

Ministry of Education

Education Labour and Finance Division
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Ministère de l'Éducation

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**2019: B**

MEMORANDUM TO: Directors of Education
Senior Business Officials
Secretary/Treasurers of School Authorities

FROM: Andrew Davis
Assistant Deputy Minister
Education Labour and Finance Division

DATE: August , 2019

SUBJECT: ***2019-20 Grant for Student Needs (GSN) and Related Regulations***

I am writing to inform you that the following regulations have been made:

2019-20 GSN Funding Regulations

The GSN funding regulations for 2019–20 have been made by the Lieutenant Governor in Council. These regulations implement the funding investments, structural reforms, and other changes described in the memorandum 2019: B14 – Grants for Student Needs (GSN) Funding for 2019–20.

Through the GSN regulations, the Government is allocating a projected total of over \$24.66 billion for elementary and secondary education in the 2019–20 school year.

The new funding regulations are:

- Grants for Student Needs – Legislative Grants for the 2019–20 School Board Fiscal Year;
- Calculation of Fees for Pupils for the 2019–20 School Board Fiscal Year; and
- Calculation of Average Daily Enrolment for the 2019–20 School Board Fiscal Year.

All of the above regulations may be accessed through the [Ministry's public website](#).

The Calculation of Fees for Pupils for the 2019–20 School Board Fiscal Year includes updates to the base fee calculation to reflect the new Reciprocal Education Approach (REA). These updates will impact the minimum fee that must be charged to both First Nations and International students for the 2019-20 school year. For more information regarding the REA, please refer to 2019: B18.

In addition, as with every year, there are technical and other amendments to existing regulations (O. Reg. 195/15, 215/16, 252/17 and 284/18) that are required to clarify existing policy and update information received from school boards.

Class Size

The Class Size regulation has been updated to reflect the new class size requirements for the 2019-20 school year. This includes a regulated class size average of 24.5, for grades 4 to 8, for all school boards. Grades 9 to 12 class size requirements have also been updated to reflect a board-wide average of 22 plus attrition.

Calculation of Maximum In-Year Deficit

A new regulation, *Calculation of Maximum In-Year Deficit*, has been created to specify the in-year deficit that school boards are authorized to have in the 2018-19 fiscal year and the conditions that school boards must meet to be authorized to have in-year deficit in 2019-20 and subsequent fiscal years. School boards will keep the flexibility to incur an in-year deficit, but a new requirement has been added for 2019-20 and subsequent years requiring school boards to submit an in-year deficit elimination plan showing how the deficit will be eliminated within two years.

Three items are excluded from the in-year deficit amount that school boards need to eliminate within two years:

- a. Amortization expense of committed capital projects supported by accumulated surplus if these projects meet certain criteria;
- b. In-year deficit as a result of using sinking fund interest earned to cover the amortization expense of assets supported by sinking fund debentures;
- c. In-year deficit as a result of using accumulated surplus to offset the impact of phasing in retirement gratuity liabilities.

Fees for Central Bargaining Regulation

The Fees for Central Bargaining regulation provides the framework for the support of labour relations activities for the trustees' associations by authorizing the flow of funds from school boards to trustees' associations through the annual GSN process.

In 2019–20, school boards will continue to be provided with the funding necessary to support the labour relations activities of their respective trustees' associations.

If you require further information, please contact:

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Original signed by

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