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2004: B11

MEMORANDUM TO: Directors of Education

FROM: Kevin Kobus
Assistant Deputy Minister

DATE: July 28, 2004

SUBJECT: **Education Funding: Special Education**

On May 26, 2004, I wrote you with the details on the education funding regulations for 2004-05. In the memo, I noted that some of the funding enhancements had not yet been allocated to school boards and that we would be moving to flow the funding as quickly as possible in the 2004-05 school year. I am writing you today with details on the board-by-board allocations for cycle 5 of the Intensive Support Amount (ISA) review.

As you know, the government is moving to change how ISA funding works. Over the longer term, the government is committed to working with its education partners to develop a more effective special education funding system that benefits the students who need it most. The government will be allocating the funding from cycle 5 using the allocation approach outlined below. This approach is intended to ensure that all special education funding – including the funding announced today, as well as special education reserves – is used for students with special needs.

SPECIAL EDUCATION FUNDING FOR 2003-04

According to results of the 2003-04 ISA review (cycle 5), school boards are eligible for a 2003-04 in-year increase of about \$100 million above the allocation that was identified through the June 2003 Estimates. An updated table indicating the board-by-board ISA allocation for 2003-04 (preliminary) is attached to this memorandum. The ministry is in the process of completing a file-by-file verification process to finalize the allocations for 2003-04. Based on the verification process, it is possible that some boards could see some change in their final allocations. Final numbers should be available by the end of August. The boards' 2003-04 ISA cycle 5 funding will be flowed to boards in the August payment.

SPECIAL EDUCATION FUNDING FOR 2004-05

For 2004-05, the government plans to provide the full 2003-04 ISA increase for special education. To ensure that students with special needs benefit fully from this increase, the government intends to amend the 2004-05 funding regulation so that the amount of ISA funding that individual boards receive in 2004-05 would be directly dependent on what boards have been spending on ISA.

Boards that have been spending their entire special education allocation on special education programs and services would receive their full allocations for 2004-05, as per cycle 5. Boards that have had special education underspending in 2003-04 and prior years would see their 2004-05 ISA allocation reduced to reflect this level of underspending. At the same time, boards will be expected to use their special education reserves that have been built up from this underspending to support special education programs and services in 2004-05.

The government plans to channel funds not flowed by the Province as a result of this approach into a new Effectiveness and Equity Fund to be reinvested in special education over the 2004-05 school year. School board officials and representatives from trustee associations have been invited to work with the ministry on the approach to access these funds so that unmet needs can be addressed. Details will be provided to boards following this consultation process.

An Effectiveness and Efficiency Office will be established in the Ministry of Education to ensure accountability through periodic audits and to support a higher level of cooperation between the ministry and boards.

DETAILED CALCULATIONS

The ISA allocation for 2003-04 will be equal to the full funding based on the results of the 2003-04 ISA review (cycle 5).

The ISA allocation for 2004-05 will be the same as the ISA allocation for 2003-04, less calculated underspending for 2003-04 and prior years.

Calculated underspending from 2003-04 and prior years is the greater of the board's:

- (i) special education reserve at August 31, 2003, less 4% of the ISA 2 and 3 allocation for 2002-03; and
- (ii) special education reserve at August 31, 2004, less 2% of the ISA 2 and 3 allocation for 2003-04.

It is recognized that it is a prudent management practice for boards to keep a small percentage of their ISA 2 and 3 funding in reserve to cover unforeseen contingencies and year-end variances. Nevertheless, the government expects that funding allocated for special education purposes will be used to provide programs and services to students with special needs.

ESTIMATES AND UNALLOCATED GOVERNMENT INVESTMENTS IN EDUCATION

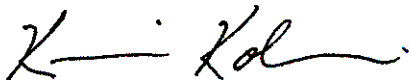
A new document set for the preparation of the 2004-05 Estimates reflecting the revised ISA funding approach is now available to boards through EFIS. Boards that have not yet submitted their Estimates to the ministry should prepare and adopt their Estimates using the new document set. Boards are reminded that these budgets must be balanced. The due date for the submission of these Estimates to the ministry continues to be August 27, 2004.

For boards that submit their 2004-05 Estimates to the ministry by August 27, 2004, including boards that have already submitted their Estimates, the ministry will adjust their 2004-05 base for the September payment to include the full cycle 5 funding and the new funding approach.

If you require further information about the contents in this memorandum and the attachment, please contact:

| | | |
|----------------------------------|---------------|---|
| Special Education | Peter Gooch | (416) 325-2828 Peter.Gooch@edu.gov.on.ca |
| Financial reporting requirements | Wayne Burtnyk | (416) 325-2034 Wayne.Burtnyk@edu.gov.on.ca |

I will be providing you with details on the remaining unallocated investments as soon as they become available.



Kevin Kobus
Assistant Deputy Minister

c.c. Superintendents of Business and Finance

Intensive Support Amount (ISA) 2003-04 Review (Results as of April 15, 2004)

| | | Col 1 | Col 2 | Col 3 | Col 4 | Col 5 |
|--------------------------|--|-----------------------------|---|--|---|--|
| | | 2003-04 Starting Allocation | Funding Increase As a Result of 2003-04 Estimates School Boards Submitted | Additional Funding As a Result of July 28 Announcement | Total New Funding That Resulted From the 2003-04 ISA Review (As of April 15, 2004)* | Total Allocation for ISA 2&3 as of the 2003-04 ISA Review (April 15, 2004) |
| | | \$763.5M | \$63.1M | \$98.9M | \$162.1M | \$925.6M |
| DSB No | DSB Name | | | | | |
| 1 | DSB Ontario North East | 5,556,000 | 120,000 | -111,000 | 9,000 | 5,565,000 |
| 2 | Algoma DSB | 7,206,000 | 300,000 | 933,000 | 1,233,000 | 8,439,000 |
| 3 | Rainbow DSB | 5,118,000 | 875,000 | 532,000 | 1,407,000 | 6,525,000 |
| 4 | Near North DSB | 6,816,000 | 705,000 | 666,000 | 1,371,000 | 8,187,000 |
| 5.1 | Keewatin-Patricia DSB | 4,926,000 | 486,000 | 1,152,000 | 1,638,000 | 6,564,000 |
| 5.2 | Rainy River DSB | 1,365,000 | 132,000 | 753,000 | 885,000 | 2,250,000 |
| 6.1 | Lakehead DSB | 5,319,000 | 850,000 | 515,000 | 1,365,000 | 6,684,000 |
| 6.2 | Superior-Greystone DSB | 1,101,000 | 27,000 | 225,000 | 252,000 | 1,353,000 |
| 7 | Bluewater DSB | 7,941,000 | 900,000 | 2,937,000 | 3,837,000 | 11,778,000 |
| 8 | Avon Maitland DSB | 7,314,000 | 820,000 | 242,000 | 1,062,000 | 8,376,000 |
| 9 | Greater Essex County DSB | 12,705,000 | 0 | 2,187,000 | 2,187,000 | 14,892,000 |
| 10 | Lambton Kent DSB | 8,487,000 | 765,000 | 1,200,000 | 1,965,000 | 10,452,000 |
| 11 | Thames Valley DSB | 33,792,000 | 0 | 3,705,000 | 3,705,000 | 37,497,000 |
| 12 | Toronto DSB | 126,582,000 | 3,139,000 | 3,593,000 | 6,732,000 | 133,314,000 |
| 13 | Durham DSB | 24,747,000 | 2,370,000 | 2,820,000 | 5,190,000 | 29,937,000 |
| 14 | Kawartha Pine Ridge DSB | 14,076,000 | 1,000,000 | 3,764,000 | 4,764,000 | 18,840,000 |
| 15 | Trillium Lakelands DSB | 11,124,000 | 543,000 | 2,466,000 | 3,009,000 | 14,133,000 |
| 16 | York Region DSB | 25,680,000 | 3,954,000 | 8,067,000 | 12,021,000 | 37,701,000 |
| 17 | Simcoe County DSB | 22,665,000 | 3,000,000 | 1,752,000 | 4,752,000 | 27,417,000 |
| 18 | Upper Grand DSB | 8,883,000 | 540,000 | 954,000 | 1,494,000 | 10,377,000 |
| 19 | Peel DSB | 30,090,000 | 0 | 5,691,000 | 5,691,000 | 35,781,000 |
| 20 | Halton DSB | 16,881,000 | 0 | 3,594,000 | 3,594,000 | 20,475,000 |
| 21 | Hamilton-Wentworth DSB | 17,847,000 | -357,000 | 3,708,000 | 3,351,000 | 21,198,000 |
| 22 | DSB of Niagara | 11,184,000 | 936,000 | 819,000 | 1,755,000 | 12,939,000 |
| 23 | Grand Erie DSB | 11,718,000 | 0 | 1,695,000 | 1,695,000 | 13,413,000 |
| 24 | Waterloo Region DSB | 16,509,000 | 3,094,000 | 5,975,000 | 9,069,000 | 25,578,000 |
| 25 | Ottawa-Carleton DSB | 29,724,000 | 6,100,000 | 932,000 | 7,032,000 | 36,756,000 |
| 26 | Upper Canada DSB | 19,644,000 | 0 | 2,721,000 | 2,721,000 | 22,365,000 |
| 27 | Limestone DSB | 11,880,000 | 0 | 1,608,000 | 1,608,000 | 13,488,000 |
| 28 | Renfrew County DSB | 3,168,000 | 945,000 | -9,000 | 936,000 | 4,104,000 |
| 29 | Hastings and Prince Edward DSB | 9,156,000 | 423,000 | 2,172,000 | 2,595,000 | 11,751,000 |
| 30.1 | Northeastern Catholic DSB | 2,604,000 | 196,000 | 335,000 | 531,000 | 3,135,000 |
| 30.2 | Nipissing-Parry Sound Catholic DSB | 2,520,000 | 48,000 | 510,000 | 558,000 | 3,078,000 |
| 31 | Huron-Superior Catholic DSB | 1,761,000 | 0 | 681,000 | 681,000 | 2,442,000 |
| 32 | Sudbury Catholic DSB | 1,746,000 | 0 | 429,000 | 429,000 | 2,175,000 |
| 33.1 | Northwest Catholic DSB | 501,000 | 0 | 78,000 | 78,000 | 579,000 |
| 33.2 | Kenora Catholic DSB | 777,000 | 198,000 | -81,000 | 117,000 | 894,000 |
| 34.1 | Thunder Bay Catholic DSB | 3,069,000 | 156,000 | 711,000 | 867,000 | 3,936,000 |
| 34.2 | Superior North Catholic DSB | 549,000 | 57,000 | 363,000 | 420,000 | 969,000 |
| 35 | Bruce-Grey Catholic DSB | 1,644,000 | 6,000 | 264,000 | 270,000 | 1,914,000 |
| 36 | Huron-Perth Catholic DSB | 1,725,000 | 0 | -30,000 | -30,000 | 1,695,000 |
| 37 | Windsor-Essex Catholic DSB | 10,263,000 | 0 | 2,199,000 | 2,199,000 | 12,462,000 |
| 38 | London District Catholic School Board | 5,925,000 | 1,067,000 | 1,429,000 | 2,496,000 | 8,421,000 |
| 39 | St. Clair Catholic DSB | 4,530,000 | 465,000 | 228,000 | 693,000 | 5,223,000 |
| 40 | Toronto Catholic DSB | 39,318,000 | 3,205,000 | 8,348,000 | 11,553,000 | 50,871,000 |
| 41 | Peterborough V N C Catholic DSB | 7,944,000 | 951,000 | 576,000 | 1,527,000 | 9,471,000 |
| 42 | York Catholic DSB | 15,786,000 | 3,750,000 | 822,000 | 4,572,000 | 20,358,000 |
| 43 | Dufferin-Peel Catholic DSB | 23,964,000 | 7,507,500 | -904,500 | 6,603,000 | 30,567,000 |
| 44 | Simcoe Muskoka Catholic DSB | 7,443,000 | 0 | 1,407,000 | 1,407,000 | 8,850,000 |
| 45 | Durham Catholic DSB | 7,812,000 | 609,000 | 465,000 | 1,074,000 | 8,886,000 |
| 46 | Halton Catholic DSB | 8,343,000 | 0 | 2,202,000 | 2,202,000 | 10,545,000 |
| 47 | Hamilton-Wentworth Catholic DSB | 11,466,000 | 612,500 | 617,500 | 1,230,000 | 12,696,000 |
| 48 | Wellington Catholic DSB | 1,629,000 | 360,000 | 315,000 | 675,000 | 2,304,000 |
| 49 | Waterloo Catholic DSB | 9,066,000 | 906,000 | 360,000 | 1,266,000 | 10,332,000 |
| 50 | Niagara Catholic DSB | 8,625,000 | 1,375,000 | 449,000 | 1,824,000 | 10,449,000 |
| 51 | Brant Haldimand Norfolk Catholic DSB | 3,027,000 | 0 | 591,000 | 591,000 | 3,618,000 |
| 52 | Catholic DSB of Eastern Ontario | 5,982,000 | 1,113,000 | 1,533,000 | 2,646,000 | 8,628,000 |
| 53 | Ottawa-Carleton Catholic DSB | 10,956,000 | 750,000 | 1,341,000 | 2,091,000 | 13,047,000 |
| 54 | Renfrew County Catholic DSB | 2,427,000 | 0 | 153,000 | 153,000 | 2,580,000 |
| 55 | Algonquin and Lakeshore Catholic DSB | 4,263,000 | 1,077,000 | 1,101,000 | 2,178,000 | 6,441,000 |
| 56 | CSD du Nord-Est de l'Ontario | 1,101,000 | 423,000 | 252,000 | 675,000 | 1,776,000 |
| 57 | CSD du Grand Nord de l'Ontario | 2,655,000 | 0 | 489,000 | 489,000 | 3,144,000 |
| 58 | CSD du Centre Sud-Ouest | 1,545,000 | 0 | 384,000 | 384,000 | 1,929,000 |
| 59 | CSD des écoles publiques de l'Est de l'Ontario | 3,315,000 | 861,000 | 255,000 | 1,116,000 | 4,431,000 |
| 60.1 | CSD catholique des Grandes Rivières | 3,027,000 | 852,000 | -48,000 | 804,000 | 3,831,000 |
| 60.2 | CSD catholique Franco-Nord | 2,634,000 | 18,000 | 408,000 | 426,000 | 3,060,000 |
| 61 | CSD catholique du Nouvel-Ontario | 3,135,000 | 1,950,000 | -663,000 | 1,287,000 | 4,422,000 |
| 62 | CSD catholique des Aurores boréales | 489,000 | 141,000 | 66,000 | 207,000 | 696,000 |
| 63 | CSD des écoles catholiques du Sud-Ouest | 2,037,000 | 339,000 | 111,000 | 450,000 | 2,487,000 |
| 64 | CSD catholique Centre-Sud | 3,513,000 | 1,200,000 | 1,878,000 | 3,078,000 | 6,591,000 |
| 65 | CSD catholique de l'Est ontarien | 7,062,000 | 740,000 | 742,000 | 1,482,000 | 8,544,000 |
| 66 | CSD catholique du Centre-Est de l'Ontario | 8,142,000 | 532,000 | 1,304,000 | 1,836,000 | 9,978,000 |
| Provincial Totals | | 763,524,000 | 63,132,000 | 98,928,000 | 162,060,000 | 925,584,000 |

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