

AUDIT COMMITTEE REGULAR MEETING Open (Public) Session

AGENDA May 14, 2019

Angela Kennedy, Chair

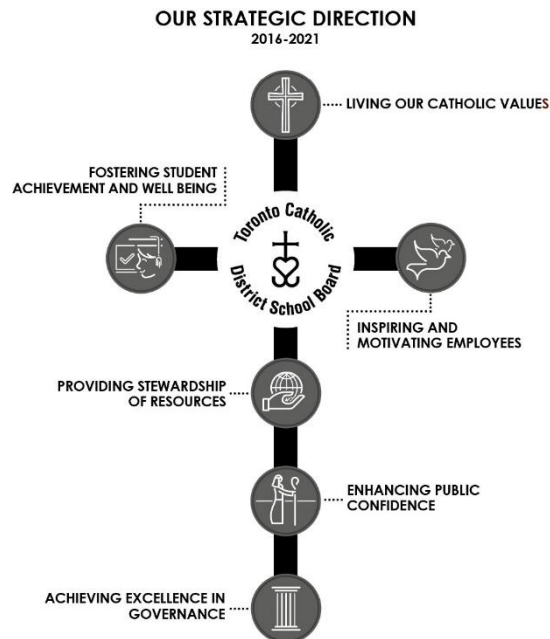
Michael Del Grande

Maria Rizzo, Ex-Officio

Daniel Di Giorgio

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

Maria Rizzo
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.

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AGENDA THE REGULAR MEETING OF THE AUDIT COMMITTEE

PUBLIC SESSION

Tuesday, May 14, 2019

6:30 P.M.

| | 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 March 26, 2019 for Public Session | 1 - 7 |
| 7. Delegations | |
| 8. Presentation | |
| 8.a Paula Hatt, representing the Toronto & Area Regional Internal Audit Team (Refer Item 13a) | |
| 8.b Paula Hatt, representing the Toronto & Area Regional Internal Audit Team (Refer Item 13b) | |
| 9. Notices of Motion | |

| | | |
|------------|---|-----------|
| 10. | Consent and Review | |
| 11. | Unfinished Business | |
| 12. | Matters referred/deferred | |
| 13. | Staff Reports | |
| 13.a | Paula Hatt, representing the Toronto & Area Regional Internal Audit Team, regarding the Regional Internal Audit Team Update (Refer Item 8a) | 8 - 11 |
| 13.b | Paula Hatt, representing the Toronto & Area Regional Internal Audit Team, regarding the TCDSB Risk Universe Update Audit Report (Refer Item 8b) | 12 - 30 |
| 13.c | 2019-20 Budget Impacts and Grants for Student Needs (GSN) Announcement – Overall and Instructional Related | 31 - 74 |
| 13.d | 2019-20 Budget Impacts and Grants for Student Needs (GSN) Announcement – Non-Instructional Related | 75 - 83 |
| 13.e | Draft Toronto Catholic District School Board Information and Technology Strategy for Consultation | 84 - 114 |
| 13.f | Audit Committee's Self-Assessment (Annual) | 115 - 117 |
| 13.g | Annual Agenda/Checklist | 118 |
| 14. | Listing of Communication | |
| 15. | Inquiries and Miscellaneous | |
| 15.a | Future Scheduled Audit Committee Meeting Dates: Tuesday, September 17, 2019 Tuesday, November 13, 2019 | |
| 16. | Updating of Pending List | 119 |
| 17. | Closing Prayer | |

18. Adjournment

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MINUTES OF THE REGULAR MEETING OF THE AUDIT COMMITTEE OPEN (PUBLIC) SESSION

HELD TUESDAY, MARCH 26, 2019

Trustees: A. Kennedy, Chair
M. Del Grande
D. Di Giorgio
M. Rizzo

External Members: R. Singh
N. Borges

Staff: R. McGuckin
D. Koenig
L. Noronha
M. Eldridge
P. De Cock
D. Bilenduke
D. DeSouza
C. Giambattista

S. Harris, Recording Secretary

External Auditor: P. Hatt – Toronto Regional Internal Audit Team

6. Approval of the Agenda

MOVED by Ryan Singh, seconded by Trustee Di Giorgio, that the Agenda be approved.

Trustee Rizzo wished for it to be recorded that she would not be voting on any Item in the PUBLIC Session until the matter on the PRIVATE Addendum has been addressed.

The Motion was declared

CARRIED

7. Declarations of Interest

There were none.

MOVED by Ryan Singh, seconded by Trustee Di Giorgio, that Item 6 be adopted as follows:

6. Approval & Signing of the Minutes of the Meeting held January 30, 2019 for Public Session approved.

The Motion was declared

CARRIED

MOVED by Trustee Del Grande, seconded by Ryan Singh, that Items 8a) and 13a) be adopted as follows:

8. Presentation

8a) Paula Hatt, representing the Toronto & Area Regional Internal Audit Team (RIAT) – Refer Item 13a) received; and

13. Staff Reports

- 13a) Paula Hatt, representing the Toronto and Area RIAT regarding the RIAT Update – Refer Item 8a) received.**

The Motion was declared

CARRIED

MOVED by Trustee Di Giorgio, seconded by Nancy Borges, that the meeting resolve into PRIVATE Session and resolve back into PUBLIC Session.

The Motion was declared

CARRIED

The meeting continued with Trustee Kennedy as Chair.

The Attendance list remained unchanged.

12. Matters Referred/Deferred

MOVED by Trustee Del Grande, seconded by Ryan Singh, that Items 12a) and 13f) be adopted as follows:

From the Audit Committee Meeting Held January 30, 2019

12a) Summary of School and Catholic School Parent Council (CSPC) Audit Findings (Refer Item 13f) *that staff come back with a more comprehensive and detailed analysis regarding the hospitality issue; and*

13. Staff Reports

13f) Summary of School and CSPC Audit Findings – Ministry and Toronto Catholic District School Board Procedures and Policies Pertaining to Hospitality received.

The Motion was declared

CARRIED

MOVED by Trustee Del Grande, seconded by Ryan Singh, that the Agenda be reopened.

The Motion was declared

CARRIED

MOVED by Trustee Del Grande, seconded by Ryan Singh, that the approval and signing of the Minutes of the January 30, 2019 Audit Committee Meeting be reconsidered for approval by the newly-reconstituted Audit Committee.

The Motion was declared

CARRIED

MOVED by Trustee Del Grande, seconded by Trustee Di Giorgio, that the Minutes of the January 30, 2019 Audit Committee Meeting be approved by the newly-constituted Audit Committee.

The Motion was declared

CARRIED

13. Staff Reports

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

- 13b) Ministry of Education Enrolment Audits of Alternative Programs** received.

The Motion was declared

CARRIED

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

- 13c) 2018-19 Second Quarter Financial Status Update** received.

The Motion was declared

CARRIED

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

13d) 2019-20 Budget Setting Plan and Consultation received.

The Motion was declared

CARRIED

MOVED by Trustee Di Giorgio, seconded by Nancy Borges, that Item 13e) be adopted as follows

13e) Audit Committee Annual Agenda/Checklist received.

The Motion was declared

CARRIED

15. Inquiries and Miscellaneous

15a) Next Scheduled Meeting: Tuesday, May 14, 2019

MOVED by Trustee Del Grande, seconded by Trustee Di Giorgio, that the meeting resolve back into PRIVATE Session.

The Motion was declared

CARRIED

SECRETARY

CHAIR



**INTERNAL
AUDIT TEAM**
Toronto and Area Region

Toronto Catholic District School Board

Status Update for Audit Committee

May 2019

Staffing Update: Introduction of NEW Manager, Regional Internal Audit – **Judy Selvadurai**

Judy will be supporting regional internal audit in the six school boards within the Toronto and Area Region (Toronto DSB, Toronto Catholic DSB, Peel DSB, Dufferin-Peel Catholic DSB, York Region DSB and York Catholic DSB).

Judy is a Chartered Professional Accountant (CPA) and a Certified Internal Auditor (CIA). Judy joined York Catholic District School Board in March 2004 as the Internal Auditor and was most recently the Compliance and Financial Specialist.

Recruitment for the Regional Internal Audit Specialist position is still ongoing.

Audit Plan Update: The following is the status of engagements included in the Toronto Catholic District School Board’s Regional Internal Audit Plan for the 2018/19 year.

| # | Audits | Status |
|---|---------------------|---|
| 1 | IT Asset Management | <p>The main objective for this engagement is to assess whether the Board is adequately managing its IT assets. For this audit, the following types of IT assets are being reviewed:</p> <ul style="list-style-type: none"> • Laptops / Desktops • Mobile devices (i.e. iPads and Chromebooks) • Printers • Audio visual equipment (i.e. large format displays and projectors) <p>Review of the audit work is almost complete. Once complete, a closing meeting will be scheduled with management to discuss observations.</p> |



| # | Audits | Status |
|---|--|--|
| 2 | Records Management | <p>The main objective for this engagement is to determine whether the Board's records are adequately managed from the creation of a record through to destruction of a record that is no longer required to be kept.</p> <p>This outsourced engagement was awarded to KPMG. A kick-off meeting between management, KPMG and the Regional Internal Audit Team is scheduled for May 15th, at which time a schedule for fieldwork will be agreed upon.</p> |
| 3 | Payroll/Human Resources Follow Up | <p>The objective of this engagement is to follow up on findings identified in the Payroll/Human Resources Audit Report that was issued in 2016 and determine whether management has implemented appropriate processes and controls to address these findings.</p> <p>Planning for this follow-up is underway. The Regional Internal Audit Team has requested from management documentation that supports the current status of the findings.</p> |
| 4 | Risk Assessment / Three-Year Internal Audit Plan | <p>A risk is the possibility of an event occurring that will impact achievement of the Board's objectives. The Regional Internal Audit Team will assess risk across the various functions of the Board to determine areas that are higher risk.</p> |



| # | Audits | Status |
|---|--------|--|
| | | <p>The internal audit plan for the three years starting 2019-20 will then be developed and will take into consideration:</p> <ul style="list-style-type: none">• Areas of highest risk• Projects that will add the most value• Previous audit coverage• Common risk areas across boards in the Toronto and Area Region <p>The risk assessment is now complete and the internal audit plan is currently under development. The results of the risk assessment will be shared at the May 2019 Audit Committee meeting, along with a list of audits suggested for inclusion in the audit plan for Audit Committee discussion and feedback.</p> |

Purpose

In accordance with the Regional Internal Audit mandate, on a three-year basis, the Regional Internal Audit Senior Manager will submit to district school board management and to the Audit Committee of the Board of Trustees an internal audit plan for recommendation to their Board of Trustees for approval.

The internal audit plan will be developed based on a prioritization of the internal audit universe using a risk based methodology which engages the Board’s senior staff and the Audit Committee. Risks are assessed across the School Board Audit Universe while also considering engagements completed in the prior multi-year audit cycles. The purpose of this memo is to summarize the risk assessment results and proposed engagements.

Proposed Engagements

Based on the surveys and interviews conducted, the following six engagements have been prioritized for consideration for the 2020-2022 multiyear audit plan:

| Functional Area | Proposed Engagement | Proposed Audit Scope | |
|------------------------------------|------------------------------------|---|------|
| Financial Management and Reporting | Accounts Payable and Expense Audit | Assess controls in place and analyze accounts payable and expense data to identify potential issues and areas for process improvement (i.e. duplicate vendors, unusual payments). | RIAT |

| | | | |
|---|--|--|------------------|
| Planning, Facilities and Operations | Usage of Schools Analysis | Perform analysis to identify optimal use of schools over the summer months. Analyze key data (i.e. cost vs. revenue). Assess current processes and controls and identify opportunities for greater efficiency and cost savings. | RIAT |
| Human Resources and Payroll | Strategic Workforce Planning - Phase 1 | Multiphase engagement to assist the Board with ensuring the right skill sets and staffing resources are in place. Key position review and other analysis as needed (i.e. job description and performance review processes). | RIAT / Outsource |
| | Strategic Workforce Planning - Phase 2 | Phase 2 scope to be determined based on Phase 1 results and recommendations. | RIAT / Outsource |
| Information Communications and Technology | IT Security Review | Assess the current IT Security environment and provide recommendations for developing an IT Security policy. | Outsource |
| Corporate Services and Other | Privacy Audit | Assess the current practices in place to protect sensitive information obtained by the school board, identifying areas for process improvements and minimization of risks. Sensitive information could include, but is not limited to, student and employee records. | RIAT / Outsource |

Other Potential Engagements

Below are other engagements for consideration for the 2020-2022 multiyear audit plan:

| Functional Area | Proposed Engagement | Proposed Audit Scope | |
|-------------------------------------|------------------------------------|---|-----------|
| Academic / Financial | School Generated Funds (SGF) Audit | Internal audit engagement to review controls around SGF and areas for process improvement. | RIAT |
| Planning, Facilities and Operations | Capital Project Communication | Consulting engagement to assist the board with exploring automating capital project status updates to stakeholders (i.e. schools and members of the public). Current processes are manual and time consuming. | Outsource |
| Human Resources and Payroll | Succession Planning Review | Assess current practices for succession planning (for both Academic and Non-Academic staff) and identify areas for improvement in order to address staffing risks to the board such as loss of | RIAT |

| | | | |
|---|----------------------------|---|-----------|
| | | institutional knowledge, hiring and promotion mistakes, and minimizing operational interruptions or other issues for the board). | |
| Information Communications and Technology | Cloud Strategy Development | Consulting engagement to assess the Board's current usage of cloud based applications and to provide recommendations and best practices to inform a Cloud Strategy | Outsource |
| Corporate Services and Other | Transportation Audit | Internal audit engagement to review controls at the Board level. These could include overall governance and reporting, practices at the school level, the impact of programming to transportation (including special education), cost allocations etc. Given the joint consortium with TDSB, this engagement is more efficiently done | RIAT |

| | | | |
|--|--|-------------------------------|--|
| | | concurrently with that board. | |
|--|--|-------------------------------|--|

Summary of Risk Assessment Results

The following charts summarize the results of our surveys and discussions management and staff.

| 1. Academic |
|---|
| <p>Top issues and challenges identified by Management:</p> <ul style="list-style-type: none"> - Overall, the biggest challenge is with resources from a funding perspective to meet the needs of all students. - A number of challenges related to Special Education continue to exist. These include spending over allocations, staffing challenges (i.e. EA's), increasing student needs and parent expectations, some governance challenges with the existing SEAC committee. - Absenteeism is a continued challenge with the current sick leave entitlement, mainly for teaching staff and EA's. EA absenteeism rates are among the highest in the Province. - Although reviews of teachers are done every 5 years, it is difficult to hold teachers accountable and deal with performance issues. - Ensuring staff are attending required professional development is a challenge largely because of absenteeism which results in a shortage of supply teachers for release time. This results in the risk that P.D. is not sufficient to support stronger student achievement. - At the school level, Principal workloads with a variety of administrative and other tasks leaves little time to focus on curriculum and student achievement. |

2. Financial and Management Reporting

Top issues and challenges identified by Management:

- The biggest challenge is dealing with the provincial education cuts that impacts the entire board. Many variable costs (teacher supply costs, sick leave, WSIB, union grievances etc.) also exist that are difficult to control.
- There are some process improvements that can be made in various areas (i.e. AP, budget reporting, tracking of EPO's is done manually, better analysis of P-card transactions etc.)
- The controls and processes related to school generated funds can be enhanced. This includes being able to expand school cash online and being able to better track school generated funds.

3. Planning, Facilities and Operations

Top issues and challenges identified by Management:

- Overall, the increasing price of land in Toronto and unique sites make it difficult to acquire land for new schools. Current EDC rates are not sufficient with only small increases and will not cover land acquisitions resulting in potential EDC deficits in the future.
- Many of the decisions are driven by the Ministry and City and are out of control of the Board. This results in less flexibility and ability for the Board to plan appropriately. These include freezes on EDC rates, the capital priorities process, restrictions on proceeds of disposition, closing of schools, the "highest and best use" price when acquiring land, and challenges with the City of Toronto.
- The continued intensification in the City of Toronto (i.e. condos) makes it difficult to acquire land to build traditional schools. Alternatives (such as strata or leases) are very expensive.
- For a variety of factors (i.e. extensive consultations, ministry approvals, unique sites etc.) the timeline to build new schools is too long and results in other costs (i.e. transportation).
- The process for long term accommodation planning and updates can be improved as there are currently no set refresh dates (i.e. annually) as some boards do.
- Construction costs have increased significantly and again Ministry funding is not sufficient for new schools, especially those on unique sites.
- The current process for informing stakeholders regarding capital project status is manual and time consuming.
- Staffing turnover in the Planning department have presented some challenges.
- School renewal plans don't always get communicated to Planning in a timely manner or prior to decisions being made.
- Absenteeism of custodial staff continues to be a challenge.
- For repairs and maintenance, enhancements to current processes can be made. This includes the

work order management system and the complaints process.

- A better R&M strategy/plan is needed.

4. Human Resources and Payroll

Top issues and challenges identified by Management:

- Overall, staffing and resource constraints across the Board impact HR and additional efforts are needed to address these challenges appropriately in order to ensure the board has the appropriate skills while controlling costs. However, pay equity and some recent legal cases have caused challenges here.
- Attracting and retaining talent is an issue given salary constraints (for non-teaching positions) which results in higher turnover and additional costs.
- Absenteeism continues to be a challenge, especially teaching staff, EA's and custodial staff.
- Currently, a recruiting platform does not exist in the HRIS.
- Succession planning is an area where the Board can make improvements in order to ensure that knowledge is transferred and new staff have the right skills.

5. Information Communications and Technology

Top issues and challenges identified by Management:

- Overall, progress has been made in the IT area. However, a number of risks still exist. Efforts are being made to develop an IT Strategy that aligns with the Boards Multiyear Strategic Plan by the end of 2019.
- Common issues include IT Security, resource constraints, continuously changing technology, privacy, the existence of multiple systems, and the decentralized nature of operations.
- The Board does not have a dedicated IT security team. There is a need for a Security policy to be implemented.
- Privacy Impact Assessments are not being formally completed. Additionally, a data privacy policy does not currently exist.
- There are many customized applications being used across the Board. A better process around software development is needed. For example, there are 30 - 40 different applications for the SIS developed over the years.
- Access management is also an area where improvements are needed. For example, the onboarding and revoking of employee access to various systems when there are changes in positions etc. There is currently not a common process across the organization.

6. Corporate Services and Other

Top issues and challenges identified by Management:

- Related to communication, there is a need for more resources for social media monitoring and responding. A formal social media policy does not currently exist.
- On the risk management side, a more formal formalized risk assessment process and centralized review could take place.
- Records management continues to be an area where a number of challenges exist. These include communication of and understanding across the organization of records management requirements and expectations. The electronic records management environment is rapidly evolving. Departmental compliance with records management requirements is not consistent.
- Transportation is an area where the Board spends over their allocation. There are differences between the two boards on how they grant transportation (especially special requests), resulting in a higher number of TCDSB students receiving special consideration even if they do not meet the eligibility requirements.
- The process for special education requests for transportation can be improved. Transportation is not involved in the process and only receives routing requests after decisions are made. More involvement by Transportation in operational and programming decisions would help. This is especially true as they own the budget but do not have much control over decisions being made.

2018-19 Risk Assessment Scores

The following charts present the residual risk ratings for each of the surveys distributed.

| Risk Score | |
|------------|-----------------|
| 8 – 10 | High |
| 6 – 7.9 | Moderate – High |
| 4 – 5.9 | Moderate |
| <4 | Low |

| TCDSB AUDIT UNIVERSE | | 2018-19 Risk Assessment | | | 2016-17 Risk Assessment |
|----------------------|---|-------------------------|--------------------|---------------------|-------------------------|
| Functional Area | Process | Inherent Risk Score | Control Assessment | Residual Risk Score | Residual Risk Score |
| Academic | Special Education and Professional Support Services | 10.0 | 3.0 | 7.0 | 7.0 |
| | Enrolment | 10.0 | 5.0 | 5.0 | 6.0 |
| | Student | 9.5 | 4.0 | 5.5 | 6.0 |

| TCDSB AUDIT UNIVERSE | | 2018-19 Risk Assessment | | | 2016-17 Risk Assessment |
|----------------------|--|-------------------------|--------------------|---------------------|-------------------------|
| Functional Area | Process | Inherent Risk Score | Control Assessment | Residual Risk Score | Residual Risk Score |
| | Attendance | | | | |
| | Monitoring and Reporting Outcomes for Student Achievement and Well-being | 8.0 | 4.0 | 4.0 | 4.0 |
| | Suspensions and Expulsions | 8.0 | 4.0 | 4.0 | 3.0 |
| | Co-ordinate Student Organizations, Athletics and Extracurriculars | 6.5 | 3.0 | 3.5 | 2.0 |
| | Curriculum Delivery and Instruction | 10.0 | 2.0 | 8.0 | 6.0 |

| TCDSB AUDIT UNIVERSE | | 2018-19 Risk Assessment | | | 2016-17 Risk Assessment |
|---|---|--------------------------------|-------------------------------|------------------------------------|--|
| Functional Area | Process | Inherent Risk Score | Control Assessment | Residual Risk Score | Residual Risk Score |
| | Professional Development (including non-academic) | 9.0 | 3.0 | 6.0 | 3.5 |
| | Continuing and Alternative Education | 8.0 | 4.0 | 4.0 | * |
| Financial Management and Reporting | Budget Planning, Development and Control | 8.5 | 4.0 | 4.5 | 7.0 |
| | Financial and Management Reporting | 7.5 | 5.0 | 2.5 | 5.0 |
| | Ministry Reporting | 7.0 | 5.0 | 2.0 | 5.0 |

| TCDSB AUDIT UNIVERSE | | 2018-19 Risk Assessment | | | 2016-17 Risk Assessment |
|-------------------------------------|--|--------------------------------|-------------------------------|------------------------------------|--|
| Functional Area | Process | Inherent Risk Score | Control Assessment | Residual Risk Score | Residual Risk Score |
| | Grant and Non-Grant Revenue Management | 9.5 | 5.0 | 4.5 | 6.0 |
| | School Generated Funds/Fund Raising | 7.0 | 2.0 | 5.0 | 3.0 |
| | Treasury | 6.5 | 4.0 | 2.5 | 3.0 |
| | Accounts Payable and Expenses | 7.0 | 5.0 | 2.0 | 3.0 |
| | Purchasing Cards | 6.5 | 3.0 | 3.5 | 3.0 |
| | Procurement/ Purchasing | 7.5 | 5.0 | 2.5 | * |
| Planning, Facilities and | Repairs and Maintenance | 9.5 | 3.0 | 6.5 | 6.0 |

| TCDSB AUDIT UNIVERSE | | 2018-19 Risk Assessment | | | 2016-17 Risk Assessment |
|------------------------------------|--|--------------------------------|---------------------------|----------------------------|--------------------------------|
| Functional Area | Process | Inherent Risk Score | Control Assessment | Residual Risk Score | Residual Risk Score |
| Operations | Construction Management | 8.0 | 3.0 | 5.0 | 4.0 |
| | Land/Facility Procurement and EDC Bylaws | 6.0 | 4.0 | 2.0 | 2.0 |
| | Facility Operations and Custodial Services | 7.0 | 3.0 | 4.0 | 2.5 |
| | Forecasting and Capital Planning | 8.0 | 3.0 | 5.0 | 3.5 |
| | | | | | |
| Human Resources and Payroll | Recruiting, Hiring and Retention | 10.0 | 3.0 | 7.0 | 7.0 |
| | Teacher Staffing and Allocations | 10.0 | 4.0 | 6.0 | 7.0 |

| TCDSB AUDIT UNIVERSE | | 2018-19 Risk Assessment | | | 2016-17 Risk Assessment |
|-------------------------------|---------------------------------|--------------------------------|---------------------------|----------------------------|--------------------------------|
| Functional Area | Process | Inherent Risk Score | Control Assessment | Residual Risk Score | Residual Risk Score |
| | Retirements and Terminations | 5.0 | 3.0 | 2.0 | 3.0 |
| | Attendance Support | 9.0 | 3.0 | 6.0 | 8.0 |
| | Manage Labour Relations | 9.5 | 4.0 | 5.5 | 8.0 |
| | Health and Safety | 8.0 | 3.0 | 5.0 | 4.5 |
| | Payroll | 10.0 | 5.0 | 5.0 | 6.0 |
| | Compensation and Benefits | 8.0 | 3.0 | 5.0 | 5.0 |
| Information Technology | Develop IT Strategy | 7.0 | 3.0 | 4.0 | 5.0 |
| | Develop and Deploy Applications | 6.5 | 3.0 | 3.5 | 5.0 |

| TCDSB AUDIT UNIVERSE | | 2018-19 Risk Assessment | | | 2016-17 Risk Assessment |
|-------------------------------------|---|-------------------------|--------------------|---------------------|-------------------------|
| Functional Area | Process | Inherent Risk Score | Control Assessment | Residual Risk Score | Residual Risk Score |
| | Network and Application Access Management/IT Security | 8.5 | 3.0 | 5.5 | 7.0 |
| | Data Management and Backup | 7.5 | 3.0 | 4.5 | 4.5 |
| | Manage Communication Systems | 8.5 | 4.0 | 4.5 | 4.0 |
| | IT Asset Management | 8.0 | 3.0 | 5.0 | * |
| Corporate Services and Other | Transportation | 6.5 | 3.0 | 3.5 | 4.0 |
| | Records Management and Privacy | 7.5 | 3.0 | 4.5 | 4.0 |

| TCDSB AUDIT UNIVERSE | | 2018-19 Risk Assessment | | | 2016-17 Risk Assessment |
|----------------------|---|-------------------------|--------------------|---------------------|-------------------------|
| Functional Area | Process | Inherent Risk Score | Control Assessment | Residual Risk Score | Residual Risk Score |
| | Risk Management and Governance | 6.5 | 3.0 | 3.5 | 4.0 |
| | Communications Community Relations and Public Affairs | 8.0 | 3.0 | 5.0 | * |

* The audit universe was standardized for the 2018/19 risk assessment and therefore certain processes were not aligned in the prior risk assessment.



REPORT TO

AUDIT COMMITTEE

2019-20 BUDGET IMPACTS AND GRANTS FOR STUDENT NEEDS ANNOUNCEMENT - OVERALL AND INSTRUCTIONAL RELATED

“A generous man will himself be blessed, for he shares his food with the poor.”

Proverbs 22:9

| Created, Draft | First Tabling | Review |
|--|---------------|---------------------------------|
| April 30, 2019 | May 14, 2019 | July 1, 2019 to August 31, 2019 |
| D. De Souza, Coordinator of Grants & Ministry Reporting G. Sequeira, Coordinator of Budget Services P. De Cock, Comptroller of Business Services & Finance | | |
| INFORMATION REPORT | | |

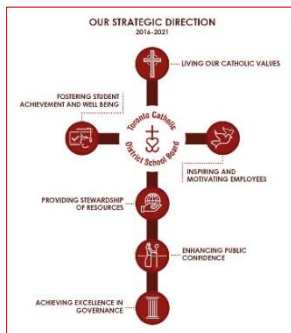
Vision:

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

L. Noronha
 Associate Director of Facilities, Business and Community Development, and Chief Financial Officer

A. EXECUTIVE SUMMARY

1. ***Two budget reports have been submitted to facilitate Trustees with conflicts of interest on instructional related funding, at their own discretion, the opportunity to participate in non-instructional funding discussions.*** This report will focus on the overall and instructional issues that have been identified through the GSN announcements and the B Memos released by the Ministry of Education.
2. ***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 April 26th, 2019 by the Ministry of Education (EDU) provided a first look at ongoing funding commitments, funding reductions and new education funding investments into the education sector. The Education Funding Technical Paper and Education Financial Information System (EFIS) tools 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. These preliminary impacts have been developed with cautious assumptions in mind and therefore represent a scenario that could be considered fiscally conservative.
3. ***The late release of data by the Ministry will impact the budget approval timelines previously communicated to the Board.*** Given the delay of the technical details and the Electronic Financial Information System (EFIS) release by the Ministry to mid-May, staff will not be in a position to develop preliminary budget estimates in time for May 16th Regular Board meeting. The tentative revised plan would be to bring the preliminary budget estimates to Student Achievement Committee on May 28th, 2019.
4. ***Based on a preliminary analysis and review of the announcements to date, staff expect that service levels across all program and service areas will need to be reduced in order to develop a balanced budget.*** The Ministry of Education announcements on April 26th impacts many program and service areas, and if the impacts are not addressed then the operating budget would enter an unbalanced (deficit) position. Consequently, the 2019-20 Budget Estimates must contain service level reductions in order to develop a balanced budget in compliance with the Education Act.

The cumulative staff time required to prepare this report was 80 hours.

B. PURPOSE

1. ***This annual report has been prepared to provide highlights and preliminary projections of the education funding announcements for the TCDSB.*** This report responds to the recent GSN announcement for key policy and funding changes for 2019-20. The calculated financial and operational impact of last week's announcement on the GSNs for 2019-20 utilized information available at the time of preparing this report.
2. This report has been prepared to allow Trustees and members of the public a preview of potential staff recommendations that may be incorporated in to the Preliminary Budget Estimates expected to be presented at Student Achievement Committee on May 28th, 2019.

C. BACKGROUND

Previous Announcements

1. ***Staff have been working on analysing the impacts of previous announcements.*** The following paragraphs provide a brief recap of previous announcements on March 15th, 2019. The full memo from the Ministry has been attached as Appendix A for reference.
2. ***Announcements for class size changes in some areas were made on March 15, 2019 (2019:B08).*** The new class size requirements for grades 4-8 and 9-12 impacts the TCDSB budget by approximately \$18M for the 2019-20 school year and reduces teacher positions by approximately 350 Full-Time Equivalent (FTE) positions over the course of the next four years.
3. ***Current Collective Agreement Local Priorities Funding will expire.*** The expiration of the Local Priorities funding associated with the 2 year Collective Extension Agreements will decrease GSN funding by approximately \$9.7M. It equates to 119 Full-Time Equivalent (FTE) positions that spans almost all employee groups. The provincially negotiated extension agreements expire as of August 31st 2019.

International Languages Program

- 4. The continuance of the International Language (IL) Program has been signalled as a primary focus for this Board.*** While the value of the IL program has been confirmed by both Trustees as well as through parent surveys, based on current labour arbitration settlements as well as certain legislative prescriptions, the TCDSB may see the IL program lose all funding for the 2019-20 school year. Staff have yet to hear from the Ministry on whether all or part of the funding for this program will be provided for the 2019-20 school year. The assumptions in this report contain the notion that the program will continue at TCDSB, but that funding from the Province will be eliminated. This will create a cost pressure of \$8.9M.

D. EVIDENCE/RESEARCH/ANALYSIS

New Announcements

- 1. New announcements were made on April 26th, 2019 regarding GSNs.*** The following paragraphs contain some of the highlights from the GSN announcements. The full memo from the Ministry and related appendices have been included as Appendix B for reference.
- 2. No further funding changes forecasted.*** The Ministry of Education confirmed that there will be no further changes to grants and allocations in the GSN not already identified in the Ministry Memorandum. The other GSN announcements are consistent with the information provided to the Trustees on March 31, 2019 regarding class size changes and attrition protection.
- 3. The Province will now recover a portion of International Student fees.*** Beginning in 2019-20, a school board's GSN will be reduced by \$1,300 per international student. The impact to TCDSB is a funding reduction of \$1.6M.
- 4. Investments in Behaviour Expertise have increased.*** This investment will allow school boards to hire more professional staff at the board level who have expertise in applied behaviour Analysis (ABA). The impact to TCDSB is an increase in funding of \$0.5M.

5. ***Slightly more School Administration will be added to schools operating in a campus set-up.*** This is the third year of the four-year phase-in of the new School Foundation Grant definition of a school, which accounts for campus facilities. This funding increase allows school boards to place more principals/vice-principals at schools that have more than one building. The impact to TCDSB is an increase in funding of \$0.1M.
6. ***Province-wide Priorities and Partnerships Funding (PPF) (formerly Education Payments Other or EPO) were announced.*** While Province wide figures were provided in the April 26th memo (see Appendix B), the details specific to TCDSB have not been released. Below are the Provincial level highlights to the newly named PPFs. Staff have received verbal confirmation from Ministry staff that the Focus on Youth Program funds for summer 2019 have been renewed with a minimal (\$53K) reduction, but summer 2020 has not yet been confirmed. The Priority School Initiative (PSI) under the Community Use of Schools program has been confirmed as discontinued for 2019-20. Much of this grant had already been reduced for the 2018-19 school year.
- **Curriculum Implementation:** \$2.25M for Boards to support implementation of changes to the Health and Physical Education Curriculum and the Grade 10 Career Studies Course.
 - **Engaging Parents:** Continuation of the Parents Reaching Out Grants.
 - **Indigenous Education:** Continued funding.
 - **Math:** \$40.5M to support math strategy and math leads.
 - **Mental Health and Well Being:** \$34.5M to continue support for mental health workers in secondary schools and for School Mental Health Assist.
 - **Special Education:** \$17M to continue a number of pilots including After School Skills Development, School-Based Supports for Students with ASD, Pilots for Students with Developmental Disabilities and Students with Severe Learning Disabilities.
 - **Student Pathways:** \$35.7M to continue the Specialist High Skills Major program and experiential learning board leaders.
 - **Student Potential:** \$17M to continue support for the summer Focus on Youth program, transition funding for students at risk, human rights and equity advisors at each Board.
 - **System Support and Efficiencies:** \$30M to continue the roll-out of broadband modernization, teacher learning program and apprenticeship training for CUPE and OSSTF education workers.

Analysis of Funding Reductions

7. ***Year over year funding impacts are conservatively estimated at \$31M.*** Based on a preliminary analysis by staff, the year over year impacts, inclusive of all Provincial announcements, enrolment impacts and the continuance of the IL Program, results in a funding shortfall of \$31M. The analysis below provides a high level summary of this shortfall.

| | \$M |
|--|---------------|
| Negative Impacts of Provincial Announcements | (33.70) |
| Positive Impacts of Provincial Announcements | 10.08 |
| Enrolment Impacts | 1.20 |
| IL Program Extended Day Elimination | <u>(8.90)</u> |
| | (31.32) |

8. ***Determination of the funding impacts are preliminary and require the detailed technical release from the Ministry before verification.*** Staff recognize that these calculations are preliminary in nature, but believe it is important to show the high level impacts in order to provide context for the difficult decisions that are ahead for bringing the budget to a balanced position. The first page of Appendix C provides a detailed version of the analysis provided above. The Preliminary Budget Estimates that will be provided at the May 28th Student Achievement Committee will also provide more detailed explanations of each of the line items.

Preliminary List of Offsets to Balance Budget

9. ***Several offsets were either mandated or directly associated with certain funding sources that were lost.*** Many of the offsets that staff have identified as preliminary reductions to balance the budget were mandated by the Ministry. For instance, the grades 9-12 class size increases were mandated to be funded through attrition (e.g. normal retirements). The Local Priorities Fund, as previously reported, had many specific funded positions associated with it such as 5th Block literacy teachers, Education Assistants / Child and Youth Workers, and Custodial / Maintenance staff to name a few.
10. ***Senior staff were challenged to identify other areas for reductions as a starting point for the Board of Trustees.*** Due to the fact that the “surplusing” deadline for teaching staff was on April 12th, senior staff mobilized quickly to ensure that reductions were made in accordance with Collective Agreements. This involved a thorough analysis of staffing models throughout the system to identify opportunities to reduce positions where classroom teacher to

student ratios would remain unaffected and where service level impacts might be the least intense. Senior staff fully recognize that any reductions have a negative impact on the system and did not take these decisions lightly.

11. **Senior staff were able to identify a preliminary list of reductions that fully offset the funding shortfall in order to balance the budget.** Staff consolidated all mandated reductions, along with any mandated increases and offsets from Local Priority Funds. They then identified several preliminary labour and non-labour related reductions or revenue increases that could potentially fully offset the estimated funding shortfall. The following analysis provides a high level summary of those potential recommendations (FTE = Full Time Equivalent). The full detail of this analysis is provided on the 2nd and 3rd page of Appendix C.

| | \$M | FTE |
|--|----------------|-------------------|
| Increase based on enrolment change | 1.20 | 12.5 |
| Mandated Impacts from Elementary Class Size | 3.30 | 32.1 |
| Mandated Reductions from Secondary Class Size | (10.20) | (94.9) |
| Reductions Associated with Local Priority Fund | (9.70) | (118.9) |
| Other Elementary Panel Reductions | (3.20) | (31.0) |
| Other Net Secondary Panel Reductions | (0.40) | (4.0) |
| Board Administration and Governance Reductions | (1.15) | (10.0) |
| Other Non-Labour Impacts | <u>(11.35)</u> | <u> </u> |
| | (31.50) | (214.2) |

12. **Other Non-Labour Impacts contain several potential recommendations that may impact specific communities.** In particular the harmonization of bell times for IL schools would bring about cost savings, but will impact these schools specifically in terms of bus pick-up times. The potential 3% increase in permitting fees may also impact on certain community groups that rent TCDSB facilities.

13. **The total FTE impact would be a reduction of 214.2 staff positions.** Reductions would be completed by way of attrition and senior staff are confident that no layoffs would occur, however the impact on the system will certainly be felt through service level reductions to students. The following table provides a high level analysis of the employee groups that would be affected if the potential recommendations carried through the Preliminary Budget Estimates in June.

| GROUP | FTE |
|--|----------------|
| Toronto Secondary Unit (TSU) | (129.4) |
| Canadian Union of Public Employees (CUPE) | (60.7) |
| Toronto Elementary Catholic Teachers (TECT) | (12.6) |
| Management, Administrative and Professional Association (MAPA) | (7.0) |
| The Education Worker's Alliance of Ontario (EWAO) | (2.0) |
| Principals and Vice-Principals (P&VPs) | (1.5) |
| Executive Staff | <u>(1.0)</u> |
| | (214.2) |

14. *Preliminary potential recommendations have been provided to facilitate Trustee discussion.* The options outlined in Appendix C have been provided to illustrate senior staff's preliminary estimate of what recommendations may appear in the Preliminary Budget Estimates presented on May 28th. Should Trustees disagree or agree with these recommendation it would be prudent to provide that input during the presentation of this report. Additionally, should a Trustee wish staff not bring one of these potential recommendations forward it would be ideal for the Board to simultaneously identify other areas for staff to look at reducing.

15. *The preliminary potential recommended reductions bring about a minor surplus of \$0.18M to the budget.* Taking the expected shortfall and offsetting it with both mandatory increases and decreases as well as the preliminary potential recommendations for balancing produces a minor surplus. This minor surplus need not remain and could be redistributed to eliminate a portion of a reduction, however it would be premature to do so as these numbers will undoubtedly change once detailed Ministry data is available. Below is a brief analysis of the shortfall and potential offsets.

| | |
|---|--------------|
| | \$M |
| Total Estimated Year Over Year Impacts (Shortfall) | 31.32 |
| Preliminary Potential Offsets to Balance the Budget | <u>31.50</u> |
| | 0.18 |

16. *Other options are also available to balance the budget.* Senior staff have also provided a few other options that could be used to balance the budget. This list is non-exhaustive, however, it should be kept in mind that the large majority of the Board's budget is restricted in terms of being applied to either

specified programs or to classroom ratios. The following is a short list of other potential ideas that are flexible type funding.

| | \$M |
|---|------------|
| Move IL Programs to Evenings/Weekend Format | 7.30 |
| Introduce Paid Parking for Employees | 3.20 |
| Eliminate Non-Qualifying Student Transportation | 1.00 |
| School Block Budget Reductions | 1.00 |

17. ***Other opportunities for balancing the budget may arise.*** Staff recognize that a cautious approach has been taken in developing these preliminary shortfall estimates. It is possible that once detailed Ministry data is available that the shortfall may be less than expected. Unfortunately, while less likely, it is possible for the reverse to be true as well. In the case where the shortfall is less, Trustees may wish to signal to staff which areas of the preliminary recommended reductions they would like to see reinstated in the budget.

18. ***Over the course of the year, the Board of Trustees passed previous motions for items to be considered in 2019-20 Budget.*** Appearing in the table below is a list of budget items that require consideration and decision to be included in this year’s operating budget. In summary, the budget impact amounts to another \$2.1M to the operating budget for which additional service level changes are required. Trustees also recently passed a motion to maintain Special Education funding at the same level as the previous year. This was done without the benefit of knowing the shortfall faced by the Board and the GSN announcements. If Trustees wish to maintain this direction then staff will bring back recommendations on May 28th for further reductions elsewhere depending on the GSN technical details. Otherwise, it is assumed that annual operating budget decisions act to supersede all previous funding related motions and decision as per normal practice.

| | |
|--|---------------|
| Restoration of School Block Budget to the 2014-15 budget allocation levels | (1.70) |
| Maximize the funding entitlement for Lunchtime Student Supervisors | (0.30) |
| Establish an Integrity Commissioner (Subject to Verification) | (0.10) |
| | <u>(2.10)</u> |

E. NEXT STEPS

1. ***Public consultation and input from Trustees will help develop final recommendations for the Preliminary Estimates.*** Staff will be taking any feedback received on this report as well as the results from the Online Budget Survey Tool, feedback received at the Public Consultation meeting and Virtual Town Hall, various deputations and feedback from union and federation partners and develop Preliminary Estimates for the May 28th Student Achievement Meeting. Development of those estimates will also be heavily dependent on the technical details behind the GSNs.
2. ***This is another opportunity for the Board to provide input on changing service levels.*** Staff will be developing Preliminary Budget Estimates for presentation at Student Achievement Committee pending the further release of data from the Ministry of Education. However, should the Board wish to provide any immediate input or direction at this point they can do so by providing input for consideration in the development of preliminary budget estimates.

F. CONCLUDING STATEMENT

This report is for the consideration of the Board.

Ministry of Education

Deputy Minister

Mowat Block
Queen's Park
Toronto ON M7A 1L2**Ministère de l'Éducation**

Sous-ministre

Édifice Mowat
Queen's Park
Toronto ON M7A 1L2**2019:B08**

Date: March 15, 2019

Memorandum to: Directors of Education
Secretary/Treasurers of School Authorities

From: Nancy Naylor
Deputy Minister

Subject: New Vision for Education

Today, the government released its new vision for education, [Education that Works for You](#). I am writing to provide you with an overview of the vision and its key elements.

MODERNIZING CLASSROOMS IN ONTARIO

As you know, the ministry has been consulting with education partners to seek feedback on class size considerations.

The ministry held in-person meetings in January 2019 with the teachers' federations, trustees' associations and education worker unions to gather feedback. School boards, principals/vice-principals' associations and other education sector partners were also invited to provide written feedback between January 23 and February 22, 2019.

The ministry received almost 500 written submissions from the public, including parents, teachers and early childhood educators. While the prior phases of the consultation are now complete, the ministry has invited partners to continue this important dialogue through the next [consultation](#).

This consultation will ensure partners can provide feedback on the government's proposed plans.

The consultation period will continue until May 31, 2019. To provide families, staff, and school boards with certainty on the government's direction, the government will move

forward on next steps, including any required legislation, in time for the next school year.

Class Size

The government is committed to supporting students and families as education funding is modernized in a responsible manner.

The government looks forward to the continued consultation with education partners to help shape the government's plans. The proposed changes for 2019-20 are as follows:

- Kindergarten – There are no proposed changes to either the caps or the average class size requirements. Funded average class sizes would remain at the current level of 25.57 and there would be a minimal reduction to funded Registered Early Childhood Educators (RECEs) from 1.14 to 1.0. This will not change the educator to student ratio. The ministry will also introduce new funding to assist with RECE supply costs.
- Primary (grades 1 to 3) – hard caps remain in place. There are no proposed changes to either the caps or the average class size requirements.
- Intermediate (grades 4 to 8) – all school boards would be required to maintain a board wide average class size of 24.5 or less, while the funded average class size would be minimally increased from 23.84 to 24.5. This would standardize funding and class sizes across the province as historically, there has been variability for these grades.
- Secondary (grades 9 to 12) – average class size requirements adjusted from 22 to 28 students to align secondary class sizes more closely with other jurisdictions across Canada. School boards would be required to maintain a board wide average class size of 28 or less and the funded average class size would be increased to 28 to support this change. In addition, school operations funding would be adjusted accordingly.

The consultation period will continue until May 31, 2019. To provide families, staff, and school boards with certainty on the government's direction, the government will move forward on next steps, including any required legislation, in time for the next school year.

E-learning

The government is committed to modernizing education and supporting students and families in innovative ways that enhance their success. A link to e-learning courses can be found here: www.edu.gov.on.ca/elearning/courses.html

Starting in 2020-21, the government will centralize the delivery of all e-learning courses to allow students greater access to programming and educational opportunities, no matter where they live in Ontario. The average class size would be adjusted to an average of 35.

Secondary students will take a minimum of four e-learning credits out of the 30 credits needed to fulfill the requirements for achieving an Ontario Secondary School Diploma. That is equivalent to one credit per year, with exemptions for some students on an individualized basis. These changes to graduation requirements will be phased in, starting in 2020-21.

With these additional modernizations, the secondary programming amount in the Pupil Foundation Grant will no longer be provided, effective September 2019.

Attrition Protection

The government is committed to achieving greater financial sustainability in the education system without involuntary front line lay-offs. The proposed changes to class sizes may have implications for teacher staffing in Ontario school boards.

The ministry plans to introduce a new funding allocation that will top-up school boards where the change in funded teachers exceeds the actual attrition and other voluntary leaves. With this support in place, it is expected that boards will not be required to initiate lay-offs of teachers associated with the proposed changes in class sizes. The ministry will provide attrition protection for up to four years, allowing boards to phase in the proposed class sizes.

The attrition protection would apply to the proposed class size policy changes, including e-learning. Regarding declining enrolment, school boards should follow their normal processes, but should account for teacher retirements, voluntary departures, and their declining enrolment allocation to avoid lay-offs. Some Ontario school boards may be in this position, as in previous years.

School boards are advised to exercise restraint in hiring to replace retiring teachers or teachers leaving voluntarily.

Hiring Practices

Ontario Regulation 274/12, under the *Education Act*, established mandatory processes that all English-language school boards must follow when hiring long-term occasional and permanent teachers.

However, since its implementation in 2012, stakeholders, including parents, principals, directors of education and teachers, have raised concerns about the regulation – such as increased principal workload and classroom teacher turnover.

The ministry held in-person meetings in January 2019 with the teachers' federations, trustees' associations and education worker unions to gather feedback. Stakeholders were also invited to provide written feedback. The ministry received 80 written submissions from stakeholders and the public. The majority of submissions were supportive of increased teacher mobility. While the prior phases of the consultation are now complete, the ministry has invited partners to continue this important dialogue through the next [consultation](#).

To address these concerns, the government's objective is to work with its education partners to improve teacher mobility while increasing transparency, fairness, consistency, and accountability in teacher hiring across all school boards. The government's goal is to ensure that students are supported by qualified teachers and that principals are able to hire teachers based on merit who are a good fit for the role.

Grants for Student Needs Funding

There will be limited changes made to the GSN in the following areas:

Local Priorities Fund

The Local Priorities Fund (LPF), first established in 2017-18 during the last round of collective bargaining, expires on August 31, 2019. Whether the funding for staffing is extended is an issue subject to the upcoming central collective bargaining process. The increases related to salary will continue as well as the principals' and vice-principals' funding which is not set to expire until August 31, 2020.

Cost Adjustment Allocation

Historically, the base amount of the Cost Adjustment Allocation was providing supplemental funding for education worker benchmarks. As school boards have flexibility through other grants in the GSN to address their staffing needs, this amount has been discontinued for the 2019-20 school year.

Human Resource Transition Supplement

The Human Resource Transition Supplement was intended to be a temporary support to assist school boards with the negotiated 2017-19 agreements. This temporary transitional supplement amount has been discontinued for the 2019-20 school year.

Classroom Loading Factors

To reflect the proposed secondary class size changes, the factors that determine the amount of funding for the operation of school facilities will be adjusted.

Utilities Funding

As in previous years, funding will be increased to support increased costs associated with the heating and lighting of school facilities.

Student Transportation Funding

As in previous years, funding will be increased to support higher costs associated with student transportation. Also, additional funding supports are planned for school boards that run efficient transportation operations but for which the costs of student transportation exceed the funding provided for that purpose.

Finally, the ministry intends to undertake a review of the student transportation funding formula in order to achieve a more efficient and accountable student transportation system in Ontario.

Continued Implementation of 2017-19 Central Labour Agreements

As in previous years, funding will be increased to reflect the salary adjustments related to the 2017-19 Central Labour Agreements.

Timing of Annual Grant Announcement

More details, including board-by-board allocations, will be available as part of the annual funding formula announcement planned for later this spring. The summarized information in Appendix A is intended to guide school boards about key policy changes to assist in upcoming planning and budgeting cycles prior to the funding announcement planned to be released prior to the end of April.

Technology (Broadband)

Broadband is foundational for supporting modernized, digital learning in the classroom.

Ontario students and educators will have access to reliable, fast, secure and affordable internet services at school at a speed of one megabit per-second per-student in all regions of the province. The project will be completed by 2021-22 and will include all boards, schools and students.

To complete this project, the needs of each school will be individually assessed, and then individual technical solutions will be implemented. Broadband expansion is already underway at a majority of northern and rural schools. Thirty-two per cent of northern schools have completed their upgrades, and 35 per cent of rural schools have been completed.

Cellphones

During the government's consultation on education reform in fall 2018, parents, students and teachers expressed the view that cell phones have the potential to be useful learning tools – but too often they are a distraction from learning and have a negative impact on the classroom experience.

In response to this feedback, the Provincial Code of Conduct will be updated to prohibit cell phone use in schools during instructional time as of September 2019.

Use of personal mobile devices (e.g. cell phones) during instructional time will be permitted under the following circumstances:

- For educational purposes, as directed by the educator
- For health and medical purposes
- To support special education needs.

Boards and stakeholders will be consulted to ensure students and parents are clear on the new guidelines, including exceptions.

Education Quality and Accountability Office

Student achievement is one of the keys to success in a competitive global economy. The Education Quality and Accountability Office (EQAO) can provide vital data and research to reinvigorate education in Ontario, help improve student learning at the provincial, board and school level, and help identify achievement gaps to promote greater equity in the publicly funded education system.

Therefore, the government is committed to working with EQAO to modernize the agency and its processes while using data to build better assessment and evaluation models that have a greater focus on equity.

MODERNIZING LEARNING IN ONTARIO

The government's new vision for education will modernize learning throughout the province's education system.

Following the feedback from the consultation on education held last fall, the province will be moving forward with changes in the following areas:

Math

The government has announced a new four-year math strategy to ensure students have a strong understanding of math fundamentals and how to apply them. This strategy will:

- Improve student performance in math
- Help students solve everyday math problems
- Increase students' employability into the jobs of tomorrow.

The strategy will feature a new math curriculum for all students in all grades phased in over four years. The curriculum will emphasize basic concepts and skills contributing to students' future success and be accompanied by parent and teacher resources. The first elements of the new curriculum will be available in September 2019.

In addition to an improved curriculum, online resources will be available to support student learning. The government has also introduced legislation that will require new

teachers to pass a math content knowledge test before they enter the classroom in a professional capacity. If passed, this legislation will ensure teachers are confident and capable in teaching math and by the spring of 2020, will be required to pass the test in order to be certified by the Ontario College of Teachers.

For teachers already in the system, the government will provide funding to support additional qualification courses in math.

Science, Technology, Engineering and Math

The government is committed to preparing Ontario students for success by equipping them with the skills they need in Science, Technology, Engineering and Math (STEM).

The new STEM Education Strategy will enable Ontario to become a global leader in STEM learning. By partnering with educators, students, parents, post-secondary institutions as well as industry leaders, the government will create new and enriched learning experiences in STEM.

An immediate step will be a revised mandatory Career Studies Grade 10 course. This revised course will explore high-growth industries, including STEM, which will reflect new mandatory learning for students. This course will be released in late May for implementation in September 2019.

The strategy will also include revised Business Studies and Computer Studies curricula focused on developing job skills such as entrepreneurial skills, computational thinking and coding. In 2019-20, the ministry will begin research and benchmarking against other jurisdictions as a foundation for revisions to these curricula.

Skilled Trades

Ontario students have experienced significant success through the Specialist High Skills Major and Dual Credit programs, which have provided opportunities for students to experience skilled trades and apprenticeships. The Ministry of Education will work closely with the Ministry of Training, Colleges and Universities to increase student and parent exposure to skilled trades, technology and apprenticeship training, and focus on promoting this high-demand career pathway.

We want to ensure that students are exposed to:

- A broad range of opportunities that will offer exposure to skilled trades and technology careers, and that they are exposed to these opportunities starting in elementary school.
- Experiential, hands-on learning through community partnerships and co-op placements.

Financial Literacy

Financial literacy learning is essential to student success to build a well-educated responsible workforce and prepare Ontarians for a more prosperous future.

Financial literacy will be a major component of the mandatory learning in the revised Grade 10 Career Studies course which will be released in late May for implementation in September 2019.

It will also be an area of focus in the revised math curriculum being phased in for all grades.

Indigenous Education

A revised First Nations, Métis, and Inuit Studies curriculum for Grades 9-12 will be released in late May for implementation in September 2019. The curriculum was developed in collaboration with Indigenous partners to increase learning about Indigenous perspectives, cultures, contributions and histories.

Building on this, the government will continue to work with Indigenous partners to develop an approach for more curriculum revisions across subjects, grades and courses, to strengthen Indigenous content and learning.

Health and Physical Education (HPE)

Following feedback from the largest provincial consultation on education, the government heard the need for an HPE curriculum that is age-appropriate and relevant. The revised elementary HPE curriculum will be released in late May for September 2019 implementation. From now until the end of the 2018-2019 school year, educators will continue using the 2018 curriculum, their professional judgement, and age-appropriate resources to teach the students in their classroom.

To ensure parents are respected, the ministry will provide an opt-out policy similar to other jurisdictions. The ministry will also be introducing online modules for parents who may want to introduce topics at home whenever their child is ready. Both of these options will be available for the 2019-20 school year.

Digital Curriculum

A new digital platform will be phased in to modernize access to Ontario's curriculum. This new digital space will help educators, parents and students access curriculum and learning resources in a user- and mobile-friendly manner and will become increasingly interactive over time. The first phase of the new platform will be launched in September 2019 and will grow steadily with more content and features, in line with user needs and feedback.

The initiatives set out in this memorandum would be supported by proposed changes to the GSN regulation, and other legislation, where necessary. The ministry will provide further information about any legislative changes as they are brought forward.

We want to thank school boards for their ongoing dedication to providing programs and supports to all students. We look forward to continued consultation with education partners and collaboration on the government's priorities for education.

Original signed by

Nancy Naylor
Deputy Minister

Appendix A: Planning Assumptions

To support board planning, the table below summarizes the changes that boards can plan for with respect to funding subject to consultations, negotiations and potential legislative changes.

The ministry anticipates the annual funding formula to be released in late April.

| Description | Funding Changes * |
|---|---|
| Kindergarten | <ul style="list-style-type: none"> Funded Early Childhood Educators (ECE) classroom staffing ratio change from 1.14 FTE to 1.0 FTE |
| Grades 1 to 3 | <ul style="list-style-type: none"> Funded average class sizes remains at 19.8 |
| Grades 4 to 8 | <ul style="list-style-type: none"> Funded average class size adjusted from 23.84 to 24.5 |
| Grades 9 to 12 | <ul style="list-style-type: none"> Funded average class size adjusted from 22 to 28 |
| E-learning | <ul style="list-style-type: none"> Funded average class size adjusted to 35 starting in 2020-21 school year |
| Secondary Programming amount in Pupil Foundation Grant | <ul style="list-style-type: none"> Funding to end August 31, 2019 |
| Local Priorities Fund | <ul style="list-style-type: none"> Funding to end August 31, 2019 |
| Cost Adjustment Allocation | <ul style="list-style-type: none"> Base amount to end August 31, 2019 |
| Human Resource Transition Supplement | <ul style="list-style-type: none"> Funding to end August 31, 2019 |
| Classroom Loading Factors in School Facility Operations and Renewal Grant | <ul style="list-style-type: none"> Five-year phase-in of a new Supplementary Area Factor for school facility operations to reflect proposed secondary class size changes. |
| School Facility Operations and Renewal Grant (Utilities) | <ul style="list-style-type: none"> A 2 per cent update to the non-staff portion of the operating cost benchmark under the School Facility Operations and Renewal Grant (School Operations Allocation) to assist in managing increases in commodity prices (electricity, natural gas, facility insurance, and other costs). |
| Student Transportation | <ul style="list-style-type: none"> A 4 per cent cost update adjustment, net of previous years' transportation surplus, if any. Funding for school boards running transportation deficits and have demonstrated efficient consortia operations. |
| Attrition Protection for Teachers for Class Size Changes (including e-Learning) | <ul style="list-style-type: none"> Funded class sizes and staffing parameters in the Pupil Foundation Grant as well as other related components in the GSN would be adjusted to reflect the above proposed changes to class sizes. If the reduction in the funded teacher FTE amount after these changes exceeds attrition, a top-up in funding will be provided so that the funded change does not exceed attrition. |

| Description | Funding Changes * |
|-------------------|---|
| | <ul style="list-style-type: none"> • Attrition is the sum of actual retirements and other voluntary leaves. This calculation will be done for each panel separately. Declining enrolment is not covered by attrition protection. • With this support in place, boards can avoid teacher lay-offs. |
| Salary Benchmarks | <ul style="list-style-type: none"> • To be adjusted by 1 per cent to support previously negotiated central collective agreements, as well as the amount for the provincial terms and conditions agreement for Principals and Vice-Principals. |

* Proposed funding changes are subject to consultations, negotiations and potential legislative changes.

Ministry of Education

Education Labour and Finance Division
11th Floor
315 Front Street West
Toronto ON M7A 0B8

Ministère de l'Éducation

Division des relations de travail et du
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**2019: B14**

MEMORANDUM TO: Directors of Education
Senior Business Officials
Secretary/Treasurers of School Authorities

FROM: Andrew Davis
Assistant Deputy Minister
Education Labour and Finance Division

DATE: **April 26, 2019**

SUBJECT: ***Grants for Student Needs (GSN) Funding for 2019–20***

As a follow-up to the Ministry of Education's memorandum, *2019:B08 Education that Works for You*, I am writing to provide you with further information about the Ministry of Education's GSN funding for 2019–20.

GSN funding for 2019–20 is projected to be \$24.66 billion. The average provincial per-pupil funding is projected to be \$12,246 in 2019–20.

The government is committed to investments that have the greatest impact on the classroom, while ensuring tax dollars are used more effectively. Ten of the thirteen special purpose grants are either maintained or increasing from 2018–19 funding levels. These include, for example, Indigenous Education, Special Education, Languages, Geographic Circumstances, Safe and Accepting Schools, and Student Transportation.

The 2019–20 GSN also reflects funding for increased enrolment, ongoing investments to meet labour agreements, and regular updates to the GSN.

A. CLASS SIZE AND ATTRITION PROTECTION: (\$214 Million)

Class Size

As indicated in 2019:B08, the ministry shared proposed changes to class sizes effective for the 2019–20 school year and also launched the next [consultation phase](#) on class size inviting partners to continue this important dialogue ending on May 31, 2019.

To support board planning, the table below re-summarizes the proposed changes, subject to ongoing consultations, labour negotiations and potential legislative changes.

| Description | Funded | Regulated |
|------------------------------|--|---|
| Kindergarten | UNCHANGED - Funded average class size remains at 25.57. Funded Early Childhood Educators (ECE) classroom staffing ratio change from 1.14 FTE to 1.0 FTE; Ministry will provide a new per-pupil amount of \$87.32 per average daily enrolment (ADE) in the Pupil Foundation Grant to support ECE supply costs. | UNCHANGED - Maximum board-wide average remains at 26.0 with a hard cap of 29 (flexibility for 10% of classes to be up to 32 if purpose-built accommodation is not available (this exception will sunset after 2021–2022); if a program will be negatively affected (e.g., French immersion; or where compliance will increase kindergarten/Grade 1 combined classes). |
| Primary (Grades 1 to 3) | UNCHANGED - Funded average class size remains at 19.8. | UNCHANGED - Board-wide cap remains at 20.0 (flexibility for 10% of classes to be up to 23). |
| Intermediate (Grades 4 to 8) | Funded average class size adjusted from 23.84 to 24.5. | Maximum board-wide average adjusted to 24.5 for all school boards. |
| Secondary (Grades 9 to 12) | Funded average class size adjusted from 22.0 to 28.0. | Maximum board-wide average adjusted to 28.0. |

Other Impacts Resulting from Class Size Changes

- The secondary programming amount of 1.02 staff per 1,000 ADE will no longer be provided, effective September 2019. It is projected that the impact of removing the secondary programming amount from the Pupil Foundation Grant will be approximately \$52 million; this amount is included in the estimated class size impact for the 2019–20 school year, along with other related impacts.
- The Supported Schools Allocation benchmarks are being updated to reflect the changes to class size.

- To align with the proposed changes to secondary class size and to reflect other data updates, the Supplementary Area Factor for school facility operations, within the School Facility Operations and Renewal Grant, will be updated. These changes would be phased in over five years. Additional details will be provided in a subsequent memorandum.

Attrition Protection

The ministry is introducing a new Attrition Protection Allocation (within the Cost Adjustment and Qualifications and Experience Grant) for up to four years to protect front-line staff impacted by the proposed changes to class sizes and e-learning; allowing school boards to phase in the proposed class sizes.

Through this four-year attrition protection, funding will be provided to top-up school boards where the change in funded classroom teachers exceeds the actual attrition and other voluntary leaves. Information on how this is calculated will be available in EFIS.

With this support in place, it is expected that school boards will not lay-off teachers associated with the proposed changes to class sizes and e-learning.

Other key elements of the attrition protection funding include:

- **School board forecast protection** to address situations where actual attrition is higher than the school board's forecasts; and,
- **An additional 5 per cent attrition protection** to further support the staffing complement for the continuity of STEM and specialized programming. This means boards are being provided with 105 per cent attrition protection funding.

For more information, please refer to 2019: SB02 *Key Planning Details for Attrition Protection*.

B. SPECIAL EDUCATION

Behaviour Expertise Amount: \$15.2 million

The ministry is investing \$15.2 million in the Behaviour Expertise Amount allocation, an increase of approximately one hundred per cent over 2018–19. This investment will allow school boards to hire more professional staff at the board level who have expertise in Applied Behaviour Analysis (ABA) and to double the training opportunities that will build school board capacity in ABA.

This investment will increase the:

- ABA Expertise Professionals Amount to a total of \$24.4 million; and the
- ABA Training Amount to a total of \$6.0 million.

C. OTHER GRANTS FOR STUDENT NEEDS FUNDING CHANGES

There will also be changes made to the GSN in the following areas:

Local Priorities Fund (LPF)

The LPF, first established in 2017–18 during the last round of collective bargaining, expires on August 31, 2019. Whether the funding for staffing is extended is an issue subject to the upcoming central collective bargaining process.

The investments related to adult day school teachers will be transferred to the Continuing Education and Other Programs Grant.

Cost Adjustment Allocation – Base Amount: (\$36 Million)

The base amount of the Cost Adjustment Allocation, providing supplemental funding for education worker benchmarks, has been discontinued for the 2019–20 school year.

Human Resource Transition Supplement: (\$10 Million)

The Human Resource Transition Supplement, provided to assist school boards in managing the negotiated 2017–19 central collective agreements, expires on August 31, 2019.

D. CAPITAL

Details of all capital funding programs, including board-by-board allocations, will be provided in the coming weeks in a separate memorandum.

School Renewal Funding

For the 2019–20 school year, the ministry continues to invest \$1.4 billion in funding to support the repair and renewal of school facilities. This includes:

- School Condition Improvement (SCI): \$1 billion in funding towards SCI, which will allow boards to revitalize and renew aged building components that have exceeded or will exceed their useful life.
- School Renewal Allocation (SRA): An additional \$40 million in capital funding towards SRA, which will allow boards to address the renewal needs of their schools and undertake capital improvements to older buildings.

Investments in school renewal will allow school boards to continue to address facility condition, provide healthy and safe learning environments, and address energy efficiency and accessibility requirements of their school facilities.

Update on School Construction Programs

Further details regarding the launch of the next round of Capital Priorities including child care, will be included in a separate memorandum to follow.

E. STUDENT TRANSPORTATION

Stabilization funding will be provided to school boards that run efficient transportation operations but for which the costs of student transportation exceed the funding provided for that purpose. This funding will be provided in 2019–20 based on boards' 2018–19 transportation deficits while the Ministry of Education undertakes a review of the student transportation funding formula in order to achieve a more efficient and accountable student transportation system in Ontario.

F. KEEPING UP WITH COSTS: \$52 Million

The GSN has been updated to assist school boards in managing increases to transportation, electricity, and other non-staff school operations costs. In 2019–20, the projected investment is \$52 million:

- The Student Transportation Grant will be increased by 4 per cent to help boards manage increased costs. As in previous years, this update will be netted against a school board's transportation surplus. In addition, funding adjustments due to fuel price changes will continue to be triggered by the fuel escalation and de-escalation mechanism throughout the school year.
- The ministry will also provide a 2 per cent cost benchmark update to the non-staff portion of the School Operations Allocation benchmark to assist boards in managing the increases in commodity prices (electricity, natural gas, facility insurance, and other costs).

G. ONGOING IMPLEMENTATION AND OTHER CHANGES

In 2019–20, the ministry will continue to implement GSN reforms that began in prior years. A list of these reforms as well as other in-year changes can be found below.

School Foundation Grant (SFG) Definition Change Funding Impacts

This is the third year of a four-year phase-in of the funding impacts of the new SFG definition of a school, based on campus. A campus is defined as property or properties which are owned, leased or rented by a school board, that are linked by a contiguous property line. This change includes funding impacts on other grants in the GSN that are based on the SFG definition of a school.

Retirement Gratuities

This is the eighth year of a 12 year phase-out of the retirement gratuities resulting in a reduction in the benefits funding benchmarks. This 0.167 per cent reduction will be applied to the benefits benchmarks in the Foundation Grants with equivalent adjustments to the benchmarks in the Special Purpose Grants to reflect the reduction in benefits funding.

For school boards that provided one-time payouts of retirement gratuities in 2015–16, funding will continue to be recovered from school boards in 2019–20. This recovery, which began in 2016–17, will be over the number of years' equivalent to the estimated average remaining service life of school board employees eligible for retirement gratuities as at August 31, 2012. The funding recovered from school boards will be to the extent that school boards received funding from the ministry and to the extent that boards reported a one-time gain in the early payout of retirement gratuities in 2015–16.

Salary Increases

The ministry will provide a 1 per cent salary benchmark increase for staff¹ in 2019–20, to reflect the 2017–19 central labour agreements.

Reciprocal Education Approach (REA)

As you know, the ministry continues to engage with the Education Service Agreement and Reverse Education Service Agreement (ESA/RESA) Working Group regarding the REA. This approach is intended to improve access and reduce barriers for First Nation students who wish to attend First Nation schools or provincially funded schools, and for students transitioning between school systems.

The focus of this work over the coming months is the development of a regulatory framework to support the legislative amendments made to the *Education Act* in April 2018. These amendments and related regulatory changes will come into effect September 1, 2019. More details will be communicated in the coming months.

As we move forward with the proposed regulatory amendments to implement the REA, we continue to strongly encourage school boards to begin discussions with First Nation communities and education authorities interested in developing ESAs and/or RESAs.

For planning purposes, school boards should also be mindful that if there is sufficient demand expressed (i.e., a minimum number of pupils enroll in the course) the ministry expects that school boards will offer Indigenous languages and studies courses (which are funded through the Pupil Foundation and the Indigenous Education Grants within the GSN).

Rural and Northern Education Funding (RNEF) – Schools List

As a reminder, school boards continue to be required to spend RNEF funding using the List of Schools Eligible for Rural and Northern Education Fund Allocation: <http://www.edu.gov.on.ca/eng/policyfunding/funding.html>. School boards may modify this list by passing a board motion.

School boards must submit to the ministry, by June 14, 2019, the list of all the additional schools approved by board motion. Please submit these board motions along with the list of these additional schools to EDULABFINANCE@ontario.ca, including the school

¹ Does not include directors of education or senior administration staff. Funding for principal and vice-principal salary increases are provided separately. More details will be available in the Technical Paper.

name, School Facilities Inventory System (SFIS) number, Campus ID, Board School Identification number (BSID) and panel (elementary/secondary). **Please include “RNEF” in the subject line of your email.**

For more information on any of these items, please refer to the Technical Paper, available soon on the ministry’s website.

H. INTERNATIONAL STUDENT RECOVERY AMOUNT (ISRA)

Beginning in 2019–20, a school board’s total GSN operating grants shall be reduced by an amount equal to a flat fee of \$1,300 multiplied by the international student enrolment, pro-rated where the students are not full-time.

School boards continue to be responsible for setting tuition fee amounts for international students per the tuition fees regulation which sets the minimum amount that must be charged to non-resident students.

I. MODERNIZATION OF SCHOOL BOARDS AND SCHOOL AUTHORITIES

The government is committed to ensuring that every dollar spent in the classroom is having the greatest impact on student achievement. This involves looking at all aspects of the education system, including school board operations, while respecting the four publicly funded education systems in Ontario. The Ministry of Education will be undertaking a thorough review of how boards can conduct their operations in the most efficient manner to best serve students and parents while ensuring their long-term sustainability. This process will be kicked off by the creation of a minister’s task force. The government looks forward to engaging with experts and education partners in this important conversation.

J. SCHOOL AUTHORITIES

As in previous years, funding for school authorities will be adjusted in 2019–20, as appropriate, to reflect changes in funding to district school boards. The ministry will provide further information concerning funding in 2019–20 for school authorities in the near future.

K. OTHER GRANTS

For greater clarity, the ministry wishes to confirm that there will be no changes to the remaining grants and allocations in the Grants for Student Needs not identified in this memo. The stability in this funding should allow school boards to finalize their staffing plans for the 2019–20 school year with minimal changes.

L. NOTICE

Some of the elements and proposals set out in this memo can only take effect if certain regulations are made by the Minister of Education or Lieutenant Governor in Council under the *Education Act*. Such regulations have not yet been made. Therefore, the content of this memo should be considered to be subject to such regulations, if and when made.

M. REPORTING

Dates for Submission of Financial Reports

The ministry has established the following dates for submission of financial reports:

| Date | Description |
|-------------------|--|
| June 28, 2019 | Board Estimates for 2019–20 <i>Please advise your ministry finance officer, as soon as possible, if you would like to take advantage of a 4-week extension (until July 24, 2019) to submit.</i> |
| November 15, 2019 | Board Financial Statements for 2018–19 |
| November 22, 2019 | Board Enrolment Projections for 2020–21 to 2023–24 |
| December 13, 2019 | Board Revised Estimates for 2019–20 |
| May 15, 2020 | Board Financial Report for September 1, 2019, to March 31, 2020 |

The ministry expects that Estimates forms will be available in EFIS by May 9, 2019.

N. INFORMATION RESOURCES

If you require further information, please contact:

| Subject | Contact | Telephone and email |
|---|--------------------|--|
| Benefits Transformation and Retirement Gratuities | Romina Di Pasquale | (416) 903-9479 romina.diPasquale@ontario.ca |
| Capital Policies | Colleen Hogan | (416) 325-1705 colleen.hogan@ontario.ca |
| Capital Priorities and Project Accountability | Paul Bloye | (416) 325-8589 paul.bloye@ontario.ca |
| Financial Accountability and Reporting Requirements | Med Ahmadoun | (416) 326-0201 med.ahmadoun@ontario.ca |
| Indigenous Education | Taunya Paquette | (647) 290-7142 taunya.paquette@ontario.ca |
| Operating Funding | Doreen Lamarche | (416) 326-0999 doreen.lamarche@ontario.ca |
| Special Education | Claudine Munroe | (416) 325-2889 claudine.munroe@ontario.ca |
| Student Transportation | Cheri Hayward | (416) 327-7503 cheri.hayward@ontario.ca |

General questions regarding the 2019–20 GSN release can be emailed to:
EDULABFINANCE@ontario.ca.

Other GSN Materials

GSN projections for the 2019–20 school year are available on the ministry's website. All other GSN materials will be available in the coming weeks, including the 2019–20 Education Funding Technical Paper. Further communication will be sent to inform school boards of the documents' availability.

Original signed by

Andrew Davis
Assistant Deputy Minister
Education Labour and Finance Division

Ministry of Education

Deputy Minister

438 University Avenue, 5th Floor
Toronto ON M7A 2K8**Ministère de l'Éducation**

Sous-ministre

438, avenue University, 5^e étage
Toronto ON M7A 2K8**2019: B15**

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

FROM: Nancy Naylor
Deputy Minister

DATE: **April 25, 2019**

SUBJECT: **2019-20 Priorities and Partnerships Fund**

The Ministry of Education is pleased to launch the new Priorities and Partnerships Fund (PPF).

On March 15, 2019, the government released Memo 2019:B08 *Education that Works for You*, the new vision for Ontario's education system. The vision will be implemented using a responsible approach that will modernize education to maximize student performance and well-being.

On April 11, 2019, the government tabled its 2019 Budget. This year's budget reflects the outcomes of a comprehensive multi-year planning process that's built on the findings of EY Canada's line-by-line review, and the ideas identified in the Planning for Prosperity Survey and the Big Bold Ideas Challenge. The government conducted a thorough review of all government programs in order to ensure investments are sustainable and modernized. The review is also meant to ensure that duplication is eliminated, and valuable programs and services are sustainable and delivering outcomes for the people of Ontario.

In addition to this review, all ministries were required to identify administrative savings. This was to be done by identifying opportunities to modernize services in order to reduce administrative costs and burden, while improving services across ministries, agencies and transfer-payment partners. Ministries considered how they could eliminate duplicative and non-value added processes, and implement automation and other streamlining solutions where repetitive and routine tasks existed previously.

The PPF is being launched in alignment with this year’s Budget and supports Ontario’s new vision for education. The approach will prioritize education funding, supplemental to the Grants for Student Needs (GSN), on high impact initiatives that directly support students in the classroom. The funding will replace the previous Education Programs – Other funding and will be evidence-based and outcome-focused while providing streamlined, accountable, and time-limited funding that will be reviewed and assessed by the Ministry each year.

Funding

For 2019-20 the PPF will provide up to \$330 million in funding to education partners to support students.

To facilitate school boards’ budget planning for 2019-20, today the Ministry is confirming approximately \$185 million of PPF funding to school boards and school authorities to support Ministry priorities. The program allocations are outlined in the following table and school board allocations will follow:

| Key Priority | Objective | Amount (\$M) |
|----------------------------------|---|--------------|
| Curriculum Implementation | To support school boards with the implementation of recently released curriculum | \$2.25M |
| Engaging Parents and Communities | To involve parents and communities in their children’s education. Parents are a child’s first teacher. When parents are involved everyone benefits – schools become better places to learn and student performance improves | \$1.25M |
| French-Language Education | To provide opportunities and tailored supports to students in Ontario’s French-Language Education (FLE) system guided by the <i>Aménagement linguistique policy</i> | \$2.13M |
| Indigenous Education | To improve student performance and well-being and close the performance gap between Indigenous students and all students | \$3.73M |
| Math | To support Ontario’s students in meeting provincial math standards | \$40.50M |

| Key Priority | Objective | Amount (\$M) |
|---------------------------------|--|--------------|
| Mental Health and Well-Being | To support the critical linkage between mental health and well-being and student success | \$34.54M |
| Special Education | To improve support for families of children and youth with special education needs | \$17.14M |
| Student Pathways | To support students as they transition to postsecondary destinations including, apprenticeship, college, university, and the workplace | \$35.7M |
| Supporting Student Potential | To support vulnerable students, including youth at risk, to stay in school, graduate and succeed | \$17.89M |
| System Support and Efficiencies | To provide support to help ensure that the education system is running efficiently and effectively | \$30.00M |

Further information on additional school board PPF initiatives will be provided as it becomes available.

Descriptions of the initiatives for each of the school board PPF initiatives are as follows:

Curriculum Implementation (\$2.25M)

Curriculum implementation funding will support the implementation of recently released curriculum, including the revised elementary Health and Physical Education curriculum (2019), and the revised Grade 10 Career Studies course (2019). This funding is in addition to funding announced in the budget to support implementation of Indigenous-focused curriculum revisions, including the revised First Nations, Métis and Inuit Studies curriculum (2019). Funding can be used to support professional learning and release time for educators.

Engaging Parents and Communities

Parents Reaching Out Grants (\$1.25M)

These grants will support parents in identifying barriers and opportunities to strengthen parent engagement in their own communities and enable more parents to support their child's learning and well-being.

French-Language Education

Implementation of Aménagement linguistique initiatives and strategies to retain and engage students (\$0.1200M)

Funding to assist French-language school boards in the implementation of aménagement linguistique initiatives in French-Language schools in Ontario with a view to engage students and develop their sense of belonging to the French-language school system and their community.

Compass for Success (\$0.0960M)

Funding to support six French-language school boards, with a view to build the capacity of system leaders, principals and teachers in data collecting, analysis and identifying next steps.

Regional inter-council meetings (\$0.0680M)

Specialist High Skills Major (SHSM) meetings organized regionally by French-language school boards to facilitate the implementation of SHSM programs in schools, share expertise and facilitate networking among school boards.

Special Education Investment (\$1.8500M)

Final installment in support of a Memorandum of Settlement (MoS) with l'Association des enseignantes et enseignants franco-ontariens (AEFO) and Council of Trustees' Association (CTA) to promote the success of French-language students with special needs.

Indigenous Education

New Indigenous Strategic Priorities (\$3.18M)

Programs and supports to assist Indigenous learners to graduate, supports successful transition into secondary schools or the labor market, inclusive school environments, innovation. This initiative includes funding for the Indigenous Grad Coach and Rapid Response Northern Schools Team initiatives.

Aboriginal Youth Entrepreneurship Program (AYEP) (\$0.35M)

AYEP gives Grade 11 and 12 Indigenous students in selected schools an opportunity to earn two senior business studies credits through a program based on the Ontario business studies curriculum and supplemented by Indigenous content, hands-on activities, guest speakers and business mentors, and funding opportunities. Students develop entrepreneurial skills and learn how to create and establish their own small business.

Keewatin Patricia District School Board (KPDSB)/ Keewaytinook Okimakanak Board of Education (\$0.2M)

KPDSB seconds a principal to support the capacity development of educators and administrators in partnering First Nation operated schools to First Nation students success and well-being as they transition from remote and fly in communities, as young as 12, into provincially-funded schools.

Math (\$40.5M)

The Ministry announced a four-year Math Strategy to improve student math performance.

This funding will allow boards to hire a board-based math learning lead to implement the revised math curriculum and to coordinate board improvement efforts in mathematics. Funding will also be provided to hire math learning facilitators to support student performance in targeted elementary and secondary schools. Math learning facilitators will provide training and coaching opportunities for principals and math teachers and support parent engagement.

Release time funding will be provided to all boards, with additional funding provided for targeted schools, to allow educators to engage in school and classroom-based training, coaching, and other co-learning opportunities.

Mental Health and Well-Being*Well-Being and Mental Health Bundle (\$3M)*

Funding to support school boards and authorities to meet local needs and priorities that promote well-being and mental health, including safe, healthy, inclusive and accepting learning environments. This funding enables school boards and authorities to support activities in their improvement and multi-year strategic plans, as well as their three year Mental Health and Addictions Strategy, and annual Action Plan for Mental Health.

Mental Health Workers in Secondary Schools (\$25M)

In keeping with the government's commitment to invest in mental health and addictions services in Ontario, in 2019-20 the province will continue to fund the approximately 180 new mental health workers (FTEs) in secondary schools that were initially hired by district school boards in 2018-19. The purpose of this investment is to continue to have regulated mental

health professionals (e.g., social workers, psychologists and psychotherapists) with specialized training in student mental health in secondary schools, providing mental health promotion, prevention, and intervention to students and their families.

This continuing investment will also include annual funding of \$50,000 per school board to support the collection and use of data and information to determine the impact of the initiative on students, families, and schools.

School Mental Health Ontario (SMHO) (\$6.5M)

As part of the government's commitment to build a comprehensive and connected multi-year mental health and addiction system across the lifespan, funding for School Mental Health Ontario (SMH ON), formerly School Mental Health ASSIST, will continue. SMH ON will receive \$6.5M in 2019-20 to provide implementation support to all 72 district school boards through clinical expertise, evidence-based resources/practical tools for educators, and the delivery of consistent professional learning to school-based mental health clinicians, including the new mental health workers in secondary schools.

Special Education

After School Skills Development Program (\$6.1M)

The After School Skills Development Program will provide funding to all school boards in the province to support students with Autism Spectrum Disorder (ASD) in social, communication, self-regulation and life-planning skills development.

Pilot to Improve School-Based Supports for Students with ASD (\$0.374M)

Continuation of funding to support the provision of dedicated space on school site for external Applied Behaviour Analyst (ABA) practitioners to provide direct service to students with Autism Spectrum Disorder (ASD) in eleven pilot school boards.

Transition Pilot for Students with Developmental Disabilities (\$0.478M)

Pilot to support select school boards to explore successful practices in transitioning students with developmental disabilities to work, community or postsecondary education.

Supporting Students with Severe Learning Disabilities (LD) in Reading through LD Pilots (\$1.75M)

Funding to support an intensive reading intervention pilot project in eight district school boards. Pilots were designed to enhance educators' intervention pilot project in eight district (LD) and increase the availability of supports for students with LD in their local communities.

Northern Supports Initiatives (NSI) (\$7M)

Northern Supports Initiative (NSI) is intended to mitigate the challenges faced by all northern school boards with respect to lack of available services in their communities; difficulty in attracting and retaining service professionals at the board level or accessing these services through community partners; and higher costs of service provision. NSI funding is utilized in a regional collaboration model that serves all northern school boards and school authorities through three regional cooperatives. The cooperatives determine local special education priorities, to deliver joint, innovative and cost-effective special education programs and services.

Integrated Services for Northern Children (ISNC) (\$1.44M)

The Integrated Services for Northern Children (ISNC) provides coordinated assessment, consultation and treatment services, on a multi-agency, multi-ministry basis, to children and youth with physical, psychological and educational challenges in under-served rural and remote communities of Northern Ontario. This funding provides access to services from teacher diagnosticians, psychology professionals and speech and language professionals.

Student Pathways*Specialist High Skills Major (SHSM) (\$23.7M)*

Specialist High Skills Major supports students to focus on a career path that matches their skills and interests while meeting the requirements of the Ontario Secondary School Diploma (OSSD). Students receive the SHSM seal on their diploma when they:

- complete a specific bundle of 8-10 courses in the student's selected field
- earn valuable industry certifications including first aid and CPR qualifications
- gain important skills on the job through cooperative education placements.

All school boards with secondary schools receive funding to support this program.

Enhancements to Experiential Learning (EL) (\$12M)

Each board receives enhancements to experiential learning funding, separated into two categories:

- Funding used to hire a full-time, dedicated Leader of Experiential Learning (LEL) for their board.
- Funding to support and to provide effective experiential learning opportunities for students in their board.

Beginning in the 2019-20 school year, the focus of LELs will be to provide direction and support to help students in Grades 7-12 continue to engage in experiential learning opportunities, in collaboration with community and industry partners, with a particular focus on increasing

exposure to and awareness of technology, the skilled trades and apprenticeship as viable pathway options for all students.

Supporting Student Potential

Focus on Youth 2019 Summer Program (\$7.6M)

The Focus on Youth (FOY) Program creates summer employment opportunities for high school students who may be disengaged from school and/or experience barriers to employment as a result of home or school environments, including conflict with the law, poverty and/or low academic achievement. Through the program, school boards and community partners offer free or low-cost summer camps for young children.

Transportation Supports for Children and Youth in Care (\$6.6M)

To improve the educational outcomes and well-being of children and youth in care, funding for transportation services enables students to stay in their school of origin when their residence changes until a more natural transition time, so they have stability at school, can focus on their learning, and maintain academic standing and graduate.

Human Rights and Equity Advisors (\$2.4M)

This project provides support for school boards to employ the services of Human Rights and Equity Advisors (HREAs). HREAs work with the Director of the board and with the board's senior team to foster a culture of respect for human rights and equity, help identify and address systemic human rights and equity issues, and increase the board's human rights compliance.

Demographic Data Gathering (\$1M)

Funding to prepare school boards for, or engage in, the collection of voluntary student or staff identity-based data. The funding supports boards to build their capacity to meet the growing needs and expectations of their increasingly diverse communities for evidence-based decision making. This project allows boards to construct the necessary structures and protocols to meet the legal, ethical and research standards for the collection, analysis and use of demographic data.

Broadening Horizons (\$0.25M)

Funding to address equity and human rights issues in priority areas such as rural and northern areas and target barriers that limit student success in schools, for example, to continue the Indigenous Cultural Safety initiative.

System Support and Efficiencies

Broadband Modernization Program (BMP) (\$24M)

Funding will be provided to provide access to reliable, fast, secure and affordable internet services to all students and educators in all regions across Ontario – including in rural and northern communities. The current target connectivity speed is 1 megabit per second per student or educator, in a scalable and sustainable network that can adapt to future needs following a common network architecture across Ontario.

As part of the BMP, the ministry will also work jointly with boards to strengthen cyber protection measures.

New Teacher Induction Program – Enhancing Teacher Development Fund (NTIP-ETD) (\$1M)

This program addresses gaps in the GSN funding formula – specifically:

- Significant changes in number of new permanent hires from the previous year
- NTIP required permanent hires past Year 2 on the Teacher Qualifications and Experience Grid

Teacher Learning and Leadership Program (TLLP) (\$3.5M)

This program provides direct funding to front-line teachers, or teams of teachers to build teachers' expertise in effective teaching. The learning projects are teacher-led and influenced by real local needs; for example in math or special education.

Apprenticeship and Professional Development Training Funding of Education Workers Represented by the Canadian Union of Public Employees (CUPE) (\$1.35M)

As a result of the 2017 education sector labour negotiations, a grant to school boards with CUPE local bargaining units is to be used on the basis of joint applications received from school boards and CUPE locals for apprenticeship training under the OCT and or professional development opportunities.

Apprenticeship Training Funding of Education Workers Represented by the Ontario Secondary School Teachers' Federation – Education Workers (OSSTF-EW) (\$0.15M)

As a result of the 2017 education sector labour negotiations, a grant has been allocated to school boards with OSSTF education worker local bargaining units to be used on the basis of joint applications received from school boards and OSSTF locals for apprenticeship training under the Ontario College of Trades.

Next Steps

If you require further information about these initiatives, please contact your regular Ministry program contacts or the office of the Assistant Deputy Minister responsible for the program.

The Ministry looks forward to continuing our strong partnership with the school boards and school authorities and working towards maximizing student performance and well-being.

Nancy Naylor
Deputy Minister of Education

Copy: Superintendents of Business and Finance

Frank Kelly, Executive Director, Council of Ontario Directors of Education

Anna Marie Bitonti, Chair, Council of Ontario Directors of Education

Andrew Davis, Assistant Deputy Minister, Education Labour & Finance Division

Warren McCay, Assistant Deputy Minister, Chief Administrative Officer, Corporate Management and Services Division

Denise Dwyer, Assistant Deputy Minister, Indigenous Education and Well Being Division

Denys Giguère, Assistant Deputy Minister, French Language, Teaching Learning and Achievement Division

Joshua Paul, Assistant Deputy Minister, Capital and Business Support Division

Martyn Beckett, Assistant Deputy Minister, Student Achievement Division

Patrick Case, Assistant Deputy Minister, Education Equity Secretariat

Richard Franz, Assistant Deputy Minister, System Planning, Research & Innovation Division

Shannon Fuller, Assistant Deputy Minister, Early Years and Child Care Division

Shirley Kendrick, Assistant Deputy Minister, Student Support and Field Services Division

Draft 2019-2020 TCDSB Year Over Year Budget Impacts

| Provincial Announcements | \$M | |
|---|----------------|----------------|
| Negative Impacts | | |
| Loss of Local Priorities Funding | (9.70) | |
| Grades 9 to 12 Class Size Change (Year 1 Impact) | (7.70) | |
| Grades 4 to 8 Class Size Change Impact | (4.50) | |
| Loss of Secondary Programming Funds | (2.50) | |
| Reduction in Benefit Grant | (2.00) | |
| Capital Debt Financing Adjustment | (1.90) | |
| Decrease to Facilities Loading Factor (Class Size Changes) | (1.60) | |
| Addition of International Student Recovery Amount | (1.60) | |
| Loss of Cost Adjustment Allocation | (1.20) | |
| Partial Loss of Early Childhood Educator Funding | (0.50) | |
| Loss of Human Resource Transition Funding | <u>(0.50)</u> | |
| | (33.70) | A |
| Positive Impacts | | |
| Increase in Transportation Funding | 7.60 | |
| Attrition Protection 5% Specialized Programming Exemption | 1.13 | |
| Increase in Utilities Funding | 0.75 | |
| Increase in Behavior Expertise Amount | 0.50 | |
| Increase School Foundation Grant (P/VPs for Campuses) | <u>0.10</u> | |
| | 10.08 | B |
| Total Estimated Impacts from Provincial Announcements | (23.62) | C=A+B |
| Net Impact of Enrolment Driven Changes | | |
| Increase in Elementary Enrolment | 2.50 | |
| Decrease in Secondary Enrolment | <u>(1.30)</u> | |
| | 1.20 | D |
| International Language Program Extended Day Elimination | | |
| Loss of International Language Program Funding | (5.00) | |
| Additional Teachers Due to Shortened Day | (2.30) | |
| Transportation Impacts from Modified Day School Schedules | <u>(1.60)</u> | |
| | (8.90) | E |
| Total Estimated Year Over Year Impacts (Funding Shortfall) | (31.32) | F=C+D+E |

Draft 2019-2020 TCDSB Offsets to Balance Budget

(Positive figures denote increases in expenditure / Full Time Equivalent (FTE) where mandated)

| | \$M | FTE |
|--|---------------|---------------|
| Increases / Reductions Based on Enrolment Changes | | |
| Elementary Teacher Positions (Regular) | 2.50 | 24.5 |
| Secondary Teacher Positions (Regular) | <u>(1.30)</u> | <u>(12.0)</u> |
| | 1.20 | 12.5 |
| Mandated Impacts from Elementary Class Sizes | | |
| Elementary Teacher Positions | 3.30 | 32.1 |
| Mandated Reductions Based on Secondary Class Size Changes | | |
| Secondary Teacher Positions (Regular) | (7.70) | (72.0) |
| Secondary Teacher Positions (Programming) | <u>(2.50)</u> | <u>(22.9)</u> |
| | (10.20) | (94.9) |
| Draft Reductions Associated with Local Priority Funding | | |
| Elementary Teachers - 5th Block | (2.40) | (24.0) |
| Education Assistants / Child and Youth Workers | (1.70) | (30.5) |
| Elementary Teachers - Regular Classroom | (1.40) | (14.2) |
| Secondary Teachers - ESL/ELL | (1.30) | (12.5) |
| Custodians, Trades and Maintenance Staff | (0.80) | (10.9) |
| Secondary Teachers - Special Education | (0.60) | (6.0) |
| School Secretaries | (0.40) | (6.7) |
| ESL and Nursery Instructors | (0.30) | (3.3) |
| Programmers, SS Supervisors, Other | (0.20) | (3.6) |
| Professional Student Services Personnel | (0.20) | (2.0) |
| Principals and Vice-Principals | (0.20) | (1.5) |
| Library Technicians | (0.10) | (2.2) |
| Board Administration, Clerical and Technical Staff | <u>(0.10)</u> | <u>(1.5)</u> |
| | (9.70) | (118.9) |
| Other Draft Labour Impacts to Offset Funding Shortfall | | |
| Other Elementary Panel Reductions | | |
| ESL Teachers | (2.50) | (24.0) |
| Resource Teachers | <u>(0.70)</u> | <u>(7.0)</u> |
| | (3.20) | (31.0) |

Other Secondary Panel Reductions / Increases

| | | |
|--|---------------|--------------|
| Secondary Teachers | (0.60) | (6.0) |
| Secondary Teacher - 5% Additional Attrition Protection | 1.00 | 10.0 |
| Resource Teachers | (0.60) | (6.0) |
| Workplace Accommodation Contingency | <u>(0.20)</u> | <u>(2.0)</u> |
| | (0.40) | (4.0) |

Board Administration and Governance Reductions

| | | |
|-----------------------------------|---------------|--------------|
| Non-Academic Staff Positions | (0.20) | (2.0) |
| Non-Academic Management Positions | (0.80) | (7.0) |
| Non-Academic Executive Position | <u>(0.15)</u> | <u>(1.0)</u> |
| | (1.15) | (10.0) |

| | | |
|--|--------|--------|
| Total Other Draft Labour Impacts to Offset Funding Shortfall | (4.75) | (45.0) |
|--|--------|--------|

Other Draft Non-Labour Impacts to Offset Funding Shortfall

| | |
|--|---------------|
| Adjust Non-Labour Budgets to Align with Historical Actuals | (3.05) |
| Capital Debt Interest Expense Reduction | (1.90) |
| Increase International Student Fees to Offset Recovery | (1.85) |
| Optimize Bell Times at International Language Schools | (1.60) |
| Reduce Central Religious Materials Allocation | (1.50) |
| Benefit Trust Rate Reduction | (1.10) |
| Reduction in Non-Labour Facilities Expenditures | (0.25) |
| Increase Permitting Fees (By 3%) | <u>(0.10)</u> |
| | (11.35) |

| | | |
|--|----------------|----------------|
| Total Draft Offsets to Balance Budget | (31.50) | (214.2) |
|--|----------------|----------------|

ESL = English as a Second Language

ELL = English Language Learner

Draft 2019-20 Funding Shortfall Offsets Summary

| | \$M | FTE |
|---|----------------|----------|
| Total Estimated Year Over Year Impacts (Funding Shortfall) | (31.32) | |
| Current Total Draft Offsets to Balance Budget | <u>(31.50)</u> | (214.20) |
| Outstanding Offset (Amount of Further Reductions Required) | 0.18 | |

Other Potential Ideas for Offsetting Funding Shortfall

| | | |
|---|---------------|--|
| Move IL Programs to Evenings/Weekend Format | (7.30) | |
| Introduce Paid Parking for Employees | (3.20) | |
| Eliminate "Non-Qualifying" Student Transportation | (1.00) | |
| School Block Budget Reductions | <u>(1.00)</u> | |
| | (12.50) | |



REPORT TO

AUDIT COMMITTEE

2019-20 BUDGET IMPACTS AND GRANTS FOR STUDENT NEEDS ANNOUNCEMENT - NON-INSTRUCTIONAL RELATED

“A generous man will himself be blessed, for he shares his food with the poor.”

Proverbs 22:9

| Created, Draft | First Tabling | Review |
|--|---------------|---------------------------------|
| April 30, 2019 | May 14, 2019 | July 1, 2019 to August 31, 2019 |
| D. De Souza, Coordinator of Grants & Ministry Reporting G. Sequeira, Coordinator of Budget Services P. De Cock, Comptroller of Business Services & Finance | | |
| INFORMATION REPORT | | |

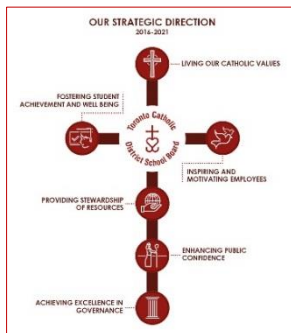
Vision:

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

L. Noronha
Associate Director of Facilities,
Business and Community
Development, and
Chief Financial Officer

A. EXECUTIVE SUMMARY

1. ***Two budget reports have been submitted to facilitate Trustees with conflicts of interest on instructional related funding, at their own discretion, the opportunity to participate in non-instructional funding discussions.*** This report will focus on the non-instructional issues that have been identified through the GSN announcements and the B Memos released by the Ministry of Education. All numbers that are shown in this report are already incorporated into the previous report, which provided an overall budget presentation. This report is only a subset of the earlier report relating to non-instructional items.
2. ***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 April 26th, 2019 by the Ministry of Education (EDU) provided a first look at ongoing funding commitments, funding reductions and new education funding investments into the education sector. The Education Funding Technical Paper and Education Financial Information System (EFIS) tools 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. These preliminary impacts have been developed with cautious assumptions in mind and therefore represent a scenario that could be considered fiscally conservative.
3. ***The late release of data by the Ministry will impact the budget approval timelines previously communicated to the Board.*** Given the delay of the technical details and the Electronic Financial Information System (EFIS) release by the Ministry to mid-May, staff will not be in a position to develop preliminary budget estimates in time for May 16th Regular Board meeting. The tentative revised plan would be to bring the preliminary budget estimates to Student Achievement Committee on May 28th, 2019.
4. ***Based on a preliminary analysis and review of the announcements to date, staff expect that service levels across all program and service areas will need to be reduced in order to develop a balanced budget.*** The Ministry of Education announcements on April 26th impacts many program and service areas, and if the impacts are not addressed then the operating budget would enter an unbalanced (deficit) position. Consequently, the 2019-20 Budget

Estimates must contain service level reductions in order to develop a balanced budget in compliance with the Education Act.

The cumulative staff time required to prepare this report was 80 hours.

B. PURPOSE

1. *This annual report has been prepared to provide highlights and preliminary projections of the education funding announcements for the TCDSB related to the non-instructional side of the organization.* This report responds to the recent GSN announcement for non-instructional and key policy and funding changes for 2019-20. The calculated financial and operational impact of last week's announcement on the GSNs for 2019-20 utilized information available at the time of preparing this report.
2. This report has been prepared to allow Trustees and members of the public a preview of potential staff recommendations that may be incorporated in to the Preliminary Budget Estimates expected to be presented at Student Achievement Committee on May 28th, 2019.

C. BACKGROUND

Previous Announcements

1. *Staff have been working on analysing the impacts of previous announcements.* The following paragraphs provide a brief recap of previous announcements on March 15th, 2019 related to non-instructional impacts.
2. *Current Collective Agreement Local Priorities Funding will expire.* The expiration of the Local Priorities funding associated with the 2 year Collective Extension Agreements will decrease GSN funding by approximately \$9.7M. It equates to 119 Full-Time Equivalent (FTE) positions that spans almost all employee groups. The provincially negotiated extension agreements expire as of August 31st 2019.

International Languages Program

3. *The continuance of the International Language (IL) Program has been signalled as a primary focus for this Board.* While the value of the IL program has been confirmed by both Trustees as well as through parent

surveys, based on current labour arbitration settlements as well as certain legislative prescriptions, the TCDSB may see the IL program lose all funding for the 2019-20 school year. Staff have yet to hear from the Ministry on whether all or part of the funding for this program will be provided for the 2019-20 school year. The assumptions in this report contain the notion that the program will continue at TCDSB, but that funding from the Province will be eliminated. This will create a cost pressure of \$1.6M related to transportation at IL program schools.

D. EVIDENCE/RESEARCH/ANALYSIS

New Announcements

- 1. *New announcements were made on April 26th, 2019 regarding GSNs.*** The following paragraphs contain some of the highlights from the GSN announcements related to non-instructional.
- 2. *No further funding changes forecasted.*** The Ministry of Education confirmed that there will be no further changes to grants and allocations in the GSN not already identified in the Ministry Memorandum.
- 3. *Student Transportation funding increased by \$7.6M.*** The GSNs will provide stabilization funding to school boards that run efficient transportation operations wherein the costs of student transportation exceed the funding provided for that purpose. A 4% inflationary increase will also be added to the transportation funding. TCDSB will receive \$7.6M in additional funding to help with the transportation deficit.
- 4. *Funding for Facilities Maintenance and Operations will decrease overall.*** To align with the proposed changes to secondary class size, the Supplementary Area Factor for school facility operations will be adjusted. This change will be phased in over five years. The 2019-20 impact to TCDSB is expected to be a reduction in funding of \$1.6M. An increase in funding will be provided to recognize inflation in utilities. For the TCDSB this equates to approximately \$0.75M. The net impact on Facilities Maintenance and Operations is estimated to be a decrease of \$0.85M.

5. ***Funding for Human Resource staffing has decreased.*** The Human Resource Transition Supplement, a fund within the Board Administration & Governance Grant to assist in managing the extension agreements, has been eliminated. This results in a funding decrease of \$0.5M for TCDSB.
6. ***Province-wide Priorities and Partnerships Funding (PPF) (formerly Education Payments Other or EPO) were announced.*** While Province wide figures were provided in the April 26th memo, the details specific to TCDSB have not been released. Below are the Provincial level highlights to the newly named PPFs, which are non-instructional in nature. Staff have received verbal confirmation from Ministry staff that the Focus on Youth Program funds for summer 2019 have been renewed with a minimal (\$53K) reduction, but summer 2020 has not yet been confirmed. The Priority School Initiative (PSI) under the Community Use of Schools program has been confirmed as discontinued for 2019-20. Much of this grant had already been reduced for the 2018-19 school year.
 - **Engaging Parents:** Continuation of the Parents Reaching Out Grants.
 - **Student Potential:** \$17M to continue support for the summer Focus on Youth program, transition funding for students at risk, human rights and equity advisors at each Board.
 - **System Support and Efficiencies:** \$30M to continue the roll-out of broadband modernization, teacher learning program and apprenticeship training for CUPE and OSSTF education workers.

Analysis of Funding Reductions

7. ***Year over year funding positive impacts on the non-instructional side are estimated as \$1.85M.*** Based on a preliminary analysis by staff, the year over year impacts, inclusive of Provincial announcements related to non-instructional items, transportation related costs associated with eliminating the extended day IL Program, results in a funding increase of \$1.85M. The analysis below provides a summary of this increase.

| Negative Impacts Provincial Announcements | \$M |
|--|---------------|
| Loss of Local Priorities Funding - Custodial/Trades/Maintenance | (0.80) |
| Loss of Local Priorities Funding - Board Admin/Clerical/Tech | (0.10) |
| Capital Debt Financing Adjustment | (1.90) |
| Decrease to Facilities Loading Factor (Class Size Changes) | (1.60) |
| Loss of Human Resource Transition Funding | <u>(0.50)</u> |
| | (4.90) |
| Positive Impacts of Provincial Announcements | |
| Increase in Transportation Funding | 7.60 |
| Increase in Utilities Funding | <u>0.75</u> |
| | 8.35 |
| Transportation Impacts from IL Modified Day School Schedules | <u>(1.60)</u> |
| | (1.60) |
| | |
| Total Estimated Year Over Year Impacts (Funding Increase) | 1.85 |

8. *Determination of the funding impacts are preliminary and require the detailed technical release from the Ministry before verification.* Staff recognize that these calculations are preliminary in nature, but believe it is important to show the high level impacts in order to provide context for the difficult decisions that are ahead for bringing the entire budget (inclusive of instructional) to a balanced position. The Preliminary Budget Estimates that will be provided at the May 28th Student Achievement Committee will also provide more detailed explanations of each of the line items.

Preliminary List of Offsets to Balance Budget

9. *Several offsets were directly associated with certain funding sources that were lost for the non-instructional side.* The Local Priorities Fund, as previously reported, had many specific funded positions associated with it such as Administrative, Custodial and Maintenance staff to name a few.

10. *Senior staff were able to identify a preliminary list of reductions applicable to the non-instructional side that would contribute to the deficit position on the instructional side to balance the budget as a whole.* Staff consolidated all mandated reductions, along with any mandated increases and offsets from Local Priority Funds. They then identified several preliminary labour and non-labour related reductions or revenue increases that could potentially fully

offset the estimated funding shortfall. The following analysis provides a high level summary of those potential recommendations.

| Draft Reductions Associated with Local Priority Funding | \$M | FTE |
|---|---------------|----------------|
| Custodians, Trades and Maintenance Staff | (0.80) | (10.9) |
| Board Administration, Clerical and Technical Staff | <u>(0.10)</u> | <u>(1.5)</u> |
| | (0.90) | (12.4) |
| Other Draft Labour Impacts to Offset Funding Shortfall | | |
| Board Administration and Governance Reductions | | |
| Non-Academic Staff Positions | (0.20) | (2.0) |
| Non-Academic Management Positions | (0.80) | (7.0) |
| Non-Academic Executive Position | <u>(0.15)</u> | <u>(1.0)</u> |
| | (1.15) | (10.0) |
| Other Draft Non-Labour Impacts to Offset Funding Shortfall | | |
| Adjust Non-Labour Budgets to Align with Historical Actuals | (0.50) | |
| Capital Debt Interest Expense Reduction | (1.90) | |
| Optimize Bell Times at International Language Schools | (1.60) | |
| Reduction in Non-Labour Facilities Expenditures | (0.25) | |
| Increase Permitting Fees (By 3%) | <u>(0.10)</u> | |
| | (4.35) | |
| Total Draft Offsets to Balance Budget | (6.40) | (22.40) |

11. *Other Non-Labour Impacts contain several potential recommendations that may impact specific communities.* In particular the harmonization of bell times for IL schools would bring about cost savings for transportation, but will impact these schools specifically in terms of bus pick-up times. The potential 3% increase in permitting fees may also impact on certain community groups that rent TCDSB facilities.

12. *Preliminary potential recommendations have been provided to facilitate Trustee discussion.* The options outlined above for non-instructional related items have been provided to illustrate senior staff's preliminary estimate of what recommendations may appear in the Preliminary Budget Estimates presented on May 28th. Should Trustees disagree or agree with these recommendation it would be prudent to provide that input during the presentation of this report. Additionally, should a Trustee wish staff not bring

one of these potential recommendations forward it would be ideal for the Board to simultaneously identify other areas for staff to look at reducing.

13. ***The preliminary potential recommended reductions for non-instructional contribute approximately \$8.25M to the balancing of the overall budget.*** Taking the expected increase from funding announcements and adding it to the potential reductions on the non-instructional side produces a surplus that can help balance the overall budget. Below is a brief analysis of this surplus.

| | \$M |
|---|---------------|
| Total Estimated Year Over Year Impacts (funding increase) | 1.85 |
| Draft Offsets to Balance the Overall Budget | <u>(6.40)</u> |
| Non-Instructional Savings to be applied to Instructional Shortfall | 8.25 |

14. ***Other options are also available to balance the budget.*** Senior staff have also provided a few other options that could be used to balance the budget. This list is non-exhaustive, however, it should be kept in mind that the large majority of the Board’s budget is restricted in terms of being applied to either specified programs or to classroom ratios. The following is a short list of other potential ideas that are flexible type funding within the non-instructional side.

| | \$M |
|---|---------------|
| Introduce Paid Parking for Employees | (3.20) |
| Eliminate "Non-Qualifying" Student Transportation | <u>(1.00)</u> |
| | (4.20) |

15. ***Other opportunities for balancing the budget may arise.*** Staff recognize that a cautious approach has been taken in developing these preliminary shortfall estimates. It is possible that once detailed Ministry data is available that the shortfall may be less than expected. Unfortunately, while less likely, it is possible for the reverse to be true as well. In the case where the shortfall is less, Trustees may wish to signal to staff which areas of the preliminary recommended reductions they would like to see reinstated in the budget.

16. ***Over the course of the year, the Board of Trustees passed previous motions for items to be considered in 2019-20 Budget.*** One such motion was to look at establishing a budget for services of an Integrity Commissioner. Early estimates may place this at approximately \$100K per year, but may be higher.

Staff are attempting to verify this number and will do so before the May 28th Preliminary Budget Estimates are submitted.

E. NEXT STEPS

1. ***Public consultation and input from Trustees will help develop final recommendations for the Preliminary Estimates.*** Staff will be taking any feedback received on this report as well as the results from the Online Budget Survey Tool, feedback received at the Public Consultation meeting and Virtual Town Hall, various deputations and feedback from union and federation partners and develop Preliminary Estimates for the May 28th Student Achievement Meeting. Development of those estimates will also be heavily dependent on the technical details behind the GSNs.
2. ***This is another opportunity for the Board to provide input on changing service levels.*** Staff will be developing Preliminary Budget Estimates for presentation at Student Achievement Committee pending the further release of data from the Ministry of Education. However, should the Board wish to provide any immediate input or direction at this point they can do so by providing input for consideration in the development of preliminary budget estimates.

F. CONCLUDING STATEMENT

This report is for the consideration of the Board.



REPORT TO

AUDIT COMMITTEE

DRAFT I&T STRATEGY FOR CONSULTATION

“THE LORD IS NOT SLOW ABOUT HIS PROMISE, AS SOME THINK OF SLOWNESS, BUT IS PATIENT WITH YOU, NOT WANTING ANY TO PERISH, BUT ALL TO COME TO REPENTANCE.”
 2 PETER 3:9

| Created, Draft | First Tabling | Review |
|---|---------------|---|
| May 7, 2019 Steve Camacho, Chief Information Officer | May 14, 2019 | Click here to enter a date. |

INFORMATION REPORT

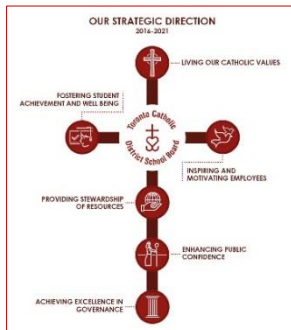
Vision:

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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.



Rory McGuckin
 Director of Education

D. Koenig
 Associate Director of Academic Affairs

L. Noronha
 Associate Director of Facilities, Business and Community Development, and Chief Financial Officer

A. EXECUTIVE SUMMARY

This report provides the Audit Committee of the Board with an overview of the draft objectives and strategies being considered for the new Information and Technology (I&T) Strategic plan. The strategies and objectives are attached to this report in the form of a presentation deck.

The report is for information and will be used to gather feedback from the Audit Committee ahead of developing the final I&T Strategic Plan in the fall.

The cumulative staff time required to prepare this report was 300 hours

B. PURPOSE

1. The purpose of this report is to provide the Audit Committee with information about the overall draft I&T strategic plan, the objectives and strategies being considered, and to gather feedback ahead of developing the final I&T Strategic Plan for Board approval.

C. BACKGROUND

1. The Board created and hired the position of Chief Information Officer in spring of 2018. In the fall of 2018, the new Chief Information Officer launched an internal strategic planning process to help understand the current state of technology within the Board and set a new strategic direction for the next 3 years.
2. Previous IT strategic plans were developed by external firms and presented to the Board every 5 to 6 years. An IT strategic plan was developed by IBM in 2010 and updated plan was developed by Deloitte in 2016 (presented in 2017).
3. Previous IT strategic plans were developed with limited discussion outside of the IT department, as a result previous plans often focused on internal IT department matters and infrastructure replacement activities and were not always fully aligned to the overall strategic direction and mission of the TCDSB.

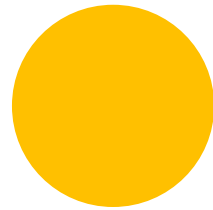
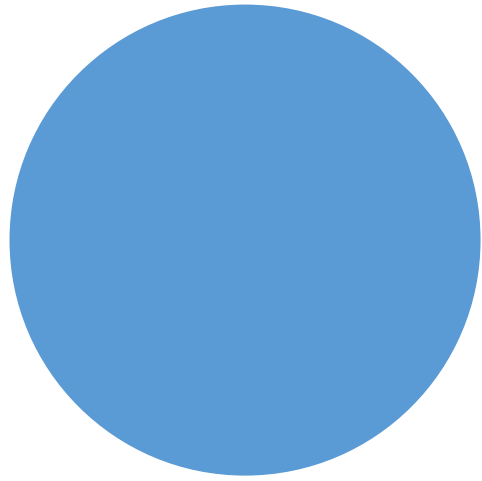
4. Because of the approach chosen and length of time of the previous plans, many of the goals and objective of the plans were not achieved. For example, the 2010 IBM developed IT Strategic plan had 29 objectives/goals of which only 8 were completed by 2016. Although many factors led to this poor performance, one of the greatest factors was the length of the plan as it called for a long list of technology deployments which were no longer relevant nor needed within a few years of the planning being developed.
5. The new I&T strategic plan is 3 years in length and has 5 high-level organizationally focused objectives and associated goals.
6. In the development of the new draft I&T Strategic plan, external factors outside of the IT department, played a more significant role in determining the objectives and goals of the plan. These factors include:
 - Ernest & Young (EY) Provincial government line-by-line spending report
 - Auditor General's annual report (School Board IT Sub-section)
 - The TCDSB Multi-year Strategic Plan (MYSP)
 - The TCDSB Board Learning Improvement Plan (BLIP)
 - Ministry and Government announcements
 - Top trends in Educational Technology
 - Input from Executive Staff on current issue facing the Board
7. In addition to reviewing these external factors, IT staff also reviewed and performed analysis in a number of other areas. This work included:
 - Strength-Weakness-Opportunities-Threats (SWOT) Analysis
 - A review of previous IT strategic plans
 - 3rd party review of the Board Cyber Security practices and maturity
 - Benchmarking of 11 IT functional areas against other broader educational sector organizations.
 - Benchmarking of IT spending against other broader educational sector organizations.
 - Completion of 6 focus group meetings with senior staff and key reports.

D. EVIDENCE/RESEARCH/ANALYSIS

8. Through the analysis completed above, staff have developed a layered I&T strategic plan that focuses the whole organization on set objectives while providing for a long-term vision. The three layers of the plan include:
 - A long term (7-10 year) vision for how Technology will be used in the future within our schools. This vision will serve as a “guiding light” for future plans and iterations of the I&T strategic plan
 - A 3-year mission/target for the evolution of Technology within the Board
 - 5 objectives and associated goals to support the 3-year mission
9. To support these objectives, the plan currently has 26 strategies that will be used to meet the 5 main goals.
10. Layering the I&T Strategic plan in this way, allows for flexibility within the plan to accommodate technological and situational changes, while still providing for specific targets and goals. As such, staff will review the plan on a yearly basis to determine if the strategies being executed are moving the organization to the desired end state. If they are not, staff will adjust the strategies while still keeping the 5 main goals for the duration of the 3-year mission.
11. The draft I&T strategic plan is attached to this report for review and consultation.

E. CONCLUDING STATEMENT

This report is for the consideration of the Audit Committee of the Board.



Draft I&T Strategy
2019-2022

For Consultation &
Review



Information & Technology Strategic Plan

- Plan focuses on organizational wide use of technology
- This is an improvement plan not an exhaustive list of every IT initiative or project
- Owned by all with CIO responsible for execution
- Focused on next 3 years

Strategic Inputs

- ✓ EY Government Line-by-line spending report
- ✓ Auditor General's Report
- ✓ MYSP
- ✓ BLIP
- ✓ 2010/16 IT Strategy
- ✓ Funding Announcements
- ✓ Top EDU trends
- ✓ SWOT analysis

- ◇ **CYBER SECURITY REVIEW**
- ◇ **IT ASSET AUDIT**

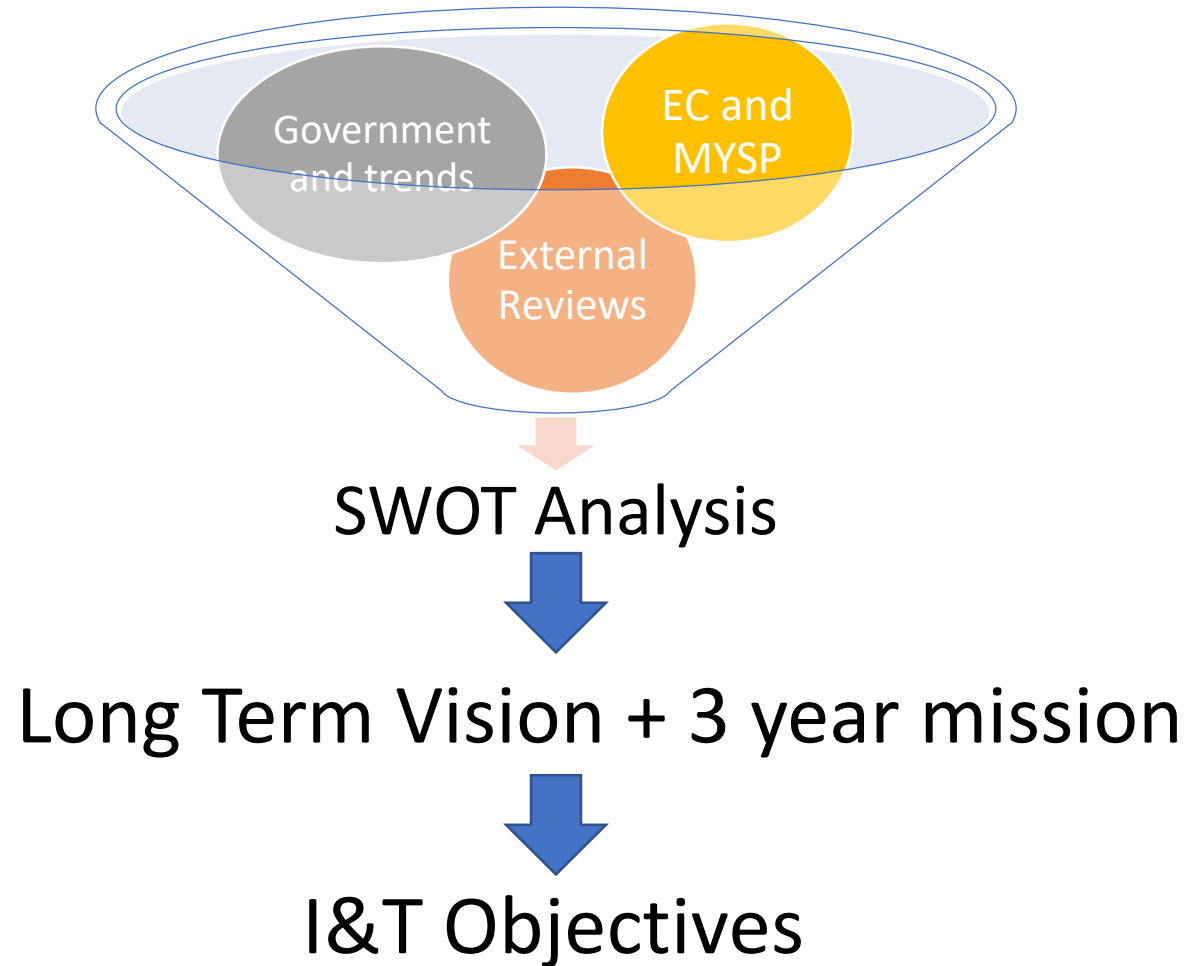
- Education Council
- Deep dives session
- ICT department input

Benchmarking (x12)



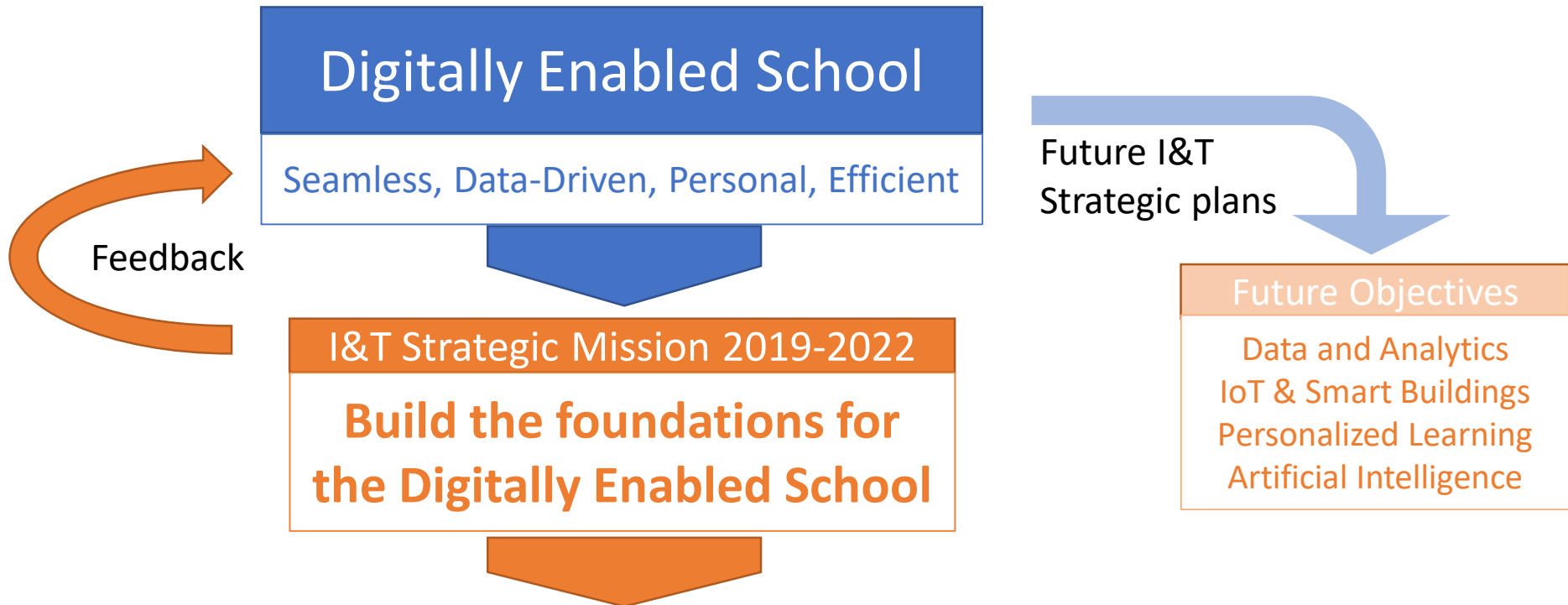
○ **GARTNER ANALYST**

Setting our course



A vision for the Digitally Enabled School

The future digital TCDSB school is completely enabled by **seamless technology and data** to deliver **high-quality, personalized, and efficient educational services** to students and parents. It uses modern tools and teaching methods to **adapt to individual students** and ensure their well-being , **allow parents to engage effortlessly** in the education system, and foster a nurturing and **strong Catholic community**.



By 2022, we will build the foundation of the Digitally Enabled School by focusing on the following objectives

| I&T Objective 1 | | I&T Objective 2 | | I&T Objective 3 | | I&T Objective 4 | | I&T Objective 5 | |
|---|--|---|---|---|---|--|---|--|--|
| <u>Increase digital communications</u> to improve parent and student engagement | | <u>Adopt modern workplace tools</u> to free employee time for high value work | | <u>Enhance cyber security</u> to safeguard student and family privacy | | <u>Deploy foundational enterprise systems</u> to drive efficiency and prepare for the future | | <u>Improve IT efficiency</u> to ensure maximum impact of limited funding | |
| Goal | Double our use of online communications | Goal | 50% of employees will use modern workplace technology weekly | Goal | Improve our cyber security maturity score to 2.7 | Goal | Deploy and adopt at least 2 major enterprise systems | Goal | Improve both our IT operations and PPM score to 2.5 |

Increase digital communications
to improve parent and student engagement

By 2022, we will double our use of online communications to parents and students

Deploy a new modern public website

To encourage digital communications with parents and the community the website needs to be easy to use and find information, have a modern look and feel that is aligned with the TCDSB brand, be easy to update and maintain for departments and schools, and have consistent and up to date content.

Digitize school and Board newsletters and calendar of events

To improve our reach and gain better insights into how people consume information we will aim to deliver all school, Board, and other major communications, such as school calendars, in a digital format rather than by paper.

Deploy a digital portal for parents and students

To improve parent engagement in student learning, we will source and deploy a parent portal that can be used to review achievement, keep up-to-date on classwork or learning materials, and provide a consistent method to communicate with teachers

Offering IT support to parents and students

If parents and students are to use more digital tools and platforms to engage in the school system, they will need a support channel that is available when they are available. To achieve this, we will offer technical support for parent in the day and evenings.

Adopt modern workplace tools
to free employee time for high value work

By 2022, 50% of employees will use modern workplace technology weekly

Replace our office systems with modern cloud-based solutions

To reduce the burdens associated with using outdated workplace systems (email, word-processing, spreadsheets, file sharing, note taking, etc) we will deploy the latest cloud based office systems that will provide a unified and seamless experience for every day computing and office work.

Deploy web meeting technology

To reduce the need for face-to-face meetings and increase the quality for remote meetings we will deploy updated web based meeting software that will allow employees to see, view, and interact with each other in both small group settings and in larger forums.

Develop a consistent staff training strategy

To increase the adoption of modern workplace tools and encourage their regular use, we will develop a robust training strategy that supports employees in the use of these tools in the most efficient ways possible.

Ensure all employee have access to appropriate devices

In order to use modern workplace tools (and future academic tools) employees need consistent access to up to date devices. We will develop a strategy that will allow all employees a way to get regular and consistent access to these devices.

**Enhance cyber security
to safeguard student and family privacy**

By 2022, we will improve our cyber security maturity score to 2.7 on the Gartner IT Score scale

Create a dedicated IT security team and leadership structure

To focus our cyber security efforts we will create roles within the ICT department dedicated to cyber security and risk that will focus on system wide initiatives and improvements.

Develop a formal and on-going security awareness campaign

To help defend our systems and encourage employees to make sound professional choices grounded in cyber security best practices, we will create a robust cyber security campaign that will improve awareness for all staff and teachers.

Develop robust IT security policies

To provide clear direction to all employees about their cyber security responsibilities, in consultation with our union partners, we will develop a set of cyber security policies that will focus on overall security practices, identity and access management, and the selection and management of cloud-based classroom and workplace technologies.

Formalize organization-wide IT security incident response plan

While our effort may reduce the impact and likelihood of cyber security events, we know that some will still happen. To prepare for future events, we will develop a clear organization wide cyber security response plan that will consider technology, privacy, and communication factors.

**Deploy foundational enterprise systems
to drive efficiency and prepare for the future**

By 2022, we will deploy and widely adopt at least 2 major enterprise systems

Create dedicated implementation teams

To focus our efforts and ensure full value for our major investment in enterprise systems we will create temporary, but dedicated and well supported cross-functional implementation teams.

Implement a new cloud-based Student Information System

To lay the foundation for other school based technologies (case management, parent portal, etc) and reduce operational risk, we will replace our aging Student Information System with a modern cloud-based system and adopt the associated best practices.

Implement a new cloud-based HR recruitment system

To improve our recruitment efforts and improve the efficiency of the hiring process, we will deploy a new modern and integrated cloud-based HR recruitment system that will replace dated paper-based processes with modern data-drive digital hiring practices.

Rationalize and reduce the need for the development of custom software

To reduce our technical debt and ensure the future sustainability of our core enterprises systems, we will reduce, as much as possible, our internal development of custom software and instead focus our efforts on well integrated off-the-shelf systems.

**Improve IT efficiency
to ensure maximum impact of limited funding**

By 2022, we will improve both our IT operations and PPM score to 2.5 on the Gartner IT Score scale

Develop a formal IT governance and decision-making structure

To ensure IT investment and resource decisions are made in the most efficient and effective manner possible, we will create a cross-functional management decision-making structure for organization wide technology issues and projects.

Reorganization the IT department for efficiency

To help the ICT department operate as efficient and effectively as possible, we will reorganize the ICT department and operating model to focus on IT planning, delivery, and operations as well as support the implementation of the overall I&T Strategy.

Setup a formal PPM practice and team

To improve the planning and delivery of IT projects, we will develop a robust and light-weight project and portfolio management practice and setup dedicated project roles to oversee IT projects across the organization.

Standardize core IT operations, metrics, and targets

To ensure consistent and clear levels of service, we will standardize and measure our core operational process of incident, problem, request, and change management and deliver measured results against organizationally set targets (SLAs).

Develop a clear asset ordering and refresh strategy




















To support consistent and equitable access to technology in the classroom we will develop a realistic asset refresh strategy and policy as well as a robust ordering and support channel to help our schools make effective choices in a sustainable manner.

Deferred/Long-term Strategic items

These items were discussed but ultimately decided to defer to future iterations of the I&T Strategy

| Item | Reason |
|--|--|
| Data and Analytics | <ul style="list-style-type: none">• Deep dive discussion revealed that people are mostly focused on ease of use and not yet on developing new data insights• We need to complete the core systems updates first and we don't have capacity to develop both simultaneously• Some improved capabilities with new SIS and HR systems |
| Internet of Things (IoT) and building technology | <ul style="list-style-type: none">• We need to complete the core systems updates first which includes developing a security strategy and data integration (with SIS) before investing heavily in IoT• Government funding for this in new builds is unclear• Stop solution can continue for now but there will not be a major strategic thrust for next 3 years |
| Advanced Classroom and Teaching technologies (digital assessments, AI, VR/AR, personalize learning, etc) | <ul style="list-style-type: none">• There was not a specific ask for this. Most of feedback we got focused on easy of use of current technologies not new capabilities• Having the a new SIS in place is critical to the success of future classroom tech• Teachers don't have devices to utilize such technologies• Security awareness needs to improve before we develop these capabilities |

Linking Objectives to MYSP

| | Increase digital communications | Adopt modern workplace tools | Enhance cyber security | Deploy foundational enterprise systems | Improve IT efficiency |
|--|---|---|---|---|---|
| Fostering Student Achievement And Well-being |  | |  |  | |
| Inspiring And Motivating Employees | |  | |  |  |
| Providing Stewardship Of Resources |  |  |  |  |  |
| Enhancing Public Confidence |  |  |  |  |  |
| Achieving Excellence In Governance |  | |  |  | |

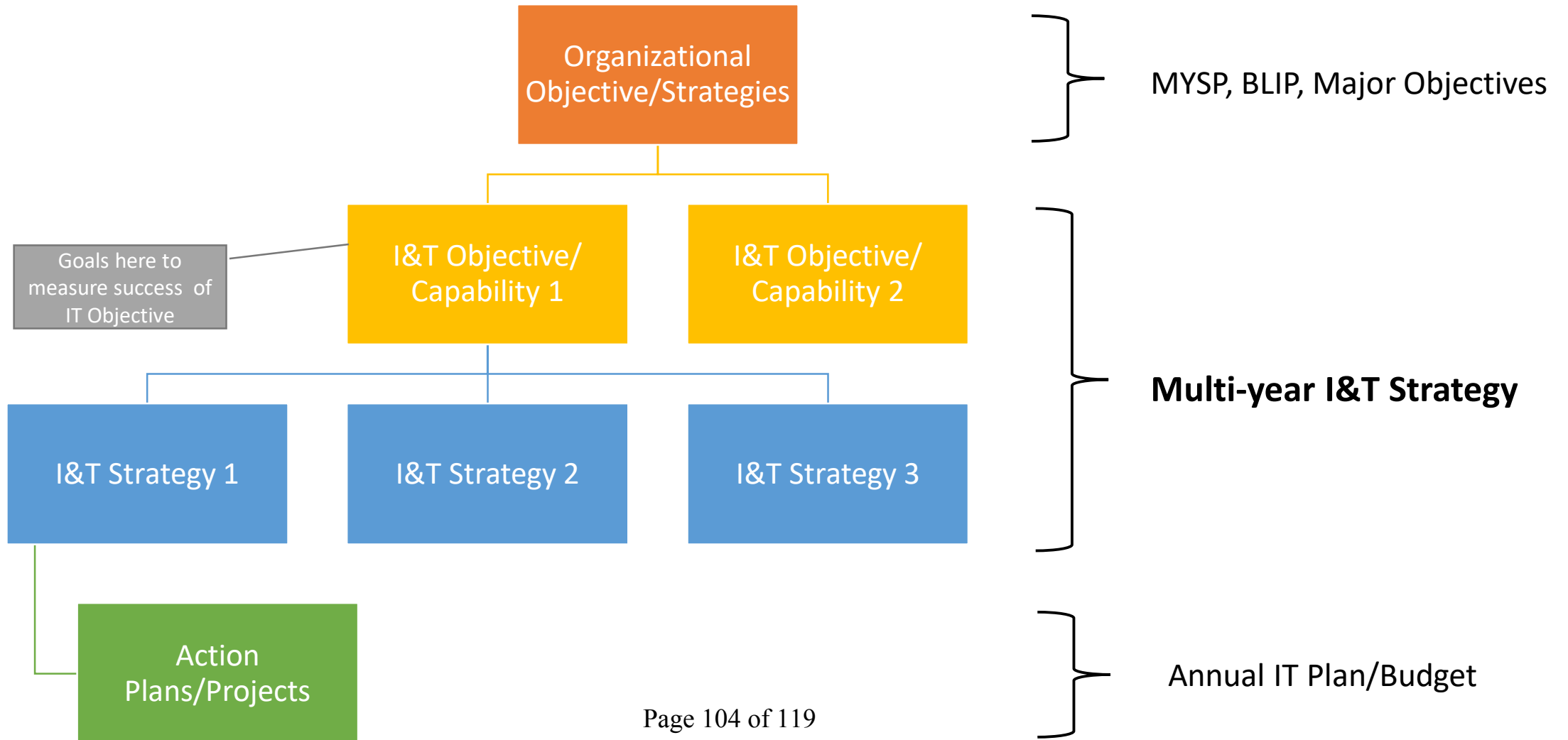
Next Steps

- Incorporate Audit Committee feedback
- Review changes with at executives
- Schedule consultations with Unions and parents groups (CPIC/OAPCE)
- Format final report
- Review and approved by Board in September

Questions and Answers

Additional Background

I&T Strategic Plan – Linking our Plans



Future of work and societies

We Will Increasingly Be Focused on "Human Work"

The future of work: The return of **highly-human-only** skills

- Subjective reasoning
- Imagination
- Negotiation
- Questioning



- Design
- Storytelling
- Connecting
- Creativity
- Empathising

#GartnerSYM

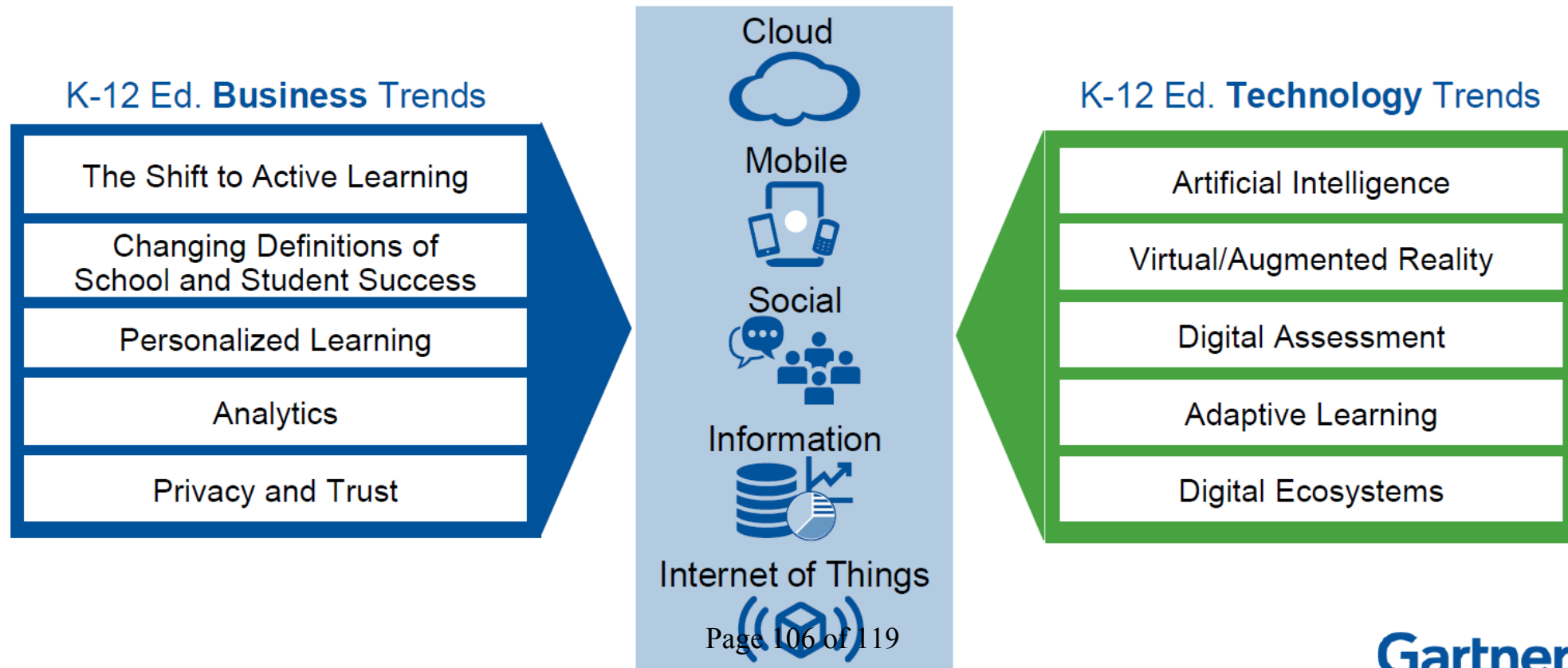
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Gartner

Top Trends

The Gartner Top 5 K-12 Business and Tech Trends

More Than Aligned: Technology and Business Are Fused



Benchmarking TCDSB IT

| | TCDSB | EDU Avg | Gap |
|---|-------|---------|-------|
| <i>Applications</i> | 1.9 | 2.0 | 5% ↓ |
| <i>Data and Analytics</i> | 2.0 | 2.2 | 9% ↓ |
| <i>Enterprise Architecture and Innovation</i> | 1.9 | 2.2 | 14% ↓ |
| <i>Infrastructure and Operations</i> | 1.9 | 2.3 | 17% ↓ |
| <i>Program and Portfolio</i> | 1.6 | 2.6 | 38% ↓ |
| <i>Risk and Security - BC/DR</i> | 1.4 | 2.1 | 33% ↓ |
| <i>Risk and Security - Identity and Access</i> | 1.7 | 2.2 | 23% ↓ |
| <i>Risk and Security - Information Security</i> | 2.2 | 2.7 | 19% ↓ |
| <i>Privacy</i> | 2.5 | 2.5 | 0% ↔ |
| <i>Procurement/Vendor Management</i> | 2.1 | 3.0 | 30% ↓ |
| <i>Strategy and Execution</i> | 1.6 | 2.3 | 30% ↓ |

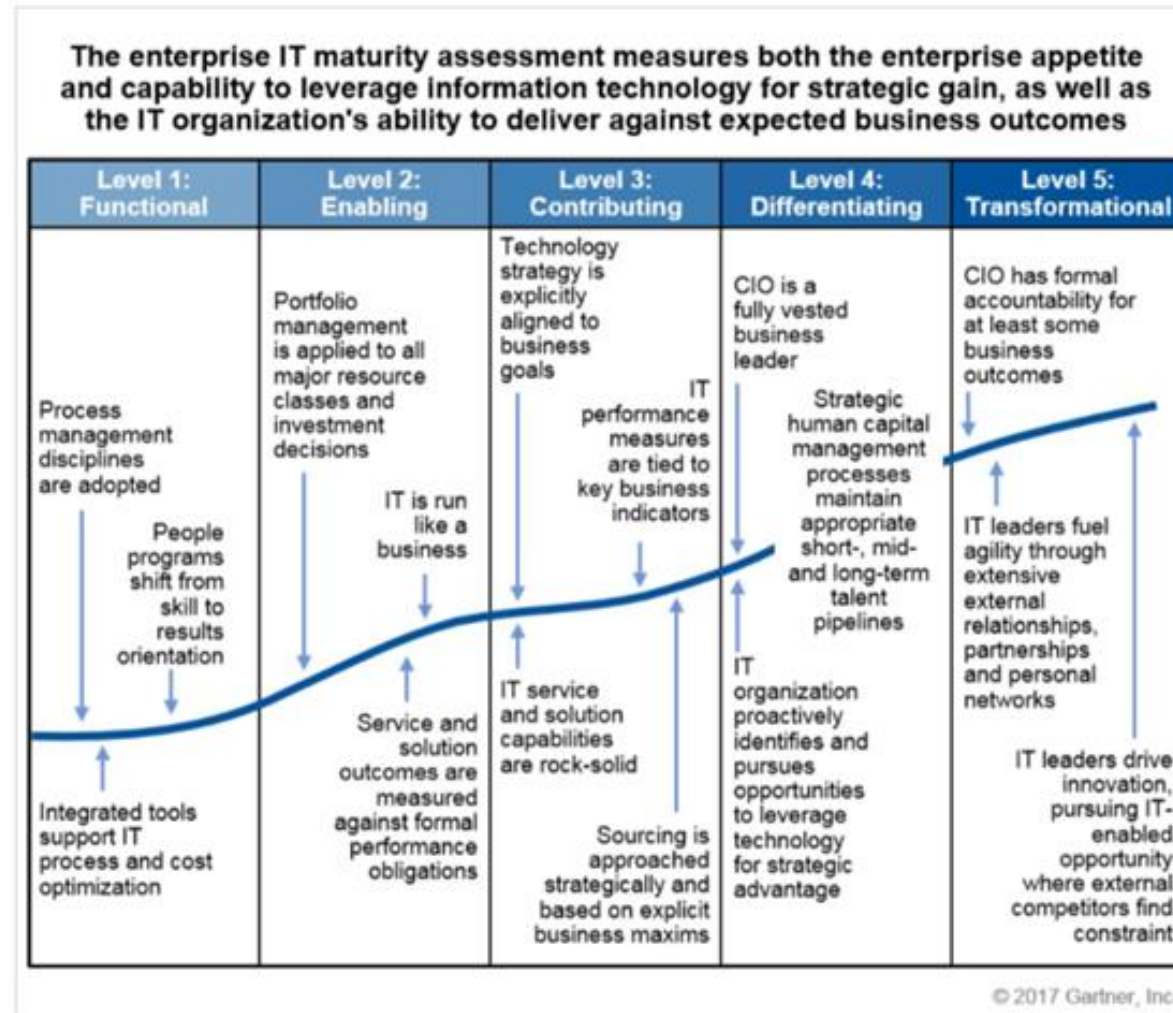
} Maturity Benchmarks

| | TCDSB | EDU Avg | Gap |
|--|---------|---------|--------|
| <i>Total IT spend as a % of Budget</i> | 2.1% | 5.7% | 171% ↓ |
| <i>Total IT spend per employee</i> | \$1,369 | \$8,206 | 499% ↓ |
| <i>IT employees as a % of total employee</i> | 0.8% | 4.9% | 512% ↓ |
| <i>Run</i> | 93% | 75% | 19% ↓ |
| <i>Grow</i> | 6% | 17% | 64% ↓ |
| <i>Transform</i> | 1% | 8% | 87% ↓ |

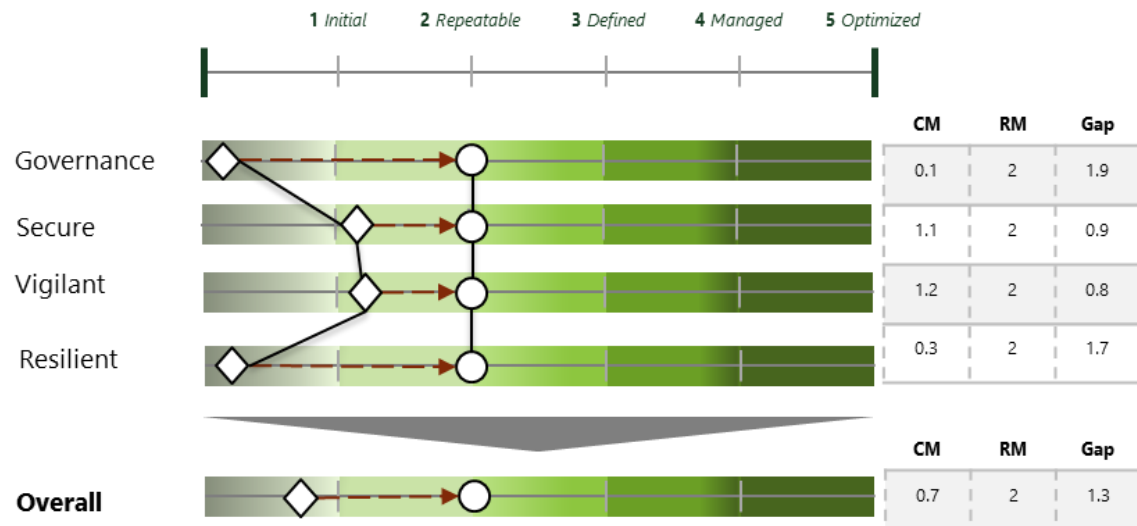
Financial Benchmarks }

Benchmarking TCDSB IT

Figure 1. Enterprise IT Maturity Levels



Cyber Security Review

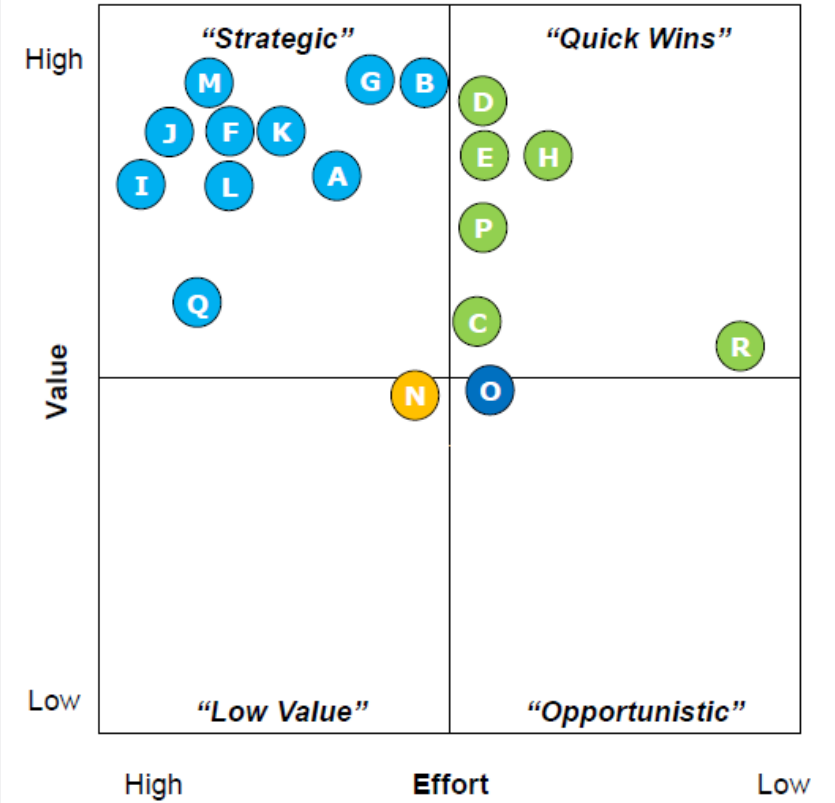


| Domain | Proposed Initiative | Cost | | Resource | Timeline | Residual Risk | Priority |
|------------|---|----------|-----------|------------|-------------|---------------|----------|
| | | One-time | Recurring | | | | |
| Governance | Cyber Security Governance (CG) | \$\$ | \$\$ | 2.25 FTE's | 6-12 Months | High | High |
| Governance | Cyber Security Awareness Campaign (CA) | \$ | \$ | 0.25 FTE | >6 Months | High | High |
| Secure | Asset Management and Protection (AMP) | \$\$ | \$\$ | 0.5 FTE | >6 Months | High | High |
| Secure | Data Loss Prevention (DLP) | \$\$ | \$\$ | 0.5 FTE | >6 Months | High | High |
| Secure | Identity and Access Management (IAM) | \$\$\$* | \$\$\$* | 4.25 FTE* | <12 Months* | High | Medium |
| Vigilant | Security Operations (SO) | \$\$ | \$\$ | 1 FTE | >6 Months | High | Medium |
| Resilient | Incident Response (IR) | \$ | \$ | 0.25 FTE | >6 Months | High | High |
| Resilient | Business Continuity Plan and Disaster Recovery (BCDR) | \$ | \$ | 0.25 FTE's | >6 Months | High | High |

2016 Deloitte IT Review

| Initiative | Initiative Name | Value | Effort |
|------------|--|-------|--------|
| A | Establish the Governance Structure | H | M |
| B | Introduce a Tech representative at the Director's table | H | M |
| C | Develop the Project Portfolio Strategy | M | M |
| D | Develop a Cloud First Strategy | H | M |
| E | Develop an Employee Resourcing Strategy and Plan | H | M |
| F | Establish an IT Project Management Office (PMO) | H | H |
| G | Establish an Enterprise Architecture Function | H | M |
| H | Establish an ITS Support Model | H | M |
| I | Review the current software strategy | H | H |
| J | Develop a Document & Record Management Strategy | H | H |
| K | Enable a Digital mobility/access anywhere strategy | H | H |
| L | Develop an enterprise data analytics culture | H | H |
| M | Introduce an Enterprise service management system | H | H |
| N | Implement a hardware lifecycle management policy | M | M |
| O | Implement a Disaster Recovery / Business Continuity Strategy | M | M |
| P | Implement a software / hardware vitality plan | M | M |
| Q | Implement an IT Asset Management Solution | M | H |
| R | Implement a communication policy | M | L |

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H = High; M = Medium; L = Low

Review with Education Council

| Major Themes | IT Strategy | MYSP | BLIP |
|--|-------------|------|------|
| Using modern teaching and learning tools to improve student outcomes | 10 | 130 | 20 |
| Help employees make the best use of their limited time | 8 | 0 | 8 |
| Manage and analyze data to support teaching/learning and administration | 8 | 128 | 24 |
| Improving 2-way communications to parents, students, and the community | 6 | 24 | 36 |
| Improve staff collaboration and knowledge sharing to expand best practices | 6 | 84 | 66 |
| Hiring and onboarding staff | 6 | 42 | 0 |
| Preparing for "distant" future technologies | 2 | 0 | 2 |
| Quality of curriculum/academic delivery in e-learning | 1 | 0 | 0 |
| Student Safety | 1 | 0 | 0 |
| Intergrating IT and Building systems | 1 | 1 | 0 |
| Equity for students | 1 | 5 | 1 |

- With EC's support we completed a deep dives on the top 6 above

Deep dives with Education Council

Questions Asked

- What do you wish you could do today that you can't do?
- What things are harder today than they should be?
- What would be a realistic goal in the next 3 years
- What risks do you see in achieving this goal?

General Findings

- The comments from the topics of *managing and analyzing data* and *knowledge sharing* were mostly about working efficiently.
- Many of the external communications issues are focused on the public website
- Hiring and onboarding staff was focused mostly on the hiring process
- Modern teaching tools was mostly about access to standard technology

Digital SWOT Analysis - External View

Opportunities

- Government interest in efficiency and digital
- Demand for digital solutions
- Student comfort with technology
- Willingness to collaborate with other public and private firms
- Teachers interest in modern teaching tools
- Rapid technology adoption in society

Threats

- School Board/Gov Funding
- Lack of long-term commitments
- Localized/school thinking
- Vendor change (SIS, SAP, etc)
- Too many technology options
- Organizational change resistance
- IT staffing demands
- Labour relations
- Parental choice (Public, Private, etc)

Digital SWOT Analysis - Internal View

Strengths

- Institutional Knowledge
- ICT Staff commitment
- Growing and large school Board
- Internal interest in technology
- School connectivity
- Student personal access to technology
- Cross district collaboration

Weakness

- Dated systems and associated processes
- IT decision making and planning
- Cyber Security practices
- Easy access to data across the enterprise
- IT training and professional development
- Digital communications with stakeholders
- Consistent project execution
- Central coordination of activities

Audit Committee Self-Assessment

The following questionnaire will assist in the self-assessment of the audit committee's (AC) performance. The questionnaire should take less than 30 minutes to complete. When completing the performance evaluation, you may wish to consider the following process:

- Select a coordinator (perhaps the chair of the AC) and establish a timeline for the process.
- You may consider asking individuals who interact with the audit committee members (Regional Internal Audit Manager, Chair of the Board of Trustees, etc.) to also complete the assessment.
- Ask each audit committee member to complete an evaluation by selecting the appropriate response below.
- Consolidate the results into a summarized document for discussion and review by the committee.

If the answer is "Yes" for some criteria and "No" for others, check the box "No" and include comments for those criteria that were not met below each category.

| 1. COMPOSITION | Yes | No |
|---|--------------------------|--------------------------|
| <ul style="list-style-type: none"> • Has appropriately qualified members • Has appropriate sector knowledge and diversity of experiences and backgrounds • Demonstrates integrity, credibility, trustworthiness, active participation, an ability to handle conflict constructively, strong interpersonal skills, and the willingness to address issues proactively • Meets all applicable independence and conflict of interest requirements • Participates in continuing education programs for existing members and/or orientation programs for new members | <input type="checkbox"/> | <input type="checkbox"/> |
| Comments: | | |

| 2. PROCESSES AND PROCEDURES | Yes | No |
|--|--------------------------|--------------------------|
| Meetings contain the following: <ul style="list-style-type: none"> • Adequate minutes and report of proceedings to the Board of Trustees • Quorum • Well prepared members • Conducted effectively, with sufficient time spent on significant or emerging issues • Respect the line between oversight and management • Separate (in camera) sessions with management, internal and external auditors as required • Recommendations for the Board of Trustees to adopt and/or approve • Feedback to the Board of Trustees regarding their interactions with senior management, internal audit and external audit | <input type="checkbox"/> | <input type="checkbox"/> |
| Meetings are appropriately planned/coordinated due to the following: <ul style="list-style-type: none"> • Preparation of an annual calendar to guide meeting discussions • Agenda and related materials are circulated in advance of meetings • Held with enough frequency to fulfill the audit committee's duties • Encouragement from the audit committee chair for agenda items from board members, management, the internal auditors, and the external auditors • Written materials provided to/and from the audit committee are relevant and concise | <input type="checkbox"/> | <input type="checkbox"/> |
| An annual self-assessment is conducted and presented to the Board of Trustees | <input type="checkbox"/> | <input type="checkbox"/> |
| Comments: | | |

| 3. UNDERSTANDING OF THE BOARD, INCLUDING RISKS | Yes | No |
|--|--------------------------|--------------------------|
| <ul style="list-style-type: none"> • Has general knowledge about operating risks and risk appetite of the Board of Trustees (e.g. Regulatory requirements, Ministry of Education compliance rules, financing and liquidity needs, school board's reputation, senior management's capabilities, fraud control, school board pressures such as "tone at the top") • Reviews the process implemented by management to effectively identify and assess significant risks, and assessed the steps taken to control such risks • Reviews the Regional Internal Audit Team's risk assessment and understands the identified risks • Considers the school board's performance versus that of comparable school boards in a manner that enhances risk oversight (particularly where significant differences are noted) • Takes appropriate action (such as requesting and overseeing special investigations) where information was received that would lead you to believe that a fraudulent or unusual activity has taken place | <input type="checkbox"/> | <input type="checkbox"/> |
| Comments: | | |

| 4. OVERSIGHT OF FINANCIAL REPORTING PROCESS, INCLUDING INTERNAL CONTROLS | Yes | No |
|---|--------------------------|--------------------------|
| Reviews the financial statements for the following: <ul style="list-style-type: none"> • Completeness and accuracy • Significant accounting policies followed by the board • Quality, appropriateness and transparency of note disclosures • Identification of related-party transactions • Adjustments to the statements that resulted from the external audit • Recommendation to the Board of Trustees for their approval | <input type="checkbox"/> | <input type="checkbox"/> |
| <ul style="list-style-type: none"> • Is consulted when management is seeking a second opinion or disagrees with the external auditor on an accounting or auditing matter. In the case of a disagreement, the audit committee leads the parties toward resolution • Receives sufficient information to assess and understand management's process for evaluating the school board's system of internal controls (environment, risk assessment, information system, control activities, monitoring) • Receives sufficient information to understand the internal control testing conducted by the internal auditors and the external auditors to assess the process for detecting internal control issues or fraud. Any significant deficiencies or material weaknesses that are identified are addressed, reviewed, and monitored by the audit committee • Recommends to the Board of Trustees that management takes action to achieve resolution when there are repeat comments from auditors, particularly those related to internal controls • Makes inquiries of the external auditors, internal auditors, and management on the depth of experience and sufficiency of the school board's accounting and finance staff | <input type="checkbox"/> | <input type="checkbox"/> |
| Comments: | | |

| 5. OVERSIGHT OF INTERNAL AUDIT AND EXTERNAL AUDIT FUNCTIONS: | Yes | No |
|---|--------------------------|--------------------------|
| Understands the coordination of work between the external and internal auditors and clearly articulates its expectations of each. | <input type="checkbox"/> | <input type="checkbox"/> |
| INTERNAL AUDIT: <ul style="list-style-type: none"> • Reviews the annual and multi-year internal audit plans and makes recommendations for adjustments when appropriate • Regularly reviews the internal audit function (e.g. independence, the mandate, activities, structure, budget, compliance with IIA standards and staffing) • The internal audit reporting lines established with the audit committee promote an atmosphere where significant issues that might involve management will be brought to the attention of the audit committee • Ensures that there are no unjustified restrictions or limitations on the scope of any internal audit • Reviews significant internal audit findings, management's action plans to address these findings and the status of action plans presented in earlier meetings | <input type="checkbox"/> | <input type="checkbox"/> |
| Comments: | | |
| EXTERNAL AUDIT: <ul style="list-style-type: none"> • Reviews the annual external audit plan and provides recommendations, as necessary • Oversees the role of the external auditors from selection to termination and has an effective process to evaluate their independence, qualifications and performance • Reviews management's representation letters to the external auditors, including making inquiries about any difficulties in obtaining them • Reviews significant external audit findings, management's action plans and the status of action plans presented in earlier meetings • Reviews and makes recommendations to the board on the audit fees paid to the external auditors • Reviews other professional services that relate to financial reporting (e.g., consulting, legal, and tax strategy services) provided by outside consultants • Recommends to the Board of Trustees and oversees a policy regarding the permissible (audit and non-audit) services that the external auditors may perform and considers the scope of the non-audit services provided | <input type="checkbox"/> | <input type="checkbox"/> |
| Comments: | | |
| 6. ETHICS, COMPLIANCE & MONITORING | Yes | No |
| <ul style="list-style-type: none"> • Reviews the school board's system for monitoring compliance and reviews any action taken by the board to address non-compliance (compliance with regulatory agencies, Ministry of Education, etc.) • Performs an adequate review of any findings of examinations by regulatory agencies or the Ministry of Education • Reviews management's procedures for enforcing the school board's code of conduct • Oversees the school board's whistleblower process and understands the procedures to prohibit retaliation against whistleblowers • Receives sufficient funding to fulfill its objectives and engage external parties for matters requiring external expertise | <input type="checkbox"/> | <input type="checkbox"/> |
| Comments: | | |

Audit Committee Meeting 2019 Annual Agenda / Check List

| | Jan | Mar | May | Sep | Nov |
|--|-----|-----|-----|-----|-----|
| Risk Management | | | | | |
| Resourcing (Mix, Skillset, Quantity) | | | D | | |
| Reputational Risk | | D | | | |
| Management Structure Issues | | | | | |
| CFO Role | | | | | |
| Budget (2019/2020) | D | D | D | | |
| Financial Reporting Process | | | | | |
| MOE Financial Reports | D | D | D | | |
| Consolidated Financial Statements | | | | | |
| Internal Audit | | | | | |
| Open Audit Status (% complete, support received) | | D | | | |
| Risk Review Summary on Audit Completion | | D | | | |
| Future Audit Plan (2 years) | | | D | | |
| Internal Controls | | | | | |
| Ministry Operational Review | | | | | |
| Internal Audit recommendations | D | | D | | |
| Compliance Matters | | | | | |
| Legal | D | D | D | | |
| MOE | | D | | | |
| Union | | | | | |
| Board Policy Compliance | | | | | |
| External Audit | | | | | |
| Review External Auditors | | | | | |
| Scope | | | | | |
| Cost | | | | | |

D - Discussed

R - Review requested

P - Pending

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

**AUDIT COMMITTEE
PENDING LIST OF REPORTS AS AT MAY 14, 2019**

| | Subject | Date Due | Delegated to |
|----|--|-----------------|---------------------|
| a. | Report regarding Schedule of Internal Audits (Annual) | Jan./Feb. | L. Noronha |
| b. | 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 | P. Matthews |
| c. | Report regarding Audit Committee Annual Report to the Board of Trustees (Annual) | Nov. | L. Noronha |
| d. | Report regarding the Draft Audited Financial Statements (Annual) | Nov. | L. Noronha |
| e. | Report regarding the Audit Committee's Self-Assessment (Annual) | Jan./Feb. | L. Noronha |
| f. | Report regarding the External Auditors' Annual Audit Plan (Annual) | Sept. | L. Noronha |
| g. | Report regarding the Toronto & Area Regional Internal Audit Team Progress Report (Every Meeting) | Every Meeting | P. Hatt |
| h. | Report regarding Statements of Reserves and Accumulated Surplus (Annual) | Nov. | L. Noronha |
| i. | 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. | L. Noronha |
| j. | Report regarding Professional Services Fees paid to External Consultants for Financial Advisory and Reporting Services (Annual) | Nov. | L. Noronha |