

Ministry of Education

Mowat Block
Queen's Park
Toronto ON M7A 1L2

Ministère de l'Éducation

Édifice Mowat
Queen's Park
Toronto ON M7A 1L2

**2019:SB02**

MEMORANDUM TO: Directors of Education
Senior Business Officials

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

DATE: April 3, 2019

SUBJECT: **Key Planning Details for Attrition Protection**

The following is intended to provide guidance to school boards on eligibility and reporting requirements with respect to attrition protection related to proposed class size changes as per [2019:B08 – New Vision for Education](#) (March 15, 2019).

This memo should be read in conjunction with existing local collective agreements and is subject to continued consultations, labour negotiations and potential legislative changes.

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. While the prior phases of the consultation are now complete, the ministry has invited partners to continue this important dialogue through the next consultation period ending on May 31, 2019.

This plan would include attrition protection, 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. 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% attrition protection** to further support the staffing complement for the continuity of STEM and specialized programming. This means boards are being provided with 105% attrition protection funding.

Boards are encouraged to review the attached appendices to support their planning processes:

1. *Appendix A: Key Planning Details for Proposed Attrition Protection* regarding the process and funding
2. *Appendix B: Illustrative Examples of Attrition Protection Scenarios*
3. *Appendix C: Estimated Changes in Funding and FTE*

In response to questions that have been raised regarding whether there would be a funded voluntary leave program, there is no program proposed.

Please note that the ministry will be requesting additional information from school boards in the future to support the calculations for attrition protection funding.

For any questions, please email EDULABFINANCE@ontario.ca.

Original signed by

Andrew Davis
Assistant Deputy Minister
Education Labour and Finance Division

Attachments

c. Council of Ontario Directors of Education
Trustees' Associations

Appendix A:

Key Planning Details for 2019-20 Proposed Attrition Protection

ITEM	DESCRIPTION
1 Attrition Count Period	<ul style="list-style-type: none"> Start date for 2019-20: March 1, 2019 including any known unfilled permanent positions as of March 1, 2019 End date for 2019-20: Last day before the first day of school (refers to the first day of classes) for the 2019-20 school year (if this varies across schools, school boards should reflect what is most common in the board) Attrition after the end date counts towards the 2020-21 school year. If the vacancy is filled, it is recommended that it be filled with long-term occasional (LTO) teacher FTE (where permissible under collective agreements) to avoid future layoffs
2 Who is included in Attrition?	<ul style="list-style-type: none"> Classroom teacher¹ FTEs who: <ul style="list-style-type: none"> Retire or voluntarily leave during the attrition count period and any unfilled classroom teacher permanent positions as of March 1, 2019 (<i>item 1 above</i>). Note: Includes those who take new roles within the board who no longer have assigned classroom instructional time Are on a discretionary full-year unpaid leaves for the 2019-20 school year are also included where known by the end of the count period. Do not include classroom teacher FTEs on statutory (pregnancy/parental) or paid leaves (e.g. WSIB or LTD).
3 How to Estimate Teacher Attrition	<ul style="list-style-type: none"> Boards need to estimate attrition (<i>as described above in item 2</i>) for the upcoming school year in order to plan school/class organizations – separately for elementary and secondary Boards could look at historical attrition and use trend analysis note that historical attrition needs to account for the shorter attrition count period in 2019-20 Boards can use their teacher demographic profile and any other information available (e.g. OTPP data) Developing an estimate is the responsibility of the board The ministry will be collecting this information.

¹ This includes the instructional portion of those FTEs split between classroom teacher roles and other roles (e.g. administrative or consultant roles). Library and Guidance Teachers who do not have regularly assigned classroom instructional time are not included.

Appendix A:

Key Planning Details for 2019-20 Proposed Attrition Protection

ITEM	DESCRIPTION
4 Planning Teacher Staffing Complement	<ul style="list-style-type: none"> School boards should plan their staffing by panel based on the highest staffing complement determined under the following 3 approaches: <ol style="list-style-type: none"> Determine the minimum teacher staffing complement for 2019-20 = A – B – C, where <ol style="list-style-type: none"> 2018-19 actual teacher complement Eligible attrition as defined in <i>item 2</i> Reductions in classroom teacher staff due to: <ul style="list-style-type: none"> enrolment change (e.g. declining enrolment) based on normal board staffing practices; and, expiration of funding for the Local Priorities Fund, if used to staff classroom teachers. Determine estimated staffing based on projected enrolment based on the proposed regulated class size requirements (e.g. board-wide average of 24.5 for grades 4 to 8). Determine estimated staffing based on projected enrolment and school board local collective agreement class size requirements. On-the-ground staffing continues to be a local board decision. For example, decisions on the use of how much flexible funding within the GSN (e.g., Geographic Circumstances Grant) or other revenues is used to support classroom teachers.
5 Attrition Offset: Base Funding	<p>Funding:</p> <ul style="list-style-type: none"> 2019-20 funding would be calculated separately for elementary and secondary and would be based on the average funded teacher salary (including benefits) and the funded attrition offset FTE as described below. Funding would flow through a new Attrition Protection Allocation within the Cost Adjustment and Teacher Qualifications & Experience Grant in the GSN. <p>Funded Attrition Offset FTE: = Greater of 0 or (A – B – C – D)</p> <ol style="list-style-type: none"> 2018-19 funded teacher FTE² Eligible attrition as defined in <i>item 2</i> – Projections will be based on estimated attrition (<i>item 3</i>); Actuals will be based on actual attrition Reduction in funded FTE² due to enrolment change if any 2019-20 funded teacher FTE² before attrition protection

² Includes classroom teacher FTE (including preparation time) funded through the Pupil Foundation Grant, Supported Schools Allocation and the Actualisation linguistique en français (ALF) Allocation Secondary/Combined School Size Amount.

Appendix A:**Key Planning Details for 2019-20 Proposed Attrition Protection**

ITEM	DESCRIPTION
6 Attrition Offset: STEM / Specialized Programming Exemption	<ul style="list-style-type: none"> The “Attrition Offset: Base Funding” would be adjusted for secondary by five percent (i.e. for a total of 105% attrition protection) for all school boards eligible for attrition protection to be used by school boards to support the continuity of STEM and specialized programming in 2019-20.
7 Attrition Offset: Projection Variance Protection	<ul style="list-style-type: none"> A protected forecast attrition threshold reflecting the trends or the maximum actual attrition experienced over the previous five years. If actual attrition in 2018-19 comes in higher than the protected forecast attrition threshold, additional funding equivalent to 50% of the difference will be provided subject to ministry review of the information. This calculation will be done separately for elementary and secondary.

Appendix B:

Illustrative Examples of Attrition Protection Scenarios

Scenario 1. Actual Attrition is Higher Than Board Forecast

This example describes the case in which actual attrition comes in higher than the board's forecast:

	PLANNED	ACTUAL	CHANGE
	Estimated Eligible Attrition 2019-20	Actual Eligible Attrition 2019-20	Actual - Estimated 2019-20
ELIGIBLE ATTRITION FTE			
Total Eligible Attrition	77.0	95.0	18.0

Scenario 1 - Base Attrition Protection Funding for 2019-20 (*Item 5 in Appendix A*)

The tables below provide an illustrative example of how the attrition protection funding would be calculated. The ministry intends to have the type of information in these tables reflected and calculated through EFIS.

	PLANNED	ACTUAL	CHANGE
(A) Funded Classroom Teacher FTE in 2018-19	3,800.0	3,800.0	-
(B) Eligible Attrition	77.0	95.0	18.0
(C) Reduction due to Enrolment Change	2.0	2.0	-
Protected FTE for 2019-20 (A-B-C)	3,721.0	3,703.0	(18.0)

(D) Funded Classroom Teacher FTE in 2019-20 before Attrition Protection	3,700.0	3,700.0	-
---	---------	---------	---

(E) Attrition Protection FTE [Max(A-B-C-D, 0)]	21.0	3.0	(18.0)
---	-------------	------------	---------------

(F) Funded Average Teacher Salary with Benefits*	\$100,000	\$100,000	\$100,000
--	-----------	-----------	-----------

(G) Base Attrition Protection Funding (E x F)	\$2,100,000	\$300,000	\$(1,800,000)
--	--------------------	------------------	----------------------

* Illustrative only. Funded average will vary by board and panel reflecting boards average teacher qualifications and experience factor

Scenario 1 - STEM/Specialized Programming Exemption (*Item 6 in Appendix A*)

	PLANNED	ACTUAL	CHANGE
(H) Attrition Protection: 5% STEM / Specialized Programming Exemption [0.05 x G]	\$105,000	\$15,000	\$(90,000)

Appendix B:

Illustrative Examples of Attrition Protection Scenarios

Scenario 1 – Projection Variance Protection *(Item 7 in Appendix A)*

	PLANNED	ACTUAL	CHANGE
(I) Protected forecast attrition threshold FTE: Historical and demographic information suggested 90 FTE could be expected (this number will be subject to ministry confirmation)	90.0	90.0	90.0
(J) Additional protection provided by ministry to address projection risk $[50\% \times \text{Max}(B-I, 0)]$ FTE <i>(Applies only when actual attrition is known)</i>		2.5	2.5
(K) Additional attrition offset funding to address projection risk $(J \times F)$	-	\$250,000	\$250,000

Scenario 1 – Total Attrition Protection

	PLANNED	ACTUAL	CHANGE
(L) Total attrition protection funding (G + H + K)	\$2,205,000	\$565,000	\$(1,640,000)
(M) Total attrition protection FTE funded through base and forecast protection (E + J)	21.0	5.5	(15.5)

Scenario 1 – Summary

- Board receives funding for fewer FTE than was planned and sees a loss in attrition protection funding even after the variance protection is provided.
- Board also has fewer FTE than was planned due to the increase in attrition.
- Board would face an expense pressure if some of this extra attrition needed to be replaced and could not be managed through class organization changes.

Appendix B:

Illustrative Examples of Attrition Protection Scenarios

Scenario 2. Actual Attrition is Lower Than Board Forecast

This example describes the case in which actual attrition comes in lower than the board's forecast:

	PLANNED	ACTUAL	CHANGE
	Estimated Eligible Attrition 2019-20	Actual Eligible Attrition 2019-20	Actual - Estimated 2019-20
ELIGIBLE ATTRITION FTE			
Total Eligible Attrition	77.0	60.0	(17.0)

*Note: It is recommended that boards forecast and track the above line items individually.

Scenario 2 - Base Attrition Protection Funding for 2019-20 (*Item 5 in Appendix A*)

The tables below provide an illustrative example of how the attrition protection funding would be calculated. The ministry intends to have the type of information in these tables reflected and calculated through EFIS.

(A) Funded Classroom Teacher FTE in 2018-19	3,800.0	3,800.0	-
(B) Eligible Attrition	77.0	60.0	(17.0)
(C) Reduction due to Enrolment Change	2.0	2.0	-
Protected FTE for 2019-20 (A-B-C)	3,721.0	3,738.0	17.0

(D) Funded Classroom Teacher FTE in 2019-20 before Attrition Protection	3,700.0	3,700.0	-
---	---------	---------	---

(E) Attrition Protection FTE [Max(A-B-C-D, 0)]	21.0	38.0	17.0
---	-------------	-------------	-------------

(F) Funded Average Teacher Salary with Benefits*	\$100,000	\$100,000	\$100,000
--	-----------	-----------	-----------

(G) Base Attrition Protection Funding (E x F)	\$2,100,000	\$3,800,000	\$1,700,000
--	--------------------	--------------------	--------------------

* Illustrative only. Funded average will vary by board and panel reflecting boards average teacher qualifications and experience factors.

Scenario 2 - STEM/Specialized Programming Exemption (*Item 6 in Appendix A*)

(H) Attrition Protection: 5% STEM / Specialized Programming Exemption [0.05 x G]	\$105,000	\$190,000	\$85,000
---	------------------	------------------	-----------------

Appendix B:

Illustrative Examples of Attrition Protection Scenarios

Scenario 2 – Projection Variance Protection *(Item 7 in Appendix A)*

(I) Protected forecast attrition threshold FTE: Historical and demographic information suggested 90 FTE could be expected (this number will be subject to ministry confirmation)	90.0	90.0	90.0
---	------	------	------

(J) Additional protection provided by ministry to address projection risk [50% x Max(B-I,0)] FTE <i>(Applies only when actual attrition is known)</i>		-	-
--	--	---	---

(K) Additional attrition offset funding to address projection risk (J x F)	-	-	-
--	---	---	---

Scenario 2 – Total Attrition Protection

(L) Total attrition protection funding (G + H + K)	\$2,205,000	\$3,990,000	\$1,785,000
---	-------------	-------------	-------------

(M) Total attrition protection FTE funded through base and forecast protection (E + J)	21.0	38.0	17.0
---	------	------	------

Scenario 2 – Summary

- Board receives funding for more FTE than was planned and sees an increase in attrition protection funding.
- Board has more FTE than was planned due to the lower attrition but this is funded through the increase in attrition protection funding.
- Potential board pressure is mitigated by additional funding.

Appendix B:

Illustrative Examples of Attrition Protection Scenarios

2019-20 Planning Teacher Staffing Complement (*Item 4 in Appendix A*)

Scenario 1. Actual Attrition is Higher Than Board Forecast

	FTE			Funded
	Board Forecast	Actual	Change [Board Forecast – Actual]	Change [Board Forecast – Actual]
Estimated teacher complement for 2019-20	4,200.0	4,200.0	-	
Eligible Attrition	77.0	95.0	18.0	
Reduction due to enrolment change	2.0	2.0	-	
On the ground teacher staffing complement	4,121.0	4,103.0	(18.0)	(1,640,000.0)

Board has 18 fewer FTE on the ground at the start of the school year than forecast (4,103 instead of 4,121). As a result, it may need to hire temporary teachers from the board budget at the last moment in order to staff classes if classes cannot be re-organized. Total attrition protection funding is \$0.6 million (\$1.64 million less than forecast).

Scenario 2. Actual Attrition is Lower Than Board Forecast

	FTE			Funded
	Board Forecast	Actual	Change [Board Forecast – Actual]	Change [Board Forecast – Actual]
Estimated teacher complement for 2019-20	4,200.0	4,200.0	-	
Eligible Attrition	77.0	60.0	(17.0)	
Reduction due to enrolment change	2.0	2.0	-	
On the ground teacher staffing complement	4,121.0	4,138.0	17.0	1,785,000.0

Board has 17 more FTE on the ground at the start of the school year than forecast (4,138 instead of 4,121). It has sufficient teachers to support class organization, and no temporary teachers are required to be hired at the last moment. Total attrition protection funding is about \$4 million (\$1.8 million more than forecast).

Appendix C:

Estimated Changes in Funding and FTE

Table: Forecast of teacher FTE change and savings relative to 2018-19

	2019-20	2020-21	2021-22	2022-23
Estimated change in teacher FTE through attrition	(1,558)	(2,177)	(2,915)	(3,475)
Estimated savings (\$ millions)	\$(131)	\$(183)	\$(245)	\$(292)
Savings as a % of 18-19 GSN	(0.5)%	(0.7)%	(1.0)%	(1.2)%

Notes:

1. The forecast of teacher FTE is the net change of both panels, reflecting the proposed changes in class sizes and enrolment growth, relative to 2018-19.
2. The savings are based on the change in teacher FTE at the funded teacher salary benchmark with benefits.
3. The forecast reflects the proposed changes in class sizes, subject to consultation currently underway.
4. The forecast represents an estimate and is subject to change as updated information becomes available.