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2015: SB01

MEMORANDUM TO: Senior Business Officials
Managers of Planning

FROM: Grant Osborn
Director
Capital Policy and Programs Branch

DATE: **February 18, 2015**

SUBJECT: **Capital Planning Capacity Program**

This memorandum provides additional information on the Capital Planning Capacity (CPC) program, and is a follow-up to Memorandum 2015: B03, dated February 13, 2015. This memorandum provides details on how the funding allocations per board were calculated, the suggested uses of funds and reporting requirements.

The Capital Planning Capacity program provides funding to school boards to acquire additional resources to undertake a range of capital planning-related activities. The funding allocation for the CPC program is designed to support school boards in two main areas: Capacity Building and Data Management. Details associated with these two program areas are described below. While CPC funds have been allocated based on these two distinct program areas, school boards have the flexibility to spend their full CPC allocation according to their capital planning needs and priorities. Board allocations are listed in *Appendix 1*.

Highlights

- \$8.3M is being provided to support school boards in two key areas: Capacity Building and Data Management.
- Board allocations are listed in *Appendix 1*.
- The Ministry intends to revisit the CPC allocation on an annual basis.

CPC Program Categories

1. Capacity Building (\$5.1M)

Capacity Building funding is targeted to 39 eligible school boards. This funding will allow these boards to acquire additional resources to undertake a range of capital planning activities to help manage their underutilized school space. These activities include developing new or revised capital plans, initiating pupil accommodation review processes and developing facility partnerships.

School boards were deemed eligible for Capacity Building funds if 15 percent or more of their schools were identified as CPC “qualifying” schools. Specifically for the purpose of this program, a school was defined as a qualifying school if it had a utilization of 65 percent or less, and was within 15 km (elementary) or 20 km (secondary) of another school of the same panel within the same board.¹ Schools that had been newly built or had undergone a major renovation or addition in the last five years were excluded from the count of CPC qualifying schools.

The distance criteria in defining a school as CPC qualifying recognizes that schools which are isolated from other schools of the same board and panel likely will need to remain open. Similarly, schools that had recently been built or had undergone major renovations or an addition are not likely candidates for consolidations. Therefore, these schools were not defined as a CPC qualifying school, and are not included in determining school board eligibility for Capacity Building funds.

2. Data Management (\$3.2M)

Data Management funding is available to 72 school boards. Up-to-date facility data is critical in assisting both boards and the Ministry in making effective school capital decisions. The Ministry is also aware of the challenges boards face to maintain and update facility-related data in existing inventory databases. These challenges and potential benefits are system-wide, and as a result, all 72 school boards have received a funding allocation under this category.

Data Management funding is being provided to school boards to hire additional resources to update inventory and space use in the School Facilities Inventory System (SFIS), and to update school renewal expenditures in the Total Capital Planning Solution (TCPS) system.

Allocation Methodology

The CPC funding allocation methodology for the 2014-15 school year is outlined below. Please note that the Ministry intends to review the funding methodology on an annual basis. The funding allocation for CPC is made up of four separate funding components which are as follows:

¹ Data source: SFIS as of November 1, 2014.

- Capital Planning
- Accommodation Review (ARC) Processes
- Facility Partnerships
- Data Management

The first three components represent areas where boards with underutilized schools often turn their attention to address their excess space. These three components make up the Capacity Building allocation.

Calculation

Each funding component has a unique base funding amount and a scaling factor. The scaling factor is used as a multiplier intended to increase the base amount relative to board size and board need. The scaling factors for Capital Planning and Data Management are related to board size in terms of the total number of schools of the board. The scaling factors for ARC Processes and Facility Partnerships are related to board need in terms of the number of schools a board has that are defined as CPC qualifying schools (see definition on page 2).

The base amounts are as follows:

- Capital Planning base amount: \$20,700
- ARC Processes base amount: \$30,700
- Facility Partnerships base amount: \$4,700
- Data Management base amount: \$30,500

For Capital Planning and Data Management, the scaling factors are (A):

- if the board has 0-25 schools
- 1.25 if the board has 26-50 schools
- 1.56 if the board has 51-100 schools
- 1.95 if the board has 101-150 schools
- 2.44 if the board has 151-250 schools
- 3.05 if the board has 251-350 schools
- 3.81 if the board has over 350 schools.

For ARC Processes and Facility Partnerships, the scaling factors are (B):

- 1 if the board has 0-4 CPC qualifying schools
- 2 if the board has 5-10 CPC qualifying schools
- 3 if the board has 11-20 CPC qualifying schools
- 4 if the board has 21-30 CPC qualifying schools
- 5 if the board has 31-40 CPC qualifying schools
- 6 if the board has 41-50 CPC qualifying schools
- 7 if the board has more than 50 CPC qualifying schools.

The total CPC funding allocation is calculated as follows for each board:

$$\begin{aligned} & \text{Capacity Building (eligible boards only)} \\ & = (\$20,700 \times A) + (\$30,700 \times B) + (\$4,700 \times B) \\ & \quad + \\ & \text{Data Management (all boards)} \\ & = (\$30,500 \times A) \end{aligned}$$

Reporting and Accountability

The Ministry intends to streamline the reporting requirements for the Capital Planning Capacity program as much as possible. School boards will be required to report CPC expenditures as part of their overall School Board Administration and Governance Grant expenditures in the 2014-15 Financial Statements. Additionally, an online survey will be circulated at the end of the 2014-15 school year to evaluate program effectiveness. The survey will focus on tasks completed and results achieved. Failure to submit a response to the survey may impact a school board's future school year allocations.

Ministry Contact

If you have questions or require additional information, please contact the Capital Analyst assigned to your board or, Mathew Thomas, Manager, Capital Policy Programs Branch, at (416) 326-9920 or Mathew.P.Thomas@ontario.ca.

Sincerely,

Original signed by

Grant Osborn
Director
Capital Policy and Programs Branch

cc: Senior Plant Officials

Appendix 1 – 2014-15 Capital Planning Capacity Program Board Allocations