

Ministry of Education

Education Labour and Finance
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Ministère de l'Éducation

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2024:SB13

Date: July 22, 2024

Memorandum to: Secretary Treasurers of School Authorities (Isolate Boards)

From: Andrew Yang
Director
Financial Analysis and Accountability Branch

Xiaofei Wang
Director
Education Modelling and Forecasting Branch

Subject **2024-25 Estimates Forms for School Authorities (Isolate Boards)**

I am writing to provide you with information about the Ministry of Education's Core Education Funding (Core Ed) for isolate boards for 2024-25 further to [Memorandum 2024:B05 — 2024-25 Core Education Funding \(formerly Grants for Student Needs\)](#).

Details of the funding model are outlined in the Technical Guide for School Boards, alongside other supporting Core Ed materials, found on the ministry's [Education Funding webpage](#). The Core Education Funding Adaptations: Technical Guide for Isolate Board School Authorities, which notes the funding adaptations for isolate boards for 2024-25, is also available on the [Education Funding webpage](#).

The 2024-25 Estimates forms for isolate boards in Excel format and related instructions for completion will be provided to each isolate board separately.

TRAINING MATERIALS

There are significant changes to the Estimates forms due to the restructuring of the funding formula from the Grants for Student Needs (GSN) to Core Education Funding (Core Ed). To help school boards understand these changes, the ministry is providing the following reference materials in the Estimates forms release email:

- Changes to the Education Funding Formula
- GSN to Core Education Funding (“Core Ed”) – Allocation Map

If you have questions after reviewing the reference materials, please submit them by email to your ministry financial analyst.

IMPORTANT NOTES ON 2024-25 REPORTING

1. Ministry Approval for In-year Deficits

Under the *Education Act*, a school board (including isolate boards) shall not have an in-year deficit for a fiscal year unless authorized under Ontario Regulation 280/19

Calculation of Maximum In-year Deficit. A school board must seek Minister’s approval if:

- 1) The in-year deficit exceeds the lower of one per cent of the school board’s operating revenue or the accumulated surplus for the preceding school year.
- 2) The school board has an in-year deficit within the above noted threshold, but the school board does not submit an approved In-Year Deficit Elimination Plan (IYDEP) that eliminates the in-year deficit within the required timelines as specified in the regulation.
- 3) The school board is incurring an in-year deficit for a third consecutive year.

The “Compliance Report – Balanced In-Year Position Requirement” form has been updated to list the above three conditions where a school board’s in-year deficit will be non-compliant and subject to Minister’s approval. An in-year deficit approval request must be submitted to the school board’s ministry financial analyst as soon as possible to ensure approval prior to the start of the 2024-25 school year.

As a reminder, requests should also be submitted at any time during the school year where the school board becomes aware that it has an in-year deficit requiring Minister’s approval, including where an in-year deficit was approved earlier in the fiscal year but has increased since the approval.

2. Labour and Bill 124 Updates

The Core Ed benchmarks in the 2024-25 Estimates forms for isolate boards reflect the 2022-26 central agreements of teachers’ federations and education workers’ unions in

the isolates boards, the results of the binding interest arbitration for ETFO and OSSTF, as well as the ongoing impacts related to the monetary resolution to Bill 124.

Please note that the ministry will reflect the retroactive impacts of the monetary resolution to Bill 124 to the isolate boards' 2022-23 and 2023-24 Financial forms at a later time.

Estimates Submission

Please submit your 2024-25 Estimates through SharePoint by **September 27, 2024**.

In addition, the following documents should be submitted by authorized users to the SharePoint site by **September 27, 2024**:

· The certificate signed by the Supervisory Officer (in PDF)
· Compliance Report
· In-Year Deficit Elimination Plan, if required

Late Submissions

If an isolate board is unable to meet the reporting deadline due to extenuating circumstances, please contact your ministry financial analyst or finance officer to discuss the need for an extension to the due date.

If the Estimates' submission is not received by the due date, the ministry may implement cash flow withholding until the submission is received. The cash withholding amount is equal to a 50% reduction in the isolate board's regular cash flow. Upon submission of the Estimates, the ministry will revert to the normal monthly payment process and will include in the monthly payment the total amount withheld up to that point.

Notice

Some of the elements, plans and proposals set out in this memo and in the Estimates forms can only take effect if certain regulations are made by the Minister of Education or the Lieutenant Governor in Council under the *Education Act* or other regulations as required. Such regulations have not yet been made. Therefore, the content of this memo is subject to such regulations, if and when made.

Contacts

If you have any questions related to the completion of the Estimates package, please contact:

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Sincerely,

Original signed by

Andrew Yang
Director
Financial Analysis and Accountability Branch

Xiaofei Wang
Director
Education Modelling and Forecasting Branch

cc: Isolate Board Supervisory Officers