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# 2010–11 Grants for Student Needs

## OVERVIEW

*This document was prepared prior to the release of 2010 Ontario Budget. It therefore does not reflect the compensation framework that was announced by the Minister of Finance.*

March 2010



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# Purpose

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- To provide school boards and other key stakeholders with an overview of the major elements proposed for the Grants for Students Needs (GSN) in 2010–11.

It should be noted that a regulation to govern grants to school boards in their 2010–11 fiscal year has not yet been made. The information in this presentation is provided in the absence of such a regulation.

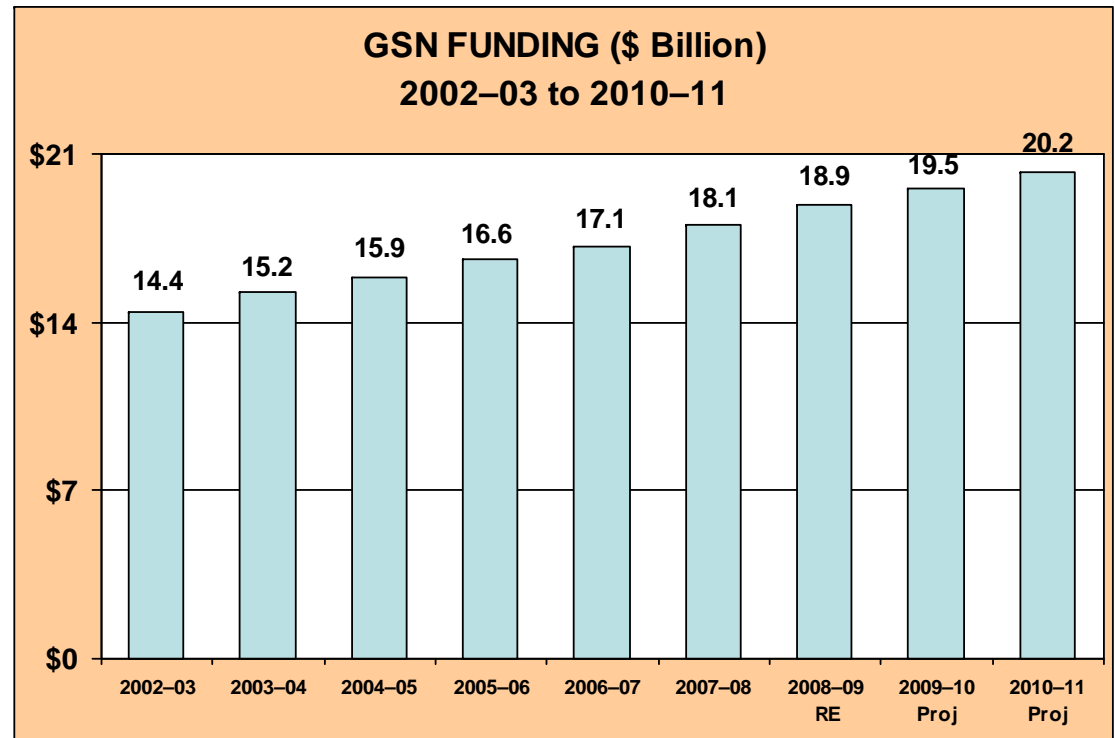
The initiatives and investments described herein must be implemented by, and are conditional upon, the making of such a regulation by the Lieutenant Governor in Council.

The Ministry intends to seek such a regulation in April 2010 and will advise you if such a regulation is made.



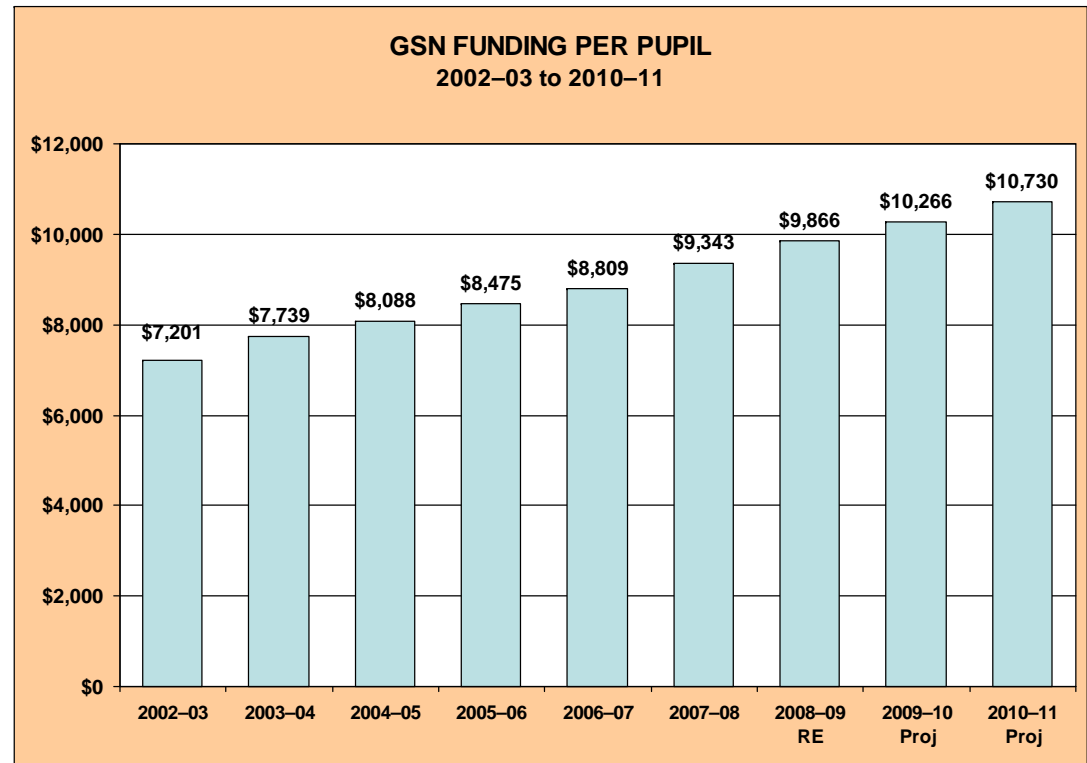
# Overview – Total Funding

- The Grants for Student Needs (GSN) in 2010–11 is projected to be \$20.2B, or:
  - \$694.3M (3.6%) more than in 2009–10; and
  - over \$5.8B (40.4%) more in operating funding compared to the 2002–03 school year.



# Overview – Per-pupil Funding

- Per-pupil funding in 2010–11 is projected to rise to \$10,730. This is an increase of:
  - \$464 (4.5%) per pupil compared to the 2009–10 school year;
  - more than \$3,500 per pupil (49%) compared to the 2002–03 school year.



# Provincial Framework Agreements

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- In 2010–11, the sector will be entering Year 3 of the Provincial Framework Agreements (PFAs) for the 2008–12 period.
- The PFAs cover all 475 collective agreements.
- Many of the enhancements that will be implemented in 2010–11 are a result of these agreements.
- To support continued labour peace and stability, the costs for Year 3 of the current 2008–12 labour agreement are being funded.



# More Elementary Teachers and Supports

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- \$50.8M for 566 more funded **elementary specialist teachers** to support 10 additional minutes of prep time.
- \$11.7M for 132 funded **Grade 4–8 teachers** to reduce class sizes to 24.8.
- \$0.3M for more **supervision** to support changes to the number of supervision minutes for elementary teachers.
- \$9.6M for increased **professional learning** for elementary teachers.



# More Secondary Staff

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- \$19.5M for 216 funded **secondary teachers** to support locally developed strategies to expand secondary programming.



# Keeping up with Costs: School Operations

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- The non-staff portion of the school operations benchmark of the School Operations Allocation will be increased by 2% again this year to help boards manage the increases in commodity prices, such as natural gas and electricity, as well as insurance costs.
- This enhancement represents an increase of \$14.5M for 2010–11, bringing the total allocation to a projected \$1.9B.
- The Community Use of Schools Allocation will also be increased again this year by \$0.5M to help cover the cost pressures of inflation, bringing the total allocation to \$27.6M.





# Keeping up with Costs: Transportation

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- The cost benchmark for the Transportation Grant will be increased by 2% to help recognize higher fuel, capital and other operating costs. As was the case last year, boards with a transportation surplus equal to, or greater than the 2% cost benchmark increase, will not be eligible for this enhancement.
- In March 2009, we introduced a 1% reduction in transportation allocations for boards with routing and technology ratings that are below “high.” Further 1% reductions will follow in 2010–11 and in 2011–12.
- Despite this savings measure, the total Transportation Grant will increase to \$834.6M.



# Structural Reforms

## Splitting the Elementary Pupil Foundation Grant

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- Currently the Elementary Pupil Foundation Grant funding is based on a class size average of 24.5.
- To make the formula more transparent, the Elementary Pupil Foundation Grant will be split in two:
  - 1. Pupil Foundation Grant -- Primary:** Primary Class Size (PCS) Reduction Amount funding will be folded into the Foundation Grant, so that primary students (Junior Kindergarten – Grade 3) are funded at an average class size of 19.8;
  - 2. Pupil Foundation Grant -- Grades 4 to 8:** Funded at an average class size of 24.8, down from 25.0. Class size is scheduled to decline further to 24.5 by 2012-13.

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# Structural Reforms: Census Data Updates

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- There are currently four allocations that use outdated Canadian census data in their formulas:
  - Learning Opportunities Grant (LOG)
  - English as a Second Language (ESL)
  - Actualisation linguistique en français (ALF)
  - Safe Schools Supplement
- The formulas will be adjusted so that the most up-to-date census data (2006) will be used to calculate all four allocations.
- The updates to LOG and ESL will be phased in over 4 years to limit the annual redistribution impacts.

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# Structural Reforms:

## LOG Refocusing

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- The demographic component of LOG uses socio-economic indicators, such as low income cut-off (LICO), low family education, recent immigration, Aboriginal status, and lone parent status, to determine LOG allocations.
- To support the government's Poverty Reduction Strategy these indicators will be adjusted to give an increased weight to low-income indicators.
- The share of LOG that reflects Aboriginal status will be transferred to the First Nations, Métis, and Inuit Education Supplement. All GSN funding for Aboriginal programs will now be grouped in one grant.



# Structural Reforms: Grant Modernization

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- The Distant Schools Allocation (DSA) was established for 2003–04 and was largely replaced in 2007–08 by the Supported Schools Allocation and the School Foundation Grant.
- These allocations were never fully harmonized. As a result, there are frozen or outdated elements of the DSA that should be eliminated.
- The “residual” elements in the DSA that will be phased out over three years are:
  - “Hold Harmless” funding that was used to help in the transition from DSA to the Supported Schools Allocation; and
  - funding for Distant Schools that are not Supported Schools.

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# Structural Reforms: Special Equipment Amount (SEA)

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- The Special Equipment Amount (SEA) covered the cost of an individual student's specialized equipment and technology in excess of \$800, as well as the related costs of training and of technicians.
- This claims-driven system provided no incentive for board to look for efficiencies in delivering this program, and in some cases even limited their ability to do so.
- As part of a 5-year plan, 85% of the SEA funding will now be allocated using SEA Per Pupil Amount. This new approach provides boards with greater flexibility and predictability. The remaining 15% will address unique circumstances and continue to be accessed through claims.
- SEA funding is projected to increase by 7% in 2010–11 under the new allocation method.

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# Supporting Reform

## Special Education Prediction Model

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- Work continues on enhancing and refining the Measures of Variability (MOV) Amount of the High Needs Amount (HNA).
- The challenge in this approach is to develop a credible method of measurement without relying on a claims-based process.
- In 2010–11, a Special Education Prediction Model, which was developed by Dr. Doug Willms of the University of New Brunswick, will be added to the HNA's MOV allocation, and supported by \$10M.
- The Special Education Prediction Model will be the subject of further discussion with the sector during the 2010–11 school year.



# Supporting Reform

## Enhanced Audit Function

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- In March 2009, we announced that multi-year funding support would be provided to boards to establish internal audit capacity to help increase the focus on accountability and transparency, and improve fiscal oversight of the sector.
- \$2M was provided to boards in 2009–10, and a further \$3M is being allocated in 2010–11, bringing total annual funding for this initiative to \$5M.
- Based on consultations with the sector, a regulation implementing this initiative is expected in the summer.





# Capital Funding

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## Capital Wrap-up

- Approximately \$30M is being allocated to several boards in 2010–11 to address portable-related capital costs that would have previously been charged to their New Pupil Places (NPP) grant.

## Primary Class Size – Capital

- Since the PCS initiative is now fully implemented, the Ministry is revising boards' Primary Class Size Capital allocations in the 2009-10 GSN to reflect the amounts no longer needed for PCS purposes.

## Available Capital Funding

- For 2010–11, the Ministry has approximately \$120M in capital funding available to be allocated. The Ministry will allocate this funding to support the most urgent and pressing capital needs in the sector.



# Capital Funding (cont'd):

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## **Energy Efficiency Funding (flowed outside the GSN)**

- 2010-11 will be the second year for Energy Efficiency funding. The second year funding can flow as early as May 2010.
- In addition, the Ministry is beginning to allocate the \$50M in funding to boards for Renewable Energy.

## **Early Learning Capital**

- As announced in the 2010 Provincial Budget, close to \$245M in funding will be invested over the next two years to address capital needs related to the Early Learning Program.
- The Ministry is currently working with school boards to identify the capital needs of sites that boards nominate as Phase 2 Early Learning schools. The Ministry plans to notify boards of the capital allocations for their Phase 2 sites on May 21, 2010.

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# Savings Measures Beginning in 2010–11

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- The savings measures announced in March 2009 to take effect in 2010–11 are:
  - **Facilities Top-Up:** Top-up funding for schools with enrolment below capacity will be reduced to a maximum of 18% of a school’s capacity in 2010–11, and 15% of capacity in 2011–12. New schools are not eligible for Top-up funding for 5 years, beginning in 2010–11.
  - **Board Administration:** School Board Administration and Governance Grant will be reduced by \$8.6M, beginning in 2010–11, growing to a total reduction of \$21.8M in 2012–13.
  - **Transportation “Hold Harmless”:** The Stable funding guarantee for declining enrolment boards will continue, but will be based on 50% of the board’s change in enrolment.

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## Savings Measures Beginning in 2010–11 (cont'd)

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- The following savings measure was not announced in March 2009:

**High Needs Amount (HNA) “Hold Harmless”:** As is the case with the Transportation Grant, the stable funding guarantee for funding through the HNA of the Special Education Grant will continue for declining enrolment boards. However, it will now be based on 50% of the board’s HNA stabilization amount. School boards with growing enrolment will continue to see an increase in HNA funding and are not affected by this change.

- This savings measure notwithstanding, the Special Education Grant is projected to increase to \$2.3B.



# Transfers into GSN:

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- The following Education Program - Other (EPO) programs will be transferred to the GSN:
  - **School Effectiveness Framework (\$17.3M):** board teams assess elementary school effectiveness against research-based indicators in the School Effectiveness Framework and then plan for focused improvement.
  - **Ontario Focused Intervention Partnership (OFIP) Tutoring (\$7.9M):** OFIP is a strategy that supports improved student achievement. OFIP tutoring allows boards to initiate or expand before- and after-school tutoring programs, including summer programs.
  - **Specialist High Skills Major (SHSM) (\$16.5M):** allows students to customize their high school experience and build on their strengths and interests by focusing their learning on a specific economic sector.
  - **Special Education: Behaviour Expertise Amount (BEA) (\$10.8M):** allocation will help school boards to build capacity by hiring staff with Applied Behaviour Analysis (ABA) expertise.

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# Process Improvements:

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- **Special Education:** To encourage effectiveness and efficiency in the use of existing special education resources, the Ministry will initiate a discussion with boards and stakeholders on the relationship among special education funding, the delivery of programs and services, and student achievement.
- **Board Administration:** The Ministry will establish a stakeholder working committee to review and update the Board Administration and Governance Grant. This collaborative exercise will help boards find efficiencies in their administrative functions that allow them to operate within their revised funding envelopes.

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# Process Improvements (cont'd):

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- **Professional Development (PD):** The Ministry will work with stakeholders to promote the effective management and use of funding for PD and associated board initiatives. This will help ensure effectiveness, while also addressing stakeholder concerns about the impact of PD at the school level.
- **Text book Procurement:** Building on the success of the Library Investment Project, the Ministry will collaborate with school boards to introduce business process improvements related to the acquisition and management of text books, learning materials and classroom supplies.



# Due Date for Submissions

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- The Ministry has established the following dates for submission of financial reports in the 2010–11 school year:
  - **July 30, 2010:** Board Estimates for 2010–11
  - **November 15, 2010:** Board Financial Statements for 2009–10
  - **December 15, 2010:** Board Revised Estimates for 2010–11
  - **May 13, 2011:** Board Financial Report for September 1, 2010 to March 31, 2011
- The Ministry expects that Estimates forms will be available on EFIS in mid-April, 2010.





# Investments Outside the GSN

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- As in previous years, the Government will continue to support other education initiatives with investments outside the GSN to support boards in advancing student achievement.
- Details will also be announced today.

