that is, heating, lighting, maintaining, and cleaning. The allocation is calculated separately for the elementary and secondary panels and for adult education using the following formula:

$$\begin{aligned}
 \text{Grant for School Operations} &= \text{Enrolment plus approved spaces in care, treatment \& custody programs in schools} \times \text{Benchmark Area Requirement per pupil} \times \text{Supplementary School Area Factor} \times \text{Benchmark Operating Cost per square foot} \\
 &+ \text{Top – up funding for School Operations}^* \\
 &+ \text{Top – up funding for schools identified as supported or rural in 2008 – 09} \\
 &+ \text{Top – up funding for schools identified as distant in the Rural Education Strategy (fixed at 2003 – 04 levels)}^{**} \\
 &+ \text{Allocation for Licensing \& Related Fees for Approved Asset Management Software}
 \end{aligned}$$

\* Top-up funding is available for schools that are offering a regular day school program (exclusive of adult day school) and are operating at less than full capacity.

\*\* Distant schools do not include supported schools or rural schools identified under the Geographic Circumstances Grant.



### *Stage 4 Allocations*

In 2008–09, GPL Stage 4 funding is being allocated to continue to support an additional \$250 million in renewal work. As the GPL Stage 4 allocations reflect the final PTR decisions, the Ministry expects to release the allocations to school boards in-year.

### *Stage 3 Allocations*

In 2007–08, the GPL Stage 3 funding provided school boards with an allocation to support an additional \$500 million worth of renewal projects, including:

- The five-year (2003 to 2007) high and urgent need projects identified through the inspection of schools in 2003 in the ReCAPP facility management database, less the amount funded in GPL Stage 1 and Stage 2; and
- Projects to recognize lacking or inadequate specialized spaces such as gymnasia, libraries, science labs, or broad-based technology, as identified as part of the detail in the ReCAPP database.

Any unspent Stage 1 and Stage 2 allocations may be spent on the range of work that meets the eligibility criteria for GPL Stage 3.

Adjustments were made to the total eligible GPL Stage 3 renewal needs and funding allocation as follows:

- The over-allocation of GPL Stage 2 for some boards identified in February 2007 was deducted from the GPL Stage 3 allocation of the board.
- The calculation of GPL Stage 1 and Stage 2 excluded PTR facilities with a Facility Condition Index (FCI) of 65 % or greater.
- Ministry-identified PTR schools that have not been recognized for PTR funding were considered eligible for GPL Stage 1 and/or Stage 2 funding. Therefore, the renewal needs and the funding they generated was added to the GPL Stage 3 allocation of the board.
- Board-identified PTR facilities were originally included in the calculation of GPL Stage 1 and/or Stage 2 funding allocations. Board-identified PTR schools which have been recognized for PTR funding were not considered eligible for GPL Stage 1 and/or Stage 2 funding. Therefore, the renewal needs and the funding allocation they generated was deducted from the GPL Stage 3 allocation of the board.

### ***Stage 2 Allocations***

In 2006–07, GPL Stage 2 funding provided boards with an allocation to support an additional \$500 million in renewal, which is approximately 18.5 percent of the eligible renewal base, including the 5-year high and urgent renewal needs and eligible program needs, less the GPL Stage 1 allocation. Any unspent Stage 2 allocation can be spend on the range of work that meets the eligibility criteria for GPL Stage 3.

### ***Stage 1 Allocations***

The GPL Stage 1 funding provided boards with an allocation to support \$1 billion in renewal needs based on approximately 40 percent of their schools 2003 and 2004 high and urgent renewal needs. Any unspent Stage 1 allocations may be spent on the range of work that meets the eligibility criteria for GPL Stage 2 and 3.

### ***Short-Term Financing***

The Ministry continues to fund short-term interest costs associated with the balance of Stage 1, Stage 2, Stage 3, and Stage 4 projects in the 2008–09 school year that have not been long-term financed (see Long-Term Financing for Capital Programs section below). The interest cost recognized for funding is the three-month Bankers' Acceptance (BA) rate plus 20 basis points. For boards that borrow against internal reserves to support GPL Stage 1, Stage 2, Stage 3, or Stage 4 projects, funding in 2008–09 is recognized at the three-month BA rate on September 2, 2008.

## New Pupil Places Allocation

The New Pupil Places Allocation enables boards to construct new schools or additions where boards have demonstrated that they have fully utilized all existing school buildings effectively and that their enrolment cannot be accommodated without new space.

The Good Places to Learn announcement indicated a change in funding policy in 2005–06 to include a new accountability measure (the timing of entitlement provisions) regarding funding for new construction through the New Pupil Places Allocation. The policy continues for funding any pupil places that are recognized as in excess of capacity. The new accountability measure provides funding for projects constructed, under construction or for which a tender for construction has been accepted.

Beginning in 2004–05, the benchmark construction costs used in the calculation of the New Pupil Places Allocation were revised. A 2 percent increase in the construction cost benchmark was incorporated into the calculation of the New Pupil Places Allocation.

The benchmark change applies only to eligible pupil places that were constructed by boards after September 2003. The construction cost benchmark figures used when the funding formula was introduced in 1998 continue to be applied to those pupil places constructed by boards prior to October 2003.

As of February 17, 2005, the policy that allowed school boards to reduce permanent capacity of the inventory of schools used in the calculation of the New Pupil Places Allocation by disposing of surplus schools at no cost to coterminous school boards and the Ontario Realty Corporation was rescinded.

The allocation is calculated separately for the elementary and secondary panels using the following formula:



## **New Pupil Places – Capital Transitional Adjustments**

Funding for new pupil places is also provided for boards to address capital transitional issues for school boards that have enrolment pressures in areas that do not have permanent accommodation or in areas where support for student retention is required.

Some boards have pupils in parts of their jurisdictions but no nearby schools. This results in parents having to choose between busing their children many kilometres to a school or sending their children to a nearby school of a different board. For boards in these circumstances, funding for new pupil places is recognized. This funding is being provided to the boards over a period of 25 years.

## **New Pupil Places – Use of Pupil Accommodation Reserve Fund for School Sites**

Boards receiving funding to address persistent enrolment pressures at specific schools, in recognition of facilities deemed prohibitive to repair, and to address capital transitional pressures may use some of the funds in the Pupil Accommodation Reserve to purchase sites. In addition, a board that requires a school site needed to address accommodation pressures may use some of its Pupil Accommodation Reserves to fund the portion or the entire cost of acquiring the site if this cost is not a growth-related net education land cost, within the meaning of Division E of Part IX of the *Education Act* regarding education development charges.

Sites needed for pupil accommodation arising from new residential development may be acquired with the proceeds from the sale of surplus properties, savings from a board's operating budget, as part of long-term lease or partnership arrangements with municipalities or the private sector, or by imposing education development charges in accordance with Division E of Part IX of the *Education Act* and Ontario Regulation 20/98 as amended.

## **Transfers from Capital Reserves**

As of June 12, 2006, transfers from capital reserves for new commitments funded through the New Pupil Places and other capital programs are subject to the Ministry's approval prior to the board completing the transfers. As a result of this requirement, boards are advised to seek Ministry approval prior to entering into any new capital financial commitment and/or tendering a capital project. This change has been implemented as an accountability measure to ensure that boards have the financial resources to carry capital projects to completion.

## **New Pupil Places – Capital Debt Commitments**

In 2006–07 the Ministry introduced the capital debt commitments program. Boards that have received "pure" NPP funding, (i.e., funding generated by enrolment in excess of capacity) in some or all of the years from 1998–99 to 2005–06 may be eligible for capital debt commitments funding. Boards that did not receive "pure" NPP funding during this period are not eligible for capital debt commitments funding. Therefore, boards that have only received NPP funding related to fixed pupil place amounts, such as Enrolment Pressures, Capital Transitional and Prohibitive to Repair, are not eligible for capital debt commitments funding.

The Ministry provides funding recognition for capital debt commitments that exceed a board's capital New Pupil Places Allocation based on the following conditions:

- The annual debt service costs for the 2008–09 academic year are related to capital debt commitments (long-term financed or not permanently financed) beginning after August 31, 1998 and no later than August 31, 2006, for capital projects constructed, under construction, or where a tender has been awarded.
- Where a board's annual debt service costs exceed a board's New Pupil Places Allocation, available funds in the board's Pupil Accommodation and Proceeds of Disposition reserves are applied to reduce the difference. The balance in the reserves, as reported in the 2005–06 Financial Statements, is used to calculate the reduction.

## **New Pupil Places – Inter-Board Transfer of Schools**

*The Grants for Student Needs – Legislative Grants for the 2008-2009 School Board Fiscal Year* regulation includes provisions relating to schools transferred between boards, to make more effective use of existing school facilities. Provided that the prior approval of the Ministry has been obtained, the capacity figure for a transferred school would be the lesser of ADE and the rated capacity of the facility. Transfers must meet the following criteria:

- the transfer is consistent with the boards' long-term accommodation plans;
- the transfer benefits students from both boards (for example, through improved facilities or reduced transportation needs);
- the transfer results in more effective use of existing public assets; and
- the transfer reduces the need for the boards to construct new school facilities.

This "floating" capacity, which applies only for purposes of calculating the allocation for new pupil places, remains in effect until such time as enrolment levels in the school reach the rated capacity level for the facility. After that time, the rated capacity for the facility will be used in the determination of the board's grants.

## Best Start

The Ministry provided capital funding for the construction of Best Start child care spaces in new schools. New schools are those that are planned, tendered, or under construction in the 2005–06 or the 2006–07 academic years. Capital funding was conditional on confirmation and written documentation from school boards that child care spaces at a new school have been approved by the municipality and are contained within a municipally approved Best Start Plan, and that operating funds have been committed for those spaces. Funding entitlement was based on the lesser of actual costs and the existing elementary benchmarks for the New Pupil Places Allocation increased by a factor of 1.4 to recognize the additional costs associated with the construction of child care spaces.

## Primary Class Size Reduction

Funding to support primary class size (PCS) capital was allocated to school boards in 2005–06 to build or acquire additional classrooms that are required to accommodate smaller class sizes.

This funding provides school boards with the opportunity to make a one-time adjustment to their elementary capital stock to reflect the increased space required to support smaller sized primary classes.

A school board's primary class size space needs were reviewed, on a school-by-school basis, by the Ministry and the school board. Each school board's final PCS space needs allocation was used to calculate the total maximum primary class size capital entitlement available to a board. A school board's entitlement was determined using the following formula:

$$\begin{array}{rcccl} \textit{Total Maximum} & & & \textit{Benchmark} & & & \textit{Benchmark} & & & \textit{Geographic} \\ \textit{PCS Capital} & = & \textit{Primary Class} & \textit{Elementary Area} & \times & \textit{Elementary} & \times & \textit{Construction} & \times & \textit{Adjustment} \\ \textit{Entitlement} & & \textit{Size Pupil} & \textit{Requirement} & & \textit{Cost (2005)} & & & & \textit{Factor} \\ & & \textit{Places} & \textit{per pupil} & & & & & & \textit{(2005)} \\ & & & \textit{(2005)} & & & & & & \textit{(\$1,660.25)} \end{array}$$

## **Growth Schools**

Some school boards, as a result of significant new residential development, are facing the need for new schools that surpass the funding available from the New Pupil Places Allocation. The Government is supporting capital funding for boards in need of schools in areas of new residential development, but for which the New Pupil Places Allocation is insufficient.

Funding will be made available to boards in 2008–09 that submit business cases that meet the following criteria:

- Starting in 2008–09, school boards are no longer required to have an Education Development Charge (EDC) by-law in effect to be eligible to receive growth school funding;
- The planned school is needed for the 2008–09, 2009–10, 2010–11, or 2011–12 school year;
- The school has been identified as part of the board's long-term capital plan;
- The planned school is projected to be at an average utilization of 80 percent or greater over a 10-year period beginning in the second year of the operation of the school;
- The board's New Pupil Places Allocation is insufficient to support the funding of this new need and/or insufficient to support debt service costs associated with new schools;
- Available funds in the board's existing capital reserves are to be applied to fully support or, if insufficient, partially support the school.

## **Capital Transitional Adjustment**

The 2006–07 GSN introduced funding support over a four-year period to provide \$220 million in capital construction for French-language school boards that have enrolment needs in areas without permanent accommodation.

The 2008–09 school year is the third year of this four-year program. Approvals of projects within the full four-year program have been issued to the French-language school boards.

## **Prohibitive-to-Repair Schools**

The Prohibitive-to-Repair (PTR) capital program provides funding to support new construction to repair or replace schools in poor condition.

The Ministry had defined PTR schools as those whose costs of bringing the school up to Ministry standards would be greater than 65 percent of the replacement cost of the school. This is known as the Facility Condition Index (FCI), and is a building industry standard in calculating the facility condition. The Ministry created a preliminary inventory of approximately 200 schools across the province with an FCI of 65 percent or greater.

On October 31, 2006, the Ministry provided boards with an opportunity to add facilities and/or remove facilities on the Ministry's potential-PTR-candidates list since some boards indicated that the original school inspection excluded some aspects of school renewal needs, such as asbestos removal and accessibility issues.

As of March 2008, the Ministry had announced funding to support \$515 million of funding and planning approvals for 104 Ministry and board-identified PTR candidate schools. The Ministry continues to analyse PTR candidates and will allocate funding for additional PTR candidates.

## **Long-term Financing Vehicle for Capital Programs**

The Ministry and the Ontario Financing Authority (OFA) continues to partner to offer a provincial vehicle to provide long-term financing for construction costs incurred by school boards under the following capital programs:

- Good Places to Learn (GPL) Stage 1, Stage 2, Stage 3, and Stage 4,
- Prohibitive to Repair (PTR),
- Primary Class Size Reduction Capital (PCS),
- Growth Schools, and
- Capital Transitional Adjustment for French-language boards.

In addition, projects from prior year PTR and Capital Transitional Adjustment, which have not been long-term financed, are included in the new financing approach.

## **Short-term financing**

Boards are being reimbursed for their short-term interest costs incurred on projects that are underway.

- In 2008–09, where a board short-term finances by borrowing from its internal reserves, the Ministry recognizes these costs at the three-month Banker’s Acceptance (BA) rate in effect on September 2, 2008.
- In 2008–09, where a board short-term finances by external borrowing, the Ministry recognizes the short-term interest costs for the one-, two- or three-month BA plus 20 points.

## **Long-term financing**

Boards are permitted to access long-term financing for non-permanently financed projects that are supported by the above capital programs at the maximum principal amount allocated to the board, by program. The maximum principal amount of the financing cannot exceed the allocations that boards receive under each of the above programs. Boards are required to ensure costs under each of these programs do not exceed the maximum allocation. Once the long-term financing has been set, the Ministry flows the actual principal and interest costs to support the financing costs.

The Ministry expects the next issuance of long-term financing to occur later in the 2008–09 school year provided that a critical mass of capital project costs have been incurred by school boards.

## **Prior Capital Commitments**

### **Outstanding Capital Commitments**

In January 1997, the Minister of Education and Training announced a capital program for the years 1997–98 and 1998–99. In 1999–2000, the outstanding capital commitments from this program were converted to pupil places so that the amount owed to boards could be paid in the same manner as the New Pupil Places Allocation. The Pupil Accommodation Grant provides boards with funding to meet the cost of financing the outstanding grant amount over a 25-year period.

## **Debt Charges**

In 1998, the Ministry committed to provide funding in 1998–99, 1999–2000, and 2000–01 to cover the servicing costs of loans related to capital projects approved prior to May 15, 1998. This funding continues.

On June 2, 2003, permanent financing for \$891 million of the capital-related debt that had not been permanently financed was arranged by the OFA through the 55 School Board Trust. Annual payments to service this debenture is being provided to a trust through blocked accounts held by each of the 55 boards.



## **School Authorities Allocation**

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School authorities are very small school boards, usually located in remote areas of Ontario (sometimes called “isolate boards”) or in some children’s hospitals. Funding for school authorities recognizes the unique costs of operating very small schools in remote areas and in institutions.

This allocation is authorized through education funding regulations, but funding levels are not determined through the GSN regulation. School authorities’ allocations are based on education funding formulas consistent with the GSN, to the extent possible, with provisions for special approval by the Ministry of Education.

## Enrolment

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Under the school year reporting that covers the period from September to August, the calculation of average daily enrolment (ADE) is based on the existing two count dates within the school year – October 31 and March 31. The full-time equivalent of students enrolled in a board's schools are weighted at 0.5 for each of the count dates.

Junior Kindergarten (JK) and Senior Kindergarten (SK) pupils are counted as half-time students in the determination of ADE for 2008–09, with the exception of combined Kindergarten programs. The ADE regulation allows combined JK and SK programs, where JK students can be counted as enrolled for 600 minutes per week and SK students as enrolled for 900 minutes per week.

The regulation indicates that students who have been enrolled in private schools in the previous school year are eligible to be enrolled in summer school programs of a publicly funded board as permitted by the regulation.

## Fees

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Boards are required to charge tuition fees for of non-resident visa students, students resident in a First Nations community, and students from out of province.

Boards are able to determine the fees that they charge in respect of visa students for regular day school programs, continuing education, and summer school programs. They must, however, charge as a minimum, the base fee calculated in accordance with the Tuition Fees regulation.

The provisions for fees in respect of pupils whose parents or guardians reside on tax exempt land has been maintained at \$40 per month per family.

The funding regulations were amended for both the 2003–04 and 2004–05 school years to provide revenue to school boards for the payment of fees when a board and First Nation band council or education authority have negotiated a reverse tuition agreement, under which elementary pupils of the board attend an elementary school operated by a First Nation band council or education authority. This provision is ongoing.

The *Education Act* has been amended to allow school boards to waive fees for children whose parents have applied for permanent residence in Canada and for children whose parents are studying at a publicly funded Ontario university or college.

## Reporting and Accountability

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The Ministry has established the following dates for submission of financial reports in 2008–09.

June 30, 2008	Board Estimates for 2008–09
November 14, 2008	Board Financial Statements for 2007–08
December 12, 2008	Board Revised Estimates for 2008–09
May 15, 2009	Board Financial Report for September 1, 2008 to March 31, 2009

Financial reporting, monitoring and auditing are important elements of an overall accountability framework associated with funding that is provided for education. The Ministry continues to monitor that grant claims by school boards are in accordance with the grant regulations and that school boards are in compliance with provincial standards and legislation, and funding envelopes.

In support of these objectives, the Ministry has, over the last few years, undertaken a comprehensive audit plan focusing on four main areas: enrolment, class size, English as a second language, and teacher qualifications and experience.

Some of the measures that the Ministry has taken to ensure compliance include:

- withholding grants when a board is not in compliance on class size;
- requiring boards to prepare and submit deficit management plans when necessary; and
- directing boards to take measures to become compliant.

The Ministry has provided clarification to the uniform code of accounts in Memorandum 2007: SB 21 and is implementing recommendations resulting from the review of the administration and governance expenditures.

The Ministry is introducing further changes in expenditure reporting forms in 2008–09 to capture information on spending at the program level.

It is recognized that school boards will need to review their budget and reporting processes as a result of the change in reporting dates. For this transition year, the Ministry will extend the timelines to December 31, 2008, before any cash withholding would apply.

There are currently two different measurements of a school board's surplus or deficit – one defined in the *Education Act*, which is based on principles from the cash flow approach to budgeting and financial reporting, and a revised definition based on PSAB principles, which school boards use when preparing and reporting their audited financial statements.

The Ministry will be consulting with school boards about changing the definition of a balanced budget under the *Education Act* to better align with Public Sector Accounting Board (PSAB) principles.

For more information on financial accountability for school boards, please refer to the Ministry's website at <<http://www.edu.gov.on.ca>>.

## **Enveloping and Flexibility**

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Education funding is intended to model cost structures, but boards have flexibility in their actual expenditures. It is up to boards, as it has always been, to determine their detailed budget commitments within the terms of the *Education Act* and other relevant regulations and memoranda.

Education funding recognizes that school boards need flexibility to decide how best to allocate resources within their budgets. At the same time, there are restrictions on how school boards may use certain components of their allocation. Limitations are detailed below.

School boards continue to be accountable for how they use all the revenue that they receive from education funding grants. School boards continue to report, as in past years, how they have used all their funding, and the extent to which this funding has been used for special education, classroom expenditures, new pupil places and school renewal, and administration and governance.

There are spending restrictions for boards on the use of the Special Education Grant and the New Pupil Places and School Renewal Allocations of the Pupil Accommodation Grant. There is also a spending limitation on the School Board Administration and Governance Grant.

Reporting of classroom spending relative to classroom allocations is required as in previous years.

### **Primary Class Size Reduction**

As in previous years, schools boards are required to complete a comprehensive PCS plan by the end of June, showing the projected primary class size for 2008–09. The information is to be updated in September to reflect the actual primary class size results. The board reports include current and historical class size statistics for each school with elementary grades and for the board overall. The Ministry uses the data from the actual primary class size results to populate the Class Size Tracker on the public website.

In cases where boards' plans do not meet the PCS targets, the Ministry will work with those boards to ensure that the targets are achieved in September 2008.

Boards may be subject to cash flow penalties if any of the PCS targets are not met. Once a school board reaches its PCS targets, it may use any surplus from the PCS Reduction Amount to address other needs in the elementary panel.

## **Special Education Grant**

The Special Education envelope establishes the minimum that each board must spend on special education; however, boards are free to spend more on special education programs and support. The Ministry specifies types of spending for which the grant may be used and the list of allowed costs. Boards must spend the entire amount of the special education expenditure envelope, as determined by the enveloping provisions of the regulation, for the additional costs of special education programs and support, that is, the costs above the regular costs of pupils' education supported by the Pupil Foundation Grant and the other special purpose grants. Board must place unspent special education funds in a reserve to be used for special education in the future.

## **New Pupil Places and School Renewal**

The allocations for new pupil places and for school renewal establish the minimum that each board must spend on these components. This restriction is intended to ensure that boards dedicate the resources provided for major repairs and new pupil places for the creation and renewal of safe and functional schools where students can learn.

Boards have significant flexibility on how this is done – whether through major renovation, replacement, leasing, additions, or other partnership agreements. Unspent funds in any particular year from these two allocations must be placed in a reserve. This reserve may be used in future as funding is needed to ensure the physical integrity and safety of school buildings.

## **English as a Second Language (ESL)/English Literacy Development (ELD) and Perfectionnement du français (PDF)**

Each school board is expected, in the 2008–09 school year, to show specific ESL/ELD and PDF allocations at the school and board level in line with its strategy to improve student outcomes. Starting in 2008–09, the Ministry is working with selected boards to review their ESL/ELD and PDF strategies and programs. These reviews will help inform boards and the Ministry to improve reporting for 2009–10 and to improve student supports and outcomes.

For 2009–10, each board will be expected to report publicly on its strategy to improve student outcomes, the allocation of ESL/ELD and PDF funds to support this strategy, and evidence to support the approach. The goal is to achieve an improved system-wide understanding of the range of effective approaches in using these resources. Boards continue to have flexibility and responsibility for decisions about the use of these funds.

## **Provincial Transfers for 2008–09**

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The provincial share of education funding for 2008–09 is calculated by deducting each board's revenue from property taxes for 2008–09 from the total funding allocation determined by the education funding formulas. Tax revenue is based on 38 percent of the 2008 calendar year property taxes and 62 percent of the 2009 calendar year property taxes, plus 2008 supplementary taxes less 2008 tax write-offs.

Where there is a strike, lockout, or withdrawal of services during the 2008–09 school year, the grants will be adjusted by the net savings resulting from the strike or withdrawal of services.

For boards that include territory without municipal organization, the Ministry will permit these boards to deduct actual costs for trustee elections from property tax revenue. Boards are encouraged to enter into partnerships with other boards or adjacent municipalities to run elections efficiently.

For 2008–09, costs for tax collections by boards that include territories without municipal organization will be provided as follows: a base amount of \$50,000 plus 2 percent of taxes levied in unorganized areas. The above will only be applicable to the tax collecting board in each unorganized area.

## **Provincial Funding and Property Taxes**

Education funding determines each board's overall funding allocation. Property tax revenue provides a part of the allocation and the Province provides additional funding up to the level set by education funding.

The Government sets a uniform tax rate, based on a current-value assessment system, for all residential properties. The Government also sets property tax rates for business properties.

## Appendix A – Abbreviations

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ADE	Average Daily Enrolment
ALF	Actualisation linguistique en français
BA	Banker's Acceptance rate
CSD	Census Sub-Division
DEA	Declining Enrolment Adjustment
DSA	Distant Schools Allocation
DSB	District School Board
E&E	Effectiveness and Efficiency
ELD	English Literacy Development (formerly English Skills Development (ESD))
ESL	English as a Second Language
FA	Facilities Amount
FCI	Facility Condition Index
FFL	French as a First Language
FSL	French as a Second Language
FTE	Full-Time Equivalent
GAF	Geographic Adjustment Factor
GFA	Gross Floor Area
GIS	Geographic Information System
GPL	Good Places to Learn
GSN	<i>Grants for Student Needs – Legislative Grants for the 2008-2009 School Board Fiscal Year</i>
HNA	High Needs Amount
JK	Junior Kindergarten
LICO	Low Income Cut Off
LOG	Learning Opportunities Grant
LTO	long-term occasional (teacher)
NL	Native Language
OESS	Ontario Educational Software Service
OFA	Ontario Financing Authority
OMPF	Ontario Municipal Partnership Fund
OnSIS	Ontario Student Information System
OSR	Ontario Student Record
OTG	On-the-Ground
OTPP	Ontario Teachers Pension Plan
NTIP	New Teacher Induction Program
PCS	Primary Class Size (Reduction Amount)
PDF	Perfectionnement du français
PLAR	Prior Learning Assessment and Recognition
PSAB	Public Sector Accounting Board
PTR	Prohibitive-to-Repair
ReCAPP	Renewal Capital Asset Planning Process
REP	Reporting Entity Project

RSCA	Rural and Small Community Allocation
RSCI	Rural and Small Community Index
SEA	Special Equipment Amount
SEPPA	Special Education Per-Pupil Amount
SIP	Special Incidence Portion
SK	Senior Kindergarten
TPE	Transitional Program Equivalency

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