

Ministry of Education

Funding Guideline
for

School Authorities
(Isolate Boards)

September 2004 to August 2005

May 2004

Table of Contents

Introduction.....	4
Education Funding Grants	8
Foundation Grant	9
Description of Foundation Grant Components	11
Special Purpose Grants	13
Primary Class Size Reduction Amount	13
Special Education Grant	13
Special Education Per Pupil Amount	14
Intensive Support Amount	14
In-Year Admissions	15
Language Grant	16
French as a First Language	16
French as a Second Language.....	17
Language of Instruction	17
English as a Second Language/English Skills Development.....	18
Actualisation linguistique en français/Perfectionnement du français.....	20
Native as a Second Language	21
Geographic Circumstances Grant.....	22
Distant School Allocation.....	22
Remote and Rural Allocation.....	22
Board Enrolment Component of the Remote and Rural Allocation.....	22
Distance Component of the Remote and Rural Allocation.....	23
Remote Distance Component of the Remote and Rural Allocation	23
Learning Opportunities Grant	25
Demographic Component	25
Demographic Component – Additional	25
Early Literacy Component.....	25
Literacy and Math Outside the School Day Component	26
Summer Literacy and Math Programs	26
Student Success Grades 7 to 12 Component.....	27
Territorial Student Program - Counsellor	28
Continuing Education and Other Programs Grant.....	29
Prior Learning Assessment and Recognition.....	29
After-School Credit Program.....	30

Teacher Qualifications and Experience Grant	31
Special Assistance for Average Per Pupil Credit Load	32
Early Learning Grant	34
Transportation Grant	35
Funding for Home to School.....	35
Funding for Board, Lodging and Weekly Transportation.....	35
Funding to Provincial Schools	35
Funding for Territorial Student Program – Monthly Transportation.....	35
Declining Enrolment Adjustment	37
School Board Administration and Governance Grant	40
Trustees	40
Supervisory Officers	40
Business Administration	41
Tax Collection.....	41
Pupil Accommodation Grant	42
School Operation	42
Facilities Renewal.....	42
Well-water Testing Assistance	43
Capital Leases	43
Teacher Accommodation Grant	44
Special Approvals	45
Reserves	46
Enrolment	47
Tuition Fees	48
Provincial Transfers for 2004-05	49
Reporting and Accountability	50
Appendix A – Distant School Details	51

Introduction

This document contains details of the education funding grant formulas and other criteria for education funding for school authorities (isolate boards) for the 2004-05 school year. The guidelines are based on the funding model for district school boards, with modifications to address the unique circumstances of isolate boards. It is intended to provide an overview of the formulas that are used to calculate isolate boards' 2004-05 allocations for budgeting and financial reporting purposes.

The grant formulas outlined in this document are based on the Grants for Student Needs - Legislative Grants for 2004-05 regulation, the regulations on the Calculation of Average Daily Enrolment for the 2004-05 School Board Fiscal Year, and the Regulation on the Calculation of Fees for Pupils for the 2004-05 School Board Fiscal Year.

This document reflects changes in the Grants for Student Needs introduced for 2004-05, and also changes introduced in December 2003.

Changes for 2004-05

Changes from the 2003-04 education funding approach are provided below with details described in the relevant sections of this document.

In 2004-05, total funding to school authorities is projected to be \$38.4 million.

Priorities for education funding in 2004-05 are to promote stability in the education sector and to initiate positive change that supports the government's commitment to better student achievement.

The approach to education funding for 2004-05 is different from previous years in four key ways:

- The government will fund several investments in student success outside of the grants to school boards. These initiatives include a literacy and numeracy secretariat, investments in teachers, measures to ensure that more students stay in school until age 18 and complete their high school diploma, and enhanced supports for low-performing schools. Total funding for these initiatives is a projected \$130 million in 2004-05.
- Reflecting the government's commitment to working in partnership with the education sector, there will be consultations about how to allocate many of the investments, for example, funding for students who need help the most, pupil accommodation, and special education.
- The government will work with its education partners to ensure accountability so that funding for new initiatives results in additional programs and services for students.

- A significant portion of the funding increase will not be allocated to school boards until allocation methods and accountability measures have been developed through consultation.

To engage the sector in efforts to reduce costs in future years, the government will also establish a consultative process to review and update funding benchmarks, as recommended by the Education Equality Task Force (EETF). The results of these efforts will be taken into account in proposed funding changes in future years.

Primary class size reduction

The government has made a commitment to put a cap of 20:1 on primary (Junior Kindergarten to Grade 3) classes. As a first step, the government is investing \$90 million in primary class size reduction in 2004-05. This is an interim measure. Following consultation with school boards and other education partners, a primary class size cap will begin implementation in 2005-06.

Help for Students Who Need It the Most

In December 2003, the government announced a funding increase in the 2003-04 school year, through the Learning Opportunities Grant (LOG) and the English as a Second Language / Perfectionnement du français (ESL/PDF) components of the Language Grant. The increases in funding to these two grants have been made permanent.

The ESL/PDF components of the Language Grant have been further increased in 2004-05.

In 2004-05, the government will be investing \$65 million to help students who need help the most. This funding has not yet been allocated. The Ministry will consult with partners in education to determine a formula for allocating the increased funding. The consultation will also address the issue of accountability to ensure that the new funding is used for new supports and not to pay for existing services.

Special Education

Beginning in 2004-05, the practice of requiring pre-approval of all ISA 1 claims over \$6000 will be discontinued.

French-Language School Boards

To recognize the challenges faced by French-language school boards in helping students achieve better educational outcomes in a minority language, funding for French-language school boards will increase in 2004-05 through a redesigned Actualisation linguistique en français (ALF) component of the Language Grant.

This enhancement to the ALF allocation is part of the improvements recommended by the French-Language Education Strategy Task Force.

Salary Benchmarks

To support school boards in negotiating collective agreements with teachers and staff, salary benchmarks will be increased by 2 percent in 2004-05. This increase is reasonable and fiscally responsible in light of the rate of inflation in Ontario, which is projected to be below 2 percent in both 2004 and 2005, as measured by the Consumer Price Index. The government expects that the sector will show restraint in negotiating compensation increases.

Board, Lodging and Weekly Transportation

Board, lodging and weekly transportation will be increased to \$500 per month to more closely reflect increased costs to parents who board, lodge and transport their children on a weekly basis to secondary schools located in another community.

Pupil Accommodation

Isolate boards have raised the issue of the high cost of sending well water samples for testing to labs in larger centres to meet MOE standards. A new component of the school operations grant has been added to address this issue – each board operating wells will receive an additional \$5,000 per year.

Declining Enrolment Adjustment

As recommended by the EETF, the Declining Enrolment Adjustment is being extended to provide a third year of funding and will continue to be available in future years. When a board experiences a decrease in enrolment and a corresponding decrease in funding, some costs cannot be adjusted easily and additional time is required to bring spending into line with funding levels.

Non-Salary Benchmarks

The government is also investing in non-salary benchmarks to help keep up with costs in 2004-05. This investment is in keeping with the EETF report. For most benchmarks, the additional funding provides for a 2 percent increase. Increases in benchmarks are in addition to other funding enhancements.

Benchmark Review and Efficiency

In 2004-05, the Ministry will work in a collaborative manner with school boards and other education partners to establish – as recommended by the EETF – a process for regular review of the funding benchmarks.

This review will focus on developing benchmarks that, rather than being based solely on changes in boards' average or median costs, reflect standards of effectiveness and efficiency and support best practices. The EETF noted that, to actively encourage cost-effectiveness, the process to review and update benchmarks "should include regular reviews to ensure that the processes and expenditures once thought to be cost-effective are still the most effective way of achieving the maximum benefit."

The government expects that there can be significant reduction or avoidance of costs in future years through the collaborative efforts of government and the education community. The results of these efforts will be taken into account when funding changes are considered in future years.

Property Tax Revenue

The regulations have been amended to allow school boards to apply adjustments to prior years' tax revenues in the current year (e.g., adjustments to the 2003-04 taxes finalized in 2004-05 will be posted to 2004-05 and not 2003-04). This will simplify the grant administration and facilitate financial reporting by school boards.

Eligible Investments

Amendments to the regulations have been made in order to ensure that the borrowing and investing powers of school boards are consistent with those of municipalities. This will expand the range of eligible investments for school boards (to parallel those for municipalities) and may result in boards getting a slightly better rate of return. Investments must continue to be secure (i.e., in bonds and investment certificates but not equities).

Continuing Education –After-School Credit Programs

Policy has been amended to provide funding under the Continuing Education allocation for credit courses offered after school for secondary students and reach ahead elementary students. This policy change is contained in the continuing education enrolment register instructions.

Rural Education Strategy

Funding through the Rural Education Strategy will be held stable at the 2003-04 levels.

Further Information

If you have any questions about the material in this document, please contact your Ministry of Education district office finance officer:

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Education Funding Grants

Education funding consists of a Foundation Grant, eleven special purpose grants, a grant for Pupil Accommodation and Special Approval grants as summarized below.

FOUNDATION GRANT	Classroom teachers Teaching assistants Textbooks and learning materials Classroom supplies Classroom computers Library and guidance services Professional and para-professional supports Preparation time In-school administration Classroom consultants Foundation enhancement
SPECIAL PURPOSE GRANTS	Primary Class Size Reduction Amount Special Education Grant Language Grant Geographic Circumstances Grant Learning Opportunities Grant Continuing Education and Other Programs Grant Teacher Qualifications and Experience Grant Early Learning Grant Student Transportation Grant Declining Enrolment Adjustment School Board Administration and Governance Grant
PUPIL ACCOMMODATION GRANT	School Operations Facilities Renewal
SPECIAL APPROVAL GRANT	Operating Capital

FOUNDATION GRANT

The Foundation Grant is a per pupil allocation that supports the components of a classroom education that are required by and generally common to all students.

For the 2004-05 school year, the ministry projects that total funding from the Foundation Grant will be \$9.7 million for isolate boards. The actual total will vary over the course of the school year based on board enrolment.

Foundation Grant– ELEMENTARY	# staff per 100 students	Average salary + % benefits	\$ per pupil for supplies and services	\$ Allocation per pupil
Classroom Teacher Class size: 24.5:1	Class Tchr. 4.082 Supply Teacher Staff development	55,161 + 12%	90 11	\$2,522 90 11
Teacher Assistants	0.020	24,445 + 16%		6
Textbooks and Learning Materials			78	78
Classroom Supplies			80	80
Classroom Computers			45	45
Library and Guidance Services	Teacher Lib. 0.130 Guid. Teacher 0.020	55,161 + 12% 55,161 + 12%		81 12
Professional/Para- Professional Supports	.133	47,274 + 14.8%		72
Prep Time	.408	55,161 + 12%		252
In-School Administration	Principal 0.275 Vice-Principal 0.075 Dept. Head 0 Secretary 0.367	85,808 + 12% 78,302 + 12% 30,673 + 18%	7	264 66 133 7
Classroom Consultants	0.048	75,933 + 12%		41
Enhancement (Local Priorities)				200
TOTAL FOUNDATION GRANT	5.558		\$311	\$3,960

Foundation Grant - SECONDARY	# staff per 100 students	Average salary + % benefits	\$ per pupil for supplies and services	\$ Allocation per pupil
Classroom Teacher Class size: 21:1	Class Teacher 4.286 Supply Teacher 0 Staff development 0 Tchr Advisor 0.109	55,161 +12% 55,161 +12%	 66 12	\$2,648 66 12 67
Teacher Assistants	0			0
Textbooks and Learning Materials			105	105
Classroom Supplies			183	183
Classroom Computers			59	59
Library and Guidance Services	Teacher Lib. 0.11 Guid. Teacher 0.26	55,161 + 12% 55,161 + 12%		68 161
Professional/Para- Professional Supports	0.21	47,274 +14.8%		114
Prep Time	0.879	55,161 + 12%		543
In-School Administration	Principal 0.11 VP 0.15 Dept. Head Allowances 0.90 Sec. 0.533	93,580 + 12% 82,606 +12% 3,530 + 12% 32,312 + 18%	 7	115 139 35 203 7
Classroom Consultants	0.054	75,933 + 12%		46
Enhancement (Local Priorities)				200
TOTAL FOUNDATION GRANT	6.701 (excl. Dept heads)		\$432	\$4,771

NOTE: Numbers have been rounded for reporting purposes.

Description of Foundation Grant Components:

Classroom Teachers

Salaries and benefits (which include the normal cost of retirement gratuities) for classroom teachers (including teacher adviser duties at the secondary level), supply and occasional teachers to cover absences and professional development for teachers.

Teacher Assistants

Salaries and benefits for teaching assistants who support teachers in the classroom, primarily in Junior Kindergarten (JK) and Senior Kindergarten (SK).

Textbooks and Learning Materials

Textbooks, workbooks, resource materials, updating library materials, instructional software, CD ROMs, Internet expenses and technology supporting distance education.

Classroom Supplies

Other classroom supplies, such as paper, pens and pencils and other materials; classroom equipment.

Classroom Computers

Classroom computer (hardware only) and the associated network costs.

Library and Guidance Services

Salaries and benefits for teacher librarians and guidance teachers. Guidance teachers at the elementary level are those providing guidance primarily to Grades 7 and 8 pupils.

Professional and Paraprofessional Services

Salaries and benefits for staff who provide support services to students and teachers, and includes attendance counsellors, social workers, child/youth workers, community workers and computer technicians. Professionals and paraprofessionals who provide support for special education, such as psychologists, psychometrists and speech pathologists, are funded through a combination of the Foundation Grant, the Special Education Grant, and some special purpose grants (such as the Geographic Circumstances Grant).

Preparation Time

Salaries and benefits for the extra teachers needed to allow teachers non-class time for lesson preparation, marking and consulting other professionals and parents.

In-School Administration

Salaries and benefits for principals, vice principals, department heads at the secondary level, and school clerical staff, as well as supplies for school administration purposes, including for school councils.

Classroom Consultants

Salaries and benefits for teacher consultants and coordinators (for example, reading specialists, program specialists who assist teachers in developing curriculum or in working with individual students.)

Foundation enhancements

Funding that gives boards additional flexibility to direct these resources to meet their local needs.

SPECIAL PURPOSE GRANTS

The costs of education differ depending on the needs of an individual student and where that student lives. The special purpose grants respond to these differences by recognizing the need for specialized programs for students with special needs, and the different levels of support that students require related to language proficiency, location, transportation, and other variations in personal and local circumstances.

The eleven special purpose grants for isolate boards are as follows:

Grant	Student-Focused Funding \$M.
Primary Class Size Reduction Amount	\$0.2
Special Education	\$3.5
Language	\$1.3
Geographic Circumstances	\$9.9
Learning Opportunities	\$1.6
Continuing Education and Other Programs	\$0.0
Teacher Qualifications and Experience	\$0.3
Early Learning	\$0.0
Declining Enrolment	\$0.7
Transportation	\$2.3
School Board Administration and Governance	\$3.9

Primary Class Size Reduction Amount

The government has made a commitment to put a cap of 20:1 on primary (Junior Kindergarten to Grade 3) classes. As a first step, the government is investing \$90 million in primary class size reduction in 2004–05. This is an interim measure. Following consultation with school boards and other education partners, the primary class size cap will be fully implemented by the 2007–08 school year.

The Primary Class Size Reduction Amount is calculated by multiplying the 2004–05 day school Average Daily Enrolment of elementary school pupils, counting only pupils enrolled in Junior Kindergarten, Kindergarten and Grades 1 to 3, by \$166.

Special Education Grant

The Special Education Grant provides funding for exceptional pupils and other students who need special education programs and supports. This funding is intended to support the additional programs, services, and equipment required to meet the educational needs of these students.

The Special Education Grant includes two components:

Special Education Per Pupil Amount (SEPPA) and
Intensive Support Amount (ISA).

Special Education Per Pupil Amount

The Special Education Per Pupil Amount (SEPPA) funding is allocated to isolate boards on the basis of total enrolment. SEPPA recognizes the costs of providing additional assistance to the majority of students with special needs. The SEPPA amounts for 2004-05 are:

- \$ 585 per JK to Grade 3 student (ADE)
- \$ 441 per Grade 4 to Grade 8 student (ADE)
- \$ 285 per Grade 9 to 12 student (ADE)

Intensive Support Amount

Intensive Support Amount (ISA) funding has 4 levels:

ISA 1

This level covers the full cost of an individual student's equipment needs. (the \$800 deductible does not apply to isolate boards).

ISA1 purchased equipment will normally travel with the student if the student transfers to another board or isolate board.

New this year, the ministry's monitoring of ISA 1 claims will shift. The practice of requiring pre-approval of all claims over \$6000 will be discontinued, with staff time redirected to conducting classroom visits to ensure claimed equipment is in use and is meeting students' needs.

ISA 2 and 3

These levels address the cost of providing the intensive staff supports required by the small number of pupils with very high needs. School boards submit funding claims based on information about students that may meet eligibility criteria. Eligible ISA Level 2 files are funded at \$12,000 (annual base amount) per file. Eligible Level 3 files are funded at \$27,000 (annual base amount). Eligibility criteria are set out in the ministry publication, *ISA Guidelines 2001-02: Addendum* (available through the Ministry of Education's website, <http://www.edu.gov.on.ca>.)

ISA pupils attending isolate board schools are funded for each month of attendance.

ISA pupils who attend an isolate board school and are enrolled in a full-day JK or K program are funded at an FTE = 1.00. The school must operate a full-day program for all JK or K pupils attending the school to be eligible for the full-time funding.

ISA 2 and 3 funding is subject to students being enrolled and being in attendance throughout the school year.

Benchmark funding: I.S.A. 2	=	\$1,200 x number of months in attendance
I.S.A. 3	=	\$2,700 x number of months in attendance

Special Incidence Portion

A Special Incidence ISA (also known as Special Incidence Portion or SIP) may also be approved by the Minister to support pupils with exceptionally high needs. Eligibility criteria for SIP are outlined in the Special Education Funding: Intensive Support Amount (ISA) Level 1 and Special Incidence ISA, 2004–05 *document available on the Ministry of Education website*, < <http://www.edu.gov.on.ca> >. SIP claims are submitted to a board's Ministry of Education district office for approval.

ISA 4 (Special Education Programs in Facilities)

This level provides funding for programs for pupils who are receiving their education in facilities such as hospitals, children's mental health centers, psychiatric institutions, detention and correctional facilities, community living/group homes, and other social services agencies. These programs are called Section 20 programs because of the section number of the Education funding: Legislative Grants regulation that authorizes their funding. (Formerly these programs were called Section 19 programs)

The ministry approves a budget for each Section 20 classroom and provides funding to school boards for teachers, educational assistants and classroom supplies. Revenues are reduced for boards where a program operates on a smaller scale than was projected, or ceases to operate during the school year.

In-Year Admissions

Unique to isolate boards is the ability to request in-year funding for students who enroll in the school during the year and, who would normally qualify for I.S.A. support and are new to the Ontario school system. Funding will be provided for those students who appear to meet the criteria outlined in the *Intensive Support Amount (ISA) Guidelines for School Boards*.

Funding for these students will be based on months of attendance and will be pro-rated at the I.S.A. funding levels. Requests for in-year admissions are to be submitted along with all supporting documentation to the Manager of the appropriate District Office. These types of approvals will be labeled "High Needs Students" [HNS] and given a distinct identification number.

The ministry expects the school principal to maintain an attendance check by month of these students for submission to the Ministry at the end of each school year.

Other Pupils

Isolate boards may also submit claim profiles for students that are not pupils of the board. These students must clearly be identified as "Other pupils". An allocation will not be provided for these students; the isolate board must bill the appropriate agency.

Language Grant

The Language Grant has five components:

- French as a First Language,
- French as a Second Language,
- Language of Instruction – English as a Second Language/English Skills Development (ESL/ESD),
- Language of Instruction – Actualisation linguistique en français/Perfectionnement du français (ALF/PDF); and
- Native Language.

The increase to the English as a Second Language (ESL) and the Perfectionnement du français (PDF) allocations announced in December 2003 for the 2003-04 school year are now permanent increases.

Also in 2004–05, a further amount is being provided for new support for students who need ESL/PDF programs. This funding is being allocated to boards through changes to the ESL/PDF allocation formula. These changes recognize a fourth year of eligibility for each student who qualifies for ESL/PDF funding.

This is an initial response to an EETF recommendation to expand the number of years for which a student is eligible for ESL/PDF funding from three to five. The government intends to fully implement the EETF recommendation and will provide funding for five years of eligibility no later than the 2006-07 school year.

Accountability measures ensuring that new ESL/PDF funding provides new supports for ESL/PDF students will be addressed as part of the LOG consultation process.

Also in 2004-05, in response to the French-Language Education Strategy Task Force, the government is increasing funding to French-language boards to recognize the challenges faced by these boards in helping students who are affected by assimilation pressures achieve better educational outcomes. The structure of the *Actualisation linguistique en français (ALF)* component of the Language Grant was redesigned to reflect the recommendations of the Task Force.

French as a First Language (FFL)

This funding, which is available to French-language isolate boards and French language instructional units, recognizes the higher instructional materials and program support costs incurred in providing French-language programs.

Benchmark funding: \$436.32 per elementary pupil enrolled; and
 \$704.57 per secondary ADE (excluding 21 and over)

French as a Second Language (FSL)

This funding, which is available to English-language isolate boards only, provides for the additional costs of providing core French. Funding is based on the number of pupils enrolled in these programs.

FSL - Elementary:

Current ministry policy requires that each elementary student accumulate at least 600 hours of French-language instruction by the end of Grade 8. Isolate boards are required to plan their French-language programs so that students are able to meet this requirement.

Benchmark funding: \$249 per pupil enrolled in the program.

FSL - Secondary:

The funding is established according to credits as follows:

Grades	Allocation per pupil credit – French as a subject	Allocation per pupil credit – subjects other than French taught in French
9 and 10	\$63	\$104
11 and 12	\$84	\$162

Data source:

Elementary School October Report, 2004 - pupils enrolled as of October 31, 2004, Section F

Secondary School October Report, 2004 - pupil credits on October 31, 2004, Section F

Secondary School March Report, 2005 - pupil credits as of March 31, 2005, Section F

Language of Instruction

Ontario's rigorous curriculum requires that students develop strong English- and French language skills for future success. The cultural and linguistic diversity of Ontario's population means that many students require extra help to develop proficiency in the language of instruction. These include students who are recent immigrants to Canada and students who live in homes where the first language spoken is neither English nor French.

Two components of the Language Grant provide school boards with resources to meet the needs of these students. English-language school boards receive the English as a Second Language/English Skills Development (ESL/ESD) component. French-language school boards receive the Actualisation linguistique en français/Perfectionnement du français(ALF/PDF) component.

In 2003–04, there was a change to the criterion used to determine which students are eligible to be counted as “recent immigrants” for the purpose of calculating these components. The number of students who entered Canada within the last three years is now based on the country of birth, rather than the country from which the student entered Canada. This change will simplify reporting and will recognize students who have “stopped over” in an English-speaking country, such as the USA, before entering Canada.

In this context, “eligibility” means that a pupil meets the criteria for funding, that is, date of entry into Canada and country of birth. It does not measure any individual pupil’s need for ESL/ESD or ALF/PDF programs and services.

As in previous years, the Language of Instruction components of the Language Grant use available data to determine each school board’s relative share of need. The calculations are not intended to count every student who requires support or to determine individual needs for these programs. Boards use resources provided by the Grant to provide language services and supports to students who need them.

English as a Second Language/English Skills Development (ESL/ESD)

The funding is available to English-language isolate boards and is based on the following two components:

- 1) This first component (“recent immigrants”) provides a total of \$7,847 per eligible student over four years and is based on the number of recent immigrant pupils born in countries where English is not a first or standard language.

The variables used in calculating this component are:

- (i) a weighting factor for each of the four years; and
- (ii) the number of eligible pupils who entered Canada in each year.

(i) WEIGHTING FACTORS

<u>Year</u>	<u>Start date</u>	<u>End date</u>	<u>Weighting Factor</u>
1	September 1, 2003	– October 31, 2004	1.0
2	September 1, 2002	– August 31, 2003	0.7
3	September 1, 2001	– August 31, 2002	0.5
4	September 1, 2000	– August 31, 2001	0.25

(ii) NUMBER OF ELIGIBLE PUPILS

Principals are required to report under Section E of the *Elementary School October Report, 2004*, and Section E of the *Secondary School October Report, 2004*, the number of pupils enrolled in the schools, who entered Canada during the last four years and were born in a country where English is not a first or standard language. Schools are required to keep appropriate immigration information in a pupil's Ontario Student Record (OSR) to support the number of pupils reported as having entered Canada during the last four years.

Total “Recent Immigrant” Allocation

The allocation is the sum of the weighted numbers of eligible pupils for each year multiplied by \$3,203:

“Recent Immigrant” Allocation = Total number of weighted recent immigrant pupils x \$3,203

- 2) The second component (“Pupils in Canada”) is calculated by the ministry based on Statistics Canada data on the number of children aged 5 to 19 years whose language spoken most often at home is neither English nor French. This data is a proxy measure for the relative ESL/ESD need among isolate boards for pupils not covered by the first component.

Benchmark funding: \$32.64 per ADE

Total ESL/ESD Allocation

“Recent Immigrant” allocation

+

“Pupils in Canada” allocation

French-Language Boards

This funding is available to French-language isolate boards and is based on the following two components:

Actualisation linguistique en français (ALF)

and

Perfectionnement du français (PDF)

Actualisation linguistique en français (ALF)

This component is designed to assist French-language isolate boards in providing language instruction to pupils who are entitled to French-language education by virtue of Section 23 of the *Canadian Charter of Rights and Freedoms* and who have limited or no competencies in French, or use a variety of language that is different from standard French.

Beginning in the 2004-05 school year, an enhancement will provide French-language schools with additional resources to help students improve their language proficiency skills.

Calculated for each French-language school separately, the new ALF funding allocation is the sum of the per-pupil component and school component.

Benchmark funding: \$535 per ADE in a French language instructional unit
 \$36,890 per school

Total ALF Allocation

$$(\text{ADE} \times \$535) + \$36,890$$

Perfectionnement du Français (PDF)

The second component is for PDF programs and provides a total of \$7,847 per eligible students over four years. It is based on the number of recent immigrant pupils who do not have Section 23 rights under the Charter, and who were born in countries where French is a language of administration or schooling.

The PDF programs are intended for pupils who have been admitted in the schools through the board's admissions committee. These pupils are generally born outside Canada and have one of the following characteristics:

- i) they speak a variety of language that is different from standard French,
- ii) their schooling has been interrupted, or
- iii) they have little knowledge of Canada's two official languages and/or need to familiarize themselves with the new environment.

The variables used in calculating this component are:

- (i) a weighting factor for each of the three years; and
- (ii) the number of eligible pupils who entered Canada in each year.

(i) WEIGHTING FACTORS

<u>Year</u>	<u>Start date</u>	<u>End date</u>	<u>Weighting Factor</u>
1	September 1, 2003	– October 31, 2004	1.0
2	September 1, 2002	– August 31, 2003	0.7
3	September 1, 2001	– August 31, 2002	0.5
4	September 1, 2000	– August 31, 2001	0.25

(ii) NUMBER OF ELIGIBLE PUPILS

Principals are required to report under Section E of the *Elementary School October Report, 2004*, and Section E of the *Secondary School October Report, 2004*, the number of pupils enrolled in the schools, who entered Canada during the last four years and were born in a country where French is not a first or standard language. Schools are required to keep appropriate immigration information in a pupil's Ontario Student Record (OSR) to support the number of pupils reported as having entered Canada during the last four years.

Total PDF Allocation

The allocation is the sum of the weighted numbers of eligible pupils for each year multiplied by \$3,203:

PDF Allocation = Total number of weighted recent immigrant pupils x \$3,203

TOTAL ALF/PDF ALLOCATION

ALF allocation

+

PDF allocation

Native Language - Aboriginal Languages (NL)

This funding assists isolate boards that provide Native-language (NL) programs. Funding is based on the number of pupils enrolled in the program.

NL - Elementary:

Benchmark funding: \$424 per pupil enrolled in the program

NL - Secondary:

Benchmark funding established according to credits as follows:

Grades	Allocation per pupil credit
9 and 10	\$63
11 and 12	\$83

Data source

Elementary School October Report, 2004 - pupils enrolled on October 31, 2004 S. G and H.
Secondary School October Report, 2004 -pupil credits on October 31, 2004 Sections G and H.
Secondary School March Report, 2005 - pupil credits on March 31, 2005, Sections G and H.

Geographic Circumstances Grant

The Geographic Circumstances Grant is designed to recognize the additional costs of operating small schools in isolated areas, and costs that are associated with the geography of isolate boards (including board size and road accessibility).

The components of the Geographic Circumstances Grant are as follows:

- Distant Schools Allocation
- Remote and Rural Allocation

Distant Schools Allocation

The Distant Schools Allocation was introduced in 2003–04 to help school boards ensure high-quality education and student success in remote, rural, and northern schools. The Distant Schools Allocation replaced the Small Schools Allocation in the Geographic Circumstances Grant.

Funding for the Distant Schools Allocation has been retained at the 2003–04 level for 2004-05. See Appendix A for details of the calculation of the allocation.

Remote and Rural Allocation

This funding responds to the higher cost of purchasing goods and services for small school boards, as well as for boards that are distant from major urban centers. This funding is further enhanced by a component that recognizes road conditions, road accessibility and distance from Northern cities.

Three components are used in determining funding:

1. board enrolment amount
2. distance amount, and
3. remote distance amount.

1) Board Enrolment Amount

This component supports the higher per pupil costs for goods and services faced by very small isolate boards.

Enrolment	Per Pupil Allocation
0 – 100	\$483 – (Day School ADE x \$0.54000)
100 - 200	\$429 – ([Day School ADE – 100] x \$0.54000)
200 - 500	\$375 – ([Day School ADE – 200] x \$1.25120)

2) *Distance Amount*

This component takes into account the additional costs of goods and services relating to remoteness and the presence or absence of urban centres.

Distance (referred to as D in the formula below) is measured from the nearest defined cities of Toronto, Ottawa, Hamilton, London, or Windsor to the town or city located nearest to the isolate board.

<u>Distance</u>	<u>Per Pupil Allocation</u>
0 - 150km	\$0
150 - 650km	$\$1.050 \times (D-150)$
650 -1150km	$\$525 + \$0.136 \times (D-650)$
1150 + km	\$595

3) *Remote Distance Amount*

This assistance is provided to isolate boards located north of the French River to help defray the higher costs associated with enhanced distance to a Northern City or due to road condition or accessibility.

Distance is measured from the nearest defined Northern cities of North Bay, Sault Ste Marie, Sudbury or Thunder Bay to the town or community located nearest to the geographic centre of the board.

The former “Enhanced distance / road accessibility” component of the Remote and Rural grant has been replaced by the “Remote Distance” component. The new component attempts to address the higher costs experienced by the more remote boards due to distance. A “Base Amount” component has been added to the formula and the enhanced distance factors have been adjusted to better address distance. This increase will help boards meet the higher costs of providing goods and services to students in more remote locations.

Benchmark funding: \$10,200

The remote distance factors are listed in the following table:

Distance of defined isolate board (north of the French River) from the nearest Northern city	Factor
0-250 km	1.00
251- 500 km	1.25
251-500 km- if 20% or more of distance is on a secondary highway	1.50
>500 km by road	1.75

Distance of defined isolate board (north of the French River) from the nearest Northern city	Factor
No road access (rail or fly in only)	2.00

Remote Distance Amount

$\$10,200 \times \text{Remote Distance Factor}$)

+

$\text{Distance Amount} \times (\text{Remote Distance Factor} - 1)$

The grant generated by this component is 100% flexible and is intended to provide additional flexibility to isolate boards in order to direct resources to local priorities.

Learning Opportunities Grant

The Learning Opportunities Grant for 2004-05 consists of four components:

- Demographic component;
- Early Literacy component;
- Literacy and Math Outside the School component; and
- Student Success Grades 7 to 12 component

In December 2003, the government announced enhancements to the Demographic Component of LOG. This increase has been made permanent.

Demographic Component

This component of the Learning Opportunities Grant provides funding to isolate boards based on the district school board model, which uses social and economic indicators that have been associated with a higher risk of academic difficulties for students. This grant permits isolate boards to offer a wider range of programs to improve the educational achievement of these students. Isolate boards have considerable latitude in determining the kinds of programs and supports they provide with this funding.

For 2002-2003, enhancements were made based on the recommendation of the Learning Opportunities Grant working group. For the isolate boards, the ministry is using a proxy amount derived from the total funding available to district school boards under this component.

Benchmark funding: Basic amount = \$201 per pupil [ADE]

To recognize the demographic mix and needs of isolate boards, where 50% or more of the isolate board's student population are native students, an additional amount is provided.

Benchmark funding: Additional amount = \$201 per pupil [ADE]

This additional grant is considered flexible and is intended to provide additional assistance to meet local priorities.

Early Literacy Component

In 2001-2002, the government began providing additional, ongoing funding to support improving early literacy for students from JK to Grade 3.

Funding for this component is being allocated on the basis of each board's share of enrolment from JK to Grade 3 (ADE).

Benchmark funding: \$124 per JK- Grade 3 [ADE]

Isolate boards are required to focus these resources on primary students with the greatest need: students in Grades 1 to 3 whose achievement levels are 1 (“D” on a report card) or lower (“R” on a report card); and students in JK and K whose reading readiness assessments show they need remedial help.

Literacy and Math Outside the School Day Component

In 2001-2002, funding was added to the Learning Opportunities Grant to allow boards to provide additional supports to enhance the literacy and math skills of students at risk of not meeting the new curriculum standards and the requirements of the Grade 10 literacy tests.

These courses or programs can be provided during the summer, and during the regular school year outside the regular school day for:

- A class or course in literacy and math for pupils in Grade 7 or 8 for whom a remedial program in literacy and math has been recommended by the principal of the day school.
- A non credit class in literacy and math for pupils in Grade 9 to 12* for whom a remedial program in literacy and math has been recommended by the principal of the day school.
- A class or course in literacy and math established for adults who are parents or guardians of pupils in all grades for whom the principal of the day school has recommended a remedial course in literacy and math.

* The average daily enrolment regulations was amended in 2002-03 to clarify that students in Grade 11 and 12 are eligible to enrol in remedial programs in literacy and numeracy that are provided outside the regular school day, where their enrolment has been recommended by the principal.

In 2001-2002, per pupil funding for this component was increased from \$2,294 to \$4,843 per ADE, so that a class of ten students will meet the average cost of a continuing education teacher.

Due to salary benchmark increases, this component was further increased in 2002-03 and 2003-04 to \$4,980 and \$5,275 per ADE, respectively. In 2004-05, per-pupil funding is increasing to \$5,381 per ADE.

Summer Literacy and Math Programs

Per pupil funding for literacy and math programs at \$5,381 per ADE is available in the summer of both 2004 and 2005, for at-risk students in Grades 7 to 12 and for parents of at-risk students. Reasonable transportation costs for pupils enrolled in summer school literacy and math programs will be funded.

School Operations allocation is also provided for students in Grades 7 to 12 literacy and math summer school programs under the Pupil Accommodation Grant.

Student Success, Grades 7 to 12 Component

Based on the report of the students at risk working group, the government has allocated funding for the Student Success component to assist students in Grades 7 to 12 who are at risk of not achieving their education goals, to improve the teaching and learning of literacy and numeracy, to increase the number of students passing the Grade 10 literacy test, and to increase opportunities for students to participate in a successful school-to-work pathway.

Funding will be allocated to three lead boards based on two components. The first component will support on-going costs for a dedicated position of co-ordinator. Funding for 2.25 full-time positions will be provided to coordinate this program for the isolate boards in the Province:

0.75 FTE for English-language boards in the Thunder Bay area

1.00 FTE for English-language boards in the North Bay/Sudbury area

0.50 FTE for French-language boards in the Province

This part of the funding will be allocated at a rate of \$141,678 per full-time position to the following lead school boards:

Thunder Bay English-language boards - Nakina DSAB

North Bay/Sudbury English language boards - James Bay Lowland SSB

French-language boards - Gogama RCSSB

The coordinator amount is intended to cover all costs related to the position including administration and secretarial needs.

A supplementary amount for the coordinator will be provided to recognize the extent of travel required for this position as well as the remoteness of isolate boards. The coordinators will be required to submit travel plans to the district office for the supplementary assistance. The District Office will approve travel funding based on the reviewed travel plans.

The member boards will enter into a written agreement with the coordinator and set out the terms of the arrangement.

The second component will support the school component of this new initiative. The lead boards will receive funding for this component based on the following factors:

- \$25,000 base amount
- \$2,000 per grade 7 to grade 12 teachers for the boards and sections attached to the lead board
- \$75 per grade 7 to grade 12 students for the boards and sections attached to the lead boards

The lead boards will be responsible for the allocation and accountable to the member boards for the expenditures. Any unspent allocation will be placed in a Student Success Reserve.

As recommended by the students at risk working group, two expert panels on literacy and numeracy (one English- and one French-language), and a Pathways work group have been established to provide recommendations on effective programs for students at risk.

The coordinator will be required to submit action plans based on these reports regarding the use of the allocations and to file reports on their expenditures and activities to the Ministry of Education within the school year.

Territorial Student Program (TSP) - Counsellor

This grant is intended to provide funding for a TSP counsellor for students who come from very isolate communities and have to travel to Thunder Bay to attend secondary school.

The TSP counsellor's role is:

- to assist in finding suitable boarding homes;
- to help students adjust to attending a large secondary school;
- to maintain close connections with the students' families;
- to refer students to appropriate social agencies, doctors and dentists as necessary, and to work with the administration of the secondary schools to assure student success through regular attendance and homework support.

Boards with a remote distance factor of 1.50 or greater and no secondary school in the immediate area will receive a grant of \$25,000 for operating a TSP program for secondary school students attending a secondary school located in Thunder Bay. Boards will be expected to work cooperatively with other isolate boards to establish a program to best assist these pupils.

Continuing Education and Other Programs Grant

Continuing Education component

This funding supports the provision of adult day school programs and continuing education programs such as adult English or French as a second language, adult Native language, adult credit for diploma and correspondence/self-study .

Funding is provided for crossover or transfer courses to allow students to move between the applied and academic streams in secondary school, and to allow partial credits as permitted by secondary school reform. The grant provides funding for a class or course for secondary school pupils who wish to transfer between course types in accordance with Section 5.6 of the ministry publication *Ontario Secondary School Grades 9-12: Program and Diploma Requirements, 1999*.

This funding supports the provision of credit courses for secondary school students in the summer or outside the school day (for example, in the evenings).

Funding is also provided for international language programs for elementary pupils.

Funding for continuing education and summer school programs is \$2,478 per ADE (excluding pupils in respect of whom fees are chargeable under the tuition fees regulation).

Funding for day school pupils aged 21 and over is \$2,478 per ADE. School Operations and School Renewal allocations (under the Pupil Accommodation Grant) are provided for these students, as well as for students enrolled in summer school programs and in continuing education credit courses offered during the day.

The allocation for international languages that was provided to school boards offering approved classes for international language instruction in a language other than English or French has been maintained at \$42 per classroom hour where the board's average class size for the program is 25 or more. The funding is based on a dollar amount per hour of classroom instruction. Where the average class size for a board is less than 25, the \$42 grant per classroom hour is reduced by \$1 for every pupil less than 25.

Prior Learning Assessment and Recognition

Prior Learning Assessment and Recognition (PLAR) for mature students is a formal evaluation and accreditation process carried out under the direction of the principal and through which the principal may grant secondary school credits to mature students.

Beginning in 2003–04, funding was provided for the delivery of Prior Learning Assessment and Recognition services to mature students who are enrolled in the board to take credit courses toward the Ontario Secondary School Diploma. PLAR assessment services which are funded include:

- \$100 for an individual student assessment for Grade 9 and 10 credits (maximum of one such assessment per mature student in any one school year);
- \$100 for an individual student equivalency assessment for Grade 11 and 12 credits (maximum of one such assessment per mature student in any one school year); and,
- \$300 for each completed challenge assessment for a Grade 11 or 12 full credit course, whether successful or unsuccessful.

School boards are funded based on their reporting of these assessment activities.

After-School Credit Programs

Funding for all after-school credit courses for both elementary and secondary students will be provided through the Continuing Education and Other Programs Grant.

Teacher Qualification and Experience Grant

The Teacher Qualification and Experience Grant provides resources to help meet teacher compensation costs by recognizing the varying salary costs created by the normal range in teachers' qualifications and experience.

The Teacher Qualification and Experience Grant provides funding to isolate boards that have teachers who, because of their qualifications and experience, have salaries above the benchmark level used to determine the Foundation Grant.

Isolate boards that have mixed schools will be required to make separate calculations for each section.

The elementary per pupil allocation is calculated as follows:

$$\frac{(\text{Sum of } (\text{Teachers on isolate boards regular grid} \times \text{Instructional salary matrix}) - 1) \times \$2,867}{\text{Number of Teachers on isolate boards regular grid distribution}}$$

The secondary per pupil allocation is calculated as follows:

$$\frac{(\text{Sum of } (\text{Teachers on isolate boards regular grid} \times \text{Instructional salary matrix}) - 1) \times \$3,487}{\text{Number of Teachers on isolate boards regular grid distribution}}$$

The salary matrix reflects a benchmark of \$55,161 for teacher salary and excludes teacher consultants and the administrative component of principals and vice principals. They are therefore to be excluded from the board's regular grid distribution for the purpose of calculating grant entitlement. Teachers providing instruction in I.S.A. 4 programs are excluded from the board's grid distribution. This is because the instructional cost of the program is being funded under special education, and the pupils in these programs are not counted as pupils of the board.

The teacher distribution reported as of October 31, 2004, is to be used for the calculation of the 2004-05 Teacher Qualification and Experience Grant. Where the qualification of a teacher is changed after October 31, 2004, and the change for salary purposes is retroactive to October 2004 or earlier, the changed qualification category is used for the purpose of this calculation.

Education funding recognizes teachers' actual experience and ensures consistent claims for the Teacher Qualification and Experience Grant, by recognizing part years of teaching. Isolate boards are to place teachers on the experience grid by rounding part year experience to the nearest whole number of years of experience.

INSTRUCTIONAL SALARY MATRIX *

Qualification & experience	D	C	B	A1	A2	A3	A4
0	0.5788	0.5788	0.5788	0.6229	0.6487	0.7081	0.7449
1	0.6127	0.6127	0.6127	0.654	0.6864	0.7502	0.7926
2	0.6332	0.6332	0.6332	0.6989	0.7318	0.7969	0.8432
3	0.6523	0.6523	0.6523	0.7416	0.7743	0.8442	0.8925
4	0.7149	0.7149	0.7149	0.7814	0.8158	0.8953	0.9443
5	0.7698	0.7698	0.7698	0.8234	0.8606	0.9435	0.9975
6	0.8225	0.8225	0.8225	0.8655	0.9042	0.9866	1.0473
7	0.8694	0.8694	0.8694	0.9073	0.9472	1.0363	1.0997
8	0.8900	0.8900	0.89	0.9485	0.9876	1.086	1.1512
9	0.9154	0.9154	0.9154	1.0025	1.0411	1.1534	1.2026
10	0.9667	0.9667	0.9667	1.0451	1.0989	1.2136	1.2949

* Data Source: Data Form A, January 31, 1998 and Form A, January 31, 1998. Information as previously provided to the Education Relations Commission.

Special Assistance for Average Per Pupil Credit Load

This component of the Teacher Qualification and Experience Grant provides funding at the secondary level where the average credit load of secondary school pupils exceeds 7.2 credits per pupil. Assistance is provided to recognize an average credit load of up to a maximum of 7.5 credits per pupil.

The component is calculated as follows:

$$\left\{ \begin{array}{l} \text{Average Number of} \\ \text{secondary school credits} \\ \text{per pupil for the board in} \\ \text{03-04 school year (up to a} \\ \text{maximum of 7.5)- 7.2/7.2} \end{array} \right\} \times \$3,258 \text{ for classroom teachers and preparation time} \times 2004-05 \text{ secondary day school ADE (excl. Pupils aged 21 and over)}$$

For the purpose of calculating the average number of secondary school credits per pupil, a special education secondary school pupil enrolled on a full-time basis in programs for which a credit is not granted will be granted an equivalent of 8 credits.

220 hour upgrading courses for students at risk

Students entering the secondary school program with knowledge and skills at a level below that required to succeed in the Grade 9 program will benefit from extended time in upgrading courses in the core subjects of English/français, mathematics and/or science. Similarly, students in Grade 10 may benefit from the opportunity to strengthen their knowledge and skills in English/français, mathematics and/or science. Courses defined in *Ontario Secondary School, Grades 9 to 12: Program and Diploma Requirements, 1999* as locally developed compulsory credit courses provide students with the opportunity to earn one credit in each of language, mathematics and science. Students may also strengthen their knowledge and skills through locally developed optional credit courses.

Some students will benefit from the opportunity to upgrade and/or strengthen their skills in English/français, mathematics and science by taking a locally developed compulsory and/or optional credits courses with a credit value of one credit each and a duration of 220 hours (on a daily basis throughout the academic year) rather than 110 hours. These 220 hour courses will be counted as single credit courses for the purpose of reporting student achievement.

Board reporting forms for funding purposes have been amended so that these 220 hour locally developed single credit courses can be counted as 2 credits for the purpose of calculating the average number of credits per pupil under the Special Assistance for Average Per Pupil Credit Load component of this grant.

Early Learning Grant

This grant provides all boards with an equitable level of funding to support early learners – (pupils up to Grade 3).

Pupils enrolled in Junior Kindergarten (JK) are funded on the same basis as other pupils, through the Foundation Grant, special purpose grants and the Pupil Accommodation Grant. JK pupils are funded as 0.5 FTE.

Boards that do not provide JK receive an Early Learning Grant of \$751 per pupil based on their Senior Kindergarten (SK) to Grade 3 enrolment. The Early Learning Allocation has been set at a level that is equivalent on average to the funding a board would receive if it were to provide JK.

For the purpose of the calculation of this allocation, JK and K pupils enrolled in combined programs will be deemed to be half-time pupils.

Transportation Grant

The Transportation Grant provides school boards with funding to recognize the costs of transporting pupils from home to school, or from school to school, including transporting students with special needs.

Transportation is subject to Ministry audit. Boards are expected to retain supporting transportation documentation including contracted agreements for the current and previous year for audit purposes.

Home to School

Funding for 2004-05 will be allocated based on the expenditure incurred by the board in 2004-05. Costs in excess of the 2003-04 allocation will need to be justified.

Board and Lodging and Weekly Transportation

Funding for board and lodging is provided in cases where a pupil must travel to another community to attend a secondary school. Where there is a secondary school located nearby and a pupil decides to travel to another community to attend a secondary school, the board must apply directly to the District Office for board and lodging funding approval for this pupil. The application to the District Office must clearly state the reason why the student cannot attend the local secondary school.

The ministry will recognize for grant purposes \$500.00 for each month of attendance. The principal of the educating school must confirm student attendance.

The monthly rate includes cost for board, lodging and weekly transportation.

Provincial Schools

The cost of transporting students from home to a provincial school will be funded if the Superintendent of the School has approved the student for admission to the provincial school. Escort service cost will also be funded if recommended by the Superintendent of the School.

The cost of a parent accompanying the pupil on the initial trip to a provincial school will be funded; all other trips will be at the parent's expense.

For those students attending provincial schools, the maximum we would recognize for grant for weekend lodging, in lieu of weekend travelling is \$150.

Territorial Student Program (TSP) – Monthly Transportation

Students who complete their elementary education in isolate boards have to travel to Thunder Bay to attend secondary school. Many of these students live in very remote communities where weekend travel is prohibitive.

Boards with a remote distance factor of 1.50 or greater and no secondary school in the immediate area will receive additional assistance for the monthly transportation of secondary school students. The secondary pupils will be expected to attend the nearest and most accessible secondary school in order to be eligible for the supplementary funding.

Air transportation is funded for secondary school pupils living in communities where air travel is the only practical form of travel to and from home. Air transportation for eligible secondary school pupils will be funded on a monthly basis, to a maximum allocation of 9 round trips per year.

The maximum allocation for air travel to and from Pickle Lake and Summer Beaver is based on a 18 passenger airplane. If the combined number of pupils transported falls below 10 students, the boards will be expected to contract for a smaller 9 passenger airplane. Funding will be adjusted accordingly.

The contracted air travel is for eligible secondary school pupils. If the airplane is not filled to capacity, the vacant seats may be sold to other than eligible secondary students with the revenue from the sale of vacant seats to be applied to help reduce the cost to the board.

Declining Enrolment Adjustment

Because much of each isolate board's revenue from student-focused funding grants is determined by enrolment, boards with declining enrolment lose revenue. This is appropriate, because boards no longer need the same number of teachers and other supports when they have fewer students.

Board costs, however, do not decline in a way that is strictly proportional to declining enrolment. Some costs can be adjusted easily while other costs cannot be adjusted as easily. For this reason, the government introduced the Declining Enrolment Adjustment beginning in the 2002–03 school year.

The government is providing additional funding in 2004–05 to extend the Declining Enrolment Adjustment from two to three years. Boards with enrolment declines in 2003–04 will now receive three, rather than two, years of funding to ensure their smooth transition to a reduced cost structure.

For 2004-05, the adjustment is determined by calculating 25 percent of the school board's Declining Enrolment Adjustment in 2002–03, plus 50 percent of the school board's Declining Enrolment Adjustment in 2003-04 and adding to it the school board's Declining Enrolment Adjustment for 2004-05, which is calculated as follows:

1. Determine the decrease in operating revenue between 2003-04 and 2004-05, excluding the impact of new investments added in 2004-05 (A in the following formula).

$$A = B - C$$

Where:

B = Total operating funding in 2003-04 (excluding allocations not based on enrolment*)

C = Total operating funding in 2004-05 (excluding allocations not based on enrolment and new investments**)

2. Calculate the reduction in costs the isolate board is expected to achieve as a result of the enrolment decline (D). This equals 58% applied to the decline in operating revenue.

$$D = 58\% \times A$$

3. Where revenue has declined, determine the amount by which the operating revenue decline exceeds the expected reduction in the isolate board's costs (E).

$$E = A - D$$

4. Apply scaling factor (G) to determine Declining Enrolment Adjustment (F). The scaling factor recognizes that, the greater the decline in enrolment, the more difficult it is to adjust costs.

Multiply the result of the calculations above by a scaling factor.

$$F = G \times E$$

* Operating revenue in each year excludes ISA, Teacher Qualifications and Experience Grant, Continuing Education and Other Programs Grant, the Demographic and Literacy and Math Outside the School Day components of the Learning Opportunities Grant, all the components of the Language Grant except French as a First Language, the Declining Enrolment Adjustment, the Transportation Grant and the operating component of Special Approvals.

** 2004–05 operating revenue also excludes new investments.

The table below provides examples of scaling factors that have been set for three different ranges of enrolment declines:

Portion of Percentage Decline in Enrolment	Scaling Factor for Portion of Decline
Up to 0.25%	0.5
> 0.25%, up to 1.5%	1.0
> 1.5%	1.5

To determine the scaling factor (G) of an isolate board that has declining enrolment, apply the following formula (to five decimal points):

$$H = 1 - \frac{\text{2004-05 day school ADE of the board}}{\text{2003-04 day school ADE of the board}}$$

Note: Day school ADE includes enrolment of JK to Grade 12 pupils of the board, excluding pupils 21 and over.

If the amount H does not exceed 0.0025, the scaling factor is 0.5.

If the amount H is greater than 0.0025 but does not exceed 0.015, the scaling factor is calculated as follows:

$$G = \frac{(H - 0.0025) + 0.00125}{H}$$

If the amount G is greater than 0.015, the scaling factor is calculated as follows:

$$G = \frac{1.5 (H - 0.015) + 0.01375}{H}$$

Below is an example of the declining adjustment calculation:

Line	Example – Hypothetical board	2001–02	2002–03	2003-04	2004-05
1	% decline in enrolment		2.0%	2.2%	2.5%
2	Operating revenue	\$300,000	\$295,320	\$290,250	\$285,500
3	Decline in operating revenue		\$4,680	\$5,070	\$4,750
4	Estimated reduction in costs (58% current year operating revenue)		\$2,714	\$2,940	\$2,755
5	Declining enrolment adjustment before scaling (Decline in operating revenue less reduction in costs)		\$1,966	\$2,130	\$1,955
6	Scaling factor		1.06250	1.10227	1.15000
7	Declining enrolment adjustment after scaling		\$2,088	\$2,348	\$2,248
8	Second year of adjustment (50% of line 7 of prior year)			\$1,044	\$1,174
9	Third year of adjustment (25% of line 7 of two years prior)				\$522
10	Total declining enrolment adjustment		\$2,088	\$3,392	\$3,944

Notes: Operating revenue in each year excludes ISA, Teacher Qualifications and Experience Grant, the Continuing Education and Other Programs Grant, the Demographic and Literacy and Numeracy components of the Learning Opportunities Grant, all components of the Language Grant except for French as a First Language, the Declining Enrolment Adjustment, the Transportation Grant and the operating component of Special Approvals. 2004-05 operating revenue also excludes new investments.

School Board Administration and Governance Grant

This grant provides funding for administration and governance costs, including the costs of operating board offices and central facilities. This category of funding provides for all board-based staff and expenditures, including supervisory officers and their secretarial support. Funding is provided for four components:

- Trustees,
- Supervisory Officers,
- Board Administration, and
- Tax Collection Assistance.

Trustees

This funding component, which is based on the number of trustees, supports trustee honoraria, expenses, meeting costs and professional development (for example, conferences). Dues to stakeholder organizations and secretarial costs for trustees are to be funded from board administration where necessary.

The trustee honorarium is frozen at the December 1, 1996 amount.

Trustee expenses, as outlined above, will be funded in accordance with the following table:

ADE	Amount per Trustee
100 or less	\$1,500
101-300	\$2,000
Greater than 300	\$3,000

Supervisory Officers

Funding is based on the size and remoteness of an isolate board and focuses on the costs associated with performing the duties of a supervisory officer. This component is intended to cover salaries and benefits and travel costs of this staff. This component also recognizes the higher travel costs borne by some boards by applying the remote distance factor* for the board to the base travel amount.

Salary Amount

<u>Enrolment</u>	<u>Base Amount</u>
<50	\$18,505
51 to 100	\$22,205
101 to 200	\$28,574
>200	\$37,010

Travel Amount

The travel amount is intended to capture a base travel cost that reflects the enrolment of the board as well as a cost related to the remoteness of the board. The base amount for travel reflects a direct relationship to the supervisory officer salary and is calculated at 1/3 of the supervisory officer salary amount. This amount is increased by the board's remote distance factor* to reflect the higher travel cost to the more remote boards north of the French River.

Boards south of the French River:

S.O. salary X 1/3

Boards north of the French River:

S.O. salary X 1/3 X (Remote Distance Factor* - 1)

* The Remote Distance Factor is described in the remote and rural grant

Board Administration Costs

This component provides funding for the business and other administrative functions of a board and the costs of operating and maintaining board offices and facilities. As with the Supervisory Officers component, the Board Administration component recognizes the higher costs of administration in some boards due to remoteness.

Funding consists of:

Benchmark Base Funding:	\$42,360
Per pupil amount for first 150 pupils	\$369
Per pupil amount for next 150 pupils	\$316
Per pupil amount for remaining pupils	\$158
% Geographic Circumstances Grant (Remote & Rural)	11%

Tax Collection Assistance

A new component was added in 2001-2002 to recognize the additional costs incurred by isolate boards that perform the duties of municipal clerks. Additional funding is provided to isolate boards (where applicable) as follows:

Benchmark funding: \$5,000 per isolate board performing tax collection duties

Note: the \$5,000 allocation is over and above the 2% tax collection cost deduction calculated in Section 14 of the forms.

Pupil Accommodation Grant

The Pupil Accommodation Grant has two components:

- School Operations (including leased accommodations)
- School Renewal

The School Operations allocation addresses the costs of operating (that is heating, lighting, maintaining and cleaning) schools; the School Renewal allocation addresses the costs of repairing and renovating schools.

Isolate boards have raised the issue of the high cost of sending well water samples for testing to labs in larger centres to meet MOE standards. A new component of the school operations grant has been added to address this issue. Each board operating wells will receive an additional \$5,000 per year.

These allocations are calculated as follows:

School Operation Allocation = $\frac{\text{Square meters of school}}{\text{Enrolment}} \times \text{Operating Cost per sq. mtrs.}$

School Renewal Allocation = $\frac{\text{Renewal Requirement Per pupil}}{\text{Enrolment}} \times \text{Cost per sq. mtrs.}$

Enrolment

Elementary Enrolment: “Day School Average Daily Enrolment” of pupils enrolled in Junior Kindergarten, Kindergarten and Grades 1 to 8

Secondary Enrolment: “Day School Average Daily Enrolment” of pupils enrolled in Grades 9 through 12, excluding students 21 years of age and older.

Benchmarks

Operating Cost: \$61.61 per square meter elementary, \$74.87 per square meter secondary

reflects the median custodial and maintenance expenditures per square meter.

Area Requirement: [9.29 sq. meters – Elem.] [12.07 sq. meters – Sec.]

Renewal Cost: \$10.54 per square meter

Base amount - \$10,000

Isolate boards are required to report to the Ministry how school renewal funds were spent. The reporting commenced with the 2001-2002 Financial Statements.

NOTE: Requests for major renovation projects will be dealt with on an individual basis as part of the Special Approval process.

Literacy and math program component

The allocation for the school operations component of the grades 7 to 10 literacy and math program operating during the summer months will be calculated as follows:

Summer school area requirement X \$61.61

The allocation for the school renewal component of the grades 7 to 10 literacy and math program operating during the summer months will be calculated as follows:

Summer school area requirement X \$10.54

Where:

Summer school area requirement = 2005 Summer School ADE X 9.29 sq. metres

Well-water Testing Assistance

Well testing assistance = \$5,000 per eligible board

Contracts for Leased Space

For those isolate boards that are bound by legal contracts with other agencies to cover the cost of leased space, the ministry will provide an allocation within the funding model. Pre-approval by the Ministry is required.

Teacher Accommodation Grant

In 2001-2002 a grant of **\$800** was provided for each teacher accommodation unit. This grant is increased by the Remote and Rural Grant's *remote distance factor** to recognize the increased administration and maintenance time required to manage a larger number of accommodation units in the more remote isolate boards.

Commencing with 2003-04, funding for teacherages was limited to teacherages occupied by teachers and teacherages that are empty. Funding will no longer be provided for teacherages that are being rented or used for administration purposes. This is to bring the funding in line with the intent of this capital program.

This allocation should primarily be used for capital repairs and purchases, but may also be used to meet unforeseen shortfalls in operating costs of the teacherages. Surpluses at year-end are to be placed in a teacherage reserve fund.

Benchmark funding: \$800 per teacherage x remote distance factor*

*The Remote Distance Factor is described in the remote and rural grant

Special Approvals

The purpose of special approvals is to assist isolate boards in cases where the board has incurred extraordinary expenditures that are beyond its control and where the board does not have the necessary financial resources to meet the full cost of these commitments. It is anticipated that requests for this type of situation would occur infrequently.

Where the board has surplus funds either in a reserve or as a result of current year operations, the board must first pay for these exceptional circumstance expenditures from surplus funds. Once these surplus funds have been depleted, the special approval will be applied to cover the remainder of the expenditure.

The underlying condition of any special approval is that all available financial resources must first be depleted before assistance can be provided. Special approval assistance is not intended to increase an isolate board's base funding nor improve an isolate board's ability to fund other board initiatives.

Requests for major renovation projects will be dealt with on an individual basis as part of the Special Approval process.

A business case must be submitted outlining the circumstances of the extraordinary expenditure. The business case should be submitted on the appropriate Request for Special Approval ministry form.

Special approvals granted for a particular line item must be expended on the intended items and any amount remaining at year-end must be returned to the ministry.

Retirement Gratuities

Special Approval requests for retirement gratuities will be evaluated on a case by case basis.

Beginning with 2003-04, funding for retirement gratuity for **new hires** will be provided to boards where the employee has been employed continuously by the Board for ten or more years and is eligible for a retirement pension. The board can enter into arrangements other than described above at board costs.

Employees who fall under a different set of criteria, which were negotiated, in previous collective agreements will continue to be considered for special approval assistance on a case by case basis.

Reserves

Reserve Funds for isolate boards is reduced to four types:

Working Funds Reserve:

Any surplus funds that result from funding allocations exceeding net expenditure can be placed in a working funds reserve subject to the limitation in the *Education Act S.231*. Where excess allocations exceed the limitation under clause (f) of subsection 231(1) of the Education Act, a grant recovery adjustment to the total allocation for the isolate board will be made.

An isolate board must take into consideration the current year surplus when determining whether it complies with the requirements outlined in section 231(1)(f) of the Education Act.

N.B. - All outstanding special approvals must be recovered before excess-operating allocations can be placed in the Reserve for Working Funds.

School Renewal Reserve:

Unused school renewal allocations will be placed in a reserve to be used for future school renewal projects.

Teacher Accommodation Reserve:

Unused teacher accommodation allocations will be placed in a reserve to be used for future teacherage expenditures.

Strike Savings Reserve:

Isolate boards that experience strikes or lock-outs will need to report the savings in a separate reserve.

Enrolment

Under the school year reporting that covers the period from September to August, the calculation of average daily enrolment (ADE) is based on the existing two count dates within the school year: October 31 and March 31. The full-time equivalent of students enrolled in the schools is weighted at 0.5 for each of the count dates.

Junior Kindergarten (JK) and Senior Kindergarten (SK) pupils are counted as half time students in the determination of ADE for 2004-05, with the exception of combined Kindergarten programs. The ADE regulation allows combined JK and SK programs, where JK students can be counted as enrolled for 600 minutes per week and SK students as enrolled for 900 minutes per week (with the exception of calculations for the Early Learning Grant).

ADE for continuing education programs and summer school is calculated using the same parameters as in 2003-04. Students who have been enrolled in private schools in the previous school year are eligible to be enrolled in summer school programs of a publicly funded isolate board as permitted by the regulation. This clarification applies to summer programs in 2002 (part of the 2003-04 school year), and in 2004-05 and future years.

An example of an ADE calculation for continuing education programs such Literacy & Math is:

[Number of sessions x number of hours in each session] / 950

$$[30 \text{ sessions} \times 3 \text{ hours}] / 950 = .09 \text{ ADE}$$

ADE rate for Literacy & Math = \$5,381; all other continuing education courses = \$2,478

In the 2004-05 school year, boards are permitted to provide Grade 12 OS:IS courses and OACs in the following compulsory subjects: English, math, français, science, history and geography. By the end of the 2004-05 school year, OS:IS curriculum will have been completely phased out of Ontario's secondary schools.

Tuition Fee Calculation

Isolate boards are required to continue charging tuition fees in respect of non-resident Visa students, Native students and students from out of province.

Tuition fees are to be calculated for all students attending the boards' school who are not pupils of the board. This would include all pupils who are the responsibility of a band, the council of a band or an education authority where the band, council of a band or education authority is authorized by the Crown in right of Canada to provide education for Indians. The tuition fee would be based on the total allocations of the board for all pupils attending the school. Native Language, transportation and capital related allocations are removed from the total allocations prior to the amount being divided by the ADE of all pupils attending the school.

In addition to the tuition fee calculation, an amount for Native Language, if offered, may be added to the tuition fee equal to the allocation for Native language per pupil.

The tuition fee regulation also allows the isolate board to increase the tuition fee by a high cost factor to account for high cost programs that an isolate board provides. A high cost program includes a special education program or any other program which both the board and the party from whom the tuition fee is receivable agree is a high cost program.

Students who are not pupils of the board and enrolled in continuing education classes, are required to have tuition fees calculated in respect of summer school and continuing education classes. These fees can be an amount agreed on by the board and the party from who the fees is receivable, or in absence of an agreement, calculated in accordance with the regulation.

The provisions for fees in respect of pupils whose parents or guardians reside on tax exempt land have been maintained at \$40 per month per family.

The funding regulations have been amended for both the 2003-04 and 2004-05 school years to provide revenue to school boards for the payment of fees when a board and First Nation band council or education authority have negotiated a so-called "reverse" tuition agreement, under which elementary pupils of the board attend an elementary school operated by a First Nations band council or education authority.

Transfer Payments For 2004-05

The provincial share of education funding for 2004–05 is calculated by deducting each board's revenue from property taxes for 2004–05 from the total funding allocation determined by the education funding formulas. Tax revenue is based on 38 percent of 2004 property taxes and 62 percent of 2005 property taxes, plus supplementary taxes less tax write-offs.

Where there is a strike, lockout, or withdrawal of services during the 2004–05 school year, the grants will be adjusted by the net savings resulting from the strike or withdrawal of services.

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Reporting and Accountability

Reporting

June 30, 2004	2004-05 Estimates
November 30, 2004	2003-04 Financial Statements
December 15, 2004	2004-05 Revised Estimates

Accountability

Isolate boards are expected to submit a balanced budget. It is the responsibility of the isolate board to make the most effective use of their flexible special purpose allocations according to local needs. An isolate board should make every effort to reduce their expenditures and maintain a staffing level that is in line with their enrolment and the funding model.

APPENDIX A

Education funding provides financial assistance through the Distant Schools Allocation to offset the higher per-pupil cost of programs in small schools.

Definition of “distant schools”

The funding approach identifies eligible elementary and secondary schools for each board, based on the criterion of distance from other schools in the same panel of the board.

A “distant elementary school” is an elementary school that is located at least 8 kilometres by road from every other elementary school of the board **or** an elementary school that is the only elementary school operated by the board.

A “distant secondary school” is a secondary school that is located at least 32 kilometres by road from every other secondary school of the board **or** a secondary school that is the only secondary school operated by the board.

Funding adjusted for enrolment

Under this approach, lower-enrolment schools, which generate less Foundation Grant funding, will generate a higher amount of revenue through this allocation than schools with higher enrolment.

Note that references to Average Daily Enrolment (ADE) throughout this document mean average daily enrolment of pupils of the board.

Distant Schools Allocation – Elementary

The total Distant Schools Allocation - Elementary for a school board is the sum of four components:

1. Per Pupil Component, determined for each of the board’s distant elementary schools;
2. Fixed School Component, determined for each of the board’s distant elementary schools;
3. Learning Resources Component, determined for each of the board’s distant elementary schools;
4. In-school Administration Component, determined for each of the board’s distant elementary schools; and

Detailed calculation of Distant Schools Allocation – Elementary

Per pupil component

The Per pupil amount for a distant elementary school is \$97.50 per pupil, using 2003-04 ADE of the school.

Fixed school component

The Fixed school amount for a distant elementary school is \$3,000.

Elementary schools offering programs in both English and in French are considered to be operating two separate schools for purposes of this component.

Elementary schools offering a grade 9 and 10 program are considered to be operating two schools for purposes of this component.

Learning resources component

Distant School Size (2003-04 ADE)	Calculation (using 2003-04 ADE)
less than 50	$[\$53,769.98 + (\$6,798.50 \times \text{ADE})] \text{ minus } (\text{ADE} \times \$2,719)$
50 to less than 100	$\$393,695.12 \text{ minus } (\text{ADE} \times \$2,719)$
100 to less than 1,000	$[\$131,905.12 + (\$2,617.90 \times \text{ADE})] \text{ minus } (\text{ADE} \times \$2,719)$
1,000 or greater	$(\$2,749.81 \times \text{ADE}) \text{ minus } (\text{ADE} \times \$2,719)$

Elementary schools offering programs in both English and in French are considered to be operating two separate schools for purposes of this component.

In-school administration component

Distant School Size (2003-04 ADE)	Calculation (using 2003-04 ADE)
less than 200	$[\$64,534.95 + (\$158.21 \times \text{ADE})] \text{ minus } (\text{ADE} \times \$389)$
200 to less than 550	$[\$19,010.20 + (\$126.73 \times \text{ADE})] \text{ minus } (\text{ADE} \times \$130)$
550 to less than 1,000	$[\$37,969.40 + (\$92.26 \times \text{ADE})] \text{ minus } (\text{ADE} \times \$130)$
1,000 or greater	0

Elementary schools offering programs in both English and in French are considered to be operating one administrative unit for purposes of this component.

Elementary schools offering a grade 9 and 10 program are considered to be operating one administrative unit for purposes of this component.

Distant Schools Allocation – Secondary

The total Distant Schools Allocation - Secondary for a school board is the sum of four components:

1. Per Pupil Component, determined for each of the board's distant secondary schools;
2. Fixed School Component, determined for each of the board's distant secondary schools;
3. Learning Resources Component, determined for each of the board's distant secondary schools;
4. In-school Administration Component, determined for each of the board's distant secondary schools; and

Detailed calculation of Distant Schools Allocation – Secondary

Per pupil component

The Per pupil amount for a distant secondary school is \$97.50 per pupil, using 2003-04 ADE of the school.

Fixed school component

The Fixed school amount for a distant secondary school is \$4,000.

Elementary schools offering a grade 9 and 10 program also receive fixed-school funding under the secondary school component.

Learning resources component

Distant School Size (2003-04 ADE)	Calculation (using 2003-04 ADE)
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less than 50	$[\$46,044.41 + (\$14,524.07 \times \text{ADE})] \text{ minus } (\text{ADE} \times \$3,194)$
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50 to less than 100	$\$772,248.12 \text{ minus } (\text{ADE} \times \$3,194)$
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100 to less than 1,000	$[\$499,757.12 + (\$2,724.91 \times \text{ADE})] \text{ minus } (\text{ADE} \times \$3,194)$
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1,000 or greater	$(\$3,224.67 \times \text{ADE}) \text{ minus } (\text{ADE} \times \$3,194)$
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Elementary schools offering a grade 9 and 10 program are adjusted by a factor of .5 for purposes of this component. The adjustment reflects a two-year program.

Elementary schools offering a grade 9 and 10 program with an ADE of less than 1 are adjusted by a factor equal to the difference between 1 and the school's ADE.

In-school administration component

Distant School Size (2003-04 ADE)	Calculation (using 2003-04 ADE)
less than 200	[$\$92,445.75 + (\$561.89 \times \text{ADE})$] <i>minus</i> (ADE x \$448)
200 to less than 550	[$\$168,821.60 + (\$180.01 \times \text{ADE})$] <i>minus</i> (ADE x \$448)
550 to less than 1,000	[$\$47,224.64 + (\$152.01 \times \text{ADE})$] <i>minus</i> (ADE x \$199)
1,000 or greater	0

Elementary schools offering a grade 9 and 10 program receive in-school administration funding under the elementary school component.