This publication and a *Technical Paper* that explains the detailed calculations of student-focused funding are available on the Ministry of Education’s website at: <http://www.edu.gov.on.ca>, or by calling 1-800-387-5514 (in Toronto call 416-325-2929).

Une publication équivalente est disponible en français sous le titre suivant: *Guide pour les parents.*
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Student-Focused Funding

Since 1998, funding for elementary and secondary education in Ontario has been student-focused. This funding approach supports a high-quality education for all students across the province.

Student-focused funding:
- provides a fair and equitable level of funding for all students, wherever they live in Ontario;
- provides more funding for students in the classroom and less funding for administration and other nonclassroom costs;
- provides funding to maintain schools and to build new schools where they are needed;
- protects funding for students with special needs; and
- increases the accountability of school boards by ensuring that boards report consistently on how they spend their allocations.

New in 2003–04

Each year, the government introduces changes to refine student-focused funding. These changes are in response to suggestions from parents, educators, school boards, education associations, and the public. The government continues to seek advice and to introduce refinements to student-focused funding to ensure that the needs of students across Ontario are met.

In May 2002, the government created the Education Equality Task Force to conduct a review of the funding formula. Dr. Mordechai Rozanski led this task force and submitted his recommendations on December 10, 2002.

Dr. Rozanski recommended that the report’s findings be implemented over three years. For orderly implementation to occur, priorities will need to be set. The government has worked with all parts of the education sector to establish the priorities for 2003–04 and beyond.

The refinements to student-focused funding for 2003–04 are based on the recommendations of the Education Equality Task Force. Refinements include increased funding for adjustments to the benchmarks for:
- classroom supports;
- transportation;
• small, rural, and northern schools; and
• salaries.

New investments in student-focused funding have been made:
• in a new component added to the Learning Opportunities Grant (LOG) to implement a new strategy to assist students who are at risk of not achieving their education goals;
• in school renewal, including increased funds for school facilities deemed prohibitive to repair; and
• in a rural education strategy to improve learning outcomes for students in rural and northern parts of the province.

In addition, school boards have again been given flexibility to use some of their 2003–04 funding to address local priorities. Province-wide, school boards are projected to receive $575 million, which may be used to address local priorities in 2003–04.
School Board Funding for 2003–04

In 2002–03, Ontario’s 72 district school boards received a projected $14.21 billion through student-focused funding. In 2003–04, school boards are projected to receive $15.33 billion.

The Foundation Grant provides every school board with a base level of funding for each student. School boards receive additional funding through ten special purpose grants, which respond to costs or needs that are specific to some boards and students.

The Pupil Accommodation Grant provides funding for the operation and maintenance of school buildings and also for the construction of new schools or additions.

Student-focused funding is a fair approach because every school board receives funding under the same set of rules and because student-focused funding recognizes that different boards have different needs and responds to these differences.

School boards have flexibility in how they use their funding to meet local priorities; however, the government has set four limits on school board flexibility.

- Funding for education in the classroom must be used in the classroom. The funding cannot be used, for example, to meet administration costs.
- Funding for special education must be used only for special education.
- Funding for new schools or additions and for major repairs to schools must be used only for those purposes.
- Boards must not spend more on administration and governance than what student-focused funding provides.

Total funding to school boards is projected to increase from $14.21 billion in 2002–03 (announced in May 2002) to more than $15.33 billion in 2003–04. This is an increase of more than $1 billion, or almost 8 percent, while enrolment is expected to decrease by 2 percent.

Parents Guide to Student-Focused Funding 2003–04
Grant Structure Overview

Foundation Grant

- Basic Amount
- Local Priorities Amount

Special Purpose Grants

- Special Education Grant
- Language Grant
- Geographic Circumstances Grant
- Learning Opportunities Grant
- Continuing Education and Other Programs Grant
- Teacher Qualifications and Experience Grant
- Early Learning Grant
- Transportation Grant
- Declining Enrolment Adjustment
- Administration and Governance Grant

Pupil Accommodation Grant

- School Operations
- School Renewal
- New Pupil Places
- Prior Capital Commitments
The Grants

Foundation Grant:
Basic Amount
$8.11 billion
(includes $390 million in Local Priorities Amount)

Local Priorities Amount
$390 million

Pupil Accommodation
$2.40 billion

Special Education
$1.65 billion

Declining Enrolment
$119 million

Transportation
$652 million

Teacher Qualifications
& Experience
$618 million

Continuing Education
& Other Programs
$156 million

Early Learning
$12 million

Geographic Circumstances
$207 million

Learning Opportunities
$358 million

Administrative & Other Operations
$45 million

Languages
$257 million

Administrative & Support Services
$46 million
The Foundation Grant supports the components of a classroom education that are required by and generally common to all students. The Foundation Grant provides the same amount per student to all school boards.

The Foundation Grant is based on average daily enrolment (ADE), which is counted in October and March of each year. ADE includes adjustments for full-time equivalents. For example, a Kindergarten student in a half-day program is counted as one-half a student. All grants based on enrolment use the ADE measure.

For the 2003–04 school year, $8.11 billion is being allocated for the Foundation Grant, including over $390 million in the Local Priorities Amount. The Foundation Grant provides $3,885 for each elementary student and $4,681 for each secondary student.

The Foundation Grant covers the costs of a classroom education listed below:

- teachers
- supply teachers
- teaching assistants
- classroom supplies
- textbooks and learning materials
- classroom computers
- library services
- guidance services
- classroom consultants (for example, teachers who are reading specialists or who help other teachers develop and implement curriculum)
- professionals and paraprofessionals (such as social workers or computer technicians)
• school administration (including principals, vice-principals, department heads, and school secretaries)

The Foundation Grant also includes a Local Priorities Amount, which boards may use flexibly to meet local needs.
Special Purpose Grants

In addition to the Foundation Grant, all school boards are eligible to receive special purpose grants.

There are ten special purpose grants that provide additional funding to meet students’ different needs and the costs that vary from one school board to another.

The ten special purpose grants are:
- Special Education Grant
- Language Grant
- Geographic Circumstances Grant
- Learning Opportunities Grant
- Continuing Education and Other Programs Grant
- Teacher Qualifications and Experience Grant
- Early Learning Grant
- Transportation Grant
- Declining Enrolment Adjustment
- School Board Administration and Governance Grant.
Since the introduction of the student-focused approach to funding in 1998, the Special Education Grant has increased by almost 40 percent.

<table>
<thead>
<tr>
<th>Special Education Grant</th>
<th>Number of School Boards Receiving Grant</th>
<th>Total Amount of Grant in 2003–04</th>
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<tbody>
<tr>
<td></td>
<td>All</td>
<td>$1.65 billion</td>
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</table>

The Special Education Grant provides funding for students with special needs. Each school board receives this grant.

In 1998–99, the government increased funding for students who need intensive supports in the classroom by $127 million.

In 1999–2000, the government added a further $32.5 million to special education funding.

In 2000–01, the government again increased special education funding, this time by over $150 million.

In 2003–04, special education funding is projected to increase by $250 million.

School boards have flexibility in how they use special education funding to meet the special education needs of their students. The funding is used to pay for special education teachers, teaching assistants, and other professionals (such as psychologists or speech-language therapists).

Funding for special education may only be used for special education. Any unspent funding must be placed in a special education reserve fund.

The Special Education Grant consists of two main components: the Special Education Per Pupil Amount (SEPPA) and the Intensive Support Amount (ISA).

**Special Education Per Pupil Amount (SEPPA)**

Each school board receives an amount of funding based on the total number of students the board serves, not just on the students who have been identified as needing a special education program. This funding is provided through the Special Education Per Pupil Amount (SEPPA).

For 2003–04, SEPPA funding will be provided at $562 per Kindergarten to Grade 3 student, $424 per Grade 4 to 8 student, and $274 per secondary school student.
Intensive Support Amount (ISA)*

School boards also receive Intensive Support Amount (ISA) funding, based on each board’s proportion of students who need very costly special education services, including equipment, teachers, teaching assistants, and other supports.

ISA funding is determined through an annual process in which school boards submit claims to the Ministry of Education to establish the funding requirements for intensive supports for their students. ISA funding is based on the ministry’s review of boards’ ISA claims.

In the 2001–02 school year, the ministry began a comprehensive review of ISA funding, which allowed school boards to submit claims over an extended period of four cycles between November 2001 and December 2002. Ministry validators worked with school board staff to bring forward all student files that met the improved ISA eligibility criteria during the comprehensive review. The improved ISA eligibility criteria can be found in the ISA Guidelines 2001–02: Addendum, available at the Ministry of Education website.**

In December 2002, in response to a Education Equality Task Force recommendation, the government announced additional funding of $130 million for ISA. In March 2003, with the completion of the ISA Comprehensive Review, the government provided a further $71.5 million in funding for all eligible files, for a total of $201.5 million in the 2002–03 school year.

As recommended by the Task Force, ISA funding will continue to be adjusted to match the number of eligible files in school boards. The ministry is projecting that ISA funding will increase to approximately $815 million in 2003–04 – $250 million higher than the initial allocation of $565 million at the beginning of 2002–03. The actual change in ISA funding will depend on results of ISA claims and review in 2003–04.

For all students who need special education supports, school boards combine the funding from the Foundation Grant, other special purpose grants, SEPPA, and ISA to provide individual programs that meet the specific needs of each student. The programs and supports for each student with special needs are determined by that student’s Individual Education Plan (IEP).

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* ISA Guidelines, a publication that explains this special education allocation in more detail, is available on the Ministry of Education’s website at <http://www.edu.gov.on.ca>.

** ISA Guidelines 2001–02: Addendum, a publication that outlines the ISA eligibility criteria is available on the Ministry of Education’s website at <http://www.edu.gov.on.ca>. 

In December 2002, in response to a Education Equality Task Force recommendation, the government provided an additional $130 million in funding for ISA and made a commitment to fund all eligible ISA claims once the review was complete. In March 2003, the government provided an additional $71.5 million to meet this commitment.
**Special Incidence Portion (SIP)**

The Special Education Grant also includes a Special Incidence Portion (SIP) for students with exceptionally high needs. SIP claims require approval from district office staff of the Ministry of Education.

**Programs in Correctional, Care, and Treatment Facilities**

Student-focused funding supports education programs provided by school boards for children and youth in various local facilities and institutions, including hospitals, children’s mental health centres, psychiatric institutions, detention and correctional facilities, community group homes, and other social services agencies.
The Language Grant provides funding to meet school boards’ costs for language instruction. Every school board receives a Language Grant, but school boards receive different levels of funding based on their particular needs for language instruction.

For English-language school boards, the Language Grant provides funding for core French, extended French, and French immersion programs.

The Language Grant also provides funding for English as a second language (ESL) and English skills development (ESD) programs. These programs are for students who were born in countries where English is not a first or standard language, and for Canadian-born students whose language spoken at home is not English.

The Language Grant provides funding to French-language school boards to recognize the higher costs of French-language learning materials and other aspects of French-language education.

The Language Grant also provides French-language school boards with funding for programs that are comparable to ESL and ESD programs. These programs are known as Actualisation linguistique en français (ALF) and Perfectionnement du français (PDF).

In addition, the Language Grant provides funding for Native-language programs.

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<table>
<thead>
<tr>
<th>Language Grant</th>
<th>Number of School Boards Receiving Grant</th>
<th>Total Amount of Grant in 2003–04</th>
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</thead>
<tbody>
<tr>
<td>All</td>
<td></td>
<td>$457.5 million</td>
</tr>
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</table>

Student-focused funding is designed to recognize and respond to the unique circumstances facing different school boards. ESL/ESD funding is an example. In 2003–04, more than 80 percent of this funding is projected to go to large urban school boards, reflecting the cultural and linguistic diversity of their student populations.
In 2003–04, in response to a recommendation of the Education Equality Task Force, the government is increasing funding for small, rural, and northern schools by $19 million. This funding supports programs in small schools and helps meet the costs of providing goods and services to students in widely dispersed schools.

The Geographic Circumstances Grant includes grants for small schools and for remote and rural boards. Only school boards that meet the grant’s geographic criteria receive this funding.

### Small Schools

To offset the higher per student cost of programs in small schools, financial support is provided as a Small Schools Allocation.

Small elementary schools are defined as schools that have fewer than an average of 20 students per grade and that are located 8 or more kilometres from other elementary schools of the board. Small secondary schools are defined as schools that have fewer than an average of 150 students per grade, and that are located 32 kilometres from other secondary schools of the board.

This allocation also has a funding component for additional principals in boards with a high proportion of small schools. Eligible boards have the flexibility to use this funding to provide more principals or to increase the time that part-time principals can spend on their principal duties.

### Remote and Rural Boards

The Remote and Rural Allocation provides additional funding to meet the higher costs of goods and services for boards that are remote from major urban centres and have students spread over a large area. Funding is calculated by measuring three factors: board enrolment; distance from an urban centre; and how far schools are located from one another and from the school board central office.
A stakeholder working group met during the fall of 2001 to review the allocation method of the Learning Opportunities Grant. Based on the group’s recommendations, a $15 million enhancement to the Demographic component was introduced beginning in the 2002–03 school year.

The Learning Opportunities Grant includes four components: a Demographic component, an Early Literacy component, a Literacy and Math Outside the School Day component, and a Students at Risk component.

**Demographic Component**

This component permits boards to offer a wide range of programs to improve the educational achievement of students at risk of poor performance. Boards have the flexibility to select programs that respond to local needs.

To establish funding levels, the demographic component uses social and economic indicators that research shows are associated with students at risk of academic difficulty. These indicators are:

- low family income,
- low parental education,
- lone parent status,
- aboriginal status, and
- recent immigration status.

**Early Literacy Component**

This component provides funding to improve the literacy of students in Junior Kindergarten (JK) to Grade 3. Funding is allocated on the basis of each board’s share of average daily enrolment (ADE) from JK to Grade 3.

Boards are required to focus these resources on primary students with the greatest need – JK and Kindergarten students whose reading readiness assessments show that they need remedial help, and students in Grades 1 to 3 whose achievement levels are 1 (“D” on a report card) or lower (“R” on a report card).
Literacy and Math Outside the School Day Component

This component allows boards to provide additional supports to enhance the literacy and math skills of Grades 7 to 12 students at risk of not meeting the new curriculum standards and the requirements of the Grade 10 literacy test.

These courses or programs may be provided during the summer and during the school year outside the regular school day. Funding is provided at a rate of $5,275 per average daily enrolment (ADE). This rate supports the average cost of a continuing education teacher for a class of ten students.

Summer 2003 and 2004

Funding for expanded literacy and math programs will also be available in both summer 2003 and 2004 for at risk students in Grades 7 to 12 and for parents of at risk students. Transportation for students in summer programs in 2003 and 2004 will continue to be funded.

Funding for school operations and school renewal under the Pupil Accommodation Grant is provided for students in Grades 7 to 12 literacy and math summer school programs.

Students at Risk Component

Based on the report of the students at risk working group, the government has allocated $50 million in 2003–04 for a new component of the Learning Opportunities Grant to implement the government’s strategy to improve outcomes for students at risk in Grades 7 to 12. This funding is ongoing.

The objectives of this component are to enhance programs for students at risk including:

- increasing the number of students passing the Grade 10 literacy test;
- improving the teaching and learning of literacy and numeracy; and
- increasing opportunities for students to participate in a successful school-to-work pathway.

Funding will provide board leadership, training, and resources supporting classroom-based programs for students who are at risk of not graduating. The emphasis in elementary school will be on students in Grades 7 and 8.

Funding for the start-up costs of this new program, totalling $10 million, was provided in 2002–03.
Continuing Education and Other Programs Grant

<table>
<thead>
<tr>
<th>Continuing Education and Other Programs Grant</th>
<th>Number of School Boards Receiving Grant</th>
<th>Total Amount of Grant in 2003–04</th>
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<tbody>
<tr>
<td></td>
<td>64</td>
<td>$156 million</td>
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</tbody>
</table>

The Continuing Education and Other Programs Grant provides funding for adult day school programs, continuing education programs, and correspondence/self-study programs for adult students.

The grant also funds summer school and night school courses for high school students who are upgrading, making up courses, or fast tracking. The funding supports students who are taking courses that enable them to transfer between applied and academic streams in secondary school.

This grant provides funding for summer school programs for adults.

This grant also provides funding for international languages (heritage languages) programs for elementary students. Funding for international languages is based on the number of hours of classroom instruction and class size.

Prior Learning Assessment and Recognition (PLAR)

Beginning in 2003–04, this grant also provides funding for prior learning assessment and recognition (PLAR), which is the framework through which mature students (those 18 years of age or older and out of school for at least one year) can be awarded credits toward completion of the Ontario Secondary School Diploma.
The Teacher Qualifications and Experience Grant provides funding to help boards meet teachers’ salary costs above the funding provided in the Foundation Grant.

Teachers in all school boards are paid according to their levels of qualifications and their experience. School boards have different proportions of teachers with high levels of qualifications and experience, so boards have varying salary costs. This grant responds to the additional costs of higher teacher salaries due to these factors.

The Teacher Qualifications and Experience Grant also includes funding to meet the additional costs for teachers in boards where secondary students take, on average, more than 7.2 credits per year. The Foundation Grant provides funding for a typical student course load of 7.2 credits. Many students take more than 7.2 credits, which means that school boards need to hire more teachers.

With the implementation of secondary school reform, students are able to complete secondary school in four years. The Teacher Qualifications and Experience Grant ensures that school boards can put secondary school reform into effect with funding that responds to students’ course loads.
Early Learning Grant

<table>
<thead>
<tr>
<th>Early Learning Grant</th>
<th>Number of School Boards Receiving Grant</th>
<th>Total Amount of Grant in 2003–04</th>
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<tr>
<td></td>
<td>16</td>
<td>$12 million</td>
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</table>

The Early Learning Grant provides funding to support early learning.

This grant provides funding to school boards that do not offer Junior Kindergarten (JK) at all or do not offer JK everywhere in their jurisdictions. The Early Learning Grant is intended to help these boards provide additional services to improve learning outcomes for early learners in Senior Kindergarten to Grade 3.

Boards that offer JK throughout their districts do not receive the Early Learning Grant. All school boards providing JK programs for four year olds receive funding for these programs through the Foundation Grant and other grants.

The Early Learning Grant ensures that school boards have a choice of offering either JK or equivalent early learning programs to their young students.

In 2003–04, school boards project that 115,000 four year olds will start Junior Kindergarten – a 26 percent increase compared to 1997.
On December 13, 2002, the government announced the distribution of $20 million as a first step in response to a recommendation of the Education Equality Task Force regarding student transportation.

In 2003–04, an estimated 780,000 students will be transported by school bus each school day. It is estimated that this service is provided by 17,000 school purpose vehicles travelling 1.8 million kilometres every school day.

For 2003–04, the government is increasing the Transportation Grant by over $20 million. This is the second step the government has taken in response to the recommendations of the Education Equality Task Force related to student transportation. Together with the $20 million in additional funding for transportation provided in 2002–03, this increase represents approximately one-half of the benchmark update recommended by the Task Force for student transportation.

All school boards will receive at least a 3.32 percent increase in their Transportation Grant in recognition of cost pressures faced by school bus operators. School boards that experience enrolment increases in 2003–04 will receive proportional increases to their transportation funding allocation. School boards with declining enrolment will not see their funding reduced; rather, these boards will receive their allocation for 2002–03 plus the 3.32 percent increase.

The ministry continues to work with the Transportation Review Committee on the development of a new Transportation Grant. These steps to increase base funding for transportation in 2003–04 have been taken in recognition of the importance of making increased funding available to boards to support the new transportation model in 2004–05.

Since 1998–99, funding for student transportation has increased by 15 percent to recognize the higher costs of providing transportation.

### Transportation Grant

<table>
<thead>
<tr>
<th>Transportation Grant</th>
<th>Number of School Boards Receiving Grant</th>
<th>Total Amount of Grant in 2003–04</th>
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<tbody>
<tr>
<td>All</td>
<td></td>
<td>$652 million</td>
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</table>

The Transportation Grant provides funding to school boards for the transportation of students.

In 2003–04, an estimated 780,000 students will be transported by school bus each school day. It is estimated that this service is provided by 17,000 school purpose vehicles travelling 1.8 million kilometres every school day.
In the fall of 2001, the ministry established a declining enrolment working group. This working group was asked to analyse the extent to which student-focused funding revenue is affected by declining enrolment, and to compare the decline in revenue to the ability of school boards to reduce costs as enrolment declines.

<table>
<thead>
<tr>
<th>Declining Enrolment Adjustment</th>
<th>Number of School Boards Receiving Grant</th>
<th>Total Amount of Grant in 2003–04</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>58</td>
<td>$119 million</td>
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</table>

For 2002–03, the government introduced a refinement to student-focused funding to help boards with declining enrolment.

Because much of each board’s revenue from student-focused funding grants is determined by enrolment, boards with declining enrolment lose revenue. This is appropriate because boards no longer need to provide the same number of teachers and other supports when they have fewer students.

Some costs of school boards, however, do not decline in a way that matches declining enrolment. Some costs can be adjusted easily. For example, the cost of classroom teachers can be reduced by changing the arrangement of classes to adjust to reduced enrolment. Other costs cannot be adjusted as easily. For example, in many instances a reduction in the number of students does not allow for fewer school secretaries, or reduced costs for heating and lighting of schools.

Declining enrolment has become more important recently because of secondary school reform and because the province’s overall rate of enrolment growth is slowing. Many more boards are projected to show an enrolment decline in the rest of the decade.

To address the gap between revenue loss and a board’s ability to reduce costs, a stakeholder working group recommended a declining enrolment adjustment that gives a board two years to reduce costs in keeping with its reduced enrolment.

In response to the report of the Education Equality Task Force, the government is extending the Declining Enrolment Adjustment from two years to three years. The government will provide an additional $5 million in 2004–05 to ensure that boards have time to adjust their costs as their student population decreases. In future years, boards that continue to experience declining enrolment will continue to receive this funding.

For 2003–04, the government is providing the second year of Declining Enrolment Adjustment funding. Boards that received Declining Enrolment Adjustment funding in 2002–03 will receive half of that amount as well as their adjustment for the 2003–04 school year.
year. As a result, funding for the Declining Enrolment Adjustment is increasing significantly, from $36 million to $119 million, an increase of 230 percent.
School Board Administration and Governance Grant

<table>
<thead>
<tr>
<th>Administration and Governance Grant</th>
<th>Number of School Boards Receiving Grant</th>
<th>Total Amount of Grant in 2003–04</th>
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<tbody>
<tr>
<td>All</td>
<td>All</td>
<td>$464 million</td>
</tr>
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</table>

The School Board Administration and Governance Grant provides funding for the governing of school boards, including trustees’ honoraria, the funding of school councils, and the administrative costs of operating school board offices and central facilities.

All school boards receive a base level of funding and additional funding determined by the number of trustees and enrolment.

School boards that receive increased funding under the Remote and Rural Allocation, the Demographic component of the Learning Opportunities Grant, and the New Pupil Places Allocation of the Pupil Accommodation Grant also receive increased funding for board administration and governance.

Since 1995, the number of boards has been reduced from 129 to 72.
The Pupil Accommodation Grant has four main components to help school boards meet the costs of operating and maintaining schools and providing new classroom accommodation where required.

The School Operations Allocation provides funding for the heating, lighting, cleaning, and other routine maintenance of schools.

The School Renewal Allocation provides funding for the renovation and repair of schools.

The New Pupil Places Allocation provides funding for new schools or additions where school boards have used all existing school buildings effectively and cannot accommodate growth in student enrolment without new buildings or additions. The New Pupil Places Allocation provides funding at the level a school board requires to finance construction costs over 25 years.

All school boards receive funding for school operations and renewal. Only boards with enrolment that exceeds the current capacity of their schools, or boards that are eligible for funding to recognize local accommodation pressures, receive funding for new pupil places.

Each of these grants is calculated on the basis of enrolment, benchmark area requirements, and benchmark costs.

The Pupil Accommodation Grant also provides funding for Prior Capital Commitments to meet the ongoing costs of capital projects that were approved before student-focused funding was in place.

In 1999–2000, the government introduced changes to the School Operations and the School Renewal Allocations that significantly increased resources for school boards. The first change recognizes the need for additional space resulting from, for example, special education programs or hallways that are wider than average. The second change helps school boards to continue to operate a school that is not full by adding a “top-up” of as much as 20 percent of the school’s capacity (for example, a school that is 80 percent full is eligible for funding as if it were at 100 percent capacity).

A Geographic Adjustment Factor is applied to the New Pupil Places Allocation in recognition of different construction costs across the province. The Geographic Adjustment Factor is based on the distance component of the Remote and Rural Allocation.

In 2001–02, the government introduced changes to provide resources to boards that would otherwise be ineligible for New Pupil Places funding, to address significant and persistent enrolment pressures at specific schools. Similar changes were also introduced for boards that have no schools in specific parts of their jurisdictions, but have schools with excess capacity elsewhere.

Funding for school renewal was increased by $25 million in 2002–03 to enable school boards to make urgently needed repairs and renovation. For 2003–04, this enhancement was increased by an additional $25 million in response to a recommendation of the Education Equality Task Force. This additional funding is being distributed in a way that reflects the ministry’s estimates of school renewal needs for each board based on information provided through the School Condition Reports of the Accountability Framework for Pupil Accommodation.

In the 2002 Ontario Budget, the government announced a program to assess school renewal needs across the province over two years. This program will result in detailed inspections of each school by building professionals, and implementation of a standard asset management software in each board.

The project has been divided into two phases. In the first phase, schools with the most pressing needs (as identified by boards) were inspected between November 2002 and January 2003. This phase determined which facilities were too costly to repair.

In 2003–04, the government has provided an additional $25 million to enable boards to construct replacement facilities for schools that are too costly to repair.

- $12.4 million is allocated in 2003–04 for 34 schools identified as being prohibitive to repair as a result of inspections conducted in the final phase. This level of funding will support construction projects valued at $124 million.

- $12.6 million is being reserved to support capital construction costs associated with replacing prohibitive to repair schools identified in the ongoing school inspection program. This funding will be allocated after a further inspection of schools (to be completed by December 2003).
Before student-focused funding, school boards raised revenue through local property taxes. Each school board could decide whether or not to increase local property taxes and, if so, by how much. Municipalities collected the taxes on behalf of the school boards.

School boards also received funding from the provincial government.

In 1998, the government changed the way in which property tax revenue supports education. The government now sets a uniform rate, based on a current-value assessment system, for all residential properties. Residential property taxes for education were reduced by half province-wide. The government also sets property tax rates for business properties.

Since 1998, the government has introduced further reductions in residential and business property taxes for education.

Property taxes still support education and municipalities still collect these taxes for the school boards in their communities, but school boards no longer raise additional revenue from local property taxes.

Student-focused funding determines each board’s overall funding allocation. Property tax revenues provide a part of the allocation. The province provides additional funding up to the level set by student-focused funding.
In addition to the grants described above, the government has provided funding for priority initiatives. These initiatives are described below.

**Textbooks and Other Learning Resources**

The Foundation Grant provides ongoing funding for textbooks and learning resources for each student.

In 1998–99, the government made an additional $100 million investment in textbooks and other learning materials for elementary students. This investment placed more than 4.7 million textbooks and other learning materials and equipment in classrooms.

In 1998–99, the government also provided $10 million for secondary school science equipment.

The province made a further investment of $60 million over two years, starting in 1999–2000, for Grades 9 and 10 textbooks to support the implementation of the new curriculum.

In 2001–02, $15 million was provided for Grade 11 textbooks.

In June 2001, the government announced $24 million for an Early Reading Strategy for students in Kindergarten to Grade 3. This $24 million included $14 million for learning materials.

In April 2002, the government provided $5 million for Grade 12 textbooks and a further $65 million to help boards with textbook purchases in 2001–02. The $65 million was for the purchase of textbooks and learning resources to support the new Grade 12 curriculum, learning resources to support students with special needs, and textbooks and learning resources for other grades.

In Spring 2002, the government announced $25 million to extend the Early Reading Strategy to Grade 6 and to establish an Early Math Strategy. In the June 2002 Ontario Budget, the government announced a further $5 million to extend the Early Math Strategy to Grade 6. This $30 million included $8.3 million for math learning materials.

**Support for Implementation of the New Curriculum**

The government has also provided other funding to support students and teachers as the new curriculum was put into effect. These investments include:

- training of teachers across Ontario,
- materials to support teachers, such as resource documents to help teachers teach the new curriculum and samples of student work reflecting the new standards,
• guides to help teachers achieve standardized grading,
• implementation of the new report card, and
• remediation programs and materials for students who need extra help.
School authorities, which are small school boards located in remote areas of Ontario, or in some children’s hospitals, generally have higher per pupil costs than other school boards. The School Authorities Allocation ensures that funding is available for these small boards. This allocation is a separate part of student-focused funding.

The funding for school authorities is approved by the Ministry of Education. The ministry’s approvals guideline uses an allocation formula based on student-focused funding that has been modified to address the basic costs of operating very small schools in remote areas and institutional settings.
Ontario’s plan for high-quality education involves a multi-year strategy. In each area of reform – curriculum and standards; excellence in teaching; safe, respectful learning environments; and continuous improvement of schools – substantial progress has been made.

An education system is being built that prepares every student for success in the classroom, in the workplace, and throughout life. Ontario has made, and continues to make, substantial investments in education as a key priority to build tomorrow’s prosperity and quality of life through today’s actions.

For parents, the good news is that, more and more, spending is focused where it belongs – on students in the classroom.

Our student-focused funding approach:

• provides resources to ensure high-quality education;
• supports Ontario’s rigorous elementary and secondary curriculum;
• supports legislated standards for maximum average class sizes;
• provides protected funding for special education; and
• meets the need for new schools and the need to renew school buildings.

Student-focused funding is a commitment to build a strong future for public education in our province. It is a commitment to fund education in a way that benefits all of Ontario’s students.

In 2002, the Education Equality Task Force, chaired by Dr. Mordechai Rozanski, President of the University of Guelph, conducted an independent review of the education funding formula for Ontario’s publicly funded schools. The Task Force's mandate was to make recommendations on ways to improve fairness, certainty, and stability for schools and students.

The December 2002 report of the Task Force confirmed the effectiveness and fairness of student-focused funding and recommended priority investments in education over a three-year period.

Since the release of the report, Ontario has committed to a total new investment of $1.1 billion in education in 2003–04 to help students succeed and achieve their full potential in school. The Ministry of Education will continue to work with parents, teachers, school boards, and other partners in education to fulfill the province's commitment to implement the recommendations of the Task Force.
The following table summarizes funding support for school boards under Ontario’s student-focused funding.

<table>
<thead>
<tr>
<th>District School Board (DSB)</th>
<th>Enrolment (Average Daily Enrolment)</th>
<th>Projected School Board Revenue Allocations</th>
<th>District School Board (DSB)</th>
<th>Enrolment (Average Daily Enrolment)</th>
<th>Projected School Board Revenue Allocation</th>
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Funding not yet allocated to school boards:
- ISA (impact of new claims in 2003–04) 52,000,000
- Rural Education Strategy 50,000,000
- Prohibitive to Repair Schools 12,675,676

Total Revenue for School Authorities 37,900,000 43,200,000

TOTAL REVENUE: Student-Focused Funding 14,214,637,902 15,325,441,194

*School Boards 2003–04*, a publication that provides details about funding for individual school boards, is available on the Ministry of Education’s website at: <http://www.edu.gov.on.ca>, or by calling 1-800-387-5514 (in Toronto call 416-325-2929).