



EDMONTON
CATHOLIC SCHOOLS

DISTRICT BUDGET PROCESS

For the development of the 2005 – 2006 District Budget

**BASED ON THE FINAL RECOMMENDATIONS OF SCHOOL
PRINCIPALS, DIRECTORS and EMPLOYEE GROUP PRESIDENTS**

Updated by:

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IMPORTANT NOTE: All dollar amounts and factors included in this document are subject to change by recommendations of the budget committee. These amounts and factors are to be considered as the starting points for the work of developing the 2005 – 2006 budget.

Updated January 15, 2005

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Introduction

The recommendations contained in this document are the result of the hard work of a great many staff members. Principals, directors and employee group presidents met in November of 2004 and again in January 2005 to review our budget process, and several changes were recommended at those times. These changes are indicated in the section of this document entitled: “What’s New for the 2005 – 2006 Budget?”

I would like to thank the members of the principals, directors and the presidents of AUSE, ATA, ECSSA and the OOS groups for their contributions to this process. In particular, I want to thank Andy Isbister, Danny Kinal, and those principals who helped me develop the processes used for our large group work in November and January. Their contributions have done much to help us improve the way we fund schools in order to assist administrators and teachers in the delivery of a quality Catholic educational program to all of our students in all of our schools.

Yours in Quality Catholic Education,



Dr. D. Ripley, Superintendent

What's New for the 2005 – 2006 Budget?

There are a few changes from last year in the process by which our district budget is created. These changes came about from the feedback that we received from the principals, directors, and employee group presidents.

When presenting these changes, we will also indicate the past practise.

The major changes for 2005 – 2006 are as follows:

1. This budget will be built as per the approved recommendations for the new staffing policy, and as per Alberta Education's class size reduction initiative.
2. The principal representatives on the budget committee will pilot the Budget Workbook before it is sent out to all principals. (see page 10)
3. The Budget Model for 2005 – 2006 has been revised to make the process clearer. (see page 13).
4. The Budget Committee will attempt to give ALL schools a basic grant of \$50,000, irrespective of their enrolments. (see page 16). Last year, these grants were initially set at \$30,000 for schools under 226, and \$50,000 for schools over 226, but were adjusted by the budget committee to a basic grant for all schools of \$50,000 in order to provide the necessary supports to our smaller schools.
5. There is a clarification regarding programming grants and second language programs, showing that these grants do NOT apply to second language programs (ie: Italian as a second language). They only apply to immersion or bilingual language programming. (see page 16).
6. Division one students will receive an additional factored allocation of 0.125 in funding. This is to support the Early Language Literacy Initiative of having all students read to their potential by the time the complete division one. (see page 16).
7. The budget committee will attempt to ensure that the budget allocations to schools results in approximately 93.5% of the total budget being apportioned for staffing needs (in accordance with the district's staffing guidelines), and the remaining 6.5% being available to schools for operations. (see page 17). This change is in response to a request from principals to have the budget committee attempt to increase the operational funds allocated to schools, and to have each school have a minimum of more than 6% for operations.
8. The grant for high needs schools is increased from the \$250,000 in last January's budget process document to \$300,000 for both 2004 – 2005 and 2005 – 2006 (see page 19).

9. A \$60,000 equitability fund for psycho-educational assessments for schools whose needs in this area cannot be met with their budget allocation. This fund was formerly \$50,000 (see page 21).
10. \$600,000 additional funding for severe special needs students for schools that show needs in this area that cannot be met with their budget allocation (see page 22). This amount has been increased by \$100,000.
11. \$100,000 Superintendent's Council Contingency Fund (see page 23). This fund was developed at the request of schools and departments who faced unforeseen and significant costs throughout the school year, such as the influx of Sudanese second level ESL students last year. The specific application criteria are given on page 23.
12. Information regarding how funds come into the district, and the limitations on what can be charged to what kind of fund, and limitations on the transfer of funds is given in Appendix 2: Information Regarding the Funding Framework (see page 32).



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Guiding Principles for Building of the District Budget and Allocations to Schools and Departments

Preamble

What is Catholic about the creation of a budget and the allocation of budget resources within Edmonton Catholic Schools? This question directs the articulation of principles that will guide decision-making around budget and allocation issues.

A Catholic social principle is a statement based on reason and revelation that is intended to guide behaviour so that gospel virtues are not compromised. The principles for budget and allocation decisions are not intended to provide a recipe for decision-making; rather, they will provide guidelines for implementation in the decision-making process.

Catholic social teachings and the teachings of Vatican Council II invite Catholics to integrate faith and culture by applying gospel virtues to the economic, political and social realities of day-to-day living. Budget and allocation decisions affect the lives of people in every dimension of the life of the school district, and so the decisions should reflect what it means to be Catholic.

The virtue of justice is central to Catholic social teachings. Principles of decision-making should therefore reflect justice, which is at the heart of what it means to be Catholic.

The proposed principles, though brief in number, encompass the key issues that arise in a consideration of budget and allocation decision-making.

Edmonton Catholic Schools' budget and allocations will reflect the gospel virtues of justice and integrity, will reflect the principles outlined by the Budget Review Committee of the Superintendent, will attend to the social teachings of the Catholic Church, and will reflect our district's Core Values:

Dignity & Respect, Honesty, Loyalty, Fairness, Personal & Communal Growth

Principles for Budget and Allocations

Dignity of Persons and the Common Good

Budget and allocations decisions will respect the dignity of all persons affected by decision making and will attend to the common good of the school district.

Catholic Social Teachings attend to the following key themes:

Primacy of persons:

- economic decisions respect the dignity of persons (derived from the belief that persons are made in the image of God); and
- decisions and actions of the organization do not compromise the well being of persons and groups within the organization.

The Common Good:

- the common good is the ultimate measure of justice in economic decision making; and
- economic decisions that are guided by the principle of the common good promote the well being of individual persons as well as the well being of the entire community.

Solidarity:

- economic decisions consider the well-being of the entire community; and
- economic decisions that affect the larger community should be guided by representatives of that community.

Equitability

Budget and allocations decisions will be guided by equitability, according to the demands of the common good.

Catholic Social Teachings attend to the following key themes:

Justice:

- social justice demands that individuals and groups strive to create social and economic structures that reflect gospel virtues of fairness and equity; and
- distributive justice requires fair distribution of resources according to need.

Equitability and Fairness

- equitability and fairness relate to disparity of resources;
- social justice and distributive justice demand that resource distribution does not disadvantage marginalized social and economic groups; and
- allocations redress economic and social disparities

Special claim for the poor and marginalized

- economic decisions give preference to the marginalized (preferential option for the poor)

Participation

Budget and allocations decisions will be transparent and will assure the full and ongoing participation of all according to the principle of subsidiarity.

Catholic Social Teachings attend to the following key themes:

Subsidiarity:

- subsidiarity holds that persons affected by economic decisions should participate in those decisions

Participation:

- participation of all parties to decision making should be ongoing
- consultation with partners is part of the decision making process

Transparency:

- knowledge of circumstances that affect allocations is accessible to those affected by allocations decisions;
- decision makers are prepared to account for allocations decisions with reference to the principles of Catholic social teachings

Operational Guidelines

The final budget of the Edmonton Catholic School district will manifest the Gospel virtues of justice and integrity and reflect the following operational guidelines. In doing so, the district budget and allocations process:

- will be designed to meet the goals of the district and Alberta Education (**Common Good**);
- will ensure that the provision of an effective teaching-learning environment for students is the *first priority* for budget allocations (**Dignity of Persons and Common Good**);
- will support the enhancement of our Catholic identity in all aspects of the district's operation (**Common Good**);
- will be created through a consultative process with partners in the district (**Participation**);
- recognizes that responsibility and accountability for programs, activities and services rests with each district director, department head, and school principal (**Participation**);
- will ensure that school administrators develop priorities and plans for programs and services in consultation with district administration, school staff and parents (**Common Good and Participation**);
- will ensure that district administrators develop priorities and plans for programs and services in their respective areas of operation that are congruent with their department's mandate and in alignment with the goals of the district and in keeping within their budget allocations (**Common Good**);
- will ensure that the budget process is transparent, and that the surplus or deficit positions of all district departments and school site budgets will be clearly communicated throughout the district at the end of each fiscal year (**Participation**);
- will ensure fairness and justice in the provision of the necessary financial resources for each school to offer the Program of Studies in a Catholic environment (**Equitability**);

- will encourage innovation in Catholic leadership, organization, learning and teaching, administrative and resource distribution practices (**Primacy of Persons and Common Good**); and
- will be a balanced budget each year, and will require that all district departments and school sites develop and submit a balanced budget each year; sites and departments will not exceed a seven percent surplus or a three percent deficit (**Common Good**).



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Membership of the District Budget Committee

The members of the Budget Committee are:

- Superintendent

- Directors
 - ◆ Financial Services (*Note:* also represents Board Governance and EFAP)
 - ◆ Human Resource Services
 - ◆ Learning Support Services
 - ◆ Religious Education Services
 - ◆ Educational Planning and Administrative Services
 - ◆ Facilities Services
 - ◆ Educational and Administrative Technology Services

- Principals
 - ◆ Two from Elementary Jeff Johnson (year 2); Marilyn Magnan (year 1)
 - ◆ Two from Junior High Brian Novosel (year 2); Santo Saporito (year 1)
 - ◆ Two from Senior High Leo Turcotte (year 2); Brent Patterson (year 1)
 - ◆ One District Principal Danny Kinal

NOTE: The district principal on the budget committee is also responsible for representing the department of Aboriginal Education and the department of Alternative Education and Life Long Learning.

- Associations/Unions Presidents
 - ◆ ATA Shannon McElroy
 - ◆ ECSSA Denise White
 - ◆ AUSE Roy Warnock
 - ◆ Out of Scope Devin Wilken

Total Membership for the Budget Committee = 19

IMPORTANT NOTE:

The role of the budget committee is to **examine the entire district budget**, and it deals with **ALL** of the three funding envelopes (instructional, administrative, and operations & maintenance). The budget committee may recommend the moving of funds between these envelopes, provided this follows Alberta Education guidelines in this regard. (See Appendix 1: Information Regarding the Funding Framework)

The principal representatives and the association/union representative should be selected on the following basis.

Principals

- Should represent a cross-section of programs (e.g. special education, languages) and socio-economic areas.
- Should have knowledge of the budget and allocation process.
- Each of the three principal groups (elementary, junior high and senior high) will forward a minimum of three names (3) to the Superintendent for each position they have on the budget committee, and the superintendent will then make the final selection.
- ***NEW*** To pilot the Budget Workbook before it is sent out to all principals

Association/Unions

- The invitation to sit on the Budget Committee is sent to the president/chair of the employee group, who will serve as that group's representative on the Budget Committee.

It is understood that the people who serve on the budget committee have an important task to do, and that this task involves a commitment to the entire process. If a member of the committee cannot attend a budget meeting, **they cannot send a replacement member.** There is simply too much information from prior committee meetings to enable a substitute member to be able to contribute effectively.

It is every principal's responsibility to inform these groups as to what is happening and get their feedback to the Budget Committee as deemed necessary.

Each fall, principals shall obtain feedback from both their staff members and from their School Councils regarding these groups' views and suggestions for the budget process. Principals are then asked to bring this feedback to the budget process review meeting which takes place each fall.

- Members of the Budget Committee should have clear, concise information to communicate to their respective groups at appropriate times. (e.g. information available after budget meetings).
- Members of the Budget Committee will be responsible for providing information to their groups and getting feedback to meet the January-March timelines. The nature of doing this (e.g. calling meetings) will be at the discretion of the representatives.
- It is the responsibility of the SOS principal representative to distribute notes via email to all principals after each budget meeting.
- Timelines need to be clearly communicated to everyone.

The role of the Budget Committee is to:

- Annually review the allocation methodology
- Review services, including budgets, provided through Catholic Education Services
- Review mandatory service budgets
- Review any fee for service structures (e.g. psycho educational services, printing services, etc.)
- Review factored allocations for each level
- Review basic school grants
- Other reviews as required

In the fall, following confirmation of September 30 enrolments, School Operations Services, on behalf of the Superintendent of Schools, shall review all allocations to ensure equity and fairness in dealing with any anomalies, and will provide recommendations for adjustments to the Superintendent. This review shall be completed by October 31.

The Role of the Board of Trustees and the Budget Committee in the Decision-Making Process

It is important to note that the budget committee will do its work on a consensus model. This means that where at all possible, recommendations to the superintendent regarding the structure of the budget will be arrived at by consensus. In instances where it may not be possible to achieve consensus, the superintendent will have to determine which course of action is best for the district over all.

The budget committee will NOT NORMALLY VOTE on issues and questions. Members of the committee are expected to represent the views of the entire district, and are not on the budget committee to represent only the views of the group or department they are from.

It is also very important to note that the budget committee is NOT a decision making body.

The Board of Trustees of Edmonton Catholic Schools is the only group who makes decisions about the budget.

The role of the budget committee is to examine all the information, and to make recommendations to the superintendent.

The role of the superintendent is to chair budget meetings, to determine if the recommendations of the budget committee are educationally sound, fiscally responsible, and in keeping with Board policies and goals.

The role of the Board of Trustees is to examine the budget proposal carefully, and to make the final decision as to amendments and approval.

The Budget Process Model for 2005 - 2006

Budget Process Model/Diagram:

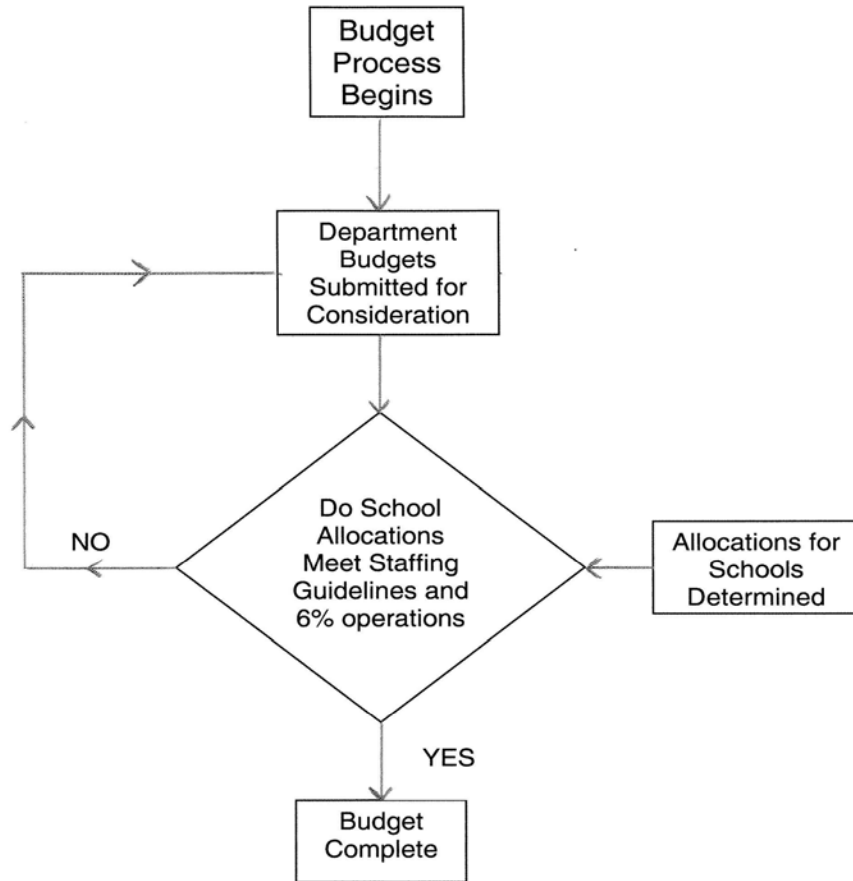
The diagram is a simple visual depiction of the budget process. Included in the model are the following:

- Financial Services (in consultation with the Superintendent) will be responsible for beginning the budget process, for its' completion and for the dissemination of the pertinent information to all sites,
- Financial Services will be responsible for the development of a Budget Workbook and the annual changes as determined by the Budget Committee,
- This workbook will be managed twice a year – once in spring for planning purposes, and a second time after an accurate count on September 30 for budget purposes,
- The 'per student allocation' will be generated by the budget workbook,
- Specified program and budget dollars will be deployed by Learning Support Services, School Operations Services and Human Resource Services,
- School Operations Services will be responsible for monitoring school sites for staffing and operational budgets,
- Department budgets will be the responsibility of the director/manager, and will be monitored by the superintendent and treasurer,
- Support, consultation and in-service for schools/administrators will be provided by Financial Services, School Operations Services, Learning Support Services and Human Resource Services.

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Budget Model for 2005 – 2006

NEW



How We Fund Schools

In addition to the Guiding Principles for creating the district's budget and allocating funds to schools and departments, the following principles are specific to Site Based Decision-Making and allocations. They assist us in addressing the questions of how we fund schools and how we fund supports to schools.

Principles of SBDM

- SBDM is designed to place decision making as close as possible to the decision and the people affected by it.
- Schools are producers of front line results. They are accountable for student results.
- Within the established financial resources and staffing guidelines of the District, it is up to the principal of the individual school, in consultation with staff, parents and other stakeholders, to determine exactly how large or small classes at various levels should be.
- Resources must be aligned (allocated) with responsibility.
- Principals are accountable for deploying the resources to meet the unique needs of their population and for controlling expenses.
- Performance will be monitored.
- Catholic Education Services (Superintendent and Superintendent's Council) is responsible for creating structure and framework within which people carry out their work.

Principles of Allocations

- Allocation methodology must be fair and equitable.
- Responsibility assigned must be appropriate.
- Allocation methodology must promote effectiveness and efficiency.
- Allocation methodology must be transparent...all staff must know what all allocations are.
- Allocation methodology must be understandable...formulas used must be clear and understandable.
- Allocation methodology must be flexible.
- Allocation methodology must demonstrate accountability.
- Allocation methodology must demonstrate strategic priorities for use of funds.
- Allocation methodology should be inclusive and represent 75-80% of operational funds.
- Strategic Priorities need to be clearly defined to articulate understandable formulas for distribution of resources.
- Allocation methodology needs to address inequities.

Allocation Methodology

Based on the Guiding Principles and the principals of SBDM and allocations, the following allocation methodology will be used:

- Funding should follow established envelope funding provided by Alberta Education and transfer of funds from one envelope to another should be generally avoided.
- Funding for the following services provided by Catholic Education Services should continue and funded through the System and Board Governance Envelope, Facilities Envelope, Transportation Envelope or required funds transferred from the Instructional Envelope

Budgets for these services should be reviewed annually by the Budget Committee:

- Board of Trustees and Corporate Secretary Services - System and Board Governance envelope
- Superintendent's Office - System and Board Governance envelope
- Religious Education Services - Instructional envelope
- Financial Services - System and Board Governance envelope
- Human Resources - System and Board Governance envelope and Instructional envelope
- Educational and Administrative Technology Services - Instructional envelope and System and Board Governance envelope
- Facility Services - Plant Operations and Maintenance envelope
- Transportation Services (part of Educational Planning and Administrative Services) Transportation envelope
- Learning Support Services - special needs funding - Instructional envelope
- Alternative Education & Lifelong Learning
- Aboriginal Learning Services

Funding for the following services provided by Catholic Education Services should be reviewed annually by the Budget Committee and funding provided from the Instructional envelope based upon support for continued service:

- Learning Support Services - other than high needs funding
- Educational Planning and Administrative Services (other than Transportation Services)
- Leadership Services
- School Operational Services
- Employee and Family Assistance Program Services (together with proportional funding from mandatory services)
- Purchasing Services
- Warehousing Services (cost recovery basis)
- Printing Services (cost recovery basis)
- Risk Management (staff substitute costs, benefits, etc.)
- District Initiatives
- Funding available through Board Governance and System Administration should be used prior to any transfers from Instructional funds.

- Learning Support Services shall be responsible for the allocation of all special needs funding as well as specific grants related to early literacy, English as a Second Language, PUF grants, etc.
- Remaining funds shall be allocated to schools based on the following (Budget Committee to review and affirm prior to establishment of allocations):
- For school raised funds, to the school that raised such funds
- Basic grant to all schools (each school is required to have basic services, such as a secretary, photocopier and telephone, etc.) The basic grant is given to schools to help offset these basic costs.
- * **NEW** * The Budget Committee will attempt to give ALL schools a basic grant of \$50,000, irrespective of their enrolments.
- In addition to the basic grant, schools operating more than one program (language immersion/bilingual and/or grade (e.g. K-9, 7-12, K-12)) would receive additional funding as follows:
 - a) One additional program: \$20,000
 - b) Two additional programs: \$30,000
- * **NEW** * *NOTE*: These grants do NOT apply to second language programs (ie: Italian as a second language. They only apply to immersion or bilingual language programming)
- For remaining funds by allocation formula, based on the following (please note that no formula will deal with anomalies and there will always need to be a need for some amount of equitability fund to deal with these anomalies):
- By FTE student (high schools by CEU)
- Funding differentiated by level:

Kindergarten will be funded as follows: (FTC = Fixed Teacher Cost, or your fixed cost for a teacher). ***IMPORTANT NOTE***: This is subject to current staffing guidelines

- 16 – 30 students = $FTC \times 0.53 + \$200 / \text{student}$
- 31 – 60 students = $FTC \times 1.06 + \$200 / \text{student}$
- 61 – 90 students = $FTC \times 1.59 + \$200 / \text{student}$
- 91 – 120 students = $FTC \times 2.12 + \$200 / \text{student}$

Grades one to 12 will be funded as follows:

- **Division one** students (grades 1 - 3) = 1.000 factored allocation
- **Division two** students (grades 4 - 6) = 1.000 factored allocation
- **Division three** students (grades 7 - 9) = 1.000 factored allocation
- **Division four** students (grades 10 - 12) = 1.000 factored allocation

* **NEW** * Division one students will receive an additional factored allocation of 0.125 in funding. This is to support the Early Language Literacy Initiative of having all students read to their potential by the time they complete division one.

- An equitability fund of \$500,000 has been established to deal with anomalies. These anomalies will be based on the establishment of a **school profile** as set out in the School Allocations Workbook, and will include such characteristics as:
 1. Class configurations;
 2. Ability to meet staffing guidelines;
 3. Programs offered; and
 4. Size of the operational budget in relation to ability to staff within staffing guidelines.

NEW Note: The budget committee will attempt to ensure that the budget allocations to schools results in approximately 93.5% of the total budget being apportioned for staffing needs (in accordance with the district's staffing guidelines), and the remaining 6.5% being available to schools for operations.

These funds will be decentralized to schools on or before November 30th based on their needs as demonstrated in their school profile.

- The appropriateness of this amount will be reviewed annually by the Budget Committee.

If you wish to apply for additional funds from this equitability fund, please complete the form on the next page, and submit it to School Operations Services by September 30th of the school year in which you are applying.

Equity Guidelines

All schools and departments are expected to operate within district equity guidelines, in that at the end of each fiscal year, schools and departments should have no more than a 3% deficit or a 7% surplus.

NOTE: Certain funds that are held by the school in trust may not be considered to be included as a part of the school's equity amount. Examples of such funds would be items like caution fees, scholarships, year book deposits, special project funds, etc. Requests to exclude particular funds from the school's equity position must be made to Financial Services, and will be granted if the request is in compliance with Generally Accepted Accounting Principles.

**SCHOOL OPERATIONS SERVICES
EQUITABILITY FUND APPLICATION**

SCHOOL: _____ **PRINCIPAL:** _____

DATE: _____ **SIGNATURE:** _____

SCHOOL INFORMATION

1. Student Instructional week in minutes

2. Teaching minutes for full time teachers
(average number of minutes/week)

3. Certificated Staff

a. Actual total FTE

b. Staffing Guideline FTE

4. As of Sept. 15, from the Budget Workbook

a. Total Revenues

b. Total Fixed Staff Costs

c. Operating Budget

5. Previous Year's Equity Position

Aug. 31

- Why this support is needed/requested?

- How will these funds be utilized?

Return to School Operations Services by September 30th

The Funding of High Needs Schools

The district operates a number of schools that are termed “high needs schools.” These schools require additional supports in order to assist students in achieving success.

Criteria

Educational Planning and Administrative Services would do an analysis of data collected from Stats Canada, Edmonton Police Services, Capital Health, Ma’mowe Capital Regional Children and Family Services, and the schools to determine the 15 schools with the highest incidence to receive high needs funding using the following criteria:

Primary factors will be:

1. High incidence of low income as measured by the %age of families below the median income as per City of Edmonton statistics for the previous year
2. High frequency of changes in student population from the previous year (%age of transfers in and out)
3. High incidence of recent arrivals in Canada and low parental facility with the language of instruction resulting in delayed language proficiency (%age of ESL students from the **current** year)

NOTE: All of these measures will be determined by Educational Planning and Administrative Services staff.

As a result of this analysis, approximately 15 schools with the highest needs as measured by the above criteria would receive high needs funding. A high needs grant of \$300,000 will be allocated to these schools on a per pupil basis, calculated on the September 30 FTE enrollment count of the year in which the grant is given.

IMPORTANT NOTE:

The number (15 schools) is at the outset a best guess. If, in doing the analysis, we see that there are more schools in need, then these schools will be added to the listing, and in fact we may end up with 18 or 20 schools. If this happens, the \$300,000 will be divided among these schools.

If, however, we see that there is a gap in need from the 12th school to the 15th school, we may only place 12 schools in the high needs category. In this case, the \$300,000 will be divided among these schools, resulting in a greater per pupil grant.

In any event, the entire sum of \$300,000 will be disbursed to the identified high needs schools.

The Funding of Special Education

Special Education in Edmonton Catholic Schools

Edmonton Catholic Schools has a long and distinguished history of providing programs and services to students with special needs. As a jurisdiction we provide a variety of programs for students with special needs. These programs provide the most enabling learning environment for the student with special needs. The supports and services range from full inclusion, with support at the classroom and school level, through district special education classes integrated in neighborhood schools, to out of district placements. In keeping with the provincial policy on the educational placement of students with special needs released in 1993, providing a program within the neighborhood school is considered as the first option for all students entering the district.

We provide special education services to students with:

1. An adherence to the mandates of the *School Act (2002)* relative to the provision of special education programs and services; and
2. In consideration of the recommendations contained within the document *Alberta Education Standards for Special Education (2002)*.

Special Education Funding

The following four statements are designed to create a funding structure within the district relative to special education that will streamline and clarify the allocation process. They also address the current issue within the district of accountability in funding for special education and align the district with special education funding practices of other large urban school districts within the province.

1. That from the basic grant and special education funding, sufficient funds (as determined by LSS, SOS, and the Budget Committee) will be allocated to cover the costs of district special education programs, which includes the Integrated Occupational Program (IOP).
2. Special education funding received from the government can only be used to provide supports and services authorized in writing by the district and Alberta Education.
3. That the development of the allocation formulas for funding of special education programs and services within the district be both collaborative and transparent.
4. That a system of accounting be established to monitor the costs of special education programs and services within the district on an annual basis.

Special Education Programs and Services

The following aspects of the budget address issues relative to service delivery in special education, the funding of centralized support services, costs associated with staffing of special education programs and services, and funding shortfalls in special education.

1. Following on the feedback of the Special Education review and mandate of Alberta Education, special education programming in ECS continue to provide a range of programs and services from inclusive, through district special education programs, to out of district.
2. That the special education delivery model in ECS meets Alberta Education standards.
3. That the district establishes clear and consistent allocations based on specified criteria for students with severe special needs programmed for in inclusive settings. These allocations will be communicated to all district staff, and further, that students who cannot be accommodated through the inclusive allocation be directed to district programs or to out of district placements.
4. To the greatest extent possible the cost of special education programs and services should be covered by the funding received from the government.
5. All special needs students will be funded with flow-through funding. In other words, schools will receive the special education grants as allocated by Alberta Education. There will be a \$600,000 (***NEW***) special needs equitability fund established. Schools with extraordinary needs in the area of special needs student programming can apply for assistance from this fund. Applications for assistance will be coordinated by the Director of Learning Support Services.

Steps Taken to Achieve Equitability

One of the major themes of our budgetary guiding principles is to attempt to achieve a degree of equity between schools in our funding models.

The following elements of this budget have been put into place to attempt to achieve an appropriate degree of equity for our schools:

1. A \$500,000 School Operations Services staffing equitability fund to address anomalies that schools may face in staffing, and will be distributed based on criteria such as the applying school's: class configurations; ability to meet staffing guidelines; programs offered; and the size of the operational budget in relation to ability to staff within staffing guidelines.
2. *** NEW *** A \$60,000 equitability fund for psycho-educational assessments for schools whose extraordinary needs in this area cannot be met with their existing budget;

The following outlines the criteria and process for accessing this equitability funding.

- Using a weighting of approximately 5 for elementary student, 3 for junior high students, and one for high school students based on September 30 enrolments, calculate an approximate school-based amount for assessment services.
 - If assessment costs exceed this amount and the school equity position warrants assistance, a school may apply for a reimbursement from the equitability funding to a maximum of \$1200.00.
 - A school must provide evidence that their assessment costs have exceeded their school-based amount through the provision of copies of paid assessment invoices.
 - Funds will be reimbursed to schools based on the amount requested to a maximum of \$1200.00 or a prorated amount based on the total amount of funds requested versus the total amount of the equitability fund. For example, if the total amount of the requests exceeds \$60,000.00, then a prorated amount will be reimbursed to each school.
 - Note that these are reimbursements, not allocations. Therefore the assessment work must be bought and paid for prior to April 1 of the school year in order for the school to receive a reimbursement.
3. \$300,000 additional funding for high needs schools. This fund is distributed based on three criterion: median income of families, number of ESL students in the current school year, and the number of students in and out of the school in the previous year (see High Needs Funding for more detail regarding this criteria);
 4. * **NEW** * \$600,000 additional funding for severe special needs students for schools that show needs in this area that cannot be met with their budget allocation. The criteria for distribution of this fund is as follows:

The funding process to schools for this special needs equitability fund is based on a reimbursement system. This means that the school funds the supports and services deemed required for the student and then applies to receive reimbursement for those dollars spent **which are in excess** of the severe disability funding from Alberta Education allocated in the flow through model from the district. All requests submitted for reimbursement will be reviewed at the same time, namely **December 1 of that school year**. Depending on the number of requests received schools will receive either a full reimbursement or a portion of the funds requested. Any student with a severe disability is eligible for reimbursement, however priority will be given to the following:

- Students for whom there is no designated district special education program (e.g. sensory impaired students, autistic students).
- Students who are in specialized programs (e.g. French Immersion).
- Students for whom the cost of supports and services is significantly higher than the allocation received (e.g. medically fragile).
- Situations where it is difficult for schools to combine students to effectively use supports or services (e.g. only one student in a school).

- Schools that have little funding flexibility (e.g. class configurations have drained the operational dollars).

Schools seeking reimbursement must submit a request in writing (these forms are available on LSS public folders) to the Director of Learning Support Services and include the following information:

- Student name and severe disability code.
 - The amount for reimbursement – this is the difference between the amount spent by the school and the funding received.
 - A brief explanation of the costs incurred including copies of invoices for supports and services (e.g. 0.6 FTE SNTA, 250.00 special desk, 450.00 Belvedere Consulting Services)
5. The factored student allocation recognizes that the needs of students varies depending on their age and program requirements.
 6. Schools and departments may apply to a fund of \$125,000 that has been established to assist schools and departments where staff other than teachers and SNTAs are away from work on extended illness (away from work for a period greater than 15 consecutive working days). Schools and departments can apply to this fund for financial relief for compensation beyond the fifteenth day. This fund will be administered by representatives from Human Resource Services, Financial Services, and School Operations Services.
 7. * **NEW** * \$100,000 Superintendent’s Council Contingency Fund. This fund has been established to address unforeseen needs that can arise throughout the school year in the district. Below are the criteria around who makes applications and how applications are made for funding support from the Superintendent’s Council Contingency Fund:
 - a) the initiative must have district wide implications;
 - b) the initiative must match and support the goals of the district as articulated in the Board of Trustees’ Three Year Education Plan and/or the Superintendent’s Goals and Priorities;
 - c) the initiative must be in response to a new or emerging need in the district, as compared to asking for funding for something that was not supported through the regular budget process;
 - d) the application must come before Superintendent’s Council in the form of a written proposal; and
 - e) funding from this source can only be applied to through directors or the superintendent. Principal groups (such as the elementary, junior high or senior high principal groups) can apply to these funds through either a director (if the initiative is program based) or through the superintendent.

While recognizing that the attainment of equity to everyone’s satisfaction is an impossible task, these features of our budget process attempt to recognize the individual and unique needs of our schools and of our students.

Appendix 1: Glossary of Terms

Account

An accounting record in which the results of transactions are accumulated. It shows increases, decreases, and a balance.

Account Cycle

The procedures for analyzing, recording, classifying, summarizing, and reporting the transactions of The District.

Accounting

The discipline that provides information, which is useful for the making of economic decisions.

Accounting Model

The basic accounting assumptions, concepts, principles, and procedures that determine the manner of recording, measuring, and reporting the District's transactions.

Accounting System (SFG)

The set of manual and computerized procedures and controls that provide for identifying transactions or events; preparing source documents, entering data into the accounting records, accurate documents and reports.

Accounts Payable (A/P)

Expense items and purchases that have not yet been paid. These reflect the amount owed to others and is recorded as a liability.

Accounts Receivable (A/R)

Revenue items that have not yet been collected. These reflect the amount owing and are recorded as an asset. NSF cheques are an example of an accounts receivable account.

Accrual-Basis Accounting (Current method)

A system of accounting with revenues and expenses recorded as they occur, not necessarily when cash is received or paid, e.g. Deferred Revenues (fees collected in June for the next school year) or Prepaid Expenses (items purchased in May for the next school year).

Accrued Liabilities (Sometimes called accrued expenses)

Unpaid expenses that result from past commitments or services received. These unpaid expenses require an adjusting entry to acknowledge that the expense has been incurred even though the invoice has not been paid.

Accumulated Depreciation (Accumulated Amortization)

The total depreciation recorded on an asset since its acquisition.

Accumulated Surplus / Deficit (Equity Position)

The accumulated balance of revenue less expenditure arising from operations since the onset of operations.

Activity (SFG)

The most specific level of a program denoted by a 3-digit code. For example, the Athletics Program would have a subprogram called Basketball. This basketball subprogram would then be further divided into boys' and girls' teams. See appendix for a diagram.

Actual

The current accounting of revenues and expenditures to date by means of various transactions such as transfer forms, inventory requisitions, accounts payable, payroll, money deposited in the bank, etc.

Allocation

The method by which Instructional Revenues are allocated to schools or instructional support programs, as determined annually by the Allocations Committee.

Amortization

A reduction in the original value of a capital asset, at a prescribed rate determined by the useful life of the asset.

As At

A financial position as reported at a specific date.

Asset

Economic resources controlled by the District as a result of past transactions or events and from which future economic benefit may be obtained, e.g. cash - bank, accounts receivable, equipment, buildings and vehicles.

Audit

The result of an independent accountant's review of the statements and footnotes to ensure compliance with generally accepted accounting principles (GAAP). Internal audits are performed in schools by Financial Services to determine if the schools are complying with the District's policies and procedures as dictated by Alberta Education.

Audit Report

An assessment report issued by an independent Chartered Accountant firm regarding the District's financial position, operating results, and cash flows. This report confirms whether the District practices Generally Accepted Accounting Principles fairly. Financial Services also prepares a report to the schools with recommendations based on audit reviews.

Bad Debt

The accounts of persons or corporations, who do not pay what they promised to pay, also called uncollectible account e.g. NSF cheques.

Balanced Budget

The total estimated revenues equal the total estimated expenditures.

Block Funding

Funding provided by Alberta Education specifically directed towards particular objectives, e.g. Instruction, Support or Capital.

Budget

The process of estimating how much a program would cost. This estimate is used as a benchmark to evaluate if the costs are within reason. The distribution of this projected amount is achieved only within the Budgeting System menu in SFG.

Note: The amount budgeted should not be confused with the actual amount spent/received. For example, if a High School is projecting that it will collect \$50 from 200 students, the \$10,000.00 is an estimated amount to be collected and is entered only in the Budgeting Menu in SFG. It is irrelevant if the \$10,000.00 is in fact, collected, and because it does not, in any fashion, represent the actual amount received from the students. The actual amount that the school receives is indicated only in the “Actual” column of SFG reports. Similarly, if a principal assigns \$200.00 to each classroom, the \$200.00 is only “planned” to be spent, and only appears underneath the “Budget” column. There is no physical transfer of cash/cheque; therefore it cannot be rendered an expense or revenue.

Budget Worksheet

In SFG this is a worksheet in which one can draft and prepare planned expenditures for each object in a program.

Capital Assets

Land, buildings, site improvements, furnishings, equipment, and vehicles.

Capital Block

Funding provided by Alberta Infrastructure for the cost of school buildings, equipment and related costs for projects approved by the School Buildings Board.

Capital Expenditure - Equipment / Furniture

An expenditure that is recorded as a capital asset because it is expected to benefit more than the current period and its value greater than \$5,000, e.g. photocopy machine and vehicle.

Cash Basis Accounting

A system of accounting in which transactions are recorded and revenues and expenses are recognized only when cash is received or paid. This type of accounting is not consistent with GAAP.

Chart of Accounts

A list of all accounts in the General Ledger which may be used.

Commitment

See encumbrance

Cost Centre

A segment of the District, identified by a unique code, for which expenses and revenues are accumulated, e.g. School or Department. See appendix in diagram.

Credit

This entry decreases asset (e.g. accounts receivable) and expense (e.g. general supplies) accounts. Conversely, this entry increases revenue (e.g. fees collected), liability (e.g. invoices) and the school's equity.

Cumulative Surplus / Deficit (Equity Position)

The accumulated balance of income less expenditure arising from operations, since the onset of operations. Also referred to as Accumulated Surplus / Deficit.

Debenture Debt

A long-term obligation due for construction projects, inclusive of principal and accrued interest.

Debit

An entry that increases an asset (e.g. bank deposit) or expense (e.g. textbooks). Conversely, this entry decreases revenue (e.g. fee refund to a student transferred to another school) or liability (e.g. bus pass fees owed to Transportation).

Debt Interest

The interest payment portion of a debenture debt payment.

Deferred Revenue

Prepayment for services not yet performed by the District that relate to revenue earned in the next fiscal period, e.g. fees, grants, tuition, rentals.

Deficit

Total expenditures are in excess of total revenues.

Depreciation

Refer to Amortization

District

A school district or regional division established pursuant to the current School Act or any predecessor Act or Ordinance School Act.

EDP (Electronic data processing)

Utilization of computers in recording, classifying, and summarizing data.

Encumbrance

The unpaid amount on a Purchase Order. The encumbrance amount represents an obligation for the District to pay the vendor. An example would be the amount owed on textbooks from Learning Resource Development Centre (LRDC), although some of the items could have been paid in previous months.

Equitability

The Christian virtue of equitability addresses the obligation that each person and group within the community has to contribute to the well being of all. It implies that all parts of the community have enough to sustain themselves. Equitability, though, is not the same as equality. Resources should be distributed proportionally according to needs and shared proportionally according to means.

Equity Position (Accumulated Surplus / Deficit)

The accumulated annual balance of income less expenditures arising from operations, since the onset of operations, can be either positive or negative.

NOTE: Certain funds that are held by the school in trust may not be considered to be included as a part of the school's equity amount. Examples of such funds would be items like caution fees, scholarships, year book deposits, special project funds, etc. Requests to exclude particular funds from the school's equity position must be made to Financial Services, and will be granted if the request is in compliance with Generally Accepted Accounting Principles.

Expense (Expenditure)

Costs obtain to provide goods or goods to assist in providing District Instruction.

F.T.E. (FTE)

Full Time Equivalent as used to describe staffing and enrolment figures, as opposed to head counts.

Financial Statements

Reports such as the balance sheet, income statement, and the statement of cash flows, which summarize the financial status and results of operations by the District.

Fiscal Year

The District's reporting year, covering a 12-month accounting period from September 1, to August 31.

Fixed Staff Cost

The cost of purchasing an FTE within a staff group, which is determined by the cost of the staff group, including benefits.

Fund (SFG)

A self-balancing set of accounts in one of three categories: operations, capital, or special purpose. These are designated, respectively, as fund 100, 200 and 300.

Funding Framework

The methodology by which Alberta Education funds all school jurisdictions within the province of Alberta.

GAAP (Generally Accepted Accounting Principles)

Rules that indicate acceptable accounting practices as determined by Canadian Institute of Chartered Accountants.

Grant Revenue

Revenues received in large measure through the Funding Framework but also from other provincial, federal and corporate sources.

IN (SFG) Inventory

Inventory expense from warehouse supplies.

Instructional Block

Funding provided by Alberta Education on a per student basis for the cost of principals, teachers, instructional support, staffs, learning resources, supplies, equipment and furnishings.

Invoice

A formal notification to a customer that payment for goods or services is due.

Journal Voucher Entry

A recording of a transaction where debits equal credits which includes a date and a description of the transaction. In SFG a Journal Voucher Entry is where school personnel are able to record accounting transactions, such as bank deposits, P-card expense transfers, and Prepaid Accounts adjustments.

Note:

A request to make a Journal Voucher Entry is usually to balance an account. Schools use the term “Journal Voucher Entry” to be consistent with SFG. The term “Journal Voucher Entry” is not necessarily related to errors.

SFG has 4 types of Journal Voucher Entries:

- JDR - Journal Debit
 - JCR - Journal Credit
- These are transactions entered manually by school personnel

- JGC - Journal Generated Credit
- JGD - Journal Generated Debit

These are transactions that occur when Reversing entries are requested, usually to set up a Balance Forward at the beginning of a new fiscal period. Schools normally do not use this function.

LAB (SFG) Labor

Maintenance labour expense originating from Maintenance Upgrading Requisition.

Lease

A contract that specifies the terms under which the owner of an asset (the lessor) agrees to transfer the right to use the asset to another party (the lessee).

Lessee

The party that is granted the right to use property under the terms of a lease.

Lessor

The owner of property that is rented (leased) to another party.

Liabilities

Obligations that represent amounts owed to creditors, governments, employees, and other parties, e.g. accounts payable, GST payable, income tax payable, etc.

Object (SFG)

The identification of an asset (cash), liability (accounts payable), revenue (fees), or expense (printing) by a 4 digit code.

Operational Dollars (Schools)

Funds remaining after fixed staff costs have been deducted from total allocations, e.g. \$1,000,000 less \$900,000 equals \$100,000, which are the operating dollars.

Organizational Structure

Lines of authority and responsibility.

PAY (SFG) Payroll

Distribution of staff costs from the District payroll system.

Period Ending

A financial position reported to the end of a specific date.

Petty Cash Fund

A separate cash fund for the payment of minor items when payment by cheque is impractical.

Prepaid Expenses

Future services secured and supplies purchased to be used in the next fiscal period.
e.g. Printing work completed and paid in August for September.

Program (SFG)

The most general level of events within a cost centre, designated by a 3-digit code. See appendix for diagram.

Purchase Order

A contractual obligation sent to a vendor who represents the formal placement of an order for materials or services. The Purchase Order originates from a purchase requisition.

Purchase Requisition

An internal form used by a school or department requesting the purchasing agent to place an order with a vendor. A purchase requisition evolves into a Purchase Order.

Revenue

A source of income from selling goods or services.
e.g. grants, sales, leases, registration fees

STK (SFG) Stock

Electronics inventory item expense.

School Generated Fund

Funds that are generated by the school. These funds are the responsibility of the school principal and relate to student activities.

SFG (Cayenta formally SFG Technologies)

The vendor who provides the school district with the financial information software, currently in use today.

Statement of Earnings (Income statement)

The financial statement that summarizes the revenues and expenses incurred by a Cost Centre during a period of time.

Subprogram (SFG)

An extension of a program in a higher level of detail denoted by a 3-digit code. See appendix for diagram.

Support Block

Funding provided by Alberta Education for the cost of: plant operations and maintenance, board governance, system administration, student transportation, and equipment and facilities.

Surplus

Total revenues in excess of total expenditures.

APPENDIX

1. SFG demonstrates operational account activities using a string of 14 numbers.

e.g. Fund \Rightarrow Center \Rightarrow Program \Rightarrow Object
1 0 0 (Operations) 0 4 0 4 (O'Leary) 3 0 3 (Athletics) 6 0 3 5 (Supplies)

OR

Sub-program
4 6 0 (Basketball)

OR

Activity

8 0 0 (Basketball-Senior Girls)

2. SFG demonstrates balance sheet items using a string of 11 numbers

e.g. Fund \Rightarrow Center \Rightarrow Object
1 0 0 (Operations) 0 0 4 7 (St Maria Goretti) 2 1 0 (Bank)

Appendix 2: Information Regarding the Funding Framework

All Student Instruction

All student instruction includes classroom instruction together with school based instructions support (school secretary, principal and assistant principal administration time, school supports, etc.)

System Instructional Support

System Instruction support includes salaries, benefits and other costs related to supports provided to schools from Learning Support Services, Religious Education Services, Leadership Services, Educational Planning and Administrative Support Services, School Operation Services, Human Resource Services, Educational and Administrative Technology Services, Employee and Family Assistance Program, and Aboriginal Learning Services.

It should be noted that many of the Services provided by the previously mentioned departments are charged to Board Governance and System Administration and only those costs that are directly related to school instruction are “charged” to System Instruction Support. As an example, 0.3 FTE of the Assistant Superintendent - Leadership Services is charged to System Administration with the remainder being charged to System Instruction Support.

Mild/Moderate – Gifted and Talented

Mild/Moderate – Gifted and Talented relates to costs associated with educating students coded with mild/moderate needs or coded as gifted and talented.

Severe Disabled

Severe disabled relates to costs associated with educating students coded as severe disabled.

AISI

AISI relates to costs associated with AISI programs.

Limitations to Funding Framework

The renewed Funding Framework provides school jurisdictions with flexibility to allocate funds to programs that meet the educational needs of their students and address local needs. While every effort has been made to provide maximum flexibility to school jurisdictions, a minimal number of restrictions apply in certain funding areas.

LIMITATIONS:

1. The maximum expenditure for system administration and board governance will continue to be between 4.0 and 6.0 percent depending on the student enrolment of the school jurisdiction. To determine the maximum expenditure the applicable percentage is applied to a jurisdictions total

expenditures as outlined in the Guidelines published by the School Reporting Branch. (For Edmonton Catholic Schools the maximum allowable is 4%).

2. Transfers of Alberta learning revenues into or out of Operations and Maintenance and/or School Capital is not permitted as these funding areas are the responsibility of Alberta Infrastructure.

3. Funding provided to support kindergarten to Grade 12 programs cannot be used to support courses, programs or training for adults (20 years and older). Please see Policy 1.9.2 of the K-12 Learning System Policy, Regulations and Forms Manual for more details.

4. Funding for the following provincial initiatives: the Alberta Initiative for School Improvement, the Student Health Initiative and High Speed Networking; must be spent on the program for which it was provided.

5. Given the nature of the following funding areas, it is not possible to utilize the funding for purposes other than for which it was provided: Program Unit Funding, Francophone Education Funding, French Language Funding, Institutional Programs Funding, Regional Educational Consulting Services Funding, Learning Resources Credit, Regional Consortium Funding, and Debt Retirement.



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