3. Context for Considering the Issues and Making Recommendations

Since my appointment, I have considered this review an opportunity to affirm and strengthen Ontario’s publicly supported education system. As the title of this report implies, I view the funding formula as an instrument for advancing the education goal of continuous improvement in student learning and achievement. It provides a context and acts as a prerequisite for achieving this goal.

This report does not attempt to reform the education system; it aims at improving the funding formula – getting it right so that we in Ontario can continue to reform our education system, setting ever higher standards and reaching ever higher levels of achievement. Education reform is still in its early stages in Ontario. At the very least, I hope that my recommendations will provide a funding basis for moving the reform process forward.

When considering Ontario’s education system, the funding formula, and my recommendations, I took the following points as “givens”:

- Education advances the well-being of individuals in society and of society as a whole. It expands the opportunities available to individuals, enables people to fulfil their potential, underlies economic success, and enhances social cohesion. For those reasons, in democratic societies universal access to education is a common value and public education is seen as a fundamental responsibility of the state.

- For reasons related to the Canadian Constitution, Ontario has four publicly funded education systems: English-language public, English-language Roman Catholic, French-language public, and French-language Roman Catholic.

- Adequate funding of public education is a high societal priority. However, the amount of funding the public is called on to invest in education cannot be considered limitless.

- The goal of Ontario’s publicly funded education system, as evidenced by the expectations set out in the Ontario Curriculum and the process established for the province-wide assessment of students, is the continuous improvement of student learning and achievement.

- The education funding formula is a tool for advancing these goals.

Roles and Responsibilities in Ontario’s Education System

One of the first things that a review of the funding formula must take into account is the roles and responsibilities of the various “players” in this system. Based on my examination of these roles and responsibilities and what I learned during my research and consultation process, I developed the following view of the changing structure of, and relationships in, Ontario’s education system.
(This view implicitly relates to governance issues, which deserve further study and elaboration. I discuss governance later in this report.)

Many of the points mentioned below are not new. I am particularly indebted to the work in recent years of the Education Improvement Commission and the Task Force on Effective Schools, as well as the writings and thoughts of Michael Barber, Michael Fullan, Charles Ungerleider, and others working in the field of education research.5

**The Province**
- The Province is responsible for providing its citizens with access to a high quality of public education.
- Through the Ministry of Education, the Province establishes the goals, policies, standards, and performance expectations of Ontario’s education system.
- Through the Ministry of Education, the Province establishes the structures and the funding to support its education goals, policies, standards, and expectations.
- The Province holds those who deliver education programs and services accountable for spending education funding effectively to meet the system’s goals, policies, standards, and expectations.
- The Province is responsible to the people of Ontario for ensuring that the goals, policies, standards, and expectations it sets are appropriately high, and that the structures and funding it provides for education are appropriate and adequate for meeting those goals, policies, standards, and expectations.

These roles and responsibilities have certain implications for the funding formula. The Province is a policymaker and, therefore, in my view it cannot be, and should not try to be, a micromanager. It should not prescribe all details of programs, services, and administration but should devolve and delegate implementation functions to school boards and school leaders. At the same time, as a policymaker and as the provider of funds, the Province has the right and obligation to demand both fiscal and performance accountability from those who spend the funds provided for public education.

**School Boards (Elected Trustees)**
- Boards, in consultation with their administrators and their school communities (principals, teachers, support staff, and school councils), set local policies, priorities, and budgets within the framework of provincial legislation and policy.
- Boards establish their local budgets within the scope provided by their funding allocation. They are responsible for ensuring that their schools and staff have the professional capacity and the appropriate resources to meet provincial and board policies and priorities. They are equally responsible for spending the public funds they receive from the Province in a cost-effective and appropriate way.
• Boards hold their directors of education and, through their directors, their superintendents, principals, teachers, and support staff accountable for meeting provincial and board policies and for ensuring that the board’s funding allocation is spent in keeping with the board’s budget.

• Boards are accountable to their communities (their electors) and to the Province for continuous improvement in the level of student achievement in their schools.

One implication of the boards’ roles and responsibilities is that the funding formula must be flexible enough to allow the boards to meet local needs and priorities. Another is that boards should be required to justify their policies, priorities, and budget and publicly account for their spending and for the level of student achievement in their schools in clear and transparent ways – that is, in ways that the Province and their constituencies, particularly their school councils and parents, can understand.

The School

• The central role of the school is to advance the goal of continuous improvement in student learning and achievement. At the very least, schools are responsible for the following:
  – developing annual plans to improve student learning and achievement
  – teaching students
  – assessing and reporting on the progress of students, and demonstrating continuous improvement in the level of student achievement
  – working with their boards to attract and retain the best teachers
  – enhancing the motivation and professional skills of teachers
  – working with their school councils to engage parents and community members as partners in planning for continuous improvement and in school life in general
  – providing students with an environment that nurtures the values of the school community

• Schools often also play the following roles:
  – a delivery centre for programs and services that complement education programs and services (for example, school readiness programs, health and social services for children and youth)
  – a community hub – a gathering place for community groups and a centre for community activities

• The school principal is the educational leader, directly responsible for setting school policy and, most important, for continuously improving the quality of teaching and the level of learning and achievement in the school.

• Teachers, under the authority, leadership, and guidance of the principal, are partners in setting and implementing goals and are responsible for the instruction and assessment of students.

The roles and responsibilities of the school are fundamental and profound. In my view, education, while centred in the classroom, is influenced by what occurs in the whole school. Schools and the principals, teachers, and support staff who are at the core of our education system must receive sufficient
resources, including the resources needed to build capacity through professional
development, to do their job. At the same time, they have an obligation to spend
all resources in a cost-effective and appropriate manner and to demonstrate that
their expenditures are leading to continuous improvement in student learning
and achievement.

The school-community partnership is extremely important. School councils are
a vital link between the school and the parents and community it serves. As I
noted above, schools must work with their school councils to engage parents
and other community members in planning improvement. Research studies
repeatedly show that children whose parents are involved in their education do
better at school. In addition to helping plan improvement, parents and commu-
nity members can participate in the school in many helpful ways – as volunteers,
by attending parent/community meetings, and simply by staying informed about
their children’s school life.

The school-community partnership is evident in other ways. Many community
services can be delivered through the school – preparing young children and
their parents for school, providing literacy and language instruction, providing
day care services, acting as a delivery centre for cultural events. As well, when
community groups, parents, and others visit the school to participate in commu-
nity activities and use the school’s facilities, they develop a sense of interest and
ownership in local education. More public interest in and ownership of educa-
tional issues can only strengthen our education system.

The Ministry of Education and the education funding formula have roles to play
in facilitating a strong school-community relationship. However, other provincial
ministries, other levels of government (federal and municipal), and community
agencies should also participate and make reasonable and appropriate contribu-
tions related to their areas of responsibility. They should work together with the
Ministry of Education to co-ordinate the delivery through the school of educa-
tional and non-educational programs and services and also the funding of these
activities. These activities and the funding for them should not all be the primary
responsibility of the Ministry of Education. (I discuss the integration of these
services in more detail later in this report.)

Guiding Principles for the Funding Formula

As I noted earlier in this report, during my consultation process I provided par-
ticipants with a discussion paper that raised questions about the effectiveness of
the funding formula in advancing five principles: the quality of student learning
and achievement, equity and fairness, responsiveness to local needs, accounta-
bility, and affordability. These principles guided the consultation and research
process I undertook. By the end of the process, however, I had refined my
understanding of the goals and structure of Ontario’s education system, based
on everything I had heard and read. As a result, I also refined and expanded my
list of principles.
I believe that the process for funding public education in Ontario should be guided by the following interrelated and interdependent principles:

- adequacy
- affordability
- equity
- stability
- flexibility
- accountability

**Adequacy.** The goals of high program quality, high levels of student achievement, and continuous improvement in both will not be met, in my opinion, without a concomitantly high level of public investment.\(^6\) The reforms enacted in Ontario’s education system over the past five years present a challenge to everyone involved in the system. From what I heard, this challenge is welcomed by most members of the public and the education community. But a strong challenge requires strong support. If the system is truly to improve, it must have the capacity to change. While financial support is not the only kind of support needed, it is important that it be adequate to the objectives school boards, teachers, and students are being asked to achieve.

Adequacy is inextricably linked to both affordability and accountability.

**Affordability.** The obverse of adequacy in public funding is affordability. I tend to agree with those who say we cannot afford not to provide adequate funding to meet our goals for public education. Our children deserve no less; our economic future requires no less. But education is only one public priority, and taxpayers’ pockets are not bottomless. Parents and everyone in the education system must appreciate the connection between spending on public priorities and the fiscal resources available to the Province.

At the same time, taxpayers are entitled to demand the optimum benefit\(^7\) from any given public expenditure. If public funding for education is not spent wisely, if it is not accounted for transparently, and if its spending does not move us towards our goal of continuous improvement, the public will not be willing to provide it.

Both adequacy and affordability require that the Province and the education community engage in a continuous dialogue and a continuous process of assessing need, determining the appropriate level of funding to meet that need, then assessing results, including levels of student achievement, and reassessing need and the appropriate level of funding. To enhance affordability, the education funding system should actively encourage cost-effectiveness. The continuous process just described should include regular reviews to ensure that the processes and expenditures once thought to be cost-effective are still the most effective way of achieving the maximum benefit.
**Equity.** Equity means fairness. All Ontario students deserve equitable access to education and to the financial resources necessary for a high-quality education. Equity is not equality. Equality is not always equitable. One size does not fit all. Some children, because of socio-economic or geographic circumstances, language issues, and a host of other factors, start school at a disadvantage. Fairness demands that they receive extra support so that they quickly become ready to learn. The structure of the present funding formula recognizes this principle by providing Special Purpose Grants, which are open to all but which are not allocated to all.

Equity may mean, for example, helping children who are not skilled in the language of instruction to master it so that they are not left behind; providing socially disadvantaged children with the interventions they need to become ready to learn; providing children who live in rural or remote areas and children with special needs with the transportation and other services that they need to attend school and school events; and recognizing that French-language boards face higher costs than English-language boards in many aspects of the provision of education programs and services.

The funding system should support every reasonable effort to remove or, if removal is not possible, to mitigate conditions that impede a student’s reasonable chance of success in school. It should support every reasonable effort to reduce the gap between low and high achievers without lowering standards or the expectations for student achievement. At the same time, the eligibility criteria for additional support must be transparently clear. Finally, as I noted earlier, it is unfair to require the Ministry of Education alone to provide all the funding necessary for all the additional supports. Many issues related to a child’s ability to learn and to succeed in school need to be addressed before the child starts school. Other ministries, other levels of government, and community agencies must share the responsibility for ensuring that students have an equitable opportunity to succeed in school, although, as also suggested earlier, these services could be delivered through the school.

As my examples two paragraphs above imply, equity issues apply to school boards as well as individual students. I discuss this aspect of equity in more detail below, under the related principle of flexibility.

**Stability.** To plan for continuous improvement, boards and schools need to be able to count on a stable and predictable education funding system. Stability and its absence both have implications for the morale, and therefore the commitment to excellence, of administrators, teachers, and support staff. When boards and schools are issued a new or an expanded mandate, they need assurances that they will also be given time to build the capacity to implement the change and resources that are adequate to meet the new demands.

To ensure that improvements are sustainable, boards and schools need a measure of predictability in funding. Both the Province and school boards would benefit from multi-year planning of education funding. A multi-year model would
provide an element of predictability and time to plan ahead for both partners, with the caveat, of course, that the Province’s economic situation could change and that the multi-year process would have to be fluid and dynamic enough to recognize and adapt the model to such a change.

**Flexibility.** This principle is related to equity. Ontario is a vast and diverse province, and the needs of students in one board’s jurisdiction are not necessarily the needs of those in another board. The funding system should be both flexible and adaptable to allow boards and their schools a certain amount of discretion in assessing their local needs and spending part of their funding allocation to address those local needs. It should also encourage and celebrate the development of innovative, cost-effective programs and strategies.

Flexibility in accommodating local needs cannot exist without transparent accountability, which I discuss below.

**Accountability.** The principle of accountability, as it is generally understood, requires those who spend public money to accept the responsibility to spend it wisely and for the purpose intended, to report to the public in a transparent way on how the funds were spent and the results achieved, and to accept responsibility for those results.

As I have implied earlier in this chapter, I intend to extend the concept of accountability, borrowing from the education researcher Richard Elmore, who uses the term “reciprocal accountability.” In the context of Ontario’s publicly funded education system, reciprocal accountability means that every demand by the public and the Province for improved performance involves a responsibility to provide appropriate resources to meet the demand, and that every investment accepted requires school boards, principals, teachers, and other staff to demonstrate accountability for using those resources efficiently and effectively for the purpose intended. As I mentioned above in the section on affordability, the process for determining appropriate resources should involve continuous review and continuous dialogue between the Province and representatives of all levels of the education community.

Reciprocal accountability must be transparent. For the funding formula to earn the confidence and support of the public, people must be able to understand how it works, how the money has been spent, and what has been achieved. Finally, reciprocal accountability requires a climate of mutual trust and respect, an eagerness to initiate and accommodate change, and a willingness to do the work and provide the resources to sustain it.