



**Submission of The Waterloo Catholic District School Board
to the Education Equality Task Force**

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*With the Gift of the Catholic Faith, our Mission is: Learning, Growing and Transforming the
World as Faithful Disciples of the Risen Lord*



**Serving Waterloo Region since
1836**

The Waterloo Catholic District School Board has been providing Catholic education for the ratepayers of Waterloo Region since 1836 – a continuous passion over the past 167 years. We began like the mustard seed in St. Agatha in 1836 and have since grown to a system of some 24,000 day-school students and some 10,000 part-time adult education learners spread over forty-eight elementary schools, five secondary schools and two Adult Education sites.

Our roots are strong and our passion for continued recognition of and support for the existence of Catholic education by government remains a central theme of all that we do. Today we represent some 97,000-plus ratepayers in Waterloo Region.

This submission represents consultation with a representative sample of trustees, staff, our Special Education Advisory Committee and School Councils. We believe that in coming together to discuss the funding issues concerning us we can create not only common understanding but, as well, a common jumping-off point for the dialogue necessary around the significant issues beyond just funding that face education in Ontario today. We also believe that the *shared vision* that we have as a school system calls us to engage in dialogue, mutual understanding and collaboration wherein our purpose is to have our graduates, with the gift of the Catholic Faith, learn, grow and transform the world as faithful disciples of the Risen Lord. These are our outcomes, our decision-screen, and our *shared vision* within which this submission to the Education



shared vision within which this submission to the Education Equality Task Force is made.

The Waterloo Catholic District School Board and school community believe that the funding model is by and large effective. The unfortunate situation all school boards and school authorities find themselves in today is the *adequacy of revenue* in the model. *There is no doubt the adequacy of the model's revenue is the biggest challenge facing stability in education today.* To this end, our approach through this submission is to address eight key areas:

There is no doubt the adequacy of the model is the biggest challenge.

KEYS AREAS

- a. Funding Benchmarks
- b. Costs for new programs/Ministry initiatives
- c. Funding for local initiatives
- d. Special Education
- e. Transportation
- f. The impact of the Double Cohort on the Funding Model
- g. Partnerships and Pupil Accommodation
- h. Attracting, Retaining and Supporting Teachers



A) Funding Benchmarks

When the model was implemented, it was put in place based on the average school board benchmark cost for 1997. When the Education Improvement Commission (EIC) reviewed the Waterloo Catholic District School Board in 1999, it applauded the board, pointing out numerous best practices. *“The board has quickly faced the challenges of restructuring...*

This board has become very efficient.

...and has made fundamental changes to both its governance and administrative processes. These changes, as well as implementation of several wise management practices, have contributed to the board’s outstanding accomplishments...The board has become very efficient in all areas of its financial operations, and has achieved significant progress in this area....The board’s facilities are in relatively good condition, and the board is operating well under the \$5.20-per-square-foot allocation. Maintenance staff and principals acknowledge that the board has made a strong effort to provide good working environments for all staff and students, and that it has focused on maintaining and improving facilities....The predecessor board successfully implemented transportation cost reductions over the past few years. The new board has continued these practices. The Waterloo Catholic board has acquired student bus passes at a lower cost. The Waterloo Catholic board makes extensive use of partnerships to expand its resources for students, and has established a number of innovative practices in the area of student services...The board has a strong focus on professional development, which last year involved 78% of staff. Staff have demonstrated a commitment to engage in after-hours professional development.

The EIC report concluded that:

The trustees, administration, and staff of the Waterloo Catholic District School Board are to be commended for their commitment to the new board and for their



accomplishments to date. The board continues to make service to students its first priority, and this priority is reflected in its budget, programs and services. The board has been proactive and forward-looking and has approached new challenges with optimism and skill. We were enormously impressed with the changes that have been made in the area of governance, which have built trust and accountability into the entire system. We were also impressed with the commitment to find new ways of being cost-effective. Partnerships with other boards, local agencies, universities, municipalities, and the private sector are widespread. All groups that we talked to were quick to praise the board, its director, and its staff.

Good stewards with responsible solutions.

We have been good stewards identifying where there are problems and attempting to put in place responsible solutions.

- **Significant cost-effectiveness – particularly in the reduction of board administrative staff.**
- **Each proposed partnership is examined in detail because some partnerships that are often encouraged would, in fact, increase costs.**
- **A focus on three-year, rollover computer leases because it places more up-date-equipment in classrooms than the outright purchase of computers would do. This is a prudent use of funds.**
- **When government provided some \$1.2 million in Trillium textbook funding – in addition to the funding provided through the Foundation Grant - we engaged in bulk purchasing and were able to stretch the \$1.2**



million to, in fact, purchase \$1.5 million worth of textbooks. It meant a great deal more staff time on the project but in the end, the students benefited and we were applauded by Ministry staff for our prudent management and effective business practices.

THAT WAS THEN AND NOW IS NOW. The adequacy of funding in the model has not kept up with inflationary or other demands. We are losing any gains we previously made.

In 1998 we had \$4.2 million in reserves. Today we are broke.

In August, 1998, the Waterloo Catholic District School Board had \$4,253,777 million in its working reserve fund. Today, it has no reserves left. By and large these reserves were used to make up for government under-funding – for not keeping the funding benchmarks up to date. If school boards had received even a modest increase in the benchmarks let alone the rate of inflation, we would still have reserves and would have been able to engage in proactive rather than reactive planning.

Proactive planning is virtually impossible.

Proactive planning is virtually impossible. The difficulty is – similar to all school boards – an inadequate amount of money in the funding model. The model was based on 1997 benchmark costs. Since 1998 – with the exception of a 1.95% increase to salary and benefit costs and adjustments to Special Education – now frozen at 1998 levels – there have been no changes to key benchmark areas such as computers, text books and learning materials, school cleaning, et cetera. While the EIC report for this board in 1999 could boast that we were able to keep school maintenance/cleaning costs well



below the \$5.20 per square foot benchmark because of our efficiency, the same cannot be said today. Today, needed preventative maintenance is cut in order to keep within the revenue provided and satisfy the effects of inflation and salary/benefit increases on other under-funded envelopes. With increases in heating costs, water and the impending hydro de-regulation, we are not certain of what the future holds.

Keeping the benchmarks current would have prevented program cuts.

Another perfect example is our now cut technology program. We used to be able to afford elementary technology teachers for Grades 7 and 8 – even though they were not ‘funded’ through the model. When the benchmarks were not increased, the technology teachers had to be cut to be able to pay for the mandated programs. Simply keeping the benchmarks reflective of the increase in inflation would have prevented this program from being cut.

Provincial and federal legislative changes impacting on salary and benefits should result in adjustments to the benchmarks when the legislation is passed.

The simple fact is that salary and benefits compose 80% of school board budgets. These benchmarks have increased by approximately 1.95% since the implementation of the funding model. With changes in provincial and federal legislation or the results of arbitrations concerning maternity leaves, for example, no adjustment has been made to the funding benchmarks. These are costs school boards incur because of changed legislation and should be funded accordingly.



The Ministry has had a history of adding money to the *Local Initiatives Portion* of the funding model and then indicating that school boards have sufficient funding to address salary and benefit pressures. The key is the base foundation grant amount. For example, the current base amount in the Foundation Grant for teacher compensation is \$50,975. This same amount is used as the base for calculating the *Qualifications and Experience Grant* – the grant that is used to provide revenue to pay teachers who are earning higher than the average base foundation grants. If the Foundation Grant base amount of \$50,975 goes up by 2%, then the base for calculating the Qualifications and Experience Grant goes up by 2%.

The gap between salary revenue and expenses continues to grow.

The Local Initiatives Portion should not be used to offset other benchmarks.

Benchmark revenue has not kept up with cost drivers.

However, if additional revenue is NOT added to the Foundation Grant but instead to the Local Initiatives Portion, then the teacher salary base remains at \$50,975 and there is no impact on the Qualifications and Experience Grant. As one, therefore, provides percentage increases because of collective agreement settlements, the gap between the Foundation Grant base amount combined with the Qualifications and Experience Grant revenue in comparison to what one actually pays out for teacher salary and benefits gets bigger. Thus school boards have to steal from Paul's envelope to pay for Peter's envelope. If the government added revenue for salary and benefits to the appropriate benchmark areas instead of calling it Local Initiatives funding to address local needs, then school boards would not be in the financial situation they are in. The benchmark revenue increases have not kept up with the realities of cost drivers.



As well, school boards cannot be expected to negotiate three-year collective agreements without any idea of what the revenue will be for the second and third years. It is neither fair to the members of the bargaining unit nor the school board staff (or trustees) who enter into negotiations. If we are to have three-year agreements, let us know well in advance how much revenue will be available for collective bargaining purposes.

Revenue is needed to negotiate mandatory three-year agreements.

We state again that we do not believe the funding model is irrevocably broken. We believe that it is fair and equitable for students no matter where they live in Ontario and no matter which of the four publicly-funded school systems they attend. To re-state a comment we heard in a discussion on the funding model, “the engine is fine; it just needs sufficient gas to operate efficiently and effectively!” Government must update the funding benchmarks and then create some process that will review the benchmarks on a regular basis and adjust them as the need arises.

The engine is fine; it just needs gas to operate effectively and efficiently.

RECOMMENDATIONS

1. That the government's funding benchmarks be adjusted to reflect the current costs of running a school system in 2002, that they be indexed annually to reflect changing cost pressures/inflation, and that they address the demands of provincial legislation.
2. That the government provide school boards with multi-year stable funding to permit boards to engage in long-term planning.



B) Costs for new programs/Ministry initiatives

New Ministry initiatives require new revenue to carry out the initiatives.

Our concern is that the Ministry keeps putting forth new initiatives without the funding support. Often the Ministry will indicate that funding is included as part of the Foundation Grant or Local Initiatives funding. The new Criminal Record Check, the new Teacher Performance Appraisal process, the new College of Teachers Professional Learning Program, the new processes for suspensions and expulsions are perfect examples of government adding something onto the plates of school boards and saying the money is in the Foundation Grant. This is unacceptable. The legal costs for suspensions and expulsions are soaring. The record-keeping costs and new tasks for Board administration under the other areas noted above are phenomenal. The funding benchmarks were established at the certain point-in-time. Thus, when the Ministry announces new initiatives, the funding to implement the initiative must accompany the announcement.

RECOMMENDATION

3. That adequate revenue guarantees be provided in support of legislatively/Ministry-mandated programs/services that are added after the funding benchmarks have been established.



C) Funding for local initiatives

School boards should have flexibility to enhance local programming.

There has been considerable dialogue around whether school boards should be capable of returning to some local taxation in order to facilitate local programming and services beyond what is funded provincially. The Waterloo Catholic District School Board opposes the return to local taxation. This would only exacerbate over time the disparity between coterminous boards and urban/rural boards. We are not opposed to, however, some mechanism that may permit boards to have access to revenue to fund local initiatives.

If the Foundation Grant and other grants are funded correctly and if the benchmarks are kept up-to-date through some process of study and review every three to four years, perhaps the government should look at the Local Priorities Grant as a mechanism to flow revenue to school boards to fund programs and services that are either beyond the provincially-defined core or to provide enhancements to the provincially-defined core because of local need. School boards would need to have the flexibility to determine where the money would be assigned and would need guarantees that new initiatives from the Ministry would not simply be assigned to this area of funding. The use of the funding would be to enhance the provincially-defined core or the locally defined needs. Similarly, school boards would be accountable for how they use the funding identifying through their budget process where the money will be used and why.



We oppose a return to local taxation.

Such an approach to dealing with differences across this province may address the wide disparity between school boards geographically and economically, yet permit the province to maintain the funding model as an equitable model without giving one board or another an unfair advantage if a return to local taxation were permitted.

RECOMMENDATION

4. That the funding model recognize the uniqueness of local school board communities by providing a Local Initiatives Portion grant that permits school boards to enhance local programs to meet local needs or to enhance provincially-mandated programs. The funding for this grant would be in addition to other grants. Further, to ensure equity among school boards, school boards would not have access to local taxation to fund these programs. Rather, the Local Initiatives Portion of the grant structure would fund these local initiatives.



D) Special Education

Special Education needs protection

In addressing Special Education, we state categorically that the Special Education envelope should continue to be a protected envelope. As a province, Ontario has come too far in the area of Special Education for us to return to a scenario where expenditures on Special Education occur through happenstance. Our most vulnerable students need protection!

Where the process has failed is government's commitment to provide funding once need has been demonstrated.

By and large, the processes used by the Ministry to determine a school board's Special Education needs are fair and equitable. Where the process has failed is government's commitment to provide funding once need has been demonstrated. To demonstrate this further, the Waterloo Catholic District School Board highlights the processes it has gone through in the past several years.

In 2000-01, our school board was selected to be part of the Provincial Auditor's review of Special Education Grants to School Boards. For the record, we are Board 'C' in the 2001 Annual Report of the Provincial Auditor of Ontario.

Any inequities in the levels of spending, and therefore of funding, among boards in 1998/99 will continue until the improved ISA process is implemented.

Special Education funding has been frozen at 1998 levels until the Ministry refines the Intensive Support Amount process (ISA 2 and ISA 3). As the auditor points out in his report, "...any inequities in the levels of spending, and therefore of funding, among boards in 1998/99 will continue until the improved ISA process is implemented" [page 145 of the Provincial Auditor's Report].



The Auditor goes on to indicate that board C – the Waterloo Catholic District School Board – “*had far higher numbers of students per staff member at the same time that it had the highest above-grants spending percentage, at 19.3%*” [page 148 of the Provincial Auditor’s Report].

Since the implementation of the *Student Focused Funding Model*, the Waterloo Catholic District School Board has consistently over-spent due to need in the area of Special Education in relation to grants received. The Provincial Auditor’s Report indicates Waterloo Catholic’s special education services are understaffed.

Prior to Christmas, 2001, the Board was notified that the Ministry review of its ISA files confirmed an approval rate of some 99.16%.

Ministry officials indicated that our data collection process to substantiate claims is a model for the province. This is a tremendous achievement and means that we are more than meeting government expectations.

Of some 120 files submitted, 119 were approved. Of these files, 90 were ISA2 which generate \$12,000 per file in funding, or a total of \$1,080,000. The remaining files are ISA3 files, which generate \$27,000 per file in funding, or a total of \$783,000.

Given our file approval rate, we are entitled to \$6,075,000



funding for our ISA 2 and ISA 3 claims. Because of the 1998 funding freeze, we received in 2001-02 \$4,984,838 for our ISA 2 and ISA 3 files.

\$7.7 million in need but only \$4.9 million received equals a \$2.8 million shortfall for our neediest students.

Without 'live' funding, this means a Special Education funding shortfall of \$1,092,162 for the first phase of documentation.

In the spring of 2002, the Waterloo Catholic District School Board participated in the third phase of the ISA claim documentation process. In this cycle, the system qualified for an additional 90 ISA2 files and 23 ISA3 files for a total additional funding (in addition to the funding verified in December 2001) of \$ 1,701,000. Through both processes, therefore, we have qualified for an additional \$2.8 million in Special Education funding.

The ISA file review process demonstrates our board qualified for \$2.8 million – the same amount that we've been spending above the frozen grants of two years ago!

As a system, we have worked extremely hard to meet the Ministry deadlines for submission of files. As well, we believe the current approach to Special Education funding -- that is, the SEPPA amounts and the ISA 1 to 4 processes -- provide an effective manner for balancing both need and efficiency. The current model is equitable and has appropriate levels of accountability. The downside in the current process is the failure of government to adequately fund school boards that do, in fact, demonstrate need. There is something fundamentally wrong with a process that freezes needs-based funding until all school boards have submitted their claims.

There is something fundamentally wrong with a process that freezes needs-based funding until all school boards have submitted their claims.



Because government has not provided this revenue since the 1998 freeze, it has had to come from other areas of the funding model – or, in some instances it’s meant not providing the service to children in need. Up to the 2002-2003 budget year, services continued to be provided. However, with the 2002-2003 school year budget, over \$1,000,000 had to be cut from Special Education in order to submit a balanced budget.

Our 2001-2002 school year budget indicates that we are now spending some \$2.8 million or 20.68% above our grants on special education. [The 2001 Provincial Auditor’s Report statement that we overspend by 19.3% is based on 1999 data]. This same \$2.8 million is what is owed to us if we went *live funding* today.

We strongly encourage you to advocate for the implementation of ‘live’ special education funding to be provided to school boards *within* the 2002-2003 school year retroactive to September 1, 2002.

We also strongly encourage your Task Force to review and make recommendations to government concerning the future of the SEPPA grant once the current OAC students leave as a result of the double cohort. Traditionally, OAC students do not access Special Education programs and services to the same degree as other students. Consequently, special education SEPPA funds that are generated by OAC enrolment are committed to programs and services for other students. Will the government funding model compensate school boards for the loss of OAC SEPPA funding to ensure no further decline in special education programs and services?

What will happen to the SEPPA money for OAC students once the OAC year ends – money that is now diverted to pressing special education needs in Grades 9-12?



RECOMMENDATIONS

5. That – as per the recommendation of the Minister’s Advisory Council on Special Education – school boards whose ISA cycle results are higher than current stable funding levels move to *live* funding in 2002-2003 while other boards continue to receive stable funding.

6. That your Task Force review and make recommendations to government concerning the future of the SEPPA grant once the current OAC students leave as a result of the double cohort.



E) Transportation

The Ministry in-service on the proposed transportation funding model provides hope.

Our partnership with the GRT to provide transportation for our secondary students is a win-win for both partners

The Waterloo Catholic District School Board has achieved significant changes in this area. Indeed, because of our partnership with Grand River Transit (GRT) for the transportation of secondary school students via the transit system, we are the GRT's biggest customer! The partnership is a win-win for everyone. Consequently, there are:

- Significantly-reduced secondary school transportation costs;
- secondary school students have bus passes that are good anywhere in the Region from 6 a.m. to 6 p.m – thus eliminating the need for extra busses because of after school activities;
- significant gains for our provincially/municipally-supported public transit system.

The new proposed transportation model will address many outstanding needs.

The proposed transportation funding model – if government funds the model at the proposed walking distances and rates – will resolve long standing issues concerning transportation: issues that have been created because the current 1997 freeze on transportation funding is simply not working. We believe that the formula has to recognize the actual number of students transported and the real costs associated with so doing and that averages and block funding be discontinued as they do not keep pace with actual costs.



Any change to transportation must recognize and respect that Catholic school boards operate 'regional' not neighbourhood schools.

A common school year calendar is often unrealistic.

School boards need the flexibility to address their own needs.

To achieve real efficiencies and change practices, any transportation consortium should be 'arms length' from all partner boards.

There is a caution, however. Catholic school boards and French school boards – because of their geography – serve a population that is dispersed over a wider area than one finds in relation to neighbourhood public schools. Consequently, a model that does not respect the differences between the four publicly-funded school systems in Ontario is counter-productive and ends up creating more inequity.

We have often heard of solutions that suggest common school year calendars between coterminous boards. This is often unrealistic. With four professional development days – as compared to the previous nine – there are minimal savings through a common school year calendar. The real savings are in staggered start times among neighbourhood schools and this means collaboration and co-ordination between and among coterminous school boards. Again, the school year calendar and the placement of professional development days is not the issue. Co-ordination and collaboration is.

That being said -- and with the renewed focus on consortiums as a solution for transportation services -- there must be a spectrum of models and voluntary membership. Catholic school boards must retain the ability to determine and implement their own transportation policy, including service and safety standards and administrative procedures. Often going into a consortium can be eased when the consortium is actually a third-party arrangement where the employees of the consortium do not directly work for any of the partner boards.



Similarly, a focus on transportation should really examine where the true savings are. The concept of one bus for one road is often unrealistic. When there are a number of schools in an area shared by two or more school boards, then the concept of staggered start times for schools means one can use buses for two or three runs. In our Region we have staggered start times for all Catholic schools. Our coterminous board has one standard start time for all elementary schools. Greater savings could be realized if both boards had coordinated staggered start times based on geographic areas within the jurisdictions of both boards.

Whatever the outcome of your work on transportation, we strongly encourage you to advocate for a transportation funding model that takes into account the differences between the four publicly-funded school systems in Ontario and thus permits these school boards to address the unique needs of their students and ratepayers. We also urge implementation as quickly as possible of the proposed new transportation formula to provide adequate funding on a permanent basis.



RECOMMENDATIONS

- 7. That the proposed Transportation Funding model be implemented in such a manner that the model recognizes and provides assurances that the transportation needs and differences among the four publicly-funded school systems will be protected.**

- 8. That the formula has to recognize the actual number of students transported and the real costs associated with so doing and that averages and block funding be discontinued as they do not keep pace with actual costs.**



F) The impact of the double cohort on the funding model

The loss of the OAC year will have a tremendous impact on all funding envelopes and the ability of school boards to address ongoing costs.

We acknowledge and commend the Ministry for recognizing the expected decrease in enrolments Boards will experience, not only as a result in the overall decrease in enrolment growth provincially but as a result of the elimination of Grade 13/OACs. The declining enrolment grant was re-introduced as part of the funding model for the 2002-03 school year.

Student enrolment is the foundation on which most grants are calculated under the student-focused funding model. Boards experiencing a decrease in enrolment will also experience a grant reduction, which may be mitigated by the immediate reduction in direct services in the classroom. The declining enrolment grant recognizes some of the difficulty boards may face in reducing costs and phases in the grant reduction.

We believe that, while this adjustment in grant delays the loss of some revenue from declining enrolment for two years, the grant does not and will not address the inability of boards to decrease some fixed ancillary and escalating costs and other contractual obligations. Examples of these costs are maintenance, transportation, renovations and administration.

RECOMMENDATIONS

9. That the Working Group on Declining Enrolment be re-established to continue its work on all aspects of the impact of the elimination of the OAC year.



G) Partnerships and Pupil Accommodation

Over the past seven years, the Waterloo Catholic District School Board has been recognized for several innovative practices and approaches to resource use – both human and material – aimed at improved programs and services for students. Some of these practices are captured through the following recognitions:

- **1995 Recipient of the Ministry of Education Award for Exemplary Practice in the Integration of Exceptional Students in regular classrooms;**
- **1999 – Recognition by the Education Improvement Commission in their *Review Report on the Waterloo Catholic District School Board* of 15 Best Practices -- emphasizing our overall cost-effectiveness.**
- **2000 – Recognition by the Education Improvement Commission in their *Best of Effective Practices Report on Progress by School Boards*.**
- **2001 – Recipient of the Government of Ontario Showcase Ontario Working Together Award of Excellence – re: the development of the Waterloo Region Education Wide Area Network in partnership with community members. This award is in recognition of utilizing a \$10 million restructuring grant with our coterminous school board to develop a fibre-optic network that serves the needs of the education sector and the wider community. It is a one-of-a-**



kind fibre-optic network in Canada and has the potential to go deeper into the area of e-learning.

Prudent partnerships benefit the local economy.

The school system also has 51 formal partnerships with various groups in Waterloo Region including social service agencies, our local Universities and Community Colleges, the local Community Health Unit, day care providers and co-operative education placements which utilize some 1,870 area employers. We have become a valued advocate for, and partner of, the local business community. This extensive network has been built up over the years because both partners recognize it is a prudent business practice that benefits the local economy.

Day care through public/private partnerships

Some of these partnerships relate to our ability to take advantage of the changes that were brought about through the introduction of Pupil Accommodation Funding. For example, through a partnership with Owl Child Care Services, the board has day care centers on a cost-recovery basis of capital costs at:

- St. Luke Catholic Elementary School, Waterloo
- St. Nicholas Catholic Elementary School, Waterloo
- John Sweeney Catholic Elementary School, Kitchener (under construction).

The day care provider bases the partnership on the concept that the school board constructs the day care space and holds the mortgage on capital costs for payment over a twenty-five year period while the Board maintains ownership of the



facility. This creative means of private/public partnership is possible because of the consistency and reliability of the pupil accommodation funding model.

Public Library Branches in secondary schools are a win-win for the school board and municipality.

The school system is also engaged in other exciting partnerships. The first – building upon our success with the location of a branch of the Cambridge Public Library within St. Benedict Catholic Secondary School – is the location of a branch of the Kitchener Public Library within the new St. Mary's High School which opened in Kitchener in September, 2002.

Without the partnership, no partner would be able to enhance their goals.

The library will become operational in 2004. The costs to the City of Kitchener for the location of the KPL branch at the new St. Mary's High School are approximately \$1.4 million in capital investment as well as the ongoing operational costs once the branch is functioning. As is the case with the Cambridge Library Branch at St. Benedict Catholic Secondary School, the school board will contract with the local Library Board for library services. This type of partnership saves the school system from duplicating a readily available community resource. It is a win-win for the school system, the local neighbourhood, and municipality. Ultimately it is a win-win for the taxpayer!

A long-term vision and solution is available through the Pupil Accommodation Grant process.

The second partnership is with the City of Kitchener and St. Anthony Daniel Parish to locate a community centre at St. Daniel Catholic Elementary school to serve the needs of the Stanley Park Community. The partnership will result in a full-service community centre for all members of the local



Stanley Park area. The parish benefits from having services available at the joint Church/school site that parishioners can access. The school benefits through access to a triple gym while retrofitting the existing school gymnasium into an integrated Learning Centre. In sum, therefore, this exciting partnership will enhance the school, parish and wider community.

The *Pupil Accommodation* section of the *Student Focused Funding Model* works quite well for us. It engages boards in long-term accommodation planning. Since 1998 the capital needs of the board have been addressed through our ability to engage in a long-term vision and solution. Five new elementary schools have been built. Six elementary schools have received additions or renovations. Adult Education has been consolidated into two sites and a replacement secondary school has been built. These investments in needed infrastructure to meet the accommodations needs of students have resulted in an outlay of some \$68 million in capital costs for the board that have been (or will be) amortized over the next 25 years under the Pupil Accommodation funding process.

School boards are only one of the partners in neighbourhood renewal.

In order to take advantage of the Pupil Accommodation Funding, six elementary schools and one secondary school have been closed. We understand the processes needed in order to realize the benefits of the model. Enrolment growth in suburban areas and underutilized schools in older parts of the community present school boards and government with



sometimes difficult choices – either close underutilized schools or incur further costs for the upkeep of older, costly buildings or bus students from suburban areas to underutilized schools.

Despite the difficult choices that sometimes need to be made, we believe the overall theory underlying the model has worked well for our school board. At the same time, however, we understand the desire of some ratepayers and municipalities to maintain schools in neighbourhoods that have had schools for many years. The dilemma is one of declined enrolment and the hope that these neighbourhoods will revitalize themselves. School boards, however, are only one of the partners in the business of neighbourhood renewal. School boards are in the business of providing quality programs and services for students but should recognize a role in neighbourhood revitalization in partnership with municipalities. In many cases, retiring underutilized facilities in favour of updated renovated or new facilities is not only prudent economically but an enhancement for students given the changing curriculum demands over the perhaps fifty year lifespan of a school.

Within the jurisdiction of the Waterloo Catholic District School Board there are areas of both enrollment growth and decline. In order to generate the funds necessary to meet the accommodation needs of the growth areas, surplus classroom space in areas of declining enrollment must be eliminated. The closure of neighbourhood schools is always an emotional, and often confrontational, process but one that is necessary if we are to make the best use of the resources available to us.



Many of the schools located within the inner city areas were either built during the 1960's or expanded during that time to provide classroom spaces for the baby boom generation. Today's demographic trends illustrate that family sizes are smaller than they were in the 1960's and suburban homes are the preferred choice for most families with school-aged children. The combination of very large schools and very small enrollments in the downtown area has made these schools an obvious target for consolidation or closure.

Waterloo Region is the fourth leading destination in Ontario for immigrants. Many of these people eventually settle within the downtown areas of Waterloo, Kitchener or Cambridge. These locations are desirable to new Canadians due to the availability of relatively affordable housing, a greater dependence on public transit and the close proximity to community support services.

The children of new Canadians face numerous educational challenges resulting from cultural and linguistic barriers. Studies have shown that children in inner city neighbourhoods are less ready for school and not as well developed in terms of literacy and numeracy skills. The parents of these children are similarly disadvantaged in the workplace and have a great need for English as a Second Language and Continuing Education programs to ensure their opportunity for employment. The educational program requirements in inner city areas, and therefore the facility requirements, could be quite different than a suburban location.



There is no incentive for school boards to enter into partnerships if surplus space used by the partner cannot be removed from the capacity.

Removing excess capacity through demolition or lease would also make financial sense.

If major changes are made to the Pupil Accommodation Grant process, who will pick up the current commitments of school boards?

The current funding formula treats school closure as an “all or nothing” proposition. School boards are faced with the dilemma of either keeping inner city schools open and carrying the surplus capacity on their books or closing the schools in their entirety, thereby supplanting a group of students who are already marginalized within our society. There are no options available to either close or demolish portions of a building, removing the excess capacity and retaining a smaller viable school. Where school boards have chosen to use the surplus space to provide needed early literacy programs for pre-school children or adult education classes, the pre-school or adult learners are not counted as “enrolment” nor is the classroom space used removed from the school board’s capacity.

There are numerous programs run in the community with government funding. Part of that funding goes toward lease or rent payments. It would be logical to provide the opportunity for some of these programs to locate in schools where there is excess capacity without penalizing school boards for making this space available. An excellent example would be the Province’s Early Years Centre initiative. Co-locating these facilities with an elementary school would be a preferred option and a good use of provincially-owned assets. However, there is no incentive for school boards to enter into these partnerships if the surplus space used by the Centre cannot be removed from the Board’s capacity.



Removing excess capacity through demolition or lease would also make financial sense from an operating standpoint. Eliminating the excess space would significantly reduce long-term utility and maintenance costs, especially in older schools. At the same time, retaining a smaller, viable school could result in lower transportation costs where the alternative would be to transport these students to another facility.

Any revisions to the Pupil Accommodation Funding model with respect to new school construction financing should be approached with significant caution. The current approach enables school boards to plan facilities out over the next twenty-five year period. School boards construct the buildings and finance the project over twenty-five years receiving the principal and interest in grant from the Ministry each year for the next twenty-five years. Even though school boards are responsible for going to the market to float the debenture, ultimately government, as the source for the principal and interest revenue, is responsible for the debt. If government were to change how the accommodation funding functions, it would first have to assume or commit itself to the capital outlay already committed since 1998 by school boards for construction and renovations under the Pupil Accommodation Funding model. This would likely be in the billions of dollars already committed for the next twenty-five years!

The school renewal portion of the funding model has been effective in addressing school renewal needs. Whether the



amount of revenue is *adequate* depends upon a school board's current inventory. One approach to school renewal is to conduct timely audits of school boards where data is collected on the state of facilities and school boards must demonstrate how they have utilized funding to address needs.

The needs of school board administrative centres requiring significant repairs and life-safety upgrades should be addressed.

Whether the criteria in the funding model for school renewal are appropriate is a technical question that is better answered by staff working in this area. Whatever criteria are used, whatever revenue is provided, school boards must be accountable for the use of the funding.

We also believe there is a need to review and revise the construction costs as part of the Pupil Accommodation Grant process. The current funding formula assumes that each elementary student requires 100 square feet of floor space and every secondary student requires 130 square feet of floor space. Generally these benchmarks are adequate and pose no problems. Current construction costs, however, are in the range of \$112 per square foot for elementary schools and \$125 per square foot for secondary schools. Updating the funding formula to reflect 2002 construction costs would make a significant difference in the ability to provide new educational facilities and to upgrade existing facilities to today's standards and curriculum requirements.

A final – and equally important -- point regarding capital funding is the state of some administrative centres and the need for relief. In our circumstance, we did not construct a new administrative centre. We have been utilizing two



buildings and one port-a-pack on one site. The main building was constructed in the early 1960s while the second building is a de-commissioned school that was built in 1912. We are currently in discussions with the Ministry regarding what can be done to address the serious repair and life safety upgrade needs for the 1912 structure.

There is no way to address the issue under the current funding model and Regulations. At the same time, the Board is responsible for an adequate and safe working environment for all staff. We believe serious consideration should be given to an analysis of current Board administrative sites – similar to the audit concerning school renewal, with a view that a solution be considered for those boards that can demonstrate a need. Those school boards that built or acquired administrative sites prior to 1998 had the debt assumed by the Province in May 1998. Boards like ours, however, with sites that are now in need of repair have enormous costs ahead with no revenue source to either fund the repair or move to less costly facilities. The “one-fits-all” solution of 1998 no longer is applicable and should be reviewed and corrected.



RECOMMENDATIONS:

10 . Increase the benchmark construction cost per square foot to reflect actual 2002 construction costs.

11. Provide the flexibility for school boards to enter into partnerships with other government-funded organizations/programs to utilize excess space in schools and to have the excess space removed from the school board’s capacity.

12. Allow for the removal of excess capacity through the demolition or “mothballing” of portions of older schools.

13. That an audit of administrative sites be included in the audit of schools under the school renewal initiative to identify administrative sites that are cost-prohibitive to maintain/repair or that have significant life-safety issues -- and initiate solutions for those boards.



H) Attracting, Retaining and Supporting Teachers

We face mounting problems attracting, retaining and supporting staff.

Staff development is the first thing to be cut to fund inadequate envelopes.

School boards such as the Waterloo Catholic District School Board face mounting problems in attracting, training and keeping qualified staff. Since the government is still providing school board revenue at 1997 levels – and with increased pressures in every budget line – the first thing to be cut is staff development. From a 1999 high of \$1.8 million spent on staff development (the 3rd highest per capita of 72 boards) we will spend less than \$350,000 during the 2002-03 school year! This is unfortunate at a time when we have witnessed:

- the introduction of new provincial Catholic curriculum;
- the introduction of new Special Education processes and criteria;
- an increase in provincial testing from Grades 3, 6, 9 to an eventual grade by grade testing regime;
- the introduction of the Grade 10 Literacy test;
- the elimination of the OAC year;
- an increased focus on literacy and numeracy;
- the introduction of Safe Schools initiatives;
- the introduction of Performance Appraisal initiatives
- the introduction of Criminal Record Checks
- the focus on a data-driven education system

Leadership training and support for teachers and leaders!

As the final Report of the Education Improvement Commission recommended, school boards need the infusion of revenue into the funding model that provides boards with the ability to meet increasing professional development needs.



Engaging our teachers of tomorrow today!

44% of our elementary teachers and 45% of our secondary teachers have less than four years experience.

65% of our school administrators were not in the same role five years ago.

57% of our supervisory officers have less than 18 months experience.

Training and supporting staff is an investment in our students!

There needs to be strong advocacy for dialogue around and serious engagement in promotion of teaching as a career. This is especially true in the area of attracting males to the profession. We will soon have some elementary schools where – including teaching staff, school administration, secretarial, paraprofessional and custodial staff – there will be no male role models for students.

While having a vibrant, young staff is exciting, it is also challenging and daunting. Training and support for our teachers and leaders is necessary to move forward. Our students deserve no less!

RECOMMENDATIONS

14. That the government provide sufficient funding to ensure school boards can provide ongoing professional training and support for teachers as they implement teaching and learning strategies.



Conclusions

When the funding model was implemented in 1998 not all school boards were on the same level playing field. School boards that were to increase by a significant amount of revenue faced a negative mitigation factor. There is no doubt that media coverage of the government's funding model, along with analysis completed by various local and provincial associations, has legitimately called into question the adequacy of the revenue provided for education in Ontario.

There is no doubt the government's funding model has called into question the adequacy of revenue for education.

The theory behind the funding model in 1998 was sound. *The difficulty is that government has not kept up with the necessary infusion of resources over the years to make the model function effectively. Quite simply, it is failing our students.*

We need multi-year, guaranteed funding that keeps pace with inflation in order to plan effectively and efficiently.

One cannot expect school boards to either plan effectively or maintain balanced budgets until such time as government can guarantee stable, indexed, multi-year funding for school boards. How can government legitimately hold government-funded institutions like school boards to balanced budgets if revenue provided by government is based on 1997 costs and not current costs? It is simply unsustainable.

The sound planning principles of the model have been lost. Only a realistic amount of indexed, multi-year revenue will bring them back.

Our recommendations are not dramatic changes to a perfectly sound model. What we are asking for is simply a return to the sound planning principles that were implicit in the model when it was released in 1998. *Student focused funding does work* -- so long as government provides a realistic amount of multi-year revenue to keep up with the rising costs and overall demands of a quality, 21st century education system.



Our Recommendations

- 1. That the government's funding benchmarks be adjusted to reflect the current costs of running a school system in 2002, that they be indexed annually to reflect changing cost pressures/inflation, and that they address the demands of provincial legislation.**
- 2. That the government provide school boards with multi-year stable funding to permit boards to engage in long-term planning.**
- 3. That adequate revenue guarantees be provided in support of legislatively/Ministry-mandated programs/services that are added after the funding benchmarks have been established.**
- 4. That the funding model recognize the uniqueness of local school board communities by providing a Local Initiatives Portion grant that permits school boards to enhance local programs to meet local needs or to enhance provincially-mandated programs. The funding for this grant would be in addition to other grants. Further, to ensure equity among school boards, school boards would not have access to local taxation to fund these programs. Rather, the Local Initiatives Portion of the grant structure would fund these local initiatives.**



5. That – as per the recommendation of the Minister’s Advisory Council on Special Education – school boards whose ISA cycle results are higher than current stable funding levels move to *live* funding in 2002-2003 while other boards continue to receive stable funding.

6. That your Task Force review and make recommendations to government concerning the future of the SEPPA grant once the current OAC students leave as a result of the double cohort.

7. That the proposed Transportation Funding model be implemented in such a manner that the model recognizes and provides assurances that the transportation needs and differences among the four publicly-funded school systems will be protected.

8. That the formula has to recognize the actual number of students transported and the real costs associated with so doing and that averages and block funding be discontinued as they do not keep pace with actual costs.

9. That the Working Group on Declining Enrolment be re-established to continue its work on all aspects of the impact of the elimination of the OAC year.

10. Increase the benchmark construction cost per square foot to reflect actual 2002 construction costs.



11. Provide the flexibility for school boards to enter into partnerships with other government-funded organizations/programs to utilize excess space in schools and to have the excess space removed from the school board's capacity.

12. Allow for the removal of excess capacity through the demolition or "mothballing" of portions of older schools.

13. That an audit of administrative sites be included in the audit of schools under the school renewal initiative to identify administrative sites that are cost-prohibitive to maintain/repair or that have significant life-safety issues -- and initiate solutions for those boards.

14. That the government provide sufficient funding to ensure school boards can provide on-going professional training and support for teachers as they implement teaching and learning strategies.

