

EDMONTON PUBLIC SCHOOLS

April 26, 2011

TO: Board of Trustees
FROM: E. Schmidt, Superintendent of Schools
SUBJECT: 2011-2012 Proposed Distribution of Funds
ORIGINATOR: B. Smith, Executive Director
RESOURCE
STAFF: Sandra Bassett, Cheryl Hagen, Madonna Proulx

RECOMMENDATION

That the distribution of funds as outlined in Appendix IV be approved.

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The distribution of funds is an allocation method which assists the Board in addressing the financial requirements of the jurisdiction's schools and central decision units. It also identifies amounts that are used to cover district level financial commitments.

The Board has identified a new mission, vision and priorities for the next three years (Appendix I). With the recommendation of the Superintendent, this distribution of funds allocates the final resources provided to Edmonton Public Schools to achieve the mission, vision and priorities established.

The proposed distribution of funds is attached as Appendix IV. The distribution of funds proposed was created using these basic assumptions:

1. Enrolment as projected in Appendix III was used for revenue calculation purposes.
2. Total revenue for the District is calculated using the school jurisdiction funding rates as established by Alberta Education (Appendix II).
3. With limited operating reserves anticipated, a balanced budget was prepared using no reserves funds.
4. The distribution reflects the Board's priorities and values associated with the District Plan (Appendix I).
5. Any reductions to allocations are designed to minimize the impact on students and classrooms.
6. Increases in staffing unit costs for teaching staff is based on the Average Weekly Earnings Index. Only costs associated with benefit and salary grid increments are known at this time for non-teaching staff. These costs have been incorporated into the distribution of funds.

Total projected revenues for 2011-2012 are estimated at \$818.1 million. No district operating reserve funds have been added to supplement the allocation. Enrolment is anticipated to

decline by .2 per cent to 77,120 students. School allocations (\$598.8 million directly, another \$50 million indirectly) are anticipated to decrease by 1.2 per cent overall, with basic school level funding increases of 7.1 per cent and targeted supplemental school allocations decreasing 29.1 per cent. Most of the provincial funding reductions were in the supplemental school allocation funds.

District level fixed costs, including debt services, utilities and insurance are proposed to decrease slightly (\$1.1 million or 1.9 per cent) as a result of lower utility contract costs.

District level committed costs, are targeted for specific purposes and are not generally allocated to schools. These include student transportation funding, school maintenance, Human Resources supply services for staff absences, cultural initiatives and professional improvement funds as per the collective agreement. A total of \$63.1 million is allocated.

Reductions of 3.7 per cent or \$6.5 million are being recommended for central decision units to help create a balanced budget.

BJS:ja

APPENDIX I	Edmonton Public Schools District Plan – At A Glance
APPENDIX II	Edmonton Public Schools Preliminary Revenue Budget
APPENDIX III	Student Funded FTE Comparison
APPENDIX IV	2011-2012 Proposed Distribution of Funds
APPENDIX V	Highlights of the 2011-2012 Proposed Distribution of Funds

Edmonton Public Schools District Plan – At A Glance

Our Vision

All students will learn to their full potential and develop the ability, passion and imagination to pursue their dreams and contribute to their community.

Our Mission

We work with families and community partners to provide safe, caring, healthy, diverse, inclusive and equitable learning experiences that engage students to achieve their full potential in an increasingly interdependent world.

Our District's Priorities (2011-2014)

1. Provide supports and programs that will enable all students to complete high school.
2. Deepen students' understanding of equity and empathy as key citizenship traits.
3. Ensure all students and their families are welcomed, respected, accepted and supported in every school.
4. Promote health and wellness for all students and staff.
5. Listen to staff, honour their contributions, and support their opportunities for collaboration, growth and professional development.

Our Core Strategies (2011 – 2020)

The district's work to fulfill our mission and achieve our vision is organized into four broad, long-term strategies, which reflect the district's three-year priorities and include various initiatives and tactics:

- **Enhancing staff capacity**
- **Enhancing quality teaching practices**
- **Enhancing supports for diverse learners**
- **Ensuring effective and efficient business practices**

Our long-term strategies are based on the following premise:

- Providing instructional leadership and fostering the learning environments in which every student achieves success is the primary role of our principals.
- Facilitating flexible, innovative, and personalized approaches to learning by creating environments that engage all students in compelling and authentic work is the primary role of our teachers.
- Providing direct and indirect support within the system to ensure the mission is fulfilled and the vision is achieved is the primary role of all other stakeholders.

Edmonton Public Schools District Plan – At A Glance

Enhancing staff capacity	Enhancing quality teaching	Enhancing supports for diverse learners	Ensuring effective and efficient business practices
<u>2011 to 2014</u> 1. Develop and implement a coordinated and integrated framework for attracting, developing and retaining quality teachers 2. Develop and implement a school leadership development framework 3. Develop and implement a central leadership development framework 4. Develop and implement a framework for building capacity of educational assistants and healthcare professional staff (e.g., SLP, OT, Psychologist) 5. Develop and implement a framework for building capacity of business managers, administrative assistants and head custodians	<u>2011 to 2014</u> 6. Implement the K-12 Literacy Plan for 21 st Century Learners 7. Develop and implement strategies to promote critical thinking, innovation, health and citizenship in students 8. Develop and implement a K-12 catchment based model in support of: successful transitions; action on inclusion; and staff professional learning	<u>2011 to 2014</u> 9. Develop and implement interventions for diverse learners – school based and District based 10. Develop and implement inclusive learning environments in all schools 11. Enhance complimentary partnerships to support wrap-around service models 12. Enhance relationships with early learning, literacy, and secondary partners	<u>2011 to 2014</u> 13. Ensure effective fiscal management 14. Deliver core and discretionary central services to schools 15. Redesign central services to meet the needs of the District 16. Develop and provide co-ordinated and integrated communication

**Edmonton Public Schools
2011-12 Preliminary Revenue Budget**

APPENDIX II

	2011-12 Funding Rates	Preliminary Budget 2011-12	Revised Budget 2010-2011	Budget Variance \$	Budget Variance %
BASE INSTRUCTION FUNDING					
ECS BASE INSTRUCTION	\$ 3,244.00	20,223,096	19,700,155	522,941	2.7%
ECS BASE CLASS SIZE	\$ 708.90	4,419,283	4,304,987	114,296	2.7%
GRADES 1 TO 3 INSTRUCTION	\$ 6,488.01	110,828,187	104,469,355	6,358,832	6.1%
GRADES 1 TO 3 CLASS SIZE	\$ 1,417.80	24,218,860	22,829,364	1,389,496	6.1%
GRADES 4 TO 6 INSTRUCTION	\$ 6,488.01	105,858,371	100,775,228	5,083,143	5.0%
GRADES 4 TO 6 CLASS SIZE		-	4,627,392	(4,627,392)	(100.0%)
GRADES 7 TO 9 INSTRUCTION	\$ 6,488.01	111,710,556	108,722,356	2,988,200	2.7%
GRADES 10 TO 12 REGULAR INSTRUCTION	\$ 185.37	120,930,198	116,827,919	4,102,279	3.5%
GRADES 10 TO 12 TIER 2 INSTRUCTION	\$ 185.37	1,338,371	1,282,002	56,369	4.4%
GRADES 10 TO 12 CTS CLASS SIZE TIER 2	\$ 11.95	86,279	82,669	3,610	4.4%
GRADES 10 TO 12 TIER 3 INSTRUCTION	\$ 185.37	9,243,475	8,853,710	389,765	4.4%
GRADES 10 TO 12 CTS CLASS SIZE TIER 3	\$ 33.70	1,680,451	1,610,141	70,310	4.4%
GRADES 10 TO 12 SUMMER SCHOOL (METRO)	\$ 185.37	5,073,948	4,515,822	558,126	12.4%
OUTREACH SITE FUNDING	\$ 61,738.00	432,166	432,166	-	0.0%
SENIOR HIGH ADDITIONAL CEU FUNDING	\$ 185.37	9,894,124	9,515,000	379,124	4.0%
HOME EDUCATION	\$ 1,622.85	1,001,298	870,000	131,298	15.1%
SUBTOTAL BASE FUNDING		526,938,662	509,418,266	17,520,396	3.4%
DIFFERENTIAL COST FUNDING					
ECS MILD & MODERATE	\$ 2,438.00	2,201,514	2,202,000	(486)	(0.0%)
ECS PROGRAM UNIT FUNDING		24,301,000	24,414,000	(113,000)	(0.5%)
SEVERE DISABILITIES	\$ 16,465.00	33,908,021	33,905,000	3,021	0.0%
ESL	\$ 1,155.00	13,437,848	15,656,000	(2,218,153)	(14.2%)
FIRST NATIONS, METIS & INUIT	\$ 1,155.00	7,614,338	7,650,000	(35,663)	(0.5%)
SOCIO ECONOMIC STATUS	\$ 462.00	8,972,502	8,993,000	(20,498)	(0.2%)
SMALL SCHOOL BY NECESSITY		3,103,477	3,921,000	(817,523)	(20.8%)
ENROLMENT GROWTH & DECLINE		-	4,349,000	(4,349,000)	(100.0%)
RELATIVE COST OF PURCHASING		3,331,000	6,592,000	(3,261,000)	(49.5%)
METRO URBAN TRANSPORTATION		18,492,945	18,492,000	945	0.0%
ECS SPECIAL TRANSPORTATION		1,544,000	1,544,000	-	0.0%
SUBTOTAL DIFFERENTIAL COST FUNDING		116,906,644	127,718,000	(10,811,356)	(8.5%)
FEDERAL FRENCH FUNDING					
		500,000	500,000	-	0.0%
PROVINCIAL PRIORITY TARGETED FUNDING					
INITIATIVE FOR SCHOOL IMPROVEMENT	\$ 69.70	5,406,002	10,812,000	(5,405,998)	(50.0%)
HIGH SPEED NETWORKING	\$ 503.50	1,425,912	1,426,000	(88)	(0.0%)
SUBTOTAL PROVINCIAL PRIORITY FUNDING		6,831,914	12,238,000	(5,406,086)	(44.2%)
OTHER PROVINCIAL SUPPORT					
INSTITUTIONAL SUPPORT		8,628,899	8,718,000	(89,101)	(1.0%)
REGIONAL EDUCATION CONSULTING SERVICES		3,235,915	3,314,000	(78,085)	(2.4%)
LEARNING RESOURCE CREDIT - LRC	\$ 12.07	893,240	895,000	(1,760)	(0.2%)
CAREER & TECHNOLOGIES STUDIES FUNDING		-	1,298,000	(1,298,000)	(100.0%)
INNOVATIVE CLASSROOM TECHNOLOGY FUNDING		-	2,696,000	(2,696,000)	(100.0%)
SUBTOTAL OTHER PROVINCIAL SUPPORT		12,758,054	16,921,000	(4,162,946)	(24.6%)
TOTAL INSTRUCTIONAL FUNDING					
		663,935,274	666,795,266	(2,859,992)	(0.4%)
PLANT OPERATIONS AND MAINTENANCE					
		65,335,979	65,336,000	(21)	(0.0%)
TOTAL PROVINCIAL OPERATIONAL FUNDING					
		729,271,253	732,131,266	(2,860,013)	(0.4%)
CAPITAL					
DEBENTURE INTEREST		570,000	570,000	-	0.0%
AMORTIZATION OF CAPITAL GRANTS		11,907,000	11,907,000	-	0.0%
INFRASTRUCTURE MAINTENANCE RENEWAL		15,000,000	16,777,000	(1,777,000)	(10.6%)
		27,477,000	29,254,000	(1,777,000)	(6.1%)
SCHOOL GENERATED FUNDS					
		22,725,000	22,725,000	-	0.0%
OTHER					
OTHER SCHOOL JURISDICTIONS		2,051,000	2,051,000	-	0.0%
PROVINCIAL GRANTS		2,654,000	2,654,000	-	0.0%
FEDERAL GOVERNMENT		2,171,000	2,171,000	-	0.0%
TUITION AGREEMENTS		807,000	807,000	-	0.0%
BUS PASS SALES		10,034,000	10,034,000	-	0.0%
INTERNATIONAL STUDENT FEES		2,686,000	2,686,000	-	0.0%
METRO CONTINUING EDUCATION FEES		2,142,000	2,142,000	-	0.0%
EXTERNAL REVENUE - CENTRAL DU'S		9,635,000	9,575,000	60,000	0.6%
MISCELLANEOUS		6,500,000	6,640,000	(140,000)	(2.1%)
		38,680,000	38,760,000	(80,000)	(0.2%)
TOTAL REVENUE		818,153,253	822,870,266	(4,717,013)	(0.6%)

**Edmonton Public Schools
Student Funded FTE Comparison**

	2010/11 FTE	2011/12 FTE	Change	% Change
ECS	6,340	6,234	(106)	(1.7%)
ELEMENTARY 1 to 3	16,810	17,082	272	1.6%
ELEMENTARY 4 to 6	16,216	16,316	100	0.6%
JUNIOR HIGH	17,495	17,218	(277)	(1.6%)
SR HIGH Reg & Tier 1	18,799	18,639	(160)	(0.9%)
SR HIGH Tier 2	206	206		
SR HIGH Tier 3	1,425	1,425		
Total	77,291	77,120	(171)	(0.2%)

* Note SR High FTE Calculated based on 35 CEU's equivalent to 1 FTE.

** Metro Continuing Education CEU's mainly represent District Summer School courses and are not included in the total Funded FTE

**Edmonton Public Schools
2011-2012 Budget
Proposed Distribution of Funds**

	Proposed 2011-2012	Actual 2010-2011	% Change
Projected Revenue			
2011-2012 Operating Revenue	818,153,000	822,870,000	-0.6%
Operating Reserve Funds	-	9,648,396	-100.0%
	818,153,000	832,518,396	-1.7%
School Allocations			
School Allocations Levels 1 to 8	496,604,151	463,302,452	7.2%
Other Supplemental School Allocations	102,206,728	144,196,871	-29.1%
School Generated Funds	22,725,000	22,725,000	0.0%
External Allocations	17,238,592	17,178,592	0.3%
Metro Continuing Education	10,134,654	9,448,431	7.3%
	648,909,126	656,851,346	-1.2%
District Level Fixed Costs	56,281,723	57,381,723	-1.9%
District Level Committed Costs	63,062,889	65,330,299	-3.5%
Central DUs	49,899,263	52,955,028	-5.8%
	169,243,875	175,667,050	-3.7%
Total Allocations	818,153,000	832,518,396	-1.7%
Unallocated	-	-	0.0%

Highlights of the 2011-2012 Proposed Distribution of Funds

1. Even with a provincial increase in the per student base allocation funding of 4.54 per cent, Edmonton Public Schools will see a revenue decrease of 0.6 per cent which is \$4.7 million lower than revenues from 2010-2011. This reduction reflects:
 - lower projected enrolment,
 - reduction in funding from Alberta Education for Grades 4-6 class size funding,
 - reduction in funding from Alberta Education for English Second Language funding,
 - reduction in Alberta Education funding for enrolment growth and decline,
 - reduction in Alberta Education funding for relative cost of purchasing,
 - reduction in Alberta Initiative for School Improvement (AISIS) Funding and;
 - completion of three year funding period for other provincial supports such as career and technologies funding and innovative classroom technology funding.
2. The proposed distribution of funds presents a balanced budget. It is proposed to reduce school costs by 1.2 per cent and reduce costs for central services by 3.7 per cent. This would result in a 1.7 per cent reduction in funding to schools and central services.
3. No operating reserve funds have been used to supplement this proposed balanced budget. It is anticipated that the operating reserves will be lower for the 2011-2012 school year.
4. The proposed distribution of funds focuses on reducing the impact on classrooms with the reallocation of funds into the base level funding from other supplemental allocations. This increases the flexibility of school administration to focus funds on the specific needs of their school.
5. Specific staffing needs for schools and central departments have not been determined. Once allocations have been received, schools and departments will determine their staffing needs. This allocation does not include any costs associated with a negotiated agreement with district non-teaching groups.
6. The proposed distribution of funds attempts to increase an emphasis on literacy as well as retain the focus on special needs, multicultural students, high social needs and small schools. Funds distributed have either been maintained at prior year levels or slightly increased.