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2004: B11

MEMORANDUM TO: Directors of Education

FROM: Kevin Kobus
Assistant Deputy Minister

DATE: July 28, 2004

SUBJECT: **Education Funding: Special Education**

On May 26, 2004, I wrote you with the details on the education funding regulations for 2004-05. In the memo, I noted that some of the funding enhancements had not yet been allocated to school boards and that we would be moving to flow the funding as quickly as possible in the 2004-05 school year. I am writing you today with details on the board-by-board allocations for cycle 5 of the Intensive Support Amount (ISA) review.

As you know, the government is moving to change how ISA funding works. Over the longer term, the government is committed to working with its education partners to develop a more effective special education funding system that benefits the students who need it most. The government will be allocating the funding from cycle 5 using the allocation approach outlined below. This approach is intended to ensure that all special education funding – including the funding announced today, as well as special education reserves – is used for students with special needs.

SPECIAL EDUCATION FUNDING FOR 2003-04

According to results of the 2003-04 ISA review (cycle 5), school boards are eligible for a 2003-04 in-year increase of about \$100 million above the allocation that was identified through the June 2003 Estimates. An updated table indicating the board-by-board ISA allocation for 2003-04 (preliminary) is attached to this memorandum. The ministry is in the process of completing a file-by-file verification process to finalize the allocations for 2003-04. Based on the verification process, it is possible that some boards could see some change in their final allocations. Final numbers should be available by the end of August. The boards' 2003-04 ISA cycle 5 funding will be flowed to boards in the August payment.

SPECIAL EDUCATION FUNDING FOR 2004-05

For 2004-05, the government plans to provide the full 2003-04 ISA increase for special education. To ensure that students with special needs benefit fully from this increase, the government intends to amend the 2004-05 funding regulation so that the amount of ISA funding that individual boards receive in 2004-05 would be directly dependent on what boards have been spending on ISA.

Boards that have been spending their entire special education allocation on special education programs and services would receive their full allocations for 2004-05, as per cycle 5. Boards that have had special education underspending in 2003-04 and prior years would see their 2004-05 ISA allocation reduced to reflect this level of underspending. At the same time, boards will be expected to use their special education reserves that have been built up from this underspending to support special education programs and services in 2004-05.

The government plans to channel funds not flowed by the Province as a result of this approach into a new Effectiveness and Equity Fund to be reinvested in special education over the 2004-05 school year. School board officials and representatives from trustee associations have been invited to work with the ministry on the approach to access these funds so that unmet needs can be addressed. Details will be provided to boards following this consultation process.

An Effectiveness and Efficiency Office will be established in the Ministry of Education to ensure accountability through periodic audits and to support a higher level of cooperation between the ministry and boards.

DETAILED CALCULATIONS

The ISA allocation for 2003-04 will be equal to the full funding based on the results of the 2003-04 ISA review (cycle 5).

The ISA allocation for 2004-05 will be the same as the ISA allocation for 2003-04, less calculated underspending for 2003-04 and prior years.

Calculated underspending from 2003-04 and prior years is the greater of the board's:

- (i) special education reserve at August 31, 2003, less 4% of the ISA 2 and 3 allocation for 2002-03; and
- (ii) special education reserve at August 31, 2004, less 2% of the ISA 2 and 3 allocation for 2003-04.

It is recognized that it is a prudent management practice for boards to keep a small percentage of their ISA 2 and 3 funding in reserve to cover unforeseen contingencies and year-end variances. Nevertheless, the government expects that funding allocated for special education purposes will be used to provide programs and services to students with special needs.

ESTIMATES AND UNALLOCATED GOVERNMENT INVESTMENTS IN EDUCATION

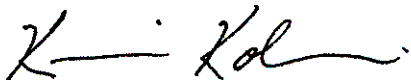
A new document set for the preparation of the 2004-05 Estimates reflecting the revised ISA funding approach is now available to boards through EFIS. Boards that have not yet submitted their Estimates to the ministry should prepare and adopt their Estimates using the new document set. Boards are reminded that these budgets must be balanced. The due date for the submission of these Estimates to the ministry continues to be August 27, 2004.

For boards that submit their 2004-05 Estimates to the ministry by August 27, 2004, including boards that have already submitted their Estimates, the ministry will adjust their 2004-05 base for the September payment to include the full cycle 5 funding and the new funding approach.

If you require further information about the contents in this memorandum and the attachment, please contact:

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I will be providing you with details on the remaining unallocated investments as soon as they become available.



Kevin Kobus
Assistant Deputy Minister

c.c. Superintendents of Business and Finance

Intensive Support Amount (ISA) 2003-04 Review (Results as of April 15, 2004)

		Col 1	Col 2	Col 3	Col 4	Col 5
		2003-04 Starting Allocation	Funding Increase As a Result of 2003-04 Estimates School Boards Submitted	Additional Funding As a Result of July 28 Announcement	Total New Funding That Resulted From the 2003- 04 ISA Review (As of April 15, 2004)*	Total Allocation for ISA 2&3 as of the 2003-04 ISA Review (April 15, 2004)
		\$763.5M	\$63.1M	\$98.9M	\$162.1M	\$925.6M
DSB No	DSB Name					
1	DSB Ontario North East	5,556,000	120,000	-111,000	9,000	5,565,000
2	Algoma DSB	7,206,000	300,000	933,000	1,233,000	8,439,000
3	Rainbow DSB	5,118,000	875,000	532,000	1,407,000	6,525,000
4	Near North DSB	6,816,000	705,000	666,000	1,371,000	8,187,000
5.1	Keewatin-Patricia DSB	4,926,000	486,000	1,152,000	1,638,000	6,564,000
5.2	Rainy River DSB	1,365,000	132,000	753,000	885,000	2,250,000
6.1	Lakehead DSB	5,319,000	850,000	515,000	1,365,000	6,684,000
6.2	Superior-Greystone DSB	1,101,000	27,000	225,000	252,000	1,353,000
7	Bluewater DSB	7,941,000	900,000	2,937,000	3,837,000	11,778,000
8	Avon Maitland DSB	7,314,000	820,000	242,000	1,062,000	8,376,000
9	Greater Essex County DSB	12,705,000	0	2,187,000	2,187,000	14,892,000
10	Lambton Kent DSB	8,487,000	765,000	1,200,000	1,965,000	10,452,000
11	Thames Valley DSB	33,792,000	0	3,705,000	3,705,000	37,497,000
12	Toronto DSB	126,582,000	3,139,000	3,593,000	6,732,000	133,314,000
13	Durham DSB	24,747,000	2,370,000	2,820,000	5,190,000	29,937,000
14	Kawartha Pine Ridge DSB	14,076,000	1,000,000	3,764,000	4,764,000	18,840,000
15	Trillium Lakelands DSB	11,124,000	543,000	2,466,000	3,009,000	14,133,000
16	York Region DSB	25,680,000	3,954,000	8,067,000	12,021,000	37,701,000
17	Simcoe County DSB	22,665,000	3,000,000	1,752,000	4,752,000	27,417,000
18	Upper Grand DSB	8,883,000	540,000	954,000	1,494,000	10,377,000
19	Peel DSB	30,090,000	0	5,691,000	5,691,000	35,781,000
20	Halton DSB	16,881,000	0	3,594,000	3,594,000	20,475,000
21	Hamilton-Wentworth DSB	17,847,000	-357,000	3,708,000	3,351,000	21,198,000
22	DSB of Niagara	11,184,000	936,000	819,000	1,755,000	12,939,000
23	Grand Erie DSB	11,718,000	0	1,695,000	1,695,000	13,413,000
24	Waterloo Region DSB	16,509,000	3,094,000	5,975,000	9,069,000	25,578,000
25	Ottawa-Carleton DSB	29,724,000	6,100,000	932,000	7,032,000	36,756,000
26	Upper Canada DSB	19,644,000	0	2,721,000	2,721,000	22,365,000
27	Limestone DSB	11,880,000	0	1,608,000	1,608,000	13,488,000
28	Renfrew County DSB	3,168,000	945,000	-9,000	936,000	4,104,000
29	Hastings and Prince Edward DSB	9,156,000	423,000	2,172,000	2,595,000	11,751,000
30.1	Northeastern Catholic DSB	2,604,000	196,000	335,000	531,000	3,135,000
30.2	Nipissing-Parry Sound Catholic DSB	2,520,000	48,000	510,000	558,000	3,078,000
31	Huron-Superior Catholic DSB	1,761,000	0	681,000	681,000	2,442,000
32	Sudbury Catholic DSB	1,746,000	0	429,000	429,000	2,175,000
33.1	Northwest Catholic DSB	501,000	0	78,000	78,000	579,000
33.2	Kenora Catholic DSB	777,000	198,000	-81,000	117,000	894,000
34.1	Thunder Bay Catholic DSB	3,069,000	156,000	711,000	867,000	3,936,000
34.2	Superior North Catholic DSB	549,000	57,000	363,000	420,000	969,000
35	Bruce-Grey Catholic DSB	1,644,000	6,000	264,000	270,000	1,914,000
36	Huron-Perth Catholic DSB	1,725,000	0	-30,000	-30,000	1,695,000
37	Windsor-Essex Catholic DSB	10,263,000	0	2,199,000	2,199,000	12,462,000
38	London District Catholic School Board	5,925,000	1,067,000	1,429,000	2,496,000	8,421,000
39	St. Clair Catholic DSB	4,530,000	465,000	228,000	693,000	5,223,000
40	Toronto Catholic DSB	39,318,000	3,205,000	8,348,000	11,553,000	50,871,000
41	Peterborough V N C Catholic DSB	7,944,000	951,000	576,000	1,527,000	9,471,000
42	York Catholic DSB	15,786,000	3,750,000	822,000	4,572,000	20,358,000
43	Dufferin-Peel Catholic DSB	23,964,000	7,507,500	-904,500	6,603,000	30,567,000
44	Simcoe Muskoka Catholic DSB	7,443,000	0	1,407,000	1,407,000	8,850,000
45	Durham Catholic DSB	7,812,000	609,000	465,000	1,074,000	8,886,000
46	Halton Catholic DSB	8,343,000	0	2,202,000	2,202,000	10,545,000
47	Hamilton-Wentworth Catholic DSB	11,466,000	612,500	617,500	1,230,000	12,696,000
48	Wellington Catholic DSB	1,629,000	360,000	315,000	675,000	2,304,000
49	Waterloo Catholic DSB	9,066,000	906,000	360,000	1,266,000	10,332,000
50	Niagara Catholic DSB	8,625,000	1,375,000	449,000	1,824,000	10,449,000
51	Brant Haldimand Norfolk Catholic DSB	3,027,000	0	591,000	591,000	3,618,000
52	Catholic DSB of Eastern Ontario	5,982,000	1,113,000	1,533,000	2,646,000	8,628,000
53	Ottawa-Carleton Catholic DSB	10,956,000	750,000	1,341,000	2,091,000	13,047,000
54	Renfrew County Catholic DSB	2,427,000	0	153,000	153,000	2,580,000
55	Algonquin and Lakeshore Catholic DSB	4,263,000	1,077,000	1,101,000	2,178,000	6,441,000
56	CSD du Nord-Est de l'Ontario	1,101,000	423,000	252,000	675,000	1,776,000
57	CSD du Grand Nord de l'Ontario	2,655,000	0	489,000	489,000	3,144,000
58	CSD du Centre Sud-Ouest	1,545,000	0	384,000	384,000	1,929,000
59	CSD des écoles publiques de l'Est de l'Ontario	3,315,000	861,000	255,000	1,116,000	4,431,000
60.1	CSD catholique des Grandes Rivières	3,027,000	852,000	-48,000	804,000	3,831,000
60.2	CSD catholique Franco-Nord	2,634,000	18,000	408,000	426,000	3,060,000
61	CSD catholique du Nouvel-Ontario	3,135,000	1,950,000	-663,000	1,287,000	4,422,000
62	CSD catholique des Aurores boréales	489,000	141,000	66,000	207,000	696,000
63	CSD des écoles catholiques du Sud-Ouest	2,037,000	339,000	111,000	450,000	2,487,000
64	CSD catholique Centre-Sud	3,513,000	1,200,000	1,878,000	3,078,000	6,591,000
65	CSD catholique de l'Est ontarien	7,062,000	740,000	742,000	1,482,000	8,544,000
66	CSD catholique du Centre-Est de l'Ontario	8,142,000	532,000	1,304,000	1,836,000	9,978,000
	Provincial Totals	763,524,000	63,132,000	98,928,000	162,060,000	925,584,000

* Note: The Ministry is in the process of completing a file-by-file verification process to finalize the allocations for 2003-04. Based on the verification process, it is possible that some boards could see some change in their final allocations. Final numbers should be available by the end of August. The boards' 2003-04 ISA cycle 5 funding will be flowed to boards in the August payment.