

Ministry of Education

School Board Advanced Supports Branch
315 Front Street West
15th Floor
Toronto, ON M7A 0B8

Ministère de l'Éducation

Direction du soutien amélioré aux conseils scolaires
315, rue Front Ouest
15e étage
Toronto (Ontario) M7A 0B8

2023: SB07

Date: June 29, 2023

Memorandum to: Senior Business Officials
Transportation Consortia Managers

From: Mehul Mehta
Director
School Board Advanced Supports Branch

Subject: **2023-24 Student Transportation Grant and Enhanced Reporting**

Further to memorandum 2023: [B06 Student Transportation Grant – Grants for Student Needs](#), this memorandum provides:

- additional clarity on funding for Fuel Price Adjustment and driver compensation reflected in the 2023-24 Student Transportation Grant
- details on Enhanced Reporting and Accountability which is intended to understand how funding is used by school boards, student transportation consortia (“consortia”), and school bus operators to deliver transportation services to students

The ministry will continue to work with school boards, consortia, and school bus operators to refine the new funding framework on an annual basis to ensure it is transparent, equitable, and focused on reliability.

Clarifications on 2023-24 Student Transportation Grant

The following sections provide further clarification on several elements of the new funding framework based on questions from school boards, consortia, and school bus operators. For reference purposes, technical details on the funding framework are available here: [Technical Paper 2023-24](#).

1. Fuel Benchmark Rate and Fuel Price Adjustment:

The Fuel Benchmark Rate (previously referred to as pegged rate) has been increased to \$1.50/litre for all boards, from \$0.936/litre for southern school boards and \$0.957/litre for northern school boards.

This change reflects the recent market trend for fuel price and will support the cash flow of school boards. It means that school boards will receive funding under the Fuel Base Category during the school year to pay operators based on \$1.50/litre, reflecting benchmark fuel-economy ratings which vary by size of school bus and distance travelled.

The Fuel Price Adjustment, previously known as Fuel Escalator / De-escalator, has been maintained in the new funding framework to align funding with the fluctuating cost of fuel. By the end of the school year, if the average fuel price is in excess of \$1.50/litre, additional funding – adjusted to reflect corridor as noted in the [Technical Paper 2023-24](#) – will be provided to boards to flow to operators. Conversely, if the average fuel price declines below \$1.50/litre, funding would be reduced, with adjustments to reflect corridor.

The full \$1.50 per litre (or actual fuel cost) based on distance travelled shall flow to operators. Increasing the benchmark rate from \$0.936/\$0.957 per litre to \$1.50 per litre will allow the ministry to flow additional funding to school boards on a regular basis. School boards, their transportation consortia and operators should work together to mutually amend contracts, if necessary, to ensure that the increase in fuel funding flow to operators in a timely manner.

2. Driver Compensation:

Included in the Student Transportation Grant is the School Bus Driver Component which is intended to transparently highlight the funding support for school bus drivers.

The funding under Daily Compensation Category in the School Bus Driver Component is based on travel time reported in the routing simulation results, with a provision for 30 minutes per day for non-driving duties and a provision to ensure minimum of three hours for average driver compensation time within a consortium.

For funding purposes, the average hourly wage benchmark for school bus driver is set at \$23, plus 13% for statutory benefits such as Canada Pension Plan, Employment Insurance, Workplace Safety and Insurance Board contributions, and vacation pay. However, compensation for school bus drivers – arrangements between school bus operators and their employees – can vary across the province and can vary from the benchmarks reflected in the Student Transportation Grant. For example, an operator may provide additional benefits, or additional hours of employment to their employees.

3. Retention and Recruitment Bonus:

The funding through the School Bus Driver Retention Pilot Program (DRP) in previous years is now incorporated in the Retention and Recruitment (R&R) Bonus Category within the Busing Amount of the 2023-24 Student Transportation Grant. The R&R Bonus is intended to support the retention and recruitment of school bus drivers and allocates \$2,363 for each school bus route based on routing simulation results.

While school boards and consortia are not expected to administer or issue these payments to school bus drivers, they shall flow the funds to operators who are in the best position to administer these payments as they employ school bus drivers.

School bus operators will flow the \$2,000 R&R Bonus per school bus route to eligible drivers based on the criteria used in the previous DRP – such as holding an eligible drivers' license, having primary responsibility of employment as a school bus driver, and having a minimum attendance of 95% during the term.

In recognition that operators will incur additional payroll costs to administer the R&R Bonus, and to maximize the amount flowed to eligible drivers, the ministry will be providing additional funding of \$363 per route to offset these costs. This funding is in addition to the funding allocation noted in [B06 Student Transportation Grant – Grants for Student Needs](#). Each eligible route will receive a total \$2,363 in funding. The R&R Bonus including the additional funding for each school board is presented in Table 1 of this memorandum.

Please note that the Spare Driver Category includes provision for R&R Bonus for an additional 5% of school bus routes on top of those covered by the \$38 million under the R&R Bonus Category. School boards and consortia may use this funding to pay for the R&R bonus of contracted drivers of other vehicles such as mini-vans and passenger vehicles.

4. Other Vehicles:

The new funding framework includes **Local Priorities and Operations Amount** to support local operational decisions based on unique circumstances and needs of school boards and consortia. This amount, along with other parts of the Student Transportation Grant (such as the Transition Amount), can be directed to support use of other vehicles such as mini-vans, passenger vehicles, and taxis. The funding formula will be updated annually to reflect changes in enrolment, new routing results, and changes to benchmarks.

Several elements of the new funding formula – such as change to funding for fuel, expectations on funding for driver compensation and administration of R&R Bonus, along with Enhanced Reporting and Accountability measures may require school boards, consortia, and operators to mutually amend their contracts. The ministry will continue to assist school boards, consortia and operators with transitioning to the new funding formula.

Enhanced Reporting and Accountability

With the implementation of the new funding framework for the 2023-24 Student Transportation Grant, the ministry is introducing enhanced reporting to understand how funding is used by school boards, consortia, and operators to deliver transportation services to students.

The reporting will track expenditures incurred by school boards/consortia for busing and public transit, and expenditures incurred by bus operators related to compensation of school bus drivers.

1. Tracking Expenditures of School Boards/Consortia:

School boards/consortia will report the actual expenditures at the end of 2023-24 school year in the attached template (see Appendix 1), which includes:

- Total amount provided to each bus operator, as per contracted rates and aggregated for the year, for bus routes delivering home-to-school busing during the regular school year. This should include the amount related to fuel escalator, as well as daily compensation for drivers, school bus-related costs, driver training and spare capacity (see Section B of Appendix 1)
- R&R Bonus amount provided to each bus operator – this expenditure is to be tracked and reported as a separate payment to bus operators. The Student Transportation Grant provides \$2,363 for each bus route in the R&R Bonus Category. In addition to this, the bonus is also included in the Spare Driver Category for 5% of bus routes – this amount can be used to cover the R&R Bonus cost associated with spare drivers as well as contracted drivers of other vehicles. The R&R Bonus amount is to be flowed to operators bi-annually – with \$1,181.50 per route to be distributed by January 31, 2024, to cover the period of September to December 2023, and the remaining \$1,181.50 per route to be distributed by July 31, 2024, to cover the period of January to June 2024 (see Section B of Appendix 1)
- Amount spent on providing transportation to eligible students using local public transit- expenditures related to the use of public transit, including number of passes/fares purchased for home-to-school transportation during the regular school year. Please consult the Technical Paper 2023-24 for definition of eligible students (see Section C of Appendix 1).

Additional reporting instructions can be found in Appendix 1.

2. Tracking Expenditures by Operators related to Driver Compensation:

School bus operators are to report to each consortium they contract with the total expenditures on driver compensation for bus routes servicing home-to-school transportation related to the consortium during the regular school year (see Appendix 2).

The report should provide:

- Annual expenditures related to school bus driver's compensation for bus routes contracted with the consortium: this amount would include compensation based on daily wages/per-diem rates, statutory as well as non-statutory benefits such as supplemental health. In addition to reporting total expenditures, the report would include the aggregate number of hours of all drivers for contracted bus routes (see Section D of Appendix 2)
- Distribution of R&R Bonus: for each term, the operator is expected to report on expenditure on R&R bonus provided to their drivers. As a default, operators should distribute R&R Bonus based on the criteria used in the previous DRP (see Section E of Appendix 2).

The year-end report for 2023-24 school year is to be submitted to the respective consortium by October 31, 2024.

Additional reporting instructions can be found in Appendix 2.

School boards and consortia are required to submit the 2023-24 school year reports on consortium and school bus operator expenditures on the Student Transportation SharePoint site for their respective organization by November 30, 2024.

Next Steps

As a reminder, Student Transportation Grant includes a provision of about \$89 million in Transition Amount, which is intended to ensure that no school board experiences a decline in funding compared to their allocation from 2022-23 school year. This support is expected to be in place through the 2026-27 school year.

The ministry will continue to work with the sector to review and update the Student Transportation Grant, including routing results, benchmark changes and, Reporting and Accountability measures on an annual basis.

Please note that some of the elements and proposals set out in this memo will take effect when the applicable regulations are made by the Minister of Education or Lieutenant Governor in Council under the *Education Act* or other legislation as required.

Sincerely,

Original signed by

Mehul Mehta
Director
School Board Advanced Supports Branch

c: School Bus Ontario

Attachments:

1. Appendix 1 - 2023-24 School Year Expenditure Report for Student Transportation – Consortium
2. Appendix 2 - 2023-24 School Year Expenditure Report for Student Transportation – School Bus Operator

TABLE 1: RETENTION AND RECRUITMENT AMOUNTS FOR 2023-24

DSB #	DSB Name	Retention & Recruitment (R&R) Bonus Category ¹	5% Spare Driver Category for R&R Bonus ¹	Additional \$363/Route for R&R Bonus ²	Additional \$363/Route for R&R Bonus related to Spare Driver Category ²	Total Additional Funding
		A	B = A * 5%	C	D = C * 5%	(E = C + D)
1	District School Board Ontario North East	\$ 274,918	\$ 13,746	\$ 49,898	\$ 2,495	\$ 52,393
2	Algoma District School Board	\$ 301,738	\$ 15,087	\$ 54,765	\$ 2,738	\$ 57,504
3	Rainbow District School Board	\$ 386,994	\$ 19,350	\$ 70,239	\$ 3,512	\$ 73,751
4	Near North District School Board	\$ 379,880	\$ 18,994	\$ 68,948	\$ 3,447	\$ 72,396
5.1	Keewatin-Patricia District School Board	\$ 114,552	\$ 5,728	\$ 20,791	\$ 1,040	\$ 21,831
5.2	Rainy River District School Board	\$ 61,586	\$ 3,079	\$ 11,178	\$ 559	\$ 11,737
6.1	Lakehead District School Board	\$ 153,410	\$ 7,671	\$ 27,844	\$ 1,392	\$ 29,236
6.2	Superior-Greenstone District School Board	\$ 41,324	\$ 2,066	\$ 7,500	\$ 375	\$ 7,875
7	Bluewater District School Board	\$ 479,540	\$ 23,977	\$ 87,037	\$ 4,352	\$ 91,388
8	Avon Maitland District School Board	\$ 468,010	\$ 23,401	\$ 84,944	\$ 4,247	\$ 89,191
9	Greater Essex County District School Board	\$ 492,880	\$ 24,644	\$ 89,458	\$ 4,473	\$ 93,931
10	Lambton Kent District School Board	\$ 389,346	\$ 19,467	\$ 70,666	\$ 3,533	\$ 74,200
11	Thames Valley District School Board	\$ 1,342,816	\$ 67,141	\$ 243,721	\$ 12,186	\$ 255,907
12	Toronto District School Board	\$ 2,156,222	\$ 107,811	\$ 391,354	\$ 19,568	\$ 410,922
13	Durham District School Board	\$ 897,338	\$ 44,867	\$ 162,867	\$ 8,143	\$ 171,010
14	Kawartha Pine Ridge District School Board	\$ 735,072	\$ 36,754	\$ 133,416	\$ 6,671	\$ 140,086
15	Trillium Lakelands District School Board	\$ 539,866	\$ 26,993	\$ 97,986	\$ 4,899	\$ 102,885
16	York Region District School Board	\$ 1,190,134	\$ 59,507	\$ 216,009	\$ 10,800	\$ 226,810
17	Simcoe County District School Board	\$ 688,288	\$ 34,414	\$ 124,924	\$ 6,246	\$ 131,170
18	Upper Grand District School Board	\$ 866,960	\$ 43,348	\$ 157,353	\$ 7,868	\$ 165,221
19	Peel District School Board	\$ 1,998,018	\$ 99,901	\$ 362,640	\$ 18,132	\$ 380,772
20	Halton District School Board	\$ 608,042	\$ 30,402	\$ 110,360	\$ 5,518	\$ 115,878
21	Hamilton-Wentworth District School Board	\$ 604,360	\$ 30,218	\$ 109,691	\$ 5,485	\$ 115,176
22	District School Board of Niagara	\$ 674,768	\$ 33,738	\$ 122,470	\$ 6,124	\$ 128,594
23	Grand Erie District School Board	\$ 540,454	\$ 27,023	\$ 98,092	\$ 4,905	\$ 102,997

DSB #	DSB Name	Retention & Recruitment (R&R) Bonus Category ¹	5% Spare Driver Category for R&R Bonus ¹	Additional \$363/Route for R&R Bonus ²	Additional \$363/Route for R&R Bonus related to Spare Driver Category ²	Total Additional Funding
		A	B = A * 5%	C	D = C * 5%	(E = C + D)
24	Waterloo Region District School Board	\$ 545,548	\$ 27,277	\$ 99,017	\$ 4,951	\$ 103,968
25	Ottawa-Carleton District School Board	\$ 647,348	\$ 32,367	\$ 117,494	\$ 5,875	\$ 123,368
26	Upper Canada District School Board	\$ 591,990	\$ 29,600	\$ 107,446	\$ 5,372	\$ 112,819
27	Limestone District School Board	\$ 507,450	\$ 25,373	\$ 92,102	\$ 4,605	\$ 96,707
28	Renfrew County District School Board	\$ 216,168	\$ 10,808	\$ 39,234	\$ 1,962	\$ 41,196
29	Hastings and Prince Edward District School Board	\$ 433,058	\$ 21,653	\$ 78,600	\$ 3,930	\$ 82,530
30.1	Northeastern Catholic District School Board	\$ 87,804	\$ 4,390	\$ 15,936	\$ 797	\$ 16,733
30.2	Nipissing-Parry Sound Catholic District School Board	\$ 100,178	\$ 5,009	\$ 18,182	\$ 909	\$ 19,091
31	Huron-Superior Catholic District School Board	\$ 121,272	\$ 6,064	\$ 22,011	\$ 1,101	\$ 23,111
32	Sudbury Catholic District School Board	\$ 174,432	\$ 8,722	\$ 31,659	\$ 1,583	\$ 33,242
33.1	Northwest Catholic District School Board	\$ 32,216	\$ 1,611	\$ 5,847	\$ 292	\$ 6,140
33.2	Kenora Catholic District School Board	\$ 30,320	\$ 1,516	\$ 5,503	\$ 275	\$ 5,778
34.1	Thunder Bay Catholic District School Board	\$ 142,236	\$ 7,112	\$ 25,816	\$ 1,291	\$ 27,107
34.2	Superior North Catholic District School Board	\$ 18,692	\$ 935	\$ 3,393	\$ 170	\$ 3,562
35	Bruce-Grey Catholic District School Board	\$ 154,462	\$ 7,723	\$ 28,035	\$ 1,402	\$ 29,437
36	Huron Perth Catholic District School Board	\$ 193,992	\$ 9,700	\$ 35,210	\$ 1,760	\$ 36,970
37	Windsor-Essex Catholic District School Board	\$ 275,296	\$ 13,765	\$ 49,966	\$ 2,498	\$ 52,465
38	London District Catholic School Board	\$ 501,192	\$ 25,060	\$ 90,966	\$ 4,548	\$ 95,515
39	St. Clair Catholic District School Board	\$ 182,656	\$ 9,133	\$ 33,152	\$ 1,658	\$ 34,810
40	Toronto Catholic District School Board	\$ 1,341,842	\$ 67,092	\$ 243,544	\$ 12,177	\$ 255,722
41	Peterborough Victoria Northumberland and Clarington Catholic District School Board	\$ 382,574	\$ 19,129	\$ 69,437	\$ 3,472	\$ 72,909
42	York Catholic District School Board	\$ 563,872	\$ 28,194	\$ 102,343	\$ 5,117	\$ 107,460
43	Dufferin-Peel Catholic District School Board	\$ 721,798	\$ 36,090	\$ 131,006	\$ 6,550	\$ 137,557
44	Simcoe Muskoka Catholic District School Board	\$ 423,814	\$ 21,191	\$ 76,922	\$ 3,846	\$ 80,768
45	Durham Catholic District School Board	\$ 312,664	\$ 15,633	\$ 56,749	\$ 2,837	\$ 59,586
46	Halton Catholic District School Board	\$ 313,966	\$ 15,698	\$ 56,985	\$ 2,849	\$ 59,834

DSB #	DSB Name	Retention & Recruitment (R&R) Bonus Category ¹	5% Spare Driver Category for R&R Bonus ¹	Additional \$363/Route for R&R Bonus ²	Additional \$363/Route for R&R Bonus related to Spare Driver Category ²	Total Additional Funding
		A	B = A * 5%	C	D = C * 5%	(E = C + D)
47	Hamilton-Wentworth Catholic District School Board	\$ 351,642	\$ 17,582	\$ 63,823	\$ 3,191	\$ 67,014
48	Wellington Catholic District School Board	\$ 183,858	\$ 9,193	\$ 33,370	\$ 1,669	\$ 35,039
49	Waterloo Catholic District School Board	\$ 252,456	\$ 12,623	\$ 45,821	\$ 2,291	\$ 48,112
50	Niagara Catholic District School Board	\$ 353,234	\$ 17,662	\$ 64,112	\$ 3,206	\$ 67,318
51	Brant Haldimand Norfolk Catholic District School Board	\$ 261,474	\$ 13,074	\$ 47,458	\$ 2,373	\$ 49,830
52	Catholic District School Board of Eastern Ontario	\$ 376,012	\$ 18,801	\$ 68,246	\$ 3,412	\$ 71,658
53	Ottawa Catholic District School Board	\$ 434,652	\$ 21,733	\$ 78,889	\$ 3,944	\$ 82,834
54	Renfrew County Catholic District School Board	\$ 135,892	\$ 6,795	\$ 24,664	\$ 1,233	\$ 25,898
55	Algonquin and Lakeshore Catholic District School Board	\$ 393,248	\$ 19,662	\$ 71,375	\$ 3,569	\$ 74,943
56	Conseil scolaire public du Nord-Est de l'Ontario	\$ 86,300	\$ 4,315	\$ 15,663	\$ 783	\$ 16,447
57	Conseil scolaire public du Grand Nord de l'Ontario	\$ 87,610	\$ 4,381	\$ 15,901	\$ 795	\$ 16,696
58	Conseil scolaire Viamonde	\$ 725,928	\$ 36,296	\$ 131,756	\$ 6,588	\$ 138,344
59	Conseil des écoles publiques de l'Est de l'Ontario	\$ 393,018	\$ 19,651	\$ 71,333	\$ 3,567	\$ 74,899
60.1	Conseil scolaire de district catholique des Grandes Rivières	\$ 231,288	\$ 11,564	\$ 41,979	\$ 2,099	\$ 44,078
60.2	Conseil scolaire de district catholique Franco-Nord	\$ 108,096	\$ 5,405	\$ 19,619	\$ 981	\$ 20,600
61	Conseil scolaire de district catholique du Nouvel-Ontario	\$ 171,196	\$ 8,560	\$ 31,072	\$ 1,554	\$ 32,626
62	Conseil scolaire de district catholique des Aurores boréales	\$ 26,476	\$ 1,324	\$ 4,805	\$ 240	\$ 5,046
63	Conseil scolaire catholique Providence	\$ 306,112	\$ 15,306	\$ 55,559	\$ 2,778	\$ 58,337
64	Conseil scolaire catholique MonAvenir	\$ 959,200	\$ 47,960	\$ 174,095	\$ 8,705	\$ 182,800
65	Conseil scolaire de district catholique de l'Est ontarien	\$ 307,782	\$ 15,389	\$ 55,862	\$ 2,793	\$ 58,656
66	Conseil scolaire de district catholique du Centre-Est de l'Ontario	\$ 547,392	\$ 27,370	\$ 99,352	\$ 4,968	\$ 104,319

Notes:

1. Retention and Recruitment (R&R) Bonus Category (column A) and 5% Spare Driver Category for R&R Bonus (column B) as noted in *B06 Student Transportation Grant – Grants for Student Needs*.
2. The \$363/Route for R&R Bonus (column C) and the related Spare Driver funding (column D) is in addition to the funding allocation noted in *B06 Student Transportation Grant – Grants for Student Needs*.