

# AUDIT COMMITTEE REGULAR MEETING Open (Public) Session

**AGENDA  
MAY 23, 2018**

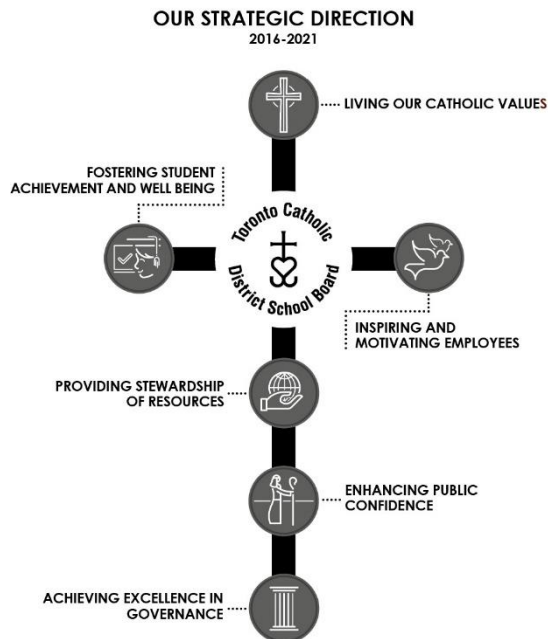
**Barbara Poplawski, Chair**

**Angela Kennedy**

**Maria Rizzo**

**Nancy Borges**

**Ryan Singh**



## **MISSION**

*The Toronto Catholic District School Board is an inclusive learning community uniting home, parish and school and rooted in the love of Christ.  
We educate students to grow in grace and knowledge to lead lives of faith, hope and charity.*

## **VISION**

*At Toronto Catholic we transform the world through witness, faith, innovation and action.*

**Recording Secretary: Sophia Harris, 416-222-8282 Ext. 2293**

**Assistant Recording Secretary: Sonia Tomaz, 416-222-8282 Ext. 2298**

**Rory McGuckin  
Director of Education**

**Barbara Poplawski  
Chair of the Board**

## **Summary of Terms of Reference for Audit Committee**

**The Audit Committee shall have responsibility for considering matters pertaining to:**

**(1) Related to the board's financial reporting process:**

1. To review with the director of education, a senior business official and the external auditor the board's financial statements, the results of an annual external audit
2. To review the board's annual financial statements and consider whether they are complete, are consistent with any information known to the audit committee members and reflect accounting principles applicable to the board.
3. To ask the external auditor about any other relevant issues.

**(2) Related to the board's internal controls:**

1. To review the overall effectiveness of the board's internal controls.
2. To review the scope of the internal and external auditor's reviews of the board's internal controls, any significant findings and recommendations by the internal and external auditors and the responses of the board's staff to those findings and recommendations.
3. To discuss with the board's officials the board's significant financial risks and the measures the officials have taken to monitor and manage these risks.

**(3) Related to the board's internal auditor:**

1. To review the internal auditor's mandate, activities, staffing and organizational structure with the director of education, a senior business official and the internal auditor.
2. To make recommendations to the board on the content of annual or multi-year internal audit plans and on all proposed major changes to plans.
3. To ensure there are no unjustified restrictions or limitations on the scope of the annual internal audit.
4. To review at least once in each fiscal year the performance of the internal auditor and provide the board with comments regarding his or her performance.
5. To review the effectiveness of the internal auditor, including the internal auditor's compliance with the document International Standards for the Professional Practice of Internal Auditing, as amended from time to time, published by The Institute of Internal Auditors and available on its website.
6. To meet on a regular basis with the internal auditor to discuss any matters that the audit committee or internal auditor believes should be discussed.

**(4) Related to the board's external auditor:**

1. To review at least once in each fiscal year the performance of the external auditor and make recommendations to the board on the appointment, replacement or dismissal of the external auditor and on the fee and fee adjustment for the external auditor.

2. To review the external auditor's audit plan and confirm the independence of the external auditor.
3. To meet on a regular basis with the external auditor to discuss any matters that the audit committee or the external auditor believes should be discussed.

**(5) Related to the board's compliance matters:**

1. To review the effectiveness of the board's system for monitoring compliance with legislative requirements and with the board's policies and procedures, and where there have been instances of non-compliance, to review any investigation or action taken by the board's director of education, supervisory officers or other persons employed in management positions to address the non-compliance.
2. To obtain regular updates from the director of education, supervisory officers and legal counsel regarding compliance matters and that all statutory requirements have been met.

**(6) Related to the board's risk management:**

1. To ask the board's director of education, a senior business official, the internal auditor and the external auditor about significant risks, to review the board's policies for risk assessment and risk management and to assess the steps the director of education and a senior business official have taken to manage such risks, including the adequacy of insurance for those risks.
2. To initiate and oversee investigations into auditing matters, internal financial controls and allegations of inappropriate or illegal financial dealing.

**(7) Related to reporting to the board:**

1. To report to the board annually, and at any other time that the board may require, on the committee's performance of its duties.

**(8) Related to website maintenance:**

1. To make all reasonable efforts to ensure that a copy of Ontario Regulation 361/10 is posted on the board's website.

## OUR MISSION

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## OUR VISION

*At Toronto Catholic we transform the world  
through witness, faith, innovation and action.*



# **AGENDA THE REGULAR MEETING OF THE AUDIT COMMITTEE**

## **PUBLIC SESSION**

Wednesday, May 23, 2018  
6:30 P.M.

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Pages

1. **Call to Order**
2. **Opening Prayer**
3. **Roll Call & Apologies**
4. **Approval of the Agenda**
5. **Declarations of Interest**
6. **Approval & Signing of the Minutes of the Meeting held April 24, 2018 for Public Session.** 1 - 8
7. **Delegations**
8. **Presentation**
  - 8.a Bruce Lowe, representing the Toronto & Area Regional Internal Audit Team, regarding the Regional Internal Audit Team Update (Refer Item 13a)
  - 8.b Bruce Lowe, representing the Toronto & Area Regional Internal Audit Team, regarding the Monitoring & Reporting Student Achievement Audit Report, March 2018 – Executive Summary (Refer Item 13b)

<b>9.</b>	<b>Notices of Motion</b>	
<b>10.</b>	<b>Consent and Review</b>	
<b>11.</b>	<b>Unfinished Business</b>	
<b>12.</b>	<b>Matters referred/deferred</b>	
<b>13.</b>	<b>Staff Reports</b>	
13.a	Regional Internal Audit Team Update (Refer Item 8a)	9 - 10
13.b	Regional Internal Audit Team (RIAT) regarding Reporting & Monitoring Student Achievement Audit Report, March 2018 (Refer Item 8b)	11 - 33
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13.c.6	Preliminary 2018-19 Budget Estimates (Volumes 4, 5 - Includes Non-Instructional)	187 - 221
13.d	Update Report regarding Whistleblower Policy	222 - 224
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<b>14.</b>	<b>Listing of Communication</b>	
14.a	Communication from Doreen Lamarche, Executive Director, Ministry of Education, regarding Toronto Catholic District School Board's (TCDSB) Multi-Year Financial Recovery Plan	226 - 227

**15. Inquiries and Miscellaneous**

15.a Proposed Audit Committee Meeting Dates:

**16. Updating of Pending List**

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**17. Closing Prayer**

**18. Adjournment**

**MINUTES OF THE REGULAR MEETING OF THE  
AUDIT COMMITTEE  
HELD TUESDAY, APRIL 24, 2018**

**OPEN (PUBLIC) SESSION**

**PRESENT:**

**Trustees:** B. Poplawski, Chair  
M. Rizzo

**External Members:** R. Singh  
N. Borges

**Auditors:** B. Cross  
V. Trivedi

**Staff:** R. McGuckin  
L. Noronha  
P. Matthews  
M. Eldridge  
S. Camacho  
J. Volek  
C. Giambattista  
M. Farrell

S. Harris, Recording Secretary

#### **4. Approval of the Agenda**

MOVED by Trustee Rizzo, seconded by Ryan Singh, that the Agenda, as amended, to remove Items 15c) Inquiry from Nancy Borges regarding Contracting of Auditing/Consulting Firms and 15d) Inquiry from Ryan Singh regarding Regulatory Environment Dashboards and add them to the Closed (PRIVATE) Agenda, be approved.

The Motion was declared

CARRIED

The Chair provided the following updates:

- a. That Trustee Del Grande had recently resigned from the Audit Committee and that a new Trustee will be elected; and
- b. That Brad Cross and Viraj Trivedi will be representing the Regional Internal Audit Team (RIAT ) at today's meeting in the absence of Dave Johnston who is no longer with the York Catholic District School Board nor the Regional Internal Audit Manager. Both Brad and Viraj were introduced the meeting.

#### **5. Declarations of Interest**

There were none.

#### **6. Approval of the Previous Minutes**

MOVED by Ryan Singh, seconded by Nancy Borges, that the Minutes of the meeting held January 17, 2018 for Open (PUBLIC) Session be approved.

The Motion was declared

CARRIED



Trustee Poplawski relinquished the Chair to Ryan Singh.

**8. Presentation  
&  
13. Staff Reports**

MOVED by Trustee Rizzo, seconded by Trustee Poplawski, that Items 8a) and 13a) be adopted as follows:

**8a) Brad Cross and Viraj Trivedi, representing the Toronto and Area  
Regional Internal Audit Team, regarding the Regional Internal Audit  
Team Update**

**&  
13a) Report regarding Regional Internal Audit Team Update** received and that an Executive summary of reports be provided to the Audit Committee at the next meeting on May 23, 2018 regarding monitoring and reporting of student achievement.

The Motion was declared

CARRIED

Trustee Poplawski reassumed the Chair.

MOVED by Nancy Borges, seconded by Ryan Singh, that the meeting resolve into Closed (PRIVATE) Session, then return to Open (PUBLIC) Session to complete the Agenda items.

The Motion was declared

CARRIED

The meeting resumed with Trustee Poplawski in the Chair.

**PRESENT:**

**Trustees:** B. Poplawski, Chair  
M. Rizzo

**External Members:** R. Singh  
N. Borges

**Staff:** R. McGuckin  
L. Noronha  
P. Matthews  
S. Camacho  
J. Volek  
C. Giambattista  
M. Farrell

S. Harris, Recording Secretary

**13. Staff Reports**

MOVED by Trustee Rizzo, seconded by Ryan Singh, that Item 13b) be adopted as follows:

**13b) Legal Fees Report 2016-17** received.

The Motion was declared

**CARRIED**

MOVED by Trustee Rizzo, seconded by Ryan Singh, that Item 13c) Verbal Update regarding Vacant Senior Executive Positions be removed and discussed in DOUBLE PRIVATE Session.

The Motion was declared

CARRIED

MOVED by Ryan Singh, seconded by Nancy Borges, that Item 13d) be adopted as follows:

- 13d) Audit Committee's Assessment of Toronto Catholic District School Board's External Auditors' Performance** received.

The Motion was declared

CARRIED

Trustee Rizzo wished to be recorded as voting against the Motion.

Trustee Poplawski relinquished the Chair to Trustee Rizzo.

MOVED by Nancy Borges, seconded by Ryan Singh, that Item 13e) be adopted as follows:

- 13e) Toronto Student Transportation Group Annual Report 2016-17** received.

The Motion was declared

CARRIED

Trustee Poplawski reassumed the Chair.

MOVED by Trustee Rizzo, seconded by Nancy Borges, that Item 13f) be adopted as follows:

- 13f) Procurement and Vendor Processes at Toronto Catholic District School Board** received.

The Motion was declared

CARRIED

MOVED by Ryan Singh, seconded by Nancy Borges, that Item 13g) be adopted as follows:

- 13g) Audit Committee Annual Agenda/Checklist** received.

The Motion was declared

CARRIED

**15. Inquiries and Miscellaneous**

- 15a) Proposed Audit Committee Meeting Date for Consideration:**  
Wednesday, May 23, 2018, 6:30 pm.

The Motion was declared

CARRIED

MOVED by Trustee Rizzo, seconded by Ryan Singh, that the meeting resolve into Closed (DOUBLE PRIVATE) Session.

The Motion was declared

CARRIED

The meeting resumed with Trustee Poplawski in the Chair.

**PRESENT (Post TRIPLE (Closed) PRIVATE Meeting):**

**Trustees:** B. Poplawski, Chair  
M. Rizzo

**External Members:** R. Singh  
N. Borges

**Staff:** S. Harris, Recording Secretary

**18. Adjournment**

MOVED by Trustee Rizzo, seconded by Ryan Singh, that the meeting adjourn.

The Motion was declared

CARRIED

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SECRETARY

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CHAIR



## **Toronto Catholic District School Board**

### **Status Update for Audit Committee**

**May 2018**

The following is the status of engagements included in the Toronto Catholic District School Board's Regional Internal Audit Plan for the 2017/18 year.

#	Audits	Status
1	Monitoring and Reporting of Student Achievement	<p>The high-level objectives and scope for this engagement are to assess the processes for monitoring and reporting of student achievement.</p> <p>The audit report has been issued, and will be presented to Audit Committee in May.</p>
2	Health and Safety	<p>The high-level objectives and scope for this engagement are to assess whether controls are in place to ensure that processes and controls relating to employee health and safety are developed, adequate and communicated to the relevant employees. Compliance with legislative requirements will be evaluated.</p> <p>Initial planning has begun. Fieldwork scheduled to begin May 22<sup>nd</sup> 2018, and is expected to take 3 weeks.</p>
3	Repairs and Maintenance Follow Up	<p>The objective of the follow-up engagement is to assess that controls are in place and are operating effectively to mitigate the risks associated with findings identified in the initial audit report.</p> <p>Planning for this engagement is underway. Fieldwork is scheduled to start in May 22 2018, and is expected to take 2 weeks.</p>





**INTERNAL  
AUDIT TEAM**  
Toronto and Area Region

**CONFIDENTIAL**

## **Toronto Catholic District School Board**

### **Monitoring and Reporting of Student Achievement**

### **Audit Report**

**March 2018**

**Serving:  
Toronto Catholic District School Board**

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## **Introduction**

As part of the multi-year regional internal audit plan, the Regional Internal Audit Team (“RIAT”) performed an audit of the key processes and controls related to the monitoring and reporting of student achievement. The Academic Services department, under leadership of the Associate Director of Education, Academic Services, is responsible for establishing, monitoring and reporting of student achievement results supported by other areas within the Board.

Through discussion with management, we agreed to focus the scope of the engagement on key monitoring and reporting mechanisms both at the Board and school level to ensure that the Board is making effective decisions and developing action plans to support students and improve academic outcomes. Although the main focus was on academic outcomes, we also considered other areas such as mental health and well-being strategies as part of our engagement.

## **Objectives and Scope**

The objectives and scope of this engagement, as agreed upon with management, were to assess the controls and processes in the following areas:

- Policies and procedures relating to monitoring and reporting outcomes are developed, adequate, communicated to the relevant parties, and periodically reviewed;
- Data collection is complete, accurate and timely in order to facilitate decision making;
- Appropriate metrics have been developed to support effective management and monitoring of strategic outcomes; and
- Appropriate metrics are monitored and reported to key stakeholders to measure the achievement of board objectives.

The scope of the engagement included interviews with management, as well as an assessment of the controls and monitoring and reporting mechanisms which support student achievement. Some of the key areas in scope were the Board Learning Improvement Plan K-12 - 2014-18 (BLIP), the 2017 Board Learning Improvement Plan Annual Report (2017 BLIP Report), the Data Integration Platform (DIP) and Professional Learning Forms (PLF's), also referred to as School Learning Improvement Plans (SLIPs), at the individual school and area level. The periods covered for this audit were mainly FY2016/17 and FY2017/18.

Items that were out of scope for this audit included other components within the BLIP such as "Staff Engagement", "Nurturing our Catholic Community", "Home, Parish, School and Community Partnerships", and "Pathways Planning and Learning".

## Summary of Key Observations and Recommendations

Overall, the Board has a number of well-defined processes, policies and guidelines to ensure that the monitoring and reporting of student achievement is effective. This includes the following:

- Policies, procedures and oversight at the Board and school level through various reports, committees and collection/analysis of data.
- Through the use of the Data Integration Platform (DIP) the Board captures and utilizes data (i.e. EQAO results, surveys, CAT tests) to inform decision making and monitoring of student achievement.
- Other mechanisms such as Accountability Frameworks for Special Education and the Professional Learning Forms are effective and important ways in which the Board demonstrates their commitment towards student achievement.
- There are some opportunities to improve current practices and enhance the monitoring and reporting of data in current reports such as the Board Learning Improvement Plan (BLIP) Annual Report and the Professional Learning Forms. Details observations and recommendations are noted below. These are not considered high risk and should be considered enhancements to current processes or reporting.

No significant issues were noted and the Board is commended for their significant efforts and student focused practices they have implemented.

## Background

The Toronto Catholic District School Board is one of the largest school districts in Ontario with approximately 91,000 students enrolled in 194 schools<sup>1</sup>. The Board has developed a multi-year Board Learning and Improvement Plan (BLIP) for the 2014-18 periods, and is currently in the process of updating the BLIP for the next four year period. The BLIP represents the Board's plan for improving student and achievement and well-being. Although there are eight focus areas within the BLIP, we focused on the areas developed based on the Ministry's School Effectiveness Framework<sup>2</sup> (SEF) related to student achievement. The BLIP establishes strategies and action plans, professional learning opportunities and indicators of success (measures) for each area of focus. Most of the indicators of success (measures) for student achievement are from EQAO<sup>3</sup> results, student and staff surveys, CAT<sup>4</sup> results, school visits, and school learning improvement plans/professional learning forms.

The Board monitors and reports on progress against the BLIP goals on an annual basis through an Annual BLIP report. Based on review of the 2016/17 Annual BLIP report, the Board is on target in most "quantifiable achievement indicators"<sup>5</sup> except for EQAO math scores (grades 3 and 6), Grad 10 credit accumulation and grade 9 Applied Math, which were all below target. In addition to the BLIP, there are a number of other processes and practices in place focused on student achievement. Refer to Appendix C for details regarding the various areas under each department. A large focus of student achievement is professional development. The Board uses student achievement results to target professional learning activities for staff both at the Board and school level. On an annual basis, each school completes "Professional Learning Forms" that identifies "critical needs" of the school and professional learning to close the gaps in those identified areas.

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<sup>1</sup> Source: TCDSB Website – Elementary – 162 schools, Secondary – 29 schools, Combined – 3 schools

<sup>2</sup> The School Effectiveness Framework provides "indicators of effective instructional practice and pedagogy...used by school communities to determine the critical needs of students in order to address them in an equitable, precise and timely manner".

<sup>3</sup> EQAO is a Province wide standardized assessment for Grades 3, 6 and 9.

<sup>4</sup> Grade 2, 5 and 7 students undergo a test called the Cognitive Abilities Test (CAT) and Grade 4 students complete the Otis-Lennon School Abilities Test (OLSAT).

<sup>5</sup> Graduation rates, credit accumulation, EQAO, OSSLT and Grade 9 math

## Observations and Recommendations

Our observations and recommendations have been grouped into the following scope areas:

- Policies, procedures and oversight;
- Board Learning Improvement Plan;
- Professional Learning Forms/School Learning Improvement Plans;
- Special Education and Mental Health and Well-Being Initiatives; and
- Professional Development

## **Policies, Procedures and Oversight**

Internal audit assessed the following:

- Policies and procedures relating to monitoring and reporting outcomes are developed, adequate, communicated to the relevant parties and periodically reviewed.
- Accountability at the school and board level is established through clearly defined roles and responsibilities.

### Policies and Procedures

We obtained copies of the Board's policies and procedures to ensure that they addressed the following key areas:

- Guidelines for report cards and implementation strategies to ensure consistency with the Ministry guidelines (i.e. Growing Success)
- EQAO
- School Learning Improvement Plan
- Accountability for student achievement and related initiatives

The Board's main document for student achievement is the BLIP 2014-18 (see section below). Other policies include the following:

- Policy 04 – "Catholic Parent Involvement Committee (CPIC)" mandate is "to support, encourage and enhance parent engagement at the board level in order to improve student achievement and well-being".
- Policy 13 – "Student and Program Assessment Policy and Operation Procedures" provides assessment, evaluation and reporting practices to schools of the board in the development of their local plans, consistent with TCDSB policies and Growing Success: Assessment, Evaluation



and Reporting in Ontario Schools, First Edition, Covering Grades 1 to 12 (2010)<sup>6</sup>.

We noted that the TCDSB website provides information regarding EQAO testing procedures. Overall, the Board has sufficient policies and procedures related to the measuring and reporting of student achievement, supported mainly by the BLIP.

### Roles and Responsibilities

We assessed whether appropriate accountability structures were in place to support the student achievement process. Based on our assessment, the Board has established appropriate roles and responsibilities. The Associate Director of Education, Academic Services, oversees the student achievement process for the Board. There are a number of individuals that oversee various areas related to student achievement, as follows:

- Superintendent of Student Success, Secondary – responsible for Pathways, Catholicity, Community, Culture and Caring, Literacy and Numeracy
- Superintendent, Curriculum Leadership and Innovation – works with elementary and secondary school student achievement and monitoring
- Superintendent, Safe Schools, Alternative Education and International Education – works with secondary schools under the Applied Excellence in Academic Courses (AEAC) which is mandated by the Ministry of Education to support lower achieving schools.
- Senior Coordinator Educational Research, Research Department – provides data that informs the BLIP and other student achievement related queries and decisions
- Superintendent of Special Services – works with improving student achievement with special needs students.

The above individuals meet and collaborate to ensure that there is consistency across the schools. See Appendix C for more details.

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<sup>6</sup> A Ministry of Education document that outlines a comprehensive policy for the assessment, evaluation, and reporting of student achievement in Ontario schools, from Kindergarten to Grade 12.

Furthermore, there are School Improvement teams (elementary and secondary) and also Student Success Teams at the secondary level designed to monitor student achievement results and identify areas of weakness. There are also Area Superintendents who work with school Principals to monitor the Professional Learning Plans. The Superintendents responsible for student achievement meet weekly to discuss professional development and student achievement data and issues.

## **Board Learning Improvement Plan (2014-18)**

We reviewed the Board's policies and procedures related to the monitoring and reporting of student and school performance. The key document is the Board Learning Improvement Plan (BLIP) 2014-18. The Student Achievement and Accountability Act (Bill 177) requires every board in the province to have a multi-year plan for student achievement. The BLIP sets the strategic goals for TCDSB including key performance indicators for student achievement and well-being. The BLIP was developed based on the Ministry's School Effectiveness Framework (SEF) guidelines. Data from various sources including the DIP, EQAO and survey results are used to develop the DIP. There are 8 components within the BLIP:

- Nurturing the Catholic Community
- Staff Engagement
- Assessment for, as, and of learning
- School and classroom leadership
- Student Engagement
- Curriculum, Teaching and Learning
- Pathways, Planning and Programming
- Home School, Parish and Community Partnerships

Within each of the 8 components, there are "if" and "then" statements, called the "theory of action", the goal (which is descriptive), targeted evidence based strategies and actions, professional learning opportunities to be arranged, and measures of success up which to measure the Boards progress. The BLIP is prepared by the BLIP Committee and uses multiples sources of information to inform the goals and measures. Through discussions with management, we also noted that consultation with other stakeholders also occurs, including teacher and student surveys, EQAO results, and CAT results. We reviewed the supporting data in the BLIP noting that it aligned with the stated goals. We also noted that the BLIP addressed all six components of the SEF from the Ministry. Overall, the BLIP development and monitoring process for student achievement incorporates sufficient data, is complete and issued in a

timely manner. Data collection is complete, accurate and timely in order to facilitate decision making.

### BLIP Annual Report

The Annual Report is important to ensure that Board's objectives established in the BLIP are being monitored so that corrective action can be taken as needed. We reviewed the BLIP Annual Report (Nov 2017) and assessed whether data supported the BLIP goals. The Research department obtains extensive data including surveys and academic results (i.e. EQAO and CAT) and provides this to the BLIP Committee and Student Achievement Committee. The Annual report shows the progress of quantifiable achievement indicators tied back to the BLIP measures of success. The Annual report also indicates if the Board is meeting its targets. Based on our review of the Annual Report (Nov 2017), we noted the following areas where additional resources and strategies were implemented in order to reach targets and goals:

- In FY2017/18, student surveys were enhanced to address mental health and well-being and will be included in the 2018 Annual Report.
- Renewed Math Strategy (RMS) initiatives and professional development for elementary and secondary schools was provided, additional staffing for mathematics, and numeracy focused workshops were organized to support improving math scores.
- Further actions for each of the BLIP areas of focus were included in the Annual Report.

Based on the above, results are being monitored appropriately on an annual basis and action plans are developed to address areas of weakness.

### Finding

#### 1. BLIP Annual Report

We noted that although the BLIP annual report includes achievement results such as EQAO test scores, additional narrative information would be helpful,

especially in cases where results did not improve or were lower than the prior year or lower than the provincial average targets.

## Impact

*Key stakeholders may not have complete information to make informed decisions or develop action plans.*

## Recommendation

- R1. Additional narrative information such as root causes/justifying comments where the BLIP areas of focus are not met should be considered as part of the BLIP annual report to enhance its content and usefulness as well as action plans.

### ***Management Response and Action Plan:***

Management agrees that additional information could be provided to better inform stakeholders as to reasons why a BLIP goal is not being met. The Board BLIP report can be used as a method for highlighting this narrative.

### ***Timeline:***

To be included in the 2018-2019 BLIP Annual Report.

## **Professional Learning Forms (PLF's)**

Professional Learning Forms are the key student achievement related monitoring and reporting process at the school level. The key objective of the PLF's is to identify critical learning needs at the school level in order to support student achievement (mainly from an academic focus). It is a well-defined and collaborative process involving various individuals and departments. The Research department prepares school level data and provides this information to the Area Superintendent and school Principal. The Area Superintendent meets with the Principal and teachers to identify the critical learning needs for each school at the beginning of the school year. A documented plan is developed, support by (1) action plans to achieve the critical needs, (2) PD requirements of the teachers as per the PD days allocated, and (3) Measures / Evidence of success to be used for the its achievements. Stakeholders gather and interpret evidence about student learning for the purpose of determining where students are in their learning, where they need to go, and how best to get there. The information gathered is used by teachers to provide feedback to focus their learning. "Assessment for learning" is a high-yield instructional strategy that takes place while the student is still learning and serves to promote learning.

The following data points form the basis of PLF preparation:

### EQAO Data

Education Quality and Accountability Office (EQAO) is a Province wide annual assessment of Primary Division (Grade 3) and Junior Division (Grades 6) students in reading, writing, and mathematics; Grade 9 students in mathematics (academic and applied); and the Ontario Secondary School Literacy Test (OSSLT). The EQAO data is forms the basis of the PLF preparation and action plans for the year.

### Canadian Assessment Test (CAT)

The CAT is a testing system that assesses the essential learning outcomes of the basic skill areas: reading, language, spelling, and mathematics. As well as

being a tracker of learning abilities, the CAT also evaluates how well students perform in comparison to other students across the district, region, or in Canada as a whole.

#### Perceptual Data

Custom made surveys for each school are conducted to assess the learning environments, learning trends, demographic information, student engagements, cognitive strategies etc. Actual results of the surveys are compared to the board and province level data to determine the schools standing.

#### Demographic Data

Reflected the stratified data of students based on age, language, community and ethnic groups. The demographic data helps the stakeholders to emphasise the need of the different language programs.

From the above data, schools are required to document learning challenges and professional learning focus for the year in the PLF. As part of our audit testing, we attended a PLF meeting held on November 28, 2017 at an elementary school. We noted that the Principal highlighted the prior year EQAO results and that the school surpassed the provincial benchmark of 75% on primary reading, writing and math and junior reading and writing. However, the school has not been able to achieve the junior math benchmark which was an area of concern and urgent critical need documented in the current year PLF. We noted that Grade 3 and 6 School Improvement team teachers discussed the strategies they used in the classroom to tackle numeracy and math problem solving.

Once the PLF is reviewed by the Area Superintendent, Principal and School Improvement Team, it is uploaded to the school website.

We also selected a sample of 10 schools to review their PLF's and ensure they were uploaded and completed. We noted that all schools selected had a comprehensive plan based on the BLIP goals established by the Board, EQAO results, CAT4, School Report Card results are discussed by the stakeholders (i.e. Superintendent, Principal and Teachers) during the initial



Superintendent's visit. We further noted that an "Urgent Critical Need" is identified and documented in the PLF based on the data analysed and collaborative inquires among the stakeholders.

## **Finding**

### **2. Professional Learning Forms**

We noted that the "urgent critical needs" included in the PLF's are not always specific and measurable. For example, an urgent critical need was identified to close the gap in percentage of students at the applied versus academic level achieving Level 3 or 4 (for various subjects). The measure of evidence was to only note the percentage of applied students at Level 3 or 4 compared to the prior year. A more specific target (i.e. reduce the gap by a certain percentage) would be more appropriate in order to assess progress.

## **Impact**

*The Professional Learning Forms are an important tool to measure school progress and implement appropriate strategies. Without specific and measurable targets, schools may not be tracking progress or success of new strategies appropriately.*

## **Recommendation**

- R2. Urgent critical needs and measures or evidence should be based on specific and measurable goals.

### ***Management Response and Action Plan:***

As we create a new BLIP for the 2018-2021 school years, we will be revising our PLFs to ensure that SMART goals are included within these plans.

### **Timeline:**

To be initiated in the 2018-2019 school year.



## **Special Education and Mental-Health and Well-Being**

The Special Education department has established “Accountability Frameworks for Special Education” (AFSE). The main objectives of the AFSE’s are as follows:

- To annually review special education programs and services in order that student achievement and well-being is reported and that programs and services are continually renewed and improved.
- To provide SEAC and the Board with timely evidentiary advice to make effective decisions related to program planning and services in special education.
- The establishment of SMART goals that align with the TCDSB Board Learning Improvement Plan.
- To support the Board’s budgetary cycle

A standing Program Review Committee (PRC) has been established for each exceptionality and meets regularly to collect and analyze student achievement and well-being data. It is an important mechanism for reaching student achievement and well-being goals set by the Ministry, including *Learning for All: K-12, Caring and Safe Schools in Ontario, Growing Success and Assessing Achievement in Alternative Areas (A4)* as well as Board goals set by the Committee.

We selected the 2016/17 AFSE to assess whether appropriate metrics are in place to analyze and report on special education student achievement. There are three main exceptionalities for the AFSE – autism, learning disabilities (LD), and language impairment. The Special Education Advisory Committee (SEAC) sets the goals and data points to collect. We noted that goals are established and communicated to key stakeholders (i.e. Principals, teachers and special education staff at the school level). The SEAC Committee meets quarterly to review the results and monitor progress. These goals are also included in the PLF’s for each school.

Based on our review of SMART goal setting, measuring and reporting of set goals for 2016/17, and discussions with management, the AFSE appears to be working effectively towards achieving its objectives of enhancing special education student achievement.

## **Professional Learning and Development**

We assessed whether the Board's professional learning and development activities were sufficiently aligned with student achievement results and overall goals and objectives (i.e. as set in the BLIP and PLFs). There are three main delivery models for professional development at the Board:

- Centralized professional learning at the Board level. There are "code" days given by the Board to support specific learning initiatives. We noted specific code days were allocated for Renewed Math Strategy and PLF monitoring.
- School level professional learning. There is local identification of professional learning needs. A key focus for FY2017-18 is numeracy across the curriculum.
- Student Success Learning Networks (SSLN). The Superintendent of Student Success oversees this process and groups schools together so that targeted professional learning can be provided. The focus is also on numeracy.

The Board's Professional Development Plan for Student Achievement and Well-being for 2017-18 (2017-18 PD Plan or Plan) was selected. We noted that development of the PD Plan is a collaborative process informed by input from students, teachers, principals, superintendents, trustees etc. Progress of the Plan is monitored and results are presented to Education Council and the Student Achievement Committee. The report outlines key professional learning initiatives to support achievement of goals established in the BLIP. The Plan used a variety of data sources such as EQAO results, surveys, cohort data etc. Based on our review, we noted that the Plan aligned with the BLIP. In addition, the Plan update is included in the BLIP Annual Report. Based on discussions with management, we understand that Trustees have requested more direct linkage between the PD activities and their impact on student achievement, including measuring the value of dollars spent. Given the manual nature of PD tracking and delivery, management has noted that it is difficult to provide direct linkage's at this time. Implementation of a new professional learning software system would help with this.

## **Finding**

### **3. Professional Development Tracking**

The tracking of professional development activities, delivery and attendance is currently a manual process. Therefore, it is difficult to track and analyze delivery and effectiveness of professional development activities. We understand that the Board is exploring the implementation of professional development software tool.

## **Impact**

*Better tracking of professional development activities will help the Board to better track professional development delivery, attendance and spending in order to assess their effectiveness as it relates to student achievement and well-being.*

## **Recommendation**

R3. The Board should prepare a business case, implementation plan and target date for a new professional development software tool.

### ***Management Response and Action Plan:***

The Board is exploring options for a PD tracking tool and will develop a business case and implementation plan as part of the project planning process. Approval has been received for this project as part of the new student information software purchase. The potential vendor the Board has been working with was recently acquired by another company and this may impact the timing and implementation of a PD tracking tool.

### ***Timeline:***

Timing for project implementation is to be determined. Management will provide an update on this project to Directors council in the fall of 2018.

## **Appendix A – Acknowledgement**

We would like to take this opportunity to thank the management and staff of the TCDSB for their assistance during this engagement.

### **Issued by:**

Viraj Trivedi, CPA, CA  
Manager, Regional Internal Audit Team

## **Appendix B – Report Distribution**

This report is intended primarily for the information and use of the individuals on the distribution list and should not be provided to any other individuals without the consent of the Manager, Regional Internal Audit Team, Toronto and Area

- Toronto Catholic District School Board Audit Committee
- Rory McGuckin, Director of Education
- Dan Koenig, Associate Director, Academic Services
- Lloyd Noronha, Chief Financial Officer and Executive Superintendent Business Services
- Paul DeCock, Comptroller (Business Services)

## Appendix C – AREAS OF RESPONSIBILITY

V. BURZOTTA	L. DIMARCO	G. IULIANO MARRELLO	C. FERNANDES
AEAC / SAFE SCHOOLS/ INTERNATIONAL EDUCATION	CURRICULUM LEADERSHIP & INNOVATION	STUDENT SUCCESS	SPECIAL SERVICES
<ul style="list-style-type: none"> <li>Achieving Excellence in Applied Courses (AEAC)</li> <li>Fraser Network Supervised Alternative Learning (SAL)</li> <li>Safe Schools/ Police Liaison</li> <li>Continuing Education</li> <li>International Education (Visa Students)</li> <li>Toronto Secondary Unit (TSU) Joint Safe Schools</li> <li>Toronto Elementary Catholic Teachers (TECT) Joint Safe Schools</li> </ul>	<ul style="list-style-type: none"> <li>MOE – Curriculum Initiatives               <ul style="list-style-type: none"> <li>Leading Student Achievement (LSA)</li> <li>School Effectiveness Framework</li> </ul> </li> <li>Leadership Development / Succession Planning</li> <li>International Languages</li> <li>Community Advisory Groups</li> <li>Code - Primary School, Summer Program</li> <li>Catholic Curriculum Consortium</li> <li>Toronto Elementary Catholic Teachers (TECT) Joint Professional Development</li> <li>Multi Year Strategic Planning (MYSP)</li> <li>System Calendar</li> <li>Board Learning &amp; Improvement Plan (BLIP)</li> </ul>	<ul style="list-style-type: none"> <li>Student Success Pathways High Skill Major</li> <li>Secondary Schools Staff Development</li> <li>Joint Toronto Secondary Unit (TSU) Professional Development</li> <li>Multi Year Strategic Planning (MYSP)</li> <li>Community Advisory Groups</li> <li>Catholic Curriculum Consortium</li> <li>Board Learning &amp; Improvement Plan</li> </ul>	<ul style="list-style-type: none"> <li>Special Education Advisory Committee (SEAC)</li> <li>Social Work Services</li> <li>Psychological Services</li> <li>Speech and Language</li> <li>Autism</li> <li>Educational Assistants (EAs) / Child Youth Workers (CYWs)</li> <li>Special Education Early Years Support Response Team</li> <li>TSU Sp. Ed. Committee</li> <li>TECT Sp. Ed. Committee</li> <li>Employee Mental Health &amp; Well-Being</li> <li>Board Learning &amp; Improvement Plan (BLIP)</li> </ul>



REPORT TO

## CORPORATE SERVICES, STRATEGIC PLANNING AND PROPERTY COMMITTEE

### FINANCIAL UPDATE REPORT AS AT FEBRUARY 28, 2018

*To do what is right and just is more acceptable to the LORD than sacrifice.*  
Proverbs 21:3

Created, Draft	First Tabling	Review
March 27, 2018	April 12, 2018	
D. Bilenduke, Senior Coordinator, Finance P. De Cock, Comptroller for Business Services & Finance		
<b>INFORMATION REPORT</b>		

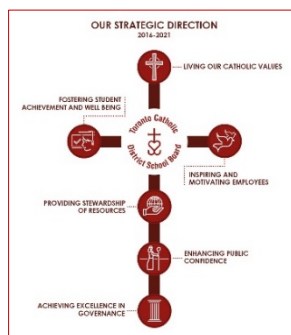
**Vision:**

*At Toronto Catholic we transform the world through witness, faith, innovation and action.*

**Mission:**

*The Toronto Catholic District School Board is an inclusive learning community uniting home, parish and school and rooted in the love of Christ.*

*We educate students to grow in grace and knowledge to lead lives of faith, hope and charity.*



Rory McGuckin  
Director of Education

D. Koenig  
Associate Director  
of Academic Affairs

M. Puccetti  
Acting Associate Director  
of Planning and Facilities

L. Noronha  
Executive Superintendent  
of Business Services and  
Chief Financial Officer



## **A. EXECUTIVE SUMMARY**

This Financial Update Report as at February 28<sup>th</sup>, 2018 provides a year-to-date look at significant financial activities at the Board. Business Services staff revised the format and consolidated the quarterly report in order to provide more analytics, a simpler format to report operating and capital expenditures in the appendices, and a more targeted expense variance analysis.

The Board is on target to meet the budgeted operating surplus of \$0.1 million for 2017-18. The anticipated surplus of \$10.5 million from the ASO benefits reserve has not been included in the preceding projected in-year operating surplus because this item is considered an extraordinary one-time revenue item. Appendix A provides a high-level summary expenditure variance analysis. When comparing the percentage spent to this period last year, it is important to know that year-to-date teaching days for February 2017 was 114 days and year-to-date for February 2018 was 115 days resulting in a .9% unfavourable variance that will disappear by year-end.

*The cumulative staff time required to prepare this report was 15 hours.*

## **B. PURPOSE**

The Financial Update report is required to keep Trustees informed on the Board's financial performance through the year and illustrate any variance in expected outcomes. The report will provide a systematic analytical review of Operating and Capital Budgets, in the following order:

1. High Level Review and Risk Assessments of Operating Budget
2. Review Staff Absenteeism by Employee Group
3. High Level Review and Risk Assessment of Impacts to MYSP
4. Detailed Analysis of Operational Risk Areas
5. High Level Review of School Renewal and Capital Projects

## **C. BACKGROUND**

1. *This report is recognized as a best practice in the province.* The Ministry of Education and the District School Board Reporting Workgroup have both





identified regular periodic financial reporting as a best practice in managing the Board's financial outcomes.




2. ***Changing requirements.*** The Board was required to provide a monthly report to the Ministry, in a defined format, as part of its multi-year recovery plan. The Board has met its obligations to the plan and monthly reporting has been modified to focus on issues that are of greater concern to our Board of Trustees and school community in a format that is more user friendly.
3. ***Notable changes.*** Revenue is directly dependent on school enrolment taken in October and March. Revenue variances are typically low risk subject to change due to enrolment changes, and only if required, further reporting of revenues will occur due to external factors or enrolment audits that create material changes affecting revenues will be reported. A section on capital reporting has been added and operating expenditures has been consolidated into one page attached as Appendix A.

## D. EVIDENCE/RESEARCH/ANALYSIS

1. Overall, in the Salary & Benefits area, Figure 1 below illustrates the current risk exposure. The salary and benefits expenditure budgets presents the majority of risk exposure for the TCDSB as follows:

**Figure 1: Salary and Benefits Variance / Risk Analysis**

	<i>Actual to Budget</i>		<i>Actual to Previous Year</i>		<i>Risk Assessment</i>
<i>Instructional Salaries</i>	↓	1.7%	↑	1.2%	
<i>Instructional Benefits</i>	↓	12.7%	↓	3.8%	
<i>Non-Instructional Salaries</i>	↓	1.5%	↓	1.3%	
<i>Non-Instructional Benefits</i>	↑	8.2%	↑	6.8%	

 = Low: On Track
  = Medium: Monitor
  = High: Action Required

Instructional Benefits is a Medium Risk because it is tracking to finish 12% under budget, and is showing 3.8% decrease over the previous year's actuals. Non-

Instructional Benefits is a High Risk because it is 8% over-spent. Upon further review, the CUPE Remedy Settlement caused the variance in Benefit expenditures for which the Ministry will reimburse in full.

2. ***Overall, in the Non-Salary & Benefits area, Figure 2 below illustrates the current risk exposure.***

**Figure 2:** Non-Salary and Benefits Variance / Risk Analysis

	<i>Actual to Budget</i>		<i>Actual to Previous Year</i>		<i>Risk Assessment</i>
<i>Instructional Expense</i>	↓	17.5%	↓	2.6%	●
<i>Transportation Expense</i>	↓	1.7%	↑	1.0%	●
<i>Operations &amp; Maintenance</i>	↓	4.9%	↓	3.5%	●
<i>Other Non-Instructional</i>	↑	24.1%	↑	34.4%	◆

● = Low: On Track    ◆ = Medium: Monitor    ◆ = High: Action Required

Instructional Expenses is a Low Risk because it is tracking in alignment with the previous year and the timing of expenditure recognition is subject to annual timing variations. Transportation Expenses and Operations & Maintenance Expenses are a Low Risk because it is 1.7% and 4.9% under-spent respectively. The Other Non-Instructional Areas are assessed a Medium Risk and requires further monitoring. Upon further review, this expense area represents 0.5% of the total operating budget, and expenditure timing variances account for the majority of variances during the course of the fiscal year.

3. ***Other Revenues are subject to external factors, which may result in variances from the Annual Plan.*** The 2017-18 revenue and expenditure estimates contained a plan to expand the number of school sites available for parking fee revenue generation in association with the Toronto Parking Authority (TPA). Permit Rate increases and increased enrolment of international Visa students also contributed to an overall increase in planned other revenues estimates.

**Figure 3: Other Revenue Variance / Risk Analysis**

	<b>Actual to Budget</b>		<b>Actual to Previous Year</b>		<b>Risk Assessment</b>
<i>Permit Revenues</i>	↑	0.18%	↓	3.46%	●
<i>Parking Revenues</i>	↓	91.0%	N/C	0.0%	⬡
<i>Visa Fees</i>	↑	9.0%	↑	3.3%	●

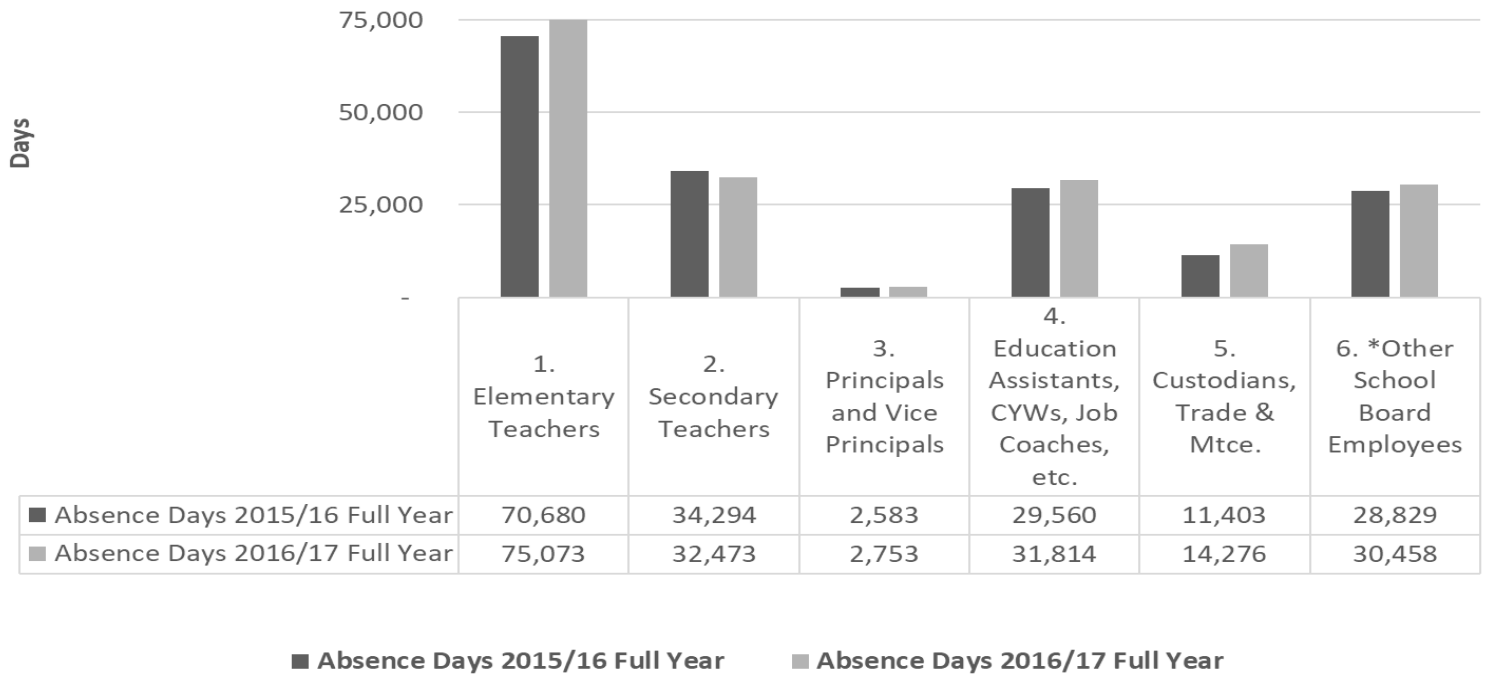
● = Low: On Track    ⬡ = Medium: Monitor    ⬢ = High: Action Required

Parking revenues year-to-date has realized 9% of the planned \$400K, and the year-to-date results are in line with the previous year's actual revenues. Upon further investigation, staff have confirmed the delayed rollout of additional school sites to the TPA, and consequently, negatively impacted upon planned parking revenue growth in 2017-18.

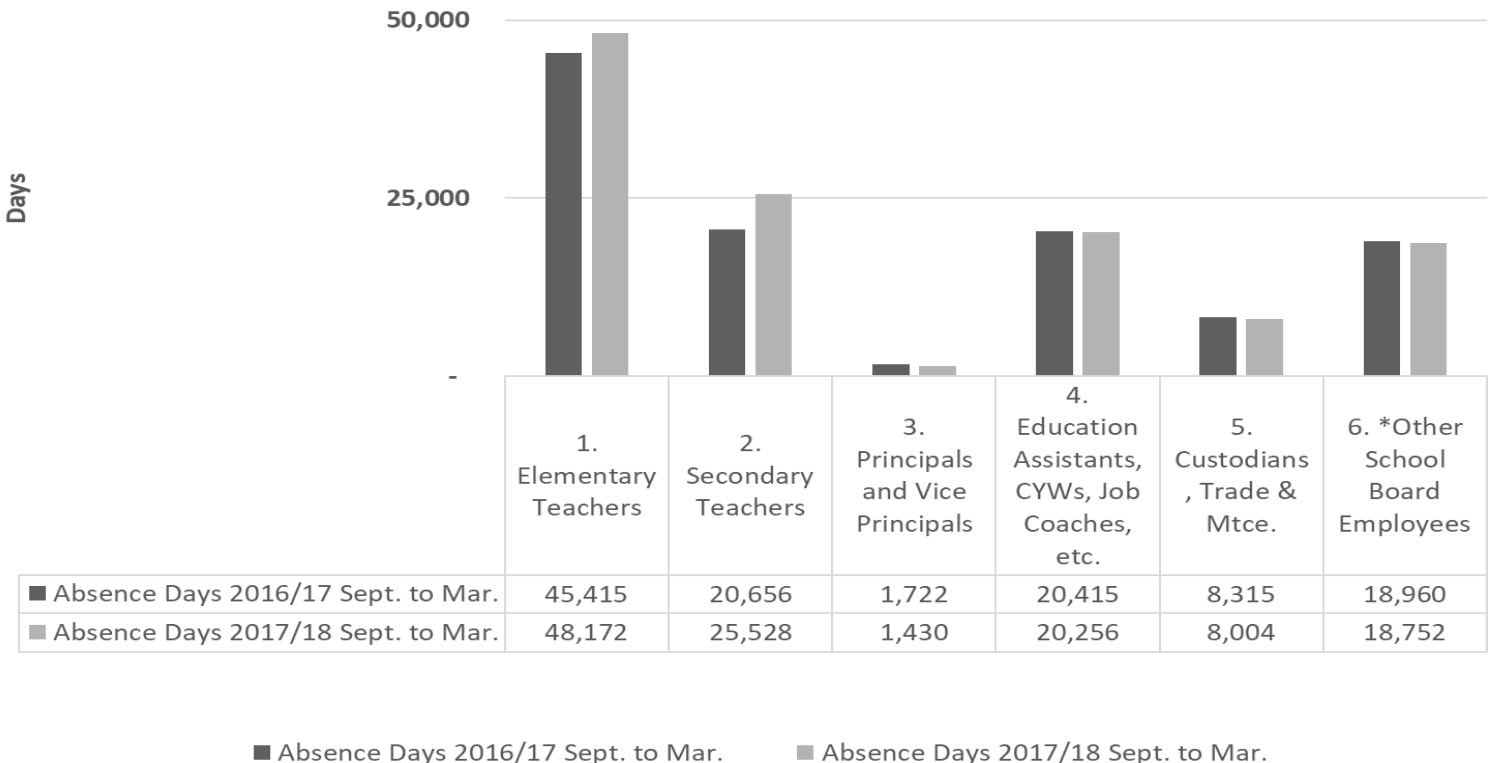
4. ***Staff Absenteeism Rates increase and Occasional Fill Rates decline.*** Recent statistics continue to provide evidence that staff absenteeism rates are increasing across all employee groups, and the most significant impact is evident upon student achievement and well-being.

The following two tables provide a year-to-year comparison of staff absenteeism by employee group, and a year-over-year comparison of the current September 2017 to March 2018 period versus the same period in the previous fiscal year.







**Absence Days by Group**






**Absence Days by Category Sept. to Mar. 2016-17 Vs. 2017/18**



5. **Measuring the Overall impact to Multi-Year Strategic Plan requires constant monitoring.** The increasing trend observed in staff absenteeism and the low Occasional Teacher fill rates will negatively influence upon the primary pillar of student achievement and well-being. Suspension of new voluntary professional development initiatives may hinder the development of new instructional pedagogies and relevant curricular resources for classrooms.

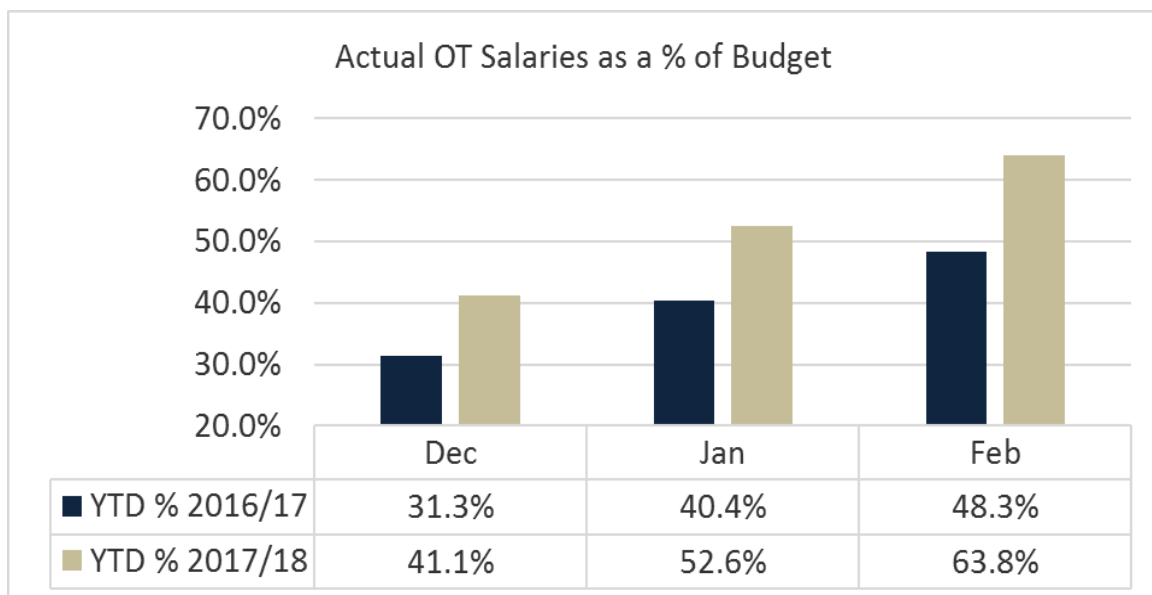
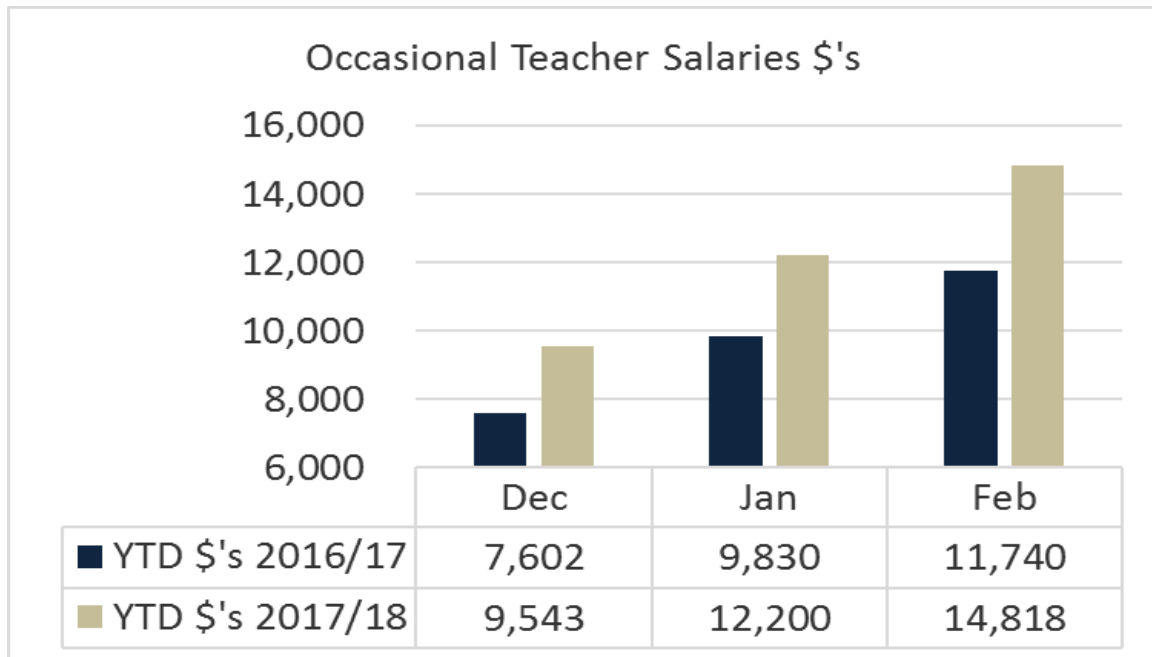
TCDSP MYSP 2016-2021	IMPACTS	RISK PROFILE
Living our Catholic Values	Year of the School celebrates the Living Faith in school, students and staff	
Fostering Student Achievement and Well-being	Staff Absenteeism and Low OT Fill Rates jeopardizing Student Assessment and Instructional Strategies, and limited professional development initiatives due to low OT Supply Roster.	
Inspiring and Motivating Employees	Recent rollout of Employee Assistance Program focusing on staff well-being	
Providing Stewardship of Resources	Labour Grievances creating Cost Pressures, and Short Term Disability Leave Management Initiatives to mitigate staff absenteeism related cost pressures	
Enhancing Public Confidence	Increased Accountability Measures and Reporting Requirements	
Achieving Excellence in Governance	Ministry Review planned	

 = Low: On Track  = Medium: Monitor  = High: Action Required

6. **Revenue remains stable.** There are no anticipated events affecting Operating Revenues. A pending land sale in March will bolster POD reserves and the Ministry has approved \$41.7M under the 2017-18 Capital Priorities grant program for the construction or renovation of four schools.
7. **Operating expenditures are tightly controlled.** Budget checking control mechanisms in the enterprise financial system control and monitor all non-payroll related expenditures, and any exceptions to the budget requires Senior Executive and/or Board of Trustees authorization. The only exception to this

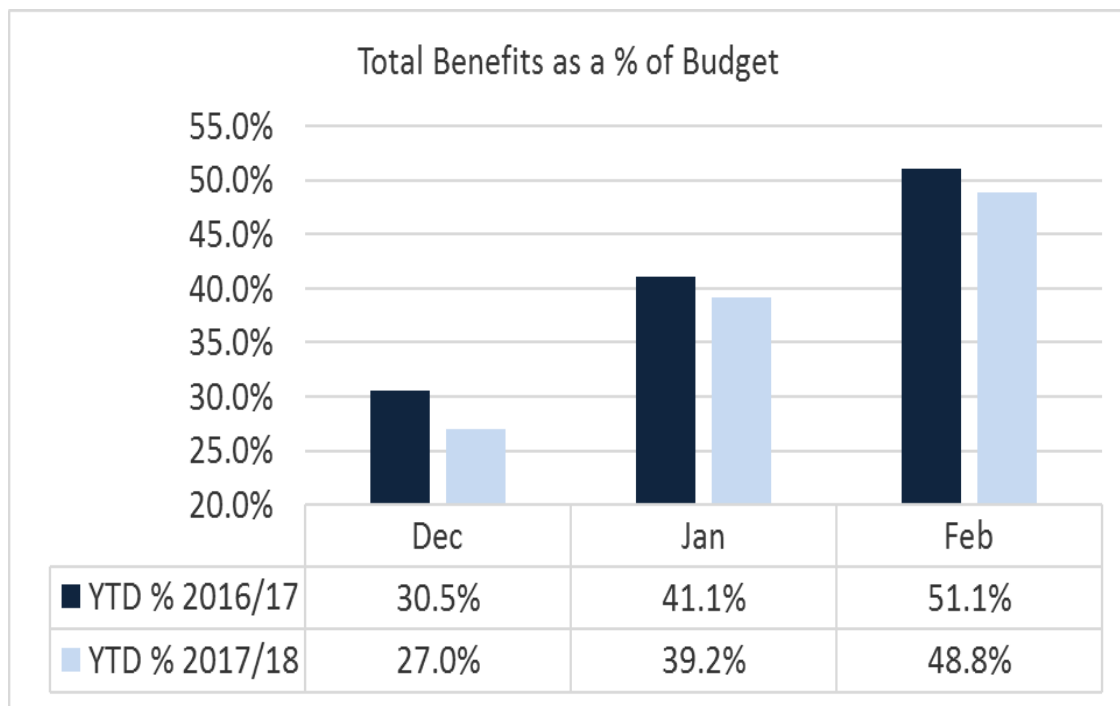
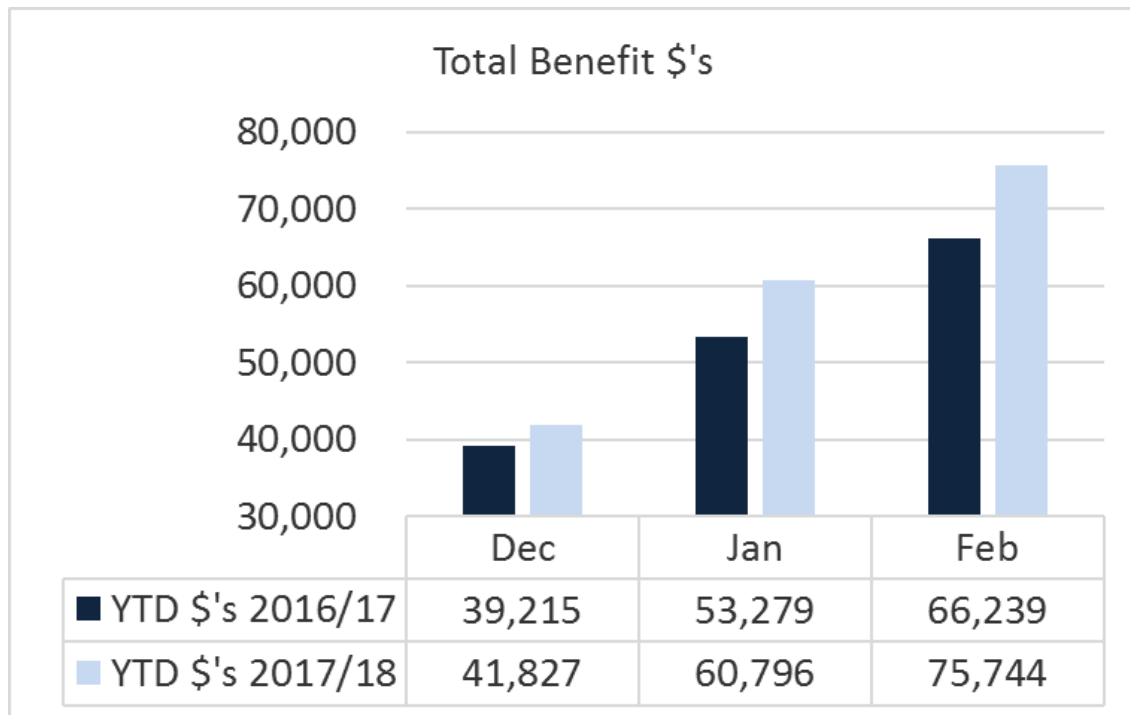
system control arises for utilities and emergency repairs. Expenses are tracking to finish the year on budget.

8. **Salaries and wages account for 75% of our operating budget.** Staff absenteeism due to personal illness continues to be a problem at the Board. More Occasional Teachers have been made available this fiscal year resulting in 2017-18 usage rate of 15.5% higher when compared to the same period last year as illustrated in the following graphs:



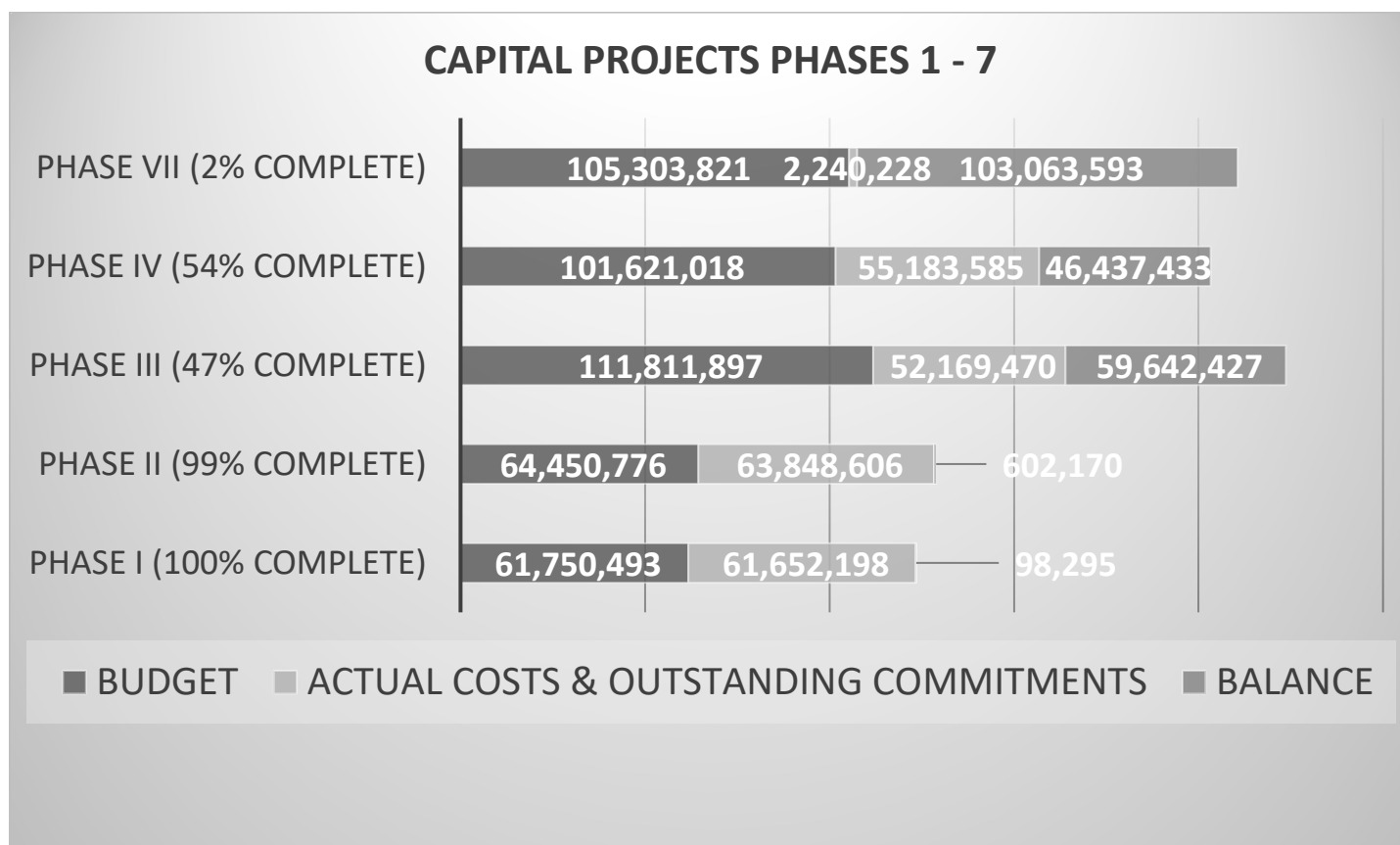
Salaries and wages overall appear to be on track to finish the year on budget.

9. ***Benefits are tracking under budget.*** In 2016-17 benefit surplus was a significant contributor to the Board's surplus. In 2017-18 the scheduled movement to Benefit Trusts has been delayed resulting in expected benefit increases not materializing. Benefits are expected to generate a significant surplus by year end as illustrated in the following graphs:





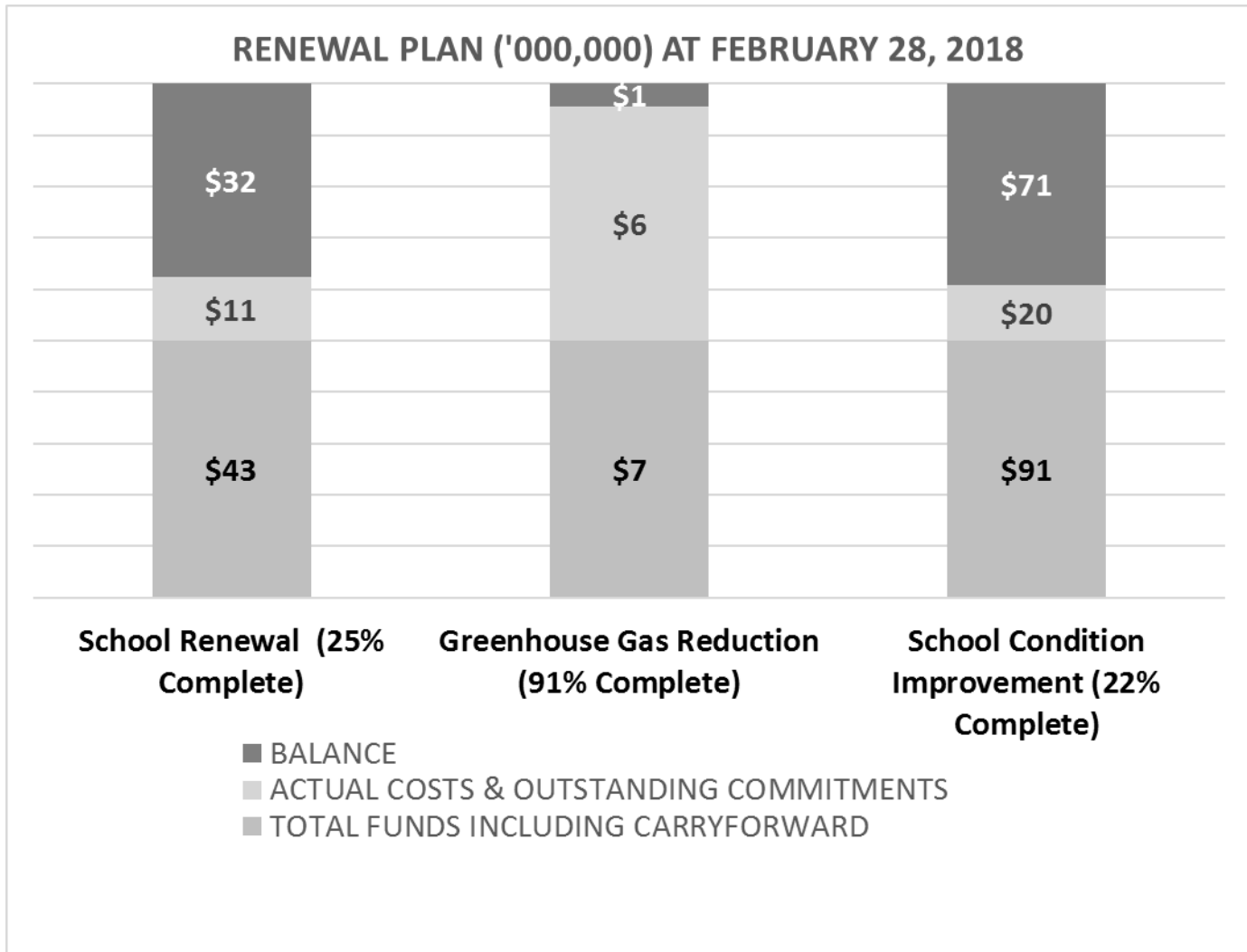
10. ***The Capital budget is \$163.7M this year.*** The Board received Capital Project funding for many new schools, additions, Full Day Kindergarten to name just a few. The following progress bar graph illustrates the Ministry approved capital budgets, the amount spent and/or committed, the balance remaining and the % completed by each Phase. Appendix B provides more detail regarding the Capital Projects Phases 1 to 7.



***In addition to the Regular School Renewal Grants, TCDSB also received additional capital grants for the purpose of Greenhouse Gas Reduction initiatives.*** The Board received a budget of \$7.1M for Greenhouse Gas Reduction with an expenditure deadline of March 31<sup>st</sup> 2018. This project is a top priority for Capital Staff because any unspent funds at the March 31<sup>st</sup> expenditure deadline is returned to the Ministry of Education.

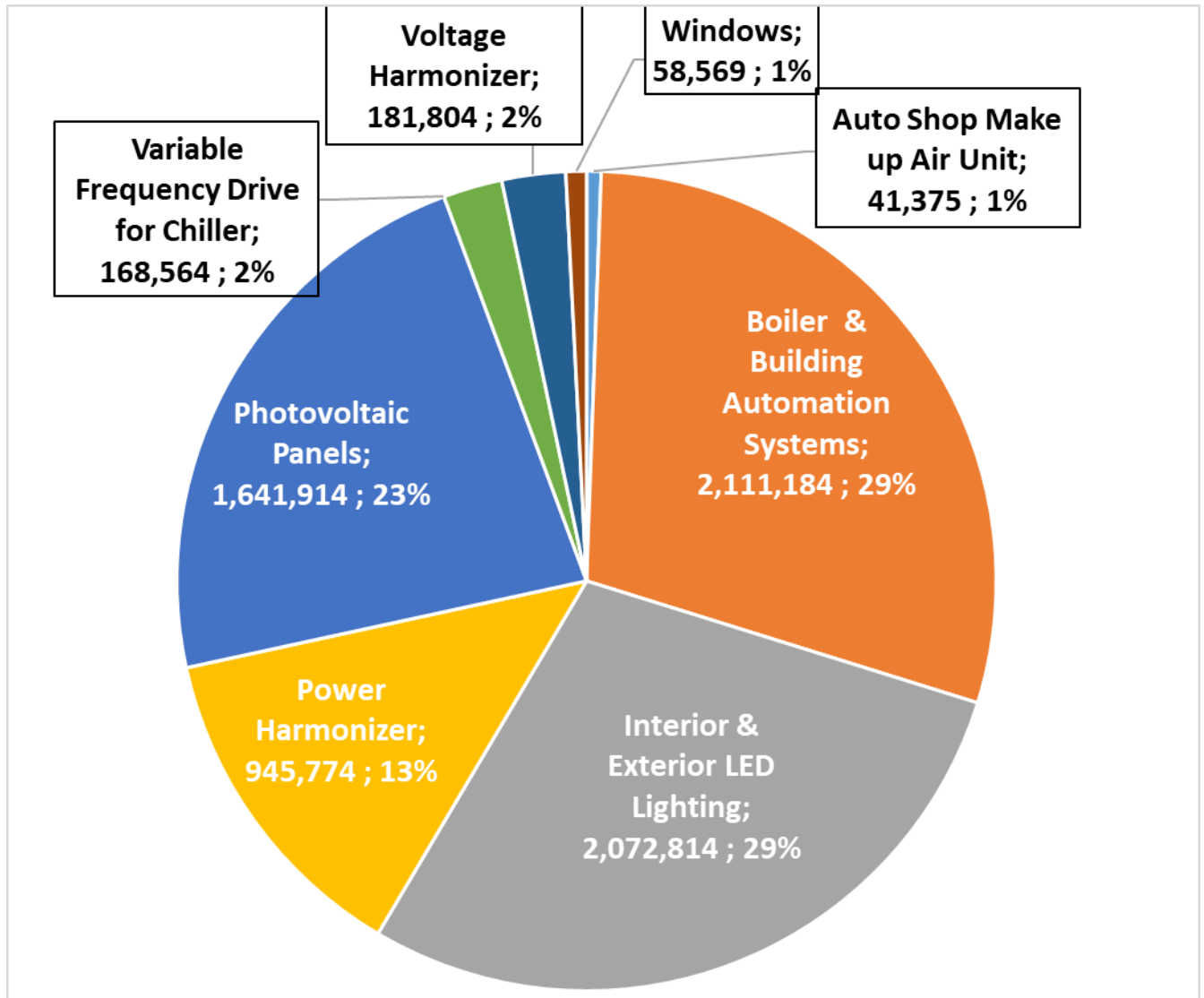
The TCDSB has approximately \$103.5M School Renewal and School Condition Improvement funding available for school repairs, and staff are currently issuing tender documents so construction can begin in the summer months.

The following progress bar graph provides a high-level view of the Ministry Approved funding amounts, Actual & Committed Amounts spent, and the balance remaining for School Renewal, Greenhouse Gas Reduction and School Renewal Capital Projects to date:

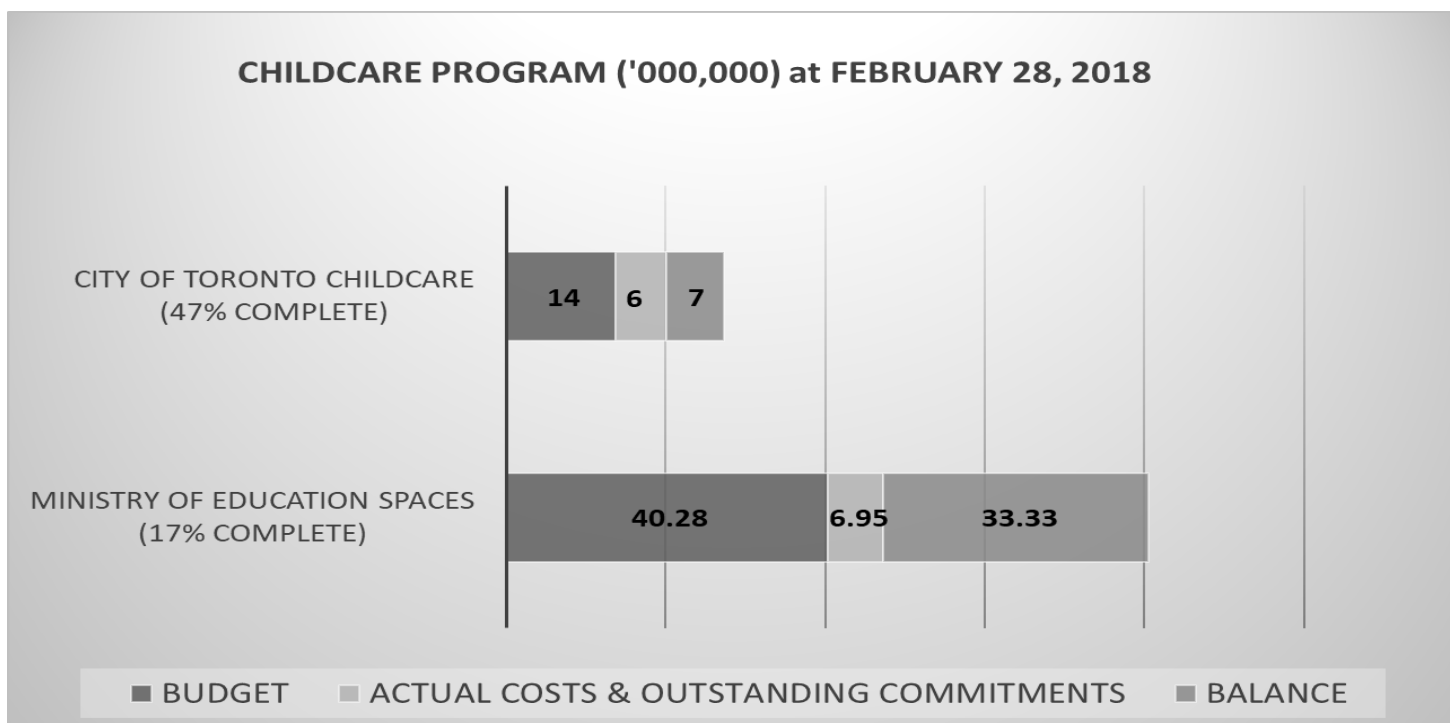


The GHGR funding originally approved at Board May 18<sup>th</sup> 2017 for a total of \$7,098,190 achieved savings in the original plan, and projects were added to meet the expenditure timeline of March 31, 2018 and effectively address the savings. The Ministry required that the projects meet the criteria for GHGR and the funds must be expended by March 31<sup>st</sup> 2018 with no opportunity for a carry-forward. In addition, this funding allowed for the pursuit of energy efficiencies in both school and administrative facilities.

The following pie graph provides a high-level view of the manner by which the Greenhouse Gas Reduction funds have been expended to date:



11. *The Capital budget also includes two Childcare Program capital projects.* The Board received Capital Project funding for many new schools, additions, Full Day Kindergarten to name just a few. The following progress bar graph illustrates the Ministry approved capital budgets, the amount spent and/or committed, the balance and the % completed by each Phase.



## E. METRICS AND ACCOUNTABILITY

1. *The Board is on track to finish the year with a surplus.* Expenditures and Revenues are on track to finish the year with the expected surplus of \$0.1M and efficiencies in benefit expenditures should push this surplus higher.
2. *The one-time extraordinary item of \$10.5M is subject to continuing review by the Ministry of Education and outstanding grievances.* The Revised Estimates had forecasted the \$10.5M ASO Benefits Surplus be released by the Ministry of Education during 2017-18 fiscal year. The Board is in continued talks with the Ministry and Unions. The accounting for this surplus has become a moving target and it is expected to land somewhere between \$7 and \$13 million, but not likely by the end of this fiscal year.

## F. CONCLUDING STATEMENT

This report is for the consideration of the Board.

# OPERATING EXPENDITURES

@ February 28, 2018

## Appendix A

'000's	Total Revised Estimate	YTD Revised Estimate	YTD Actual	Variance '000's	Variance %	2017/18 YTD % Spent	2016/17 YTD % Spent
<b><u>Salaries</u></b>							
Teachers	517,852	310,711	308,120	2,591	0.8%	59.5%	58.5%
Occasional Teachers	23,212	13,927	14,818	(891)	-6.4%	63.8%	48.3%
Educational Assistants & ECE's	60,759	36,455	33,592	2,863	7.9%	55.3%	57.0%
Principal & VP	37,149	22,289	21,651	639	2.9%	58.3%	58.6%
School Office	17,627	10,576	9,347	1,229	11.6%	53.0%	48.8%
Continuing Education	18,183	10,910	6,350	4,560	41.8%	34.9%	37.2%
Other Instructional	59,684	35,810	34,276	1,534	4.3%	57.4%	56.7%
Sub Total Instruction	734,465	440,679	428,153	12,526	2.8%	58.3%	57.1%
Administration	16,759	8,379	8,209	170	2.0%	49.0%	48.8%
Transportation	993	497	467	30	6.1%	47.0%	46.4%
Operations & Maintenance	46,809	23,404	22,680	724	3.1%	48.5%	53.1%
Other	8,591	4,296	4,159	137	3.2%	48.4%	37.4%
Sub Total Non Instruction	73,152	36,576	35,515	1,061	2.9%	48.6%	49.9%
<b>Total Salaries</b>	<b>807,617</b>	<b>477,255</b>	<b>463,668</b>	<b>13,587</b>	<b>2.9%</b>	<b>57.4%</b>	<b>56.5%</b>
<b><u>Benefits</u></b>							
Teachers	80,794	48,477	37,900	10,576	21.8%	46.9%	48.6%
Occasional Teachers	6,042	3,625	2,352	1,273	35.1%	38.9%	40.5%
Educational Assistants & ECE's	20,242	12,145	9,606	2,539	20.9%	47.5%	54.0%
Principal & VP	4,713	2,828	2,759	69	2.4%	58.5%	55.8%
School Office	5,570	3,342	2,744	598	17.9%	49.3%	51.5%
Continuing Education	2,820	1,692	1,221	471	27.8%	43.3%	255.5%
Other Instructional	13,367	8,020	6,575	1,445	18.0%	49.2%	52.4%
Sub Total Instruction	133,548	80,129	63,158	16,971	21.2%	47.3%	51.1%
Administration	4,563	2,282	2,247	35	1.5%	49.2%	49.7%
Transportation	245	123	115	7	6.0%	47.0%	46.6%
Operations & Maintenance	14,999	7,500	6,913	586	7.8%	46.1%	51.8%
Other	1,804	902	3,311	(2,409)	-267.0%	183.5%	56.8%
Sub Total Non Instruction	21,612	10,806	12,586	- 1,780	-16.5%	58.2%	51.4%
<b>Total Benefits</b>	<b>155,160</b>	<b>90,935</b>	<b>75,744</b>	<b>15,191</b>	<b>16.7%</b>	<b>48.8%</b>	<b>51.1%</b>
<b><u>Operating Expense</u></b>							
Instructional Expense	47,471	28,482	20,183	8,299	29.1%	42.5%	45.1%
Transportation Expense	33,907	16,953	16,372	582	3.4%	48.3%	47.3%
Operations & Maintenance Expense	34,059	17,030	15,369	1,661	9.8%	45.1%	48.6%
Other Non Instructional Expense	5,770	2,885	4,274	(1,389)	-48.1%	74.1%	39.7%
<b>Total Expense</b>	<b>121,207</b>	<b>65,350</b>	<b>56,198</b>	<b>9,153</b>	<b>14.0%</b>	<b>46.4%</b>	<b>46.4%</b>
Grand Total	#####	633,540	595,610	37,930	6.0%	55.0%	54.7%
Instruction %		6/10	60.0%				
Non-Instruction %		6/12	50.0%				

## CAPITAL PROJECT PHASES 1 TO 7

FEBRUARY 28, 2018

## SUMMARY

	①	②	③	④	⑤	⑥	
	COMPLETED PROJECT STATUS			WORK IN PROGRESS - OPEN PURCHASE ORDERS			
	MINISTRY APPROVED BUDGET	SAP COSTS TO DATE (excluding purchase order balances)	REMAINING APPROVED BALANCE LESS ACTUALS ①—②	Outstanding Purchase Order Balances & Committed Works	SAP Costs & Outstanding Purchase Orders ② + ④	BALANCE REMAINING WORK NOT STARTED ①—⑤	% Complete
Phase I	61,750,493	61,652,198	98,295	-	61,652,198	98,295	100%
Phase II	64,450,776	63,279,163	1,171,613	569,443	63,848,606	602,170	99%
Phase III	111,811,897	33,783,091	78,028,806	18,386,379	52,169,470	59,642,427	30%
Phase IV	101,621,018	38,340,983	63,280,035	16,842,602	55,183,585	46,437,433	38%
Phase VII	105,303,821	537,719	104,766,102	1,702,509	2,240,228	103,063,593	1%
	<b>444,938,005</b>	<b>197,593,154</b>	<b>247,344,851</b>	<b>37,500,933</b>	<b>235,094,086</b>	<b>209,843,919</b>	<b>44%</b>

**Phase II** - Includes Phase I & II post construction; SAP actuals includes \$63,113,632 + Post construction completion of \$165,531 for a total of \$63,279,163

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## SCHOOL RENEWAL / SCHOOL CONDITION IMPROVEMENT / GREENHOUSE GAS REDUCTION GRANT BALANCE

Update: March 6, 2018.

## FUNDS REMAINING

Financial Update at February 28, 2018

SRG Renewal	SRA Renewal	Greenhouse Gas Reduction Fund	SCI 70% Restricted	SCI 30% Unrestricted	TOTAL
			70%	30%	

## FUNDING AVAILABLE

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Grant - 2017/2018 (Rev. Estimates/SB08 2017)	15,196,883	1,762,806		19,847,939	8,517,831	45,325,459
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## EXPENDITURES &amp; WORK IN PROGRESS (September 1, 2017 - February 28, 2018)

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# OPERATING EXPENDITURES

@ February 28, 2018

## Appendix A

'000's	Total Revised Estimate	YTD Revised Estimate	YTD Actual	Variance '000's	Variance %	2017/18 YTD % Spent	2016/17 YTD % Spent
<b><u>Salaries</u></b>							
Teachers	517,852	310,711	308,120	2,591	0.8%	59.5%	58.5%
Occasional Teachers	23,212	13,927	14,818	(891)	-6.4%	63.8%	48.3%
Educational Assistants & ECE's	60,759	36,455	33,592	2,863	7.9%	55.3%	57.0%
Principal & VP	37,149	22,289	21,651	639	2.9%	58.3%	58.6%
School Office	17,627	10,576	9,347	1,229	11.6%	53.0%	48.8%
Continuing Education	18,183	10,910	6,350	4,560	41.8%	34.9%	37.2%
Other Instructional	59,684	35,810	34,276	1,534	4.3%	57.4%	56.7%
Sub Total Instruction	734,465	440,679	428,153	12,526	2.8%	58.3%	57.1%
Administration	16,759	8,379	8,209	170	2.0%	49.0%	48.8%
Transportation	993	497	467	30	6.1%	47.0%	46.4%
Operations & Maintenance	46,809	23,404	22,680	724	3.1%	48.5%	53.1%
Other	8,591	4,296	4,159	137	3.2%	48.4%	37.4%
Sub Total Non Instruction	73,152	36,576	35,515	1,061	2.9%	48.6%	49.9%
<b>Total Salaries</b>	<b>807,617</b>	<b>477,255</b>	<b>463,668</b>	<b>13,587</b>	<b>2.9%</b>	<b>57.4%</b>	<b>56.5%</b>
<b><u>Benefits</u></b>							
Teachers	80,794	48,477	37,900	10,576	21.8%	46.9%	48.6%
Occasional Teachers	6,042	3,625	2,352	1,273	35.1%	38.9%	40.5%
Educational Assistants & ECE's	20,242	12,145	9,606	2,539	20.9%	47.5%	54.0%
Principal & VP	4,713	2,828	2,759	69	2.4%	58.5%	55.8%
School Office	5,570	3,342	2,744	598	17.9%	49.3%	51.5%
Continuing Education	2,820	1,692	1,221	471	27.8%	43.3%	255.5%
Other Instructional	13,367	8,020	6,575	1,445	18.0%	49.2%	52.4%
Sub Total Instruction	133,548	80,129	63,158	16,971	21.2%	47.3%	51.1%
Administration	4,563	2,282	2,247	35	1.5%	49.2%	49.7%
Transportation	245	123	115	7	6.0%	47.0%	46.6%
Operations & Maintenance	14,999	7,500	6,913	586	7.8%	46.1%	51.8%
Other	1,804	902	3,311	(2,409)	-267.0%	183.5%	56.8%
Sub Total Non Instruction	21,612	10,806	12,586	- 1,780	-16.5%	58.2%	51.4%
<b>Total Benefits</b>	<b>155,160</b>	<b>90,935</b>	<b>75,744</b>	<b>15,191</b>	<b>16.7%</b>	<b>48.8%</b>	<b>51.1%</b>
<b><u>Operating Expense</u></b>							
Instructional Expense	47,471	28,482	20,183	8,299	29.1%	42.5%	45.1%
Transportation Expense	33,907	16,953	16,372	582	3.4%	48.3%	47.3%
Operations & Maintenance Expense	34,059	17,030	15,369	1,661	9.8%	45.1%	48.6%
Other Non Instructional Expense	5,770	2,885	4,274	(1,389)	-48.1%	74.1%	39.7%
<b>Total Expense</b>	<b>121,207</b>	<b>65,350</b>	<b>56,198</b>	<b>9,153</b>	<b>14.0%</b>	<b>46.4%</b>	<b>46.4%</b>
<b>Grand Total</b>	<b>1,083,984</b>	<b>633,540</b>	<b>595,610</b>	<b>37,930</b>	<b>6.0%</b>	<b>55.0%</b>	<b>54.7%</b>
Instruction %		6/10	60.0%				
Non-Instruction %		6/12	50.0%				



## CAPITAL PROJECT PHASES 1 TO 7

FEBRUARY 28, 2018

## SUMMARY

	①	②	③	④	⑤	⑥	
	COMPLETED PROJECT STATUS			WORK IN PROGRESS - OPEN PURCHASE ORDERS			
	MINISTRY APPROVED BUDGET	SAP COSTS TO DATE (excluding purchase order balances)	REMAINING APPROVED BALANCE LESS ACTUALS ①—②	Outstanding Purchase Order Balances & Committed Works	SAP Costs & Outstanding Purchase Orders ② + ④	BALANCE REMAINING WORK NOT STARTED ①—⑤	% Complete
Phase I	61,750,493	61,652,198	98,295	-	61,652,198	98,295	100%
Phase II	64,450,776	63,279,163	1,171,613	569,443	63,848,606	602,170	99%
Phase III	111,811,897	33,783,091	78,028,806	18,386,379	52,169,470	59,642,427	30%
Phase IV	101,621,018	38,340,983	63,280,035	16,842,602	55,183,585	46,437,433	38%
Phase VII	105,303,821	537,719	104,766,102	1,702,509	2,240,228	103,063,593	1%
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# 2018-2019 BUDGET: **FINANCIAL PLANNING & CONSULTATION REVIEW**

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Corporate Services Committee  
March 8, 2018

WITNESS • FAITH • INNOVATION • ACTION





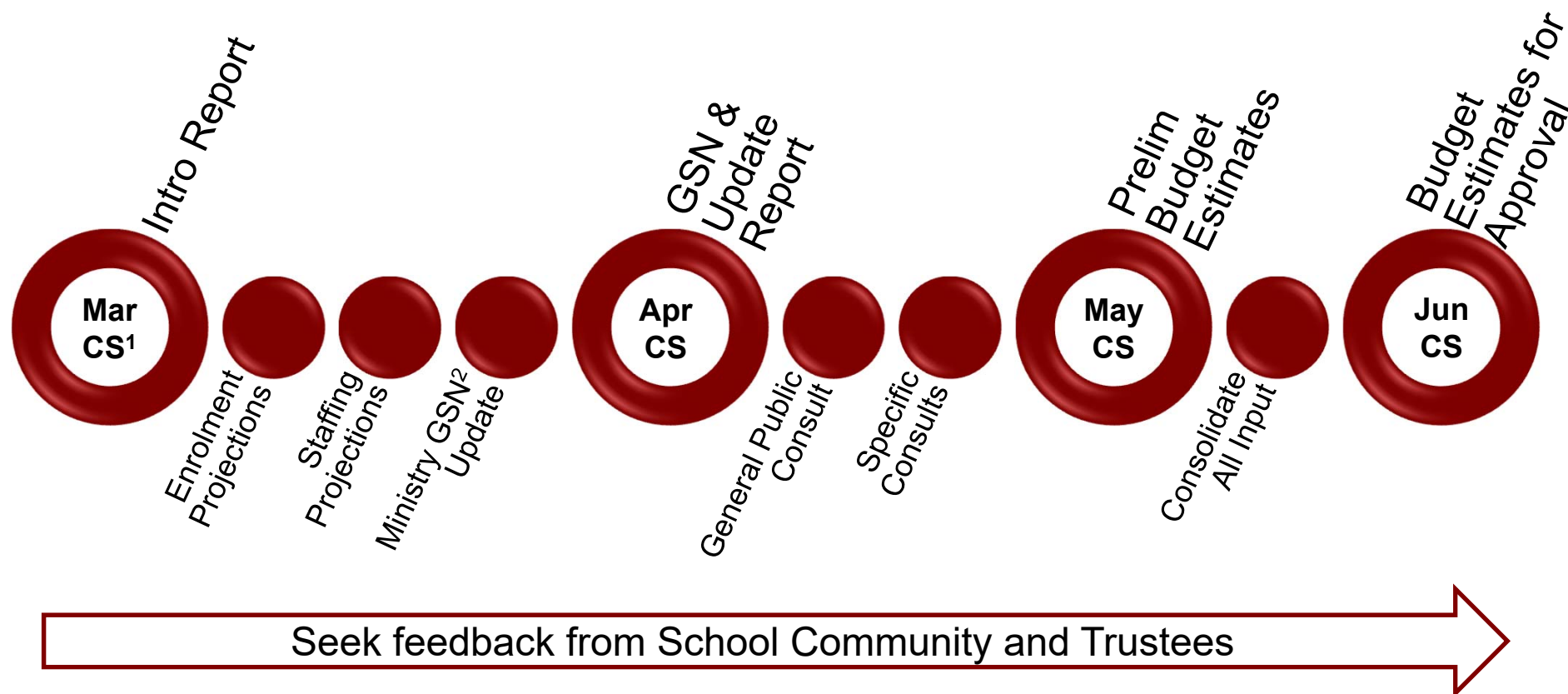
# Planning for the Budget Process

Objectives of **this** report:

- Introduction to the budget process
- Set framework and new aspects to budget process to serve our school community
- Identify known external risks
- Approve public consultation schedule



# Planning for the Budget Process



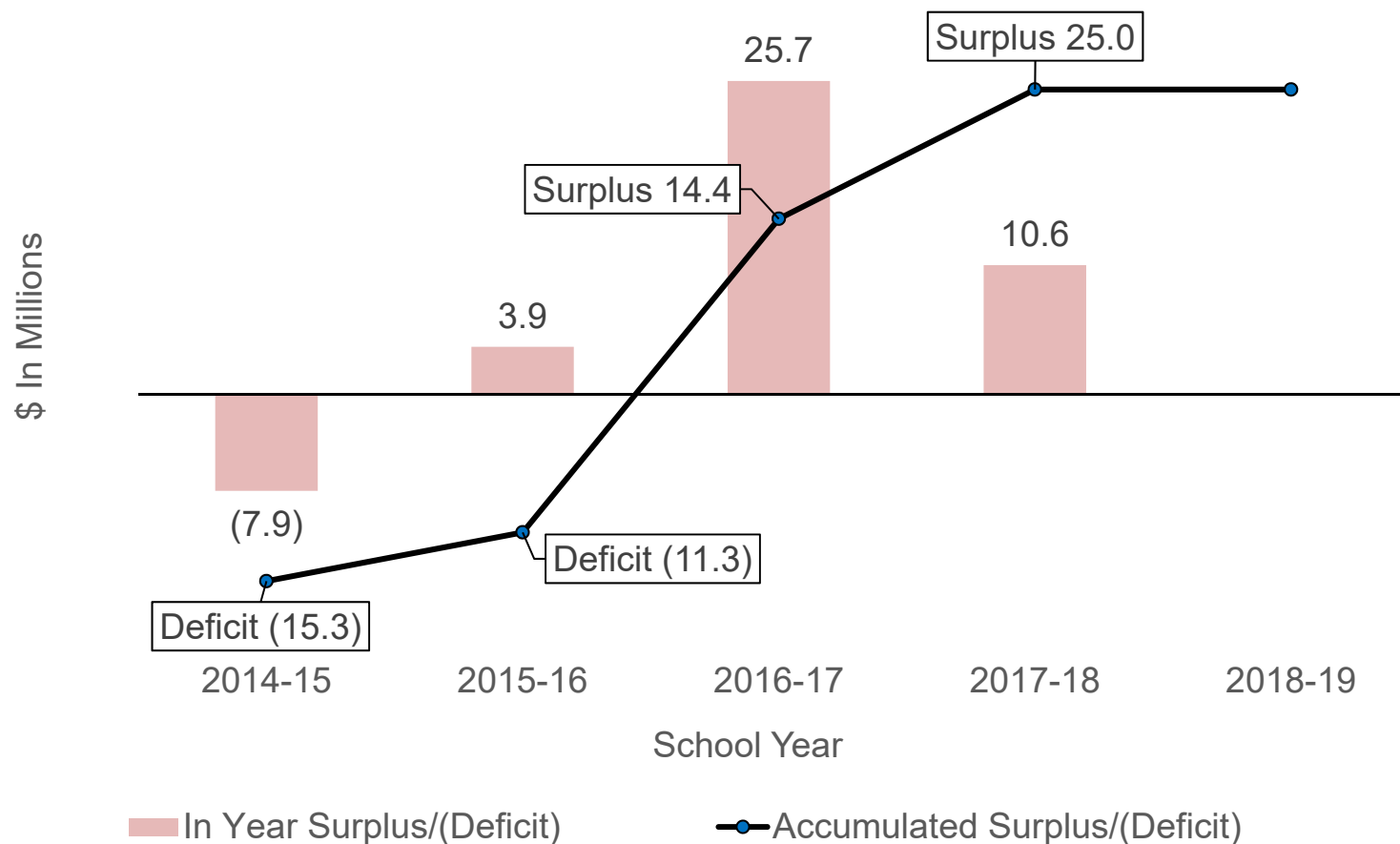
<sup>1</sup>Corporate Services Committee

<sup>2</sup>Grants for Student Needs



# History of Recent Fiscal Challenges

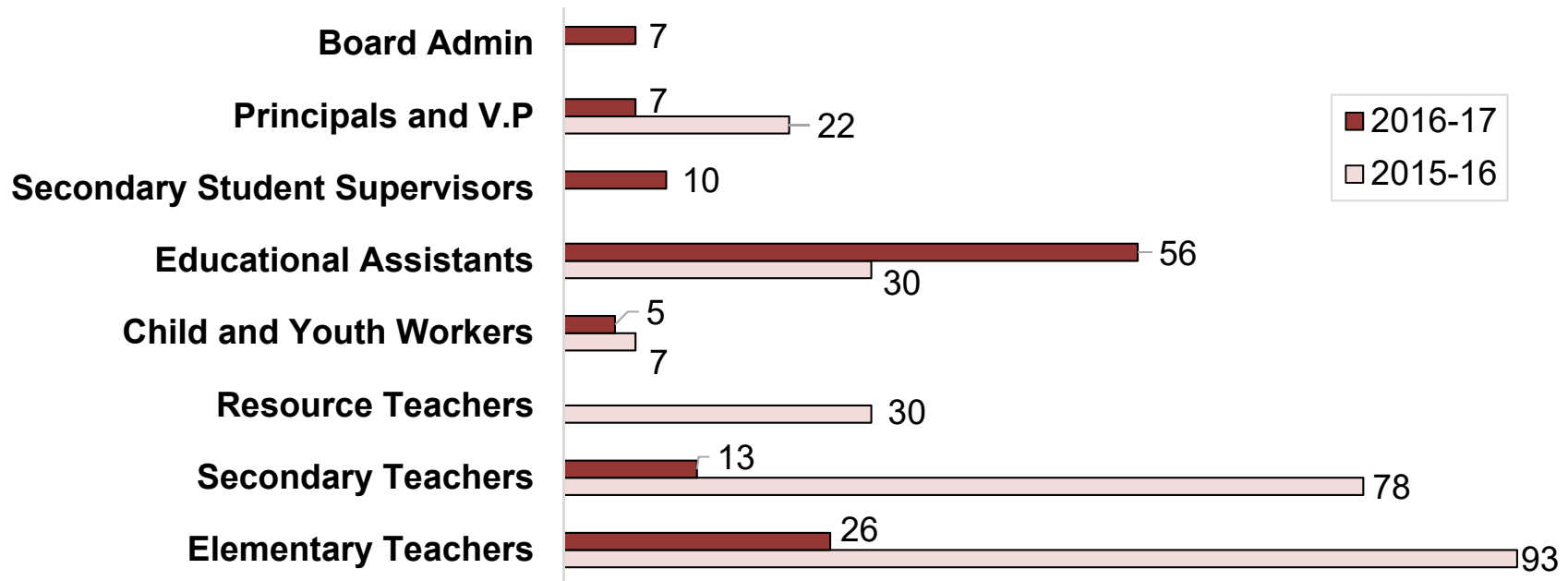
## In-Year and Accumulated Surpluses / (Deficits)



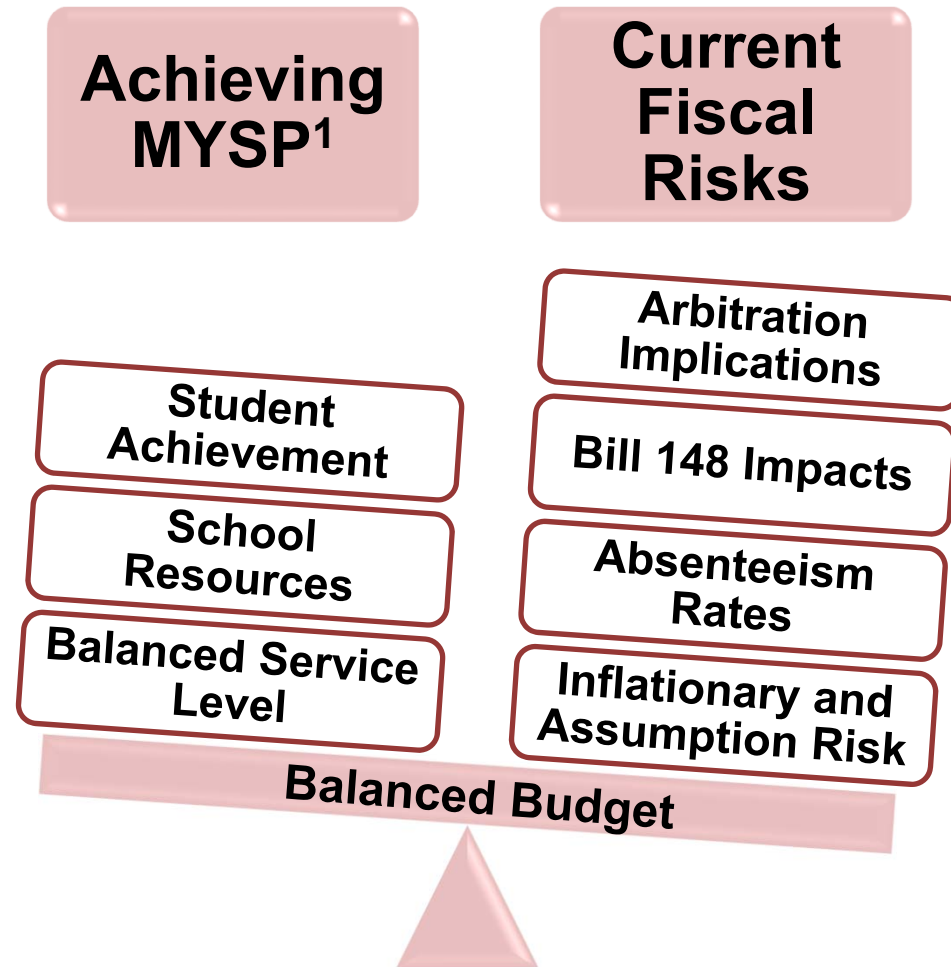
# Solving Fiscal Challenges Required Difficult Choices



## Previous Staffing Reductions (*Full Time Equivalents*)



# Several External Risks Will Bring Challenges to the Next Budget Process



*<sup>1</sup>Multi Year Strategic Plan – Note:  
Not all elements are presented  
here*

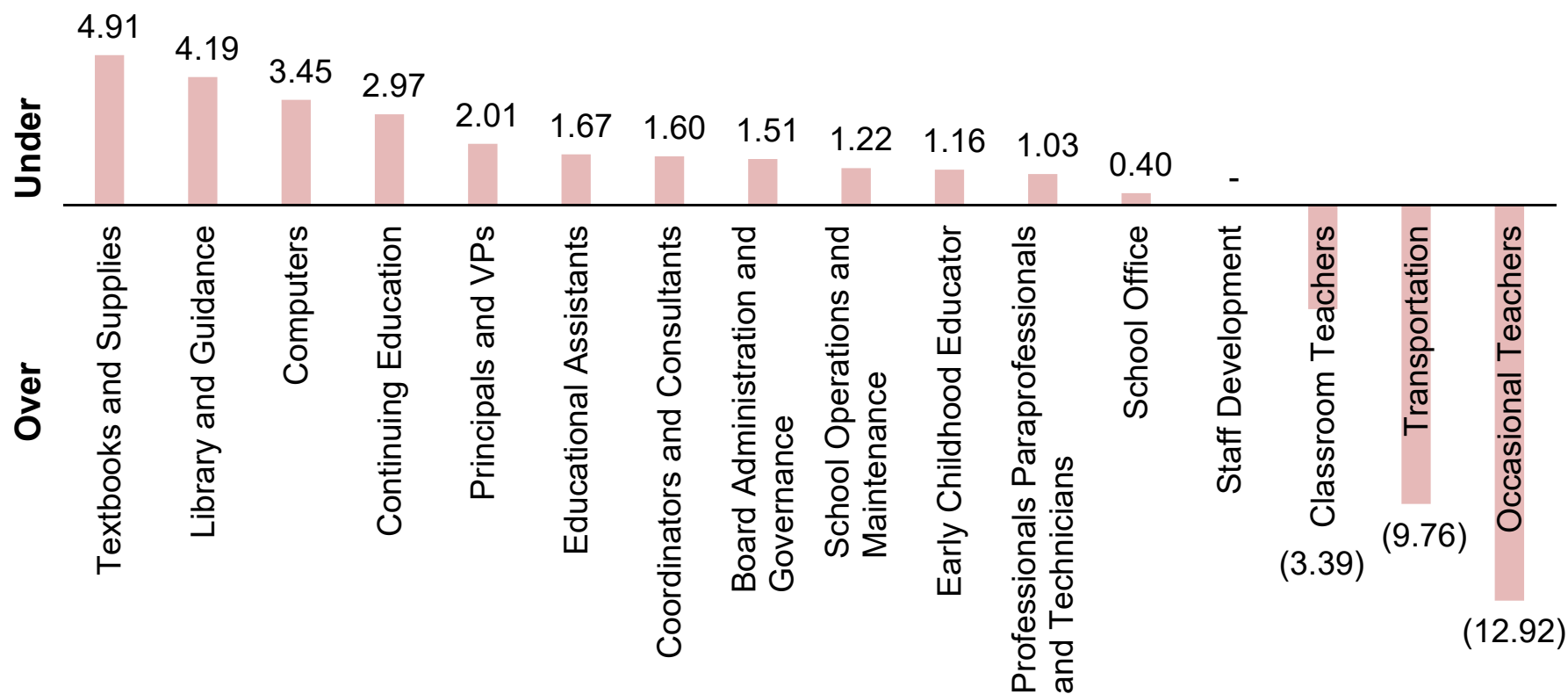




# Achieving a Balanced Service Level is an Iterative Process



**TCDSB 2017-18 Under / Over Spending by Expense Category (\$M)**



At a high level TCDSB modifies its Service Levels by about 2.75% from Provincial GSN Benchmarks



# Determining Service Levels and Solutions to Fiscal Challenges Requires Consultation



Consultation to include:

- Online Budget Feedback Tool (April 6<sup>th</sup> Go Live)
- Communication to Archdiocese, Parents and Principals
- Visits to SEAC, CPIC, OAPCE and CSLIT<sup>1</sup> (April/May)
- Meeting with Federations and Unions (May)
- Opportunities for delegation at Corporate Services and Student Achievement and Wellbeing Committees throughout April, May and June

<sup>1</sup>SEAC = Special Education Advisory Committee, CPIC = Catholic Parent Involvement Committee, OAPCE = Ontario Association of Parents in Catholic Education, CSLIT = Catholic Student Leadership Impact Team



# Improving the Budget to Enhance Decision Making and Consultation

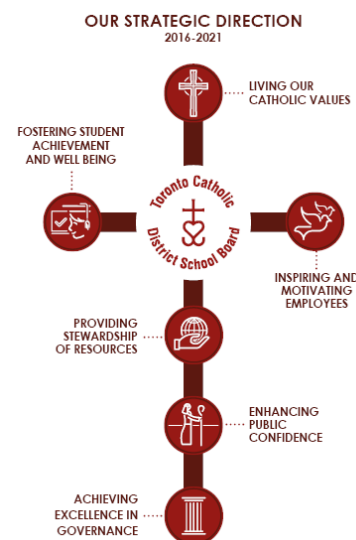


## New for 2018-19 Budget:

- Preliminary linkage of budget to MYSP
- Begin shift to budget book format
- Define Accumulated Surplus/Deficit strategies going forward

## Improvements in future Budgets:

- Further linkages to MYSP
- Consolidation of Operating and Capital Budget processes
- Calendarization of budgets





# Questions?





# 2018-2019 BUDGET: **GRANTS FOR STUDENT NEEDS (GSN) UPDATE**

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Corporate Services Committee  
April 12, 2018





# Framing the Budget Discussion

Objectives of **this** report:

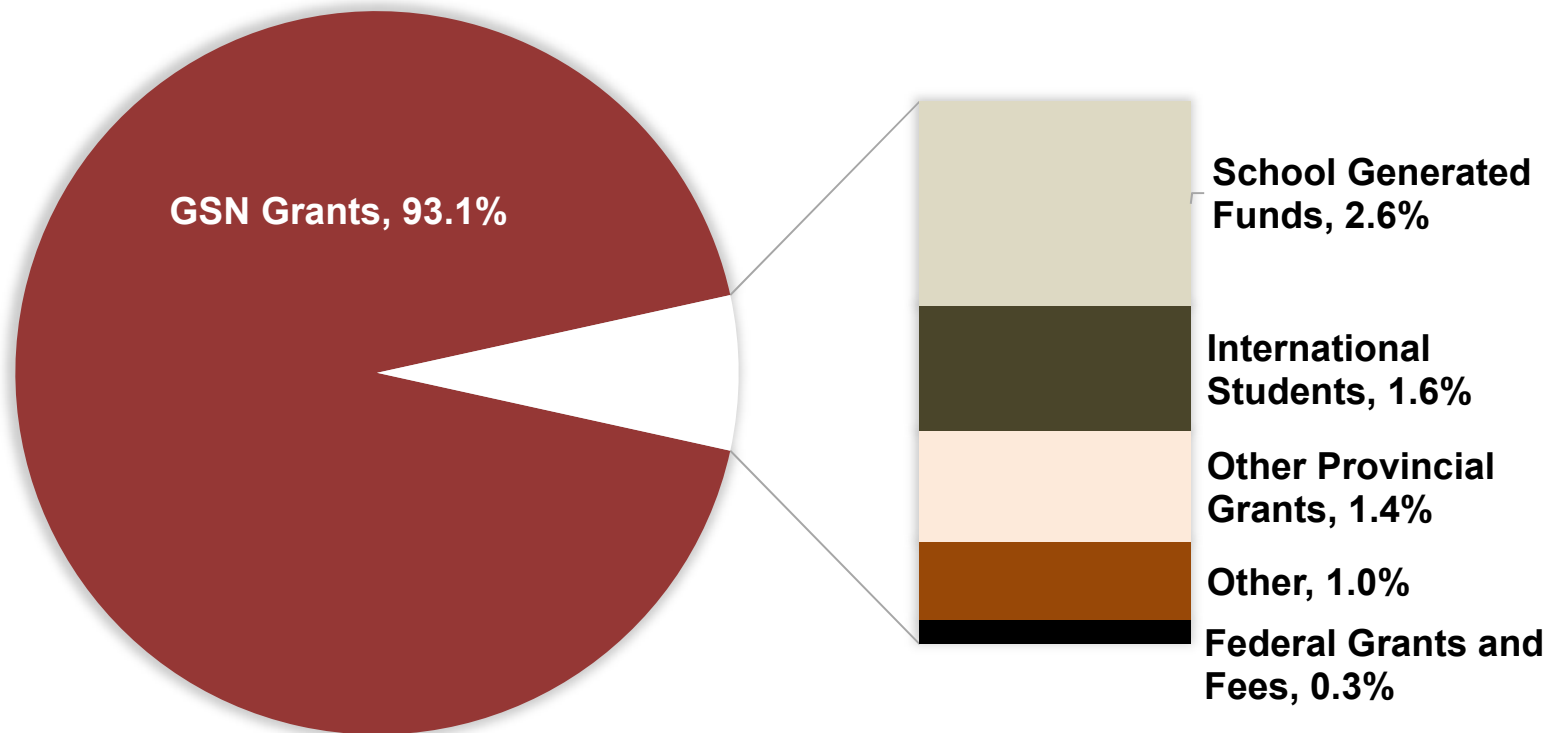
- Communicate the Ministry of Education's GSN Announcements
- Preliminary translation of those announcements to TCDSB
- Steps to balance the budget
- Review of timelines



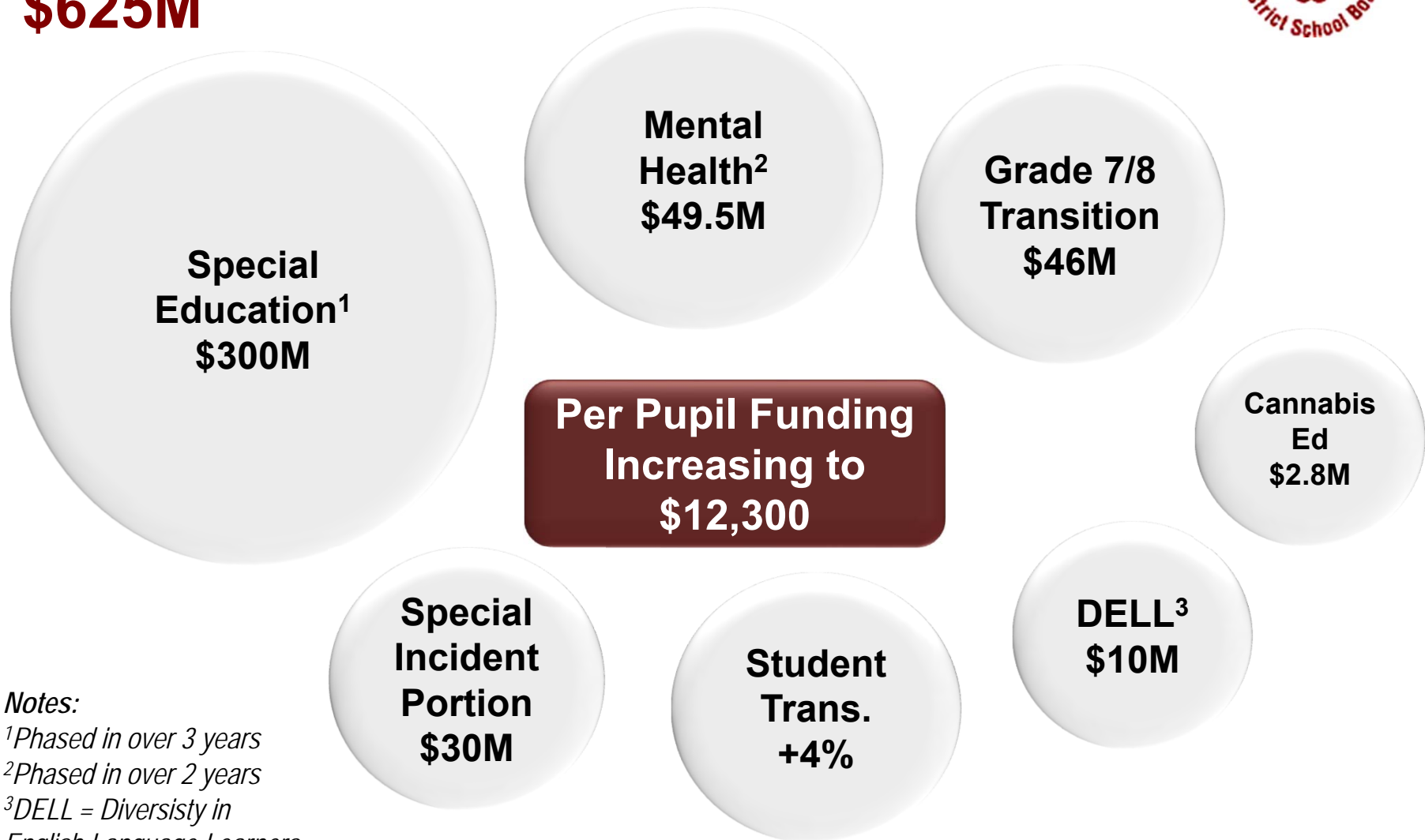
# GSNs are TCDSB's largest source of revenue



## SOURCES OF OPERATING REVENUE



# Provincial spending will increase by \$625M



## Notes:

<sup>1</sup>Phased in over 3 years

<sup>2</sup>Phased in over 2 years

<sup>3</sup>DELL = Diversity in English Language Learners

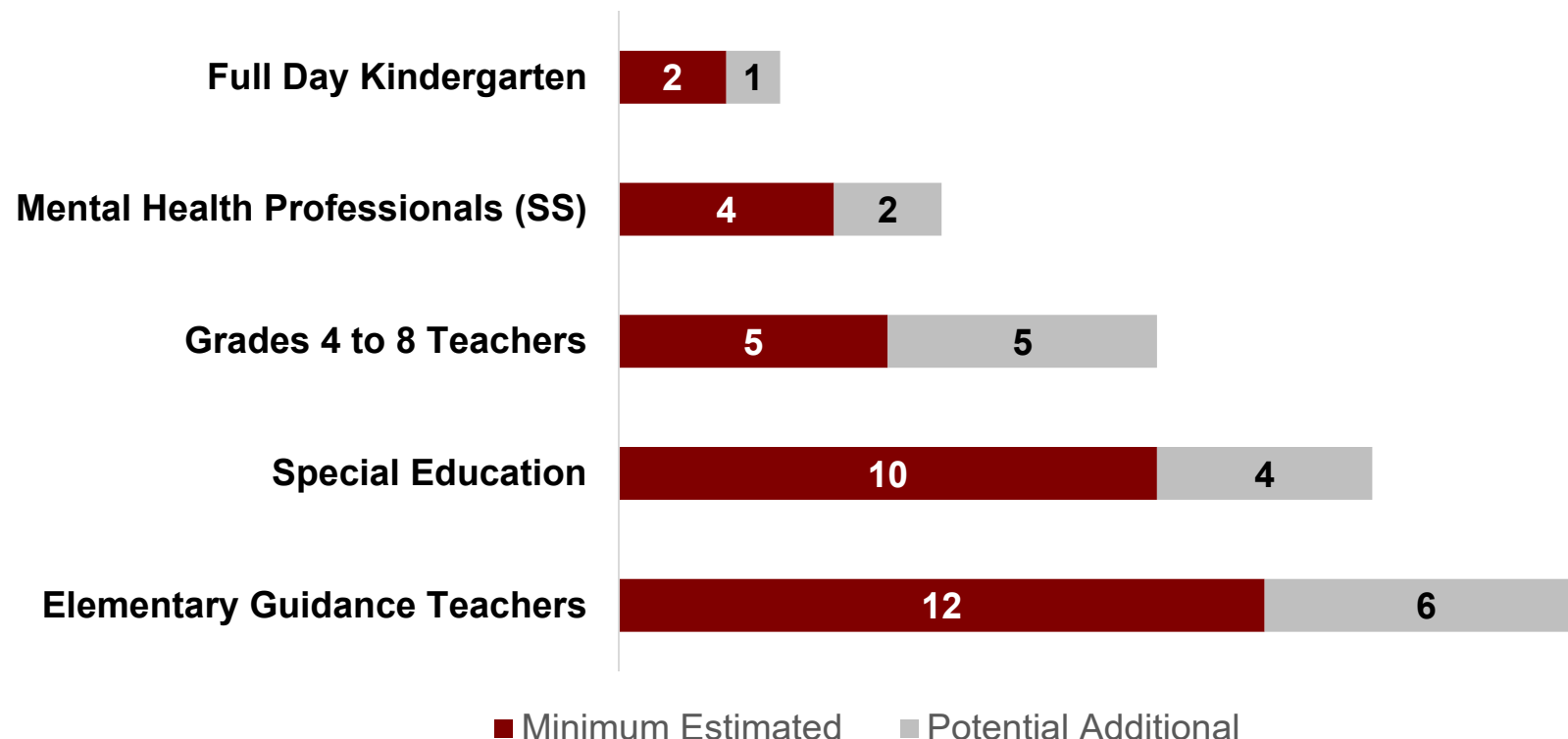






# GSN Announcements will mean new investments in TCDSB

## Estimated Full Time Equivalent Staff Additions to TCDSB



Currently estimating an addition of 33 to 51 new FTE



# Expecting a Balanced Budget with Room for Some New Investments



New Revenue (\$M)		New Costs (\$M)		Potential Funding for New Investments
Student Enrolment	\$10.0	Staffing Projections	\$2.1	
New Restricted GSNs	\$4.6	Spending on New Restricted GSNs	\$4.6	
New Unrestricted GSNs	\$3.0	Spending on New Unrestricted GSNs	\$3.0	
Reduction in International Students	\$(1.3)	Legislative / Arbitration Impacts	\$5.0	
		New Operational Costs	\$1.4	
<hr/> \$16.3		<hr/> \$16.2		

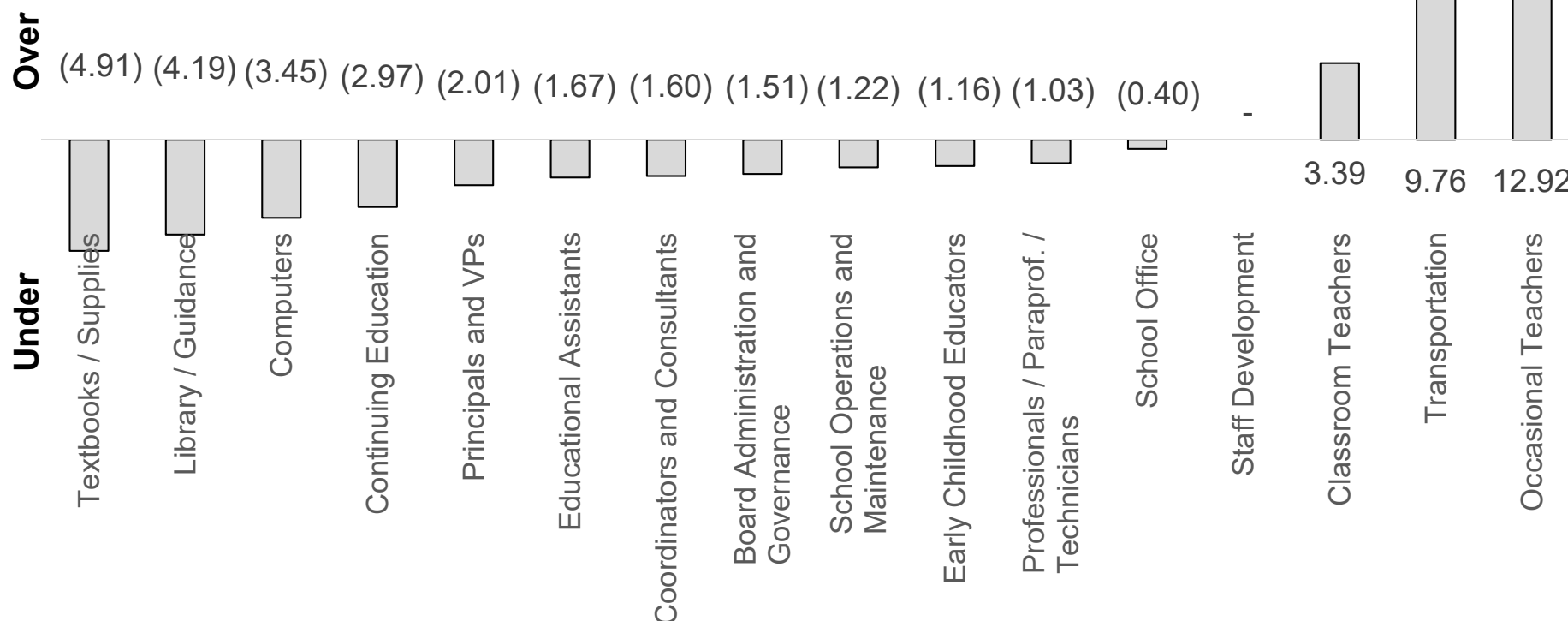
Some numbers may not add due to rounding



# Choosing New Investments is about Adjusting Service Levels



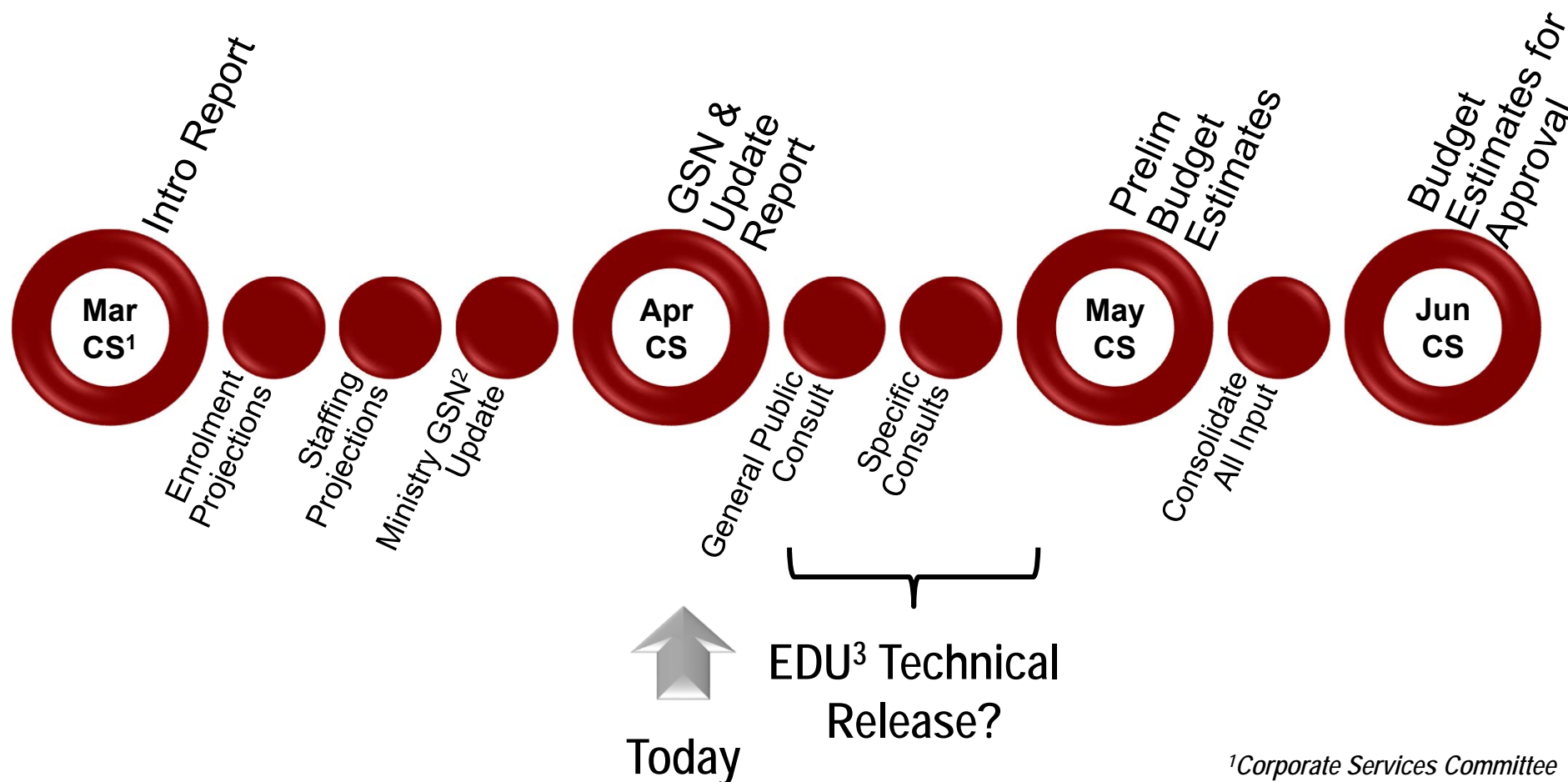
TCDSB 2017-18 Under / Over Spending by Expense Category (\$M)



Consultation will focus on Service Levels and the Preliminary Budget Estimates will include feedback from the Public and other stakeholders



# The Budget Process Timelines may require adjustment



<sup>1</sup>Corporate Services Committee

<sup>2</sup>Grants for Student Needs

<sup>3</sup>Ministry of Education





# Questions?





# 2018-2019 BUDGET: **PRELIMINARY ESTIMATES (INSTRUCTIONAL)**

---

Regular Board  
May 17, 2018

WITNESS • FAITH • INNOVATION • ACTION





# Framing the Budget Discussion

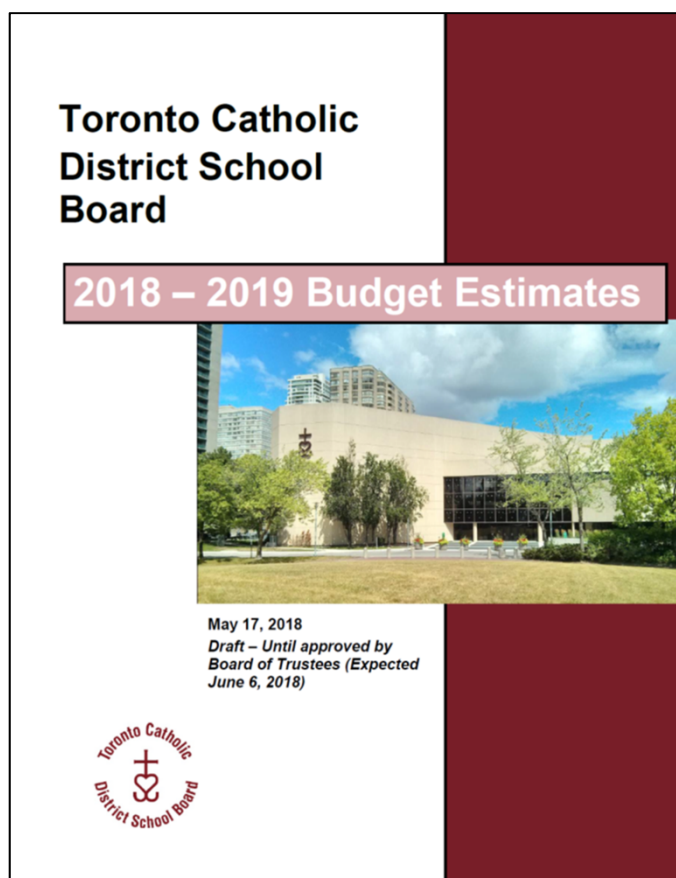
Objectives of **this** report:

- Provide 2018-19 Budget Estimates for Approval in Principle
- Provide Highlights of New Investments in Instructional Related Staffing
- Provide Context for Non-Instructional Budget and Reserve Strategy (2<sup>nd</sup> Report and Presentation)
- Review of timelines and consultation schedule





# A New Look for the Budget



A Budget Book acts as:

- A communication tool
- A decision making tool
- A technical document

A Budget Book is for:

- Trustees
- Parents and Students
- Staff, Unions and Other Stakeholders





# The Preliminary Budget Estimates amount to a Balanced Budget



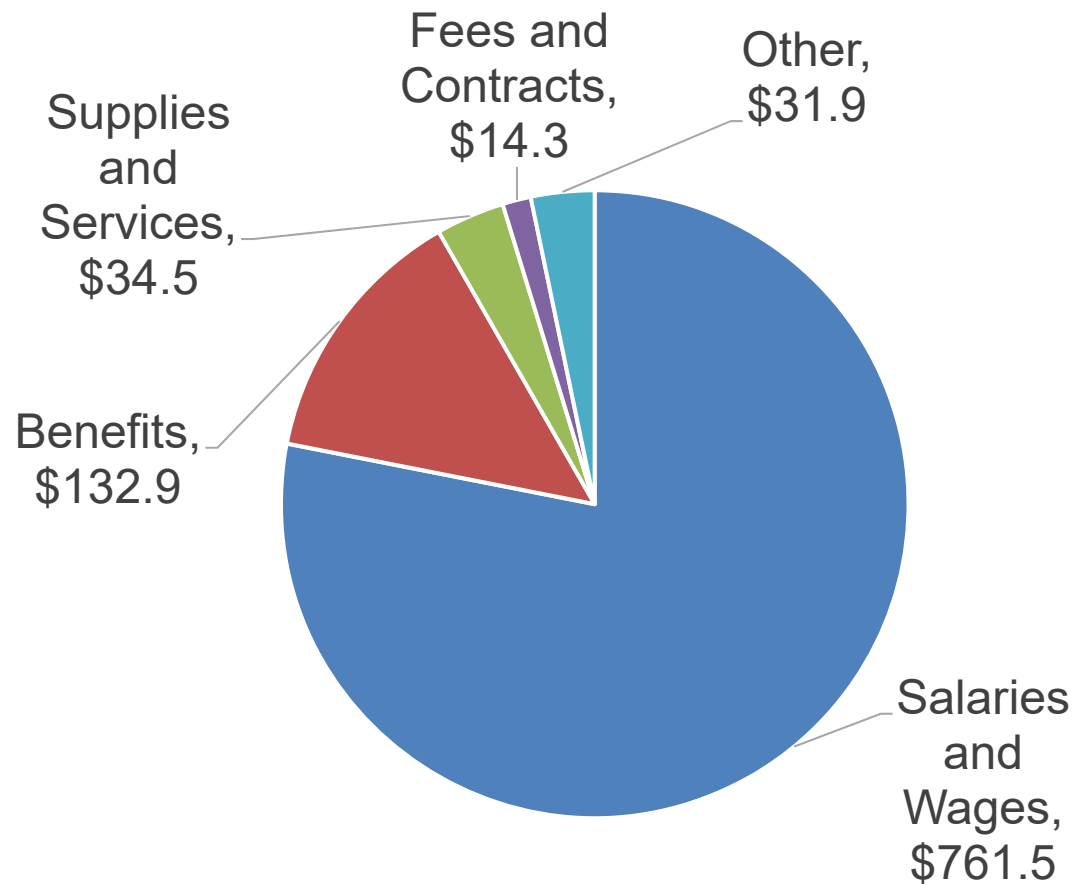
(\$M)	2017-18 Final	2018-19 Proposed	Change
Operating Revenues	1,120.3	1,140.8	20.5
Less: Instructional Operating Expenditures	(958.2)	(975.1)	(16.9)
Less: Non-Instructional Operating Expenditures	<u>(162.0)</u>	<u>(165.6)</u>	<u>(3.6)</u>
In-Year Operating Surplus	0.1	0.1	-



# 92% of Instructional Expenditures are for Salaries and Benefits



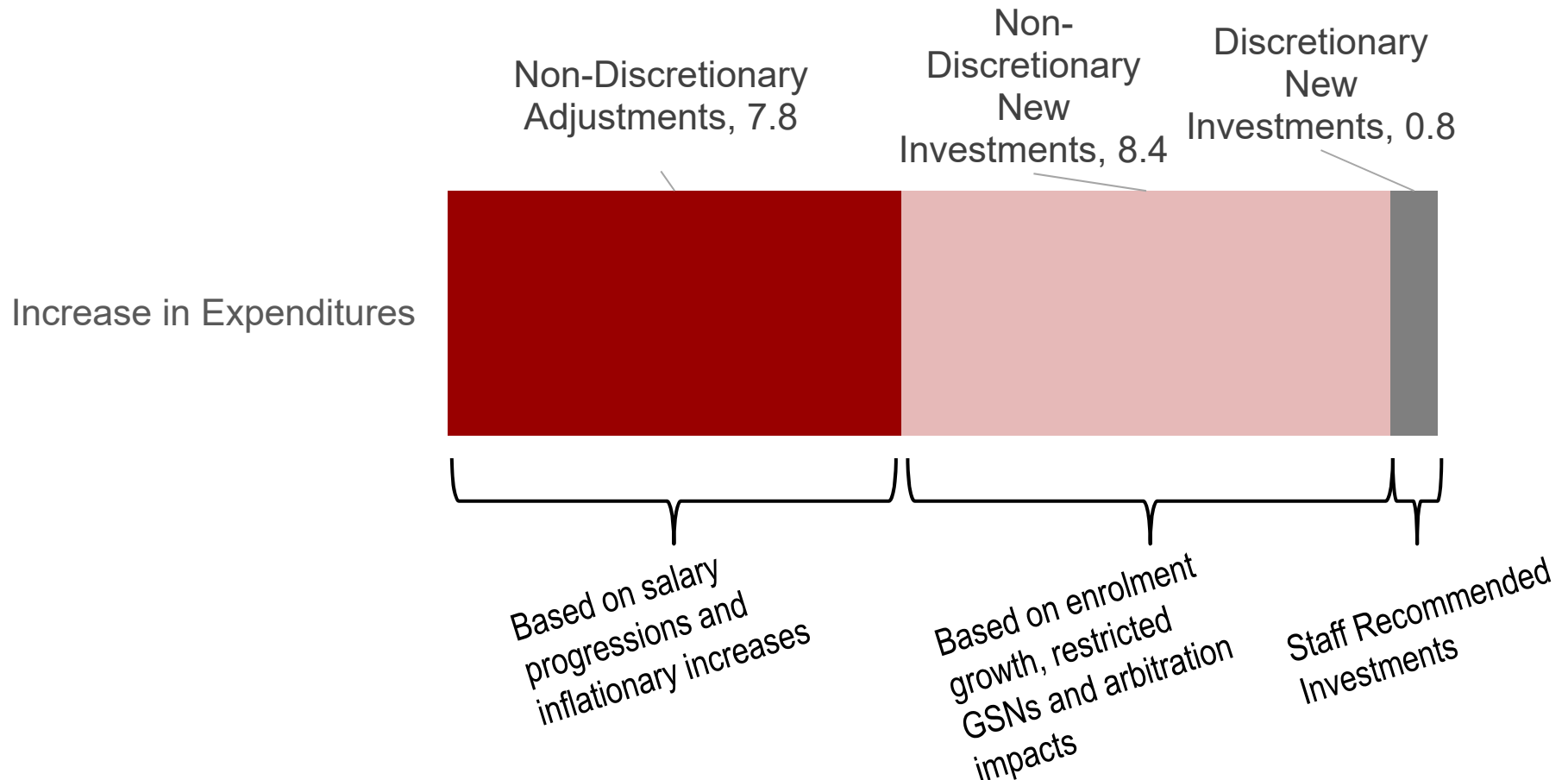
## 2018-19 Instructional Expenditures (\$975.1M)



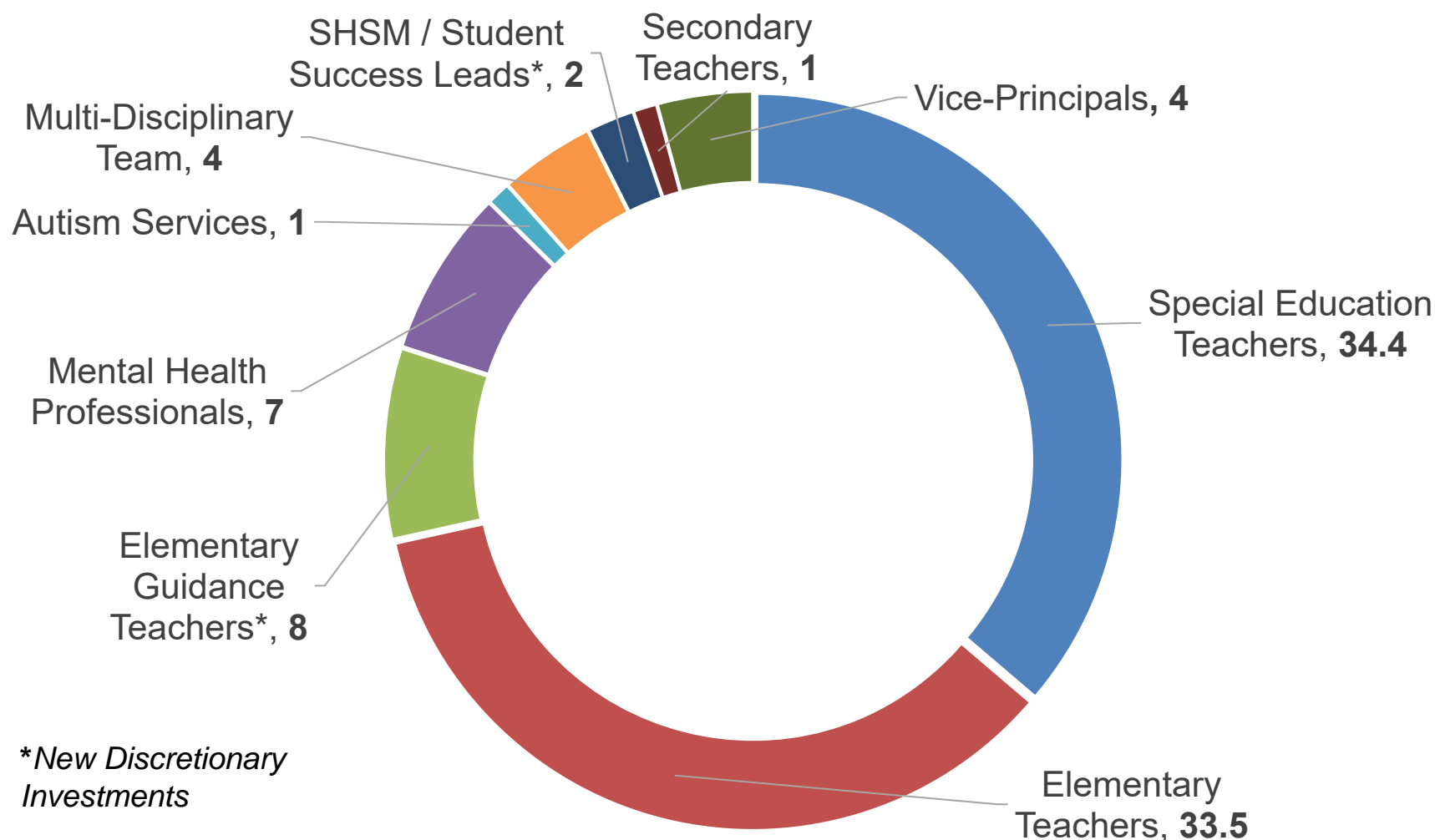
# Instructional Expenditures have increased by \$16.9M



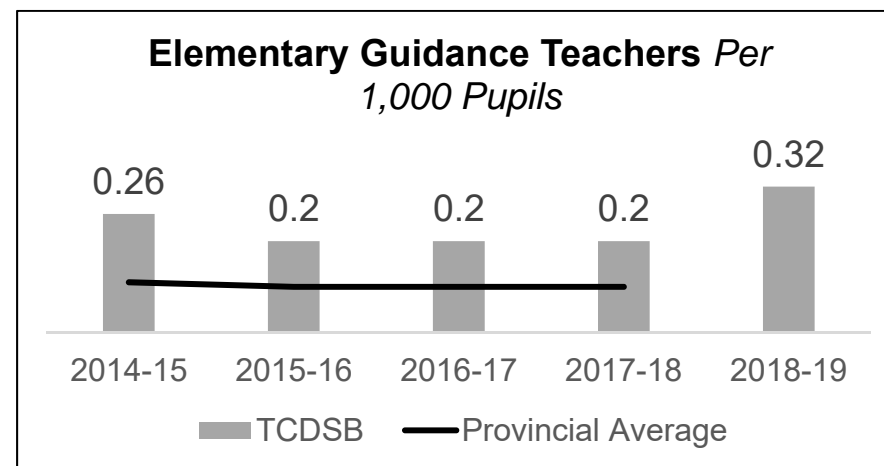
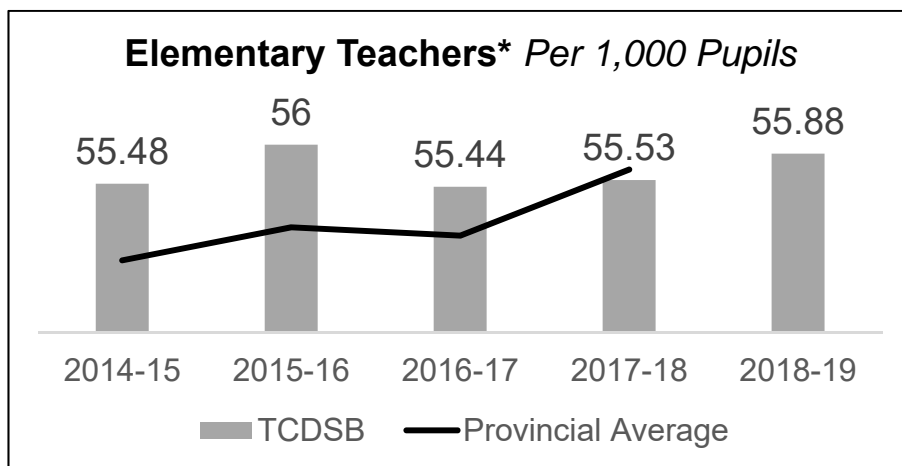
## Breakdown of Increased Expenditures (\$M)



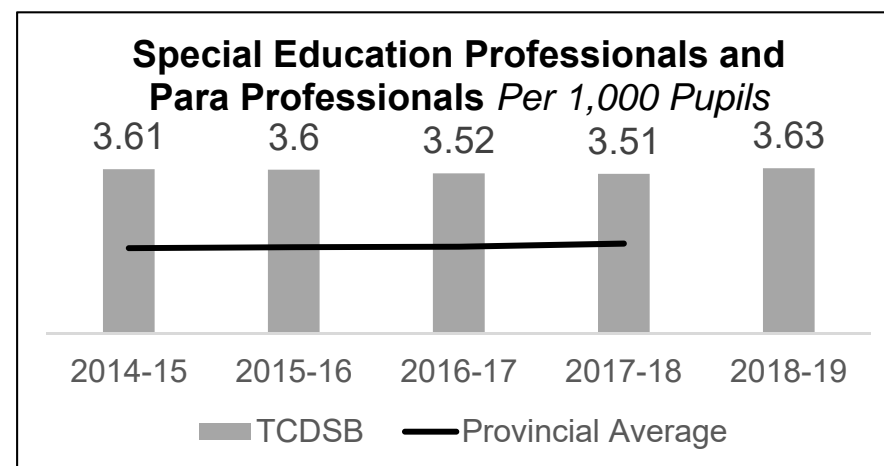
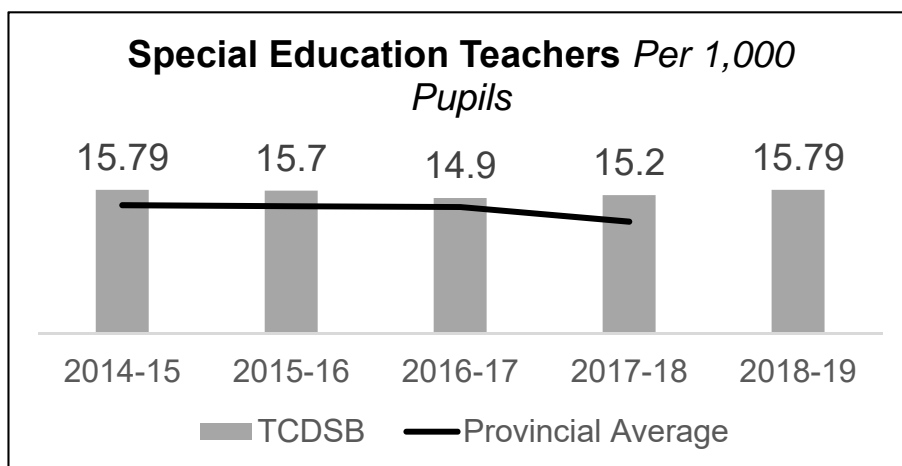
# 94.9 New Full Time Equivalent Staff are Recommended for 2018-19



# Effects of Investments on Service Levels



*\*Includes Library Technicians, but excludes Special Education Teachers*



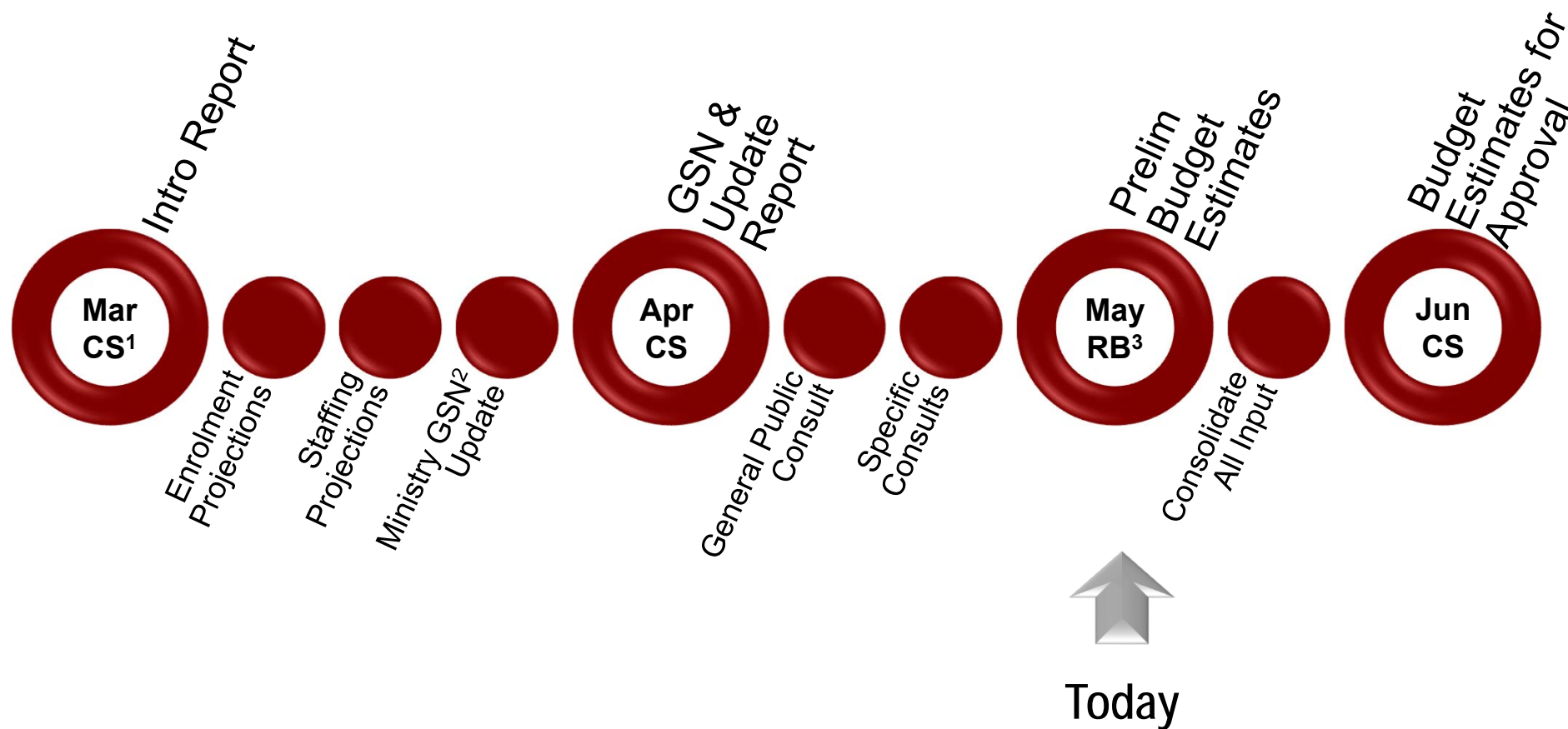
# One-Time Investment of \$1.4M is Recommended for Technology



- \$1.4M from current \$25.0M Accumulated Surplus is recommended to be allocated to technology
  - Considered in Reserve Strategy to be presented in next report
  - For IT Hardware such as:
    - ✓ School computers
    - ✓ School printers
    - ✓ Networking
    - ✓ Other similar needs



# The Budget is anticipated to pass on June 6, 2018



<sup>1</sup>Corporate Services Committee

<sup>2</sup>Grants for Student Needs

<sup>3</sup>Regular Board





# Questions?







# 2018-2019 BUDGET: **PRELIMINARY ESTIMATES (NON-INSTRUCTIONAL & RESERVE STRATEGY)**

---

Regular Board  
May 17, 2018

WITNESS • FAITH • INNOVATION • ACTION





# Framing the Budget Discussion

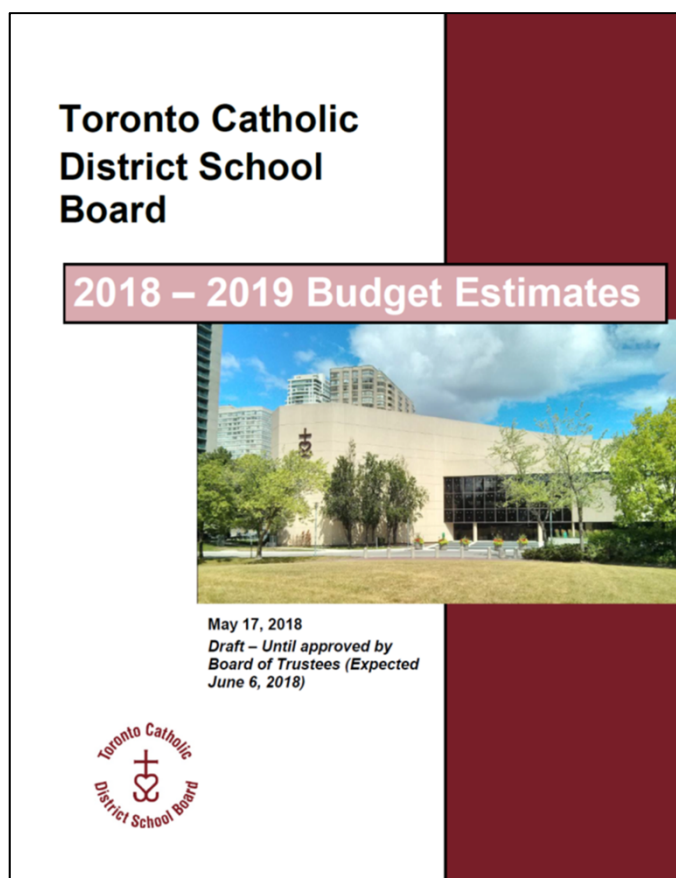
Objectives of **this** report:

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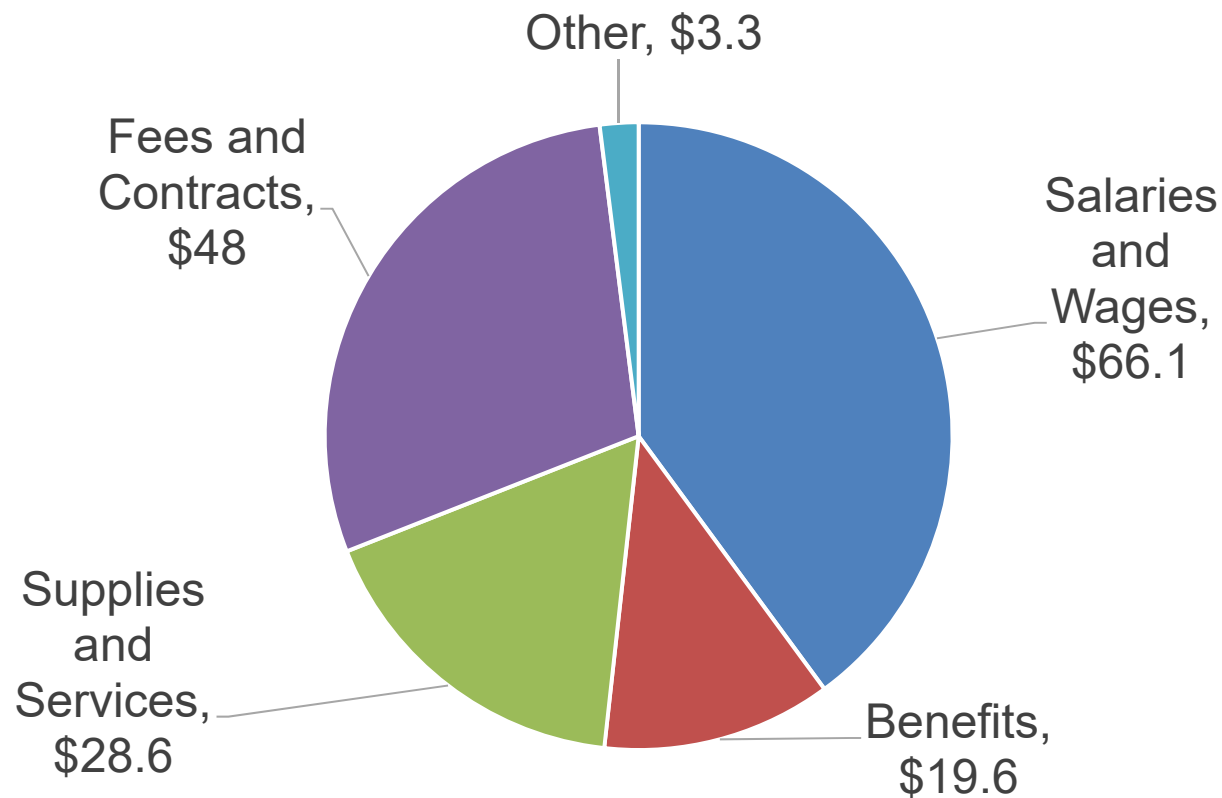
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In-Year Operating Surplus	0.1	0.1	-



# 52% of Non-Instructional Expenditures are for Salaries and Benefits



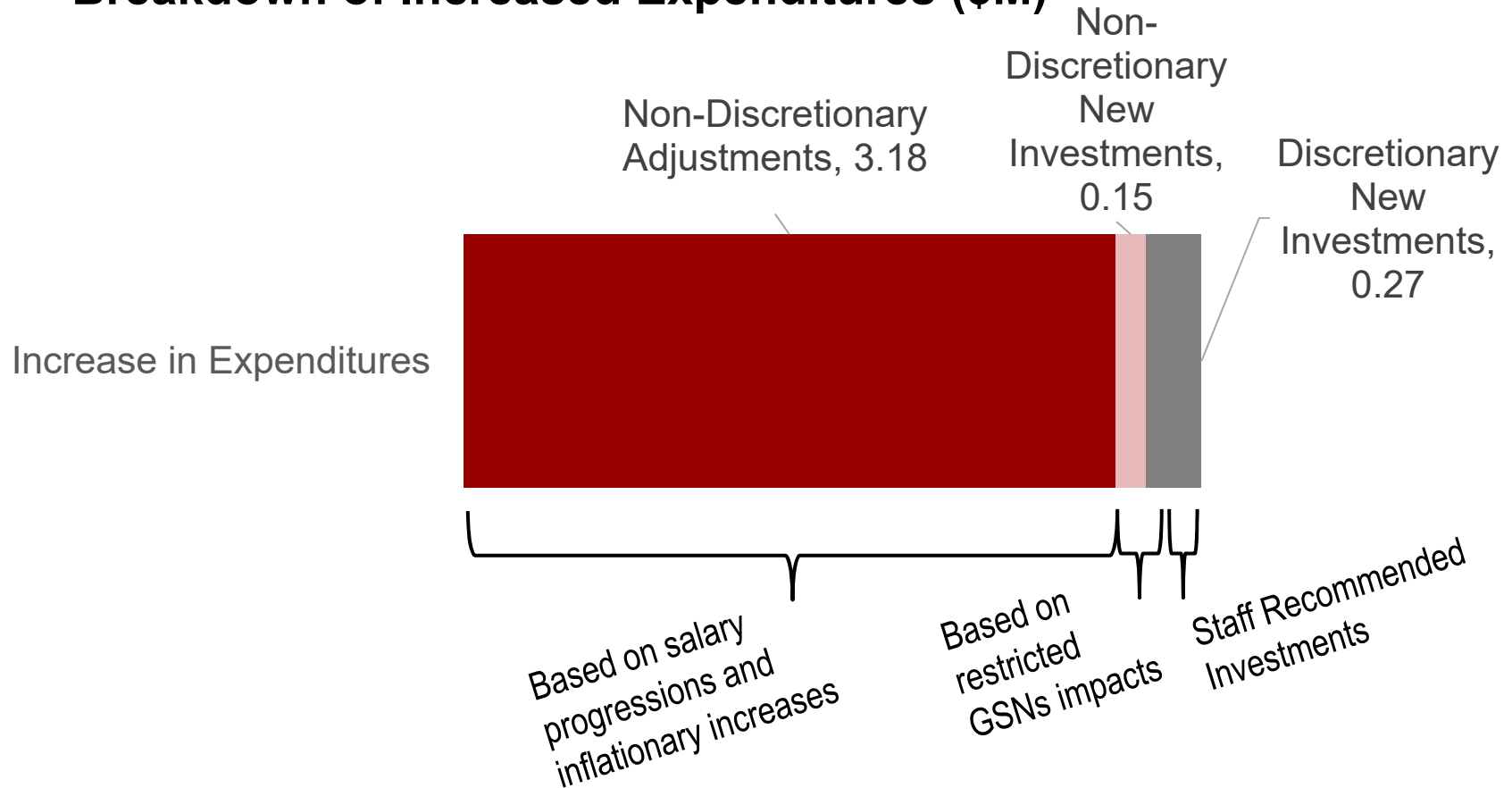
## 2018-19 Non-Instructional Expenditures (\$165.6M)



# Instructional Expenditures have increased by \$3.6M



## Breakdown of Increased Expenditures (\$M)



# Highlights of Non-Instructional Increases



**Transportation  
Increase**

**\$0.6M or 1.7%**

**Utilities Increase**

**\$0.5M or 2.8%**

**Operations Contracts  
Increase**

**\$0.6M or 8.0%**

**New Student Travel  
Planner\***

**\$0.05M**

**HR Recruitment  
Staff\***

**\$0.27M or 2 FTEs**

**Equity and Human  
Rights Advisor**

**\$0.15M or 1 FTE**

*\*New Discretionary  
Investments*



# One-Time Investment of \$0.3M is Recommended for HR Initiatives

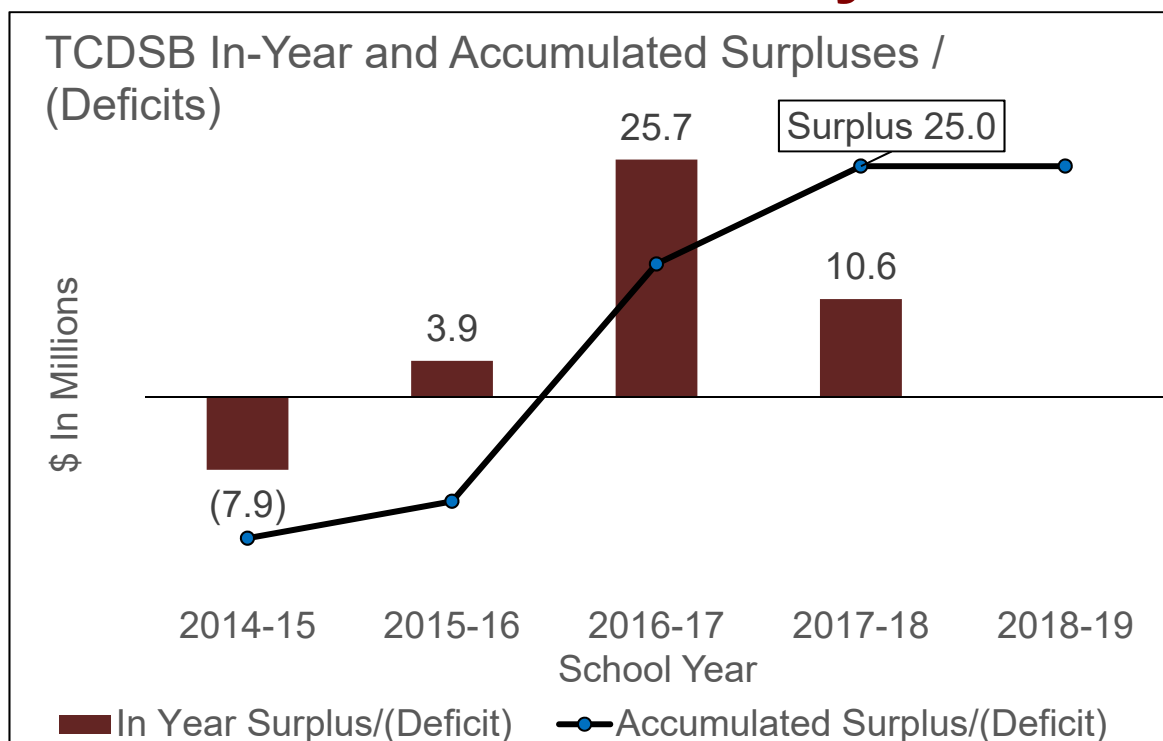


- \$0.3M from current \$25.0M Accumulated Surplus is recommended to be allocated to HR Initiatives
  - Considered in Reserve Strategy to be presented next
  - For two initiatives:
    - ✓ Recruitment
    - ✓ School Board Cooperative Inc. Attendance Support Services





# Reserve Strategy is Required to Maintain Financial Sustainability

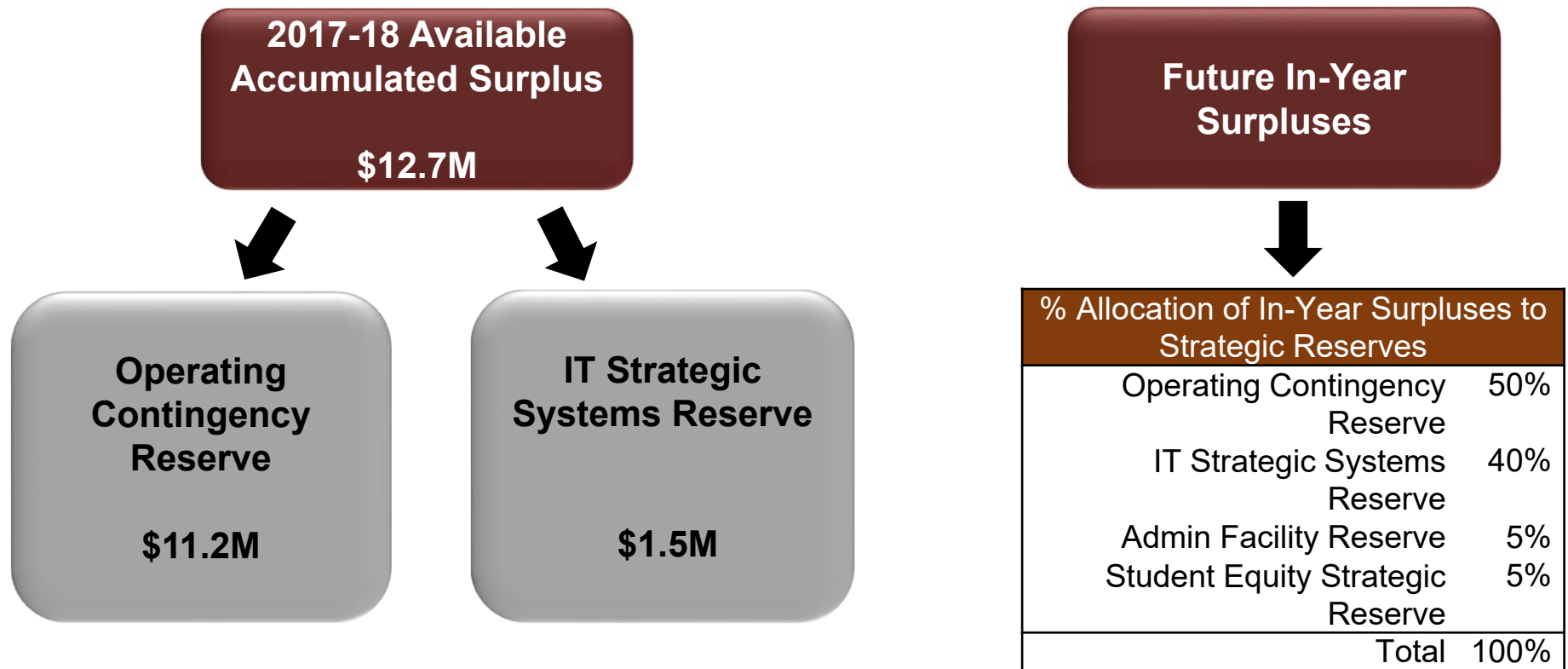


2018-19 One-Time Strategic Investments (\$M)	
IT Hardware Replacements	\$1.40
HR Recruitment Initiatives	\$0.12
SBCI Attendance Support Services	\$0.22
<b>Total</b>	<b>\$1.74</b>

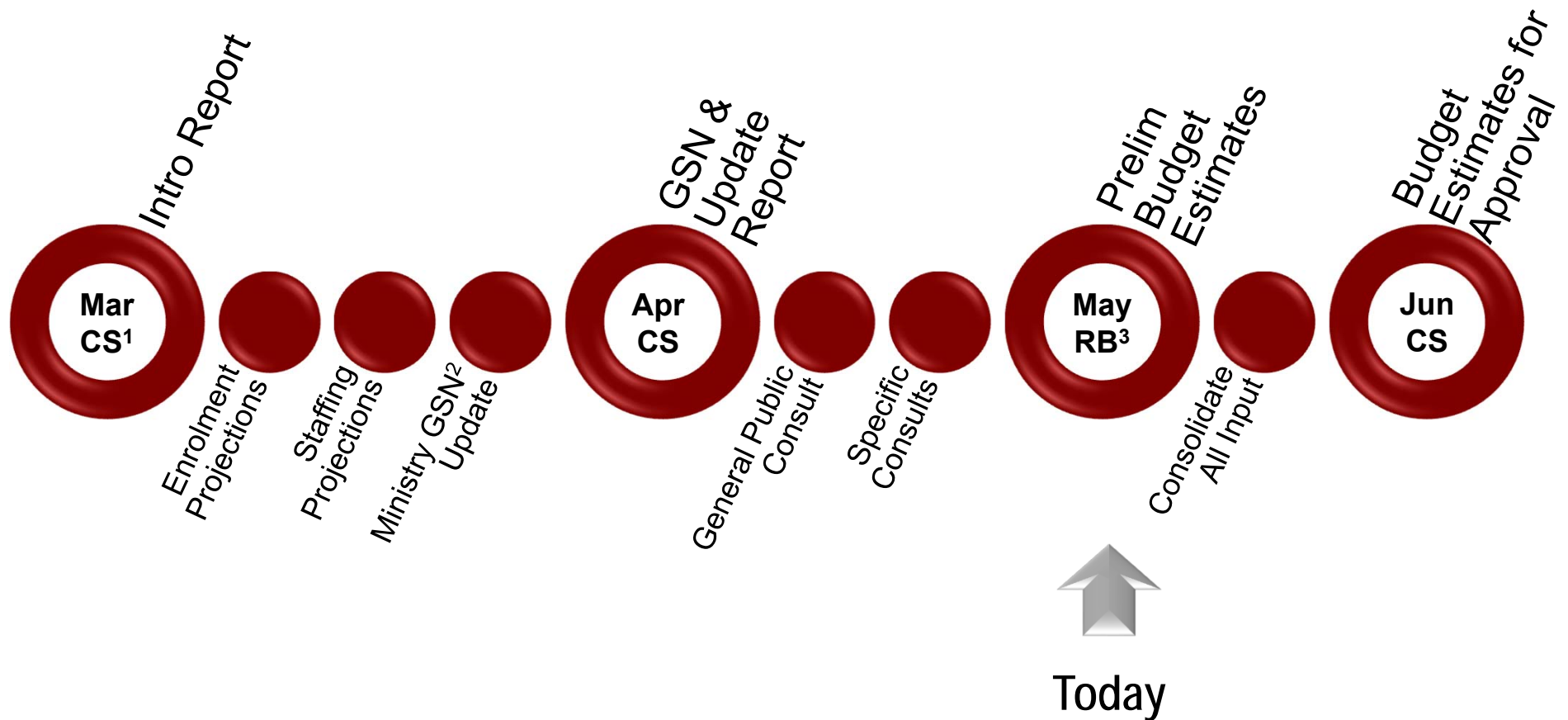
Based on using \$1.74M towards One-Time Strategic Investments and excluding \$10.5 for Benefit Surplus, there is **\$12.7M** available to reserve funds for future use



# The Reserve Strategy Includes Immediate Action and a Formula for the Future



# The Budget is anticipated to pass on June 6, 2018



<sup>1</sup>Corporate Services Committee

<sup>2</sup>Grants for Student Needs

<sup>3</sup>Regular Board





# Questions?





REPORT TO

## CORPORATE SERVICES, STRATEGIC PLANNING AND PROPERTY COMMITTEE

### BUDGET REPORT: FINANCIAL PLANNING AND CONSULTATION REVIEW

*“Dear children, let us not love with words or speech but with actions and in truth”*

**1 John 3:18**

Created, Draft	First Tabling	Review
February 21, 2018	March 8, 2018	<a href="#">Click here to enter a date</a>
D. De Souza, Coordinator of Grants & Ministry Reporting G. Sequeira, Coordinator of Budget Services P. De Cock, Comptroller of Business Services & Finance J. Yan, Senior Coordinator, Communications, Media and Public Relations		
<b>RECOMMENDATION REPORT</b>		

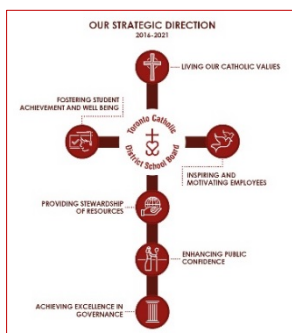
**Vision:**

*At Toronto Catholic we transform the world through witness, faith, innovation and action.*

**Mission:**

*The Toronto Catholic District School Board is an inclusive learning community uniting home, parish and school and rooted in the love of Christ.*

*We educate students to grow in grace and knowledge to lead lives of faith, hope and charity.*



**Rory McGuckin**  
Director of Education

**D. Koenig**  
Associate Director  
of Academic Affairs

**M. Puccetti**  
Acting Associate Director  
of Planning and Facilities

**L. Noronha**  
Executive Superintendent  
of Business Services and  
Chief Financial Officer

## **A. EXECUTIVE SUMMARY**

1. ***This report provides a framework to Trustees and the School Community for a proposed approach to developing the next budget.*** This report provides an overview on:
  - a) Preliminary discussion on financial planning approaches for the 2018-19 fiscal year and beyond,
  - b) Pre-identified fiscal risks in the 2018-19 school year, and
  - c) The community engagement process for the upcoming budget.
2. ***This is one in a series of reports that provides budgetary information for consultation and discussion, ending in an approval of next year's budget estimates.*** The information provided in this report is based on preliminary estimates at this point in time. The 2018-19 Grants for Student Needs (GSN) announcement from the Ministry of Education (EDU) is expected at the end of March 2018 and will likely have an impact on the 2018-19 fiscal year. The following reports are expected in the series, culminating in establishing an approved fiscal year budget:
  - a) Consensus Enrolment Projections Report (March 2018)
  - b) Preliminary Teaching Staffing Projection Report (March 2018)
  - c) Financial Planning and Consultation Review Report (March 2018)
  - d) GSN and Budget Update Report (April 2018)
  - e) Budget Estimates for Approval (June 2018)
  - f) Revised Budget Estimates for Approval (December 2018)

***The cumulative staff time required to prepare this report was 20 hours***

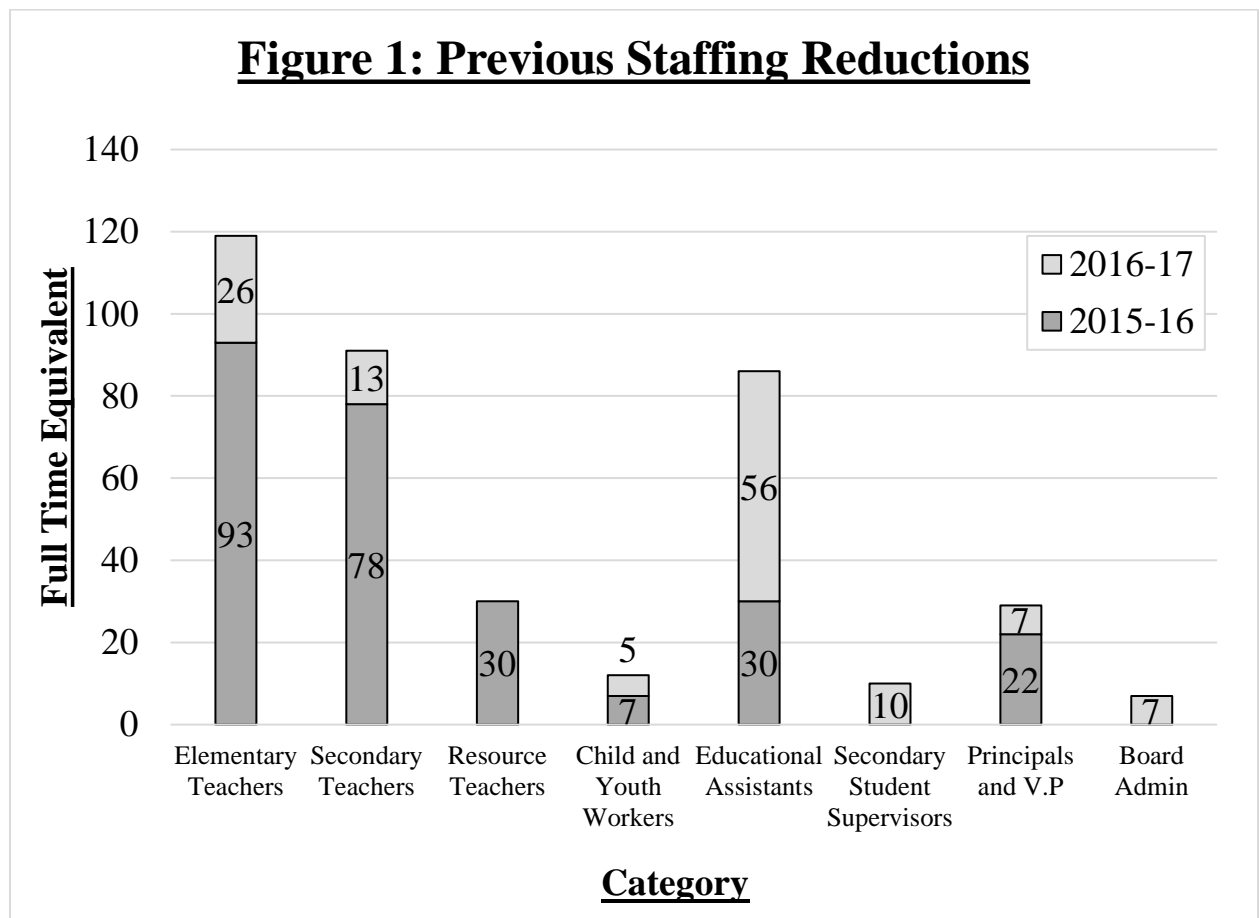
## **B. PURPOSE**

1. ***This report introduces the 2018-19 budget process.*** This report seeks to inform Trustees and the School Community on the proposed financial planning framework for this year's budget process and also comments on future enhancements to the process. It provides an early indication of potential fiscal pressures that may arise within the development of the budget. Finally, it seeks Board approval of the Community Consultation plan.

## C. BACKGROUND

1. ***Budget setting for a School Board is a legislated process, but has strategic importance.*** Under the Education Act (Section 232), the Board is required before the beginning of each fiscal year to prepare and adopt estimates of its revenues and expenses for the fiscal year and must submit this information to the Ministry by end of June each year. The Budget process is an important planning tool for the development of an effective and balanced budget in order to provide a range of necessary resources, supports and programs to the Board's students.
2. ***The Multi-Year Strategic Plan (MYSP) provides the overarching directions and principles that should drive the budget process.*** Students are always the Board's primary focus and are represented in all six strategic directions found within the MYSP. TCDSB is committed to offering programs and services, which challenge all students to achieve their personal best. TCDSB also strives to make efficient, effective, and innovative use of resources, based on sound planning, and the best available information. Inherent in the budget process is the allocation of available resources to address student needs.
3. ***The previous few budget years have experienced significant fiscal constraints.*** The following list of fiscal challenges have exerted considerable influence on the Board's last few budget processes and have necessitated very difficult decisions regarding a wide array of program and staffing issues.
  - a) Changes to the GSN Model have resulted in reductions to TCDSB's operating funds in certain areas. The changes include the continued phase-in of changes to the School Foundation Grant, Differentiated Special Education Needs Amount (DSENA), Administration and Governance, School Operations and Declining Enrolment Adjustment grants.
  - b) These reductions along with pressures in the areas of Special Education, Transportation and Occasional Teachers led to the TCDSB being in a deficit position and engaging in a four-year Multi-Year Recovery Plan (MYRP) since 2015-16.
  - c) During the Provincial Bargaining Table contract extension discussions last year with various employee groups, the TCDSB was allocated \$9.5M to invest in system priorities. Up to \$7.5M of this was used to offset GSN reductions and planned MYRP expenditure reductions for the 2017-18 fiscal year.

- d) TCDSB has made reductions totalling \$44.7M over the past two years to balance its budget in-year. Figure 1 presents the reductions in staffing levels that was required to facilitate a sustainable budget going forward. It should be noted that not all reductions were isolated to staffing. This chart is provided for illustrative purposes only.



4. ***TCDSB has achieved its MYRP's objective, and is projecting an accumulated surplus at the end of this current fiscal year.*** The 2017-18 Revised Estimates project an in-year surplus of \$0.1M and a projected year-end accumulated surplus of \$25.0M. The projected accumulated surplus at the end of August 31, 2018 is based on the assumption that the TCDSB will receive the Administrative Services only (ASO) surplus funding of \$10.5M.
5. ***Strategic Investments.*** In the 2017-18 revised budget estimates the Board of Trustees approved the one-time Strategic Investments of \$7.9M from the Accumulated Surplus and an increase to the base budget of \$2.4M phased in future years.



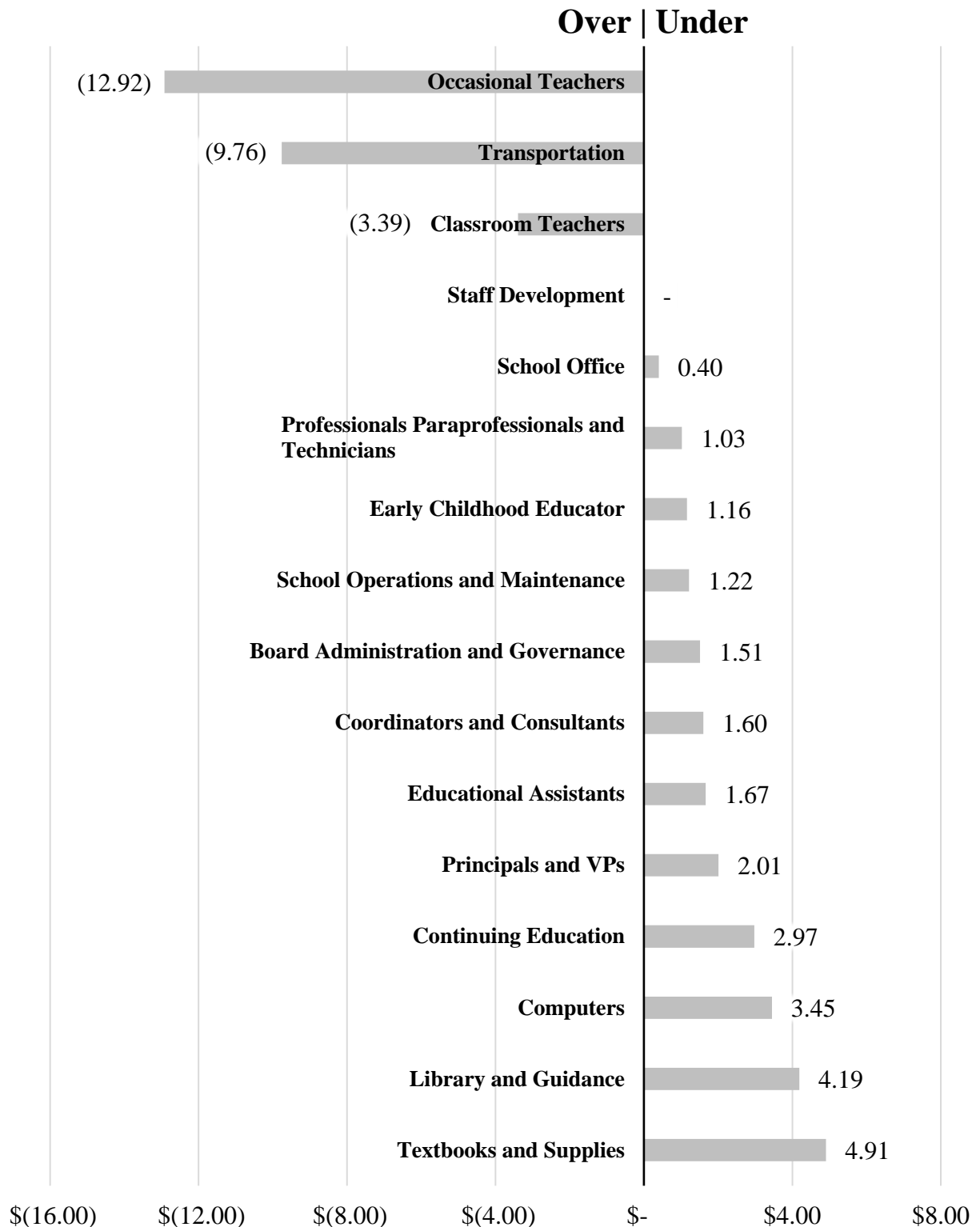
## **D. EVIDENCE/RESEARCH/ANALYSIS**

1. This section is broken down further in to the following two sub sections:
  - a) Financial Planning Framework
  - b) Budget Risks and Uncertainties

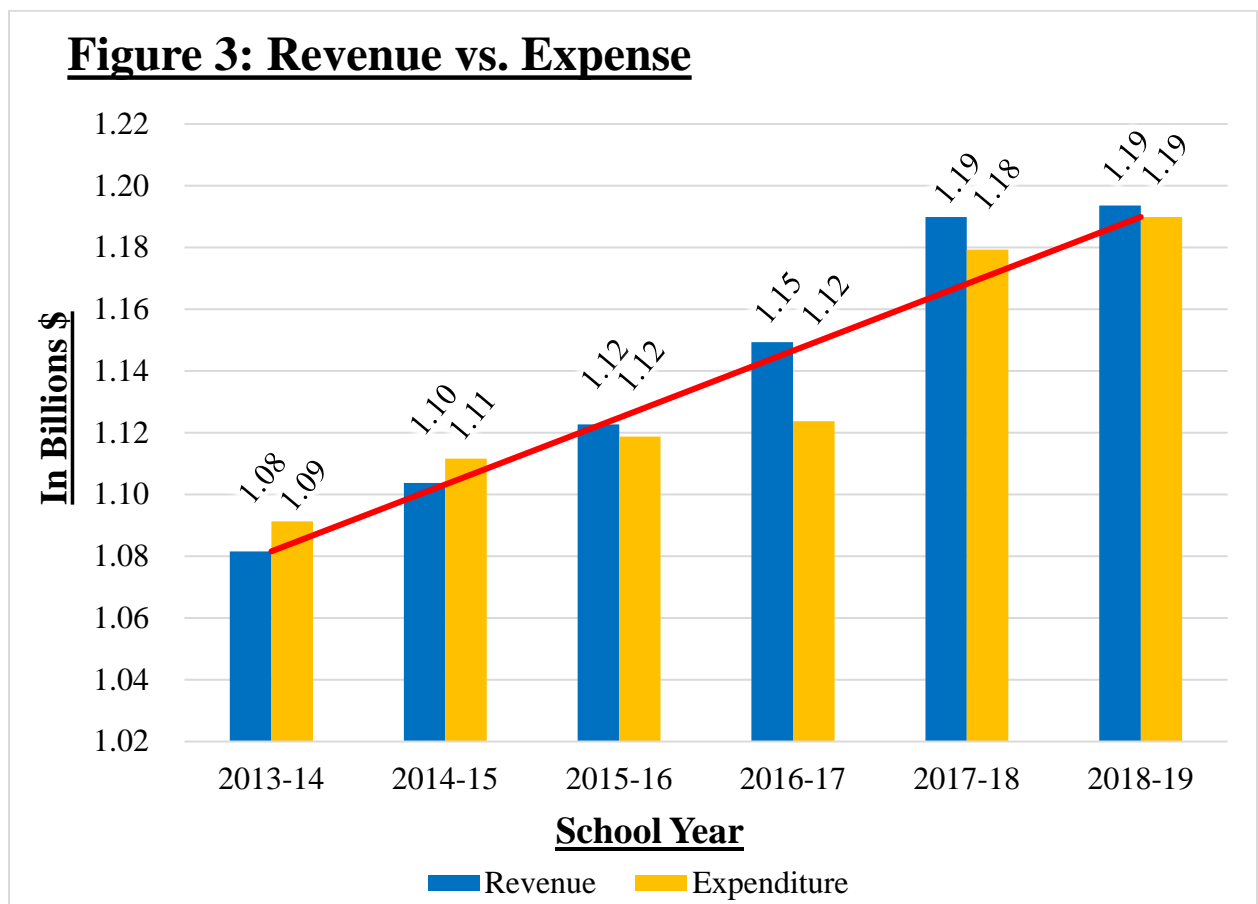
### ***FINANCIAL PLANNING FRAMEWORK***

2. ***The internal budget process began in January.*** For the 2018-19 Budget year, TCDSB staff commenced its budget development process in January 2018 with the development of timelines and preliminary projection assumptions. A summary of the 2018-19 Budget process and timelines is provided in the report.
3. ***The budget is the Board's fiscal plan that supports the delivery of educational programs and services.*** The fiscal plan should be driven in large part by the Board's MYSP. It also provides the authority for administration to spend funds on a variety of programs and services. It is important that the budget be developed in a thoughtful manner and that the decisions respecting the expenditure of funds carefully weigh the impacts and benefit to stakeholders across the near and long-term horizons.
4. ***The Board's historic budget decisions have led to the current mix of under and over spending that define the Board's current service levels.*** The Board continues to monitor its programs and staffing allocations to ensure that it is providing services to its students while complying with Ministry requirements and pursuing the system priority of student achievement. Figure 2 provides the current areas in which the Board has chosen to under and over spend in order to provide in order to achieve student achievement and wellness goals while maintaining a balanced budget. As an example, the Board has over spent in Transportation and under spent in Board Administration and Governance.
5. ***The budget process is the opportunity to revisit whether this mix of service levels is the most optimal.*** Thus achieving the MYSP and most importantly, ultimately beneficial to students.

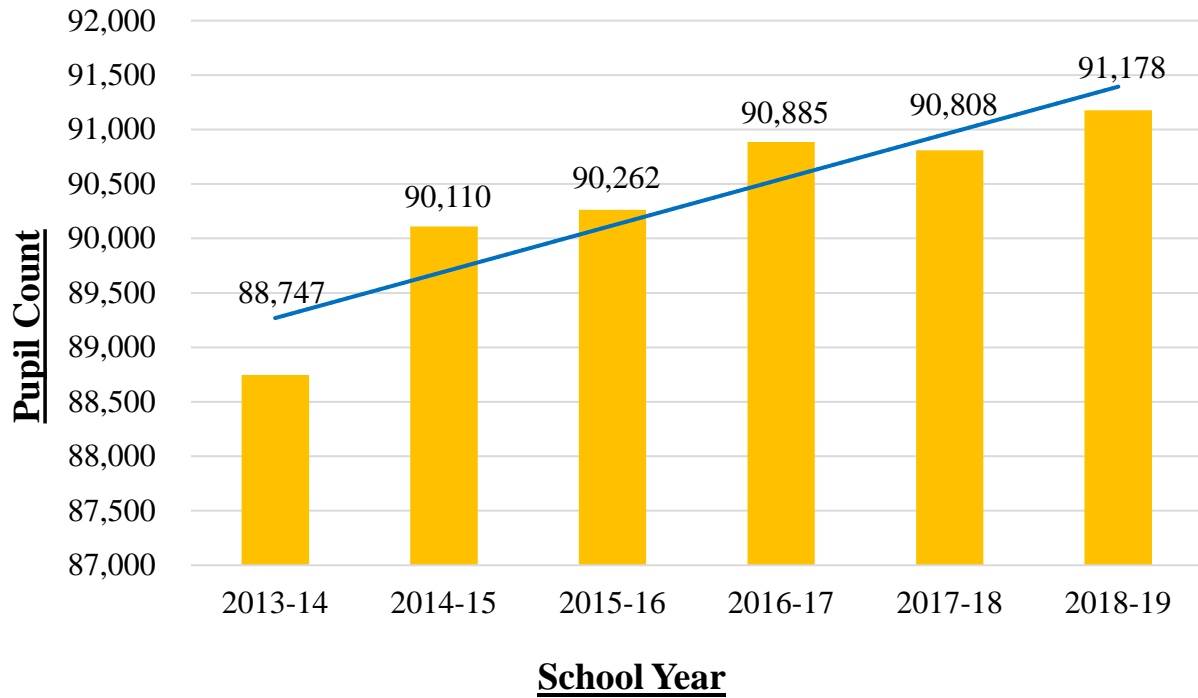
**Figure 2: TCDSB 2017-18 Under and Over Spending by Expense Category (\$ in Millions)**



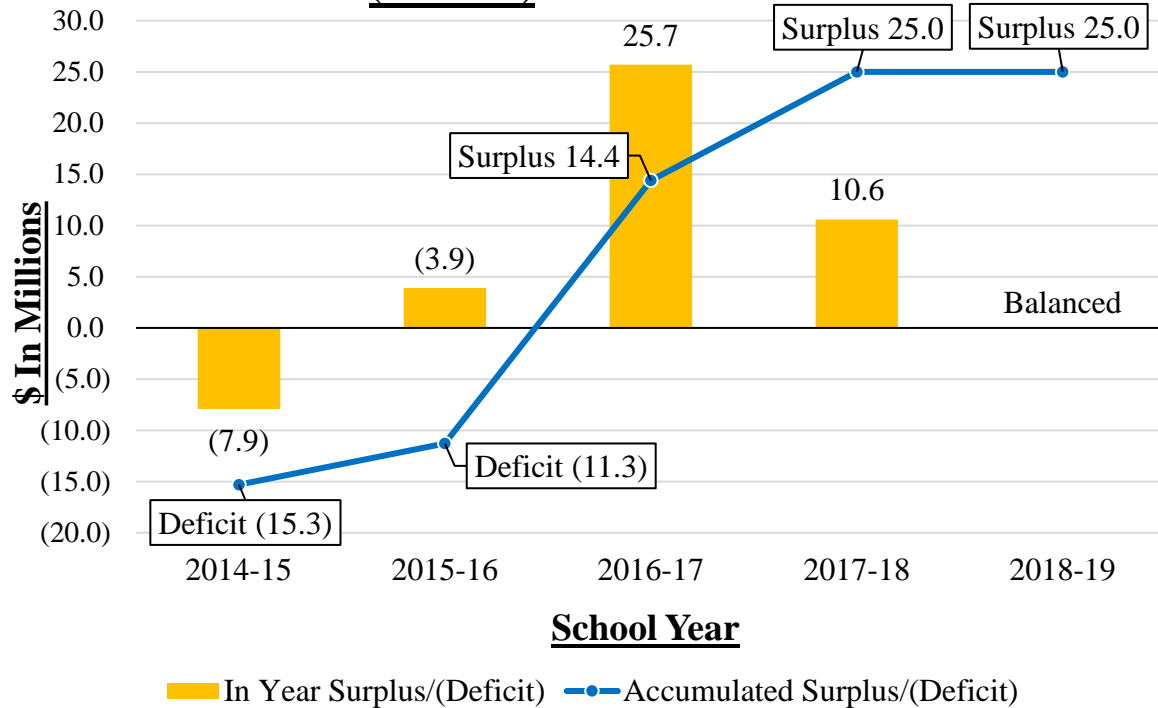
6. ***The current year's financial planning begins with understanding projected student enrolment and staffing.*** The projected student enrolment and staffing projection reports align with each other and will be submitted for approval in March. Once these levels are determined, TCDSB programs and services will continue to be reviewed for equitable, effective and efficient measures to improve delivery of services to all students. Figures 3, 4 and 5 provide very early estimates of revenue/expense, student enrolment and accumulated surplus/deficit for 2018-19 along with historical comparisons. These estimates will change as better data is obtained related to student enrolment, staffing projections, GSN formula changes and more information becomes available regarding other identified risks. These early estimates show a balanced budget based on a static year over year budget and a growing student enrolment, however as stated earlier many factors still need to be considered before arriving at a preliminary budget for consideration by the Board.



**Figure 4: Total Average Daily Enrolment**



**Figure 5: In-Year Accumulated Surpluses / (Deficits)**



7. ***Some new elements will be added to the 2018-19 budget process.*** As a part of continuous improvement, staff have identified a few areas of concentration for the presentation and content of this year's budget submission. These elements are listed below.
- a. ***Preliminary linking of budget to MYSP.*** The MYSP provides direction to align operating and capital budgets to the MYSP. This budget process will begin the preliminary work of creating high-level linkages to illustrate to the School Community how the budget delivers on the MYSP.
  - b. ***Preliminary improvements on the presentation of the budget.*** A budget can be viewed as a major communication tool between the Board, the School Community, staff at all levels and the public at large. Staff will begin work on moving towards a "Budget Book" format that will act as a communication tool and provide context for meaningful debate on the allocation of resources.
  - c. ***Provide fiscal risk management and accumulated deficit/surplus strategies.*** Outside of quarterly financial reporting to the Board to monitor the progress of the budget, the initial budget should include consideration towards treatment of surpluses and deficits. Appropriate contingencies should be established as well as recommendations on reserving for or investing in one-time service enhancements resulting from accumulated surpluses.
8. ***Additional improvements will be planned for the 2019-20 budget process and beyond.*** In an effort to plan in advance and work within staffing capacity constraints, some improvements will be planned and implemented in the following budget process and may include:
- a. ***Further linkage of MYSP with budgeting process.*** Staff would strive to bring the linkages to a more detailed level. This would also include linkage to ecological justice principles per the MYSP as well as equity/diversity initiatives.
  - b. ***Move to full Budget Book format.*** This would move the budget presentation to a streamlined and fully communicative format to help with School Community engagement and understanding of the budget figures.

- c. ***Consolidation of the Operating and Capital budget processes.*** Operating and Capital budgets are inherently related. Providing one streamlined process for both is common in several other School Boards and the Public Sector at large. It will also help consolidate the School Community engagement.
- d. ***Calendarization of budgets.*** This means approving budgets on an annual basis, but also determining the month-to-month forecast of the annual budget. This will help analyse with higher accuracy the Board's performance against its budget during the year.

### **BUDGET RISKS & UNCERTAINTIES:**

- 9. ***Certain fiscal risks will unfold over the proceeding couple of months that will impact the budget process.*** These will need to be monitored closely as budget development progresses. Staff will report on these risks as part of the Preliminary and Budget Estimate presentations. Depending on the magnitude of the impacts, the Board may be faced with service level reduction decisions later in the process. A list of these risks ranked by likelihood and impact is provided below.
  - a) ***Legal Challenges to Collective Agreements have created cost pressures.*** The number of Special Education Teachers in the Elementary panel have a prescribed staffing to student ratio as prescribed by the collective agreement, and recent legal challenges have resulted in the requirement to deploy additional teachers in this capacity. The essence of the legal challenge more narrowly defines the types of elementary special education teachers to be counted as part of the staffing ratio as defined in Appendix G of the Elementary Teachers Collective Agreement.
  - b) ***As Bill 148 is implemented, several new cost pressures may arise.*** The Fair Work Places & Better Jobs Act passed on November 22nd 2017 and will result in an increased cost for Parental Leave Entitlements, Critical Illness Leaves, General Minimum wage increases. In addition, Equal Pay for Equal Work and paid Vacation Entitlements may also increase costs for TCDSB. An internal staff team has been created to determine the Board's legal position and potential cost impacts leading in to the 2018-19 budget process. Not only direct payroll costs are impacted but also secondary costs associated with vendors i.e. Transportation Services.

- c) ***Occasional Teacher Costs continue to rise.*** For the current 2017-18 fiscal year, Occasional Teacher costs are trending close to budget at this point in time. The risk is that these costs could increase this year assuming a full Occasional Teacher roster, and/or staff absenteeism rates continue to increase.
- d) ***Inflation Assumptions could be higher than expected.*** Utility costs continue to trend higher and the budget estimates are based on historical costs and projected increases. If costs increase higher than anticipated, this could create a cost pressure in this area. The current trend is that utility costs are trending well above the EDU funded increase for inflationary costs of 2%.
- e) ***Benefit Trusts producing higher costs than expected.*** The amount budgeted for group benefits are based on estimations and the information provided by the Ministry of Education (EDU). As the various employee groups move to their respective Benefit Trusts, the remaining employee groups waiting to transition may experience higher premiums due to the reduced number of employees remaining in the Group Benefits Pool. This could increase benefit costs for TCDSB.
- f) ***Accumulated Surplus may be lower than expected.*** TCDSB has historically provided group benefits, i.e. Health & Dental, in a self-funded manner also known as an Administrative Services Only (ASO) self-insurance arrangement. This fund has accumulated a surplus in excess of costs incurred to the present date. To date, staff have identified \$10.5M that can be used from the projected ASO benefit surplus (subject to Ministry approval) expected in Fiscal 2017-18 or Fiscal 2018-19.
- g) ***Enrolment projections to actuals could be lesser than expected.*** Any variances to planned consensus enrolment projections may impact final calculated GSN revenues.
- h) ***Capital project risks may materialize.*** Capital projects that are higher than the provincial benchmark will result in deficits for the project that will not be funded by the EDU's Capital program. These shortfalls would need to be covered through the operating budget, which could result in shortfalls in the operating budget. Staff monitor these capital projects closely to ensure this risk is highly mitigated.

## **E. IMPLEMENTATION, STRATEGIC COMMUNICATIONS AND STAKEHOLDER ENGAGEMENT PLAN**

1. ***This year's budget process will include a comprehensive community consultation component.*** Based on the information being considered for the 2018-2019 Budget, the community engagement will be conducted at the level of “**Consult**” – which is up one priority ranking from the usual “Inform” level used for regular annual budget consultations as has been the normal practice in alternating years. The “**Consult**” level as defined in the policy is:

*“To obtain input from community members and the general public on proposed Board directions and decisions.”*

The policy also states that:

*“TCDSB Staff and Trustees will invite community members with diverse perspectives to participate and will listen and seek to understand all concerns.”*

While also ensuring that:

*Community members and the public will participate and provide input.*

The continuum comprises six increasing levels of engagement that may be sought with community members: Inform, Consult, Involve, Collaborate, Consensus, and Empower.

2. ***Consultation is in accordance with policy.*** The consultation plan is in compliance with Community Engagement Policy T.07, and reflects the desire expressed by Trustees to ensure that the communications and community engagement process involve all TCDSB community stakeholders.
3. ***Trustees to receive community feedback for consideration in budget setting.*** Input and feedback received during this process will be presented at the May 10, 2018 Corporate Services Committee meeting to inform Trustees as they finalize the budget for the 2018-2019 fiscal year for submission to the Ministry of Education by the June 30, 2018 deadline.



4. ***Consultations are rooted in inclusivity.*** To optimize stakeholder input, the parameters for public consultation and communication is guided by these key factors:

- a) A section of the TCDSB web site will be transformed to a “mini-website” dedicated informing the community about the 2018-2019 Budget consultation including: A Frequently Asked Questions (FAQs) information sheet and an online budget feedback tool used in previous consultations for the MYRP, and 2017-2018 budget process.
- b) To facilitate the need to be as inclusive as possible by overcoming language, cultural and socio-economic access barriers, a customized TRANSLATE tool has been developed to take advantage of GOOGLE Translator so that TCDSB stakeholders can access all budget information on the budget website in the language of their choice.
- c) Enhance face-to-face opportunities by aligning consultation process with dates for pre-scheduled Standing Board/Committee meetings (see Appendix A), parent engagement committees (CPIC, OAPCE-Toronto), Board advisory committees (e.g. SEAC), and Student leadership meetings (ESCLIT, CSLIT).

5. ***Several channels of engagement will be used to reach a wide group of participants.*** The Communications Plan will also be aligned to support budget engagement process through:

- Director’s Bulletin Board
- Weekly Wrap Up, web (TCDSB’s external and internal portal)
- Social media (i.e. Twitter)
- E-newsletters and traditional school newsletters.
- Collaboration with the Archdiocese to publish information for inclusion in individual parish bulletins and parish web site links

The following stakeholders are intended to be participate:

- Parents/Guardians
- Student Leaders (CSLIT and ECSLIT)
- Community Leaders and Members (CSPCs, CPIC, OAPCE-Toronto etc.)
- All Employees and employee groups (Teachers/Support Staff including the federations TECT, CUPE and TSU)
- Special Education Advisory Committee (SEAC)

- Principals/Vice Principals
  - Parishioners and Catholic Stakeholders (via Archdiocese)
  - General Public (via PSAs, Community newspaper calendars, Twitter, TCDSB website)
6. The public consultation process includes many opportunities. Please refer to Appendix A for a more detailed view of the 2018-19 consultation process and activities.

## **F. STAFF RECOMMENDATION**

1. That the Financial Planning Framework and Community Consultation plan as described in this report for the 2018-19 Budget be approved; and
2. That staff present the finalized Budget estimates for 2018-19, which will be reflective of the Community Consultations and feedback received at various Committee meetings throughout the spring, to the Board of Trustees at the Board meeting scheduled for June 14<sup>th</sup>, 2018.

**A. ACTION PLAN: CONSULTATION TIMELINE**

<b>DATE</b>	<b>PUBLIC CONSULTATION ACTIVITY</b>
<b>1) Friday, April 6, 2018</b> Community Consultation Launch (Subject to Board of Trustees Approval at March 08, 2018, Corporate Services meeting)	<ul style="list-style-type: none"> <li>• <b>GO LIVE</b> with online HTML web-based 2018–2019 Budget consultation pages on website.</li> <li>• Invitation letter from Chair and Director to Parents, Principals and chairs of CSPC, CPIC, OAPCE (Toronto), SEAC, CSLIT/ECSLIT, to participate in public consultations.</li> <li>• Communication sent to Archdiocese (via Communications Dept.) for distribution to individual parishes to encourage Catholic community/ stakeholder involvement</li> </ul>
<b>2) April 6 – May 4, 2018</b> Online Budget Feedback Tool	<ul style="list-style-type: none"> <li>• Anonymous online input tool to inform Trustee deliberations on budget</li> </ul>
<b>3) Thursday, April 5, 2018</b> Student Achievement Committee	<ul style="list-style-type: none"> <li>• Opportunity for public deputations regarding budget</li> </ul>
<b>4) Thursday, April 12, 2018</b> Corporate Services Committee Meeting	<ul style="list-style-type: none"> <li>• GSN and Budget update for 2018-19</li> <li>• Opportunity for public deputations regarding budget</li> </ul>
<b>5) Wednesday, April 18, 2018</b> Special Education Advisory Committee (SEAC) Meeting	<ul style="list-style-type: none"> <li>• Budget discussions with SEAC members for input and recommendations.</li> </ul>

DATE	PUBLIC CONSULTATION ACTIVITY
6) <b>Thursday, April 19, 2018</b> Regular Board Meeting	<ul style="list-style-type: none"> <li>• Budget consultation update for Trustees.</li> <li>• Opportunity for public deputations regarding budget</li> </ul>
7) <b>Monday, April 30, 2018</b> OAPCE-Toronto Meeting	<ul style="list-style-type: none"> <li>• Budget discussions with OAPCE-Toronto members for feedback</li> </ul>
8) <b>Wednesday, April, 2018 (TBC)</b> ESCLIT/CSLIT	<ul style="list-style-type: none"> <li>• Budget information and options discussed with student leaders</li> </ul>
9) <b>May, 2018 (Date TBC) *</b> Meeting with Union Partners	<ul style="list-style-type: none"> <li>• Consultation and discussion of budget.</li> </ul>
10) <b>Wednesday, May 2, 2018</b> Student Achievement Committee Meeting	<ul style="list-style-type: none"> <li>• Opportunity for public deputations regarding budget</li> </ul>
11) <b>Thursday, May 10, 2018</b> Corporate Services Committee Meeting	<ul style="list-style-type: none"> <li>• Presentation of results from Budget Consultation process</li> <li>• Opportunity for public deputations regarding budget options.</li> </ul>
12) <b>Monday, May 14, 2018</b> CPIC Meeting	<ul style="list-style-type: none"> <li>• Budget discussions with CPIC members for feedback</li> </ul>
13) <b>Wednesday, June 6, 2018</b> Corporate Services Committee meeting	<ul style="list-style-type: none"> <li>• Final opportunity for delegations.</li> <li>• Final vote on approval of 2018-2019 Budget for submission to the Ministry of Education by June 30, 2018.</li> </ul>



REPORT TO

## CORPORATE SERVICES, STRATEGIC PLANNING AND PROPERTY COMMITTEE

### BUDGET REPORT: 2018-19 GRANTS FOR STUDENT NEEDS UPDATE

*“A generous man will himself be blessed, for he shares his food with the poor.”  
Proverbs 22:9*

Created, Draft	First Tabling	Review
March 22, 2018	April 12, 2018	<a href="#">Click here to enter a date</a>

D. De Souza, Coordinator of Grants & Ministry Reporting

G. Sequeira, Coordinator of Budget Services

P. De Cock, Comptroller of Business Services & Finance

### INFORMATION REPORT

#### Vision:

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#### Mission:

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*We educate students to grow in grace and knowledge to lead lives of faith, hope and charity.*



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Director of Education

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Associate Director  
of Academic Affairs

M. Puccetti  
Acting Associate Director  
of Planning and Facilities

L. Noronha  
Executive Superintendent  
of Business Services and  
Chief Financial Officer

## A. EXECUTIVE SUMMARY

1. ***Announcements made by the Ministry of Education will entail further release of data and more analysis to develop the budget.*** The Grant for Student Needs (GSN) funding and regulations released on March 26<sup>th</sup> 2018 by the Ministry of Education (EDU) provided a first look at ongoing and new education funding investments into the education sector. The Education Funding Technical Paper, Education Financial Information Systems (EFIS) and GSN Projections by Board did not accompany the announcement as in past years. The funding projections for the Toronto Catholic District School Board (TCDSB) contained within this report are preliminary and subject to change pending the release of further documents and formulas.
2. ***The late release of data by the Ministry may impact the budget approval timelines previously communicated to the Board.*** Given the delay of the technical details release by the Ministry to potentially the end of April, staff may not be in a position to develop preliminary budget estimates in time for May 10<sup>th</sup> Corporate Services Committee. An alternative plan would be to bring the preliminary budget estimates to Regular Board on May 17<sup>th</sup>.
3. ***Announcements for new investments to enhance service levels in some areas have been made.*** The new investments into education funding provide the TCDSB with approximately \$7.7M for a projected increase of staffing increase in the range of 33.0 to 51.0 full-time equivalent positions (FTE) and other operational expenses. This new investment is in addition to any anticipated increases for salaries and wages of existing staff as determined by provincially negotiated extension agreements, benefits benchmark reductions for retirement gratuities, continuance of local priority amounts or positions/programs moving from being funded by Education Programs Other (EPOs) to GSN funding.
4. ***Based on preliminary analysis and review of the announcements, staff expect to develop a balanced budget without the need for staffing reductions.*** Various pressures including impacts from Bill 148 legislation (fair workplaces), collective agreement arbitrations and salary/benefit costs being above the provincial benchmark average will contribute to the budget entering an unbalanced (deficit) position. The announcements that have been made provide funding for new or enhanced service levels; some of which are not “enveloped”, meaning the funds can be used towards existing service levels. Given that the TCDSB already has higher than average service levels

in some areas, staff will recommend using the new funding being received to first offset pressures associated with existing services before applying it to new services, where allowed. In this way, a balanced budget is expected to be developed.

*The cumulative staff time required to prepare this report was 6 hours.*

## **B. PURPOSE**

1. *This annual report has been prepared to provide highlights and preliminary projections of new education funding investments for the TCDSB.* This report responds to the recent GSN announcement and key policy and funding changes for 2018-19. The calculated financial and operational impact of last week's announcement on the GSNs for 2018-19 utilized information available at the time of preparing this report.
2. *Staff anticipate that a balanced budget will be developed by prioritizing the maintainance of existing service levels before enhancing or adding services.* A secondary purpose of this report is to inform the Board that preliminary budget estimates to be presented at the May Corporate Services Committee will be developed by ensuring that the existing mix of service levels is not reduced as a result of external fiscal pressures. Additionally, any new funding received from the EDU that is unrestricted will be allocated towards offsetting these pressures so as to avoid reductions in staffing levels.

## **C. BACKGROUND**

1. *Total overall GSN funding for the TCDSB is increasing.* The GSN announcement sets out the key policy and funding changes supported by these regulations, such as investments in Ontario's publicly funded education system. It also sets out the funding measures intended to help boards keep up with inflationary costs and move forward with capital projects. The subject of this spring's budget process is the TCDSB operating budget. In future years, both the operating and capital budget will be presented in parallel.
2. *GSN updates are necessary to match funding with ongoing cost pressures from growth and inflation.* The 2018-19 GSNs also reflect funding for increased enrolment, ongoing investments to meet prior year's labour



agreements, and regular updates to the GSNs, informed by recent consultation engagement sessions and ongoing technical discussions.

3. ***Service level reductions were considered in advance of the GSN update for the last few fiscal years.*** The TCDSB was in a Multi-Year Recovery Plan (MYRP) for the last few years. As a result, the Board was faced with service level reductions in advance of setting the budget in order to pass a balanced budget. This same pre-consideration of options was not required for this year's budget process.

## **D. EVIDENCE/RESEARCH/ANALYSIS**

### **Announcement Highlights of GSN and EPO allocations include:**

1. ***Overall increase in spending by \$625 million.*** The additional investment of \$625M brings the total investment in education to \$24.5 billion.
2. ***Per Pupil Funding will increase.*** Per pupil funding will increase to \$12,300 annually.
3. ***More funding to address Special Education Assessment waitlists.*** The ministry is investing nearly \$125M over the next three school years to provide school boards with funding to address current waitlists for special education assessments.
4. ***Additional funding for students with extraordinary high needs.*** Over \$170M in funding, over the next three years, allocated through the Special Education Grant, which will support increased special education programs and services including:
  - a) Funding for a multi-disciplinary team or equivalent for all Boards (four additional staff per school board) to build board capacity and help teachers, education assistants, and other staff better understand and adapt to the unique needs of their students;
  - b) Funding for other staffing resources to support students with special education needs; and



- c) Funding to build capacity and provide direct support to students with special education needs, in recognition of the increase in demand for services.
5. ***Additional funding for students with extraordinary high needs.*** \$30M increase to the Special Incidence Portion allocation, to support students with extraordinary high needs to be successful in school; the maximum SIP eligible claim will increase from \$27,000 to \$38,016 adjusted annually.
  6. ***More teachers for careers and pathways planning.*** \$46M to support more than 450 additional teachers who will help Grade 7 and 8 students engage in career and pathways planning that will prepare them for success in high school.
  7. ***Additional funding support for English Language Learners (ELL).*** \$10M for demographic and growth adjustments through the Diversity in English Language Learners (DELL) (formerly Pupils in Canada) component within the Language Grant.
  8. ***Increasing investment in Mental Health Workers.*** \$24.5M, growing to \$49.5M in 2019-20, to fund approximately 180 mental health workers in 2018-19 and 400 in 2019-20. These mental health workers will support students in secondary schools who have mental health concerns through continued and expanded mental health awareness.
  9. ***Increasing the base amount of the Trustee Honoraria.*** Increasing the base amount of the Trustee Honoraria from \$5,900 to \$6,300 annually and the establishment of a working group to review the funding formula in detail.
  10. ***Increasing the Student Transportation Grant.*** Increasing the Student Transportation Grant from 2% to 4% to assist with increased transportation costs.
  11. ***The Ministry of Education will commission an external review.*** The ministry will commission an external review of the methodology for the Demographic Allocation within the Learning Opportunities Grant structure and review how boards use this allocation. This review will provide recommendations to the ministry on updating the formula and accountability structure.

12.***Create a new Program Leadership Allocation.*** Create a new Program Leadership Allocation (PLA) within the School Board Administration and Governance Grant. This allocation is comprised of six lead positions previously funded through other allocations within the GSN and through EPOs including the following:

- a) Mental Health Leaders
- b) Technology Enabled Learning and Teaching (TELT) Contacts
- c) Indigenous Education Leads
- d) Student Success Leads
- e) School Effectiveness Leads
- f) Early Years Leads (Formerly in EPO)

**Note:** This is not new funding. It is a funding reallocation from other GSN and/or EPO grants to the Administration and Governance Grant.

13.***New funding towards Education materials in respect of the cannabis issue.*** \$2.8 million to support school boards in developing education materials for educators, parents and students in respect of cannabis. There will be a phased in approach. Phase 1 will focus on resources, and Phase 2 will focus on training for mental health lead and professionals, to support students in schools.

14.***Funding for Executive Compensation Programs.*** Funding of \$12.1 million provided to assist boards with the implementation of their executive compensation programs. This is EPO funding outside of the Board Administration & Governance Envelope.

15.***Implementation of Cash Management strategies.*** This will entail ensuring that School Boards do not hold cash balances in excess of their operating and capital requirements. This will help reduce the borrowing costs experienced by the Province.

## Preliminary Analysis of Impact on TCDSB:

16. *Impacts on TCDSB budget and overall complement is positive, but preliminary in nature.* Figure 1 below presents preliminary estimates on budget and FTE, but cannot be verified until such time as EDU releases the GSN Technical Paper as well as EFIS data. It must also be considered in the context of other fiscal pressures. This means that the number of FTEs announced by EDU may not translate to TCDSB as the Board's salary/benefits costs are higher than the assumptions EDU used and the TCDSB may need to utilize some of this funding towards offsetting other costs pressures to maintain existing services. This is the reason a range appears in the FTE column.

**Figure 1:** Estimated GSN Announcement Impact on TCDSB

<b>Program</b>	<b>\$M</b>	<b>FTE</b>
Continued Implementation of Provincially Negotiated Extension Labour Agreements for the period of 2017-19	12.0	
Elementary Guidance Teachers	2.1	12 to 18
Special Education – Multi-Disciplinary Teams	1.4	10 to 14
Transportation - 4% increase for Costs	1.2	
Class Size Investments (Grades 4 to 8)	1.0	5 to 10
<b>EPO - Mental Health - Secondary Schools</b>	0.8	4 to 6
<b>School Operations - 2 % increase for Utilities</b>	0.8	
<b>FDK - Maximum class size reduced from 30 to 29</b>	0.5	2 to 3
<b>Retirement Gratuities funding benchmark reduction</b>	(2.0)	
<b>Implementation of Cash Management Strategies</b>	(0.1)	
<b>Total</b>	<b>17.6</b>	<b>33 to 51</b>

*Note: Some numbers may not add due to rounding*

## Developing a Balanced Budget

### **17. *Developing a balanced budget requires consideration of many moving parts.***

Several factors and sets of data must be considered in developing the preliminary budget estimates for consideration by the Board and public. The major contributing variables include:

- a) Student enrolment projections
- b) Staffing projections based on enrolment
- c) GSN announcements
- d) GSN technical paper
- e) EFIS data
- f) Inflationary pressures
- g) Legislative pressures (e.g. Bill 148)
- h) Collective Agreement arbitrations/decisions
- i) Strategies around accumulated surpluses/deficits
- j) Board initiated changes to service levels

### **18. *Preliminary budget estimates can only be full developed once all factors are known.***

Several of the factors listed above are known, however unfortunately some are yet to be released by the EDU (e.g. GSN technical paper, EFIS data). These are critical components in order to finalize estimates for consideration by the Board. Ministry staff have indicated that the release of this data may not be until the end of April. If this late timing comes to fruition then staff will only be in a position to bring preliminary budget estimates by the Regular Board meeting on May 17<sup>th</sup>.

### **19. *Rough incremental overall estimates have been developed to assess the risk of balancing the budget.***

In order to assess the risk of developing a balanced budget, staff have undertaken a rough analysis based on data known at this time as well as some assumptions. This was done to help inform the Board and the public on whether this budget will likely require reductions in service levels or if there will be monies available to undertake new Board initiatives or enhancements to service levels.

## **E. METRICS AND ACCOUNTABILITY**

1. ***Early indications show that a balanced budget can be achieved assuming that maintaining existing service levels is a priority.*** The analysis below shows that the TCDSB can both maintain and enhance its service levels based

on data known to date and the recent GSN announcements. This approach, however, assumes that a portion of new GSNs will be directed towards maintaining existing services, thereby removing the need to reduce staffing. Figure 2 below provides an analysis that is very preliminary and should be considered for illustrative purposes only.

**Figure 2:** Illustrative Analysis Indicative of a Balanced Budget

	\$M
<b>2018-19 New Cost Pressures:</b>	
Staffing Projections	2.1
Legislative/Arbitration Impacts	5.0
Spending on New Restricted GSNs	4.6
Spending on New Unrestricted GSNs	3.0
New Operational costs pressures	<u>1.4</u>
<b>Total 2018-19 New Cost Pressures</b>	<b>16.2</b>
<b>2018-19 New Revenues:</b>	
Student Enrolment	10.0
New Restricted GSNs	4.6
New Unrestricted GSNs	<u>3.0</u>
<b>Sub-Total – New GSNs</b>	<b>17.6</b>
Reduction in International Students	<u>(1.3)</u>
<b>Total 2018-19 New Revenue:</b>	<b>16.3</b>
<b>Incremental Operating Surplus/(Deficit)</b>	<b><u>0.1</u></b>

2. *Several options exist in approaching the development of the Preliminary Budget Estimates, but are always founded in the service levels provided to Students.* Developing a balanced budget in the Education Sector is about choosing a desired mix of service levels within a funding envelope set by the Province. Service levels can be considered a broad term, but may include teaching staff complement in general, teaching staff complement for particular programs, specialized program offerings, non-staffing costs of programs, offering of programs at particular locations, provision of technology for learning, operating costs of facilities, transportation service offerings, staffing and non-staffing costs of administration. These service levels are provided to Trustees and the public throughout the year through various reports. Some of these include:

- a. Transportation Annual Report,
  - b. Annual Safe Schools Report,
  - c. International Languages Program Report,
  - d. EQAO Assessments Report,
  - e. Board Learning Improvement Plan,
  - f. Accountability Framework for Special Education, and
  - g. Annual Report on the Multi-Year Strategic Plan
3. ***This is the first opportunity for the Board to provide initial input on changing service levels.*** Staff will be developing Preliminary Budget Estimates for presentation at May Corporate Services Committee or Regular Board and must await for data from EDU to do so. However, should the Board wish to provide any initial input or direction at this point they can do so by providing input for consideration in the development of preliminary budget estimates.
4. ***Staff are approaching the budget by assuming that maintaining existing service levels should be a priority before considering providing enhancements announced by the Province.*** The GSN announcements provide opportunity to enhance service levels by adding new complement in certain areas, however staff advise that there are cost pressures facing TCDSB's existing services that are not covered by the GSN announcements. Staff are proposing to use new GSN revenues (where permissible) to offset pressures to existing services first. Secondly, new revenues can be applied to new services envisioned by the Province and also to new TCDSB initiated strategic investments (e.g. technology, Board administration etc.).
5. ***Consultation with the public will focus on service level provision.*** The consultation will consist of informing the public of the GSN announcements, potential impact on TCDSB, existing cost pressures. It will then ask for feedback on whether the provincial announcements should be fully prioritized ahead of existing service level provisions (e.g. reduce other service levels to compensate), existing service levels should be prioritized ahead of new services or solicitation of broad feedback on changing the existing mix of service levels.

## **F. CONCLUDING STATEMENT**

This report is for the consideration of the Board.





REPORT TO

REGULAR BOARD

## PRELIMINARY 2018-19 BUDGET ESTIMATES (VOLUMES 1, 2, 3 – INCLUDES INSTRUCTIONAL)

*“Rejoice always, pray continually, give thanks in all circumstances; for this is  
God’s will for you in Christ Jesus”*

1 Thessalonians 5:16-18

Created, Draft	First Tabling	Review
May 8, 2018	May 17, 2018	

P. De Cock, Comptroller of Business Services & Finance

### RECOMMENDATION REPORT

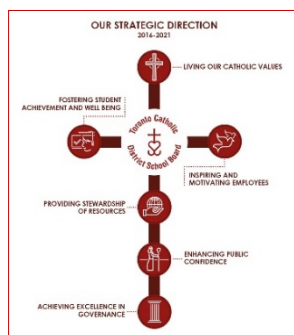
#### Vision:

*At Toronto Catholic we transform the world through  
witness, faith, innovation and action.*

#### Mission:

*The Toronto Catholic District School Board is an inclusive  
learning community uniting home, parish and school and  
rooted in the love of Christ.*

*We educate students to grow in grace and knowledge to  
lead lives of faith, hope and charity.*



Rory McGuckin  
Director of Education

D. Koenig  
Associate Director  
of Academic Affairs

TBD  
Associate Director  
of Planning and Facilities

L. Noronha  
Executive Superintendent  
of Business Services and  
Chief Financial Officer



## A. EXECUTIVE SUMMARY

*As per the requirements set out in the Education Act, TCDSB's budget estimates are balanced.* The preliminary 2018-19 budget expenditure and revenue estimates appearing in Volumes I to V of the Budget Book are balanced; based on consensus enrolment and staffing projections, and calculated Grants for Student Needs (GSNs) and Other Program funding projections.

*Two budget related reports have been submitted to allow Trustees with conflicts of interest on instructional related funding the opportunity to participate in non-instructional and reserve funding related discussions.* Volumes I to III focus on both the overall budget as well as instructional related expenditures, while Volume IV focuses on non-instructional expenditures and Volume V on financial sustainability.

*The first volume appearing in the 2018-19 Budget Book provides an overall contextual summary.* The Volume is meant to provide Trustees, Parents and other stakeholders a snapshot of TCDSB's profile as a large, urban, diverse and catholic school board. Enrolment data refers to the number of students projected to attend TCDSB schools in 2018-19, and is the key driver for revenue and expenditure calculations. Enrolment projections show an increase of 397 elementary students and 10 Secondary students for the 2018-19 school year. The total student population is expected to be 91,215

*The overall Grants for Student Needs are projected to increase.* TCDSB is projected to derive 92.8% of its operational revenues from the Provincial Grants for Student Needs (GSNs). The remaining funds are received in the form of Other Education Payments (EPOs) and other government agencies. Total funding is expected to increase by approximately \$20M. 2018-19 Revenue projections are as follows:

<i>Panel</i>	<i>2017-18 (\$B)</i>	<i>2018-19 (\$B)</i>	<i>Change (\$B)</i>
GSNs	1.04	1.06	0.02
EPOs & Other	0.08	0.08	0.00
<b>Total</b>	<b>1.12</b>	<b>1.14</b>	<b>0.02</b>

*The projected enrolment and estimated GSNs provide the capacity to determine the TCDSB's instructional and support service levels.* The Education Act and its regulations concerning class sizes and required instructional minutes, consequently, prescribes TCDSB's service levels. The projected expenditures in the Instructional expenditure category are estimated in the table below:

<b><i>Instructional Expenditure Categories</i></b>	<b><i>2017-18 (\$M)</i></b>	<b><i>2018-19 (\$M)</i></b>	<b><i>Change (\$M)</i></b>
Classroom Teachers	619.2	631.6	12.4
Professionals & Paraprofessionals	51.4	53.8	2.3
In School Administration	67.4	68.7	1.2
Textbooks & School Computers	35.0	35.9	0.9
Education Assistants	53.7	54.4	0.7
Continuing Education	23.6	23.8	0.2
Resource Teachers	5.4	5.5	0.1
Occasional Teachers	29.3	29.4	0.1
Early Childhood Educators	27.3	27.2	(0.1)
Staff Development	3.2	2.9	(0.3)
<b>Total</b>	<b>915.5</b>	<b>933.2</b>	<b>17.7</b>

*The 2018-19 Budget Estimates includes additional discretionary investments in Instructional Expenditure Categories.* The 2018-19 GSN announcement considered service level increases to both non-discretionary and discretionary areas of the Instructional expenditure budget. “Non-discretionary” investments are considered to be investments largely related to enrolment growth, restricted funding from the Province or required through arbitration settlements. “Discretionary” investments are generally those using remaining unrestricted GSN funding. In total, staff are recommending an increase of complement of 102.4 Full Time Equivalent (FTE) staff inclusive of new Elementary Teachers, Elementary Guidance Teachers, Secondary Teachers, Special Education Teachers, Special Education Professionals, Principals and Vice-Principals. Please note that three additional FTEs for Non-Instructional are also recommended through the second report concerning budget on this same agenda.

In addition to investments from the GSNs, the 2018-19 budget estimates recommends one-time Strategic Instructional Expenditure investments from the Accumulated Surplus for Computer and Telephony Technology in the amount of \$1.4M.

*The cumulative staff time required to prepare this report was 200 hours.*

## **B. PURPOSE**

1. This report has been prepared for the Board of Trustees in order to receive the Introduction Volume I and approve in principle the 2018-19 Budget Estimates for Revenues (Volume II) and Instructional Expenditure Categories (Volume III), appearing in the attached 2018-19 Budget Book.
2. The Board of Trustees' final approval for the 2018-19 Budget Estimates for Revenues and Instructional Expenditures as outlined in the Volumes II-III in the Budget Book will be sought at the Corporate Service Meeting scheduled for June 6<sup>th</sup> 2018.

## **C. BACKGROUND**

1. ***Total GSN funding for the TCDSB is increasing.*** The overall 2018-19 GSNs are increasing (refer to Volume II). The increased GSN amounts sets out the key provincial policy and funding changes supported by these regulations, such as investments in Special Education Supports, Mental Health Resources and a continuing reduction to class sizes to name just a few initiatives. It also sets out the funding measures intended to help boards keep up with inflationary costs and provincial discussion table labour agreements salary and benefits increases.
2. ***GSN updates are necessary to match funding with ongoing cost pressures from growth and inflation.*** The 2018-19 GSNs also reflect funding for increased enrolment, ongoing investments to meet prior year's labour agreements, and regular updates to the GSNs, informed by recent Ministry consultation engagement sessions.
3. ***EPO and Other funding amounts are declining.*** Other revenues, i.e. Education Payments Other (EPO) and Tuition Fees are declining compared to 2017-18. The decline is primarily due to a reduced projection of international Visa student tuition fees.
4. ***New Investments in the education sector will increase TCDSB's service and support levels.*** The TCDSB was in a Multi-Year Recovery Plan (MYRP) for the last few years and difficult decisions reduced service levels across all functional areas of the Board. As a result, the 2018-19 GSN projections, has created an opportunity to reinvest in TCDSB's instructional expenditure areas (refer to Volume III) and recommend a balanced budget. These investment recommendations are provided at a high level for "Non-Discretionary"

investments and more specifically for “Discretionary” investments below. Further details can be found in Volume III of the Budget Book.

<b><i>Non-Discretionary GSN Investments in Instructional Expenditures</i></b>	<b><i>FTE</i></b>	<b><i>(\$M)</i></b>
Special Education Teachers	34.4	3.4
Elementary Teachers	33.5	3.3
Special Education – Other Professionals	12.0	0.8
Principals and Vice-Principals	5.5	0.7
Secondary Teachers	1.0	0.1
<b>Total</b>	<b>86.4</b>	<b>8.3</b>

<b><i>Discretionary GSN Investments in Instructional Expenditures</i></b>	<b><i>FTE</i></b>	<b><i>(\$M)</i></b>
Elementary Guidance Teachers	8.0	0.6
SHSM / Student Success Resource Teacher Leads	2.0	0.2
<b>Total</b>	<b>10.0</b>	<b>0.8</b>

<b><i>Total Non-Discretionary and Discretionary GSN Investments</i></b>	<b><i>FTE</i></b>	<b><i>(\$M)</i></b>
<b>Grand Total</b>	<b>96.4</b>	<b>9.1</b>

5. Staff are also recommending that a strategic investment of \$1.4M be made out of the Accumulated Surplus to support Computer and Telephony technology. Staff believe this is achievable given the surplus and still fiscally prudent, while responding to some urgent technology upgrade needs. Volume V provides context for how this fits in with the Reserve Strategy.

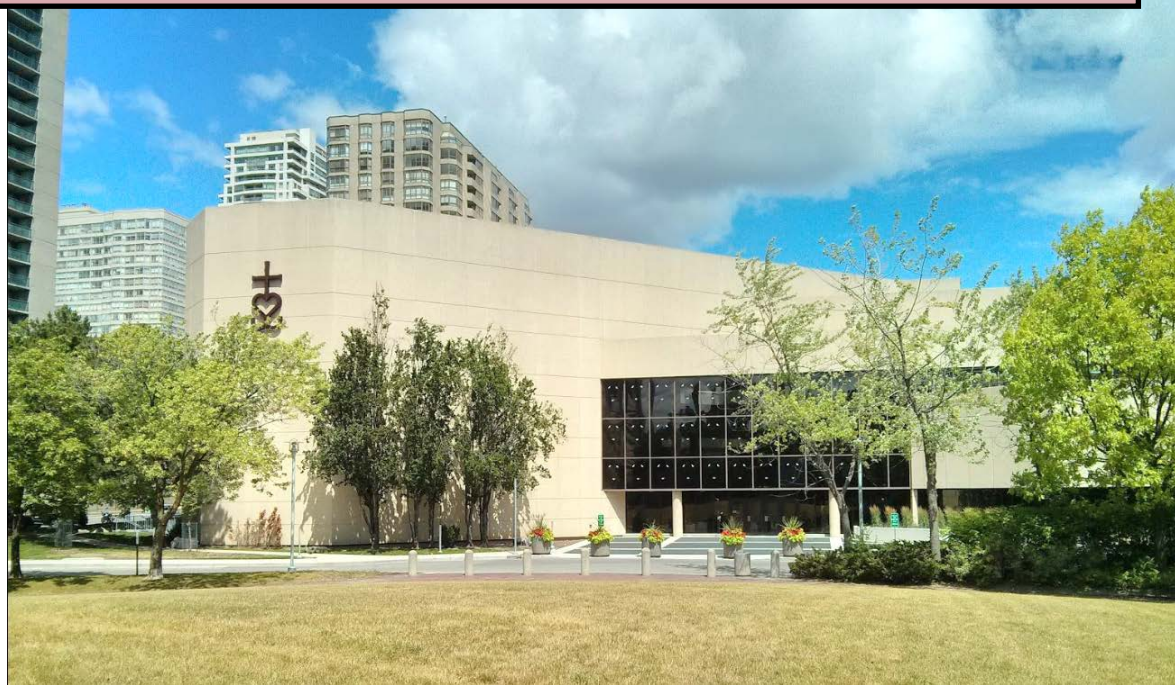
<b><i>Discretionary Surplus Investments in Instructional Expenditures</i></b>	<b><i>(\$M)</i></b>
Increase Investment in Computer & Telephony Technology	1.4

## **D. STAFF RECOMMENDATION**

1. That the Board of Trustees approve in principle a balanced budget with a base budget increase in the Instructional Category by \$17.7M, inclusive of 102.4 new FTEs, as further detailed in Volume III of the Budget Book.
2. That the Board of Trustees approve in principle for inclusion into the Instructional Expenditure Category budget a strategic one-time investment from Accumulated Surpluses of \$1.4M for Computer and Telephony Technology, as further detailed in Volume III of the Budget Book.
3. That staff present a balanced budget, with the Instructional Category Expenditures appearing in Volume III of the Budget Book reflecting any amendments necessary as a result of community budget consultations to the Board of Trustees at the Corporate Services meeting scheduled for June 6<sup>th</sup> 2018.

# Toronto Catholic District School Board

## 2018 – 2019 Budget Estimates



**May 17, 2018**

***Draft – Until approved by  
Board of Trustees (Expected  
June 6, 2018)***





# Board of Trustees

*Catholic school trustees are the critical link between communities and school boards. Catholic ratepayers in City of Toronto elect 12 English Language Trustees to the Toronto Catholic District School Board during each municipal election. The Chair of the Board and the Vice-Chair are elected at the Inaugural meeting of the Board, and serve for one year.*

*Working together, a school trustee is responsible, as a member of the Board:*

- To govern and set policy.
- To govern for the provision of curriculum, facilities, human and financial resources.
- To advocate for the needs of their communities.
- As a constituency representative, to explain the policies and decisions of the TCDSB to residents.

*Trustees are available to help taxpayers, parents and others*



Trustee Joseph Martino  
Ward 1: Etobicoke



Trustee Ann Andrachuk  
Ward 2: Etobicoke



Trustee Sal Piccininni  
Ward 3: North York



Trustee Patrizia Bottoni  
Ward 4: North York



Trustee Maria Rizzo  
Ward 5: North York



Trustee Frank D'Amico, CD  
Ward 6: York



Trustee Michael Del Grande  
Ward 7: Scarborough/North York



Trustee Garry Tanuan  
Ward 8: Scarborough



Trustee Jo-Ann Davis  
Ward 9: Toronto



Trustee Barbara Poplawski  
Ward 10: Toronto



Trustee Angela Kennedy  
Ward 11: East York/Toronto



Trustee Nancy Crawford  
Ward 12: Scarborough



Trustee Rhea Carlisle  
Student Trustee: All TCDSB Schools



Trustee Joel Ndongmi  
Student Trustee: All TCDSB Schools

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## EXECUTIVE SUMMARY

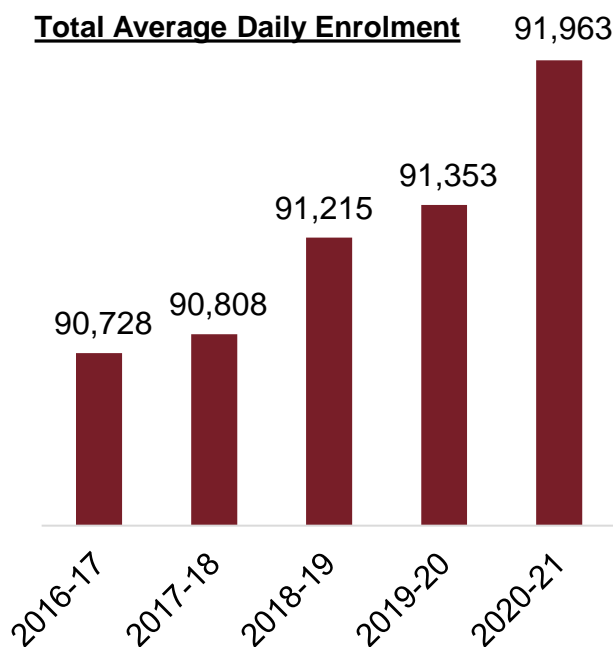
### Balancing fiscal responsibility with service to our students

The Toronto Catholic District School Board's (TCDSB) budget process is largely about balancing the ongoing cost pressures associated with operating a large urban school board, and ensuring that students receive the best possible environment to encourage achievement and well-being through the lens of Catholic Faith.

TCDSB has made difficult decisions over the last few fiscal years to reduce staffing service levels in order to solve an ongoing deficit issue within the Board's previous budgets. This plan was called the "Multi-Year Recovery Plan" and has been achieved two years earlier than expected.



The 2018-19 Operating Budget Estimates focus on some new investments, while remaining conscious of fiscal restraint and planning for the future.

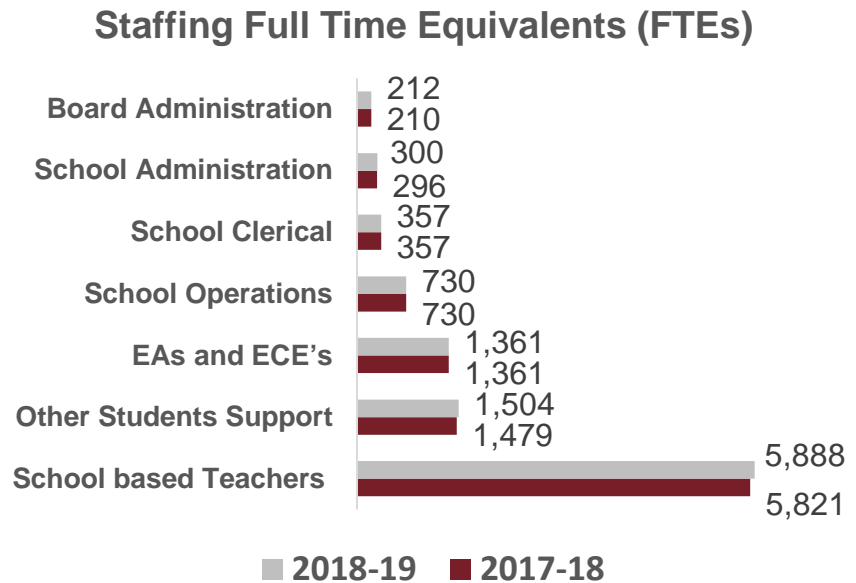


### Our students and staff are at the centre of the budget

The primary cost drivers of TCDSB's budget are student enrolment and the related staffing levels required in the classroom. TCDSB is a growing board. 407 students are expected to be added in the 2018-19 school year. The Board will continue to grow in the foreseeable future.

As a result, staffing levels are also expected to grow. TCDSB currently has 10,255 Full Time Equivalent (FTE) positions

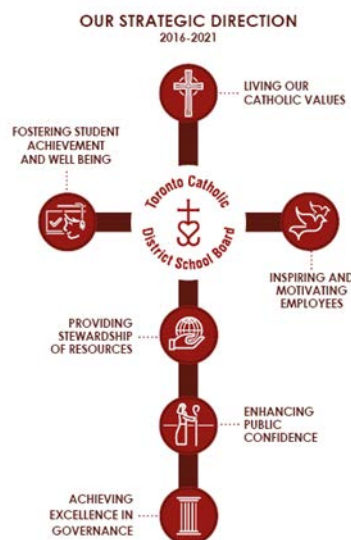
working at its 195 schools, Board Office and other administrative facilities. 2018-19 will see an additional 97.9 new FTEs added to the complement to address growth and increase service levels in specific areas. 97% of this year's budget increase is directly related to student and classroom related increases.



## Linking the budget to the Multi-Year Strategic Plan

The Multi-Year Strategic Plan (MYSP) provides the overarching directions and principles that should drive the budget process. Students are always the Board's primary focus and are represented in all six strategic directions found within the MYSP. TCDSB is committed to offering programs and

services, which challenge all students to achieve their personal best. TCDSB also strives to make efficient, effective, and innovative use of resources, based on sound planning, and the best available information. Inherent in the budget process is the allocation of available resources to address student needs.



This budget process includes some preliminary work on linking the budget to the MYSP. Staff attempted to allocate various portions of the budget to each of the six strategic directions to provide a conceptual level view of how the budget delivers on the MYSP. It is expected that future budgets will contain even

more detail on these allocations and will start to create a reciprocal relationship or "feedback loop" between these two strategic discussions.

## Operating revenues are estimated to balance with operating expenditures

Based on legislation, school boards are not permitted to plan for in-year deficits in their budget setting process, with very few exceptions. TCDSB has followed some fiscally prudent approaches over the last several years to balance its budget. Given the announcements by the Ministry of Education on additional funding, the 2018-19 budget has provided an opportunity to make several new investments while maintaining a balanced budget.

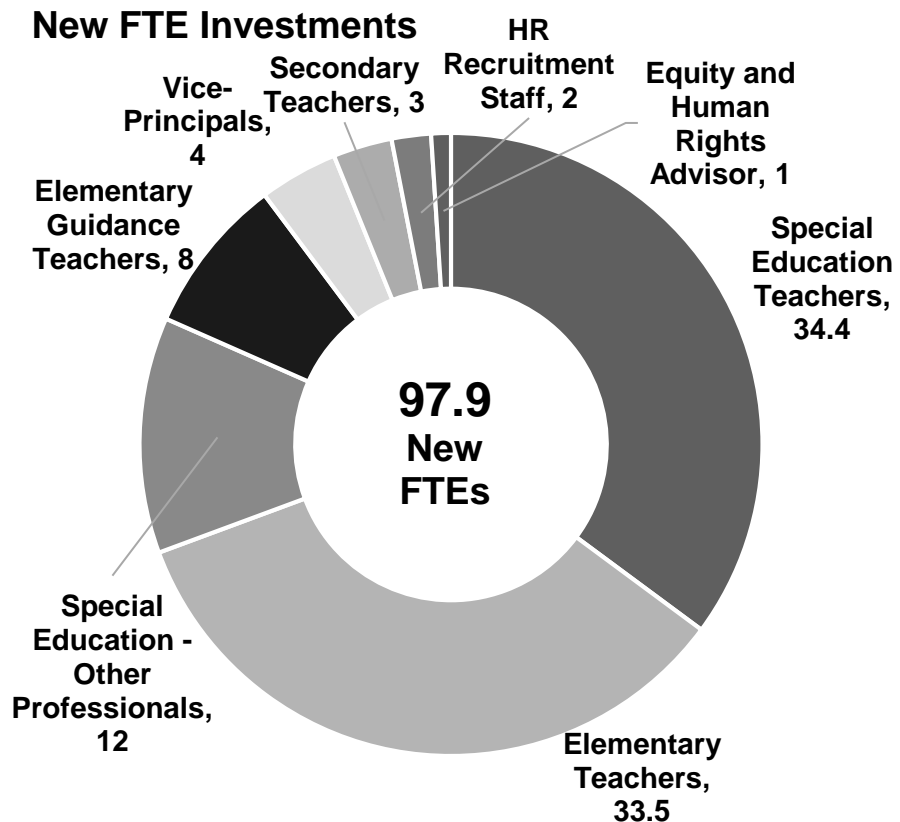
(\$M)	2017-18	2018-19
Operating Revenues	\$1,120.3	\$1,140.8
Less: Operating Expenditures	<u>\$1,120.2</u>	<u>\$1,140.7</u>
Operating Surplus	\$0.1	\$0.1

Several factors such as restrictions on funding eligibility, arbitration decisions with labour unions and new legislative requirements have caused pressures that have constrained TCDSB on how much new funding can be allocated to discretionary type investments. Despite these challenges, the TCDSB is planning for a notional surplus of \$0.1M in the 2018-19 fiscal year.

## New investments in the system are recommended to bolster service levels

The 2018-19 budget contains several new investments ranging from classroom teachers to special education workers to an Equity and Human Rights advisor, that will help the board continue to provide high service levels to its students. The majority of these investments are based on restricted funding and arbitration decisions, but nevertheless are seen as critical and

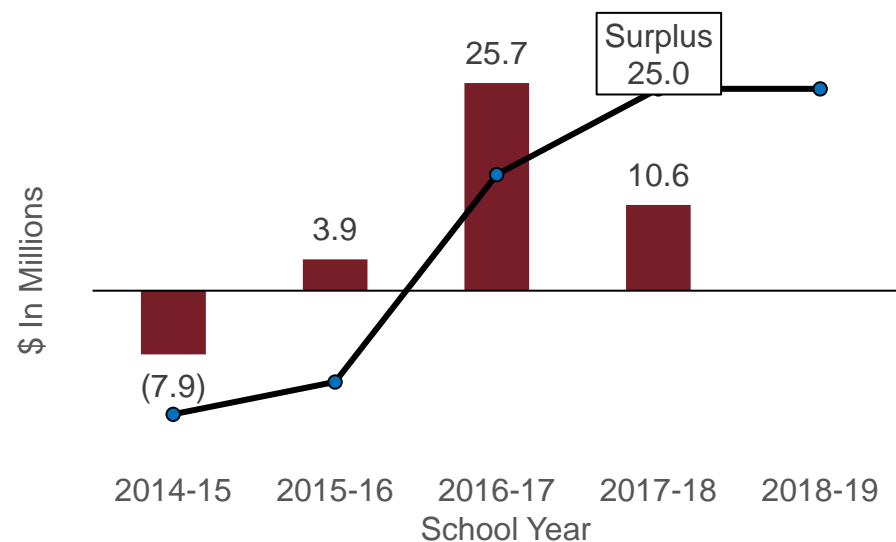
positive new resources in a board that has had to reduce staffing in several areas to balance its fiscal position over the last few years.



## Planning for the future requires a strategy to reserve funding

As the TCDSB emerges from the deficit and the MYRP, it has become especially important to consider how the Board treats accumulated deficits, surpluses and plans for future strategic investments. The Education Act allows boards to create reserves for specific intended purposes. As long as

In-Year and Accumulated Surpluses / (Deficits)



these reserved funds are uncommitted then they still contribute towards the Board's accumulated surplus.

At the end of the 2017-18 fiscal year, the TCDSB is expected to have an accumulated surplus of \$25.0M. \$10.5M is related to moving employees and retirees to new Provincially mandated benefit trusts. This surplus amount has not yet been confirmed by the Province. This leaves \$14.5M available to be reserved for specific purposes.

In recent history TCDSB has made some fiscally prudent decisions to begin informally reserving funding. This year's budget process recommends formalizing this approach. For instance, a motion was passed in the 2017-18 budget year that 1% of the accumulated surplus be set aside as a contingency to address potential in-year deficits in future years. This budget process recommends setting this aside in a "Operating Contingency Reserve". Once the potential benefit surpluses materialize then this amount would also be added to this reserve to work towards a contingency that is equivalent to 2% of the TCDSB's operating budget.

The reserve strategy has four primary action components for this year:

1. Consolidate some existing reserves into newly formed strategic reserves.

2018-19 New Consolidated Reserves (\$M)	
I.T. Infrastructure Reserve	\$2.18
Admin Facility Reserve	\$1.20
<b>Total</b>	<b>\$3.38</b>

2018-19 One-Time Strategic Investments (\$M)	
IT Hardware Replacements	\$1.40
HR Recruitment Initiatives	\$0.12
School Board Cooperative Inc. Services	\$0.22
<b>Total</b>	<b>\$1.74</b>

2. Identify one-time strategic investments for 2018-19 to be funded by the accumulated surplus.

3. Apportion the remaining available accumulated surplus in to new strategic reserves.

2018-19 New Strategic Reserves (\$M)	
Operating Contingency Reserve	\$11.20
IT Strategic Systems Reserve	\$1.50
Total	\$12.70

% Allocation of In-Year Surpluses to Strategic Reserves	
Operating Contingency Reserve (To Max of 2% Contingency)	50%
IT Strategic Systems Reserve	40%
Admin Facility Reserve	5%
Student Equity Strategic Reserve	5%
Total	100%

4. Formulate a strategy to apportion in-year surpluses or fund in-year deficits at year end.

# Toronto Catholic District School Board

## Volume I: The TCDSB Context





## **This book provides both an overview and details of the proposed 2018-19 Budget Estimates**

As Toronto Catholic District School Board (TCDSB) grows, so does its method of communicating a large and complex budget. The format of this book is the first step in creating a format that can be used by trustees, parents, staff, students and other stakeholders to understand and navigate the budget.



This changed format is still in the early stages of its evolution and will likely improve as we move to future budget cycles.

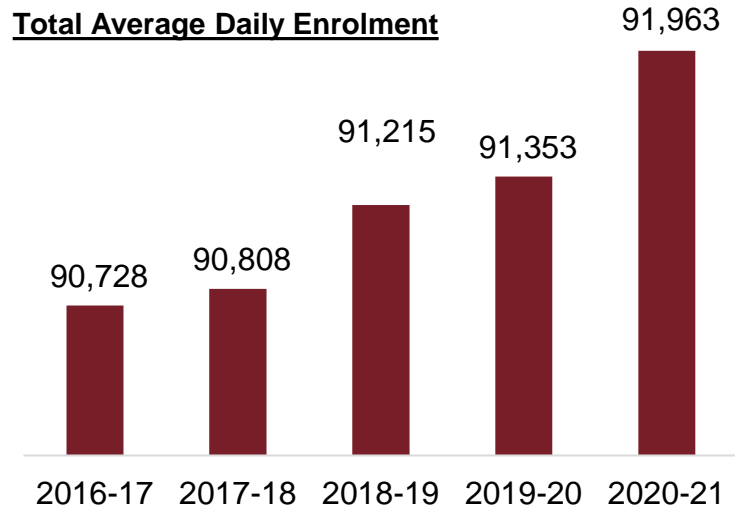
The book starts in this Volume by providing some context on the TCDSB in terms of its students, staff, transportation issues and the budget process. It then provides an overview of

revenue sources and how the TCDSB is funded in Volume II. Volumes III and IV provide an overview and details of expenditures and new investments in Instructional and Non-Instructional activities in the organization, respectively. Finally, Volume V provides context on Financial Sustainability and recommends a Reserve Strategy to consider as we move forward.



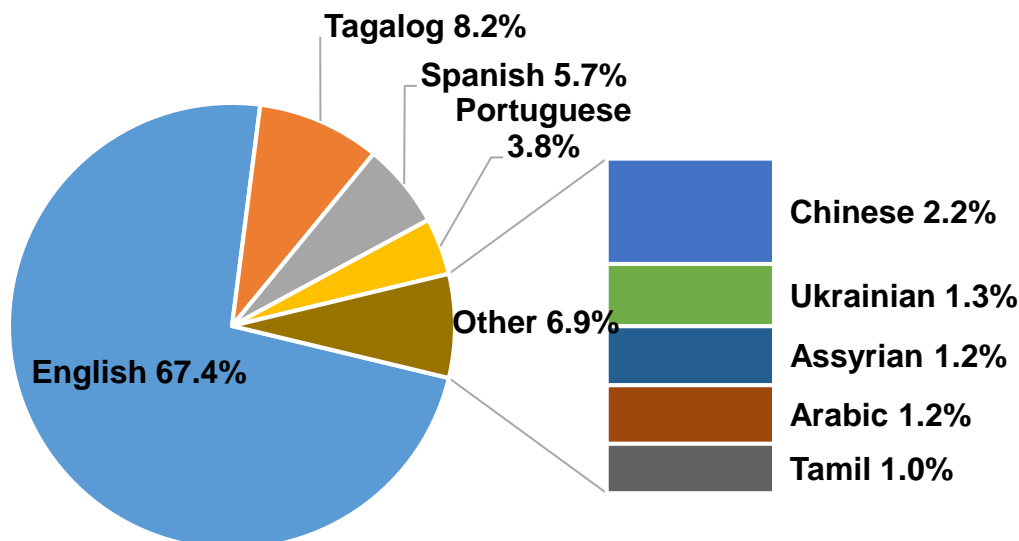
## Our Students are the most valuable part of this organization

Our student enrolment is what drives the organization and consequently also the budget process. With a student population of 90,808 in 165 Elementary Schools and 31 Secondary Schools, the TCDSB is one of the five largest Boards in Ontario (including Catholic and Public).



The TCDSB thrives in a large urban environment in Canada's largest City.

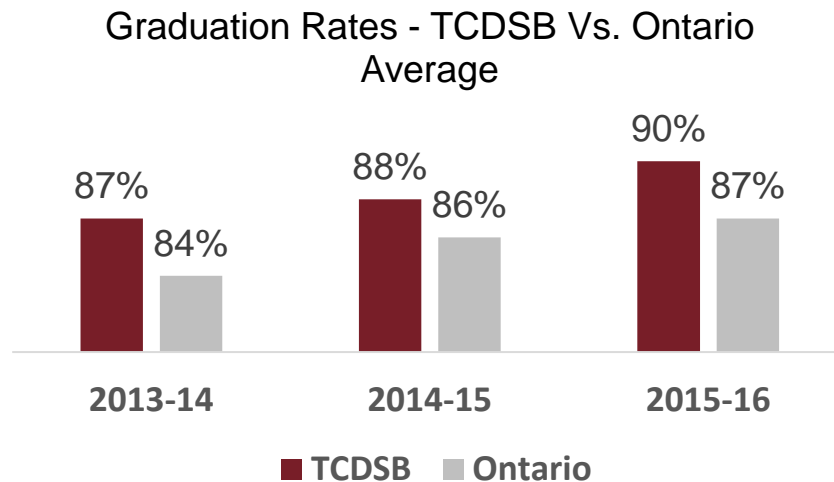
### Student Population by Language Spoken 2017-18



It is a diverse population and TCDSB serves the catholic population by embracing this diversity. The chart below describes the

demographics through the lens of languages spoken. The information contains groups that are above 1% of the Population.

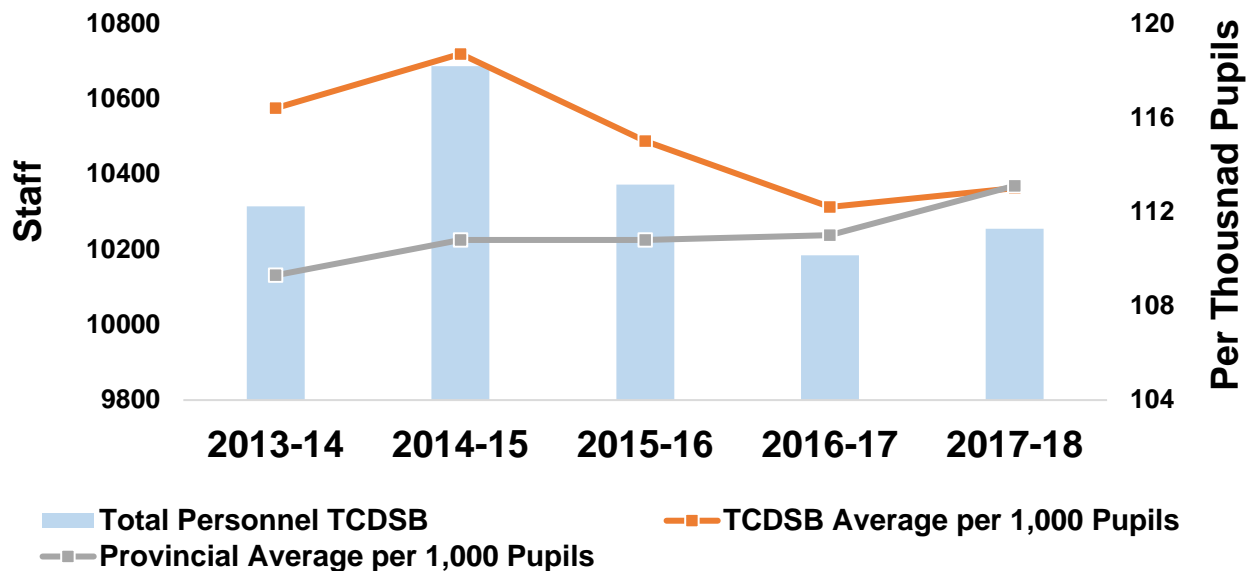
Our students are achievers and our system is built to graduate educated, Catholic and contributing members of society. Our graduation rates have consistently trended higher than that of provincial averages over the last few years.



## **Our Staff provide the necessary human resources to fulfill our mandate as Catholic educators**

TCDSB has a total of 10,255 FTE positions as of the 2017-18 school year. A little more than 50% of this staff is comprised of school based teachers, while another 30% make up Education Assistants, Early Childhood Educators and other Student Support staff. Another 18% of staff is for School Administration (Principals and Vice-Principals), school clerical staff, school operations, while the remaining 2% is for Board Administration. Over the last 5 years, the TCDSB has reduced its staffing levels to meet financial pressures it faced in terms of matching staffing expenditures to the funds received by the Province. As can be seen by the chart below, the TCDSB has moved to a point where overall service levels from a staffing point of view are matching those of provincial averages, while remaining fiscally sustainable. Certain specific areas such as School Administration, School Operations and Board Administration are below the provincial average, while other classroom based areas are still trending above the provincial average.

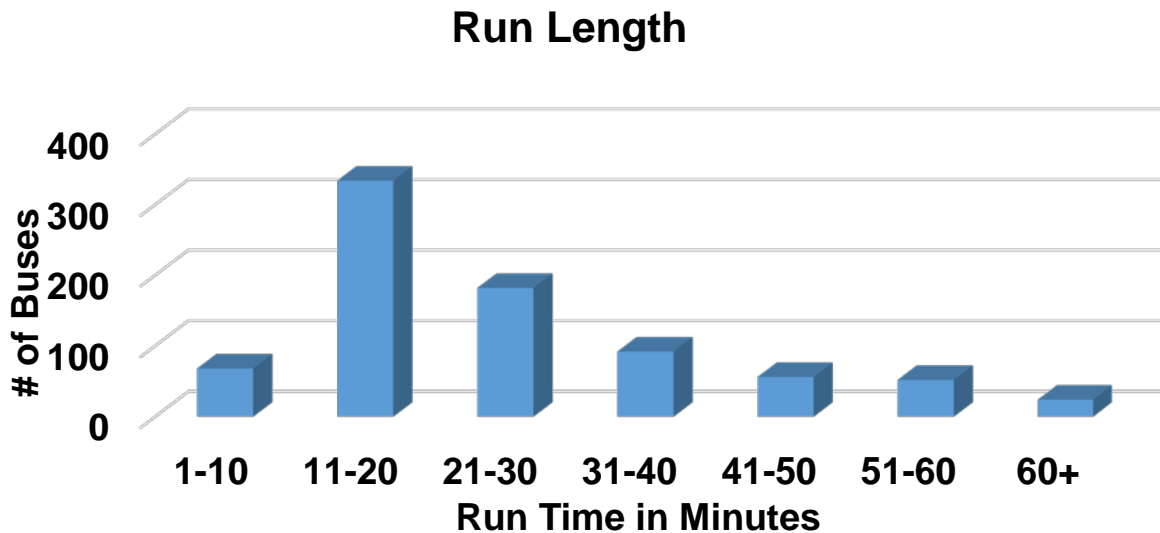
### 5 year Trend of Total Personnel (FTE) TCDSB



### Transportation is one of the largest non-staffing related expenses for the Board

The Toronto Student Transportation Group (TSTG) is a consortium between the Toronto Public Board and the Toronto Catholic Board. It services a large and dynamic student population within the City of Toronto. A majority of funding dollars are directed towards the student transportation services for students with special needs. Unique needs, geography, and modified program hours are just some of the factors impacting the delivery of transportation services for special needs students.

For large capacity buses the routing methodology that provides the most cost effective solution given the geography and student density is the coupling of runs. This means that bus runs will service one school community and then proceed out again to service another school community. This maximizes the use of the bus while improving the level of service for students.



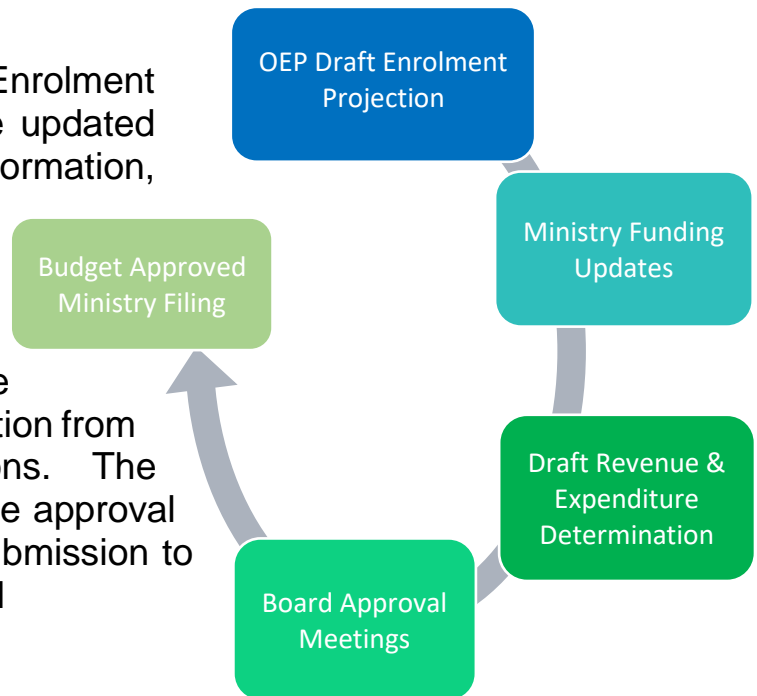
Technology in the school bus industry has been expanding rapidly in the last few years. Additional communication tools will be launched to provide schools and parents better access to the buses that are servicing their schools. School bus delay notifications will no longer be isolated to e-mail but expanded to include text messages, RSS feeds, and applications to better communicate delays and service announcements to our school communities and families.

## Creating a budget is an iterative and consultative process

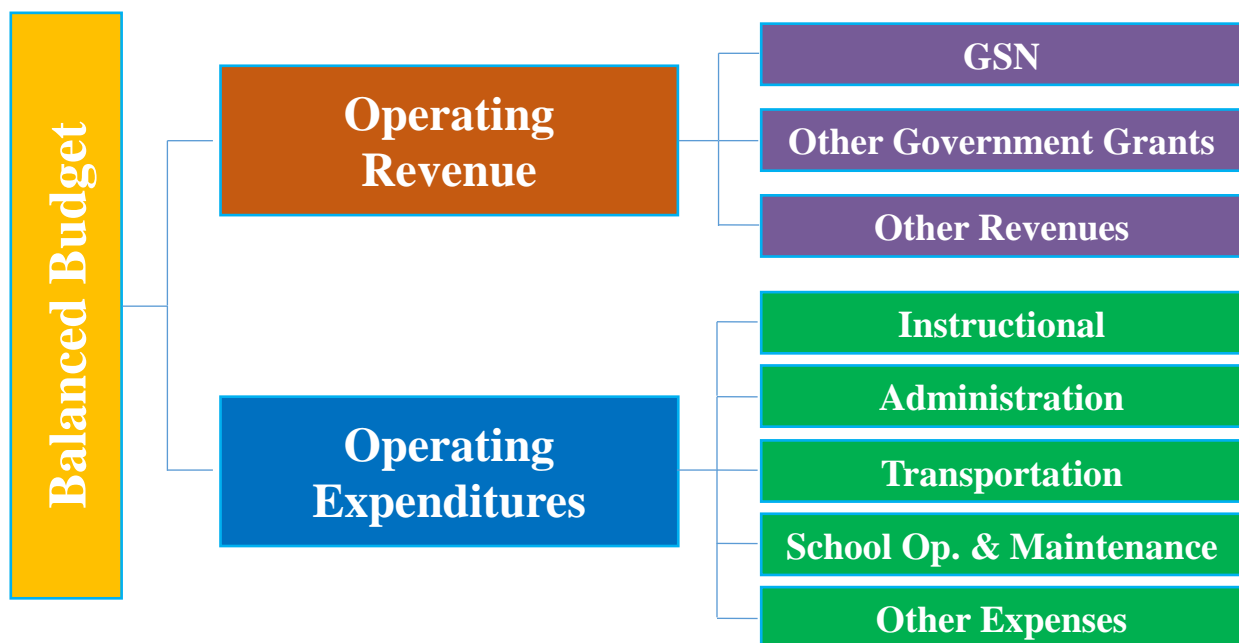
School boards are required to submit the 2018-2019 Estimates (budget) forms to the Ministry by June 30, 2018. The 2018-19 Budget includes Operating Budget sections that have been prepared on a modified cash basis, which is consistent with prior years. However, school boards are required to prepare their budgets in accordance with Public Sector Accounting Board (PSAB) standards.

Based upon the draft Official Enrolment Projections (OEP) along with the updated Ministry of Education funding information, budget staff build draft revenue and expenditures for the deliberations of the Board and consultation with the public. Through several meetings, the Board of Trustees receive information from board staff and public deputations. The end-result of these meetings is the approval of the budget by the Board for submission to the Ministry of Education. The goal is for the Board to have a transparent and accountable

budget to stakeholders which ties into the goals of Multi-Year Strategic Plan and Ministry guidelines.



The basic breakdown of the TCDSB budget is depicted in the illustration below, however a considerable amount of detail and complexity lies beneath each of the boxes represented by the revenues and expenditures.



Boards are required by the Education Act to submit a balanced budget to the Ministry of Education. This means that the following simple equation must be met (with few exceptions):

<b>Operating Revenue</b>	<b>=</b>	<b>Operating Expenditures</b>
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## **Preliminary linkages have been identified to illustrate how the budget delivers on the Multi-Year Strategic Plan (MYSP)**

The following section provides a brief overview of the linkages that staff have identified between the budget and the MYSP. This should only be considered as preliminary in nature and more work will be completed in future budget cycles to deepen the understanding of these linkages. The figures below are provided as one way of viewing the budget. They are not for approval purposes, but rather for informational purposes. Subsequent sections of this book provide budget figures for approval in a more functional format. *Please note that all expenses are rounded to the nearest \$0.1M, therefore some expenses noted as \$0.1M may be lower.*



### **LIVING OUR CATHOLIC VALUES**

*To understand and apply Catholic Teachings to all that we do*

1. Chaplaincy	\$2.5M
2. Religious Program Materials & Resources	\$1.5M
3. Religious Retreats	<u>\$0.1M</u>
	<b><u>\$4.1M</u></b>

*It should be noted that “Living Our Catholic Values” figure has been derived by including “direct” expenses. TCDSBs “indirect” expenses, which include hundreds of millions of dollars of teaching and support staff costs, truly reflect an overall investment in our Catholic system and “Living Our Catholic Values”.*



## FOSTERING STUDENT ACHIEVEMENT AND WELL-BEING

*To support our students in achieving academic excellence and meeting the Ontario Catholic School Graduate Expectations*

1. Instructional Day School Staff & Supplies	\$760.7M
2. Student Support Services	\$68.5M
3. Special Education Programs & Services	\$4.3M
4. Safe School Team	\$0.2M
5. Student Transportation Services	\$35.7M
6. Student Nutrition Program – Angel Foundation	\$0.1M
7. Student Pediculosis Program	\$0.1M
	<b><u>\$869.6M</u></b>



## ENHANCING PUBLIC CONFIDENCE

*To create enhanced, regular communication with all stakeholders*

1. Executive Offices	\$5.1M
2. Communications Office	\$0.6M
	<b><u>\$5.7M</u></b>



## PROVIDING STEWARDSHIP OF RESOURCES

*To establish integrated decision-making structures and processes to support responsive and responsible allocation of resources*

1. Business Administration	\$4.8M
2. Corporate Services	\$1.1M
3. Facility & Planning Services	\$1.7M
4. Computer & Information Technology	\$23.5M
5. School Operations & Maintenance	<u>\$98.1M</u>
	<b><u>\$129.2M</u></b>



## ACHIEVING EXCELLENCE IN GOVERNANCE

*To lead and model best practices in Board governance*

1. Trustees & Trustee Services	\$0.9M
2. Parliamentarian Services	<u>\$0.1M</u>
	<b><u>\$1.0M</u></b>



## INSPIRING AND MOTIVATING EMPLOYEES

*To create a learning and work environment that is equitable and diverse, and that supports professional learning, innovation and collaboration*

Human Resources

**\$6.3M**



# Toronto Catholic District School Board

## Volume II: Operating Revenue



## School Board Operating Revenues come from three major sources

Grants for Student Needs (GSNs) <i>Provincial Source</i>	Education Programs - Other (EPOs) <i>Provincial Source</i>	Other Revenues <i>Various Sources</i>
<ul style="list-style-type: none"> <li>• Classrooms</li> <li>• Schools</li> <li>• Locally managed system</li> <li>• Specific Priorities</li> </ul>	<ul style="list-style-type: none"> <li>• Time limited</li> <li>• Specific</li> <li>• Enveloped</li> <li>• Uncertain and unpredictable</li> <li>• Not always incorporated in to the operating budget as a result of the above</li> </ul>	<ul style="list-style-type: none"> <li>• Adult education fees</li> <li>• VISA or non-resident tuition</li> <li>• Interest revenue</li> <li>• Daycare</li> <li>• Fundraising by schools</li> </ul>

## Grants for Student Needs (GSN) funding is primarily driven by student enrolment

The majority of operating funding received by TCDSB comes from the annual GSN. The GSN is a collection of grants, which supports funding for the classroom, school leadership and operations, specific student-related priorities and local management by school boards. The key determinant for these grants is enrolment. The measure of enrolment used for funding purposes is the average daily enrolment (ADE) of pupils. Boards report the full-time equivalent of pupils enrolled for each school year as of October 31st and March 31st, the two '**count dates**' during a school board's fiscal year. The calculation of ADE is based on an average of the full-



time equivalent pupils reported on the two count dates. The GSN is a collection of grants by grouping grants under the following headings:

**Funding for classrooms**

focuses on providing classroom resources.

**Funding for schools**

provides the resources to ensure schools have the leadership they need and are clean and well-maintained facilities for learning.

**Funding a locally managed system**

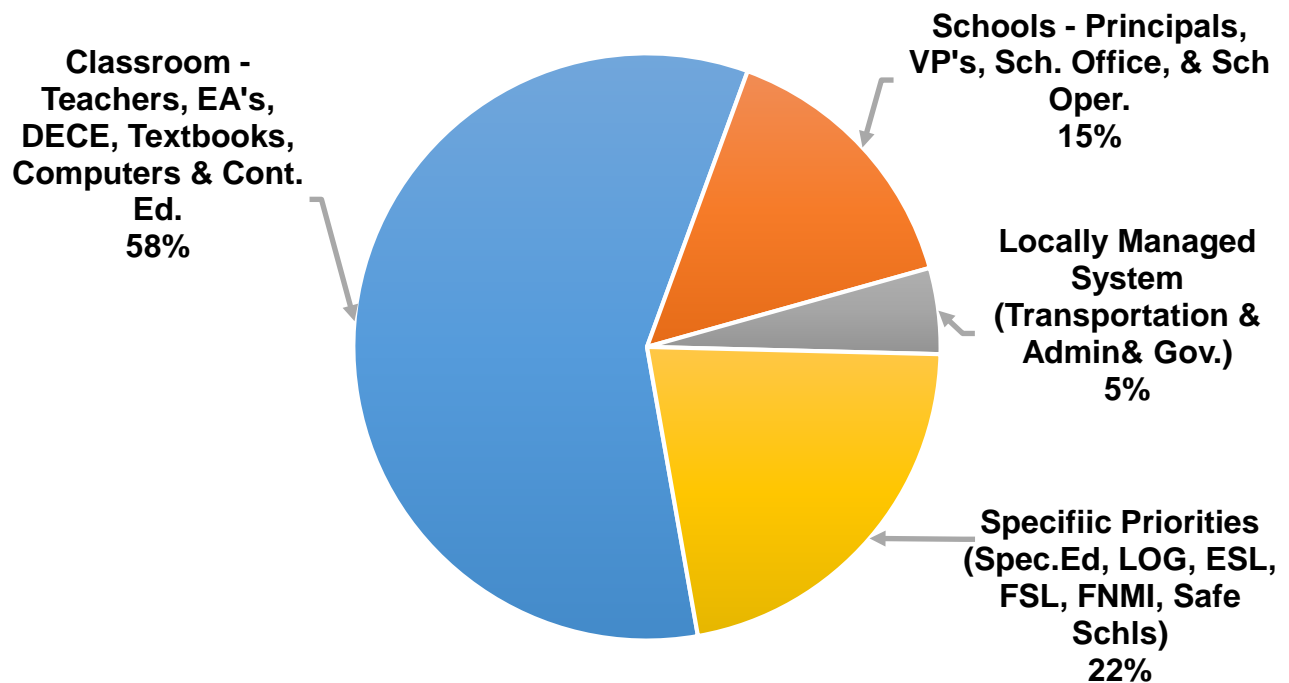
aims to ensure board leadership carries out focused activities to support alignment of resources.

**Funding for specific priorities**

speaks mainly to the Achieving Excellence goal of closing gaps by, for example, meeting special education needs and improving language proficiency.

The Following Chart Breaks the GSN in the four areas described above Funding for Classrooms (Foundation & Continuing Ed.), Funding for Schools (Principals, VP's, Sch. Office & School Operations), locally managed systems (Transportation & Administration & Governance), and Specific Priorities (English as Secondary Language (ESL), French as Secondary Language (FSL), Learning Opportunities Grant (LOG), First Nations, Métis, and Inuit (FNMI), Safe Schools).

### 2018-19 Operating Allocation Percentages by 4 Major Categories



The ministry recognizes that conditions vary widely across Ontario and the funding formula cannot take every situation into account. So local school boards have flexibility in how they use funding, within the overall accountability framework. Appendix 2A provides a description of the specific grants under each of the headings above as well as the expected increase for TCDSB in the 2018-19 school year.

The following Chart summarizes the Grants for Student Needs (GSN's), EPO's and Other revenues estimated to be received in 2018-19 with a comparison to the 2017-18 Revised Estimates. An increase of \$23M in GSN's is estimated with an estimated decrease in EPO and Other revenues of (\$2.4M) for a net increase in operating revenues of \$20.6M.

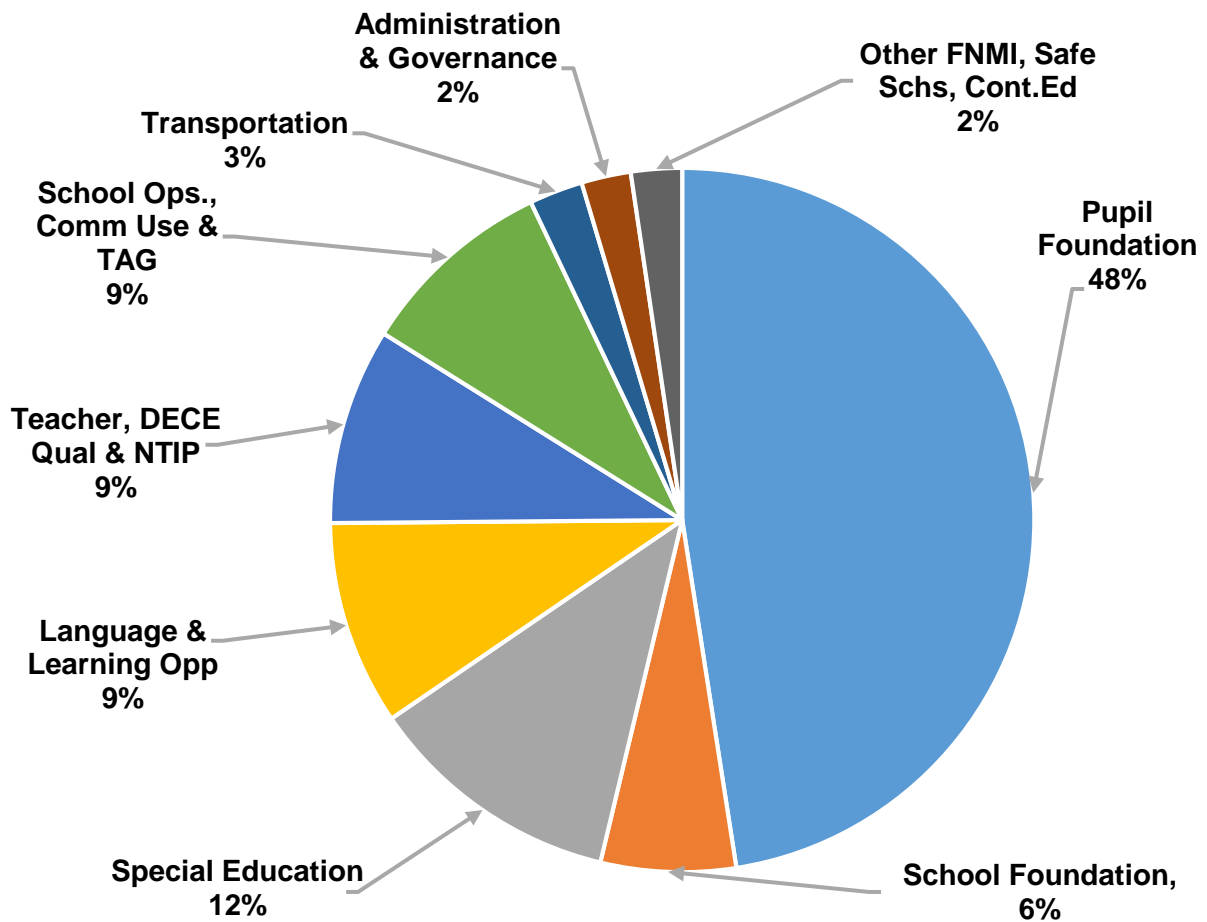
### TCDSB 2018/19 Operating Grants & Other Revenues Estimates (000's)

Revenues	2017/18 Budget Revised Estimates	2018/19 Budget Estimates	Variance Incr./ (Decr.)
Pupil & School Foundation	554,097	568,710	14,613
Special Education	119,949	124,132	4,183
Language	37,418	39,588	2,170
Learning Opportunity	59,070	59,882	812
Continuing Education and Summer School	16,667	17,408	741
Teacher Qualification and Experience/NTIP	99,997	95,456	(4,541)
Transportation	24,963	26,066	1,102
Administration and Governance	22,761	24,019	1,257
School Operations	88,130	90,334	2,204
Community Use of Schools	1,262	1,253	(9)
Declining Enrolment Adjustment	95	24	(71)
Temporary Accommodation	3,674	4,056	382
First Nation, Métis and Inuit Education	4,415	4,590	175
Safe Schools	2,817	2,820	2
<b>Total Operating Grants</b>	<b>1,035,316</b>	<b>1,058,336</b>	<b>23,020</b>
Grants Anticipated due to New Contracts	0	0	0
Other Grants & Other Revenues	84,910	82,505	(2,406)
<b>Total Operating Grants and Other Revenues</b>	<b>1,120,227</b>	<b>1,140,841</b>	<b>20,614</b>

*\*Numbers may not add due to rounding.*

The following chart provides a percentage breakdown of the grant allocations proposed for the 2018-19 budget.

### 2018-19 GRANT ALLOCATIONS (\$1,058.3 MILLIONS)



## VOLUME II - APPENDICES

**APPENDIX 2A****DESCRIPTION OF GSN FUNDING:****Pupil Foundation Grant (Increase by \$13.1M)**

For 2018-19, funding through the Pupil Foundation Grant is projected to be \$503.1M for TCDSB.

The largest single element of the GSN TCDSB receives, provides funding for the salaries of classroom teachers, early childhood educators for full-day kindergarten, educational assistants, and other teaching staff such as teacher librarians and guidance counsellors. It also funds textbooks, classroom supplies and classroom computers.

In 2018-19, additional funding is being provided through this grant for more teachers to help grade 7 and 8 students make successful academic transitions and engage in career and pathways planning.

The grant is calculated on a per-pupil basis. There are four different per-pupil amounts at the elementary level, depending on the grade in which a student is enrolled – kindergarten, primary (grades 1 to 3), junior (grades 4 to 6), intermediate (grades 7 to 8) – and for (grades 9 to 12) secondary students. Funding for (grades 4 to 8) class size of 24.96 were \$1.9M; Enrolment increases, 1.5% Salary increase and Benefits decrease of 0.167% or \$9.8M.

For classroom teachers, the per-pupil amounts reflect benchmark salaries and benefits, class size requirements and preparation time. For other staff, the per-pupil amount is based on salaries and benefits and staffing levels.

**Qualifications and Experience Grant (Decreased by \$4.5M)**

This grant provides additional support for classroom staff who have qualifications and experience above those provided for through the Pupil Foundation Grant.





- The **Teacher Qualifications and Experience** allocation provides funding to boards with teachers who, because of their qualifications and experience, have average salaries different from the benchmark level used in the Pupil Foundation Grant. (Hiring 78.9 FTE new teachers combined with retirements reduced this grant by (\$4.5M) as new teachers are typically paid less than their more experienced counterparts)
- The **Early Childhood Educators Qualifications and Experience** allocation is provided for boards with early childhood educators who, because of their qualifications and experience have average salaries different from the benchmark. (ECE Q&E increased by \$0.4M)
- The **Benefits Trusts** allocation provides the incremental funding required to support the transition of benefit plans for staff to the Employee Life and Health Trusts. (Increase of \$1.9M which will flow to the Trust Funds)
- The other allocations under this grant include historical adjustments to the funding of non-teaching salary costs and funding for programs to mentor and train new teachers (NTIP decrease by \$0.07M). The 2017-18 0.5% for centrally negotiated PD of \$4.4M was removed in 2018-19 as it was a one-time amount)

### **Continuing education and other programs (Increase by \$0.7M)**

This grant supports a range of programs aimed at adult learners and day school students, including secondary students who have completed more than 34 credits and wish to continue their studies. The grant is projected to total \$17.4M in 2018-19 for TCDSB:

- The adult day school allocation supports day school programming for students who are at least 21 years of age as of December 31 of the current school year.



- The high-credit day school allocation is for day school programming for secondary students who have completed more than 34 credits and wish to continue their studies at the continuing education funding rate.
- The summer school allocation supports programming offered during the summer for day school pupils. (Increase of \$0.5M due to more student accessing summer school and e-Learning courses)
- The continuing education allocation supports a variety of programs delivered inside and outside the classroom (for example, through correspondence, self-study or e-learning), including credit courses for the purpose of e-learning a secondary school graduation diploma. (\$0.07M increase in projected students taking Night, Saturday & e-learning credit courses through Continuing Education)
- The other allocations of this grant support the teaching of international and indigenous languages at the elementary level and assessments of mature students' prior learning. (1.5% Salary increase and Benefits decrease of \$0.3M)

## **FUNDING FOR SCHOOLS:**

### **School Foundation Grant (Increase by \$1.5M)**

This grant provides funding for principals, vice-principals and office support staff, as well as administrative supplies. The total School Foundation Grant for TCDSB is projected to be \$65.6M in 2018-19. It is divided into an elementary school and a secondary school portion. This grant includes measures which:

- Recognize a school's size as well as its remoteness and whether it is operating in a minority language context; and
- Provide greater funding overall for principals in combined elementary and secondary schools (subject to minimum enrolment limits),



and in elementary or secondary schools with multi-buildings subject to minimum enrolment limits. (Increase of \$0.5M due to multiple campuses and plus \$0.5M due to 1.5% Salary and Benefits 0.167% decrease)

### **School Operations Grant**

This grant supports the costs of operating, maintaining and repairing school facilities. Under the formula, funding is adjusted for boards that have older schools with unique design features such as wide hallways, large shop spaces, and auditorium spaces. TCDSB is projected to receive \$95.6M in school operation, community use of schools and temporary accommodations grants.

- The **school operations** allocation, which addresses operating costs such as heating, lighting, maintenance and cleaning of schools, consists of several components. The largest component is based on a benchmark operating cost associated with a standard floor area for each elementary and secondary pupil. (2% Utility increase of \$0.8M; plus Enrolment increase of \$0.5M and a 1.5% Salary and 0.167% Gratuity decrease of \$0.8M)

## **FUNDING FOR A LOCALLY MANAGED SYSTEM:**

### **School Board Administration and Governance Grant** **(Increase by \$1.3M)**

This grant provides funding for board administration and governance costs, including those related to board-based staff and board offices and facilities. In 2018-19, TCDSB is projected to receive \$24.1M.

- The board administration funding model, developed in consultation with school boards, provides funding for board-level leadership, staff and related supplies and services. The model recognizes ten core functions that all boards, regardless of size, must perform. At the same time, it recognizes that enrolment is an important driver of higher administrative expenses. This new model replaces a way of



allocating funding that relied more heavily on the size of boards' enrolment. (1.5% Salary increase and -0.167% Benefits decrease results in an overall increase of \$0.2M)

- New for 2018-19, the program leadership allocation provides funding to support six lead positions that were previously funded through other allocations within the GSN as well as funding outside of the GSN. (Increase of \$1M as 7 Program Leadership FTE move into board admin from other GSN and EPO Grants)
- The other allocations of this grant include funding for trustee compensation, parent engagement, consolidation accounting, internal audit, supports to improve school boards' information management, and the transformation of learning and teaching in the physical and virtual environment.
- Following Ministry consultations with the education sector, the GSN provides base funding for trustees honoraria increased by \$400 for a new base limit of \$6,300. Further updates to this grant component are expected in the future.

### **Student Transportation Grant (Increase by \$1.1M)**

This grant provides school boards with funding to transport students to and from school. It is projected to be \$26.1M in 2018-19 for TCDSB:

- The enrolment adjustment is made available only for school boards with increasing enrolment, and is based on the percentage increase in enrolment.
- The cost update adjustment factor, which recognizes the increasing costs of providing transportation services, is 4% for 2018-19. The calculation applies the adjustment factor to each board's 2017-18 transportation grant. (Increase of \$1M)
- The fuel escalator and de-escalator provides for funding increases or decreases by comparing the actual price of diesel fuel for southern school boards and northern school boards to a benchmark price.



- Details on the other allocations within this grant, which cover transportation to provincial or demonstration schools, school bus rider safety training (Increase \$0.08M).

### **Declining Enrolment Adjustment (\$0.07M)**

Much of a school board's revenue is determined by enrolment. When enrolment goes down, funding also declines. School boards can adjust their costs downward as well, but this may take more than one year. The declining enrolment adjustment recognizes this need for extra time. The grant, is projected to be \$0.02M in 2018-19.

## **FUNDING FOR A SPECIFIC PRIORITY:**

### **Learning Opportunities Grant (Increase by \$0.8M)**

The Learning Opportunities Grant (LOG) provides funding to help students who are at greater risk of lower academic achievement. TCDSB is projected to receive a total \$59.9M in 2018-19.

- The **demographic allocation**, which represents the largest share of LOG funding, is based on social and economic indicators that signal a higher risk of academic difficulty for students. The indicators are low household income, low parental education, one-parent households, and recent arrival to Canada. This allocation is distributed to boards based on the ranking of each of their schools on these measures, and a weighting of the measures themselves. Boards can use this funding for initiatives such as breakfast programs, homework clubs, reading recovery and independent supports. (Increase of \$0.5M in demographic allocation, 1.5% increase for Salaries and a decrease of 0.167% for Benefits)
- The **Local Priorities Fund** addresses a range of local priorities and needs. This may include more special education staffing to support children in need, "at-risk" students and adult education.

- The **student achievement envelope** comprises six discrete allocations. These allocations, which directly support programs introduced over the past decade to improve student achievement, include the following:
  - **Literacy and Math outside the school day**, which funds remedial courses or classes for students who are at risk of not meeting the curriculum standards for literacy or math and/or the requirements of the Grade 10 literacy test. (Increase of \$0.05M for Grade 6 students)
  - **Student Success, Grade 7 to 12**, which funds a range of resources and activities to improve student engagement in secondary schools. (Moved PLA Amounts of (\$0.7M) to Board Administration)

**Grade 7 and 8 Student Success Literacy and Numeracy teachers**, which recognizes the need to help students in earlier grades so they are better prepared for the transition to secondary school and beyond.

- **Ontario Focused Intervention Partnership Tutoring**, which helps boards set up and/or expand tutoring programs for students who are not achieving the provincial standard in reading, writing, or math.

The **Specialist High Skills Major** program, which allows students to customize their secondary school experience and build on their strengths and interests by focusing on a specific economic sector.

- The **Outdoor Education** program, which provides elementary and secondary students with learning experiences in the outdoors. There is flexibility in how boards may use the individual allocations, as long as the total funding is spent on the programs within the envelope. Any unspent funding must be used on the programs within the envelope in a future school year. (Increase for 1.5% Salary and (0.167%) Benefits decrease)

- The other allocations of this grant provide funding for teacher-librarians and/or library technicians.

### **Special Education Grant**

This grant provides boards with funding for programs, services, and/or equipment for students with special education needs. Boards may use the grant only for special education, and must set aside any unspent funding to use for special education in a future school year. There is flexibility in how they may use some of the individual allocations within the grant, as long as the funds are spent on special education. The grant, which is projected to total about \$124.1M in 2018-19 for TCDSB, is made up of six allocations:

- The **Special Education Per Pupil Amount (SEPPA)** provides every board with foundational funding toward the cost of special education supports.
- Recognizing the variation across boards in the share of students with special education needs, the nature of the needs, and boards' ability to meet them, the **Differentiated Special Education Needs Amount (DSENA)** aims to better align the allocation with boards' needs and resources. In 2018-19, a new multi-disciplinary supports amount is being added as new component to DSENA, which will support increased special education programs and services.
- Under the **Special Equipment Amount (SEA)**, each board receives a base amount plus a per-pupil amount, which together may be used to buy computers, software and other equipment for students with special education needs in line with funding guidelines. In addition, boards may submit claims to recover the costs, less a deductible, of other equipment recommended by a qualified professional for a student with specific special education needs.
- The **other** allocations of the grant are the **Special Incidence Portion (SIP)** for students who require two or more full-time staff to address their health and safety needs and those of others at their school. In addition, there is funding to provide instruction in a care, treatment, custody or



correctional facility, and an amount to support board-level expertise in applied behavioral analysis.

### **Language Grant (\$2.2M)**

This grant provides funding to meet school boards' costs for language instruction. It includes five allocations, and projected to total \$39.6 million in the 2018-19 school year for TCDSB:

- **English as a Second Language / English Literacy Development** funding is provided to English-language school boards to support students who need extra help developing proficiency in English. It consists of a recent immigrant component to supports students who are eligible based on their country of birth and who have been in Canada four years or less, and a diversity in English-language learner's component that reflects an estimate of the number of children in a board whose language spoken most often at home is neither English nor French. (Increase of \$0.5M for the DELL plus \$0.3M for 1.5% Salary & Benefits plus \$1.1M for new students estimated to arrive from a non-English speaking country )
- **French as a Second Language** funding, available only to English-language boards, supports the costs of French instruction. It provides a per-pupil amount for each student. (Increase in enrolment for French \$0.01M plus \$0.1M for Salary & Benefits)

### **Indigenous Education Grant (\$0.2M)**

The Indigenous Education Grant, supports programs designed for Indigenous learning. It is made up of four allocations, and is projected to total \$4.6M in 2018-19 for TCDSB as detailed below:

- The **Indigenous Languages** allocation supports elementary and secondary Indigenous Language programs. At the elementary level, funding is based on the number of pupils enrolled in the Indigenous Language program and the average daily minutes of instruction. At the secondary level, funding is provided for each Grade 9 to 12 pupil enrolled



in a credit course.

- The **Indigenous Studies** allocation supports secondary credit courses in Indigenous Studies, providing a per-pupil amount for Grade 9 to 12 students. (\$0.2M increase in enrolment and 1.5% Salary & Benefits)
- The **Per-Pupil Amount** allocation supports Indigenous students, and reflects the estimated percentage of Indigenous students in a board's schools, based on census data. Some of these funds may be used to support a dedicated Indigenous Education Lead in each school board.
- The **Board Action Plan's** allocation supports the implementation of programs and initiatives aligned with the 16 strategies and actions identified in the Ontario First Nation, Métis, and Inuit Framework Implementation Plan.

### **Safe and Accepting Schools Supplement (Increase by \$2,000)**

This funding supports the Safe Schools Strategy and provides targeted support to secondary schools in priority urban neighbourhoods. The grant, made up of two allocations, is projected to total \$49.1M in 2018-19:

- The **Safe and Accepting Schools** allocation includes two components. One supports non-teaching staff such as social workers, child and youth workers, psychologists, and attendance counsellors who work to prevent and mitigate risks to the school environment. The other supports programs for long-term suspended and expelled students, and prevention and intervention resources. Both components provide a per-pupil amount and also reflect a board's demographic characteristics and dispersion distance. (Enrolment increase of \$2,000)
- The **Urban and Priority High Schools** allocation helps boards respond to challenges in select secondary schools, e.g. lack of access to community resources, poverty, conflict with the law, academic achievement issues or a combination of these factors.



# Toronto Catholic District School Board

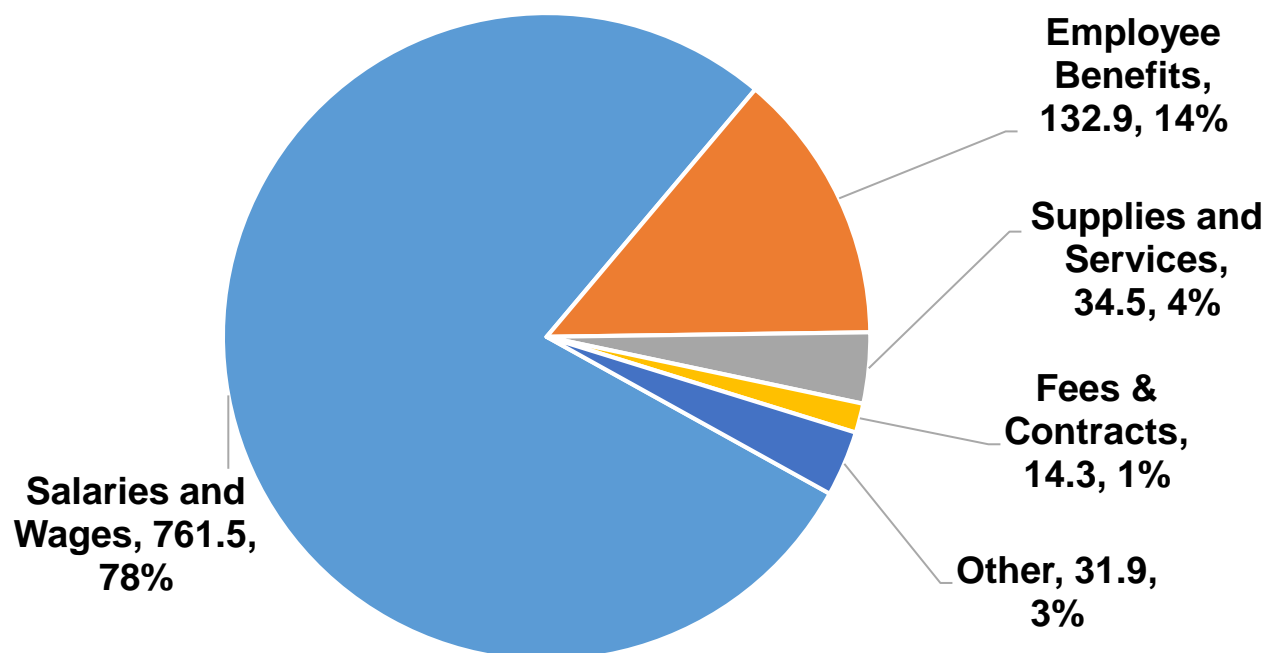
## Volume III: Instructional Related Expenditures

## Instructional Related Operating Expenditures are mostly wages and benefits for teaching staff

Instructional operating expenditures are comprised mostly of wages and benefits for teachers, special education workers, other support staff and school administration. The remainder of the expenditures are also directly classroom related and include school based supplies as well as technology in the classroom.

The following chart provides an overview of instructional-related expenditures by functional category. Appendix 3B provides a detailed breakdown of the entire instructional-related budget.

### 2018-19 INSTRUCTIONAL EXPENDITURES BY CLASSIFICATION (\$M)



## The largest increases are proposed for classroom teachers and special education professionals

The chart below provides a comparison between the 2017-18 budget and the 2018-19 budget estimates by category. On the following page is a brief analysis of each line item (referenced by line #) explaining the differences between each year's budget. As noted, the overwhelming increases originate from classroom teachers and special education investments.

### Classroom Expenditures Increases / (Decreases) (\$000)

	<b>Instructional Related Expenditure Categories</b>	<b>2017/18 Budget Revised Estimates</b>	<b>Net Change Increase / (Decrease)</b>	<b>2018/19 Budget Estimates</b>
<b>1</b>	Classroom Teachers	619,161	12,425	631,586
<b>2</b>	Occasional Teachers	29,253	111	29,365
<b>3</b>	Education Assistants	53,673	686	54,359
<b>4</b>	Designated Early Childhood Educators	27,328	(103)	27,224
<b>5</b>	Professional & Para- professionals	51,427	2,340	53,767
<b>6</b>	Textbooks & Classroom Supplies	25,147	717	25,864
<b>7</b>	Computers	9,866	151	10,017
<b>8</b>	Staff Development	3,202	(270)	2,932
<b>9</b>	In School Administration	67,431	1,249	68,680
<b>10</b>	Teacher Consultants & Coordinators	5,414	132	5,546
<b>11</b>	Continuing Education (incl. International Language./Summer Schools.)	23,581	247	23,828
<b>12</b>	Other Non-Operating	42,729	(828)	41,901
	<b>Total Instructional</b>	<b>958,212</b>	<b>16,857</b>	<b>975,069</b>

## **Instructional Related Expenditures Variance Analysis**

- 1** Classroom Teacher costs have increased due to funded changes in salary and benefits of \$4.3M; new positions have been added to the classroom based on enrolment growth as well as new funding announcements.
- 2** The Occasional Teachers' salary and benefit costs have increased.
- 3** Education Assistants costs have increased by \$0.7M mainly due to an increase in funding for salary and benefits costs.
- 4** Designated Early Childhood Educators costs have decreased by \$0.1M mainly due to pay-out of the professional development costs.
- 5** Professionals and Para-professionals have increased by \$2.3M mainly due to funding increases for salary, and benefit costs of \$1.3M, and additional staff based on funding announcements have been added to this group.
- 6** Textbook and Classroom Supplies have increased by \$0.7M due to French Immersion Support for new classes and an increase in technology related expenses.
- 7** Increase in computer leasing costs.
- 8** Decrease in New Teacher Induction Program (NTIP) funding.
- 9** In School Administration costs have increased due to the addition of 4 Vice-principals and Principal professional development coverage for a total cost of \$0.6M. Salary, and benefits and professional development costs have increased by \$0.6M.
- 10** Teacher Consultants and Coordinators increased by \$0.1M due to salary and benefit increases.
- 11** Continuing Education increased by \$0.2M due to salary and benefit increases.
- 12** Other Operating costs have decreased due to a reduction in funding for other Education Program projects of \$0.8M.

## Highlights of the New Investments include the following:

***More teachers for careers and pathways planning.*** \$0.8M or 8 FTE for Guidance Teachers to provide additional support for Grade 7 and 8 students engaged in career and pathways planning that will prepare them for success in high school.

***Increasing investment in Mental Health Workers.*** \$0.35M has been added in the budget process, to fund approximately 1 Chief of Mental Health and 6 Mental Health positions. Four of these mental health leads will be funded by converting four contract positions to permanent positions. These mental health workers will support students in secondary schools who have mental health concerns through continued and expanded mental health awareness.

***More funding to address Special Education Assessment waitlists.*** The TCDSB is investing in four permanent FTE's for Multi-Disciplinary Teams by converting four contract positions to permanent staffing to provide schools with permanent staffing to address current waitlists for special education assessments.

***Additional funding for students with Special Education needs.*** \$3.4M in funding, has been allocated to fund Special Education teachers allocated through the Special Education Grant, which will support increased special education programs and services. This amount includes the addition of 34.4 Teachers.

The following tables provide detail of the new FTEs being recommended for inclusion in the 2018-19 budget. It provides the FTEs in terms of “Non-Discretionary” additions (based on restricted funding, legislative changes and arbitration settlements), and “Discretionary” additions (due to GSN flexibility).

***Non-Discretionary GSN Investments in Instructional Expenditures***

<b>Program</b>	<b>FTE</b>	<b>(\$M)</b>
Special Education Teachers	34.4	3.40
Grades 4-8 Teachers	18.5	1.80
Health and Safety Elementary Teachers	7.0	0.70
Elementary Teachers Increase due to enrollment	6.0	0.60
Multi-Disciplinary Teams (Conversion of 4 FTE contract positions)	4.0	0.40
Increase of Vice-Principals	4.0	0.50
Health and Safety Secondary Teachers	3.0	0.30
Full Day Kindergarten (FDK) Teachers	2.0	0.20
Chief of Mental Health - EPO Funding	1.0	0.15
Mental Health Staff - EPO Funding	2.0	0.20
Mental Health Staff (Conversion of 4 FTE contract positions)	4.0	-
Increase in Autism Services	1.0	0.10
Secondary Teacher Reductions due to Enrolment	(2.0)	(0.20)
Increase Principal coverage for Professional Development	-	0.20
<b>Total</b>	<b>84.9</b>	<b>\$8.35</b>

***Discretionary GSN Investments in Instructional Expenditures***

<b>Program</b>	<b>FTE</b>	<b>(\$M)</b>
Elementary Guidance Teachers	8.0	0.6
SHSM / Student Success Resource Teacher Leads	2.0	0.2
<b>Total</b>	<b>10.0</b>	<b>\$0.8</b>

**An additional one-time strategic investment** of \$1.4M is also proposed to be made out of Accumulated Surplus to support Computer and Telephony technology. Staff believe this is achievable given the accumulated surplus amount, and still remain fiscally prudent, while responding to some urgent technology upgrade needs. Volume V provides the context for how this fits in with the proposed Reserve Strategy. Appendix 3A provides some more detail on this investment.

## **VOLUME III - APPENDICES**



**Appendix 3A**

<b>2018-19 One-time Strategic Investments</b>	
<b>Investment Description</b>	<b>\$M</b>
Information Technology Replacements  Funds will be used to make point in time investments in IT hardware for the Board, such as school computers, printers, networking and other similar needs.	1.4
<b>Total</b>	<b>\$1.4</b>

## 2018-19 BUDGET EXPENDITURE ESTIMATES BY FUNCTIONAL CLASSIFICATION

## CLASSROOM INSTRUCTION

Expenditures	2016/17 Actuals	2017/2018 Revised Estimates	2018/2019 Estimates	Difference	
				\$	%
Instructional Day School	\$ 710,157,620	\$ 747,792,694	\$ 760,845,698	\$ 13,053,005	1.7%
School Office	65,532,026	67,229,668	68,478,617	\$ 1,248,949	1.9%
Student Support Services	40,479,158	43,183,984	44,722,416	\$ 1,538,432	3.6%
Curriculum & Accountability	5,259,022	6,290,173	6,773,174	\$ 483,000	7.7%
Staff Development	1,026,109	1,390,183	1,120,427	\$ (269,756)	-19.4%
Student Success	2,679,460	2,966,242	2,836,861	\$ (129,381)	-4.4%
Special Education Departments	2,249,431	4,248,164	4,276,289	\$ 28,125	0.7%
Safe School Team	88,115	201,500	201,500	\$ -	0.0%
Continuing Education	23,347,568	23,580,991	23,827,952	\$ 246,961	1.0%
Computer Services & Information Technology	15,325,001	21,969,885	23,520,691	\$ 1,550,805	7.1%
Other Non-Operating Expenditures		42,728,918	41,901,155	\$ (827,763)	-1.9%
Budgets Transferred from Administration & Governance to Classroom Instruction		(3,370,491)	(3,435,884)		
<b>TOTAL</b>	<b>\$ 866,143,510</b>	<b>\$ 958,211,911</b>	<b>\$ 975,068,896</b>	<b>\$ 16,856,985</b>	<b>1.8%</b>

## 2018-19 BUDGET EXPENDITURE ESTIMATES BY FUNCTIONAL CLASSIFICATION

## Instructional Day School

Expenditures	2016/17 Actuals	2017/18 Revised Estimates	2018/2019 Estimates	Difference	
				\$	%
<b>CLASSROOM TEACHERS - ELEMENTARY</b>					
Classroom Teachers - Salaries	\$ 328,172,348	\$ 337,537,172	\$ 348,224,667	\$ 10,687,495	3.2%
Classroom Teachers - Benefits	45,694,517	52,664,713	51,482,686	\$ (1,182,027)	-2.2%
Librarian Teachers & Technicians - Salaries	2,443,945	4,385,797	4,240,485	\$ (145,312)	-3.3%
Librarian Teachers & Technicians - Benefits	653,491	1,146,864	1,105,201	\$ (41,664)	-3.6%
Guidance Teachers - Salaries	1,175,406	1,062,071	1,806,580	\$ 744,509	70.1%
Guidance Teachers - Benefits	99,010	166,958	267,915	\$ 100,957	60.5%
Mileage Provision	367,902	405,000	405,000	\$ -	0.0%
<b>CLASSROOM TEACHERS - SECONDARY</b>					
Classroom Teachers - Salaries	179,147,452	183,022,471	185,977,061	\$ 2,954,590	1.6%
Classroom Teachers - Benefits	23,608,896	28,129,771	27,251,450	\$ (878,321)	-3.1%
Librarian Teachers - Salaries	2,592,656	2,450,024	2,512,721	\$ 62,697	2.6%
Librarian Teachers - Benefits	508,694	385,144	372,637	\$ (12,507)	-3.2%
Guidance Teachers - Salaries	7,734,798	6,567,300	6,735,361	\$ 168,061	2.6%
Guidance Teachers - Benefits	669,679	1,032,379	998,854	\$ (33,525)	-3.2%
Mileage Provision	205,803	205,000	205,000	\$ -	0.0%
<b>TOTAL CLASSROOM TEACHERS</b>	<b>593,074,597</b>	<b>619,160,664</b>	<b>631,585,618</b>	<b>12,424,953</b>	<b>2.0%</b>
<b>OCCASIONAL TEACHERS</b>					
Elementary - Salaries	17,217,267	15,876,286	17,085,493	\$ 1,209,207	7.6%
Elementary - Benefits	1,790,221	4,023,565	3,791,502	\$ (232,063)	-5.8%
Secondary - Salaries	7,093,754	7,335,474	6,823,998	\$ (511,476)	-7.0%
Secondary - Benefits	720,144	2,018,118	1,663,940	\$ (354,178)	-17.5%
<b>TOTAL OCCASIONAL TEACHERS</b>	<b>26,821,386</b>	<b>29,253,443</b>	<b>29,364,933</b>	<b>111,490</b>	<b>0.4%</b>



## 2018-19 BUDGET EXPENDITURE ESTIMATES BY FUNCTIONAL CLASSIFICATION

## Instructional Day School

Expenditures	2016/17 Actuals	2017/18 Revised Estimates	2018/2019 Estimates	Difference	
				\$	%
<b>EDUCATIONAL ASSISTANTS</b>					
Elementary - Salaries	28,964,893	28,199,876	29,469,991	\$ 1,270,115	4.5%
Elementary - Benefits	9,103,006	9,896,754	10,143,571	\$ 246,817	2.5%
Secondary - Salaries	11,954,272	11,530,347	10,969,811	\$ (560,536)	-4.9%
Secondary - Benefits	3,482,163	4,046,356	3,775,809	\$ (270,547)	-6.7%
<b>TOTAL EDUCATIONAL ASSISTANTS</b>	<b>53,504,334</b>	<b>53,673,332</b>	<b>54,359,182</b>	<b>685,849</b>	<b>1.3%</b>
<b>DESIGNATED EARLY CHILDHOOD EDUCATORS</b>					
Elementary - Salaries	16,864,695	21,028,339	21,245,579	\$ 217,240	1.0%
Elementary - Benefits	4,962,547	6,299,211	5,978,506	\$ (320,705)	-5.1%
<b>TOTAL DESIGNATED EARLY CHILDHOOD EDUCATORS</b>	<b>21,827,242</b>	<b>27,327,550</b>	<b>27,224,085</b>	<b>(103,465)</b>	<b>-0.4%</b>
<b>TEXTBOOKS &amp; CLASSROOM SUPPLIES</b>					
Elementary School Block Allocation	3,889,655	4,848,426	4,883,495	\$ 35,069	0.7%
Secondary School Block Allocation	3,423,581	3,568,060	3,572,046	\$ 3,986	0.1%
Secondary High Cost Course Allocation	337,900	337,900	337,900	\$ -	0.0%
International Baccalaureate Programme - Michael Power & St. Joseph's	75,000	75,000	75,000	\$ -	0.0%
International Baccalaureate Programme - Pope John Paul II	58,943	58,943	58,943	\$ -	0.0%
International Baccalaureate Programme - St Mary CSS	50,000	50,000	50,000	\$ -	0.0%
International Baccalaureate Programme - TBD	-	100,000	100,000	\$ -	0.0%
French Immersion - Support	20,000	115,000	121,600	\$ 6,600	5.7%
Religious Program Resources	509,610	1,500,000	1,500,000	\$ -	0.0%
Regional Arts Programs	-	40,000	40,000	\$ -	0.0%
Alternative Program & Placement for Limited Expulsion (A.P.P.L.E.)	11,460	18,000	18,000	\$ -	0.0%
Arrowsmith Programme (4 Sites Licenses and Supplies)	28,760	46,920	46,920	\$ -	0.0%
Outdoor Education	764,973	765,148	768,980	\$ 3,832	0.5%



## 2018-19 BUDGET EXPENDITURE ESTIMATES BY FUNCTIONAL CLASSIFICATION

## Instructional Day School

Expenditures	2016/17 Actuals	2017/18 Revised Estimates	2018/2019 Estimates	Difference	
				\$	%
Classroom Needs Provision	57,210	100,000	100,000	\$ -	0.0%
Invest 100k in each of the next 5 years in Elementary Music	100,000	152,000	152,000	\$ -	0.0%
Superintendents Special Project Funds	21,398	26,950	26,950	\$ -	0.0%
School Nutrition Programs - Angel Foundation for Learning	-	100,000	100,000	\$ -	0.0%
Student Council	16,000	16,000	16,000	\$ -	0.0%
Elementary CSLIT Student Leadership Fund	6,017	10,000	10,000	\$ -	0.0%
International Languages & Other Programs Learning Resources	-	93,000	93,000	\$ -	0.0%
School Projects	713	50,000	50,000	\$ -	0.0%
Mini Olympics	20,000	20,000	20,000	\$ -	0.0%
Pediculosis Program	48,604	45,000	45,000	\$ -	0.0%
Religious Retreats & Chaplains	49,914	50,000	50,000	\$ -	0.0%
Urban & Priority High School Grants - Msgr. Fraser	465,613	397,798	285,857	\$ (111,941)	-28.1%
Urban & Priority High School Grants - J.C. McGuigan CSS	276,670	285,857	296,003	\$ 10,145	3.5%
Urban & Priority High School Grants - St. Patrick's CSS	262,000	266,696	266,696	\$ -	0.0%
Urban & Priority High School Grants - Father Henry Carr	-	200,000	271,085	\$ 71,085	35.5%
Commission, Health Insurance and School Budget Transfer for VISA Student	3,753,575	4,008,953	4,008,953	\$ -	0.0%
FNMI - Native Studies & Aboriginal Amount	682,465	1,032,052	947,453	\$ (84,599)	-8.2%
<b>TOTAL TEXTBOOKS &amp; CLASSROOM SUPPLIES</b>	<b>14,930,061</b>	<b>18,377,704</b>	<b>18,311,881</b>	<b>(65,823)</b>	<b>-0.4%</b>
<b>TOTAL</b>	<b>\$ 710,157,620</b>	<b>\$ 747,792,694</b>	<b>\$ 760,845,698</b>	<b>13,053,005</b>	<b>1.7%</b>

## 2018-19 BUDGET EXPENDITURE ESTIMATES BY FUNCTIONAL CLASSIFICATION

## School Office

Expenditures	2016/17 Actuals	2017/18 Revised Estimates	2018/2019 Estimates	Difference	
				\$	%
<b>ELEMENTARY</b>					
Elementary Principal Salaries	\$ 20,476,960	\$ 20,966,304	\$ 21,394,896	\$ 428,592	2.0%
Elementary Principal Benefits	2,517,141	2,687,339	2,802,547	\$ 115,208	4.3%
Elementary Vice Principal Salaries	4,915,982	5,084,550	5,684,801	\$ 600,251	11.8%
Elementary Vice Principal Benefits	604,026	636,454	727,655	\$ 91,200	14.3%
Elementary Professional Development Provision	37,316	95,960	433,070	\$ 337,111	351.3%
<b>SECONDARY</b>					
Secondary Principal Salaries	4,417,369	4,625,914	4,515,858	\$ (110,056)	-2.4%
Secondary Principal Benefits	643,002	579,045	578,030	\$ (1,015)	-0.2%
Secondary Vice Principal Salaries	6,308,880	6,472,248	6,383,253	\$ (88,994)	-1.4%
Secondary Vice Principal Benefits	841,800	810,158	817,056	\$ 6,898	0.9%
Secondary Professional Development Provision	2,921	40,965	105,230	\$ 64,264	156.9%
<b>SECRETARIES</b>					
School Secretary Salaries	17,468,230	16,387,510	16,537,461	\$ 149,951	0.9%
School Secretary Benefits	5,115,720	5,569,757	5,643,811	\$ 74,054	1.3%
Supply Secretary Costs	920,870	1,239,129	1,239,129	\$ -	0.0%
<b>OFFICE EXPENSES</b>					
Principals & Vice Principal Expenses	25,796	36,770	37,320	\$ 550	1.5%
Principals & Vice Principal Mileage Expenses	67,021	130,000	130,000	\$ -	0.0%
School Office Supplies allocation	97,951	100,000	100,000	\$ -	0.0%
School Office Furniture, Equipment and Computers	239,811	575,800	90,000	\$ (485,800)	-84.4%
Orientation Centre, Program Ads	25,000	40,000	40,000	\$ -	0.0%
Course Reimbursement	-	20,000	20,000	\$ -	0.0%
School Telephones	806,230	1,131,765	1,198,500	\$ 66,735	5.9%
<b>TOTAL</b>	<b>\$ 65,532,026</b>	<b>\$ 67,229,668</b>	<b>\$ 68,478,617</b>	<b>\$ 1,248,949</b>	<b>1.9%</b>



# 2018-19 BUDGET EXPENDITURE ESTIMATES BY FUNCTIONAL CLASSIFICATION

## Student Support Services

Expenditures	2016/17 Actuals	2017/18 Revised Estimates	2018/2019 Estimates	Difference	
				\$	%
Student Support Salaries	\$ 5,958,295	\$ 6,502,259	\$ 6,025,579	\$ (476,680)	-7.3%
Student Support Benefits	1,532,939	1,819,924	1,752,415	\$ (67,509)	-3.7%
Child Youth Worker Salaries	8,710,946	8,726,344	9,170,467	\$ 444,123	5.1%
Child Youth Worker Benefits	2,625,179	2,445,211	2,673,696	\$ 228,485	9.3%
Psychologist Salary	4,620,681	4,566,771	5,057,825	\$ 491,054	10.8%
Psychologist Benefits	1,150,546	1,279,656	1,500,136	\$ 220,481	17.2%
Social Worker Salaries	5,148,483	5,310,763	5,736,572	\$ 425,808	8.0%
Social Worker Benefits	1,215,862	1,488,130	1,672,526	\$ 184,396	12.4%
Speech & Language Salaries	3,621,813	3,670,912	3,741,856	\$ 70,944	1.9%
Speech & Language Benefits	886,315	1,028,627	1,090,957	\$ 62,330	6.1%
Elementary Lunchtime Student Supervisors	1,130,950	1,364,569	1,364,569	\$ -	0.0%
Translators & Interpreter Services	69,179	100,000	100,000	\$ -	0.0%
EAP Costing - Shepell	-	486,000	650,000	\$ 164,000	33.7%
Ontario Focused Intervention Partnership (OFIP) Tutoring	312,162	374,268	376,154	\$ 1,886	0.5%
School Effectiveness Framework	194,651	285,313	-	\$ (285,313)	-100.0%
Car Allowance	32,928	37,044	32,928	\$ (4,116)	-11.1%
Student Information Services Supplies	56,185	60,000	60,000	\$ -	0.0%
Mileage & Cellular Phone Provision	428,035	793,528	814,096	\$ 20,568	2.6%
Specialist High Skills Major (SHSM)	454,433	523,583	514,829	\$ (8,754)	-1.7%
TDSB Vision Services	341,452	424,852	424,852	\$ -	0.0%
Secondary Student Supervisors	1,636,154	1,629,967	1,696,537	\$ 66,570	4.1%
Contracted Child Support Workers	285,712	200,000	200,000	\$ -	0.0%
MISA - Managing Information for Student Achievement	66,256	66,263	66,421	\$ 158	0.2%
<b>TOTAL</b>	<b>\$ 40,479,158</b>	<b>\$ 43,183,984</b>	<b>\$ 44,722,416</b>	<b>\$ 1,538,432</b>	<b>3.6%</b>



## 2018-19 BUDGET EXPENDITURE ESTIMATES BY FUNCTIONAL CLASSIFICATION

## Curriculum &amp; Accountability

Expenditures	2016/17 Actuals	2017/18 Revised Estimates	2018/2019 Estimates	Difference	
				\$	%
Coordinators & Resource Teachers Salaries	\$ 3,932,986	\$ 4,592,974	\$ 4,955,822	\$ 362,849	7.9%
Coordinators & Resource Teachers Benefits	652,512	758,640	828,792	70,152	9.2%
Mobile Phone Provision	6,117	4,365	4,365	-	0.0%
Mileage Expenses	-	10,000	10,000	-	0.0%
<b>Supplies &amp; Resources</b>					
Religion	32,951	56,485	56,485	-	0.0%
Physical Education	104,976	122,384	122,384	-	0.0%
Dramatic Arts	18,469	20,540	20,540	-	0.0%
Social Studies	-	16,261	16,261	-	0.0%
Math	15,887	28,242	28,242	-	0.0%
Language Arts	22,917	64,187	64,187	-	0.0%
Music	65,479	80,448	80,448	-	0.0%
French	38,356	39,368	39,368	-	0.0%
Visual Arts	27,671	32,521	32,521	-	0.0%
Co-operative Education	57,286	12,837	62,837	50,000	389.5%
Science & Family Studies	13,368	65,043	65,043	-	0.0%
Technological Studies	8,246	8,558	8,558	-	0.0%
Business Studies	947	6,746	6,746	-	0.0%
Curriculum & Accountability	114,566	126,663	126,663	-	0.0%
Library	3,015	38,512	38,512	-	0.0%
Media Services	-	17,117	17,117	-	0.0%
Research	135,019	145,491	145,491	-	0.0%
Guidance	7,522	34,233	34,233	-	0.0%
English as a Second Language	731	8,558	8,558	-	0.0%
<b>TOTAL</b>	<b>\$ 5,259,022</b>	<b>\$ 6,290,173</b>	<b>\$ 6,773,174</b>	<b>\$ 483,000</b>	<b>7.7%</b>



**2018-19 BUDGET EXPENDITURE ESTIMATES BY FUNCTIONAL CLASSIFICATION****Staff Development**

<b>Expenditures</b>	<b>2016/17 Actuals</b>	<b>2017/18 Revised Estimates</b>	<b>2018/2019 Estimates</b>	<b>Difference</b>	
				<b>\$</b>	<b>%</b>
Occasional Teacher Salaries & Benefits	\$ 99,437	\$ 300,000	\$ 300,000	\$ -	0.0%
New Teacher Induction Program (NTIP)	632,231	846,606	576,850	(269,756)	-31.9%
Professional Development Expenditures	294,441	243,577	243,577	-	0.0%
<b>TOTAL</b>	<b>\$ 1,026,109</b>	<b>\$ 1,390,183</b>	<b>\$ 1,120,427</b>	<b>\$ (269,756)</b>	<b>-19.40%</b>

## 2018-19 BUDGET EXPENDITURE ESTIMATES BY FUNCTIONAL CLASSIFICATION

## Student Success

Expenditures	2016/17 Actuals	2017/18 Revised Estimates	2018/2019 Estimates	Difference	
				\$	%
<b>Literacy</b>					
Resource Materials	\$ 38,893	\$ 40,000	\$ 40,000	\$ -	0.0%
Meeting Expenses	7,638	59,000	59,000	-	0.0%
Professional Development - Occasional Teachers	255,343	225,000	225,000	-	0.0%
Professional Development - Student Success Learning Network	264,749	170,000	170,000	-	0.0%
Ontario Secondary School Literacy Test - 200 Days	17,160	30,000	30,000	-	0.0%
Conferences (Reading for the Love of it)	10,131	35,000	35,000	-	0.0%
<b>Numeracy</b>					
Resource Materials	17,281	95,000	95,000	-	0.0%
Meeting Expenses	11,313	40,000	40,000	-	0.0%
Professional Development - Occasional Teachers	187,287	265,000	190,000	(75,000)	-28.3%
Professional Development - Student Success Learning Network	212,832	190,000	190,000	-	0.0%
<b>Pathways</b>					
Resource Materials	35,083	35,000	35,000	-	0.0%
Meeting Expenses	1,717	20,000	20,000	-	0.0%
Professional Development - Occasional Teachers	10,454	140,000	140,000	-	0.0%
Professional Development - Student Success Learning Network	120,999	150,000	150,000	-	0.0%
Special Initiatives	102,778	210,000	155,619	(54,381)	-25.9%
Communications & Marketing	18,545	40,000	40,000	-	0.0%
<b>Catholic Community Culture &amp; Caring</b>					
Resource Materials	21,494	40,000	40,000	-	0.0%
Meeting Expenses	34,983	50,000	50,000	-	0.0%
Professional Development - Occasional Teachers	534,007	330,000	330,000	-	0.0%
Special Initiatives	376,104	200,000	200,000	-	0.0%
Conferences	67,901	100,000	100,000	-	0.0%



## 2018-19 BUDGET EXPENDITURE ESTIMATES BY FUNCTIONAL CLASSIFICATION

## Student Success

Expenditures	2016/17 Actuals	2017/18 Revised Estimates	2018/2019 Estimates	Difference	
				\$	%
<b>Student Success Teams (SSTs)</b>					
Resource Materials	355	20,000	20,000	-	0.0%
Meeting Expenses	42,595	40,000	40,000	-	0.0%
Professional Development - Occasional Teachers	195,243	187,000	187,000	-	0.0%
Supervisory Officer - Approved Days	675	140,000	140,000	-	0.0%
School Support	2,123	15,000	15,000	-	0.0%
Honorariums	-	10,000	10,000	-	0.0%
Supervisory Officer - Support	3,404	10,000	10,000	-	0.0%
Transportation	88,371	80,242	80,242	-	0.0%
<b>TOTAL</b>	<b>\$ 2,679,460</b>	<b>\$ 2,966,242</b>	<b>\$ 2,836,861</b>	<b>\$ (129,381)</b>	<b>-4.4%</b>



## 2018-19 BUDGET EXPENDITURE ESTIMATES BY FUNCTIONAL CLASSIFICATION

## Special Education Departments

Expenditures	2016/17 Actuals	2017/18 Revised Estimates	2018/2019 Estimates	Difference	
				\$	%
<b>SPECIAL SERVICES DEPARTMENT</b>					
Special Equipment Amount (SEA)	\$ 1,643,422	\$ 3,504,402	\$ 3,463,013	\$ (41,389)	-1.2%
Special Services Department	210,996	225,368	225,368	-	0.0%
Fees & Services	62,410	100,040	100,040	-	0.0%
School Budget Allocations	108,772	165,686	165,686	-	0.0%
<b>CURRICULUM SUPPORT UNITS</b>					
North York	3,336	11,744	11,744	-	0.0%
Etobicoke	6,049	11,744	11,744	-	0.0%
Toronto	5,091	11,744	11,744	-	0.0%
Scarborough	5,845	16,244	16,244	-	0.0%
Social Worker Services	11,510	10,066	10,066	-	0.0%
Deaf & Hard Of Hearing	8,292	12,584	12,584	-	0.0%
Care & Treatment & Correctional Facilities (Section 23)	34,470	62,214	62,214	-	0.0%
Speech & Language	25,891	26,950	26,950	-	0.0%
Gifted Programs	50,291	11,744	11,744	-	0.0%
Autism Services	8,406	11,744	81,258	69,514	591.9%
Psychology Services	64,648	65,890	65,890	-	0.0%
<b>TOTAL</b>	<b>\$ 2,249,431</b>	<b>\$ 4,248,164</b>	<b>\$ 4,276,289</b>	<b>28,125</b>	<b>0.7%</b>

## 2018-19 BUDGET EXPENDITURE ESTIMATES BY FUNCTIONAL CLASSIFICATION

## Safe School Team

Expenditures	2016/17 Actuals	2017/18 Revised Estimates	2018/2019 Estimates	Difference	
				\$	%
<b>Office</b>					
Mobile Phones & Parking	\$ 17,420	\$ 20,500	\$ 20,500	-	0.0%
Supplies, Photocopying, Printing Costs	44,440	44,500	44,500	-	0.0%
<b>Resource Support</b>					
Safe Schools Action Team, Symposium, Programs	12,149	25,000	25,000	-	0.0%
SRO Support	-	10,000	10,000	-	0.0%
Psychiatric Consultation (APPLE)	-	31,000	31,000	-	0.0%
<b>Professional Development</b>					
Safe Schools Certification Modules & Workshops	11,014	11,500	11,500	-	0.0%
Canadian Safe School Network Conferences	-	12,000	12,000	-	0.0%
Safe School Staff Conferences & Professional Development	2,697	10,000	10,000	-	0.0%
Shadow Box Learning Styles	395	17,000	17,000	-	0.0%
Safe Schools Joint Professional Development (OECTA)	-	20,000	20,000	-	0.0%
<b>TOTAL</b>	<b>\$ 88,115</b>	<b>\$ 201,500</b>	<b>\$ 201,500</b>	<b>-</b>	<b>0.0%</b>



## 2018-19 BUDGET EXPENDITURE ESTIMATES BY FUNCTIONAL CLASSIFICATION

## Continuing Education

Expenditures	2016/17 Actuals	2017/18 Revised Estimates	2018/2019 Estimates	Difference	
				\$	%
<b>Adult Credit Diploma (Day/Night)</b>					
Salaries	\$ 2,006,033	\$ 2,240,672	\$ 2,399,655	158,983	7.1%
Benefits	148,598	174,000	159,000	(15,000)	-8.6%
Other Expenses	58,837	103,000	103,000	-	0.0%
<b>Adult Credit Diploma-Msgr Fraser</b>					
Salaries	400,909	540,000	555,000	15,000	2.8%
Benefits	51,558	100,000	85,000	(15,000)	-15.0%
<b>Summer School</b>					
Salaries	6,240,563	5,980,000	6,410,000	430,000	7.2%
Benefits	426,832	330,000	450,000	120,000	36.4%
Other Expenses	274,280	245,000	290,000	45,000	18.4%
<b>Adult English as a Second Language (ESL) &amp; Citizenship</b>					
Salaries	2,433,918	2,500,000	2,150,000	(350,000)	-14.0%
Benefits	510,826	450,000	350,000	(100,000)	-22.2%
Other Expenses	758,000	780,440	644,190	(136,250)	-17.5%
<b>International Languages</b>					
Salaries	4,686,902	4,685,000	4,735,000	50,000	1.1%
Benefits	1,165,892	1,176,000	1,165,000	(11,000)	-0.9%
Other Expenses	41,336	45,000	45,228	228	0.5%



## 2018-19 BUDGET EXPENDITURE ESTIMATES BY FUNCTIONAL CLASSIFICATION

## Continuing Education

Expenditures	2016/17 Actuals	2017/18 Revised Estimates	2018/2019 Estimates	Difference	
				\$	%
<b>Language Instruction for Newcomers to Canada (LINC) / Ministry of Training, Colleges &amp; University (MTCU)</b>					
Salaries	2,111,265	2,237,519	2,207,519	(30,000)	-1.3%
Benefits	485,528	590,000	550,000	(40,000)	-6.8%
Other Expenses	1,546,291	1,404,360	1,529,360	125,000	8.9%
<b>TOTAL</b>	<b>\$ 23,347,568</b>	<b>\$ 23,580,991</b>	<b>\$ 23,827,952</b>	<b>246,961</b>	<b>1.0%</b>

## 2018-19 BUDGET EXPENDITURE ESTIMATES BY FUNCTIONAL CLASSIFICATION

## Computer Services &amp; Information Technology

Expenditures	2016/17 Actuals	2017/18 Revised Estimates	2018/2019 Estimates	Difference	
				\$	%
Salaries	\$ 6,284,718	\$ 6,817,994	\$ 6,834,232	16,239	0.2%
Benefits	1,656,503	1,877,382	1,933,917	56,535	3.0%
<b>Supplies &amp; Services</b>					
Car Allowance	33,205	32,928	24,696	(8,232)	-25.0%
Membership Fees	-	9,088	9,330	242	2.7%
Printing	2,658	6,250	3,000	(3,250)	-52.0%
Repairs - Computer Technology	5,084	37,686	100,000	62,314	165.4%
Telephone	114,160	143,247	138,800	(4,447)	-3.1%
Data Communications	254,648	323,295	245,500	(77,795)	-24.1%
Office Supplies & Services	158,168	187,705	244,860	57,155	30.4%
Furniture & Equipment	4,051	216,033	32,250	(183,783)	-85.1%
Computer Lease	72,032	662,000	92,025	(569,975)	-86.1%
Contractual & Professional Services	170,020	313,784	486,500	172,716	55.0%
Software Fees & Licenses	3,152,260	3,999,651	5,181,860	1,182,209	29.6%
Computer Technology Maintenance Fee	39,002	121,251	9,126	(112,125)	-92.5%
School Computers & Printers (Purchase/Leasing costs)	1,400,593	2,248,970	3,377,175	1,128,205	50.2%
Academic Computer Repairs	121,464	373,000	490,000	117,000	31.4%
Network Equipment & Infrastructure	58,018	273,000	630,500	357,500	131.0%
WAN & Internet Service (including Amortization of WAN Project)	1,501,198	2,665,548	1,984,500	(681,048)	-25.6%
Systems Maintenance	289,676	209,482	1,200,829	991,347	473.2%
Investment in Information Technology	-	1,350,000	400,000	(950,000)	-70.4%
Academic Technology & Computer Studies	7,544	36,800	36,800	-	0.0%
Qlik Initiative	-	64,791	64,791	-	0.0%
<b>TOTAL</b>	<b>\$ 15,325,001</b>	<b>\$ 21,969,885</b>	<b>\$ 23,520,691</b>	<b>1,550,805</b>	<b>7.1%</b>





REPORT TO

REGULAR BOARD

## PRELIMINARY 2018-19 BUDGET ESTIMATES (VOLUMES 4, 5 INCLUDES NON-INSTRUCTIONAL)

*“Therefore, there is now no condemnation for those who are in Christ Jesus, because through Christ Jesus the law of the Spirit who gives life has set you free from the law of sin and death.”*

**Romans 8:1-2**

Created, Draft	First Tabling	Review
May 8, 2018	May 17, 2018	

P. De Cock, Comptroller of Business Services & Finance

### RECOMMENDATION REPORT

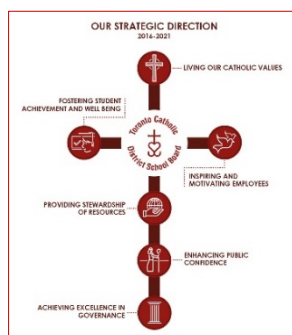
#### Vision:

*At Toronto Catholic we transform the world through witness, faith, innovation and action.*

#### Mission:

*The Toronto Catholic District School Board is an inclusive learning community uniting home, parish and school and rooted in the love of Christ.*

*We educate students to grow in grace and knowledge to lead lives of faith, hope and charity.*



Rory McGuckin  
Director of Education

D. Koenig  
Associate Director  
of Academic Affairs

TBD  
Associate Director  
of Planning and Facilities

L. Noronha  
Executive Superintendent  
of Business Services and  
Chief Financial Officer

## A. EXECUTIVE SUMMARY

*As per the requirements set out in the Education Act, TCDSB's budget estimates are balanced.* The preliminary 2018-19 Non-Instructional budget expenditure estimates appearing in volume IV is balanced; based on consensus enrolment and staffing projections, and calculated Grants for Student Needs (GSNs) and Other Program funding projections. Volume V provides a strategy by which, under the current legislation, the TCDSB may work towards further financial sustainability through a reserve strategy.

*Two budget related reports have been submitted to allow Trustees with conflicts of interest on instructional related funding the opportunity to participate in non-instructional and reserve funding related discussions.* Volumes I to III focus on both the overall budget as well as instructional related expenditures, while Volume IV focuses on non-instructional expenditures and Volume V on financial sustainability. The two reports and associated Volumes of the Budget Book are intended to be read together for a fulsome understand of the budget, but are separated for the purposes of public debate.

*The projected enrolment and estimated GSNs provide the capacity to determine the TCDSB's non-instructional support service levels.* The Education Act and its regulations concerning Board Administration and Governance, i.e. upper expenditure limits and trustee's honoraria calculations, consequently prescribes TCDSB's service levels. The projected expenditures in the Non-Instructional expenditure category appear in the table below:

<i><b>Non-Instructional Expenditure Categories</b></i>	<i><b>2017-18 (\$M)</b></i>	<i><b>2018-19 (\$M)</b></i>	<i><b>Change (\$M)</b></i>
School Operations & Maintenance	95.9	98.1	2.2
Administration & Governance	27.7	28.5	0.8
Transportation	35.1	35.7	0.6
<b>Total</b>	<b>158.7</b>	<b>162.3</b>	<b>3.6</b>

*The 2018-19 Budget Estimates include additional discretionary investments in the Non-Instructional Expenditure Category.* The 2018-19 GSN announcement considered service level increases to both non-discretionary and discretionary areas of the Non-Instructional expenditure category budget. "Non-discretionary" investments are considered to be investments largely related to enrolment growth, restricted funding from the Province or required

through arbitration settlements. “Discretionary” investments are generally those using remaining unrestricted GSN funding. The additional investments into the non-discretionary category primarily include investments for inflationary costs in utilities, fuel and provincial discussion table improvements to salary and benefits. It also includes a new Full Time Equivalent (FTE) for a Human Rights and Equity Advisor, which is a new restricted funded position by the Province. Recommended discretionary investments include funding for a Student Travel Planner (STP) and two FTEs related to Human Resource Recruitment. A one-time investment from Accumulated Surplus in the amount of \$0.34M is also recommended for 2018-19.

*The cumulative staff time required to prepare this report was 200 hours.*

## **B. PURPOSE**

1. This report has been prepared for the Board of Trustees in order to approve in principle the 2018-19 Budget Estimates for Non-Instructional Expenditure Categories (Volume IV) and the Reserve Strategy (Volume V), appearing in the attached 2018-19 Budget Book.
2. The Board of Trustees’ final approval for the 2018-19 Budget Estimates for Non-Instructional Expenditures and the Reserve Strategy as outlined in Volumes IV-V in the Budget Book will be sought at the Corporate Service Meeting scheduled for June 6<sup>th</sup> 2018.

## **C. BACKGROUND**

1. ***Additional GSN increases in the Non-Instructional Expenditure Category are required.*** The GSNs do not adequately fund or mitigate ongoing cost pressures associated with inflation, utility and fuel rate increases, aging administrative facilities and information technology infrastructures upgrades. The 2018-19 GSNs also include funding for ongoing investments to meet prior year’s labour agreements for salary and benefits investments.
2. ***New Investments in the education sector and increased regulation of the education sector has increased TCDSB’s requirement for more service and support levels.*** The TCDSB was in a Multi-Year Recovery Plan (MYRP) for the last few years and difficult decisions reduced service levels across all functional areas of the board. As a result, the Non-Instructional Expenditure

Category requires a moderate reinvestment of funds in order to mitigate current and future anticipated operational risks.

3. *Investments are recommended to continue providing the service levels necessary on the Non-Instructional side of operations to support the Instructional side.* Non-Discretionary investments are predominantly for utility increases, increases in transportation costs and labour related increases governed by collective agreements, but this year also includes a restricted funded position of a new Human Rights and Equity Advisor. Some minor discretionary investments are recommended to help bolster service levels in both the area of transportation safety and the HR capacity to recruit for vacancies predominantly found on the Instructional side of the organization. The following tables outline these proposed investments.

<i><b>Non-Discretionary GSN Investments in Non-Instructional Expenditures</b></i>	<i><b>FTE</b></i>	<i><b>(\$M)</b></i>
Human Rights and Equity Advisor	1.0	0.15
<b>Total</b>	<b>1.0</b>	<b>0.15</b>

<i><b>Discretionary GSN Investments in Non-Instructional Expenditures</b></i>	<i><b>FTE</b></i>	<i><b>(\$M)</b></i>
Student Travel Planner	0.0	0.05
Human Resources Recruitment Staff	2.0	0.22
<b>Total</b>	<b>2.0</b>	<b>0.27</b>

In addition to investments from the GSNs, the 2018-19 budget estimates recommend modest Non-Instructional strategic one-time investments from the Accumulated Surplus as follows to also help bolster operational readiness to address recruitment and absenteeism:

<i><b>Discretionary Surplus Investments in Instructional Expenditures</b></i>	<i><b>(\$M)</b></i>
Increase Supply Pool of Retired Principals for Recruitment Activities in Human Resources	0.12
Budget Provision for School Board Cooperative Inc. (SBCI) Attendance Management Support Services	0.22
<b>Total</b>	<b>0.34</b>

## **D. STAFF RECOMMENDATION**

1. That the Board of Trustees approve in principle a balanced budget with a base budget increase in the Non-Instructional Category by \$3.6M, inclusive of 3 new FTEs, as further detailed in Volume IV of the Budget Book.
2. That the Board of Trustees approve in principle for inclusion into the Non-Instructional Expenditure Category budget a strategic one-time investment from Accumulated Surpluses of \$0.34M for Human Resource related initiatives, as further detailed in Volume IV of the Budget Book.
3. That the Board of Trustees approve in principle the Reserve Strategy as detailed in Volume V of the Budget Book.
4. That staff present a balanced budget, with the Non-Instructional Category Expenditures appearing in Volume IV of the Budget Book reflecting any amendments necessary as a result of community budget consultations to the Board of Trustees at the Corporate Services meeting scheduled for June 6<sup>th</sup> 2018.

# **Toronto Catholic District School Board**

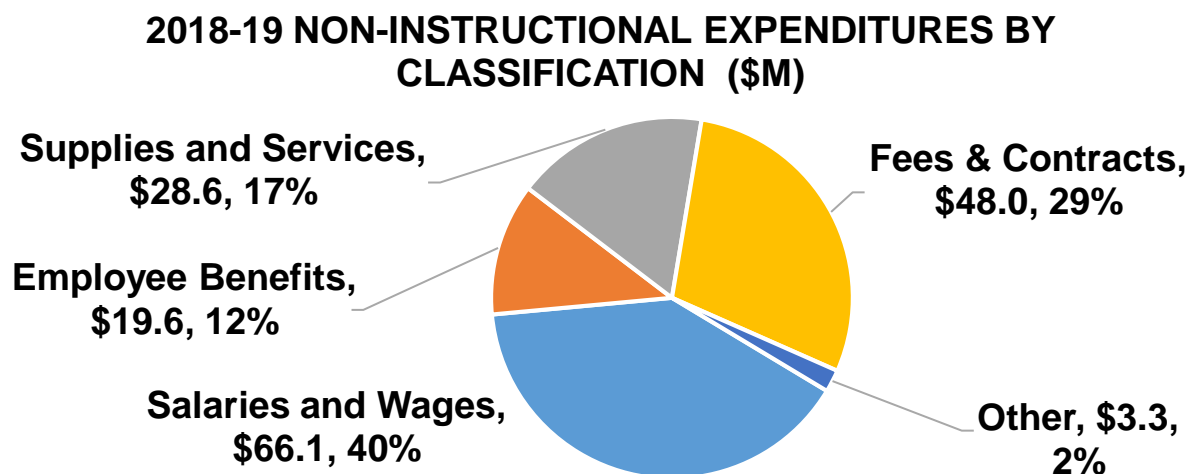
## **Volume IV: Non-Instructional Related Expenditures**

## Non-Instructional Expenditures are necessary to support student achievement and well-being

While the majority of TCDSB's expenditures are on Instructional related activities, there are several functions within the organization that are Non-Instructional in nature, but still play a critical role in providing safe and enriching environments for students. They are also key to ensuring that stewardship of the Board's physical assets and monies are provided for with a high degree of quality. Non-Instructional Operating Expenditures can be summarized in four main areas: Administration and Governance, Transportation, School Operations and Maintenance, and Other Expenditures. Appendix 4B provides a detailed breakdown.

Administration and Governance expenditures include costs such as operating the Board office (Catholic Education Centre) and central facilities, system-wide based staff and expenditures, including supervisory officers and their support staff. Transportation expenditures includes costs to transport students between home and school, as well as costs for late buses, clubs and sport teams events and field trips. School operations and maintenance includes custodial, maintenance and school operations staff salaries and benefits, utilities, insurance and other expenditures to maintain clean and safe school environments. Other expenditures include funding for special purpose projects.

The following chart provides an overview of Non-Instructional related Expenditures by functional class.



The chart below provides a comparison between the 2017-18 budget and the 2018-19 budget estimates by category. On the following page is a brief analysis of each line item (referenced by line #) explaining the differences between each year's budget. The largest increase is in School Operations and Maintenance, mainly due to inflationary pressures.

### ***Non-Instructional Expenditures Increases / (Decreases) (\$000)***

		<b>2017/18 Budget Revised Estimates</b>	<b>Net Change Increase / (Decrease)</b>	<b>2018/19 Budget Estimates</b>
	<b><u>Non-Instructional</u></b>			
<b>1</b>	Administration and Governance	\$27,727	\$746	\$28,473
<b>2</b>	School Operations & Maintenance	95,867	2,235	98,103
<b>3</b>	Transportation	35,145	588	35,733
	<b>Sub-total Non-Instructional</b>	<b>158,739</b>	<b>3,569</b>	<b>162,309</b>
	<b><u>Other</u></b>			
<b>4</b>	Temporary Accommodation	3,222	114	3,335
	<b>TOTAL EXPENDITURES Non-Classroom</b>	<b>\$161,961</b>	<b>\$3,683</b>	<b>\$165,644</b>

### ***Non-Instructional Expenditures Variance Analysis***

- 1 Board Administration and Governance category has increased by \$0.7M due to funded increases in salary and benefits costs of \$0.5M and Human Resource recruitment team of two FTE's for \$0.2M.
- 2 School Operations and Maintenance have increased by \$2.2M due to funded increases in salary and benefits of \$0.1M, utility costs of \$0.5M, insurance costs have increased by \$0.2M and maintenance and operating costs of \$1.4M.





- 3 Transportation costs have increased by \$0.6M mainly due to increased costs of contractual rate increases.
- 4 Temporary Accommodation costs have increased due to higher leasing costs of \$0.1M.

**Highlights of New Investments include the following:**

1. ***An addition of a Student Travel Planner.*** To build upon the experience and knowledge gained since the 2011 introduction of the School Travel Planning in TCDSB schools, and to fund an expanded STP Facilitator role to assist in completing the feasibility study and undertaking implementation of school-specific action plans designed to address traffic safety problems and promote sustainable modes of travel in TCDSB communities.
2. ***An addition of a Equity and Human Rights Advisor.*** The mandate of the Equity and Human Rights Advisor is to, through moral suasion, work with the Director of the Board and with the board's senior team in order to further foster cultures of respect for human rights and equity, and to help identify and address systemically based human rights and equity issues, and to make generally known the availability of regionally based concerns and complaints services and to, where appropriate, refer members of board communities to the service.
3. ***An increase in the HR Recruitment capacity.*** A 2014 Deloitte audit referenced the need for additional human and financial Recruitment resources as well as the need to leverage technology. 1000 external hires and 2500 internal hires were processed annually over the past 5 years. Two additional recruitment staff are required to maintain the unprecedented demand for new hires in the organization.
4. ***Increasing the base amount of the Trustee Honoraria.*** Increasing the base amount of the Trustee Honoraria from \$5,900 to \$6,300 annually per Provincial directive. It should be noted that this has been included for disclosure, but has no material impact on the budget.

The following tables provide detail of the new FTEs being recommended for inclusion in the 2018-19 budget. It provides the FTEs in terms of “Non-Discretionary” additions (based on restricted funding, legislative changes and arbitration settlements) as well as “Discretionary”.

<b><i>Non-Discretionary GSN Investments in Non-Instructional Expenditures</i></b>	<b><i>FTE (\$M)</i></b>	
Equity and Human Rights Advisor	1.0	0.15
<b>Total</b>	<b>1.0</b>	<b>0.15</b>

<b><i>Discretionary GSN Investments in Non-Instructional Expenditures</i></b>	<b><i>FTE (\$M)</i></b>	
Student Travel Planner	0.0	0.05
Human Resources Recruitment Staff	2.0	0.22
<b>Total</b>	<b>2.0</b>	<b>0.27</b>

***An additional one-time strategic investment*** of \$0.3M is proposed from Accumulated Surpluses to address human resource issues related to recruitment and absenteeism. As the current complement, even with the two additional FTEs proposed, is expected to be unable to handle the work load of all new hires it is recommended that retired staff be hired on a short-term basis to help with the recruitment of staff. These investments are further detailed in Appendix 4A.

# **VOLUME IV - APPENDICES**

## Appendix 4A

<b>2018-19 One-time Strategic Investments</b>	
<b>Investment Description</b>	<b>\$M</b>
<u>Human Resource Recruitment Initiatives</u>  Additional Human Resource capacity by engaging retired School Principals and Vice-Principals is required to ensure Recruiting Interview Panels possess the requisite skill sets and expertise. The increased volume of recruiting workload exceeds existing staffing capacity and negatively impacts upon staffing vacancy fill-rates.	0.120
<u>School Board Cooperative Inc. (SBCI) Attendance Support Services</u>  Extend the contract with SBCI to address attendance management issues identified by TCDSB staff and recent internal audits as a high priority and significant cost and academic operational pressure.  SBCI Support services will continue to organize and operationalize structural changes within the Sick Leave and Disability Department.	0.223
<b>Total</b>	<b>\$0.343</b>

## 2018-19 BUDGET EXPENDITURE ESTIMATES BY FUNCTIONAL CLASSIFICATION

## NON-CLASSROOM

Expenditures	2016/17 Actuals	2017/2018 Revised Estimates	2018/2019 Estimates	Difference	
				\$	%
Director's Office	5,643,978	5,945,986	6,005,181	\$ 59,195	1.0%
Communications	537,379	540,077	622,178	\$ 82,102	15.2%
Human Resources	5,121,653	6,053,069	6,283,453	\$ 230,384	3.8%
Business Administration	4,231,872	4,763,205	4,816,324	\$ 53,119	1.1%
Legal Fees	884,054	915,000	1,000,000	\$ 85,000	9.3%
Corporate Services	1,031,780	1,163,460	1,091,996	\$ (71,464)	-6.1%
Employee Relations	552,452	772,142	827,766	\$ 55,624	7.2%
Facilities Services & Planning Services	1,381,452	1,561,624	1,679,234	\$ 117,610	7.5%
Catholic Education Centre	1,612,379	2,518,323	2,586,256	\$ 67,932	2.7%
Transportation	33,319,894	35,145,198	35,732,608	\$ 587,410	1.7%
Operations & Maintenance	89,778,457	95,867,259	98,102,743	\$ 2,235,484	2.3%
Other Expenditures	119,437	124,106	125,262	\$ 1,156	0.9%
Temporary Accommodation		3,221,513	3,335,243	\$ 113,730	3.5%
Budgets Transferred to Classroom Instruction from Administration and Governance		3,370,491	3,435,884		
<b>TOTAL</b>	<b>\$ 144,214,786</b>	<b>\$ 161,961,454</b>	<b>\$ 165,644,129</b>	<b>\$ 3,682,675</b>	<b>2.3%</b>



## 2018-19 BUDGET EXPENDITURE ESTIMATES BY FUNCTIONAL CLASSIFICATION

## Director's Office

Expenditures	2016/17 Actuals	2017/18 Revised Estimates	2018/2019 Estimates	Difference	
				\$	%
Director/Supervisory Officers Salaries	\$ 2,865,984	\$ 2,859,861	\$ 2,957,605	97,744	3.4%
Director/Supervisory Officers Benefits	824,075	939,059	878,113	(60,946)	-6.5%
Director & Supervisory Officers Professional Development	47,283	40,000	42,500	2,500	6.3%
Director & Supervisory Officers Other Expenses	63,303	51,912	43,680	(8,232)	-15.9%
Office Support Staff Salaries	909,850	824,456	850,226	25,770	3.1%
Office Support Staff Benefits	212,263	216,080	218,168	2,088	1.0%
Trustees & Student Trustees Honorariums	256,833	267,177	272,052	4,875	1.8%
Trustees & Student Trustees Other Expenses	126,744	377,680	373,077	(4,603)	-1.2%
OCSTA Annual Membership Fee	210,118	210,978	210,978	-	0.0%
OCSSOA Membership Fees	32,895	32,895	32,895	-	0.0%
Director's Office					
Printing	3,341	15,000	15,000	-	0.0%
Telephone	1,456	2,500	2,500	-	0.0%
Supplies	87,483	98,388	98,388	-	0.0%
Contractual Services	2,349	10,000	10,000	-	0.0%
<b>TOTAL</b>	<b>\$ 5,643,978</b>	<b>\$ 5,945,986</b>	<b>\$ 6,005,181</b>	<b>59,195</b>	<b>1.0%</b>



## 2018-19 BUDGET EXPENDITURE ESTIMATES BY FUNCTIONAL CLASSIFICATION

## Communications

Expenditures	2016/17 Actuals	2017/18 Revised Estimates	2018/2019 Estimates	Difference	
				\$	%
Salaries	\$ 383,479	\$ 365,983	\$ 436,193	70,210	19.2%
Benefits	103,630	95,920	111,927	16,007	16.7%
<b>Supplies &amp; Services</b>					
Car Allowance	11,369	12,348	8,232	(4,116)	-33.3%
Printing	6,145	7,500	7,500	-	0.0%
Telephone	3,385	4,000	4,000	-	0.0%
Supplies	29,371	54,326	54,326	-	0.0%
<b>TOTAL</b>	<b>\$ 537,379</b>	<b>\$ 540,077</b>	<b>\$ 622,178</b>	<b>82,102</b>	<b>15.2%</b>



# 2018-19 BUDGET EXPENDITURE ESTIMATES BY FUNCTIONAL CLASSIFICATION

## Human Resources

Expenditures	2016/17 Actuals	2017/18 Revised Estimates	2018/2019 Estimates	Difference	
				\$	%
Salaries	\$ 3,558,325	\$ 4,072,019	\$ 4,253,986	181,967	4.5%
Benefits	967,887	1,067,227	1,091,587	24,360	2.3%
Central Temporary Staffing	150,295	85,000	85,000	-	0.0%
Summer Help (Temporary Staffing)	-	85,000	85,000	-	0.0%
Negotiation Costs	18,217	125,719	125,719	-	0.0%
New Teacher Induction Program NTIP Provision	50,000	50,000	50,000	-	0.0%
Workplace Safety Team Professional Development Fund	-	50,000	50,000	-	0.0%
Whistle Blower Security	-	75,000	75,000	-	0.0%
Central Bargaining - OCSTA	43,017	43,017	43,017	-	0.0%
Car Allowance	32,928	37,044	24,696	(12,348)	-33.3%
Professional Development	24,443	15,000	15,000	-	0.0%
Printing	7,362	8,000	8,000	-	0.0%
Telephone	9,493	10,000	11,406	1,406	14.1%
Supplies	72,081	97,250	97,250	-	0.0%
Recruitment of Staff	86,333	80,000	80,000	-	0.0%
Professional Services	61,953	82,811	117,811	35,000	42.3%
Software Fees & Licensing Fees	39,321	69,982	69,982	-	0.0%
<b>TOTAL</b>	<b>\$ 5,121,653</b>	<b>\$ 6,053,069</b>	<b>\$ 6,283,453</b>	<b>230,384</b>	<b>3.8%</b>





## 2018-19 BUDGET EXPENDITURE ESTIMATES BY FUNCTIONAL CLASSIFICATION

## Business Administration

Expenditures	2016/17 Actuals	2017/18 Revised Estimates	2018/2019 Estimates	Difference	
				\$	%
Salaries	\$ 3,333,032	\$ 3,694,546	\$ 3,745,698	51,152	1.4%
Benefits	879,825	968,296	961,146	(7,150)	-0.7%
<b>Supplies &amp; Services</b>					
Materials Management	8,295	9,116	9,116	-	0.0%
Payroll Services	27,186	28,920	28,920	-	0.0%
Business Services	31,675	37,328	46,444	9,116	24.4%
Printing Services	(264,409)	(100,000)	(100,000)	-	0.0%
Bank Charges & Other Fees	95,135	25,000	25,000	-	0.0%
Audit Fees	121,133	100,000	100,000	-	0.0%
<b>TOTAL</b>	<b>\$ 4,231,872</b>	<b>\$ 4,763,205</b>	<b>\$ 4,816,324</b>	<b>53,119</b>	<b>1.1%</b>

**2018-19 BUDGET EXPENDITURE ESTIMATES BY FUNCTIONAL CLASSIFICATION****Legal Fees**

<b>Expenditures</b>	<b>2016/17 Actuals</b>	<b>2017/18 Revised Estimates</b>	<b>2018/2019 Estimates</b>	<b>Difference</b>	
				<b>\$</b>	<b>%</b>
Legal Fees & Services - General Corporate & Safe Schools	\$ 70,198	\$ 150,000	\$ 150,000	-	0.0%
Legal Fees & Services - Employee Relations	620,861	450,000	500,000	50,000	-100.0%
Legal Fees & Services - Planning & Facilities	192,996	315,000	350,000	35,000	-100.0%
<b>TOTAL</b>	<b>\$ 884,054</b>	<b>\$ 915,000</b>	<b>\$ 1,000,000</b>	<b>85,000</b>	<b>-100.0%</b>



## 2018-19 BUDGET EXPENDITURE ESTIMATES BY FUNCTIONAL CLASSIFICATION

## Corporate Services

Expenditures	2016/17 Actuals	2017/18 Revised Estimates	2018/2019 Estimates	Difference	
				\$	%
Salaries	\$ 735,059	\$ 781,241	\$ 727,782	(53,459)	-6.8%
Benefits	192,888	204,754	186,749	(18,005)	-8.8%
Professional Development	47,658	82,700	82,700	-	0.0%
Printing	1,156	1,200	1,200	-	0.0%
Telephone	1,870	2,000	2,000	-	0.0%
Supplies	36,620	26,088	26,088	-	0.0%
Contractual Services	12,412	57,861	57,861	-	0.0%
Software Fees & Licensing Fees	-	3,500	3,500	-	0.0%
Car Allowance	4,116	4,116	4,116	-	0.0%
<b>TOTAL</b>	<b>\$ 1,031,780</b>	<b>\$ 1,163,460</b>	<b>\$ 1,091,996</b>	<b>(71,464)</b>	<b>-6.1%</b>



## 2018-19 BUDGET EXPENDITURE ESTIMATES BY FUNCTIONAL CLASSIFICATION

## Employee Relations

Expenditures	2016/17 Actuals	2017/18 Revised Estimates	2018/2019 Estimates	Difference	
				\$	%
Salaries	\$ 413,800	\$ 566,290	\$ 613,029	46,739	8.3%
Benefits	107,829	148,418	157,303	8,885	6.0%
Professional Development	5,766	7,500	7,500	-	0.0%
Printing	266	10,000	10,000	-	0.0%
Telephone	1,467	3,000	3,000	-	0.0%
Supplies	15,234	13,770	13,770	-	0.0%
Professional Services	7,747	19,048	19,048	-	0.0%
Car Allowance	343	4,116	4,116	-	0.0%
<b>TOTAL</b>	<b>\$ 552,452</b>	<b>\$ 772,142</b>	<b>\$ 827,766</b>	<b>55,624</b>	<b>7.2%</b>



## 2018-19 BUDGET EXPENDITURE ESTIMATES BY FUNCTIONAL CLASSIFICATION

## Facilities Services &amp; Planning Services

Expenditures	2016/17 Actuals	2017/18 Revised Estimates	2018/2019 Estimates	Difference	
				\$	%
Salaries	\$ 1,051,486	\$ 1,140,404	\$ 1,291,087	150,683	13.2%
Benefits	273,945	298,886	331,293	32,407	10.8%
<b>Supplies &amp; Resources</b>					
Facilities Services Department	12,172	12,243	12,243	-	0.0%
Capital Development Department	3,527	3,500	3,500	-	0.0%
Planning Department	22,147	30,348	18,000	(12,348)	-40.7%
Development Services	6,948	11,227	7,111	(4,116)	-36.7%
Admissions Department	102	1,000	1,000	-	0.0%
Facilities Legal Services Department	8,626	10,000	10,000	-	0.0%
Capital Planning Capacity Program	2,498	54,016	5,000	(49,016)	-90.7%
<b>TOTAL</b>	<b>\$ 1,381,452</b>	<b>\$ 1,561,624</b>	<b>\$ 1,679,234</b>	<b>117,610</b>	<b>7.5%</b>



## 2018-19 BUDGET EXPENDITURE ESTIMATES BY FUNCTIONAL CLASSIFICATION

## Catholic Education Centre

Expenditures	2016/17 Actuals	2017/18 Revised Estimates	2018/2019 Estimates	Difference	
				\$	%
Custodial Salaries	\$ 519,393	\$ 350,535	\$ 406,126	55,591	15.9%
Custodial Benefits	146,999	91,871	104,212	12,341	13.4%
CEC Facility Utilities & Maintenance	684,689	600,000	600,000	-	0.0%
CEC Amortization of Previous Building Improvements	261,298	1,475,917	1,475,917	-	0.0%
<b>TOTAL</b>	<b>\$ 1,612,379</b>	<b>\$ 2,518,323</b>	<b>\$ 2,586,256</b>	<b>67,932</b>	<b>2.7%</b>



## 2018-19 BUDGET EXPENDITURE ESTIMATES BY FUNCTIONAL CLASSIFICATION

## Transportation

Expenditures	2016/17 Actuals	2017/18 Revised Estimates	2018/2019 Estimates	Difference	
				\$	%
Administrative Salaries	\$ 930,536	\$ 932,113	\$ 963,558	31,445	3.4%
Administrative Benefits	242,634	245,317	237,421	(7,897)	-3.2%
Temporary Assistance	-	57,000	57,000	-	0.0%
Office Supplies & Services	61,507	82,400	132,400	50,000	60.7%
<b>TRANSPORTATION - REGULAR INSTRUCTION</b>					
Music	34,673	36,571	37,303	731	2.0%
Outdoor Education	3,557	12,106	12,348	242	2.0%
Excursions for Handicapped Students	14,391	37,127	37,870	743	2.0%
Ontario Schools Deaf & Blind	-	37,439	38,188	749	2.0%
Regular Home to School	14,664,184	14,044,388	14,325,276	280,888	2.0%
Student Safety	43,037	92,911	94,769	1,858	2.0%
Safe Schools	8,957	10,609	10,821	212	2.0%
Kindergarten	-	-	-	-	0.0%
Remedial Language	129,363	133,244	135,909	2,665	2.0%
Regular Transit Fares for Scholars & Children	31,491	49,745	50,740	995	2.0%
Safe Schools Transit Fares (Scholars)	-	14,302	14,588	286	2.0%
Transit Fares for Adults	-	1,931	1,970	39	2.0%
Summer School	380,450	412,449	420,698	8,249	2.0%
Bilingual Program Transit Fares (Scholars & Children)	31,870	74,336	75,822	1,487	2.0%
Exceptional Circumstances (Tickets)	436,764	496,062	505,983	9,921	2.0%
Fuel Escalation Charge Provision	(75,550)	100,000	150,000	50,000	50.0%
Regular Home to School for New Routes	-	-	-	-	0.0%
Software Fees & Licenses	90,722	317,772	180,926	(136,846)	-43.1%
Physical Transportation	-	2,370	2,417	47	2.0%
Transportation Consortium	74,043	375,000	382,500	7,500	2.0%

## 2018-19 BUDGET EXPENDITURE ESTIMATES BY FUNCTIONAL CLASSIFICATION

## Transportation

Expenditures	2016/17 Actuals	2017/18 Revised Estimates	2018/2019 Estimates	Difference	
				\$	%
<b>TRANSPORTATION - SPECIAL EDUCATION</b>					
Vision, Hearing & Speech	2,199,742	2,265,734	2,311,049	45,315	2.0%
Medical & Handicapped	7,955,385	8,194,047	8,357,927	163,881	2.0%
Special Education Transit Fares for Adults	3,801	12,228	12,473	245	2.0%
Developmentally Disabled Transit Fares for Scholars	8,983	7,903	8,061	158	2.0%
Special Transit Fares for Scholars & Children	165,735	116,456	118,786	2,329	2.0%
Developmentally Disabled	574,188	592,426	604,275	11,849	2.0%
Section 23 Programs	773,469	796,671	812,604	15,933	2.0%
Special Education	3,814,927	3,920,930	3,999,348	78,419	2.0%
Co-operative Education (Special Education & W/C) & Transit Tickets	721,035	967,823	987,179	19,356	2.0%
<b>ONE-TIME TRANSPORTATION SERVICES</b>					
One-time Transportation Services due to New School Construction	\$ -	\$ 705,788	\$ 652,399	(53,389)	-7.6%
<b>TOTAL</b>	<b>\$ 33,319,894</b>	<b>\$ 35,145,198</b>	<b>\$ 35,732,608</b>	<b>587,410</b>	<b>1.7%</b>





## 2018-19 BUDGET EXPENDITURE ESTIMATES BY FUNCTIONAL CLASSIFICATION

## Operations &amp; Maintenance

Expenditures	2016/17 Actuals	2017/18 Revised Estimates	2018/2019 Estimates	Difference	
				\$	%
Salaries	\$ 42,552,374	\$ 46,808,852	\$ 47,230,180	421,328	0.9%
Benefits	13,020,198	14,999,339	14,702,722	(296,617)	-2.0%
Utilities	19,894,334	18,544,856	19,068,893	524,037	2.8%
Insurance	2,228,839	2,200,000	2,350,000	150,000	6.8%
Professional Development Provision	73,275	37,806	126,751	88,945	235.3%
Printing and Photocopying	8,258	1,994	8,258	6,264	314.1%
Plant Operations Supplies	1,053,249	1,140,000	1,289,520	149,520	13.1%
Automobile Reimbursement	60,709	66,121	60,709	(5,412)	-8.2%
Travel Expense Allowance	110,166	124,537	110,166	(14,371)	-11.5%
Vehicle Fuel	119,691	120,064	130,000	9,936	8.3%
Repairs-Custodial Equipment	145,453	160,381	150,000	(10,381)	-6.5%
Telephone Expense	93,051	98,731	128,096	29,365	29.7%
Office Supplies and Services	36,275	34,624	41,275	6,651	19.2%
Maintenance Supplies and Services	3,499,503	3,993,749	4,201,000	207,251	5.2%
Vehicle Maintenance and Supplies	236,921	131,289	236,921	105,632	80.5%
Replacement Furniture & Equipment	409	92,608	256,151	163,543	176.6%
Additional Equipment - Vehicles	804	140,081	180,000	39,919	28.5%
Rental Lease Vehicles	53,978	51,073	75,000	23,927	46.8%
Other Professional Fees (Health & Safety)	169,585	93,121	169,585	76,464	82.1%
Other Contractual Services	6,421,384	7,028,033	7,587,516	559,482	8.0%
<b>TOTAL</b>	<b>\$ 89,778,457</b>	<b>\$ 95,867,259</b>	<b>\$ 98,102,743</b>	<b>2,235,484</b>	<b>2.3%</b>

**2018-19 BUDGET EXPENDITURE ESTIMATES BY FUNCTIONAL CLASSIFICATION****Other Expenditures**

<b>Expenditures</b>	<b>2016/17 Actuals</b>	<b>2017/18 Revised Estimates</b>	<b>2018/2019 Estimates</b>	<b>Difference</b>	
				<b>\$</b>	<b>%</b>
Parental Involvement Funding	117,806	122,106	123,262	1,156	0.9%
Partnership Development Department - Office Supplies & Services	1,631	2,000	2,000	-	0.0%
<b>TOTAL</b>	<b>\$ 119,437</b>	<b>\$ 124,106</b>	<b>\$ 125,262</b>	<b>1,156</b>	<b>0.9%</b>

# Toronto Catholic District School Board

## Volume V: Financial Sustainability

## Financial Sustainability requires looking forward

School Board funding is almost entirely dependent on Provincial grants. A large portion of these grants remain stable year over year and therefore the TCDSB is able, to a certain extent, to consider its sustainability beyond an annual budget process. Historically, much concentration is placed on



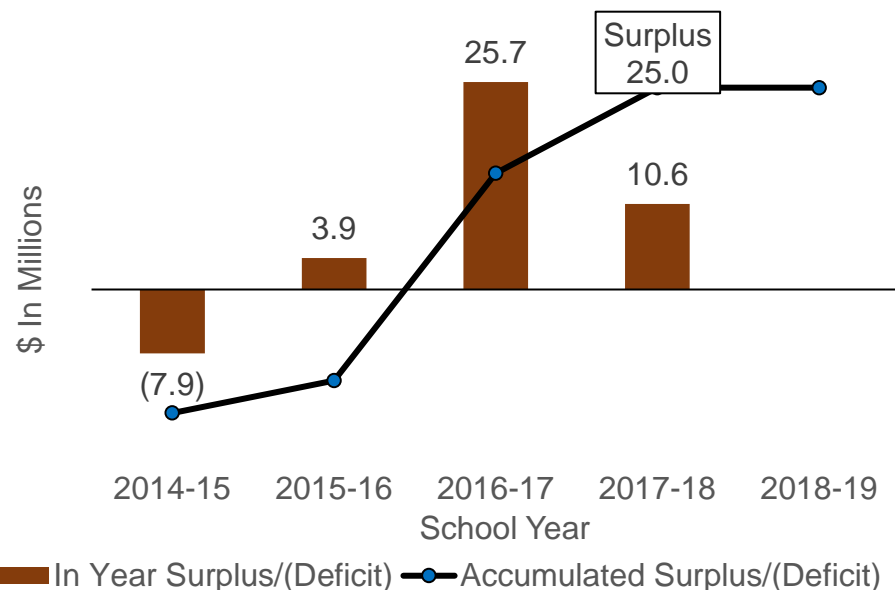
balancing the funding received by the Province with the planned expenditures for the year. Often a Board may face one-time increases or decreases in expenditures, which puts the budget out of balance. It also may be faced with “structural deficits” arising from legislative or labour arbitration decisions that essentially place an ongoing cost burden

that is greater than the funding received by the Province. In order to remain sustainable the TCDSB should consider funding strategies that are beyond an annual view and also that works within the current legislative permissions granted to it by the Province.

## In isolation, an Accumulated Surplus is not a solution to Financial Sustainability

The mechanism by which most School Boards, including the TCDSB, mitigates against the risks of potential in-year deficits is by holding an “Accumulated Surplus”. These are the result of adding all of the previous year’s in-year surpluses and holding this sum of money as a type of “rainy day” fund that can be used to offset in-year deficits in future years.

TCDSB In-Year and Accumulated Surpluses / (Deficits)



The TCDSB made difficult decisions to eliminate various structural deficits in order to arrive at an expected Accumulated Surplus of \$25.0M at the end of the 2017-18 fiscal year. TCDSB Trustees were forward thinking in that they passed a motion that 1% of the Accumulated Surplus would be held as a form of contingency against future year deficits. This aligns with the Province's recommendation that a minimum of 1% be accumulated for these purposes. This year's budget process recommends taking this notion one step further to more fully embrace a sustainable path forward.

### **A Reserve Strategy is necessary to complement an Accumulated Surplus and mitigate the risk against in-year deficits**

The Education Act allows School Boards to create something called "Reserves". These are special purpose type funds that are restricted to a specific type of expenditure and can be funded by the Accumulated Surplus. The TCDSB already has several of these types of reserve accounts, however the strategy to set these monies aside has not been previously formalized and occurs on an ad-hoc basis. This year staff are recommending that the strategy begin to be formalized so that funds from the Accumulated Surplus can be strategically set aside for potential future in-year deficits as well as for one-time large expenditures that can change from year to year. Investments in enterprise wide Information Technology (IT) systems is a good example of this.

### **New consolidated reserves are recommended to be created out of some existing ones**

As stated earlier, the TCDSB has several reserves included in its 2017-18 Financial Statements. Many of these reserves are operational in nature and simply carryover projects/initiatives from previous years where the monies are yet to be spent. A full list of these reserves can be found in Appendix 5A. There are some reserves that lend themselves to being a part of larger strategic reserves. Those reserves concerning renewal of Administrative Facilities and IT Infrastructure make sense to consolidate and create two new strategic reserves as the projects may be phased over multiple years.

There are also areas for which TCDSB receives minimal grant funding and it is both logical and more sustainable to create strategic reserves to better plan for and implement related projects over the long term. In total, these reserves would be seeded with \$3.38M of funding. It should be noted that some of these monies may be in use within the 2017-18 fiscal year so the starting balances may be less than \$3.38M when beginning the 2018-19 fiscal year. Starting to build up these reserves will allow both Facilities and IT staff better flexibility to respond to priorities that may arise, which are not provided for through base budget GSN funding or EPO grants from the Ministry.

2018-19 New Consolidated Reserves (\$M)	
I.T. Infrastructure Reserve	\$2.18
Admin Facility Reserve	\$1.20
<b>Total</b>	<b>\$3.38</b>

### **One-time strategic investments are recommended for 2018-19 from the Accumulated Surplus**

During the 2017-18 Revised Budget Estimate discussion, the Board of Trustees allocated various one-time strategic funding from the Accumulated Surplus. Before considering a further Reserve Strategy beginning in 2018-19, any further strategic one-time investments must be considered.

2018-19 One-Time Strategic Investments (\$M)	
IT Hardware Replacements	\$1.40
HR Recruitment Initiatives	\$0.12
SBCI Attendance Support Services	\$0.22
<b>Total</b>	<b>\$1.74</b>

For the 2018-19 fiscal year, staff are recommending in Volumes 3 and 4 of this Budget Book three one-time investments from the Accumulated Surplus totaling \$1.75M. All three investments have been assessed by Senior Staff as being high priority and critical to the success of the

organization moving in to the future. Staff believe that these are fiscally prudent investments given their broad impact on the organization.

## The remainder of the Accumulated Surplus is recommended to be allocated to new Strategic Reserves

The 2017-18 Accumulated Surplus is expected to be \$25.0M. After deducting \$1.74M for one-time investments in 2018-19 this leaves a balance of \$23.26M. Further reducing this amount by an estimated ASO Benefit Surplus of \$10.50, leaves a balance to be allocated of \$12.7M. It is necessary to deduct the ASO Benefit Surplus until such time as that amount is confirmed by the Province. It is recommended that the \$12.7M be allocated to the following two Strategic Reserves: 1) Operating Contingency Reserve, and 2) IT Strategic Systems Reserve.

2018-19 New Strategic Reserves (\$M)	
Operating Contingency Reserve ( <i>To max of 2% Contingency</i> )	\$11.20
IT Strategic Systems Reserve	\$1.50
<b>Total</b>	<b>\$12.70</b>

The Operating Contingency reserve is recommended to act as a contingency to offset future in-year deficits. \$11.2M is approximately 1% of TCDSB's operating budget and is in line with the motion approved by Trustees. This reserve is envisioned to operate with a minimum and maximum amount. The minimum would be 1% of the operating budget, while the maximum amount held in the reserve would be 2% of the operating budget. It should be noted that the Province has indicated that 2% is the optimal amount to be held in contingency.

The IT Strategic Systems Reserve, which is separate and distinct from the IT Infrastructure Reserve, is not for hardware replacement. Rather, it is to address long term financial planning for replacement of major enterprise wide systems. TCDSB is facing several challenges over the coming years with either completely replacing or upgrading large scale systems such as its Student Information System and its HR and Finance Enterprise system also known as "SAP". These are large multi-year and multi-million dollar investments that require careful implementation and financial planning to achieve. Some money exists in the base budget for this system work, but it is anticipated that the cost will greatly exceed the amounts allocated at this point. By creating an initial reserve with seed monies this should help to start a sustainable financial plan, but more will need to be allocated in future years.



## **In-Year surpluses are recommended to be apportioned to Strategic Reserves on a formula basis**

In order to provide a framework by which accumulated surpluses are treated at year end, it is recommended that a formulaic approach is taken to allocate funding to strategic reserves. 50% of in-year surpluses are recommended to be allocated to the Operating Contingency Reserve as a contingency against future in-year deficits. As mentioned earlier, this contribution would continue until the reserve has reached its maximum of 2% of the operating budget. Once the maximum is attained, these funds would be redirected to other remaining reserves on a pro rata basis according to the formula or to any new strategic reserves that may be recommended in the future.

Another 40% is recommended to be allocated to the IT Strategic Systems Reserve. This once again gives recognition to the fact that the Board is going to face some severe funding challenges over the next 3-7 years as major enterprise systems are expected to be replaced or upgraded.

% Allocation of In-Year Surpluses to Strategic Reserves	
Operating Contingency Reserve	50%
IT Strategic Systems Reserve	40%
Admin Facility Reserve	5%
Student Equity Strategic Reserve	5%
Total	100%

A further 5% is recommended to be allocated to each of the Administrative Facility Reserve and a new Student Equity Reserve. The Administrative Facility Reserve is meant to largely help bolster the renewal activities for the Catholic Education Centre to which most EPO grants from the Province are ineligible. The Student Equity Reserve is a new strategic reserve being recommended to set aside monies that can be applied towards various equity initiatives across the Board. One-time increases to School Block Budgets in lower socio-economic areas of the Board is a good example of one such use, but other priorities, initiatives or projects may also arise in the future that could benefit from having funding set aside to fund equity related issues.

It should be noted that this formula would be applied by staff at year end, however should the Board of Trustees wish to adjust this formula in any given year, then a motion in that particular year could be passed to adjust the formula should a need arise to do so.



**The reserve strategy is in its infancy and will require more work in the future**

The reserve strategy recommendations described in this Volume of the 2018-19 Budget Book is only the start of the overall strategy. More work will be done over the next fiscal year to better define the strategy. For instance, more work will be done on a plan and multi-year budget for IT Strategic Systems investments as well as an IT asset replacement plan. An actual Reserve Policy is envisioned to be created and brought to the Governance and Policy Committee in 2018-19 so that policy and procedures are more well defined.

It is recommended that the above strategy be adopted for this fiscal year to ensure a philosophy of Financial Sustainability begins to emerge. As the largest publicly funded Catholic School Board, it is imperative that sustainability be of primary concern and that a degree of objectivity and transparency is also achieved in doing so.

# **VOLUME V - APPENDICES**

## Appendix 5A

<b>List of Reserves</b>	<b>2016-17 Year End (\$M)</b>
School Block Budget	2.20
Professional Development	0.16
Contract Support Workers	0.09
Trustee unspent Budgets Board Motion	0.04
Capital Planning Capacity	0.56
Playground Equipment	0.03
Catholic School Parent Council	2.06
Administrative Facilities*	1.20
IT Infrastructure*	2.18
<b>Total Reserves</b>	<b>\$8.52</b>

*\*New consolidated strategic reserves using balances from existing reserves related to administrative facilities and IT hardware replacement*



REPORT TO

AUDIT COMMITTEE

## UPDATE REPORT REGARDING WHISTLEBLOWER POLICY

*And you will know the truth, and the truth will set you free.*

**John 8:32**

Created, Draft	First Tabling	Review
May 8, 2018	May 23, 2018	<a href="#">Click here to enter a date.</a>
P. De Cock, Comptroller of Business Services & Finance		
<b>INFORMATION REPORT</b>		

### Vision:

*At Toronto Catholic we transform the world through witness, faith, innovation and action.*

### Mission:

*The Toronto Catholic District School Board is an inclusive learning community uniting home, parish and school and rooted in the love of Christ.*

*We educate students to grow in grace and knowledge to lead lives of faith, hope and charity.*



Rory McGuckin  
Director of Education

D. Koenig  
Associate Director  
of Academic Affairs

TBD  
Associate Director  
of Planning and Facilities

L. Noronha  
Executive Superintendent  
of Business Services and  
Chief Financial Officer

## **A. EXECUTIVE SUMMARY**

This report provides the Audit Committee with an update concerning the Draft Whistleblower Policy with standard guidelines to respond to moral, ethical or legal concerns of all of Toronto Catholic District School Board's Community Stakeholders with the inclusion of a third party reporting hotline.

## **B. PURPOSE**

1. This Information Report is on the Order Paper of the Audit Committee by a Trustee request through approved motion from the Audit Committee at the April 24<sup>th</sup> 2018 meeting to provide the Audit Committee with an update concerning the Draft Whistleblower Policy and Procedures.

## **C. BACKGROUND**

1. The Governance Committee on September 12<sup>th</sup> 2017 received the report concerning the draft Whistleblower Policy and Procedures.
2. The draft policy and procedures were reviewed and edited as appropriate, and recommended to the Regular Board meeting to be held in September 2017 for consideration and public consultation at the "consult" level.
3. Consultations began with Human Resources staff meeting with each employee groups' unions. This time-consuming administrative effort took place over the next few months.
4. At the conclusion of extensive consultations with unions and federations, Communications Department staff received notification during the last week of April 2018 to begin the TCDSB Community Consultation exercise.
5. The TCDSB launched the community consultation exercise on May 1<sup>st</sup> 2018 and all feedback received by Noon on May 22<sup>nd</sup> 2018 will be considered and reported to the Board of Trustees in an anonymous manner. The Whistleblower and other community consultations are listed on the new TCDSB community consultation micro-site which serves as a "One Stop Shop" for all consultation efforts on program and policy initiatives throughout the year.

6. The resulting consultation findings and responses will be brought forward to the Board of Trustees with a recommendation to refer the draft policy and procedures to the Governance Committee for final review and editing.

## **D. CONCLUDING STATEMENT**

This report is for the consideration of the Audit Committee.

## Audit Committee Meeting 2018 Annual Agenda / Check List

	Jan	Apr	May	Sep	Nov
<b>Risk Management</b>					
Resourcing (Mix, Skillset, Quantity)	D				
Reputational Risk	D				
Management Structure Issues		D			
CFO Role		D			
Budget (2018/2019)			D		
<b>Financial Reporting Process</b>					
MOE Financial Reports			D		
Consolidated Financial Statements					
<b>Internal Audit</b>					
Open Audit Status (% complete, support received)	D		D		
Risk Review Summary on Audit Completion	D		D		
Future Audit Plan (2 years)			D		
<b>Internal Controls</b>					
Ministry Operational Review					
Internal Audit recommendations	D		D		
<b>Compliance Matters</b>					
Legal		D			
MOE					
Union					
Board Policy Compliance					
<b>External Audit</b>					
Review External Auditors		D			
Scope					
Cost					

D - Discussed

R - Review requested

P - Pending

Audit Committee is required to meet a minimum of 3 times annually.

**Ministry of Education**

Education Finance Office  
Education Labour and Finance Division  
20th Floor, Mowat Block  
900 Bay Street  
Toronto ON M7A 1L2  
Tel.: 416-326-0999  
Fax.: 416-325-7247

**Ministère de l'Éducation**

Bureau du financement de  
l'éducation  
Division des relations de travail et du  
financement en matière d'éducation  
20<sup>e</sup> étage, Édifice Mowat  
900, rue Bay  
Toronto ON M7A 1L2  
Tél. : 416-326-0999  
Télec. : 416-325-7247



April 27, 2018

Rory McGuckin  
Director of Education  
Toronto Catholic District School Board  
80 Sheppard Avenue East  
Toronto, ON M2N 6E8

Dear Mr. McGuckin,

**Re: Multi-Year Financial Recovery Plan**

I am writing to you in regards to the board's multi-year financial recovery plan approved by the board in October 2016, and subsequently approved by the ministry in December 2016.

In 2016-17, the school board reported an accumulated surplus balance of 1.9 per cent of its operating allocation. Given the strong in-year financial position reported by the school board in 2016-17 and its projected in-year surplus for 2017-18, the ministry considers your multi-year financial recovery plan successfully achieved.

Currently, the board is submitting interim financial reports to the ministry on a monthly basis. Based on information in these reports and ministry staff discussions with the board, we understand that the board continues to experience structural in-year financial pressures in student transportation, occasional teachers' costs and special education costs. As a result, the ministry is requesting that the board continues to submit the interim financial reports but rather than monthly, on a quarterly basis.

The next interim financial report is due **June 20<sup>th</sup>, 2018** for the quarter ending May 31<sup>st</sup>, 2018, and subsequent reports will be due on the 20<sup>th</sup> of the month following each quarter-end. Please continue submitting these reports to Michelle Zheng, Senior Financial Analyst, at [Michelle.Zheng@ontario.ca](mailto:Michelle.Zheng@ontario.ca).



We commend the Toronto Catholic District School Board for taking the necessary steps to achieve its multi-year financial recovery plan. Building on its success, we encourage the board to closely monitor the structural pressures noted above along with any new pressures to ensure that the school board maintains a healthy and sustainable financial position. We also encourage the school board to maintain a minimum accumulated surplus balance of 2 per cent of its operating allocation to address any future contingencies.

Should you have any questions, please feel free to contact Med Ahmadoun at (416) 326-0201 or [Med.Ahmadoun@ontario.ca](mailto:Med.Ahmadoun@ontario.ca) or your ministry senior financial analyst.

Sincerely,

*Original signed by*

Doreen Lamarche  
Executive Director  
Education Finance Office

Cc: Lloyd Noronha, Executive Superintendent of Business Services and Chief Financial Officer, Toronto Catholic District School Board  
Andrew Davis, Assistant Deputy Minister, Education Labour and Finance Division, Ministry of Education  
Med Ahmadoun, Director, Financial Analysis and Accountability Branch, Ministry of Education

	<b>Requested (Meeting Date)</b>	<b>Agenda Item #</b>	<b>Subject</b>	<b>Date Due</b>	<b>Delegated to</b>
	Feb. 2014	14	Report regarding Schedule of Internal Audits (Annual)	Jan./Feb.	
	Feb. 2014	11(a)	Report regarding Summary of Grievances, Trends, Liabilities, Administrative Risks and Litigation (Quarterly, where appropriate, to both the Audit Committee and the respective Standing Committee)	Quarterly	<b>P. Matthews</b>
	Feb. 2014	14	Report regarding Audit Committee Annual Report to the Board of Trustees (Annual)	Nov.	<b>L. Noronha</b>
	Feb. 2014	14	Report regarding the Draft Audited Financial Statements (Annual)	Nov.	<b>L. Noronha</b>
	Feb. 2014	14	Report regarding the Audit Committee's Self-Assessment (Annual)	Jan./Feb.	<b>L. Noronha</b>
	Feb. 2014	14	Report regarding the External Auditors' Annual Audit Plan (Annual)	Sept.	<b>L. Noronha</b>
	Feb. 2014	14	Report regarding the Toronto & Area Regional Internal Audit Team Progress Report (Every Meeting)	Every Meeting	<b>TBD</b>

	Feb. 2013	14(a)	Report regarding Statements of Reserves and Accumulated Surplus (Annual)	Nov.	<b>L. Noronha</b>
	April 2018		Report regarding the type of work External Auditors may/may not complete on non-audit work; and include a staff recommendation on the ratio of non-audit services that External Auditor may be able to perform so as to not compromise independence.	Nov.	<b>L. Noronha</b>
	April 2018		Report regarding Professional Services Fees paid to External Consultants for Financial Advisory and Reporting Services (Annual)	Nov.	<b>L. Noronha</b>