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Ontario

2002:B27

MEMORANDUM TO: Directors of Education

FROM: Norbert J. Hartmann
Assistant Deputy Minister
Elementary/Secondary Business and Finance Division

DATE: December 13, 2002

SUBJECT: Increased Funding for the 2002-03 School Year

As you know, the Education Equality Task Force (EETF) conducted an extensive consultation over the fall and summer. Based on the results of these consultations, Dr. Rozanski released his Report on December 10, 2002.

The Premier welcomed the report, and he and the Minister of Education committed to taking quick action on Dr. Rozanski's recommendations. Over the past week, the government has followed through on this commitment in a significant way by announcing \$610 million more in funding to school boards. With this week's funding announcements, the Eves government will be investing over \$1 billion in new funding to support quality education for the students of this province.

I am writing you today with more details on the announcements made this week and how they affect Ontario school boards.

Increased Funding for Special Education in 2002-03

The Government will be implementing Dr. Rozanski's recommendation that the government "go live" in 2002-03 with funding based on Cycle 3 results of the Intensive Support Amount (ISA) Comprehensive Review. This decision means that boards will have an additional \$130 million in 2002-03 for more special education teachers, education assistants, and other special education supports. In total, 58 of 72 boards will receive additional Cycle 3 funding.

In terms of cash flow, boards will receive the entire \$130 million announced on December 11, 2002, over the course of the current school year. (For allocation details see attached table).

Dr. Rozanski also recommended that the results of the ISA Review's concluding cycle, Cycle 4, be used as the basis for funding in 2003-04. The Government has decided that, once the Cycle 4 results are known, these results will be used to further adjust funding levels for the current school year. On an annualized basis, this decision will translate into a projected \$120 million in additional ISA funding bringing the total increase in ISA funding to \$250 million. I am pleased to note that we expect that almost all boards will receive additional funding based on Cycle 4 results.

The board-by-board allocations based on Cycle 4 will not be known until the beginning of the new year. Cycle 4 funding will become effective beginning in January 2003, which means that boards will receive 62% of their Cycle 4 entitlement in 2002-03. Boards will, of course, receive the full \$120 million over the course of the 2003-04 school year.

Improved Accountability for ISA Funding

In order to demonstrate appropriate accountability for this major new investment in special education and meet the government's intent that these resources result in significant improvements in programs and services for students with special needs, it is important that boards report comprehensively, consistently, and accurately on how funding for special education has been used.

The Ministry will be establishing a working group made up of representatives of the Minister's Advisory Council on Special Education, senior school board staff responsible for financial reporting and special education programs to develop recommendations for improved reporting for the purposes of compliance with the special education expenditure envelope. We will be providing further details concerning this expenditure reporting review as soon as possible.

Because files have been added to the ISA baseline since 2000, it is likely that some of these files represent students who have already left the Ontario school system. To help ensure that each board's special education funding for 2003-04 reflects the files of students who are still in the system, the Ministry with the ISA working group is also developing recommendations for an audit of ISA-eligible files. The working group is seeking an approach that will minimize the administrative effort of board staff. We will be providing further details concerning this audit as soon as possible.

Increased Funding to Support Responsible Collective Bargaining in 2002–03

One of the recurring messages that Dr. Rozanski heard during his consultation was that the funding benchmarks, and particularly, the benchmarks for salaries, need to be adjusted.

In response to Dr. Rozanski's recommendation to adjust the salary benchmarks in 2002–03, Cabinet has agreed to increase the salary benchmarks for board employees by three percent effective immediately. A three percent increase in benchmarks is comparable to recent collective agreements in the public sector. This increase means about \$340 million more for boards in 2002–03 in ongoing additional funding to help support responsible collective bargaining with teaching and non-teaching staff.

Students in Ontario need a stable environment in which to learn. The government is therefore making a good faith investment that allows school boards and their unions to reach agreements without any interruptions to the classroom.

By providing more resources for responsible collective agreements, the government has also helped school boards protect investments in other key supports to quality education, such as textbooks. (For allocation details see attached table).

Funding for Transportation in 2002–03

In the June Budget, the Treasurer announced that an additional \$20 million in funding for transportation would be available in 2002–03. The EETF Report recommended that this funding be provided to boards immediately.

Cabinet has agreed to a distribution method that will allocate the transportation funding based on the following four categories:

- \$4 million to support training of all students on bus safety (allocated on the basis of \$2 per student enrolled in a board);
- \$3.5 million to supplement wheelchair-accessible transportation (allocated on the basis of \$1,000 per student requiring these services as identified in the annual student transportation survey);
- \$6.1 million to offset cost pressures (e.g. insurance; capital costs; driver wages) that are being faced by school bus operators (allocated on the basis of 1% of projected transportation allocations for 2002–03); and

- \$6.4 million to provide assistance to boards to establish and run transportation consortia (allocated in proportion to the 2002–03 projected transportation allocations).

This component of the \$20 million is being distributed on a one-time only basis. Decisions regarding the future distribution of the \$6.4 million will be made at a later date.

As the attached table indicates, all boards will receive a share of the \$20 million, with funding to flow as a one-time payment in early 2003.

Submission of 2002–03 Revised Estimates

As per a memorandum to you from Wayne Burtnyk, dated December 11, 2002, school boards are not to include in their 2002–03 revised estimates any of the changes resulting from this week’s announcements. The due date for the revised estimates continues to be December 13, 2002.

The Ministry will calculate the effect of the announced changes and will make a cash flow payment reflecting the increased level of funding in your January payment.

2003-04 Student-focused Funding Regulation

As many of you know, since the introduction of student-focused funding in 1998, it has been the Ministry of Education’s practice to consult with education stakeholders on how the funding formula’s grant regulation might be refined or enhanced for the coming school year. Consultations will continue to be an important part of how we refine the grant regulation in light of Dr. Rozanski’s recommendations.

In closing, let me take this opportunity to thank you for your contribution of time and effort to the EETF exercise. With your help and support, Dr. Rozanski has provided the government with a blueprint for moving forward together. The government is doing its part by moving quickly to implement the Report’s recommendations for 2002–03.

If you require further information about any of these enhancement please contact:

Special Education Grant	Peter Gooch	(416) 325-2828
Salary Benchmarks	Peter Gooch	(416) 325-2828
Transportation	Drew Nameth	(416) 325-4030

Original signed by

Norbert J. Hartmann
Assistant Deputy Minister
Elementary/Secondary
Business and Finance Division

cc: The Honourable Elizabeth Witmer
Minister of Education

Sue Herbert
Deputy Minister of Education

Attachment

**INCREASED FUNDING FOR THE 2002-03 SCHOOL YEAR - DECEMBER ANNOUNCEMENTS/
FINANCEMENT ADDITIONNEL POUR L'ANNÉE SCOLAIRE 2002-2003 - ANNONCÉ EN DÉCEMBRE**

Name of Board/Nom du conseil	Special Education/ Éducation de l'enfance en difficulté	Salaries/ Salaires	Transportation/ Transport des élèves
DSB Ontario North East	1,597,103	1,868,211	151,497
Algoma DSB	1,590,000	2,458,922	188,946
Rainbow DSB	909,072	2,771,520	234,176
Near North DSB	2,538,000	2,275,278	220,273
Keewatin-Patricia DSB	1,100,448	1,276,160	87,963
Rainy River DSB	180,142	601,071	41,516
Lakehead DSB	-	2,371,334	145,531
Superior-Greenstone DSB	-	614,743	39,702
Bluewater DSB	786,000	3,640,888	274,871
Avon Maitland DSB	430,500	3,164,394	236,974
Greater Essex County DSB	2,463,000	6,216,707	440,943
Lambton Kent DSB	2,645,116	4,539,632	266,594
Thames Valley DSB	9,224,250	13,283,915	784,519
Toronto DSB	-	49,328,443	1,730,101
Durham DSB	5,543,447	10,400,855	607,212
Kawartha Pine Ridge DSB	4,352,030	6,433,930	398,327
Trillium Lakelands DSB	5,363,413	3,379,433	300,131
York Region DSB	7,190,846	15,562,369	853,034
Simcoe County DSB	4,569,278	8,358,554	498,279
Upper Grand DSB	-	5,555,944	292,716
Peel DSB	5,634,037	20,067,547	958,804
Halton DSB	1,322,249	7,153,733	308,321
Hamilton-Wentworth DSB	3,782,244	9,427,732	438,301
DSB of Niagara	-	7,274,790	401,980
Grand Erie DSB	-	4,996,145	319,368
Waterloo Region DSB	-	9,791,497	420,174
Ottawa-Carleton DSB	119,390	12,651,736	764,592
Upper Canada DSB	2,716,636	5,865,290	539,479
Limestone DSB	1,711,500	3,848,894	271,820
Renfrew County DSB	184,045	1,936,355	145,898
Hastings and Prince Edward DSB	145,400	3,099,197	280,879

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Northeastern Catholic DSB	636,081	527,258	60,248
Nipissing-Parry Sound Catholic DSB	453,286	674,828	77,462
Huron-Superior Catholic DSB	438,750	1,198,027	96,273
Sudbury Catholic DSB	-	1,289,697	127,616
Northwest Catholic DSB	273,000	235,405	20,086
Kenora Catholic DSB	20,359	221,657	19,480
Thunder Bay Catholic DSB	861,000	1,363,802	121,619
Superior North Catholic DSB	-	196,890	10,773
Bruce-Grey Catholic DSB	85,860	655,940	64,807
Huron-Perth Catholic DSB	474,000	830,240	89,006
Windsor-Essex Catholic DSB	3,916,507	4,332,272	282,074
London District Catholic School Board	841,105	3,559,160	267,365
St. Clair Catholic DSB	633,789	2,013,587	141,171
Toronto Catholic DSB	9,419,862	16,823,129	648,501
Peterborough V N C Catholic DSB	3,451,500	2,295,072	227,953
York Catholic DSB	3,385,949	7,808,455	420,103
Dufferin-Peel Catholic DSB	14,682,316	13,671,717	577,896
Simcoe Muskoka Catholic DSB	2,613,706	3,369,756	297,430
Durham Catholic DSB	1,449,625	4,005,570	202,478
Halton Catholic DSB	2,940,000	3,868,670	164,647
Hamilton-Wentworth Catholic DSB	1,192,500	4,822,398	209,381
Wellington Catholic DSB	-	1,298,814	98,328
Waterloo Catholic DSB	2,968,162	3,769,411	184,770
Niagara Catholic DSB	1,477,681	3,929,723	236,215
Brant Haldimand Norfolk Catholic DSB	444,000	1,812,080	125,748
Catholic DSB of Eastern Ontario	2,209,952	2,333,710	277,241
Ottawa-Carleton Catholic DSB	797,410	6,709,567	508,097
Renfrew County Catholic DSB	-	872,769	89,105
Algonquin and Lakeshore Catholic DSB	245,344	2,258,543	185,696
CSD du Nord-Est de l'Ontario	-	280,771	16,801
CSD du Grand Nord de l'Ontario	418,278	571,726	29,578

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Name of Board/Nom du conseil	Special Education/ Éducation de l'enfance en difficulté	Salaries/ Salaires	Transportation/ Transport des élèves
CSD du Centre Sud-Ouest	546,539	1,244,686	156,422
CSD des écoles publiques de l'Est de l'Ontario	937,578	1,793,399	128,347
CSD catholique des Grandes Rivières	-	1,814,196	141,800
CSD catholique Franco-Nord	497,334	705,502	68,095
CSD catholique du Nouvel-Ontario	273,474	1,586,624	129,705
CSD catholique des Aurores boréales	-	156,748	16,804
CSD des écoles catholiques du Sud-Ouest	375,177	1,285,999	97,199
CSD catholique Centre-Sud	1,792,234	2,109,768	295,544
CSD catholique de l'Est ontarien	1,411,248	2,373,551	227,520
CSD catholique du Centre-Est de l'Ontario	825,176	2,850,265	217,699
Provincial Totals	129,086,928	343,736,599	20,000,000