

2006: B8

MEMORANDUM TO: Directors of Education
Secretary/Treasurers of School Authorities

FROM: Nancy Naylor
Assistant Deputy Minister

DATE: June 12, 2006

SUBJECT: Education Funding for 2006-07

I am writing to provide you with information about changes to education funding for 2006-07. This will assist your school board in developing its budget for the school year that starts in September 2006.

In 2006-07, the government will allocate almost \$17.5B to elementary and secondary education through the Grants for Student Needs (GSN). This represents an increase of \$600M over the GSN allocation for 2005-06. The government will also continue to support other important initiatives with investments of more than \$200M outside the funding formula, including support for the Literacy and Numeracy Secretariat, Student Success, the renewal of the teaching profession and parent engagement.

It should be noted that the information in this memorandum is provided in advance of the release of the 2006-07 Grants for Student Needs regulation.

The initiatives and investments described herein must be implemented by, and are conditional upon, the approval of this regulation by the Lieutenant Governor in Council.

The Ministry intends to seek this approval in June 2006 and will advise you when the regulation is released.

A. OVERVIEW

In 2006-07, there will be a realignment of the GSN to address two key issues in education funding: the fixed costs of operating schools and the outdated benchmarks for teacher salaries. This realignment will result in an education funding formula that more clearly recognizes the real costs faced by school boards.

The government will continue its investments in the four-year labour framework and Primary class size reduction. The 2006-07 school year will see a renewed commitment to achieving long-term reform of funding for special education and student transportation. Funding for new capital programs will also be introduced.

Specific funding enhancements and changes to the GSN for the 2006-07 school year can be categorized under the following headings:

(1) Realignment

- Introduce a School Foundation Grant that ensures each school is properly resourced for in-school administration. Funding for principals, vice-principals, school secretaries and school office supplies will be provided on a per-school basis through this new grant (page 3).
- Close the gap, through a realignment of funding, between actual teacher salaries paid by school boards and the funding for salaries provided through the Foundation Grant and the Cost Adjustment and Teacher Qualifications and Experience Grant (page 5).

(2) Labour framework

- Support the four-year labour framework agreement and the multi-year plan to increase teaching staff in elementary and secondary schools. The province will also fund the full cost – both the provincial and school board shares – of the increase in elementary teachers' preparation time under the labour framework in 2006-07 (page 6).

(3) Primary class size

- Support improved student achievement through reductions in Primary class sizes (page 7). Memorandum **2006: B7 – 2006-07 Primary Class Size Funding and PCS Plan**, which was sent to boards on June 5, 2006, has already provided detail on the Primary class size initiative for 2006-07.
- Invest in Primary class size capital needs in preparation for the cap on Primary class size in 2007-08 (page 7).

(4) Capital

- Support Stage II and the Prohibitive-to-Repair components of the Good Places to Learn plan to invest in repairs, renovations and replacements of school facilities (page 8).
- Invest in other capital needs, including funding for new schools in localized growth areas (page 10), Best Start child care centres (page 11), accommodation needs of French-language school boards (page 11), and capital debt commitments (page 12).

(5) New funding approaches

- Begin reform of Special Education funding in response to recommendations from the Working Table on Special Education (page 13).
- Support school boards with additional investments as transportation reforms begin to be implemented in 2006-07 (page 14).

(6) Other investments

- Assist boards with the costs of utilities and trustee remuneration (page 15).
- Continue the government's multi-year investment in French-language school boards in response to the recommendations of the French-Language Education Strategy Task Force (page 15).

(7) Reporting and accountability

- Many of the reporting requirements remain unchanged. However, enveloping restrictions have been modified to reflect the realignment of funding. For example, compliance for classroom spending requiring unspent amounts to be put into reserves will be removed (page 16).
- New reporting and compliance requirements have been introduced for spending on board administration (page 16) and Primary class size funding (see the memorandum of June 5, 2006: B7 – 2006-07 Primary Class Size Funding and PCS Plan).

B. REALIGNMENT

School Foundation Grant

In 2006-07, a new, \$1.1B School Foundation Grant will be introduced to consolidate funding for in-school administration and leadership (principals, vice-principals, school secretaries) and school office supplies.

The School Foundation Grant will provide funding for a full-time principal and school secretary for all eligible schools. Schools with fewer than 50 pupils will be provided with 0.5 FTE of a principal. Funding for vice-principals will reflect school size based on Average Daily Enrolment. Funding for additional secretaries and school office supplies will also increase with enrolment. See **Appendix 1**, page 18 below, for further details.

Funding through the School Foundation Grant will replace funding that is currently provided for in-school administration and supplies through the following components of the GSN:

GRANT	COMPONENTS REPLACED BY SCHOOL FOUNDATION GRANT
Foundation	<ul style="list-style-type: none">• Per-pupil allocations for In-School Administration
Geographic Circumstances	<ul style="list-style-type: none">• School Administration Component of the Rural Schools Allocation• School Administration Component, Per Pupil Component, School Component, and Board Amount Component of the Distant Schools Allocation

	<ul style="list-style-type: none"> • Investment in Principals Component • 8 per cent of Remote & Rural Allocation*
Learning Opportunities	<ul style="list-style-type: none"> • 9 per cent of the portion of the Demographic Component introduced in 1998-99*
<p>* These percentages represent the amount in each grant that was notionally allocated to in-school administration.</p>	

To support this realignment, the government is providing an additional \$35M in annual funding to enhance the new School Foundation Grant.

It should be noted that, while the new grant will ensure that there are resources for a base level of staffing in every school, school boards continue to be responsible for decisions about the allocation of in-school administration staff to schools.

Salary benchmarks for in-school administration

Salary benchmarks for principals, vice-principals, and school secretaries will be increased by 8.3 per cent to better reflect existing school board costs for in-school administration. The percentages used to calculate benefit levels will be adjusted to 11.1 per cent for principals and vice-principals and 16.65 per cent for school secretaries. This means that boards will continue to receive their current level of funding for benefits, adjusted for increases to reflect the labour framework.

Definition of "school"

The School Foundation Grant will use the following criteria to define a school and its eligibility for funding under the new grant. According to these criteria, a school is a:

SINGLE CAMPUS - a facility or collection of facilities operated by the same board that lie on a same site; or

SINGLE PROGRAM - a facility or collection of facilities operated by the same board that form a single program.

In cases where multiple facilities and/or programs are grouped to form a "school" for the purposes of the School Foundation Grant, the "school" is identified as:

- An Elementary school if all the facilities and/or programs offer elementary-level instruction;
- A Secondary school if all the facilities and/or programs offer secondary-level instruction;
- A Combined school if the facilities and/or programs in the group offer a combination of elementary and secondary instruction (for example, Grades 7-8 program with Grades 9-12 program).
- A Combined school will be treated as a secondary school for the purpose of funding. In addition, any Combined school with 300 or more elementary students and 500 or more secondary students will receive one additional principal.

As part of the implementation of this funding policy, the Ministry will put in place a coordinated process for the review and acceptance of board requests for new school numbers.

Recognizing the wide variety of school sizes and organizations in the province, the Ministry will work with school boards over the next year to finalize the definition of a school for the purposes of the School Foundation Grant.

The introduction of the School Foundation Grant is an important step forward in realigning the GSN funding formula to better reflect school board costs. A closer alignment between allocations and costs will enhance accountability, make funding and spending decisions more transparent, and help to ensure that all schools have the resources they need to deliver quality education across the province.

Updating teacher salary benchmarks

The teacher salary benchmarks in the Foundation Grant will be increased by 8.3 per cent to reflect existing school board costs for teacher salaries.

Funding for the 8.3 per cent benchmark increase will replace funding that is currently provided through the following components of the GSN:

GRANT	COMPONENTS REPLACED BY BENCHMARK INCREASE
Foundation	<ul style="list-style-type: none"> • Local Priorities Amount
Cost Adjustment and Teacher Qualification and Experience	<ul style="list-style-type: none"> • Cost Adjustment In 2004-05 and 2005-06, additional funding was provided to address the difference between the annual benchmark increases for teachers' salaries and the cost of a corresponding annual increase to actual average salaries. This additional funding will no longer be required, as teacher salary benchmarks will reflect costs.
Learning Opportunities	<ul style="list-style-type: none"> • Per-pupil JK to Grade 3 funding • 27.4 per cent of the portion of the Demographic Component introduced in 1998-99.*
<p>* This percentage represents the minimal notional allocation for teachers in this component of the Learning Opportunities Grant.</p>	

Benefit levels

It should be noted that benefit levels will not be affected by this change in salary benchmarks. Currently, funding is provided for teacher benefits as a percentage of the

funding provided for salaries. This percentage will be adjusted to 11.1 per cent so boards will continue to receive their current level of funding for benefits, adjusted for increases to reflect the labour framework.

Instructional Salary matrix

The instructional salary matrix in the Cost Adjustment and Teacher Qualification and Experience Grant will be updated. The updated matrix is attached as **Appendix 3** (see below, page 23).

C. LABOUR FRAMEWORK

In the 2005-06 school year, following a series of provincial dialogues with school boards and teachers' federations, the government committed to new measures to sustain peace and stability in the education sector. This labour framework agreement led to four-year collective agreements for teachers based upon increases of 2%, 2%, 2.5% and 3% for 2004-2008.

In 2006-07, the government will continue support for the labour framework agreement and its multi-year commitment to invest additional resources to increase teaching staff with a projected \$428M in additional funding:

- A total of \$338M for a 2.5 per cent increase in all GSN salary benchmarks for both teaching and non-teaching staff. This increase is in addition to the increases to benchmarks discussed above (page 5).
- An investment of \$31M in elementary specialist teachers. The province will also provide an additional \$40M to cover that portion of the increase in teachers' preparation time (10 minutes) that school boards had originally agreed to fund from their own resources. These investments are in addition to the \$39M investment in specialist teachers made in 2005-06.

For 2006-07, school boards are encouraged to support the province's focus on elementary literacy and numeracy by ensuring that some of the additional specialist teachers funded through this investment are assigned to these important areas.

- An investment of \$19M in Student Success teachers at the secondary level. This is in addition to the \$89M investment in Student Success teachers made in 2005-06.

Additional funding to recognize the costs of salary increases for non-teaching staff will continue to be provided through the Cost Adjustment component in 2006-07 on the same basis as in 2005-06. The Ministry will estimate the amount of funding needed by calculating average salaries for various staffing categories – using salary and staffing information reported by boards in the 2005-06 Revised Estimates – and comparing these average salaries to the benchmarks.

D. PRIMARY CLASS SIZE

Primary class size reduction initiative

To support the Primary class size initiative, the government will provide \$95M in 2006-07. This will support 1,200 new teachers, a number equivalent to that supported in the two previous years. In addition to this \$95M, funding is being provided to recognize, for all teachers hired under the Primary class size reduction initiative since 2004-05, the increased salary base and increased preparation time for elementary teachers provided for in the labour framework.

As noted in the memorandum of June 5, 2006: B7, the expectation is that all school boards will be compliant with the Primary class cap at full implementation in 2007-08. For 2006-07, the goal is for all boards to have 100 per cent of their Primary classes with 23 or fewer students and as many classes as possible at or below 20:1.

Program equivalency will continue to be available to boards that, because of space limitations, need some flexibility in deploying the additional teachers in 2006-07. The Ministry will consider these exceptions on a case-by-case basis.

Primary class size - pupil accommodation

For 2006-07, the government will continue to provide funding to school boards to address their Primary class size capital needs with up to \$50M allocated to support an estimated \$700M in capital projects.

Primary class size capital funding is intended to be used to construct or acquire new classrooms to address a board's need for additional space due to the introduction of the cap on Primary class size. This funding provides school boards with the opportunity to make a one-time adjustment to their elementary capital stock to reflect the increased space required to support smaller Primary class sizes.

For Primary class size capital funding purposes only, On-The-Ground (OTG) capacity in 2005-06 has been reduced from 23.5 for all elementary classrooms to 20 for purpose-built Kindergartens and 23 for all other elementary classrooms. This change represents the new average classroom loadings due to the cap on Primary class size. Effective in 2006-07, this change to elementary OTG capacity will impact the calculation of top-up funding associated with the grants for School Renewal and School Operations.

The Ministry is streamlining the regulatory approach for Primary class size capital that was introduced in 2005-06. Regulatory provisions in 2005-06 have been amended and replaced with a table outlining the board-by-board allocation of pupil places to meet Primary class size space needs. This allocation has been calculated by the Ministry on the basis of current elementary school capacity, adjusted for Primary class size, relative to enrolment.

The Ministry will work with school boards to review the need for Primary class size pupil places at each elementary school. The pupil places allocated to the board may be adjusted to recognize a range of circumstances that could increase or decrease the need for pupil places. This school-by-school review is intended to ensure that capital allocations for Primary class size support reasonable solutions for additional pupil

accommodation at each elementary school and that elementary schools continue to be safe and supportive environments for student learning.

The range of circumstances to be reviewed by the Ministry and school boards includes:

- The availability of pupil places in the school or in nearby schools;
- The opportunity to redraw attendance boundaries to take advantage of space in a nearby school;
- The opportunity to relocate programs or grades to nearby schools;
- The proportion of Primary and Junior grade offerings in a school;
- Site limitations that could affect the board's ability to add classrooms to a particular school;
- The presence of tuition fee paying students, such as First Nations or Visa students;
- The need to preserve specialized teaching spaces, such as classrooms currently used to deliver music, art or other subjects in a dedicated teaching space;
- Teaching space currently used to deliver programs, such as French immersion or special education programs, where relocation would be disruptive for students.

Following these reviews, where appropriate, a revised allocation of pupil places to meet Primary class size space needs may be recommended to the Lieutenant Governor in Council and reflected in a future grant regulation amendment. The Ministry will also continue to work with school boards to confirm that plans are in place at the school level to provide Primary class size accommodation by 2007-08.

The funding allocation for Primary class size capital needs is calculated by multiplying a board's space needs by the Grant for New Pupil Places elementary funding benchmarks. Primary class size capital funding can only be used to construct or acquire classrooms that are required to address a school's Primary class size related accommodation pressures. **Appendix 4** (page 24) lists the number of pupil places and funding allocated for each board to address Primary class size capital needs. The table reflects an allocation of \$41M, however, as indicated above, additional space may be recognized, resulting in a higher funding level.

An SB Memo will be issued by the Ministry to outline in greater detail the funding approach for Primary class size capital.

E. CAPITAL

Good Places to Learn

The February 17, 2005, Good Places to Learn (GPL) announcement committed funding to support \$4B in renewal needs for Ontario schools. In 2005, the Ministry provided support to school boards under Stage I of GPL to undertake \$1B in renewal activity. The second \$1B in renewal activity will be split over the next two years into Stage II and Stage III.

Stage II Allocations – Eligible Projects

To continue to improve schools in the province, the Ministry is providing funding to boards to address a further \$500M in renewal needs in schools. Eligible projects for Stage II GPL funding include:

- Any of the five-year (2002-03 to 2006-07) high and urgent need projects identified through the inspection of schools in 2003 and incorporated into the ReCAPP facility management database; and
- Projects to meet program needs in existing schools (i.e., inadequate gyms, libraries, science labs, etc.), as identified as part of the detail in the ReCAPP database.

Boards will also have the flexibility to identify other renewal needs included in the ReCAPP database that have become high and urgent since the inspections were completed.

Schools boards are required to continue to undertake work only in schools that are expected to remain open and operating for at least 10 years. In addition, boards are to limit the use of the Stage II funding to renewal and program needs, as identified above, that are “capital” improvements that meet the criteria of tangible capital assets. Renewal projects will be eligible for funding, beginning in the 2006-07 school year, where they were identified under Stage II allocations and the work was tendered after January 1, 2006.

The calculation of the total value of work eligible for Stage II funding excludes the needs of approximately 220 schools that are currently reflected as potential Prohibitive-to-Repair (PTR) schools (see Prohibitive-to-Repair Schools, page 10 below).

In the Stage III distribution of renewal funding in 2007-08, the renewal needs of PTR schools previously excluded from the Stage I and Stage II calculations will be added back to ensure that their renewal needs will be recognized if they are not deemed Prohibitive-to-Repair. Similarly, if schools currently included in the Stage II calculations become eligible for PTR funding, their Stage II renewal needs will be deducted from the Stage III allocation.

Information on the GPL Stage II funding allocation is available at the Ministry’s ftp site at <ftp://ftp.edu.gov.on.ca/sfis/facilities-policy-review/>

Stage I Allocations

The Stage I funding of GPL provided boards with an allocation based on approximately 40 per cent of the 2002-03 and 2003-04 high and urgent renewal needs. Boards may use any unspent Stage I allocations on the range of work that meets the eligibility criteria for GPL Stage II projects.

Long-Term Financing

The Ministry is proceeding to establish a single long-term financing vehicle through the Ontario Strategic Infrastructure Financing Authority (OSIFA) to support GPL renewal funding.

To support the transition to long-term financing, boards will be required to provide the Ministry with an estimate of the expenditures incurred to August 31, 2006, related to their GPL Stage I allocation. This will form the limit of the amount that boards can convert to long-term financing this fall.

The Ministry will continue to fund short-term interest costs associated with the balance of Stage I and all Stage II projects in the 2006-07 school year. The interest cost recognized for funding will continue to be the three-month Bankers' Acceptance rate plus 13 basis points. For boards that borrow against internal reserves to support GPL Stage I or Stage II projects, funding in 2006-07 will be recognized at the three-month Bankers' Acceptance rate on September 1, 2006. The Ministry will confirm this rate with boards shortly after this date.

The Ministry will begin funding short-term financing costs for GPL Stage II projects as of September 1, 2006, although boards can attribute eligible work undertaken since January 1, 2006, against their Stage II renewal allocations.

Further information on long-term financing for the GPL renewal funding will be communicated in the near future.

Prohibitive-to-Repair Schools

The Prohibitive-to-Repair (PTR) component of the GPL announcement will provide \$50M to support approximately \$700M worth of new construction to repair or replace schools in very poor condition.

The Ministry has created a preliminary inventory of about 200 schools with a Facility Condition Index (FCI) of 65 per cent or greater. In calculating the FCI, the Ministry used two approaches for determining the replacement value of schools – one using the On-the-Ground (OTG) capacity of the school, which reflects only the number of student spaces in a school, and the other using the gross floor area (GFA), which reflects the footprint of the school. Boards will also have the opportunity to identify other schools which they consider to be prohibitive to repair. The Ministry will work with boards to finalize the inventory of schools that may be candidates for PTR funding.

The Ministry will require school boards to submit business cases to address the replacement needs of schools identified in the PTR-candidate inventory. This process will be used to determine which schools should be replaced, or consolidated into existing and/or new neighbourhood schools, or retired without replacement.

A separate SB memo will provide boards with more information on the process for adding and/or removing schools from the PTR candidate inventory list. It will also provide further information on the business cases noted above.

New Schools in Localized Growth Areas

In 2006-07, the Ministry will provide up to \$10M to support \$137M in new capital funding to school boards that need schools in areas of new residential development, but for which the Grant for New Pupil Places is insufficient. Funding will be available to boards that meet the following criteria:

- The board has an Education Development Charge (EDC) by-law in place and has optioned or purchased sites in new residential developments.

- The school, to be located on the acquired site, has been identified as part of the board's long-term capital plan and is needed for 2006-07 or 2007-08. The need is supported by the following criteria:
 - Enrolment projections in the area of the planned school are sustainable over a 10-year period.
 - Enrolment projections in the area of the planned school shows pressing enrolment needs that cannot be accommodated in nearby schools (that is, all schools in the planning area are currently at 90 per cent utilization or greater).
- The school board's Grant for New Pupil Places is insufficient to support the funding of this new need. Available funds in the board's existing capital reserves are to be applied to fully support or, if insufficient, partially support the school.

Best Start

As indicated in the May 26, 2006, memorandum to Directors of Education from the Deputy Minister, the Ministry will be providing new capital funding for the construction of Best Start child care spaces in new schools. New schools are those that are planned, tendered, or under construction in the 2005-06 or the 2006-07 academic years. Capital funding is conditional on confirmation and written documentation from school boards that child care spaces at a new school have been approved by the municipality and are contained within a municipally approved Best Start Plan, and that operating funds have been committed for those spaces.

The Ministry will propose regulation amendments related to provisions under the *Education Statute Law Amendment Act (Student Performance), 2006*, to provide up to \$2M in funding to support up to \$27M of Best Start child care space construction in new schools. Funding entitlements will be based on the existing Grant for New Pupil Places elementary benchmarks increased by a factor of 1.4 to recognize the additional costs associated with the construction of child care spaces.

Boards that are converting existing classrooms to accommodate Best Start child care spaces in existing schools will need to reduce the school's OTG capacity. Through Appendix C of the 2006-07 Estimates package, boards will be required to indicate the Best Start spaces allocated to each school, and the pupil places impacted to accommodate these spaces. More detailed information and instructions will be provided with the Estimates forms.

In cases where surplus space will be used for child care, the Ministry is proposing an amendment to Ontario Regulation 444/98 - Disposition of Surplus Real Property so that the 90-day procedure of notifying other public agencies of surplus space would be removed, specifically, when a board's intention to use it for child care is identified.

Additional capital needs in French-language boards

The primary purpose of this capital program is to support the construction or acquisition of school space in areas of need for French-language boards with accommodation pressures.

A four-year program to address the accommodation needs of French-language school boards not funded through other Ministry capital initiatives will see \$4M available in 2006-07 and up to an additional \$4M available annually up to 2009-10 under the French Capital Transitional Funding component of the Grant for New Pupil Places.

All French capital transitional funding needs must be based on information contained in the French-language boards' long-term capital plans. Needs will be evaluated based on the business case outlined in the plans submitted to the Ministry. These business cases are to include the following:

- 10-year sustainable enrolment projections in the area of the proposed projects; and
- Assessment of available space in the area – within the board and within the coterminous boards.

Annual Debt Service Costs related to New Pupil Place funding

Changes to the capital funding formula introduced in February 2005 as part of the GPL initiative meant that boards were no longer able to increase Grants for New Pupil Places through the removal of the permanent capacity of surplus schools offered to coterminous school boards and the Ontario Realty Corporation at no cost.

This decision may have created a pressure for some boards to continue to finance existing capital debt commitments. The Ministry will review circumstances and consider funding recognition for capital debt commitments that exceed boards' Grants for New Pupil Places based on the following conditions:

- The annual debt service costs for the 2006-07 academic year are related to capital debt commitments beginning after August 31, 1998, and no later than August 31, 2005, for capital projects constructed or under construction and funded with Grants for New Pupil Places.
- Where a board's annual debt service costs exceed the board's annual Grant for New Pupil Places, available funds in the board's Pupil Accommodation and Proceeds of Disposition Reserves will be applied to reduce the difference. The balance in the reserves, as reported by the board in the 2004-05 Financial Statements, will be used to calculate the reduction.
- The eventual removal of permanent capacity of surplus schools offered at no cost was explicitly documented, either in projections submitted by board staff to credit-rating agencies and/or in reports reviewed by the board at the time such capital debt commitments were entered into.

Boards are expected to ensure that capital debt commitments entered into after August 31, 2005, are managed within their capital envelope.

As of June 12, 2006, transfers from capital reserves will be subject to the Ministry's approval prior to boards completing the transfers. It is the intent of the Ministry to propose the required amendments to existing regulations to reflect this policy change.

Amendments to the 2006-07 Grant for New Pupil Places Calculation

The Grant for New Pupil Places (NPP) will continue to assess need on the basis of NPP capacity calculated from loadings of 24.5 for classrooms and 24 for purpose-built Kindergartens. To recognize that consideration for the Primary class size initiative is to be given when constructing new schools, the elementary benchmark area requirement has been increased from 9.29m² to 9.7m².

F. NEW FUNDING APPROACHES

Special Education

Special education funding in 2006-07 is being changed in response to recommendations from the Working Table on Special Education chaired by Kathleen Wynne, MPP and Parliamentary Assistant to the Minister of Education, and Professor Sheila Bennett of Brock University. As a first step, the Special Education Grant for 2006-07 will:

- Increase the overall allocation for special education to reflect the increase in salary benchmarks in other parts of the funding formula.
- Maintain Special Education Per-Pupil Amount (SEPPA) as a per-pupil amount based on total board enrolment.
- Convert each board's 2005-06 total High Needs Amount into a per-pupil amount adjusted for changes in total board enrolment. With the introduction of the new per-pupil amount, the process for claiming new high needs is discontinued.

The Ministry will be working with the sector to develop proxy measures for funding in future years that would be independent of an in-year claims process but would still reflect the variability of high needs students among school boards.

The Ministry will also be consulting with school boards on additional supports for the highest needs students, such as those who are currently eligible for Special Incidence Portion funding.

Other investments in Special Education

The government made a number of important investments in special education earlier this year that will support students with special education needs. These investments included:

- \$25M to the Council for Ontario Directors of Education (CODE) to support professional development that enhances the capacity of teachers and others to effectively improve outcomes for students with special education needs.
- \$20M to the Ontario Psychological Association to work with school boards to reduce current waiting times for Kindergarten to Grade 4 students who require assessments and to enhance teachers' capacity to provide effective programs for students.

- \$5M to the Geneva Centre for Autism to deliver training for teachers' assistants working with students who have autism spectrum disorders. The Ministry and the Geneva Centre will be working very closely with the Ministry of Children and Youth Services (MCYS) and their agencies to coordinate this initiative with the *School Support Program - Autism Spectrum Disorders* and other autism initiatives, which are being funded by MCYS.

2005-06 Net New Needs

The Ministry has finalized its review of Net New Needs claims for 2005-06. Funding will be provided to support these claims. In addition, one-time funding will be provided to support boards at their 2003-04 baseline amounts (ISA Cycle 5). More information will be provided in a future SB memo.

Student Transportation

2006-07 Transportation Funding

For 2006-07, the government is providing an additional \$19.2M in funding for transportation. This represents an increase of 2.7 per cent over the net base allocation, and brings the projected transportation allocation to \$736.1M. These additional investments are intended to support school boards while transportation reforms begin to be implemented in 2006-07.

The additional funding includes a cost benchmark increase of \$14.3M, or 2 per cent in recognition of higher fuel, capital and other operating costs for student transportation. Over the next year, the Ministry will continue to monitor fuel price trends and other costs affecting student transportation.

To recognize costs associated with the ongoing support of transportation safety programs, a total allocation of \$1.5M in one-time funding is being provided to assist school boards to provide first aid and cardiopulmonary resuscitation (CPR) training to school bus drivers. It is expected that boards will continue the progress that was made in 2005-06 toward ensuring all school bus drivers are trained in first aid and CPR.

An additional amount of \$3.4M will be provided for school boards that experience enrolment increases in 2006-07. These boards will receive increases proportional to their transportation allocation. School boards with declining enrolment will not see their funding reduced in 2006-07.

The 2006-07 board-by-board projected transportation allocation is given in **Appendix 5** (page 26).

Transportation Reform

In 2006-07, the government will begin implementing reforms for student transportation. The objectives of the reforms are to build capacity to deliver safe, effective and efficient student transportation services and achieve equity in funding allocations, thus allowing school boards to focus on student learning and achievement.

The reforms will include a requirement for consortium delivery, effectiveness and efficiency reviews on transportation consortia, and a study of the benchmark cost for a

school bus incorporating standards for safe vehicles and trained drivers. More information on this reform approach will be provided in future SB memos.

G. OTHER INVESTMENTS

Utilities

To address the cost of energy and utilities, an additional \$13M in funding will be provided, which represents a 2 per cent increase in the non-salary component of the School Operations Grant.

Trustee Remuneration

Bill 78, the *Education Statute Law Amendment Act (Student Performance)*, 2006, includes provisions that allow school boards to set trustee compensation in line with school boards elsewhere in Canada, with the specific limits to be defined by regulation. The *Act* also authorizes regulations that would provide a retroactive increase to trustees' honoraria for the current (2005-06) school year.

To support increases in trustee remuneration, additional funding of \$3.5M will be allocated through the Trustee Component of the School Board Administration and Governance Grant in 2006-07. School boards will be advised of the details of this allocation at a future date.

French-language boards

To continue support in 2006-07 for its commitment to implement a multi-year funding strategy for French-language school boards, the government will provide a funding enhancement of \$10M. This investment will be allocated through the French as a First Language (FFL) component of the Language Grant, and responds to the recommendations of the French-Language Education Strategy Task Force.

This funding will help address the additional costs incurred by French-language boards in offering a wide range of early childhood programs intended to counter assimilation and build oral communication skills in the early years. This supports the key goals of the Ministry's Aménagement linguistique policy.

H. SCHOOL AUTHORITIES

As in previous years, funding for School Authorities will be adjusted in 2006-07, as appropriate, to reflect changes in funding to district school boards. The Ministry will provide further information concerning funding in 2006-07 for School Authorities in the near future.

I. REPORTING AND ACCOUNTABILITY

Primary Class Size

For reporting and accountability requirements for the Primary Class Size Reduction initiative please refer to the memorandum of June 5, **2006: B7 – 2006-07 Primary Class Size Funding and PCS Plan**.

Staffing reports – specialist teachers and student success teachers

Boards were required in 2005-06 to report to the Ministry information on additional elementary specialist teachers and secondary Student Success teachers hired as a result of the implementation of the labour framework agreement. For 2006-07, these reports have been integrated into the staffing report that will be part of the Estimates package. Boards will be required to report the number of specialist teachers and Student Success teachers expected to be in place in 2006-07.

Enveloping

Many of the reporting requirements remain unchanged; however enveloping restrictions have been modified to reflect the realignment of funding. The following are the planned changes for 2006-07:

- Reporting of classroom spending relative to classroom allocations will be retained and required as in previous years. However, regulatory requirements to place unspent classroom allocations into a reserve fund will be removed.
- The Ministry intends to review administration and governance expenditures more closely, particularly in boards where expenditure exceeds the revenue allocated for this purpose. Where boards report administration expenditures that exceed funding by 15 per cent or more, the Ministry will require boards to prepare a plan to reduce administration expenditures to a level in line with grant funding over a two year period.
- As a result of the realignment of funding, compliance and reporting related to Distant and Rural Schools will be removed.

No change in reporting or compliance of Special Education and Pupil Accommodation is planned.

The Ministry will introduce changes to the expenditure reporting forms in 2006-07 to capture information on spending at the program level. To help support the boards through this process, other reporting requirements will be reduced. Areas where reporting requirements have been streamlined include eliminating the distant schools report and the stand alone reports for Student Success teachers and specialist teachers.

J. FINANCIAL REPORTING AND DUE DATE FOR SUBMISSION OF ESTIMATES

The Ministry has established the following dates for submission of financial reports in the 2006-07 school year:

July 31	Board Estimates for 2006-07
November 30	Board Revised Estimates for 2006-07
December 15	Board Financial Statements for 2005-06

Boards will be provided an extension to August 31 for Estimates before cash flow penalties are applied.

Estimates forms will be available on EFIS on June 15, 2006.

K. INFORMATION RESOURCES

The following documents will be available on the Ministry website <http://www.edu.gov.on.ca> in the near future:

Grants for Student Needs – Legislative Grants for 2006-07

Technical Paper, 2006-07

Projections of School Board Funding for the 2006-07 School Year

If you require further information about school board funding in 2006-07, please contact:

Pupil Accommodation Grant Transportation Grant	Nancy Whynot	(416) 325-4030 Nancy.whynot@edu.gov.on.ca
Other changes in the 2006-07 regulations	Didem Proulx	(416) 327-9060 Didem.proulx@edu.gov.on.ca
Financial accountability and reporting requirements	Andrew Davis	(416) 327-9356 Andrew.davis@edu.gov.on.ca

The 2006-07 school year represents the third year of Ontario's multi-year funding commitment to elementary and secondary education. Combined with comprehensive provincial strategies to improve outcomes for all students, the province's renewed investment in education – more than \$2B in new funding (13 per cent) since 2002-03 – has supported substantial progress in our publicly funded schools. This includes improved student achievement in literacy and numeracy, improved high school graduation rates, reduced Primary class sizes, and a renewed sense of partnership within the education community, based on stability and respect.

The significant realignments within the GSN funding formula in 2006-07 and the ongoing investments in key initiatives to improve student achievement are also an opportunity for the Ministry and school boards to continue demonstrating accountability for the effective use of education funding and our shared commitment to ensuring that resources remain focused on the priority of student achievement.

I am confident that together we can meet these challenges and continue to deliver an excellent education to all Ontario's students, and I look forward to working in partnership with you in the coming year.



Nancy Naylor
Assistant Deputy Minister

Copy: Superintendents of Business and Finance
Senior Plant Officials

APPENDIX 1:
School Foundation Grant

A board's allocation from the School Foundation Grant is the sum of the allocations for each of its eligible schools (see Definition of "school", page 4).

The allocation for each eligible school represents a combination of:

(a) Base funding

- A Principal and a School Secretary are allocated to each school, regardless of enrolment.
- \$1,000 for school office supplies is allocated to each elementary school and \$2,000 to each secondary school, regardless of enrolment.

(b) Additional funding

- Based on each elementary school's enrolment, formulas are used to determine additional allocations for:
 1. Vice-Principal
 2. School Secretary
 3. School Office Supplies

The base funding and the formulas for additional allocations are summarized on the following two pages.

SCHOOL FOUNDATION GRANT – ELEMENTARY

(1) In-School Administration

Position – average salary +benefits %	# staff per school enrolment/ADE				
	1 to 49 ADE		50 or more ADE		
Principal – 97,158 + 11.10%	0.5		1		
Position – average salary +benefits %	# staff per school enrolment/ADE				
	1 to 99 ADE	100 to 299 ADE	300 to 499 ADE	500 to 999 ADE	1000 + ADE
Vice-Principal – 88,659 + 11.10%	0	0	$0.00375 \times$ $(ADE - 300)$	$0.75 +$ $[0.0015 \times$ $(ADE - 500)]$	1.5
Secretary - 34,730 + 16.65%	1	$1 +$ $[0.00125 \times$ $(ADE - 100)]$	$1.25 +$ $[0.0025 \times$ $(ADE - 300)]$	$1.75 +$ $[0.0035 \times$ $(ADE - 500)]$	$3.5 +$ $[0.0035 \times (ADE$ $- 1000)]$

(2) School Office Supplies

\$ per school funding for supplies and services	\$1,000
\$ per pupil (ADE) for supplies and services	\$6

Example: Calculation of the School Foundation Grant – Elementary

For a school with ADE = 480		\$
1. Principal		
$(\$97,158 + 11.10\%)$	=	107,943
2. Vice-Principal		
$(\$88,659 + 11.10\%) \times [0.00375 \times (480-300)]$	=	66,488
3. School Secretary		
$(\$34,730 + 16.65\%) \times \{1.25 + [0.0025 \times (480-300)]\}$	=	68,871
4. School Office Supplies		
$\$1,000 + (\$6 \times 480)$	=	3,880
TOTAL		247,182

SCHOOL FOUNDATION GRANT – SECONDARY

(1) In-School Administration

Position – average salary +benefits %	# staff per school enrolment/ADE				
	1 to 49 ADE	50 or more ADE			
Principal – 105,959 + 11.10%	0.5	1			

Position – average salary +benefits %	# staff per school enrolment/ADE				
	1 to 99 ADE	100 to 499 ADE	500 to 999 ADE	1000 to 1499 ADE	1500 + ADE
Vice-Principal – 93,533 + 11.10%	0	0.0025 × (ADE - 100)	1 + [0.002 × (ADE - 500)]	2 + [0.001 × (ADE - 1000)]	2.5 + [0.001 × (ADE - 1500)]
Secretary – 36,586 + 16.65%	1	1 + [0.003125 × (ADE - 100)]	2.25 + [0.0055 × (ADE - 500)]	5 + [0.004 × (ADE - 1000)]	7 + [0.004 × (ADE - 1500)]

(2) School Office Supplies

\$ per school funding for supplies and services	\$2,000
\$ per pupil (ADE) for supplies and services	\$7

Example: Calculation of the School Foundation Grant – Secondary

For a school with ADE = 1,102		\$
1. Principal (\$105,959 + 11.10%)	=	117,720
2. Vice-Principal (\$93,533 + 11.10%) × {2 + [0.001 × (1,102 - 1000)]}	=	218,430
3. School Secretary (\$36,586 + 16.65%) × {5 + [0.004 × (1,102 - 1000)]}	=	230,800
4. School Office Supplies \$2,000 + (\$7 × 1,102)	=	9,714
TOTAL		576,664

**APPENDIX 2:
Foundation Grant**

The following tables show the anticipated description of relevant lines in the Ministry's technical papers for 2006-07:

Foundation Grant – ELEMENTARY	# staff per 1,000 students	average salary + % benefits	\$ per pupil for supplies and services	\$ allocation per pupil
Classroom Teachers Class Size: 24.5:1	Classroom Teachers Specialist Teacher/Preparation Time	40.82 5.30	\$62,428 + 11.1%	2,831 368
	Supply Teacher Staff Development		94 11	94 11
Education Assistants		0.20	\$25,557 + 16.0%	6
Textbooks and Learning Materials			80	80
Classroom Supplies			82	82
Classroom Computers			46	46
Library and Guidance Services	Teacher-Librarian Guidance Teacher	1.31 0.20	\$62,428 + 11.1% \$62,428 + 11.1%	91 14
Professional/Para- Professional Supports		1.33	\$49,424 + 14.8%	75
Classroom Consultants		0.48	\$85,938 + 11.1%	46
TOTAL FOUNDATION GRANT		49.64		313 3,744

NOTE: Numbers have been rounded for reporting purposes.

Foundation Grant – SECONDARY	# staff per 1,000 students	average salary + % benefits	\$ per pupil for supplies and services	\$ allocation per pupil
Classroom Teachers	Classroom Teachers	42.61	\$62,428 + 11.1%	2,955
Class Size 22:1	Student Success Teacher/Preparation Time	14.68		1,018
Credit load per pupil 7.5	Supply Teachers			69
	Staff Development			12
	Department Head allowances	9.00	\$3,996 + 11.1%	40
Textbooks and Learning Materials				107
Classroom Supplies				187
Classroom Computers				60
Library and	Teacher-Librarian	1.10	\$62,428 + 11.1%	76
Guidance Services	Guidance Teacher	2.60	\$62,428 + 11.1%	180
Professional/Para- Professional Supports		2.10	\$49,424 + 14.8%	119
Classroom Consultants		0.54	\$85,938 + 11.1%	52
TOTAL FOUNDATION GRANT	(excluding Department Heads)	63.63		435

NOTE: Numbers have been rounded for reporting purposes.

**APPENDIX 3:
Instructional Salary Matrix**

TEACHER QUALIFICATION AND EXPERIENCE

Full years of teaching experience	Qualification Categories						
	D	C	B	A1/group 1	A2/group 2	A3/group 3	A4/group 4
0	0.5825	0.5825	0.5825	0.6178	0.6478	0.7034	0.7427
1	0.6185	0.6185	0.6185	0.6557	0.6882	0.7487	0.7898
2	0.6562	0.6562	0.6562	0.6958	0.7308	0.7960	0.8397
3	0.6941	0.6941	0.6941	0.7359	0.7729	0.8433	0.8897
4	0.7335	0.7335	0.7335	0.7772	0.8165	0.8916	0.9418
5	0.7725	0.7725	0.7725	0.8185	0.8600	0.9398	0.9932
6	0.8104	0.8104	0.8104	0.8599	0.9035	0.9881	1.0453
7	0.8502	0.8502	0.8502	0.9013	0.9475	1.0367	1.0973
8	0.8908	0.8908	0.8908	0.9435	0.9919	1.0856	1.1500
9	0.9315	0.9315	0.9315	0.9856	1.0356	1.1344	1.2025
10	1.0187	1.0187	1.0187	1.0438	1.0999	1.2166	1.2982

**APPENDIX 4:
Primary Class Size Capital Funding**

DSB No.	Board Name	PCS Pupil Places Space Needs¹	PCS Annual Capital Allocation (\$)²
2	Algoma DSB	22.0	29,638
55	Algonquin and Lakeshore Catholic DSB	271.5	311,693
8	Avon Maitland DSB	69.9	81,886
7	Bluewater DSB	134.0	158,547
51	Brant Haldimand Norfolk Catholic DSB	229.5	263,475
35	Bruce-Grey Catholic DSB	30.0	35,496
52	Catholic DSB of Eastern Ontario	390.5	448,309
64	CSD catholique Centre-Sud	181.5	208,369
65	CSD catholique de l'Est ontarien	100.5	118,910
62	CSD catholique des Aurores boréales	0.0	0
60.1	CSD catholique des Grandes Rivières	148.5	226,152
66	CSD catholique du Centre-Est de l'Ontario	83.5	93,905
61	CSD catholique du Nouvel-Ontario	1.0	1,394
60.2	CSD catholique Franco-Nord	0.0	0
63	CSD des écoles catholiques du Sud-Ouest	6.5	7,386
59	CSD des écoles publiques de l'Est de l'Ontario	0.0	0
58	CSD du Centre Sud-Ouest	45.0	51,662
57	CSD du Grand Nord de l'Ontario	0.0	0
56	CSD du Nord-Est de l'Ontario	0.0	0
22	DSB of Niagara	341.5	388,055
1	DSB Ontario North East	16.8	25,388
43	Dufferin-Peel Catholic DSB	1,744.9	2,043,979
45	Durham Catholic DSB	626.0	711,339
13	Durham DSB	1,817.0	2,085,988
23	Grand Erie DSB	523.0	606,552
9	Greater Essex County DSB	787.5	894,856
46	Halton Catholic DSB	783.0	908,088
20	Halton DSB	913.5	1,059,436
47	Hamilton-Wentworth Catholic DSB	538.5	599,294
21	Hamilton-Wentworth DSB	613.0	689,386
29	Hastings and Prince Edward DSB	271.0	314,293
36	Huron-Perth Catholic DSB	44.0	51,545
31	Huron-Superior Catholic DSB	42.5	56,260
14	Kawartha Pine Ridge DSB	811.0	940,561
5.1	Keewatin-Patricia DSB	0.0	0
33.2	Kenora Catholic DSB	12.0	19,540
6.1	Lakehead DSB	6.0	8,575
10	Lambton Kent DSB	172.0	199,478
27	Limestone DSB	269.5	309,397

DSB No.	Board Name	PCS Pupil Places Space Needs ¹	PCS Annual Capital Allocation (\$) ²
38	London District Catholic School Board	436.5	490,892
4	Near North DSB	7.0	9,348
50	Niagara Catholic DSB	337.9	383,964
30.2	Nipissing-Parry Sound Catholic DSB	0.0	0
30.1	Northeastern Catholic DSB	0.0	0
33.1	Northwest Catholic DSB	43.5	70,833
53	Ottawa-Carleton Catholic DSB	816.5	908,679
25	Ottawa-Carleton DSB	962.0	1,081,875
19	Peel DSB	3,660.5	4,288,162
41	Peterborough V N C Catholic DSB	263.0	301,934
3	Rainbow DSB	94.0	127,737
5.2	Rainy River DSB	0.0	0
54	Renfrew County Catholic DSB	31.0	36,316
28	Renfrew County DSB	0.0	0
17	Simcoe County DSB	2,012.9	2,358,050
44	Simcoe Muskoka Catholic DSB	451.0	533,616
39	St. Clair Catholic DSB	32.3	37,082
32	Sudbury Catholic DSB	23.0	30,985
34.2	Superior North Catholic DSB	0.0	0
6.2	Superior-Greenstone DSB	0.0	0
11	Thames Valley DSB	1,340.0	1,522,675
34.1	Thunder Bay Catholic DSB	240.5	338,086
40	Toronto Catholic DSB	1,805.6	2,115,204
12	Toronto DSB	2,478.9	2,903,955
15	Trillium Lakelands DSB	260.0	328,948
26	Upper Canada DSB	271.8	315,221
18	Upper Grand DSB	809.4	929,223
49	Waterloo Catholic DSB	498.0	560,056
24	Waterloo Region DSB	1,478.5	1,662,736
48	Wellington Catholic DSB	147.5	167,608
37	Windsor-Essex Catholic DSB	494.0	555,557
42	York Catholic DSB	1,125.5	1,318,488
16	York Region DSB	2,962.0	3,469,891
TOTAL		35,129.4	40,795,955

1. For further information on the specific calculation of these figures, please see the *Technical Paper, 2006-07*.

2. PCS Annual Capital Allocation = PCS Pupil Places Space Needs * NPP Benchmark Cost (\$120.77 * 9.7m² * GAF)

APPENDIX 5:
Student Transportation Grant – Projected Allocations, 2006-07

No.	DSB Name	2005-06 Net Base Allocation (Note 2) \$	Cost Benchmark 2% Increase \$	Adjustment for Increasing Enrollment \$	One-time Safety Enhancement \$	Projected 2006-07 Allocation (Note 3) \$	Projected Increase in 2006-07 \$	Percentage Increase
2	Algoma DSB	7,692,746	153,855	0	16,155	7,862,756	170,010	2.21%
55	Algonquin and Lakeshore Catholic DSB	8,164,163	183,683	51,145	17,167	8,416,168	252,015	2.83%
8	Avon Maitland DSB	9,868,819	193,336	0	20,300	9,880,456	213,637	2.21%
7	Bluewater DSB	12,309,490	246,190	0	25,850	12,581,530	272,040	2.21%
51	Brant Haldimand Norfolk Catholic DSB	4,791,365	95,827	17,608	10,062	4,914,862	123,497	2.58%
35	Bruce-Grey Catholic DSB	3,156,794	63,136	0	6,629	3,226,559	69,765	2.21%
52	DSB of Eastern Ontario	12,751,078	255,022	42,409	26,777	13,075,266	324,208	2.64%
64	CSD catholique Centre-Sud	13,236,938	264,719	108,310	27,795	13,636,763	400,825	3.03%
65	CSD catholique de l'Est ontarien	9,617,950	192,359	0	20,198	9,830,507	212,557	2.21%
62	CSD catholique des Aurores boréales (Note 1)	643,894	12,878	15,510	3,333	675,615	31,721	4.93%
60.1	CSD catholique des Grandes Rivières	6,439,656	128,793	0	13,523	6,581,972	142,316	2.21%
66	CSD catholique du Centre-Est de l'Ontario	9,570,901	191,418	50,789	20,099	9,833,207	262,306	2.74%
61	CSD catholique du Nouvel-Ontario	5,854,272	113,085	0	11,874	5,779,231	124,959	2.21%
60.2	CSD catholique Franco-Nord	3,161,899	63,238	15,740	6,640	3,247,316	85,817	2.71%
63	CSD des écoles catholiques du Sud-Ouest	4,528,360	90,567	52,428	9,510	4,680,864	152,504	3.37%
59	CSD des écoles publiques de l'Est de l'Ontario	6,101,037	122,021	123,820	12,812	6,359,690	258,653	4.24%
58	CSD du Centre Sud-Ouest	8,423,112	168,462	276,361	17,689	8,885,624	462,512	5.49%
57	CSD du Grand Nord de l'Ontario	1,459,443	29,189	0	3,333	1,491,965	32,522	2.23%
56	CSD du Nord-Est de l'Ontario	1,075,772	21,515	37,015	3,333	1,137,635	61,863	5.75%
22	DSB of Niagara	12,890,853	257,817	0	27,071	13,175,741	284,888	2.21%
1	DSB Ontario North East	6,789,730	135,795	0	14,258	6,939,783	150,053	2.21%
43	Duffin-Peel Catholic DSB	15,925,686	318,514	5,511	33,444	16,283,155	357,469	2.24%
45	Durham Catholic DSB	7,320,445	146,409	0	15,373	7,482,227	161,782	2.21%
13	Durham DSB	19,248,204	384,964	0	40,421	19,673,589	425,385	2.21%
23	Grand Erie DSB	9,715,236	194,305	0	20,402	9,929,943	214,707	2.21%
9	Greater Essex County DSB	10,776,427	215,529	214,349	22,630	11,228,935	452,508	4.20%
46	Haltom Catholic DSB	5,110,165	102,203	79,633	10,731	5,302,733	192,568	3.77%
20	Hatton DSB	9,754,792	195,096	192,999	20,486	10,163,372	408,580	4.19%
47	Hamilton-Wentworth Catholic DSB	6,036,099	120,722	0	12,676	6,169,497	133,398	2.21%
21	Hamilton-Wentworth DSB	12,216,009	244,320	0	25,654	12,485,983	269,974	2.21%
29	Hastings and Prince Edward DSB	12,118,826	242,377	0	25,450	12,386,652	267,826	2.21%
36	Huron-Perth Catholic DSB	4,397,454	87,949	0	9,236	4,494,638	97,184	2.21%
31	Huron-Superior Catholic DSB	3,336,058	66,721	0	7,006	3,409,785	73,727	2.21%
14	Kawartha Pine Ridge DSB	15,965,741	319,315	0	33,528	16,318,584	352,843	2.21%
5.1	Keewatin-Patricia DSB	4,065,580	81,912	0	8,601	4,186,092	90,512	2.21%
33.2	Kenora Catholic DSB	747,743	14,955	0	3,333	766,031	18,288	2.45%
6.1	Lakehead DSB	5,715,809	114,316	0	12,003	5,842,128	126,319	2.21%
10	Lambton Kent DSB	10,719,771	214,395	0	22,512	10,956,678	236,907	2.21%
27	Limestone DSB	11,535,707	230,714	0	24,225	11,790,646	254,939	2.21%
38	London District Catholic School Board	10,543,883	210,878	131,696	22,142	10,908,598	364,715	3.46%
4	Near North DSB	10,003,069	200,061	0	21,006	10,224,137	221,068	2.21%
50	Niagara Catholic DSB	7,564,053	151,281	0	15,885	7,731,219	167,166	2.21%
30.2	Nipissing-Parry Sound Catholic DSB	3,252,018	65,040	0	6,829	3,323,888	71,870	2.21%
30.1	Northwestern Catholic DSB	2,724,369	54,487	0	5,721	2,784,578	60,209	2.21%
33.1	Northwest Catholic DSB	982,167	19,643	0	3,333	1,005,143	22,976	2.34%
53	Ottawa-Carleton Catholic DSB	21,849,591	436,992	56,857	45,884	22,389,324	539,733	2.47%
25	Ottawa-Carleton DSB	25,890,335	517,807	0	54,370	26,462,511	572,176	2.21%
19	Peel DSB	27,665,019	553,800	650,534	58,097	28,926,950	1,261,931	4.56%
41	Peterborough V N C Catholic DSB	9,598,329	191,967	0	20,156	9,810,452	212,123	2.21%
3	Rainbow DSB	11,176,610	223,532	0	23,471	11,423,613	247,003	2.21%
5.2	Rainy River DSB	2,242,898	44,858	0	4,710	2,292,466	49,568	2.21%
54	Renfrew County Catholic DSB	3,806,231	76,125	0	7,993	3,890,349	84,118	2.21%
28	Renfrew County DSB	6,206,546	124,131	0	13,034	6,343,711	137,165	2.21%
17	Simcoe County DSB	17,992,466	359,849	12,838	37,784	18,402,938	410,472	2.28%
44	Simcoe Muskoka Catholic DSB	11,340,442	226,809	0	23,815	11,591,066	250,624	2.21%
39	St. Clair Catholic DSB	5,716,698	114,334	0	12,005	5,843,037	126,339	2.21%
32	Sudbury Catholic DSB	5,139,129	102,783	68,269	10,792	5,320,973	181,844	3.54%
34.2	Superior North Catholic DSB	410,523	8,210	0	3,333	422,066	11,543	2.81%
6.2	Superior-Greenstone DSB	1,665,253	33,305	0	3,497	1,702,055	36,802	2.21%
11	Thames Valley DSB	27,349,093	545,982	0	57,433	27,953,508	604,415	2.21%
34.1	Thunder Bay Catholic DSB	4,944,548	98,991	11,533	10,384	5,065,356	120,808	2.44%
40	Toronto Catholic DSB	19,171,411	383,428	0	40,260	19,595,099	423,688	2.21%
12	Toronto DSB	45,235,898	904,718	0	94,995	46,235,611	999,713	2.21%
15	Trillium Lakelands DSB	13,869,265	277,185	0	29,104	14,166,555	306,290	2.21%
26	Upper Canada DSB	22,395,283	447,906	0	47,030	22,890,219	494,936	2.21%
18	Upper Grand DSB	10,788,980	215,780	94,163	22,857	11,121,579	332,599	3.08%
49	Waterloo Catholic DSB	6,151,546	123,031	0	12,918	6,287,495	135,949	2.21%
24	Waterloo Region DSB	11,143,635	222,873	0	23,402	11,389,910	246,274	2.21%
48	Wellington Catholic DSB	3,533,221	70,664	21,076	7,420	3,632,382	99,161	2.81%
37	Windsor-Essex Catholic DSB	7,873,301	157,466	27,484	16,534	8,074,785	201,484	2.56%
42	York Catholic DSB	14,991,889	299,838	546,469	31,483	15,869,679	877,790	5.86%
16	York Region DSB	30,813,509	618,270	481,696	64,708	31,976,183	1,162,674	3.77%
	Total	746,902,222	14,338,044	3,386,245	1,514,322	758,140,834	19,238,612	2.58%

Notes:

- 2005-06 net base allocation includes \$24,500 due to the transfer of Ignace Roman Catholic Separate School Board to CSD catholique des Aurores boréales.
- Net of the one-time allocation provided to school boards for driver safety training in 2005-06.
- Each board's projected allocation includes an estimated expenditure amount for provincial school transportation. In 2006-07, the Consortium de transport scolaire d'Ottawa, served by Conseil des écoles catholiques de langue française du Centre-Est, will co-ordinate transportation for all students attending Centre Jules-Léger. Ottawa-Carleton DSB will coordinate transportation for all students attending a residential program at an English-language provincial or demonstration school. Thus, transportation funding to cover these expenditures will flow directly to the two boards.

Ministry of Education
Business Services Branch
21st Floor, Mowat Block
900 Bay Street
Toronto ON M7A 1L2

Ministère de l'Éducation
Direction des services opérationnels
21^e étage, Édifice Mowat
900, rue Bay
Toronto ON M7A 1L2



2006: SB 23

Memorandum To: School Business Officials

From: Nancy Whynot
Director
Business Services Branch

Date: October 31, 2006

Subject: Prohibitive to Repair – School Options

As a follow-up to the June 12, 2006 B-Memorandum 2006:B8 regarding Education Funding, I am writing to provide you with further information regarding the options to address the renewal needs at facilities identified as candidates for Prohibitive to Repair (PTR).

OVERVIEW

The majority of schools in the Province of Ontario were constructed prior to 1970. School boards require money to repair and upgrade their schools to the current standards. On February 17, 2005, the Minister of Education announced the Good Places to Learn (GPL) initiative with a goal of investing \$280 million in annual funding to address school renewal and new school construction. It is anticipated that this funding will enable boards to undertake capital projects in their schools that are valued at almost \$4 billion.

In 2002-2003 the Ministry undertook an exercise to inspect every school in the province to assess the needs and priorities of repairs and to allocate funding to meet these demands. During this exercise, many schools were identified that were in poor condition. The Prohibitive-to-Repair (PTR) component of the GPL announcement will provide \$50 million annually to support approximately \$700M worth of new construction to replace schools in poor condition.

PTR schools are currently defined by a measure of building condition based on estimated costs of necessary repair work in a school and its replacement value. This is known as the Facility Condition Index (FCI), and is a building industry standard in calculating the facility condition. The Ministry had defined PTR schools as those having an FCI equal to or greater than 65%.

Facilities Considered PTR for GPL Stage 1

In 2005-06, the calculation for the allocation of GPL Stage 1 funding did not consider the high and urgent needs for 136 facilities with an FCI equal to or greater than 65% on the assumption that these schools were candidates for replacement rather than renewal investments. These schools are included on the Ministry identified PTR-candidate list (see *Step 1: Identification of PTR-Candidate Facilities* section 1.1 *Ministry Identification of PTR-Candidate Facilities* below).

PTR PROCESS OVERVIEW

Detailed in the following sections is the process to identify, categorize and prioritize PTR candidate facilities. This process includes:

Step 1: Identification of PTR-Candidate Facilities

1.1 Ministry Identified PTR-Candidate Facilities

1.2 Board Identification of PTR-Candidate Facilities

1.2.1 Board to complete the *Board Identified PTR-Candidate Form*

1.2.2 Board to complete *Preliminary Identification of PTR-Candidate Category Form*

1.3 Review and Finalize PTR-Candidate Inventory by Ministry

Step 2: Request for Business Case Submissions by Boards (details to follow in future SB Memo)

Step 3: Business case analysis and communication of preliminary approvals by Ministry (details to follow in future SB Memo)

STEP 1: IDENTIFICATION OF PTR-CANDIDATE FACILITIES

1.1 Ministry Identified PTR-Candidate Facilities

The facilities management consulting company, Physical Planning Technologies Incorporated (PPT), performed a detailed inspection of each school building and captured the results in the facilities management software ReCAPP.

ReCAPP is a tool designed to help boards identify renewal needs for the capital planning cycle. It also allows consistent reporting across the province with respect to school condition. As indicated in Memorandum 2005:B4, boards have access to their individual ReCAPP databases upon signing their licensing agreements with PPT. This access allows boards to update their school building condition assessment information developed from the inspections of all schools and will also assist boards in selecting projects and developing effective school renewal programs. As indicated in

Memorandum 2006:SB 18, in conjunction with the development of long-term capital plans, school boards are required to update their ReCAPP databases to reflect current renewal projects as well as aid in the planning process.

Based on these findings, the Ministry calculated the five-year renewal needs for each facility from 2002/03 to 2006/07.

Using this information, the Ministry has created a preliminary inventory of PTR candidate schools with a FCI of 65% or greater (see attached appendix). The Ministry used two approaches to determine the replacement value of a facility, and thereby calculate the FCI.

The first method used On-the-Ground (OTG) capacity of the school, which reflects only the number of student spaces in a school. Some boards have indicated that using OTG to measure school capacity has caused distortions in the FCI calculation. That is, schools with a greater proportion of special education classrooms or with unloaded spaces (such as gyms or libraries) were more likely to generate high FCI calculations because of an understatement of the replacement value. For this reason, the Ministry introduced a second method which uses the Gross Floor Area (GFA), which reflects the footprint of the school. All schools that have an FCI by OTG or an FCI by GFA equal to or greater than 65% were included on the Ministry identified PTR-candidate inventory.

1.2 Board Identification of PTR-Candidate Facilities

Some boards have indicated that the original school inspection excluded some aspects of school renewal needs, such as asbestos removal, Siporex roof replacement, or to address accessibility issues, which boards consider significant in their own determinations of the repair status of schools. The Ministry is providing boards with an opportunity to identify and add facilities and/or remove facilities indicated on the Ministry's potential PTR-candidates list. Boards may also identify a portion of a school as a potential PTR-candidate. This will enable boards to identify schools that have been constructed in phases and may have sections of a school that are in poor condition; although the whole school would not be considered PTR.

1.2.1 Board Identified PTR-Candidate Form

Boards have an opportunity to add or remove facilities from the Ministry identified PTR-candidate list. Boards must identify the school as a PTR-type program in their capital plan and submit a request to the Ministry to indicate their rationale to add facilities, add sections of facilities, or remove facilities from the Ministry identified PTR-candidate list by using the *Board Identified PTR-Candidate Form* (attached).

The rationale to add a facility, a section of a facility, or to remove a facility from the Ministry identified PTR-candidate list should indicate:

- The renewal needs not considered in the original assessment.
- The resulting FCI for the facility, if the proposed renewal needs were considered.

Boards may append supporting documentation including engineering analysis, photographs, reports, etc., where available.

1.2.2 Preliminary Identification of PTR-Candidate Category Form

All boards with facilities listed on either the Ministry identified PTR-Candidate list or the Board identified PTR-Candidate list must complete the *Preliminary Identification of PTR-Candidate Category Form* (attached).

PTR School Categories

The Ministry has classified PTR-candidate solutions into three categories as listed below.

Category 1: Single School Solutions

This category includes schools in poor condition that need to be replaced on the same or nearby site for the same intact school community. A near-by site is defined as a site that addresses the needs of at least 80% of the original student body impacted by the PTR school, resulting in similar walk distances and ride times.

Category 2: Multiple School Solutions

This category will provide a solution that involves more than one school in poor repair, where at least one of the schools is a PTR-candidate facility, and the other schools are in the neighbouring community

This category includes the following situations based on enrolment projections and capacity:

- Renovate or Add an Addition to a Neighbouring School
In situations where limited enrolment is projected for the PTR school and capacity is limited in the adjacent community, additional space can be built to a neighbouring school(s) to accommodate the pupil population of the PTR school.
- Build a New Consolidated School
In situations where enrolment projections indicate a need in the PTR and neighbouring school communities the proposal could be for a new consolidated school on the existing or nearby site.

Category 3: Solution to Retire Schools

This category will provide a solution that involves schools in poor repair where the affected students can be accommodated in existing schools with excess capacity within the current planning area. The PTR school does not need to be replaced, and can be retired from the school board's inventory. Some limited funding may be provided for this category of schools to address upgrade/renewal needs at the accepting school.

1.3 Review and Finalize PTR-Candidate Inventory

The Ministry is requesting boards to update the PTR candidate inventory of schools, and complete the Preliminary Identification of PTR-candidate category including the priority ranking by **November 30, 2006**. The information from boards will help the Ministry assess the number of schools in each category. This information will be considered as a staff-level submission from the board. The Ministry recognizes that after the municipal elections in November, boards will likely need to have discussions with and get approval from the new board of trustees.

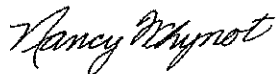
The Ministry is planning to release a DRAFT SB memo to boards for comment regarding next steps for assessing PTR funding needs, including information on the required business case content. This should be released within the next two weeks.

Subsequently, boards will be required to submit business cases to outline the proposed plan for schools identified in the PTR-Candidate inventory as their highest priority(ies). Adjustments to the renewal needs and funding allocations for facilities which were added or removed will be made in GPL Stage 3 in 2007-08.

OTHER ASSISTANCE

Ministry staff are available to answer questions and provide support throughout this transition process. School boards are encouraged to contact staff if they require further clarification during any stage of this process.

For further clarification, please direct any questions to:
Dolly Anand, Policy Team Lead
Business Services Branch, Ministry of Education
(416) 325-2022, Dolly.Anand@Ontario.ca



Nancy Whynot
Director, Business Services Branch

c.c. Directors of Education
Superintendents of Plant
Superintendents of Planning

Appendix: Ministry Identified Prohibitive to Repair Candidate Facilities

SFIS	Facility Name	City/Town	Panel	FCI by OTG	FCI by GFA
Algoma District School Board (2)					
39	Alex Muir PS	Sault Ste. Marie	E	74.02%	84.42%
5203	Alexander Henry HS	Sault Ste. Marie	S	75.55%	65.95%
2930	Arthur Henderson - A PS	Bruce Mines	E		144.79%
271	Arthur Henderson PS	Bruce Mines	E	91.80%	127.27%
848	Francis H Clergue PS	Sault Ste. Marie	E		86.23%
1151	Iron Bridge PS	Iron Bridge	E		68.22%
5464	Korah C & VS	Sault Ste. Marie	S	76.77%	
2119	Spanish PS	Spanish	E		74.14%
2546	Wm Merrifield VC PS	Sault Ste. Marie	E	68.51%	81.28%
Algonquin and Lakeshore Catholic District School Board (55)					
9226	Holy Name of Mary Catholic School	Marysville	E	115.85%	66.33%
3455	J J O'Neill Catholic School/St Patrick Catholic School	Napanee	E	71.76%	
6528	Sacred Heart Catholic School, Wolfe Island	Wolfe Island	E	77.74%	74.09%
9225	Sacred Heart Catholic School, Batawa	Batawa	E	74.32%	73.61%
9229	Sacred Heart Catholic School, Marmora	Marmora	E	104.73%	90.81%
Avon Maitland District School Board (8)					
	No schools identified				
Bluewater District School Board (7)					
1399	Lucknow Central PS	Lucknow	E	65.58%	71.42%
Brant Haldimand Norfolk Catholic District School Board (51)					
3660	Sacred Heart S	Langton	E		65.34%
Bruce-Grey Catholic District School Board (35)					
	No schools identified				
Conseil de district des écoles publiques de langue française No 59 (59)					
1628	Madeleine-de-Roybon, E (Leased from CFB)	Kingston	E	92.15%	
Conseil scolaire de district catholique Centre-Sud (64)					
8755	ÉE Corpus-Christi	Oshawa	E	80.72%	
3230	ÉE Georges-Étienne-Cartier	Toronto	E		65.97%
7968	ÉE Immaculée-Conception	St. Catharines	E		65.59%
9614	ÉE Monseigneur-Jamot	Peterborough	E	70.70%	
3632	ÉE Sacré-Cœur	Toronto	E	87.13%	76.56%
Conseil scolaire de district catholique Centre-Sud (64)					
8284	ÉE Sainte-Croix	Tiny	E	68.01%	77.95%
4559	ÉE Sainte-Madeleine	Toronto	E		67.30%
4006	ÉE Saint-Jean-de-Lalande	Toronto	E	66.02%	
4420	ÉE Saint-Noël-Chabanel	Toronto	E	65.20%	
Conseil scolaire de district catholique de l'est Ontarien (65)					
4565	Sainte-Trinite, E. sep.	Rockland	E		68.45%
3961	Saint-Gabriel, E. sep.	Cornwall	E		75.83%
3627	Saint-Jean, E. sep.	Embrun	E		65.03%
4028	Saint-Jean-Bosco, E. sep.	Hawkesbury	E		68.22%
4128	Saint-Joseph, E. sep.	Lefavre	E	105.42%	100.33%
4094	Saint-Joseph, E. sep.	Lancaster	E		79.16%

SFIS	Facility Name	City/Town	Panel	FGI by OTG	FGI by GFA
Conseil scolaire de district catholique de l'est Ontarien (65) - continued					
4131	Saint-Joseph, E. sep.	Wendover	E		69.72%
6250	SEFA Campus Casselman	Casselman	S		69.17%
6204	St-Gregoire, E	Vankleek Hill	E	74.56%	77.03%
Conseil scolaire de district catholique des Aurores Boreales (62)					
	No schools identified				
Conseil scolaire de district catholique des Grandes Rivieres (60.1)					
	No schools identified				
Conseil scolaire de district catholique du Centre-Est de l'Ontario (66)					
3161	Ange-Gabriel, Ecole	Brockville	E		79.18%
Conseil scolaire de district catholique du Nouvel-Ontario (61)					
3460	Notre Dame, E. sep.	Hanmer	E	65.33%	
4095	Saint-Joseph, E. sep.	Chelmsford	E		67.26%
Conseil scolaire de district catholique Franco-Nord (60.2)					
3139	Cite-des-Jeunes, E. sep.	North Bay	E	105.82%	
3628	Echo-Jeunesse, E. sep.	Sturgeon Falls	E	99.11%	67.44%
3389	Lorrain, E. sep.	Bonfield	E	69.63%	66.07%
3404	Mariale, E. sep.	Thorne	E	70.21%	67.88%
4547	Sainte-Anne, E. sep.	North Bay	E	72.70%	70.60%
4544	Sainte-Anne, E. sep.	Mattawa	E		74.05%
9323	St-Thomas d'Aquin, Ecole	Astorville	E	95.74%	76.38%
Conseil scolaire de district des ecoles catholiques du Sud-Ouest (63)					
	No schools identified				
Conseil scolaire de district du Centre Sud-Ouest (58)					
9529	Maison Montessori	North York	E	74.16%	
Conseil scolaire de district du Grand Nord de l'Ontario (57)					
	No schools identified				
Conseil scolaire de district du Nord-Est de l'Ontario (56)					
	No schools identified				
District School Board of Niagara (22)					
553	Dalewood PS	St. Catharines	E	69.87%	71.98%
702	Edith Cavell PS	St. Catharines	E	96.34%	
1363	Lincoln Centennial PS	St. Catharines	E		69.48%
1525	Memorial PS	St. Catharines	E	80.12%	76.68%
1923	Queen Mary PS	St. Catharines	E	110.30%	78.42%
5900	Vineland/Maplegrove PS (Annex-Maplegrove)	Vineland	E		71.93%
District School Board Ontario North East (01)					
	No schools identified				
Dufferin Peel Catholic District School Board (43)					
3128	Father C W Sullivan S	Brampton	E	66.83%	
9329	Holy Name of Mary (Leased from Felician Sisters)	Mississauga	S	75.95%	77.07%
3384	Lester B Pearson S	Brampton	E	72.18%	
3406	Mary Fix Catholic S	Mississauga	E	71.16%	
3738	St Anne Sep S	Brampton	E	79.93%	
4091	St Joseph Sep S (Brampton)	Brampton	E		65.99%
4239	St Mary Sep S (Brampton)	Brampton	E	79.37%	

SFIS	Facility Name	City/Town	Panel	FCI by OTG	FCI by GFA
Durham Catholic District School Board (45)					
	No schools identified				
Durham District School Board (13)					
159	Beaverton PS	Beaverton	E	67.12%	
5262	Cartwright HS	Blackstock	S		70.27%
645	Florence M Heard PS	Whitby	E	67.89%	73.96%
1016	Harmony PS	Oshawa	E	73.52%	76.52%
477	Leslie McFarlane PS	Whitby	E	75.77%	69.47%
1750	Palmerston Avenue PS	Whitby	E	65.65%	
1937	R A Hutchison PS	Whitby	E	68.44%	65.47%
1990	Ritson PS	Oshawa	E	66.53%	70.56%
397	Thorah Central PS	Beaverton	E	68.04%	
Eastern Ontario Catholic District School Board (52)					
3127	Iona Academy	Williamstown	E		78.71%
9292	Mother Teresa Annex (formerly Russel Arts and Education Centre)	Russell	E	66.46%	
3869	St. Columban's East	Cornwall	E		67.74%
3872	St. Columban's West	Cornwall	E		71.68%
4138	St. Joseph Sep S	Prescott	E	74.99%	75.73%
Grand Erie District School Board (23)					
	No schools identified				
Greater Essex County District School Board (9)					
	No schools identified				
Halton Catholic District School Board (46)					
	No schools identified				
Halton District School Board (20)					
	No schools identified				
Hamilton-Wentworth Catholic District School Board (47)					
	No schools identified				
Hamilton-Wentworth District School Board (21)					
297	C H Bray PS	Ancaster	E	127.70%	111.29%
8038	Central	Hamilton	E		71.33%
8042	Dalewood	Hamilton	E	84.99%	
8029	Linden Park	Hamilton	E	70.24%	
8062	Prince Philip	Hamilton	E	65.06%	
8075	Sanford Avenue	Hamilton	E	85.90%	
Hastings and Prince Edward District School Board (29)					
2157	Sir Mackenzie Bowell Sr PS	Belleville	E	73.69%	
Huron-Perth Catholic District School Board (36)					
	No schools identified				
Huron-Superior Catholic District School Board (31)					
6326	Mount St Joseph College	Sault Ste. Marie	S	68.60%	65.79%
3633	Sacred Heart Sep S	Espanola	E		66.97%
Kawartha Pine Ridge District School Board (14)					
17	Adam Scott C & VI (Elem)	Peterborough	E	73.73%	
5193	Adam Scott C & VI (Sec)	Peterborough	S	73.73%	

SFIS	Facility Name	City/Town	Panel	FCI by OTG	FCI by GFA
248	Brighton PS	Brighton	E	74.36%	76.42%
Kawartha Pine Ridge District School Board (14) - continued					
284	Burnham PS	Cobourg	E		68.79%
371	Camborne PS	Cobourg	E		69.00%
525	Castleton PS	Castleton	E	97.31%	125.02%
400	Central PS	Bowmanville	E	88.59%	75.73%
617	Dr L B Powers PS	Port Hope	E	67.75%	
5326	East Northumberland SS	Brighton	S	71.38%	
882	George Hamilton PS	Port Hope	E		70.69%
1033	Havelock PS	Havelock	E		67.68%
1112	Howard Jordan PS	Port Hope	E	67.40%	72.94%
1297	Kirby Centennial Public School PS	Orono	E		70.40%
1311	Lakefield Intermed S	Lakefield	E	68.01%	
5931	Millbrook/South Cavan Annex	Millbrook	E		68.54%
372	North Hope Central PS	Campbellcroft	E	102.87%	108.96%
1940	R F Downey PS	Peterborough	E	89.27%	84.46%
526	South Cramahe PS	Colborne	E		70.59%
501	South Monaghan PS	Baileboro	E	69.68%	66.95%
2200	Spring Valley PS	Brighton	E		66.00%
2475	Westmount PS	Peterborough	E		69.50%
2584	Youngs Point	Youngs Point	E		99.65%
Keewatin-Patricia District School Board (5.1)					
1116	Hudson PS	Hudson	E		94.91%
1740	Oxdrift PS	Oxdrift	E		74.17%
1819	Pinewood PS	Dryden	E		70.51%
2000	Riverview PS	Dryden	E	74.89%	76.42%
7532	Valleyview P.S.	Kenora	E		71.50%
2409	Wabigoon PS	Wabigoon	E	74.14%	68.18%
Kenora Catholic District School Board (33.2)					
10543	St. Thomas Aquinas Annex	Kenora	E		116.04%
Lakehead District School Board (6.1)					
9974	Valley Central/Roslyn Village annex	Thunder Bay	E		86.42%
Lambton Kent District School Board (10)					
1283	King George VI PS	Samia	E		66.00%
2576	Wyoming PS	Wyoming	E		66.24%
Limestone District School Board (27)					
9648	Amherst Island PS	Stella	E	100.66%	67.00%
9675	Enterprise PS	Enterprise	E		65.01%
862	Frontenac PS	Kingston	E	70.62%	
1391	Lord Strathcona PS	Kingston	E	71.62%	71.45%
2548	Marysville PS	Wolfe Island	E		78.29%
1860	Prince Charles PS	Verona	E	67.79%	68.22%
1941	R Gordon Sinclair Memorial PS	Kingston	E		66.50%
Limestone District School Board (27) - continued					
5636	Sharbot Lake HS (Sec)	Sharbot Lake	S	69.15%	
London District Catholic School Board (38)					

SFIS	Facility Name	City/Town	Panel	FCI by OTG	FCI by GFA
	No schools identified				
Near North District School Board (4)					
358	Centennial PS	North Bay	E	66.63%	
1170	J W Trusler PS	North Bay	E	71.11%	75.72%
1277	King George PS	North Bay	E		65.77%
1340	Laurentian PS	North Bay	E		74.96%
Niagara Catholic District School Board (50)					
7980	Our Lady of Fatima	Grimsby	E		66.45%
7973	St Joseph	Grimsby	E		68.51%
Nipissing-Parry Sound Catholic District School Board (30.2)					
3652	Sacred Heart Sep S	North Bay	E		68.10%
3999	St Hubert Sep S	North Bay	E	95.96%	76.74%
4114	St Joseph Sep S	North Bay	E	70.54%	
4523	St Victor Sep S	Mattawa	E	99.33%	66.09%
Northeastern Catholic District School Board (30.1)					
	No schools identified				
Northwest Catholic District School Board (33.1)					
	No schools identified				
Ottawa-Carleton Catholic District School Board (53)					
3451	Our Lady of Peace Sep S	Nepean	E		73.10%
Ottawa-Carleton District School Board (25)					
2988	Clifford Bowey PS	Ottawa	E	69.74%	
583	Devonshire PS	Ottawa	E	69.46%	
637	Dunning-Foubert ES	Orleans	E	88.03%	
10140	Fitzroy Harbour PS	Fitzroy Harbour	E		73.21%
1236	Katimavik PS	Kanata	E	133.33%	
2016	Rockcliffe Park PS	Ottawa	E	65.82%	
Peel District School Board (19)					
304	Alton PS	Caledon	E	65.30%	
1036	Hawthorn PS	Mississauga	E	71.23%	
1394	Lorne Park PS	Mississauga	E	67.43%	
Peterborough Victoria Nothumberland and Clarington Catholic District School Board (41)					
	No schools identified				
Rainbow District School Board (3)					
2445	Wembley PS	Sudbury	E	73.90%	68.16%
Rainy River District School Board (5.2)					
9377	Donald Young PS	Emo	E	85.84%	93.10%
9378	F H Huffman PS	Fort Frances	E		69.57%
9384	Robert Moore School	Fort Frances	E	76.81%	
Renfrew County Catholic District School Board (54)					
4088	St Joseph's Sep S - Calabogie	Calabogie	E	65.56%	
3622	St. Francis of Assisi Catholic School (formerly Rivercrest)	Petawawa	E	79.71%	72.37%
Renfrew County District School Board (28)					
	No schools identified				
Simcoe County District School Board (17)					

SFIS	Facility Name	City/Town	Panel	FCI by OTG	FCI by GFA
	No schools identified				
Simcoe Muskoka Catholic District School Board (44)					
	No schools identified				
St. Clair Catholic District School Board (39)					
	No schools identified				
Sudbury Catholic District School Board (32)					
3158	Corpus Christi Sep S	Sudbury	E	68.09%	78.24%
3766	St Christopher Sep S	Sudbury	E	74.05%	72.90%
3884	St David Sep S	Sudbury	E	74.69%	65.79%
4482	St Theresa Sep S	Sudbury	E	83.76%	75.77%
Superior North Catholic District School Board (34.2)					
	No schools identified				
Superior-Greenstone District School Board (6.2)					
896	B A Parker PS	Geraldton	E	65.99%	
5631	Lake Superior HS	Terrace Bay	S	87.93%	
5542	Nipigon Red Rock DHS	Red Rock	S	70.39%	
2089	Schreiber PS	Schreiber	E		68.44%
Thames Valley District School Board (11)					
1398	Lucan PS	Lucan	E	78.11%	77.19%
7895	M B McEachren PS	London	E	66.86%	74.54%
1835	Plover Mills PS	Thorndale	E		68.38%
9932	Sweaburg PS	Woodstock	E		68.35%
Thunder Bay Catholic District School Board					
	No schools identified				
Toronto Catholic District School Board (40)					
9512	St Edward Sep S (Lease from TDSB)	North York	E		70.96%
Toronto District School Board (12)					
8349	ALPHA Alt. School Jr & Sr (form. Brant PS)	Toronto	E	68.70%	
9061	Brookview MS	North York	E	70.74%	
8377	City View Alt. School (Shirley Street Jr PS)	Toronto	E	68.57%	68.60%
8382	Cottingham Jr PS	Toronto	E	70.47%	
8924	General Crerar PS	Scarborough	E	74.49%	77.44%
8879	George P Mackie Jr PS	Scarborough	E	69.07%	68.51%
8461	Hillcrest Jr PS & City Community Centre	Toronto	E	67.22%	
8462	Hodgson Sr PS	Toronto	E	72.06%	
8947	Ionview PS	Scarborough	E		71.99%
8407	Oasis Alt. SS, ALPHA (program in form. Brant PS)	Toronto	S	68.70%	
9164	Park Lane PS	North York	E	74.99%	
8675	Seneca School	Etobicoke	E	84.11%	
8437	Shirley Street Jr PS	Toronto	E	68.57%	68.60%
8443	Sunny View Jr & Sr PS	Toronto	E	102.43%	
Trillium Lakelands District School Board (15)					
2379	CLC - Haliburton (Formerly Victoria Street ES)	Haliburton	S		103.96%
Upper Canada District School Board (26)					
1527	Memorial Park PS	Cornwall	E	71.96%	85.58%
5441	Seaway District HS	Iroquois	S	66.72%	

SFIS	Facility Name	City/Town	Panel	FCI by OTG	FCI by GFA
2528	Winchester PS	Winchester	E	88.76%	
Upper Grand District School Board (18)					
1024	Harriston PS	Harriston	E	72.45%	84.21%
Waterloo Catholic District School Board (49)					
3797	St Bernadette Sep S	Kitchener	E		71.53%
Waterloo Region District School Board (24)					
	No schools identified				
Wellington Catholic District School Board (48)					
	No schools identified				
Windsor-Essex Catholic District School Board (37)					
7836	St Jules	Windsor	E	65.10%	75.33%
York Catholic District School Board (42)					
3638	Holy Name Sep S	King City	E	68.34%	
4321	St Michael Sep S	Thornhill	E	65.02%	
York Region District School Board (16)					
110	Aurora Sr PS	Aurora	E	84.73%	68.87%
146	Bayview Glen PS	Thornhill	E		68.74%
988	Deer Park PS	Keswick	E	88.88%	
5315	Dr G W Williams SS	Aurora	S	75.65%	
6351	Eva L. Dennis Building	King City	E		67.03%
890	George Street PS	Aurora	E	105.05%	94.84%
909	Glen Cedar PS	Newmarket	E	70.52%	
1168	J L R Bell PS	Newmarket	E		68.92%
1183	James Robinson PS	Markham	E	74.45%	97.29%
1225	Joseph A Gibson PS	Maple	E		74.18%
1258	Kettleby PS	Kettleby	E	69.54%	
1285	King City PS	King City	E	103.35%	
1512	Meadowbrook PS	Newmarket	E	66.19%	
1289	Nobleton Junior PS	Nobleton	E	87.54%	91.74%
1720	Orchard Park PS	Stouffville	E	71.25%	65.20%
985	Queensville PS	Queensville	E		160.43%
984	Sharon PS	Sharon	E		66.04%
5681	Stouffville District SS	Stouffville	S	71.51%	77.34%
2267	Sutton PS	Sutton West	E		65.84%
2444	Wells Street S	Aurora	E	118.94%	135.87%
2490	Whitchurch Highlands PS	Stouffville	E	65.27%	
2558	Woodland PS	Thornhill	E	80.24%	77.36%

BOARD IDENTIFIED PTR-CANDIDATE FORM

PRELIMINARY IDENTIFICATION OF INTENT TO ADDRESS NEEDS OF THE FACILITIES INDICATED ON THE PROHIBITIVE TO REPAIR (PTR) CANDIDATE INVENTORY

Please complete all the shaded areas:

Date of this notice:	
Name of District School Board:	
Address:	Telephone:
Fax Number:	E-Mail Address:
Contact Name:	Signature (Required only if faxed):

The above mentioned school board is hereby providing written notification to the Ministry of Education of its intent to apply for:

Addition of facility to the Ministry's Prohibitive to Repair Candidate Inventory list for the School Board identified above. List names, SFIS numbers and a brief description of why the facilities should be considered a PTR-candidate:

Addition of part of a facility to the Ministry's Prohibitive to Repair Candidate Inventory list for the School Board identified above. List names, SFIS numbers and identify the section of the facilities to be considered. Also, provide a brief description of why the facility should be considered a PTR-candidate:

Removal of facility from the Ministry's Prohibitive to Repair Candidate Inventory list for the School Board identified above. List names, SFIS numbers and a brief description of why the facility should be removed from the PTR-Candidate Inventory:

The board will be required to submit a written proposal to explain the rationale for suggesting the above addition/addition of a section/removal of a facility from the Ministry PTR-Candidate inventory.

Due: November 30, 2006

Return this notice to: Policy Team Lead, Good Places to Learn Unit
Business Services Branch
Ministry of Education, 900 Bay Street, 21st Floor
Toronto, Ontario
Fax: (416) 325-4024 Email: BSB.GPL@Ontario.ca

MINISTRY OF EDUCATION ACTION:	
Notification received by Ministry of Education on:	
Notification reviewed on:	Reviewed by:
Ministry Decision on Notification:	
Decision Date:	Decision by:
Decision Approved by Director, Business Services Branch on:	

PRELIMINARY IDENTIFICATION OF PTR-CANDIDATE CATEGORY FORM

Please complete the shaded area for all schools that have been identified by the Ministry as PTR-candidate facilities and those that have been proposed by the board as possible PTR-candidates. For each facility please indicate the proposed PTR-Category and the priority in which the board will approach these projects.

PTR Categories include:

- **Category 1: Single School Solution**
Schools in poor repair that need to be replaced on the same site or a nearby site for the intact school community.
- **Category 2: Multiple School Solution**
This solution involves more than one school. This includes options such as building addition(s) onto neighbouring school(s) or building a new consolidated school on an existing or new site.
- **Category 3: Retire School Solution**
Schools where the affected students can be accommodated in existing schools with excess capacity within the planning area. The PTR school does not need to be replaced and can be retired.

Due: November 30, 2006

Return this notice to: Policy Team Lead, Good Places to Learn Unit
Business Services Branch
Ministry of Education, 900 Bay Street, 21st Floor
Toronto, Ontario
Fax: (416) 325-4024 Email: BSB.GPL@Ontario.ca

School Name	SFIS Number	Ministry Identified PTR-Candidate	PTR Category	Priority Ranking	Other information

2007: B2

MEMORANDUM TO: Directors of Education
Secretary/Treasurers of School Authorities

FROM: Nancy Naylor
Assistant Deputy Minister

DATE: March 19, 2007

SUBJECT: Education Funding for 2007-08

I am writing to provide you with information about education funding for 2007-08, which will assist your school board in developing its budget for the school year that starts in September 2007.

It should be noted that the information in this memorandum is provided in advance of the release of a regulation which governs grants to school boards within their 2007-2008 fiscal year.

The initiatives and investments described herein must be implemented by, and are conditional upon, the approval of this regulation by the Lieutenant Governor in Council.

The Ministry intends to seek approval for such a regulation in April 2007 and will advise you if such a regulation is approved.

A. OVERVIEW

The 2007-08 school year will be the fourth year of Ontario's multi-year funding plan for elementary and secondary education, which was established in 2004 as a major support to the province's key priority of Success for Students. Under this plan, total education funding through the Grants for Student Needs (GSN) in 2007-08 is projected to be \$18.26B. This is \$781M more than in 2006-07 and \$3.5B more than in the 2002-03 school year – an increase since 2002-03 of 24 per cent, which, on a per-pupil basis, translates into an increase of \$2,062 per pupil, or 28 per cent.

Over this period, the government has worked closely with the education sector to make significant changes to the funding formula to support our shared priorities of improving student achievement and maintaining a stable learning environment.

Last fall, the Ministry initiated a consultation on the 2007-08 GSN, inviting a broad range of education stakeholders to provide their input with respect to the priorities and needs in the sector for the upcoming school year and future years. The Ministry met with or received submissions from numerous partners, including school boards, trustee

associations, teachers' federations, unions representing non-teaching staff and parents' groups. This input has helped shape the GSN investments outlined in this memorandum, and I would like to thank all participants for their contributions.

In 2007-08, the Ministry will continue its reform of the funding formula so that boards have the resources they need to advance our goal of improved student achievement.

For 2007-08, this includes the introduction of three new grants/allocations:

- Program Enhancement Grant
- First Nations, Métis and Inuit Education Supplement
- Supported Schools Allocation of the Geographic Circumstances Grant

The 2007-08 GSN will also further the Ministry's ongoing work to reform the key funding areas of special education and student transportation, while supporting the improvement of student achievement through smaller primary classes, more elementary specialist and secondary student success teachers and enhanced salary benchmarks to reflect the four-year labour framework.

Additional targeted funding is also being provided for French-language school boards, student trustees, and to address cost pressures for utilities.

This memorandum also provides information about school capital programs, including funding for Good Places to Learn (GPL) Stage 3 to support the renewal of schools in every school board, new financing arrangements for school capital, and expanded criteria for Growth Schools funding. In addition, this memorandum outlines an upcoming consultation on the disposal of surplus school assets.

Finally, this memorandum addresses funding support for school authorities and financial reporting requirements for school boards, including an upcoming consultation about a new definition of "balanced budget" for school boards.

B. NEW GRANTS/ALLOCATIONS

Program Enhancement Grant

The new Program Enhancement Grant reflects Ontario's commitment to supporting a well-rounded education. This grant will support programs and activities such as arts, music, physical education, and outdoor education. This grant may be used to fund or enrich existing programs or to offer new programs.

Funding for the Program Enhancement Grant in 2007-08 is projected to be \$35M, with the funding level calculated on a per-school basis (\$7,500 per school). It should be noted that, while each board's level of funding is based on its number of schools, boards have flexibility to decide how to use this funding within their jurisdictions.

The Ministry will seek feedback from boards on the use of the Program Enhancement Grant in 2007-08 in order to introduce a more formal definition of eligible investments for the 2008-09 school year.

First Nations, Métis and Inuit Education Supplement

To support the goal of improved achievement as outlined in the *Ontario First Nation, Métis and Inuit Education Policy Framework* document of January 2007, the 2007-08 GSN will introduce a new First Nations, Métis and Inuit Education Supplement.

Through this grant, the Ministry will allocate \$10M in new annual funding plus the \$0.5M currently allocated through the Native Language component of the Language Grant – for a total supplement of \$10.5M in the 2007-08 school year.

The \$10.5M in funding will be allocated as follows:

- \$3.6M to fund Native Languages programs offered in any of the seven Native Languages recognized in the Ontario curriculum – this represents the \$0.5M in current Native Languages funding and \$3.1M to enhance the benchmarks for Native Languages:
 - (a) The elementary funding benchmarks are increased to fund the equivalent of 0.2 of an elementary teacher for every eight students enrolled in a Native Languages program that averages 20-39 minutes a day and the equivalent of 0.3 of an elementary teacher for every eight students in programs averaging 40 or more minutes a day.
 - (b) The secondary funding benchmarks are increased to fund the equivalent of 0.167 of a secondary teacher for every eight students enrolled.
- \$1.4M to fund Native Studies courses. This funding will be allocated based on the same benchmarks used to allocate funding for secondary Native Languages programs, as described above – that is, the equivalent of 0.167 of a secondary teacher for every eight students enrolled in any of the 10 Native Studies courses available in the Ontario curriculum.
- \$5.5M allocated using a benchmark of \$69 per estimated Aboriginal student, with a weighting factor that directs more funding to boards with a higher estimated proportion of First Nations, Métis and Inuit students. As only a limited number of boards currently have confidential, voluntary self-identification policies in place for their First Nations, Métis and Inuit students, this component is allocated based on 2001 Census data as an interim measure:

Estimated percentage of First Nations, Métis and Inuit student population	Weighting factor
between 0 and 7.49%	1
between 7.5% and 14.99%	2
15% or more	3

Projected board-by-board allocations are attached as Appendix 2.

Supported Schools Allocation

In 2006-07, the government introduced the School Foundation Grant, to provide ongoing, stable funding for the cost of principals, vice-principals and secretaries in open and operating schools. This grant recognized the fixed costs of school leadership and administration, and addressed the concerns of school boards with declining enrolment by ensuring that these fixed costs are funded.

The response of school boards to this new grant addressing fixed costs has been very positive. Building on this success, the government is introducing the Supported Schools Allocation of the Geographic Circumstances Grant. The Supported Schools Allocation

expands school-based support to benefit small Ontario communities where schools have low enrolment and are a significant distance from other schools of the board.

The Supported Schools Allocation will provide eligible "supported schools" with ongoing funding for teacher staffing. An elementary school will be deemed to be a "supported school" if it is 30 kilometres or more from any other elementary school of the board. A secondary school will be deemed to be a "supported school" if it is 60 kilometres or more from any other secondary school of the board. A list of supported schools is attached as Appendix 1.

Funding for teacher staffing will be provided as follows:

- Supported elementary schools with 50 or more students will generate funding for a minimum of 7.5 teachers.
- Supported secondary schools with 50 or more students will generate funding for a minimum of 14 teachers.
- As enrolment increases beyond 150 for a supported elementary school or beyond 200 for a supported secondary school, these schools will generate additional funding for teachers, beyond funding formula standards, to reflect the fact that providing specialist teachers and programs may require travel by teachers.
- Funding for teachers will be scaled for supported schools with enrolments between 1 and 49 students.

Supported schools will also generate funding through the School Operations and School Renewal grants at 100 per cent of their pupil capacity.

This new Allocation builds on and enhances the funding provided through the Distant Schools Allocation (DSA) of the Geographic Circumstances Grant. The residual DSA is continued in 2007-08.

In 2007-08, the combined funding offered through the new Supported Schools Allocation and the residual DSA component of the Geographic Circumstances Grant will be equivalent to, or higher than, the 2006-07 DSA funding for each board, subject only to adjustments to recognize where previously eligible schools have been closed by a board. To support this change, the government has provided \$10M in additional funding in 2007-08.

C. SUPPORT FOR ONGOING REFORM

Special Education

The government will provide \$25M in additional funding to enhance the Special Education Grant in 2007-08. As work continues on developing a new funding approach, this investment will provide stable funding levels for school boards and will also support growth in the number of claims for the highest needs students.

This additional funding will be allocated to:

- Address the impact of enrolment decline, by ensuring that (a) no school board receives less High Needs Amount (HNA) funding in 2007-08 than it received in 2006-07; and (b) boards with enrolment growth receive an increase in HNA funding.

- Increase the number of highest needs students accessing support through the Special Incidence Portion (SIP).
- Address increased need in the special education sector by supporting growth in the Special Equipment Amount (SEA).

The Ministry remains committed to working with the sector on the development of measures for funding that reflect the variability of high needs students among school boards. In 2007-08, the Ministry will also be consulting with school boards as we continue to review the various components of the Special Education Grant.

Student Transportation

The government will provide an increase of \$18M to support student transportation in 2007-08. This increase covers:

- A 2 per cent increase in base funding for student transportation, which represents \$15M in additional funding, to help boards manage the increased busing costs resulting from increases in fuel prices and other financial pressures.
- \$3M for boards with increased enrolment. The Ministry will also continue to provide transitional support for school boards with declining enrolment – these boards will not see their funding reduced in 2007-08.

To provide ongoing support for school bus safety, the government will continue to provide the \$1.5M allocated last year for school bus safety programming. This funding will allow boards to continue to work with operators and school bus drivers to enhance the culture of safety that is integral to the provision of student transportation.

In 2006-07, the Ministry will provide an additional \$7.6M through in-year adjustments to boards that were included in the first phase of the Effectiveness and Efficiency (E&E) reviews. The adjustments will be included in these boards' base allocations for 2007-08 and future years. In 2007-08, the Ministry will continue to conduct E&E reviews of established consortia and will make funding adjustments based on the findings.

These investments build on the government's commitment to the three-year reform approach for student transportation, which was announced as part of the 2006-07 GSN.

D. SUPPORT FOR STUDENT ACHIEVEMENT

Primary Class Size

To sustain the momentum toward smaller primary classes in 2007-08, the government will provide \$100M to increase the Primary Class Size (PCS) Reduction Amount to \$745 per primary pupil. This funding will support an additional 1,200 new teachers. In 2007-08, the province's total investment in the PCS Reduction Amount will reach \$386M.

As in previous years, funding for the PCS initiative recognizes, for all teachers supported by this initiative, the costs of the higher salary base and increased preparation time for elementary teachers provided in the labour framework.

For 2007-08, boards are preparing their preliminary PCS plans and submitting them through the Primary Class Size Plan website. To date, the Ministry has received 23 plans. The majority of these plans are meeting or surpassing the standard by showing 90 per cent or more of primary classes at 20 or fewer. We are extremely appreciative of the work undertaken by these boards and encouraged by the projected class sizes for

next year.

I encourage all boards to finalize their PCS plans and submit these to the Ministry for review. Information on the preliminary PCS planning process was provided in the memorandum of October 20, **2006: B11**, with further direction in the memorandum of January 30, **2007: SB2**.

The Ministry has received a number of inquiries from boards regarding the standard of compliance expected for the 2007-08 school year – in particular, the expectations for schools offering specialty programs such as French Immersion and for schools where capital projects are underway to ensure appropriate classroom space.

As first stated in June 2005, and confirmed in subsequent communications, school boards will be expected, beginning in 2007-08, to organize their primary classes so that at least 90 per cent of primary classes have 20 or fewer students. Up to 10 per cent of classes may have up to 23 students. No primary class should have more than 23 students.

Where a school board feels it may not be able to meet this standard in 2007-08, the board may apply to the Ministry for transitional program equivalency. This approval has been available on a limited basis in prior years to address the situations of a small number of boards that faced accommodation pressures pending capital construction to support the PCS initiative.

In 2007-08, the Ministry will continue to recognize situations where students may not be safely accommodated in classrooms until capital projects are complete. The Ministry will also consider limited approvals (1) to support boards in fully implementing PCS for programs, such as French Immersion or other speciality programs, that require congregating students, in recognition of the additional capital and transportation elements that may need to be reorganized; (2) to support boards that may, as a result of having a relatively large proportion of small elementary schools, face difficulties in fully implementing the initiative in 2007-08 without undue or inappropriate impact on students. The Ministry will review individual circumstances identified by school boards.

Please note that requests for transitional program equivalency should be made prior to your board submitting its final 2007-08 PCS plan in June 2007.

Funding to support more than \$700M of PCS capital has been allocated to school boards based on the review completed by the Ministry and school boards to determine each school's PCS space needs. These funds will be used by school boards to build or acquire over 1,900 new classrooms.

The Ministry will also adjust the allocation benchmarks for the International Languages component of the Continuing Education and Other Programs Grant in 2007-08 to reflect the lower elementary class sizes resulting from the PCS initiative. Elementary International Languages classes will now be funded at an average class size of 23 students.

Labour Framework

The 2007-08 school year will be the fourth year of the four-year labour framework, which required collective agreements between teachers' federations and school boards to have terms from September 1, 2004, to August 31, 2008. This framework is the result of a major initiative by the government to support long-term collective agreements that

provide a stable learning environment for students, permit boards to hire additional staff, and improve learning outcomes.

In 2007-08, the government will continue support for the labour framework agreement and its multi-year commitment to increase teaching staff with a projected \$484M in additional funding, consisting of:

- \$421M to cover the 3 per cent salary benchmark increases in 2007-08 under collective agreements for both teaching and non-teaching staff.
- \$28M for 380 elementary specialist teachers.
- \$14M to cover that portion of the increase in teachers' preparation time (3 minutes) that school boards had originally agreed to fund from their own resources.
- \$21M for more than 320 additional secondary Student Success teachers.

Additional funding to recognize the costs of salary increases for non-teaching staff will continue to be provided as in the previous two years, through the Cost Adjustment component of the Cost Adjustment and Teacher Qualifications and Experience Grant. The Ministry has estimated the amount of funding by calculating average salaries for various staffing categories – using salary and staffing information reported by boards in the 2006-07 Revised Estimates – and comparing these average salaries to the benchmarks.

E. NEW INVESTMENTS

French-Language School Boards

Enhanced targeted funding for French-language school boards in 2007-08 reflects the government's multi-year funding strategy for French-language school boards.

In 2007-08, the Ministry will allocate an additional \$10M to French-language school boards by:

- Providing funding for one additional teacher per French-language board to support innovative delivery of secondary programs;
- Funding additional secondary teachers for French-language schools based on school size, in order to increase unique course offerings; and
- Increasing the elementary per-pupil amount in the French as a First Language component of the Language Grant.

The Ministry will provide further details in the near future about expectations related to the use of Language Grant funding in French-language boards.

Student Trustee Honorarium

Ontario Regulation 7/07 – Student Trustees was filed on January 15, 2007. The regulation requires district school boards to have at least one, and not more than three, student trustees. Boards are also required to pay an honorarium of \$2,500 to each student trustee and to provide student trustees with the same access to compensation for expenses as is provided to other trustees.

To assist boards, the Ministry will provide, through the School Board Administration and Governance Grant:

- 50 per cent of the student trustee honorarium (\$1,250) based on the actual number of student trustees per board; and
- \$5,000 per student trustee for expenses.

This approach is consistent with current provisions for funding the remuneration and expenses of regular trustees. The Ministry will start to provide this funding in the current (2006-07) school year.

Utilities

To address the cost of energy and utilities, an additional \$7M in funding will be provided in 2007-08. This represents a 1 per cent increase in the non-salary component of the School Operations Grant.

F. SCHOOL CAPITAL PROGRAMS

Good Places to Learn

The Good Places to Learn (GPL) initiative was announced in February 2005 as a commitment to support \$4B of improvements in school facilities.

In 2005-06 and 2006-07 the Ministry announced:

- GPL Stage 1 to provide school boards with an allocation to support \$1B in high and urgent renewal projects.
- GPL Stage 2 to provide school boards with an allocation to support an additional \$500M in high and urgent renewal projects.
- Funding to support more than \$700M in Primary Class Size (PCS) capital.
- The Prohibitive to Repair (PTR) program that will provide \$700M to support building replacement schools.
- Funding for the Growth Schools Allocation to support \$137M worth of new schools in areas of new housing growth. The Ministry has modified the eligibility criteria for the Growth Schools Allocation in 2007-08 – see page 9 below.
- A four-year, \$220M commitment to address the need for French-language school boards to establish a permanent presence in their jurisdictions, beginning in 2006-07.

In 2007-08, the Ministry will proceed with GPL Stage 3 to provide school boards with support for an additional \$500M worth of renewal projects. The Ministry is in the process of allocating funding for PTR-related capital projects. As the GPL Stage 3 allocations will reflect the PTR decisions, the Ministry expects to release the GPL Stage 3 allocations to school boards before September 2007.

The Ministry will continue to work with the Ontario Financing Authority (OFA) in 2007-08 to provide long-term financing for the remaining GPL Stage 1 and Stage 2 renewal projects.

Long-Term Financing Vehicle for Capital Programs

The Ministry is working with the OFA to establish a provincial vehicle to provide long-term financing for approximately \$1.5B of construction costs incurred by school boards

under the following new capital programs:

- Prohibitive to Repair
- Primary Class Size Capital
- Growth Schools
- Capital Transitional Adjustment Programs for French-language boards

In addition, unbuilt projects from prior year PTR and Capital Transitional Adjustment allocations will be included in the new financing approach.

Financing for the capital projects supported by these programs will be provided in a manner similar to that used for GPL Renewal, as follows:

Short-term financing

- Boards will be reimbursed for their short-term interest costs incurred on projects that are underway. For 2006-07, the Ministry will recognize short-term interest costs at the rate arranged by the board. The Ministry will work with the OFA and the banking community to establish a benchmark rate for 2007-08.
- In 2006-07, where a board short-term finances by borrowing from its internal reserves, the Ministry will recognize these costs at the Banker's Acceptance rate as of September 1, 2006, which was 4.34571 per cent.
- In 2007-08, where a board short-term finances by borrowing from its internal reserves, the Ministry will recognize these costs at the Banker's Acceptance rate in effect on September 1, 2007, to be confirmed at that time.

Long-term financing

- Boards will be permitted to access long-term financing for projects supported by these capital programs at the maximum principal amount allocated to their board, by program.
- The maximum principal amount of the financing cannot exceed the allocations that boards receive under each of the four programs. Boards will be required to ensure costs under each of these programs do not exceed the maximum allocation. Once the long-term financing has been set, the Ministry will flow the actual principal and interest costs to support the financing costs.
- The Ministry expects that the first issuance of long-term financing will occur later in the 2007-08 school year provided that a critical mass of capital project costs have been incurred by school boards.

It should be noted that boards may pool the costs of projects within capital programs, but not across programs. For example, a board may use under spending on a single growth schools project to offset additional costs on another growth schools project. However, boards may not use under spending in one capital program to offset costs in a different capital program. For example, a board may not use under spending on a Growth Schools project to support additional spending on a PTR project.

2007-08 Growth Schools Allocation

To provide school boards with better access to funding through the Growth Schools Allocation of the Pupil Accommodation Grant, the Ministry has expanded the eligibility criteria. Current criteria include requirements that a planned school is needed for the

2006-07 or 2007-08 school year and is projected to be at 90 per cent or greater utilization for each of the 10 years following the year in which the school opens.

In 2007-08, these criteria will be replaced by the following:

- The planned school is needed for the 2007-08 or the 2008-09 school years; and
- The planned school is projected to be at an average utilization of 80 per cent or greater over a 10-year period beginning in the second year of the operation of the school.

These changes will facilitate the funding of new construction through the Growth Schools Allocation in 2007-08.

Disposition of Surplus Properties

Information provided by school boards through the Ministry's School Facilities Inventory System indicates that there are schools that are no longer being used for elementary or secondary education and may be surplus to board needs. With more boards facing declining enrolment, the increase in surplus space in the inventory becomes an additional pressure for boards to manage. At the same time, coterminous boards may require schools or school sites and should have the option of acquiring schools that are surplus to another board's needs. The Ministry will consult with school boards on a process to address the disposition of surplus schools.

Proceeds of Disposition

In the memorandum of January 24, **2007: SB01**, the Ministry indicated that boards that receive funding support under the Capital Debt Commitments program would be required to use 50 per cent of any proceeds of disposition greater than \$100,000 to reduce their debt commitments.

The Ministry will recommend that, where a board indicates its intent to acquire a school that it is currently leasing or to acquire alternate accommodations to a leased property, the board may apply 100 per cent of the proceeds from the sale of the surplus schools to the acquisition of the leased school or alternative.

Transfers from Capital Reserves

As of June 12, 2006, Ministry approval is required for transfers from capital reserves for new commitments prior to the board completing the transfers. This change is being implemented as an accountability measure to ensure that the board has the financial resources to carry capital projects to completion.

G. INVESTMENTS OUTSIDE THE GSN

In 2007-08, the government will continue to support other important initiatives with over \$200M in investments outside the GSN, including Literacy & Numeracy, Student Success, Official Languages in Education, MISA, New Teachers Induction Program, Parent Engagement, Safe Schools and Aboriginal Education among others.

H. SCHOOL AUTHORITIES

As in previous years, funding for School Authorities will be adjusted in 2007-08, as appropriate, to reflect changes in funding to district school boards. The Ministry will

provide further information concerning funding in 2007-08 for School Authorities in the near future.

I. FINANCIAL REPORTING AND DUE DATE FOR SUBMISSION OF ESTIMATES

The Ministry has established the following dates for submission of financial reports in the 2007-08 school year:

June 29, 2007	Board Estimates for 2007-08
November 30, 2007	Board Revised Estimates for 2007-08
December 14, 2007	Board Financial Statements for 2006-07
May 15, 2008	Board Financial Report for September 1, 2007, to March 31, 2008

The Ministry expects that Estimates forms, including the Board Budget Workbook, will be available on EFIS before the end of March 2007. In the interim, boards may continue to use the Simulation Function in EFIS as a planning tool for their 2007-08 budget process (see the memorandum of February 16, 2007: **SB3**).

Consultation about definition of "balanced budget"

The Ministry is proposing to consult with school boards about changing the definition of a balanced budget under the *Education Act* for the 2008-09 school year to align with Public Sector Accounting Board (PSAB) principles.

There are currently two different measurements of a school board's surplus or deficit – one defined in the *Education Act*, which is based on principles from the cash flow approach to budgeting and financial reporting; and a revised definition based on PSAB principles, which school boards use when preparing and reporting their audited financial statements.

Further information on this consultation will be provided in the near future.

J. INFORMATION RESOURCES

The following documents will be available in draft form on the Ministry website www.edu.gov.on.ca in the near future, with printed versions available at a later date:

Grants for Student Needs – Legislative Grants for 2007-08

Technical Paper, 2007-08

Projections of School Board Funding for the 2007-08 School Year

If you require further information about school board funding in 2007-08, please contact:

Pupil Accommodation Grant	Nancy Whynot	(416) 325-4030 Nancy.whynot@ontario.ca
Transportation Grant	Cheri Hayward	(416) 327-7503 Cheri.hayward@ontario.ca

Other changes in the 2007-08 GSN Didem Proulx (416) 327-9060
Didem.proulx@ontario.ca

Financial accountability and reporting requirements Andrew Davis (416) 327-9356
Andrew.davis@ontario.ca

Ontario's multi-year education funding plan has been one of the foundations of a significant renewal of Ontario's publicly funded education system. The most important result of this renewal has been demonstrable gains in student achievement. This improvement reflects our shared commitment to student success, to strengthening partnerships in the education community, and to building capacity to achieve positive change at all levels of the education system.

I am confident that, working together and with our partners in education, we will continue to build on success and deliver quality education to all our students now and in the next school year.



Nancy Naylor
Assistant Deputy Minister

Copy: Superintendents of Business and Finance

2007: SB 10

MEMORANDUM TO: School Business Officials

FROM: Nancy Whynot

DATE: May 16, 2007

SUBJECT: Prohibitive to Repair School Review Process

As a follow-up to the memorandum of October 31, 2006: **SB23** regarding Prohibitive to Repair – School Options, I am writing to provide you with information regarding the process the ministry is undertaking to review facilities identified as PTR and to finalize allocations for school boards under this capital program.

In November, 2006, school boards were asked to identify school facilities that are considered to be PTR candidates by their boards. The ministry had identified approximately 200 schools based on a Facility Condition Index of 65% or greater. School boards were permitted to remove school from that list and /or identify additional schools based on their assessment of additional renewal needs and facility condition information.

Over the past few months, ministry staff have undertaken detailed consultations with school board staff to discuss the facilities identified by boards as PTR, to review the circumstances that support the boards' assessments and to discuss proposed solutions. These discussions have been extremely substantive and the ministry appreciates the time and preparation that board staff have invested in these meetings.

The intent of these meetings was to identify PTR schools and solutions which represented priority candidates for funding support through the PTR capital program.

Given the substantial amount of information received and reviewed through these consultations, the ministry is streamlining the last stage of this project. SB23 had indicated that boards would be asked to submit business cases regarding PTR schools. Given the substantial exchange of information that has already taken place through the consultation meetings, the ministry will not require full business cases but will be limiting its request to boards to key data which will support the final stage of this process and ensure a consistent data capture for all facilities under consideration.

The ministry has developed a new template in the capital planning module of SFIS to ensure that consistent data is entered for all priority projects under consideration. Board staff are

asked to complete the new PTR Template for all priority projects identified through the ministry/board consultation meetings. Board staff will receive an email from Dolly Anand to confirm the priority projects for their board for which a template should be completed.

PTR SOLUTION CRITERIA

Below is the criteria developed by the ministry to identify priority projects for PTR funding consideration:

The solution must address at least one PTR facility

- The solution must include at least one school, or portion of a school, that is prohibitive-to-repair. This includes facilities that are:
 - Ministry identified PTR-Candidates with an FCI greater or equal to 65 per cent; or
 - Board identified PTR-Candidate with additional 5-year (2002-03 to 2006-07) renewal needs not captured in the original inspections and not reflected in the ReCAPP database. This would result in the FCI of the facility being higher than originally reflected by the baseline FCI calculation. It is expected that these additional renewal needs would result in the FCI being close to or over 65 per cent.
- If other facilities are being considered for replacement as part of the PTR solution, the board needs to demonstrate that these facilities also have high renewal needs now and in the next few years.

The solution should reflect current construction benchmarks

- The estimated cost of the proposed solution should be in-line with the current capital construction benchmark costs for elementary and/or secondary schools as appropriate.

The solution must address current and projected enrolment

- The solution must directly benefit the majority of the students impacted at the PTR school.
- The solution must reflect consideration of:
 - the current enrolment of the PTR facility;
 - capacity in nearby facilities: **and**
 - the longer-term (10-year) enrolment projection(s) of both the PTR facility and other facilities in the area. For situations where enrolment is expected to decline, the reduced enrolment should be the target size. Any capacity added to a planning area from proposed replacement construction should be sustainable over the longer term.

The solution should consider other funding sources where applicable

- Boards should identify other sources of funding that may be part of the funding solution, such as: Primary Class Size capital, New Pupil Places, Growth Schools, capital reserves and Grants for School Renewal.
- Where a new school is proposed as a solution and the new school would also address enrolment growth in addition to the replacement of space from the PTR school, PTR funding would support only part of the project. The balance would be dependent on eligibility for NPP and/or Growth Schools funding.

Given the extensive number of existing schools and school sites in most parts of the province, the ministry will assess the potential, wherever possible, for schools to be renovated or for schools and sites surplus to one board's needs to be circulated for consideration by other boards. Ministry staff will also consider the potential of joint solutions to meet the needs of more than one board where feasible.

PROCEEDS OF DISPOSITION

- Some PTR solutions include the proposed closure of facilities that will likely become surplus to the board's needs. Where proceeds of disposition are realized from these facilities as a direct result of the Ministry funding the PTR solution, the Ministry will require boards to set these funds aside in a new "PTR Proceeds of Disposition Reserve Fund". The use of these funds will be limited to address future PTR or other capital needs of the board and will require Ministry approval.
- Boards will be asked to identify schools and sites which are likely to become surplus to the board's needs should a proposed PTR solution be approved for funding.

NEXT STEPS

Submission of Additional Information

As noted above, the ministry has developed a PTR Template which is a module of the School Facility Information System (SFIS) database in the Capital Plan link on the SFIS website at <http://sfis.edu.gov.on.ca/>. It is estimated that the additional information needed for each PTR facility will take approximately 30 minutes to complete, although it may take longer depending on the complexity of the proposed solution.

The template utilizes the information provided by boards through their capital plans. Boards are encouraged to review the information provided to the Ministry through their capital plans. Specifically, the Accommodation Changes section and the 10-year enrolment projections should be completed for all facilities in the planning area of the proposed PTR school.

Boards are asked to complete and submit the PTR Templates for all priority projects discussed in the consultation meetings with ministry staff by May 25, 2007. Over the next few

days, the Ministry will follow this memorandum with a list of facilities invited to complete the PTR Template.

Boards may choose to append additional information for the Ministry's consideration. Any documents to be attached to the template should be sent to Marilyn Lingbaoan (Marilyn.Lingbaoan@Ontario.ca) using a file name with the following nomenclature: *Board Name_Solution Name_Description*

OTHER ASSISTANCE

Ministry staff are available to answer questions and provide support throughout the PTR review and allocation process. School boards are encouraged to contact staff if they require further clarification during any stage of this process.

For further clarification regarding the PTR process, please direct any questions to:

Dolly Anand, Policy Team Lead or
Capital Programs Branch
Ministry of Education
(416) 325-2022
Dolly.Anand@Ontario.ca

Nancy Whynot, Director
Capital Programs Branch
Ministry of Education
416-325-4030
Nancy.Whynot@Ontario.ca

For further clarification regarding SFIS or the Capital Plans module, please direct any questions to:

Francesco Chu, SFIS Coordinator
Capital Programs Branch
Ministry of Education
(416) 325-6273
Francesco.Chu@Ontario.ca



Nancy Whynot
Director, Capital Programs Branch
Ministry of Education

c.c. Directors of Education
Superintendents of Plant
Superintendents of Planning

2007: SB 15

MEMORANDUM TO: School Business Officials

FROM: Nancy Whynot

DATE: July 12, 2007

SUBJECT: Prohibitive to Repair - Funding Criteria

As a follow-up to Memorandum 2007:SB10 from May 16, 2007, regarding the Prohibitive to Repair School Review Process, I am writing to provide you with further information on the Prohibitive to Repair (PTR) funding criteria and announcements.

PTR Consultation Update

Over the past months, Ministry staff have engaged in extensive consultation and review meetings with board staff to assess over 500 PTR nominated facilities. Following these consultations, boards were invited to submit further information for over 200 PTR facilities using the Capital Plan PTR Template.

The information provided during the consultations and through the PTR templates is being reviewed to assess:

- Information regarding facility condition, particularly information supplementing the original ReCAPP inspection data;
- Board proposals to rebuild or consolidate schools, including an assessment of enrolment projections and available space in surrounding schools; and
- Timing of the board's need for a replacement school, with priority given to those facilities which need replacement within 24 months.

PTR PROJECT APPROVAL

The Ministry will issue, two types of approvals under this capital program. These approvals are conditional, subject to amendments to the resolutions governing the Grants for Student Needs and approval by the Lieutenant Governor in Council.

Funding Approvals

Funding approvals will be provided to boards for specific PTR facilities where the solution does not require a full Pupil Accommodation Review process with the community. This includes replacement of a PTR facility on the same or nearby site, or rebuilding part of a facility, such as a wing or an addition. Boards are encouraged to consult with the school community and keep their school community informed about the nature and timing of the PTR renewal project.

Funding approvals will be issued for specific board proposals as outlined in the board's PTR template. Should a board decide not to proceed with a project as approved, boards will be required to consult with the ministry before proceeding with an alternate project, to ensure that the alternate project is supportable under the PTR capital program.

Planning Approvals

Planning approvals will be provided to boards which have identified one or more PTR schools, but where a Pupil Accommodation Review process is required to engage the community in identifying an appropriate solution. This includes Category 2 (multiple school) and Category 3 (retire school) solutions which may result in one or more school closures.

Boards will be provided with a planning approval based on the number of pupil places which are estimated to be required to develop a replacement school, addition or other solution to address the needs of the school community in the PTR facility or facilities. Boards may then undertake their Pupil Accommodation Review process with their communities, and are encouraged to discuss options for pupil accommodation solutions as supported by the planning approval.

Following this process, the Ministry will work with boards to finalize a funding approval which reflects the outcome of the Pupil Accommodation Review process. Boards are encouraged to keep the Ministry informed about alternative options being reviewed with the community to ensure that all options under consideration are supportable for funding through the PTR capital program.

Determining Project Costs

In determining the funding or planning approvals, the Ministry will work with the board to determine or estimate the "right size" of the new facility or solution, considering both current and projected enrolment, and possible space available nearby within the

planning area. The number of pupil places recognized will be funded at existing Ministry funding benchmarks for new pupil places.

For solutions which rebuild part of a facility, the percentage of the area of the school that is in poor condition and is being replaced will be recognized for PTR funding. For example, in the case of a facility with a current enrolment of 400 and where 25% of the gross floor area is considered in poor condition, 100 pupil places will be used to calculate the benchmark construction cost.

PTR Capital Financing

As announced in Memorandum 2007:B2 from March 19, 2007, the financing for Prohibitive to Repair capital projects will be provided in a manner similar to that used for Good Places to Learn Renewal. Boards will be reimbursed for their short-term interest costs incurred on PTR construction projects that are underway. Boards will access long-term financing for these projects through the Ontario Financing Authority to the maximum principal amount allocated to the board for this program.

PTR Proceeds Reserve

The Ministry anticipates that boards that receive funding approval for replacement projects will be in a position to generate proceeds through the sale of sites associated with the PTR facilities. The Ministry will be seeking approval for an amendment to Regulation 446/98 governing capital reserve funds, to create a new category of capital reserve. Boards receiving funding approval through the PTR capital program will be required to place the proceeds from sale or disposition of a PTR site into this reserve and will be required to consult with the Ministry on the application of these proceeds to future capital priorities.

Timing of Approvals

The Ministry has released some approvals under the PTR capital program to date. The Ministry expects to continue to review PTR templates and to consult with boards over the summer and fall of 2007, and to finalize funding and planning approvals as appropriate.

Ministry staff appreciate the detailed information provided by boards, and the extensive time that board staff have provided in order to fully outline facility condition information and local circumstances and considerations. Ministry staff will continue to work with board staff to assess PTR priorities and appropriate solutions in order to support school renewal and replacements throughout the province.

Other Assistance

Ministry staff are available to answer your PTR questions. Schools boards are encouraged to contact staff if they require further clarification.

For further clarification regarding the PTR analysis, please direct any questions to:

Dolly Anand
Capital Programs Branch
Ministry of Education
(416) 325-2022
Dolly.Anand@Ontario.ca

Nancy Whynot
Capital Programs Branch
Ministry of Education
416-325-4030
Nancy.Whynot@Ontario.ca



Nancy Whynot
Director, Capital Programs Branch
Ministry of Education

Cc: Directors of Education
Superintendents of Plant
Superintendents of Planning