



OTTAWA-CARLETON
DISTRICT SCHOOL BOARD

Pre-Budget Consultation

**Ministry of Finance
Government of Ontario**

Presented by:

**Jennifer McKenzie, Chair of the Board
Shirley Seward, Vice Chair of the Board**

January 13, 2014



Executive Summary and Presentation Notes

Thank you for the opportunity to appear before you. I am honoured to serve as the Chair of the Ottawa-Carleton District School Board and I am pleased to introduce our newly elected Vice Chair, Shirley Seward. On behalf of the Board of Trustees, Trustee Seward and I would like to make you aware of several issues of concern. Many of these issues have been raised with provincial ministries and the Minister of Education, and all of them are directly related to education funding and the provincial budget.

First, we must have “**Flexibility in Funding to Support Accountability and Good Governance**”. The importance of good governance is well understood. Accountability, fiscal responsibility and transparency are critical elements of good governance. However, Ontario school boards are limited in their ability to generate revenue outside of the provincial grants making them almost completely dependent on provincial funding. Almost all of the transfer payments and grants are conditional or special purpose in nature. Special purpose grants may actually increase operating costs and the prescriptive nature of the provincial transfer payment process to school boards impedes the principles of good governance. We ask that the government streamline the transfer payment process, improving efficiency, accountability, local autonomy and allowing school boards the discretion to exercise fiscal responsibility and prudence within their own organization.

There is a pressing need to “**Increase Childcare Subsidies**”. Over the past four years there has been a large investment in the implementation of Full-Day Kindergarten and Extended Day Programs. This investment is based on the belief that early learning is a critical investment in the economic future of Ontario and a means of ensuring equity of access to our citizens. The Extended Day program has increased the availability of childcare options, particularly in higher income communities. However, the program is not accessible for all families with demonstrated financial need. We believe that the shortage of childcare subsidies in Ontario undermines the commitment to early learning, is contrary to the fundamental principles of public education, and only serves to widen the economic gap between rich and poor by giving significant educational and logistical advantages to rich families that are denied to the poor.

The Ottawa Carleton District School Board has identified several ways to provide increased daycare spots to families in need at no cost to either the Province or the Board; however we are prohibited from using them by current legislation. A further increase in funding for childcare subsidies is an essential investment this Government must make to improve the future of Ontario and ensure equity to its citizens.

Third, we need better ways to fund the physical infrastructure of schools. To do this, we believe that it is imperative that the Province “**Redesign Education Development Charge (EDCs)**” to expand the allowable uses of Education Development Charges to include the cost of buildings as they relate to new pupil places. This is a change that could actually help offset the provincial budget in the longer term and would help ensure that school boards are provided with capital funding in a more timely fashion.

We also require “**Improved Capital Planning Processes and Funding**”. At the OCDSB, our Board and staff have undertaken considerable work in the development of a new capital planning process which uses a criteria-based decision making model. However, that process is hampered by the opaque, unpredictable and seemingly ad hoc nature of the provincial capital planning process. The methods used for such planning and prioritization processes are not at all clear to either us or the public. As a result, school boards cannot conduct effective long-term capital planning. Without some indication of funding timing, our communities remain uncertain of when they will see a new school or renovation. We ask that the Ministry introduce an equitable and transparent multi-year capital planning framework which would allow for the prioritization and spending of provincial tax dollars and ensure a fair process that stands up to public scrutiny.

Finally, ask that you to “**Protect Our Capital Investments with Proper Facility Maintenance**”. The Province must allocate sufficient funds to protect its investment in school infrastructure. Schools are complex buildings which include many specialized learning spaces and these must be maintained. A school is an investment in a community and can serve many generations. However, without sufficient funding for facility maintenance, a school can quickly fall into disrepair which adversely affects student learning and student well-being, and it also adversely impacts the community around the school. Across Ontario, our infrastructure is aging and there is a lack of sufficient annual renewal funding to meet the current needs. This is not good long-term investing.

We understand the budgetary pressures you face and the emphasis on deficit reduction. We also understand the importance of making strategic investments in the economic future of Ontario. We note that many of the proposals in this submission come at a zero cost to the Province or are an investment in future savings.

Education is the key to the future success of this Province – please invest wisely.

Jennifer McKenzie
Chair, Board of Trustees

and

Shirley Seward
Vice Chair, Board of Trustees

Flexibility in Funding to Support Accountability and Good Governance

Over the past five years, the Province has placed considerable emphasis on the importance of good governance in school districts in Ontario. The Ottawa-Carleton District School Board has risen to the challenge and has undertaken a comprehensive renewal of its governance practices. In our work we are committed to the principles of fiscal responsibility, transparency and accountability. While we take great care in the allocation and management of an annual budget of over \$800 million per year, we are extremely limited by a provincial transfer payment process which stifles local autonomy, accountability and responsibility.

The provincial government's funding model should be streamlined and should allow school boards flexibility they require to achieve the goals they set for themselves in their multi-year strategic plan. Local school boards should be allowed and encouraged to govern based on local needs. Allowing school boards to determine how and where to make expenditure additions or reductions would provide a transparent approach to funding and reflect the school board's authority to make expenditure decisions.

The way in which resources are allocated to school boards and the process of making supports available to assist school boards to realize student achievement goals are critical. We support the development of multi-year plans, but a school board's successful development and implementation of a multi-year plan will often be challenged by the Ministry's tendency to mandate "new initiatives or programs", to provide ad hoc funding outside the annual grant cycle, and to continue to fund districts within an antiquated funding structure. We recognize the need for provincial standards in education but cannot support the over-centralization of education at the expense of the role of local school districts.

The provision of flexibility would improve the opportunity and capacity for good governance of school districts, but also for the province. Reducing the prescriptive nature of provincial transfer payments would improve efficiency and would also reduce the level of provincial intervention into the day-to-day operation of school districts while ensuring the province still has the capacity to set broad direction through legislative and reporting requirements.

Increase Childcare Subsidies

For the past four years, the Province has invested heavily in early learning through the Full-Day Kindergarten and Extended Day Programs. This is another area where the Ottawa-Carleton District School Board has taken a lead role in the Province. We believe strongly that equitable access to early learning opportunities is critical to the elimination of student achievement gaps, increased employment, reduced poverty and the betterment of society.

The OCDSB has become a leader in the delivery of the Extended Day Program in Ontario. Currently, our district offers Extended Day Programs in 77 sites. As we rolled out Extended Day, we noticed a disturbing trend that the uptake in schools in low socioeconomic areas was much lower than in higher income areas of the city.

We have worked hard to ensure the program is available and either directly offered by the District or in partnership with a third party provider. However, we remain concerned that the current structure of the program is not accessible for families with demonstrated financial need. We are not able to offer unused spaces to families at a reduced cost and the municipal childcare subsidy system does not adequately meet the needs of our communities.

There are opportunities to address the equity gap at zero cost to either the school board or the province that are currently legislatively prohibited from being used.

Furthermore, we believe that the shortage of childcare subsidies in Ontario undermines the commitment of the Extended Day program. Providing Extended Day care in schools largely to those who can afford it serves only to widen the economic gap between rich and poor by giving significant educational and logistical advantages to rich families that are denied to the poor. The funding investments in integrated childcare programs cannot be limited to investments in buildings and staff, without improving the ability for the neediest members of our community to access the services. An increase in funding for childcare subsidies is an essential investment this Government must make to improve the future of Ontario and ensure equity to its citizens.

Redesign Education Development Charge (EDCs)

The Ottawa-Carleton District School Board has a diverse geographic jurisdiction which results in a variety of capital needs in order to serve its students into the future. Parts of our District are experiencing intensive new residential growth which creates the need for the timely provision of new schools and/or permanent additions in order to provide students with basic accommodation within their local communities. There are also a number of mature areas within our District which are currently experiencing a revival in primary-age enrolment due to neighborhood turnover and the impact of local development intensification policies.

Currently, education development charges (EDCs) fund only those costs associated with the acquisition and preparation of land needed for the accommodation of growth-related students. Prior to 1998 and the adoption of Bill 160, the collection of EDCs also funded a portion of capital needs for new schools and additional space for new pupil places.

We reiterate our request that the Province undertake a review of the capital funding formula including an examination of this part of the legislation and consideration of the expansion of the use of EDCs to include the cost of buildings. This is a change that could actually help to offset the provincial budget in the longer term and would help ensure that school boards are provided with capital funding in a timely fashion.

Improved Capital Planning Processes and Funding

Over the past year at the Ottawa-Carleton District School Board, the Board of Trustees and senior staff have invested many hours in the development of a capital planning process which uses a criteria-based decision-making model and which seeks to balance the competing pressures of new school construction and school facility renewal.

Notwithstanding our efforts to increase the integrity and reduce the political nature of the decision-making process, our work is limited by the uncertainty and opaqueness of the provincial capital grant funding model. The Ministry's existing practice for capital funding requires that school boards prepare and submit multi-year major capital plan submissions annually. The Ministry staff normally review only the first ten projects per school board and later announces the projects that will be funded in one specific future year with no comments provided on how the priority was selected, nor how the remaining projects are viewed with respect to feasibility and timeframe. The methods used for such planning and prioritization processes are not clear. As a result, school boards cannot conduct effective long-term capital planning. Without some indication of funding timing, our communities remain uncertain of when they will see a new school or renovation and it makes it extremely difficult to meet students' needs.

We ask that the Ministry move to multi-year plans while reserving a contingency fund for unexpected circumstances with clear criteria for the use of these contingency funds. Such a process would result in the best possible use of scarce capital dollars in meeting the needs of our students.

As a Board, we believe that our communities deserve greater transparency in the allocation of capital project approvals to school districts. A current and transparent multi-year plan for the prioritization and spending of provincial tax dollars is an important and necessary requirement to ensure a fair process that stands up to public scrutiny.

Protect Our Capital Investment with Proper Facility Maintenance

It is equally important that the Province allocate sufficient funds to protect its investment in school infrastructure. The current backlog of renewal projects in our school district is in excess of \$426 million for our permanent learning facilities which does not include administrative and depot sites. Accessibility and program backlog is currently estimated at an additional \$91 million. By 2015 the combined backlog is projected to grow to a total of \$616 million. This rapid rise is due to our aging infrastructure and lack of sufficient annual renewal funding to meet the current needs.

During the Ministry's Good Places to Learn initiative, which ended several years ago, the District was averaging \$35 million a year in renewal projects. Our annual FRP grant is currently in the range of \$13 million per year, which creates at least a \$22 million annual funding shortfall. This is increasingly apparent in the deteriorating condition of our schools.

Schools in more mature areas of the jurisdiction also require significant capital investment due to their age and building condition. There is the need to improve instructional spaces in order to keep up with new curriculum and program needs, and the need to provide equitable access to buildings as part of the implementation of the Accessibility for Ontarians with Disabilities Act (AODA). While considerable investments have been made in schools to address Full-Day Kindergarten and Extended Day programs, this cannot continue at the expense of high school science labs, gymnasiums and special purpose space.

In Summary

We recognize that the provincial government has a multitude of competing needs and reduced revenue. There are many demands on provincial finances. We remind you of the ongoing identification of education as key for a successful economy and a priority for this government.

We agree with the government that public education must continue to be a priority and we would like to see that priority represented in the provincial budget. We remind you that many of the proposals in this submission come at zero cost to the Province or are good investments that save money over the long-term.

Thank you for your time and attention.