

PAN Question	MEd Answer
<p>1. The <i>Public Schools Instruction</i> fund increased by \$50.14 million or 1.08% (see Reference Materials #1). This doesn't cover inflation (1.9%) let alone the 2.7% determined by the Conference Board to maintain a constant standard. Is this also supposed to cover:</p> <ul style="list-style-type: none"> a. labour settlement costs? b. training, teacher support and resources for implementing the new curriculum? c. technology required for government required network (NGN) and computer programs? 	<p>The \$50.14M increase to the Public School Instruction sub-vote is strictly for labour settlements for teachers and CUPE workers plus the economic stability dividend.</p>
<p>Earlier this month, there was an announcement of \$28 million in funding that would increase the per-student amount by \$52. Is this an increase over and above the amount allocated in the February 2016 budget? Will this amount be included in operating grants going forward, or was this one-time funding?</p>	<p>The April 4th announcement committed additional preliminary grant allocations over what was announced on March 15, 2016 for district operating grants for the 16/17 school year. This included the allocation of the \$15 million contingency (the holdback) and an additional \$13 million to address enrolment growth projected by school districts.</p> <p>Government has committed to fund enrolment growth with additional funds outside the operating block for the 15/16 and 16/17 school years. In the 15/16 school year an additional \$6.7 million was invested for September 2015 enrolment growth. Until enrolment is counted in September 2016, we will not know if enrolment growth is a continuing trend.</p> <p>The ministry will receive confirmed budget allocations for 17/18 fiscal year in February 2017 when the provincial budget is tabled.</p>

<p>2. Admin savings reductions</p> <p>How are these cuts justified?</p>	<p>Finding these efficiencies is not always easy, but the savings expectations are reasonable, realistic and similar to what has happened in the health and post-secondary sectors. The K–12 education sector has already made good progress in savings efforts to date, particularly through shared services implementation.</p> <p>And, though not in the budget, school districts will also see a major cost reduction effective July 1, 2016 when the employer contribution rate for the teacher’s pension plan drops. It is estimated to save districts \$45M across BC in the coming year.</p> <p>On May 31, 2016, Minister Bernier announced an additional \$25 million for the 2016/17 school year that will benefit districts through decreased charges for internet, insurance, and other costs. This will free up funds for every board of education in BC for use in any area the district chooses. Importantly, government has made a commitment that this \$25 million will be an ongoing commitment for the education sector.</p>
<p>2. Is there a site where we can find guidelines for administrative cuts?</p>	<p>The guidelines were purposely flexible to allow choices to be made by school districts at the local level. They are not available on a web-site. The instructions and sample plan sent to districts to prepare 2016/17 Admin savings Plans are attached.</p>

<p>3. The operating grants to school districts only increased by 2.3% in 2015/16 and a mere 0.62% in 2016/17, including an increase to per student funding of only 0.11% (see Reference Materials #4). Why have operating grants increased at a rate lower than inflation, and considerably below the 2.7% previously stated as required to maintain current standards?</p>	<p>The Ministry of Finance sets the provincial budget annually and provides allocations to the Ministry of Education in accordance with provincial priorities. As the Ministry received funding for labour settlement costs, this is what has increased the total operating grant block. Education funding has increased by over \$1.2 billion since 2000/01 while enrolment has dropped by 70,000 students in that same period.</p>
<p>3. Why are there no rate increases for students with special needs, ELL, aboriginal learners or adult learners (who haven't graduated)? (see Reference Materials #4)</p>	<p>The funding increase to the operating grant block has been put into the Basic Allocation that every student attracts. There is no requirement to increase other rates –i.e. changes to any of the formula rates are at the discretion of the Minister. The rates are just a method of allocating funds, and are not budget limits for program-specific spending. Districts are provided a total operating grant made up of the many formula components within the funding model and then make budget allocation decisions according to local school configurations and student needs. The only exception is aboriginal education, which is targeted funding for related programming within a district.</p>
<p>6. What are the <i>Capital Expenditures for Executive and Support Services</i>? This funding seems to consistently be much higher than projected (see Reference Materials #6).</p>	<p>MEd's capital budget covers IT systems (plus a very small amount for furniture and equipment). Government plans and allocates the IT capital budget centrally. Rather than a three year budget, this budget is only published with a firm year 1 budget with only placeholder amounts in years 2 and 3. For this reason, the 16/17 capital budget published in Budget 2016 appears much greater than when published in Budget 2015.</p>

<p>7. What support is given to school districts affected by high poverty rates? Given that education is the primary way of bringing children out of poverty, how is the government addressing this in the education budget?</p>	<p>MEd provides just over \$63 million annually in funding for socio-economically vulnerable students through CommunityLINK (\$52 million) and the Vulnerable Student Supplement (\$11.2 million). CommunityLINK aims to help school districts provide resources that can include meal programs, academic support, counseling, youth workers and after school programs. Approximately 25% of the total funding each year is used to support meal programs (breakfast, lunch and snacks).</p> <p>The Ministry of Children and Family Development has taken the lead on behalf of the Province to engage with families and ensure their issues are heard. Through government’s continued work with communities and families, we know every family faces different barriers and challenges. Government is committed to providing the direct supports and opportunities that individuals and families need to be lifted out of poverty.</p>
<p>Independent Schools</p>	
<p>i) It seems that independent school funding only became a separate line item in the 2015 budget, so in prior budgets/accounts it is more difficult to identify payments to them. How much of the \$62 million in "other authorizations" in 2013/14 went to independent schools? Public Accounts page 38.</p>	<p>MEd’s “other authorizations” in 13/14 was \$42M. Independent Schools received \$34 million for special needs funding.</p>
<p>ii) In the public accounts 2014/15 (p 38-39), why is there a \$25 million difference in government transfers vs appropriations for independent schools? (The estimated allocation plus authorized amounts totalled \$315 million, but the amount transferred was \$340 million.</p>	<p>If we exclude the \$34M, the funding to IS for 14/15 was \$315M. This exceeds budget by \$25M.</p> <p>The unchanged formula for independent schools grants sets the total to be funded. With IS enrolment growth and the public school per pupil rate increase, the budget did not keep pace with MEd’s IS obligation. MEd worked with the Ministry of Finance to manage the \$25M shortfall within the MEd budget allocation, while having no impact on public schools and other partner groups. The main source was the negotiated date postponement of the annual \$19.4M paid to the Public Education Benefits Trust.</p>

<p>iii) Were any amounts authorized for 2016/17 education in the 2015/16 fiscal year? (ie, were there any late fiscal year transfers similar to the \$34 million to independent schools in March 2015?) If so, what were the amounts, and for which line items?</p>	<p>No.</p>
<p>Capital funding is to cover routine maintenance, seismic upgrades and new builds. The trend seems to be to allot less than projected the previous year (see Reference Materials #6).</p>	
<p>a. How much is for routine district maintenance and how is it distributed by district? Is it distributed by the number of students in the district or by the condition of the district's buildings or by some other manner?</p>	<p>Funding for the maintenance of school facilities is identified as part of a school district's budget and is individual to each school district.</p> <p>The Ministry of Education provides approximately \$110 M annually in Annual Facilities Grant (AFG) funding. AFG funding is provided to boards of education for minor projects required to extend the life of existing school district facilities and to address any health, safety or emergent issues that may arise. These amounts are prorated across the school districts based on a formula, which factors in student enrolment and average age of facilities, with an adjustment for unique geographic factors.</p> <p>Since 2001, the Ministry has provided over \$1.5B in AFG funding.</p>

b. Recently several small one-time grants have been announced by the ministry for districts to compete for in order to work on "routine capital upgrades." Why are routine upgrades (like boiler and roof replacements) not budgeted for routinely, as part of the annual budgeting process?

Routine upgrades and maintenance should be budgeted for routinely by school districts. School districts receive annual funding, including AFG funds (described above) for this purpose. It's up to the school districts to determine the best use of the funds they have to ensure that they are maintaining their facilities to extend the life of the buildings as well as ensure the health and safety of students, teachers and staff.

The School Enhancement Program (SEP), formerly called the Routine Capital Program, was originally announced in August 2015. The original announcement provided application-based funding to school districts of \$19M, which was subsequently increased to approximately \$35.3M. In 2016, the SEP of \$45.4M was announced, supporting 80 projects across all 60 school districts.

This program is intended to assist school districts with maintenance type projects that range in estimated cost from \$100,000 to \$3,000,000. An example of this type of project could include a roof replacement.

c. Many districts have massive amounts of deferred maintenance; the Vancouver School Board alone has \$700 million in deferred maintenance costs (<http://thetyee.ca/News/2016/01/26/VSB-Seismic-Vote/>). Why has education funding not been increased to allow districts to meet their maintenance needs rather than deferring maintenance?

Seismic investments have the additional benefit of addressing some, or all, maintenance needs during construction; depending on the extent of mitigation. To date, it is estimated that the provincial investment of \$201M to seismically strengthen Kitsilano Secondary, Queen Mary Elementary, Lord Nelson Elementary, General Gordon Elementary, L'école Bilingue Elementary as well as Sir Sandford Fleming Elementary and Sir Charles Kingsford Smith Elementary, will also reduce Vancouver School District's maintenance needs by more than \$64M, which equates to a reduction of almost 10%. This is in addition to the provincial investment of \$44M to build two new schools, International Village Elementary and Norma Rosa Point Elementary.

Completion of the seismic mitigation program in Vancouver will substantially reduce the majority of maintenance needs through elimination of surplus capacity, strengthening of schools and in some cases total replacement. This is why maximizing utilization within schools, eliminating surplus classroom space, and endorsing a long range facilities plan is so critical to determining where to focus funding in Vancouver schools.

The Ministry of Education introduced the School Enhancement Program (SEP) in the 2015/16 fiscal year. This program is focused on providing additional funds to school districts to address maintenance needs and extend the life of schools. The Province committed \$35M to complete 109 projects in the first year, and is increasing the funding to at least \$40.4M for the 2016/17 fiscal year.

<p>d. Priority assessments of seismic projects include looking at current building condition, and maintenance/repairs are not combined with seismic upgrades. Is this reasonable? What prevents combining repairs/replacements for maintenance issues with seismic upgrades to be more efficient with time, finances and disruption?</p>	<p>Seismic assessments are done to assess the structure of the facility and how it might respond in the event of an earthquake. Maintenance and repairs speak to the life of the facility and the major components that are needed to operate it. There is nothing keeping a school district from using its annual funding for maintenance to achieve economies of scale and complete maintenance/repairs of other aspects of a school while it is being seismically upgraded.</p> <p>In fact, this is a fairly common practice.</p>
<p>9. Does the increase in capital funding expenditures necessitated by the SMP have any negative impact on the level of funding allocated to the education operating budget?</p>	<p>No. SMP budget decisions have no bearing on the operating budget.</p>