

# **2016–17 Grants for Student Needs**

## **TECHNICAL BRIEFING**

**March 24, 2016**

# Purpose

- To provide school boards and other key stakeholders with an overview of updates to the Grants for Student Needs (GSN) for 2016–17.
- Key changes:
  - Central labour agreements, including 2015-16 GSN amendments
  - Updates for equity in education, including an investment in First Nation, Métis, and Inuit Education leads in every school board
  - Proposed amendments to Ontario Regulation 444/98, Disposition of Surplus Real Property
  - Keeping up with costs
  - Accountability

**NOTE** that the plans and proposals set out in this presentation can take effect only if regulations are made by the Lieutenant Governor in Council under section 234 of the Education Act. Such regulations have not yet been made. Therefore the content of this presentation should be considered to be subject to such regulations, when and if made.

# Overview of 2016–17 GSN

- **Investments** in Ontario's publicly funded education system continue to increase, with the 2016–17 GSN projected to be \$22.9 billion, an average of \$11,709 per pupil.
- There is renewed focus on funding that supports **equity in education** – an important goal of *Ontario's Renewed Vision for Education*.
- The GSN also continues to identify ways to **improve** the funding mechanisms that support the delivery of education in Ontario.

## What GSN funding supports

- **Classrooms** (\$12.7B)
- **Schools** (\$3.8B)
- **Specific priorities** (\$4.1B)
- **Local management** (\$2.2B)

## The goals GSN funding helps achieve

- **Achieving Excellence**
- **Ensuring Equity**
- **Promoting Well-being**
- **Enhancing Public Confidence**

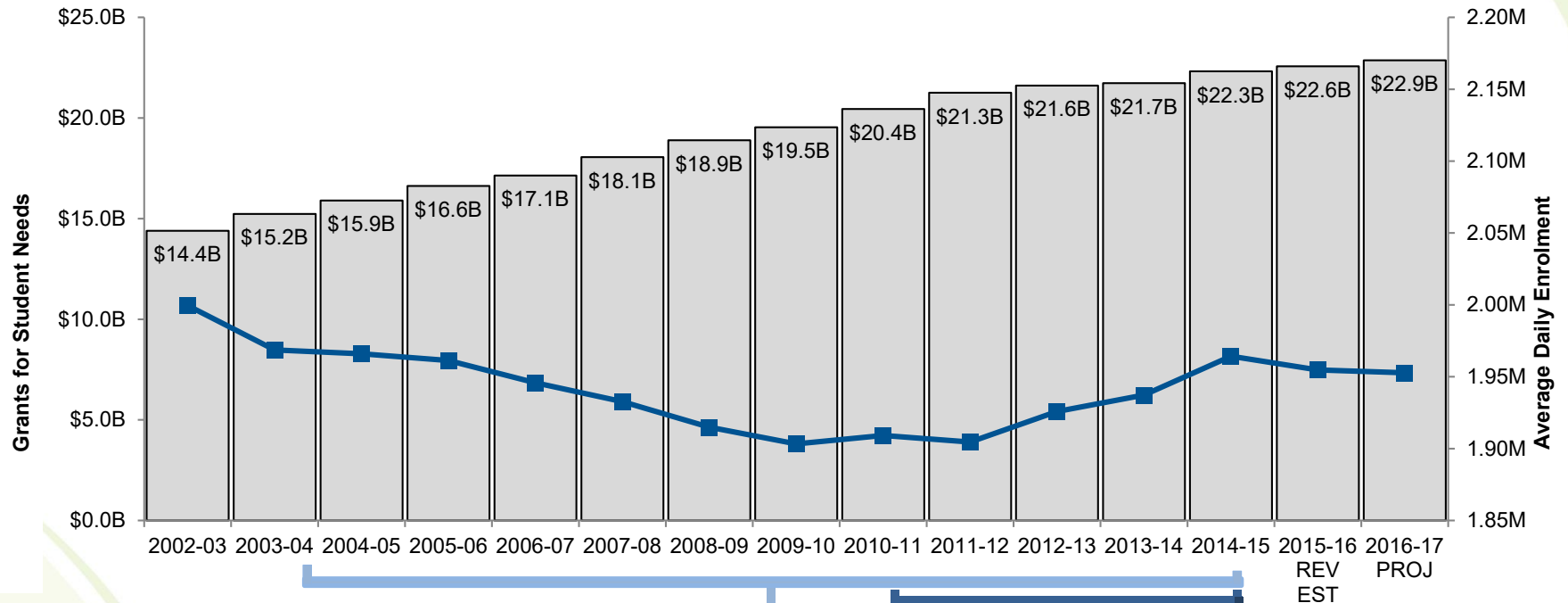
# Overview of 2016–17 GSN cont'd...

GSN School Year Forecast	2015-16 Projections	2016-17 Projections
<b>Enrolment (average daily enrolment)</b>		
<b>Total Enrolment</b>	<b>1,954,803</b>	<b>1,952,756</b>
<i>Year-Over-Year Change (Average Daily Enrolment)</i>		<i>(2,046)</i>
<i>Year-Over-Year Change (%)</i>		<i>(0.1%)</i>
<b>GSN</b>		
<b>Total Funding (\$ Millions)</b>	<b>22,571</b>	<b>22,864</b>
<i>Year-Over-Year Change (\$ Millions)</i>		<i>293</i>
<i>Year-Over-Year Change (%)</i>		<i>1.3%</i>
<b>Per Pupil</b>		
<b>Total Funding Per Pupil (\$)</b>	<b>11,546</b>	<b>11,709</b>
<i>Year-Over-Year Change (\$)</i>		<i>162</i>
<i>Year-Over-Year Change (%)</i>		<i>1.4%</i>

# Historic Context

Period of investment

Period of prioritization



## Driving better outcomes

- **Graduation rate:** 68% in 2004 84% in 2014
- **Students at standard in literacy and numeracy:** 56% in 2004 72% in 2014.

Full-Day Kindergarten (FDK) launched and fully implemented

Child Care brought into EDU

Achieving Excellence: A Renewed Vision for Education in Ontario released

*Note: To provide a clear year-over year comparison, we have added FDK funding and enrolment, which was previously outside the GSN, to previous years' GSN funding totals.*

# 2016–17 Funding Discussions

- The 2016–17 GSN reflects extensive discussions with school boards and a broad range of education stakeholders, integrating policy, program and financial expertise.
- Discussions in fall 2015 included a focus on funding allocations that support **equitable outcomes for all students**.
  - This included, for the first time, engagement with First Nation, Métis, and Inuit education partners.
  - A summary of these discussions is now available on the Ministry website.
- The Ministry will attend Regional Education Councils in spring 2016 to provide further information about the 2016–17 GSN and review current and future opportunities and challenges.

# **1. Labour Framework Implementation**

# Updates to 2015-16 GSN

- One-time, **lump sum** payment.
- **Restoration of grid movement** retroactive to September 1, 2015.
- **Earned Leave** plans (English Catholic and French Language Boards only).
- **Recovery of unspent funding** for the Communautés d'apprentissage professionnel initiative (French Language Boards only).

It should be noted that, as discussions on provincial terms and conditions with principals and vice-principals are ongoing, no changes related to those compensation benchmarks are being brought forward at this time.



# Labour Changes in 2016-17

## Salary increases:

- Funding through an increase in the salary benchmarks for teaching and non-teaching staff of 1.25 percent for the entire 2016-17 school year – to reflect negotiated increases of 1% on September 1<sup>st</sup> and 0.5% on the 98<sup>th</sup> day.

## Earned leave plans:

- The Ministry is implementing the same approach as 2015-16, but will also work with all boards to develop strategies to promote employee well-being, manage absenteeism and reduce the associated costs.

# Employee Health, Life & Dental Benefits Transformation

Benefits transformation is a major consolidation and rationalization that will improve the cost-efficiency and delivery of benefits.

## One-time investments:

- One-time provincial contributions to cover start-up costs and establish a Claims Fluctuation Reserve for each trust are being provided through Education Programs – Other (EPO), starting in the current school year and continuing in 2016–17.

## Ongoing funding for benefits through the GSN:

- Any changes to how benefits are funded through the GSN in 2016–17 will be made once the 2014–15 benefit costs are determined through the data collection and validation process that is currently underway. The Ministry anticipates this process to be completed by the end of June 2016.

# Retirement Gratuities

- One-time funding will be provided in 2015–16 for early payout of retirement gratuities based on the amount for the board that exceeds the amount funded (as of August 31, 2016).
  - Further details on this provision of funding will be provided after the August 31, 2016, cut-off date to reflect this information.
  - This one-time funding and accounting gain will be reflected through a reduction in the unfunded retirement gratuity liability that school boards phase into compliance each year starting in 2016–17.

## **2. Equity in Education**

# First Nation, Métis, and Inuit Education Supplement

## Dedicated leads in each board:

- All boards will receive at least a **base amount** of funding through the Per-Pupil Amount (PPA) Allocation – \$165,520 in 2016–17 (equivalent to the Supervisory Officer salary and benefits benchmark) – **to support implementation of the *Ontario First Nation, Métis, and Inuit Education Policy Framework***.

## Incorporating voluntary, confidential Aboriginal self-identification into the GSN:

- EPO funding to support Board Action Plans (BAP) on First Nation, Métis, and Inuit Education will be transferred into the GSN. Funding will be allocated using a similar approach – but the 2016–17 formula will give greater weight to components that use voluntary, confidential **Aboriginal student self-identification data** (i.e., from 40% to 45% of the allocation).

# First Nation, Métis, and Inuit Education Supplement cont'd...

## Greater use of self-identification data in the GSN:

- The Ministry will continue to work with Aboriginal partners, families and education stakeholders to support **greater collection and use** of self-identification data in the GSN.

## Junior Kindergarten and Kindergarten (JK/K) pupils:

- JK/K pupils are **eligible to generate funding** from the Native Languages Allocation for elementary pupils.

# 2011 NHS and Census Updates

- The Ministry has analysed 2011 National Household Survey (NHS) and Census data to determine whether data quality is sufficient for the purposes of updating components of the GSN.
- Starting in 2016–17, 2011 NHS / Census data updates will be phased in over three years within the following GSN Grants:
  - **First Nation, Métis, and Inuit Education Supplement:** PPA Allocation (estimated \$4.5 million investment at full maturity).
  - **Language Grant:**
    - English as a Second Language / English Literacy Development (ESL/ELD) Allocation: Pupils in Canada (PIC) component; and,
    - Actualisation linguistique en français (ALF) Allocation: Per-Pupil component.

# **3. Capital Funding**



# Update on Community Hubs – Amendments to Ontario Regulation 444/98

- The province is moving forward on implementing the recommendations provided in **Community Hubs in Ontario: A Strategic Framework and Action Plan** to remove barriers and provide supports to bring services together to better serve Ontarians.
- The Ministry intends to make amendments to the regulation to:
  - **Double the current surplus property circulation** period from 90 days to 180 days, providing listed public entities with 90 days to express interest in the property and an additional 90 days to submit an offer;
  - **Expand the list of public entities** to receive notification of surplus property disposition, including First Nation and Métis organizations;
  - Have all board-to-board sales be at **fair market value**; and,
  - Introduce a **maximum rate** a school board can charge for leasing a school to another board.
- Specific details concerning these amendments will be announced in a separate memorandum to be released later this spring.

# Capital Funding Programs

## Capital Priorities:

- The Capital Priorities program funds school capital projects to address:
  - accommodation pressures;
  - replacement of facilities in poor repair;
  - consolidation of underutilized facilities; and,
  - facilities for French-language rights holders in under-served areas of the province.
- Over \$2.4 billion in capital funding has been allocated since 2011.
- The Ministry expects to begin the next round of Capital Priorities in May 2016.

## School Consolidation Capital (SCC):

- The SCC program was introduced as one of the pillars of the School Board Efficiencies and Modernization (SBEM) initiative to further assist school boards in managing their excess capacity and right-sizing their capital footprint.
- In the first year, 31 capital projects were funded at a cost of approximately \$150 million.
- The Ministry is expects to announce the second round of funding approvals in spring 2016.

# Capital Funding Programs cont'd...

## School Condition Improvement (SCI):

- For 2016–17, \$500 million will be allocated to school boards through the SCI program to address the significant backlog in school renewal needs.

## Capital Planning Capacity (CPC):

- The Ministry recently announced the details of the CPC program for 2015-16 and 2016-17.
- This program supports boards as they undertake additional capital planning activities to make efficient use of school space.
- CPC funding is now divided into two programs:
  1. Capacity Building & Data Management (\$7.7 million per year)
  2. Support for Joint Use Schools (\$600,000 per year)

# **4. Keeping Up With Costs**

# Keeping Up With Costs

- The province continues to assist school boards with utilities and student transportation costs – over \$180 million in additional funding in the last five years.
- In 2016–17, the government will continue this investment with a projected \$33.6 million in additional funding.

## Student Transportation:

- Funding for student transportation will increase by 2 percent to help boards manage increased costs.
  - As in previous years, this cost update will be netted against a school board's transportation surplus.

## Electricity and Other Utilities:

- The non-staff portion of the School Operations Allocation benchmark will again be increased by 2 percent to help boards manage increases in commodity prices.
  - The electricity component of the benchmark will increase by 3.5% based on the Ministry of Energy's most recent Long-Term Energy Plan.

# **5. Accountability**

# Accountability: Compliance

## Full-day Kindergarten and Primary class size compliance:

- As announced in last year's GSN release, the Ministry will begin to take action to ensure compliance with the Full-Day Kindergarten and Primary provisions of the [class size regulation \(O. Reg. 132/12\)](#).
  - Boards that are not compliant will be notified, and as a first step will be required to submit a class size compliance management plan.
  - If a board does not take successful corrective action, there will be reductions in the GSN envelope for board administration and governance. The reduction would be one percent in the second year of non-compliance, increasing in succeeding years if the situation continues.
  - In any year, a board that does not submit its FDK and Primary class size information to the Ministry by the October deadline, it will be subject to immediate cash withholdings equivalent to 50 percent of the boards' monthly transfers from the Ministry.
  - The Ministry will be releasing 2015–16 FDK and Class Size information in the coming months and will notify non-compliant boards.

# Accountability: Compliance cont'd...

## School Board Administration and Governance compliance:

- Last year, the Ministry informed boards of its intent to review board compliance with the enveloping provisions of the School Board Administration and Governance Grant in 2015–16.
- As a result of collective bargaining, boards may face extraordinary costs in 2015–16, so the review of compliance is deferred to 2016–17.



# Accountability: Streamlining Delivery of Other Transfer Payments

## Transfer of EPO into the GSN:

- To further balance reporting requirements while continuing to support Ministry core goals and priorities, several existing Ministry programs in addition to funding for Board Action Plans on First Nation, Métis, and Inuit Education will be transferred into the GSN in 2016–17.
  - Funding for **library staff**, projected to be \$10M in 2016–17, and **Outdoor Education**, projected to be \$17M in 2016–17, will be included in the Learning Opportunities Grant (LOG).
  - Funding for the **Managing Information for Student Achievement (MISA) Local Capacity initiative**, projected to be \$3.2M in 2016–17, and **Technology Enabled Learning and Teaching Contacts**, projected to be \$7.6M in 2016–17, will be included in the School Board Administration and Governance Grant.

# Education Programs – Other (EPO)

- The Government will continue to support other education initiatives that advance student achievement with investments outside the GSN.
  - Similar to last year, the Ministry will release a memo today to provide boards with funding allocations for their 2016–17 school year.
  - The Ministry is confirming today that more than \$100 million in funding will be allocated to sustain supports to priority education initiatives in the 2016–17 school year.
  - As well, later in the spring the Ministry will announce funding allocations for the Renewed Math Strategy through a separate memo.

# **6. Ongoing Implementation**

# Ongoing Implementation

In 2016–17, the Ministry will continue to implement reforms that began in prior years:

## **School Board Efficiencies and Modernization (SBEM):**

- This upcoming school year (2016–17) is the second year of a three-year phase in of measures, introduced in 2015–16 to encourage the management of underutilized school space.

## **Special Education Grant:**

- In 2014-15, after extensive consultations with stakeholder representatives, including the Special Education Funding Working Group, the Ministry began the four-year implementation of a new funding model for what will now be called the Differentiated Special Education Needs Amount (DSENA) Allocation (formerly High Needs Amount).

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

- This upcoming school year (2016–17) is the third year of the four-year phase-in of the new allocation method, as recommended by the School Board Administration and Governance Advisory Group (BAAG). The new model will be fully implemented in 2017–18.

# Resources

- The Ministry will be posting the following documents on its website (<http://www.edu.gov.on.ca/eng/policyfunding/funding.html>):
  - *B06 memo – Grants for Student Needs changes for 2015–16 and 2016–17*
  - *B07 memo – 2016-17 School Year Education Programs – Other (EPO) Funding*
  - *School Board Funding Projections for the 2016–17 School Year*
  - *2016 -17 Technical Paper*
  - *2016-17 Education Funding Discussions: Summary Report*
  - *2016–17 Education Funding: A Guide to the Grants for Student Needs*
  - *2016-17 Education Funding: A Guide to Special Education Funding*

# Questions

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THANK YOU