Simcoe County District School Board

2014-2015 Budget

BUILDING ON OUR PROGRESS
In Learning, Teaching and Leading

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OPERATING REVENUES

Grants for Student Needs (GSN)

On March 27th, the Ministry of Education provided an early release (in the absence of an approved provincial budget) of Ministry Memorandum 2014:B04 and the associated Technical Paper.

The following are key components of the 2014-15 GSN that support public education in Ontario.

Full-Day Kindergarten (FDK) Implementation

Total GSN funding for 2014-15 is expected to increase by 3.1% in part due to the full implementation of FDK and the associated transfer of funding being moved from Education Programs – Other (EPO) into the GSN.

The Elementary Pupil Foundation Grant, currently organized in two grade groupings – Primary (JK to Gr. 3) and Junior/Intermediate (Gr. 4 to Gr. 8) will be reconfigured into three groupings – Kindergarten (JK/K), Primary (Gr. 1 to Gr. 3), and Junior/Intermediate (Gr. 4 to Gr. 8). Each group will be funded on the basis of its unique class size standards and staffing model.

Funding for Designated Early Childhood Educator (DECE)'s, which was previously provided through an EPO, will be allocated through the Kindergarten Pupil Foundation Grant, with funding to recognize the salary grid for DECE's through the Cost Adjustment and Teachers Qualifications and Experience Grant.

The Declining Enrolment Adjustment Grant has been revised for 2014-15 so that it is held harmless against the increase in Kindergarten Average Daily Enrolment (ADE) resulting from the FDK transfer in to the GSN.

Classrooms identified as a Kindergarten room in the School Facility Information Systems (SFIS) will have their on –the –ground (OTG) capacities automatically revised to 26, to reflect the average FDK class size.

Like all other elementary pupils, students in FDK who are enrolled for at least 210 minutes per school day will be "full-time" for the purposes of calculating ADE. Any student who is receiving less than an average of 210 minutes of instruction will be considered "part-time" for the purposes of calculating ADE.

Any other allocation in the GSN that uses ADE as a factor will automatically be adjusted for the change in FDK ADE.

The Ministry will continue to provide Early Years Lead positions in all school boards as an EPO transfer outside the GSN.

Labour Framework

Collective agreements in the sector expire on August 31, 2014. In the absence of new collective agreements being in place on September 1, 2014, and in accordance with the *Ontario Labour Relations Act*, the existing terms and conditions of employment, in the expired collective agreements, will continue into the 2014-15 school year, unless these terms and conditions are specifically time limited in the current collective agreements

The delay in salary grid movement (commonly referred to as the 97th day provision) would continue in to the 2014-15 school year. Unpaid days are specific to the 2013-14 school year, and will not continue into 2014-15.

The statutory freeze would also carry-over to the 2014-15 school year and would apply to monetary collective provisions including benefit levels and practices, long-term disability, maternity leave benefits, sick leave/short-term disability plan, and WSIB benefits. These provisions are supported by funding commitments agreed to as part of the Implementation Cost Estimates (ICE) Working Group process and includes funding for an additional sick day, expanding eligibility for sick leave, and expanded benefits for maternity leave.

School Board Efficiencies and Modernization (SBEM)

The Ministry is taking a measured and phased approach to promoting a more efficient use of school space. The strategic approach being implemented includes the following:

- revising the GSN to incent boards to make a more efficient use of space;
- revising the Pupil Accommodation Review Guideline (PARG) to make the process more effective for boards and the community;
- providing more capital funding to support consolidations and right-sizing of school facilities;

- providing funding to boards to build planning capacity where there is a need to address underutilized schools; and
- consulting with the sector on a regular basis on issues related to the GSN, including issues related to making more efficient use of school space.

Revisions to the GSN include changes to Base Top-up funding that will incent Boards to make better use of underutilized space. $23.8M (56.1%) of the province-wide savings will be reinvested in Supported Schools and Capital Planning Capacity.

Other Capital Investments

Capital Priorities

The Ministry has finalized the 2014-15 Capital Priorities that will be funded. The SCDSB has received approval for a new school in Alcona and an addition at Victoria Harbour that will enable the consolidation of Port McNicoll, Victoria Harbour, and Wabaushene on a renovated Victoria Harbour site. The source of funding for these projects is a combination of Capital Priorities, FDELKP Capital, and proceeds of disposition.

School Condition Improvement (SCI)

Over the next three years, the Ministry is making a new investment of $1.25B in SCI funding, with $250M to be allocated in 2014-15 and $500M in each of 2015-16, and 2016-17. The Ministry also intends to develop enhanced accountability measures for school board reporting of SCI expenditures for the 2015-16 school year.

Land and Temporary Accommodations

The Ministry will continue to support costs related to temporary accommodation, which includes lease for permanent instruction space, portable leases and purchases, and portable moves. The Ministry will also continue to support land purchases tied to approved capital priorities.

Other Funding Formula Reforms

Changes to School Board Administration Funding

In 2010, an advisory group was established to develop a new funding model for school board administration. The new model is to replace the largely enrolment-based allocations with an approach that better reflects the key cost drivers and cost structures of school boards.

The advisory group has provided a report to the Ministry and based on the recommendations in the report, the Ministry will begin to implement a new allocation model for the key components of the grant. The new model fully implements the recommendations in the report, except for the two-year phase-in period. The grant adjustment will be phased-in over a four-year period. There has been some legitimate concern expressed about the new model. The government is open to an evidence-based review of the new model as part of future GSN consultations.

Special Education

The High Needs Amount (HNA) of the Special Education Grant continues to evolve based on extensive consultation with stakeholder representatives. The changes being implemented will be phased-in over a four year period. The impact of this change is favourable to the SCDSB in the 2014-15 school year.

Mental Health Leaders

Effective 2014-15, the funding for Mental Health Leaders is being moved from an EPO into the GSN. This will occur via a separate component of the Learning Opportunities Grant (LOG). This funding will be enveloped to ensure there is at least one Mental Health leader in every school board.

Keeping Up With Costs

Student Transportation

The Student Transportation Grant will be increased by 2 percent in 2014-15 to recognize higher operating costs. In addition, funding adjustments due to fuel price changes will continue to be triggered by the escalation and de-escalation mechanism throughout the 2014-15 school year.

Utilities

The Ministry will provide a 2 percent cost benchmark update to the non-staff portion of the School Operations Allocation benchmark in 2014-15, to assist boards in managing the increases in commodity prices (natural gas, electricity, facility insurance, and other costs). There will be additional funding provided to further assist boards with electricity costs in 2014-15. In total, the electricity benchmark in the School Operations Allocation will increase by 7.3%.

Construction Benchmarks

Effective for the 2013-14 Capital Priorities announcement, the Ministry is increasing both the construction and the cost benchmarks by 4% to reflect increased construction costs since the benchmark was last updated in 2011.

Accountability

Historically, some school boards have used their School Renewal Allocation on renewal expenditures that are considered operating expenditures rather than capital expenditures. This has not been the case at SCDSB. Effective 2014-15, the Ministry is taking steps to protect school renewal funding for use on capital expenditures. School renewal monies will be enveloped. This new mechanism will ensure that dollars received will be protected for capital expenditures.

As the Ministry consults further on sector efficiencies and modernization, they will focus on streamlining all reporting requirements where possible. There will be increased accountability on funding targeted for the government's key priorities to better understand how such allocations were used for the intended purpose. Allocations of particular focus will be those in the Learning Opportunities Grant (LOG) that directly support student achievement objectives, as well as the funding in the GSN that helps ensure safe learning environments.

OPERATING EXPENDITURES

Consistent with prior years, the 2014-15 operating expenditures are organized into three categories. The first category, *Schools*, includes expenditures for elementary and secondary regular day school programming, school support, and adult and continuing education. Not included in the *Schools* section are targeted funding for specific instructional and support programs such as Special Education, Student Success, New Teacher Induction Program (NTIP), Safe Schools and First Nations, Métis and Inuit. These are included in the second category, *Targeted Programs*, which includes expenditures that must be made on specific programs or set aside for future use, although not formally enveloped for regulatory compliance. The third category of expenditure is, *System Services*, which includes Board Administration and Governance, Instructional Services, Leadership Development, School Operations and Transportation.

School boards are mandated to have balanced budgets, requiring total spending to be equal to, or less than, total revenue. An in-year deficit is permissible if prior surpluses exist – represented in Accumulated Surplus on the board's Statement of Financial Position. The draw on accumulated surplus is limited by regulation to ensure that this action does not place the board in undue financial risk. The draw on accumulated surplus is limited to the lesser of the board's accumulated surplus for the preceding year and 1% of the board's operating revenue. The 2014-15 budget is compliant with the imposed limitations.

Schools

The 2014-15 budget makes investments in demonstrated high-yield supports a priority. A significant change in 2014-15 is the inclusion of 11 Instructional Resource Teachers (IRT's) to support enhanced technology enabled learning across the K-12 curriculum.

Centralized program supports will continue to emphasize literacy, numeracy, technology integration, arts and culture, English Language Learners (ELL's), and early learning.

Elementary School expenditures (Schedule OE-1) include:

- elementary classroom teachers allocated to schools based on enrolment and class size
- potential for triple-grade groupings in small schools
- French Immersion (FI) teachers for schools to deliver French Immersion instruction for Board-approved FI classes
- French Second Language (FSL) teachers for schools to deliver FSL instruction
- Extended French Second Language (EFSL) teachers for Board-approved EFSL classes
- one teacher librarian per school, consistent with the Board's current collective agreement with Elementary Teachers Federation of Ontario (ETFO)
- one principal per school, with 0.2 FTE teaching assignment in schools with less than 230 pupils
- vice-principals allocated to schools in relation to enrolment and the specific needs of each school, based on student achievement data, school climate, and other sources of input
- support for school offices – staff and non-staff resources
- School Basic Budget (SBB) allocation

Secondary schools will be supported by a complement of 17 FTE Student Success teachers. Board consultants will support department chairs and teachers as they develop strategies for effective teaching and assessment practices, and to embed technology in the classroom. The focus of secondary school programming will continue to be literacy and numeracy, with a commitment to pathway programs for all students.

Secondary School expenditures (Schedule OE-2) include:

- secondary classroom teachers allocated to schools based on enrolment and class size
- teacher librarians to ensure libraries are available to students throughout the instructional day
- guidance teachers allocated based on enrolment
- a principal in each school
- vice-principals allocated based on enrolment
- support for school offices - staff and non-staff resources
- School Basic Budget (SBB) allocation

School Support (Schedule OE-3) includes:

- centralized support for school administration, including the enrolment and admissions team supporting student information systems and Ontario Student Information System (OnSIS) reporting, as well as school generated funds, staff in the Newcomer Welcome Centre, and a Registered Practical Nurse
- IT staff who directly support schools, including Computer Systems Engineers and Computer Network Technicians

Adult and Continuing Education (Schedule OE-4) includes:

- teachers and resources for delivery of secondary credit programs to pupils 18 to 21+ years of age
- teachers, instructors and supports for adult and continuing education programs, including remedial programs, summer school, night school, international languages, and English Language Learners adult non-credit programs
- programs for fee-paying students, such as Driver Education, personal support worker program, computer training classes and corporate training
- contract programs such as Career Centre, Literacy and Basic Skills, and education programs delivered to pupils at the Central North Correction Centre
- Principal and Vice-Principal allocations to support programs
- support for site offices – staff and non-staff resources

School Basic Budget

The board is in the second year of implementing a new School Basic Budget funding model. The model was first introduced in the 2013-14 school year. Many of the fixed costs in the schools that were previously covered by School Basic Budget have been reallocated and are paid for centrally. There continues to be some fixed costs at the school level that are paid for by the School Basic Budget. As such, there is a need for the model to have a component of base funding that covers fixed costs combined with a per pupil funding allocation to cover the variable costs attributed to the School Basic Budget. The new funding formula reflects a change from a variable base component (school size dependent) to a standard base component, for all elementary schools. Incremental changes in School Basic Budget funding phase-in will be completed in 2015-16.

School Technology

The investments in information and communication technology for 2014-15 are found below. These investments focus on continued investment in the infrastructure required to continue to provide secure data connections between the SCDSB, the Ministry of Education, and all locations with the SCDSB. The investments reflect the priorities and needs of the SCDSB with a focus to improve student achievement through the use of technology in every classroom and teaching area of the board.

Internet bandwidth - The increased demand for Internet bandwidth is due to the bring your own device (BYOD) project as it continues to grow. Each device connected to the guest wireless by a student, employee, or visitor increases the demand on the Internet bandwidth. The use of the Internet in curriculum delivery has also increased the demand on the Internet bandwidth. The increasing richness of content on the Internet and the increased use of multimedia on the Internet means that the bandwidth will need to grow to keep up with demand

Elementary Wireless Access Points (APs) -- The elementary wireless APs are being replaced over a three year period. The original equipment cannot provide the speed that today's technology require

Additional Wireless APs -- The increase in the use of wireless equipment increases the demand on the wireless APs. The speed will be impacted as more devices share an access point. When congestion is identified on the wireless network there is a need to provision additional access points to meet the demand

Tablet Strategy – staff continue to investigate how best to integrate tablet technology into both the classroom and administrative environments. A project team is actively working on the strategy to ensure an efficient and effective solution that helps facilitate student achievement and administrative efficiencies in a cost effective manner

School Information Revitalization – with the implementation of the new SCDSB website, investment is now being shifted to revitalize school websites

Microsoft 365 – the board is adopting Microsoft 365 (O365) as its cloud-based solution. Implementation of O365 has already begun and will continue throughout the 2014-15 school year.

In addition to the projects specifically listed above, the budget includes IT infrastructure allocations for centralized funding, for school office technology (based on a five-year lifecycle), for improved encryption of devices, and to enhance data security.

Technological Education/Program Renewal

In 2014-15, SCDSB will be in the third year of a five-year planned renewal of technological education programs, in order to position the board as a provincial leader in technological education with a focus on the following strategies:

Board Vision for Technological Education

A key deliverable for the renewal of technological education is an exciting vision for SDCSB that positions the board as Ontario's leader in technological education. Entering the third year of this renewal, consultation has been ongoing with students, teachers, administrators and multiple external stakeholders, including community groups, industry and post-secondary institutions. Labour market information has also been collected as a means of projecting the demand for technology graduates in the various sectors. This detailed analysis of current and projected employment opportunities for graduates includes a description of available post-secondary educational pathways. The total five-year investment is anticipated to exceed $7.5M.

School Technology Program Plans

All secondary schools have developed plans that are currently being expanded and adapted using data obtained by internal and external research to ensure the optimal program mix is established. Criteria used in determining the program mix include the following:

- supports the maximum number of students with various educational pathways

- alignment with board goals for student success
- appropriate facilities are available

The renewal of the curriculum and the upgrading of facilities have meant that equipment is being upgraded or replaced. The rapid advancement of technologies worldwide necessitates our students having hands-on experience with current information technologies and machines.

Technological Education Program Facilities

Several technological program facilities have undergone major renovations, with many other renovations planned for both the summer of 2014 and 2015. Some older facilities will be repurposed for new technology programs that are better designed to support student learning and create legitimate future pathways for students.

Health and Safety in Technology Programs

As part of the overall technology renewal, SCDSB is making significant investment in new processes and equipment that ensures the safest possible learning environments. All technology equipment will include the best safety features available, such as full guarding and emergency shut-off controls. The goal is to instill a life-long culture of health and safety into all students.

Technological Education Curriculum

All facilities and equipment have been carefully designed to support the delivery of the Ministry of Education Technological Education Curriculum. Consequently, teachers have been and will continue to work closely with colleagues, industry and post-secondary educators to design and deliver the best possible curriculum to engage and prepare students for success after high school. The renewal of technological education programs is dependent on teacher involvement and preparation. Support has been and will continue to be provided, to help teachers enhance their curriculum, learn new technologies and become more engaged with key stakeholders in the community.

Community Partnership

As the Technological Education Program Renewal Plan is implemented, it is imperative that our community partnership grows and evolves, focussing on student success in college, university or the workplace.

Technology Enabled Learning (TEL)

Effective 2014-15, SCDSB will be making its initial strategic investment in technology enabled learning. With the inclusion of a Principal of Innovation and 11 IRT's to support and increase capacity in the system for TEL, it is necessary to make an investment in the hardware required to support TEL. As a result, SCDSB is investing $1M in tablet-

based technologies for schools. It is anticipated that the board-wide TEL strategy will be fully implemented over a 3 to 5 year period.

Full-Day Early Learning Kindergarten Program (FDELKP)

2014-15 is the fifth and final year of a five-year implementation plan by the Ministry of Education for the FDELKP. Once fully implemented, SCDSB anticipates 264 FDELKP classes at 87 elementary schools of the board.

The government recently legislated FDELKP class size at a ratio of 26:1. Each class has 1.0 FTE Teacher and 1.0 FTE DECE assigned to the class for educational purposes. The additional revenues received for FDELKP are offset by additional staff costs (Teacher, DECE, Custodian), learning materials and utilities.

Targeted Programs

Targeted programs include Student Success, Safe Schools, First Nation, Métis and Inuit Program, and the New Teacher Induction Program, as well as supplementary grant programs. These programs are all specifically funded and have reporting requirements independent of those for the GSN. The funding for these targeted programs are not enveloped for compliance purposes, however, they are restricted for their intended use by the Ministry of Education.

Grade 7 and 8 Literacy and Numeracy

The 2014-15 budget allows for the continuation 5.5 Student Success teachers to be deployed at the grades 7 and 8 levels. This continuation of funding for these additional teachers comes as a result of an agreement established during the previous Provincial Discussion Table (PDT). These additional teachers will continue to support the work within the student success portfolio, with respect to moving the student achievement agenda forward. Specifically, the additional teachers will be involved in staff development in support of student success initiatives (e.g., literacy, numeracy and differentiated instruction/assessment), direct student advocacy, and mentoring, tracking and monitoring of data related to at-risk students, and student success interventions. In their work, these teachers will make cross-panel (elementary and secondary)

connections that will ensure smoother transitions for our students as they move from elementary to secondary schools.

Special Education

Additional funding is provided through special purpose grants, including a Special Education Grant (SEG), based on specific costs or needs that affect some boards and

some students more than others. The SEG provides additional funding, beyond the Pupil Foundation Grant, for students who need special programs, services and equipment. SEG funding is enveloped, which means this funding can only be used for those students who require special education programs, services or equipment. The SEG includes five components – the Special Education Per-Pupil Amount, the High Needs Amount, the Special Equipment Amount, the Special Incidence Portion, and the Behaviour Expertise Amount.

As a result of the increase in the number of classes for the FDELKP, there have been incremental resources provided to Special Education, to support the needs of students who may be entering the system in their early learning years, and who may require system supports normally provided through Special Education.

On an annual basis, any budget savings that might accrue remain with Special Education and are available for future spending by Special Education, to support the needs of students.

System Services

School Board Administration and Governance

Board Administration is an enveloped funding stream under which the board may not exceed its allocation. SCDSB has been fiscally responsible and has consistently complied with enveloping requirements. The 2014-15 budget will once again meet the requirement for compliance. A reduction in the declining enrolment grant along with increased levels of accountability, transparency and expectations for information continue to put increasing pressure on this envelope of funding. Surplus funds from the School Board Administration and Governance envelope are used as additional resources to meet the needs of schools and students.

School Operations

School operations includes custodial services, maintenance services, utilities, planning and health and safety. The 2014-15 budget provides a surplus of funding over expenditures. The investment the board has made in energy savings the past several

years, along with the increased Ministry benchmarks for utilities and energy, has resulted in a surplus that has been transferred to support student achievement in the classroom.

Transportation

Transportation services are provided to SCDSB through the Simcoe County Student Transportation Consortium (SCTSC). The consortium is an independent legal entity

with its own Board of Directors appointed from the two member organizations, SCDSB and Simcoe Muskoka Catholic District School Board (SMCDSB).

Funding received by the board in support of transportation services is flowed directly to the Consortium. As an independent legal entity, the Consortium has fiduciary responsibility for the funding received and is accountable to its Board for financial viability. The board is comfortable that the Consortium has the appropriate controls in place, enabling the flow-through of funding to occur.

The board anticipates the consortium to run a balanced budget for the 2014-15 fiscal year.

Summary

Having considered the goals and priorities of *The Simcoe Path*, and the desired outcomes of the Board Improvement Plan, Administration is confident that the 2014-15 budget is fiscally responsible and will allow staff to build on our progress and to make the necessary investments for long-term student achievement and success.