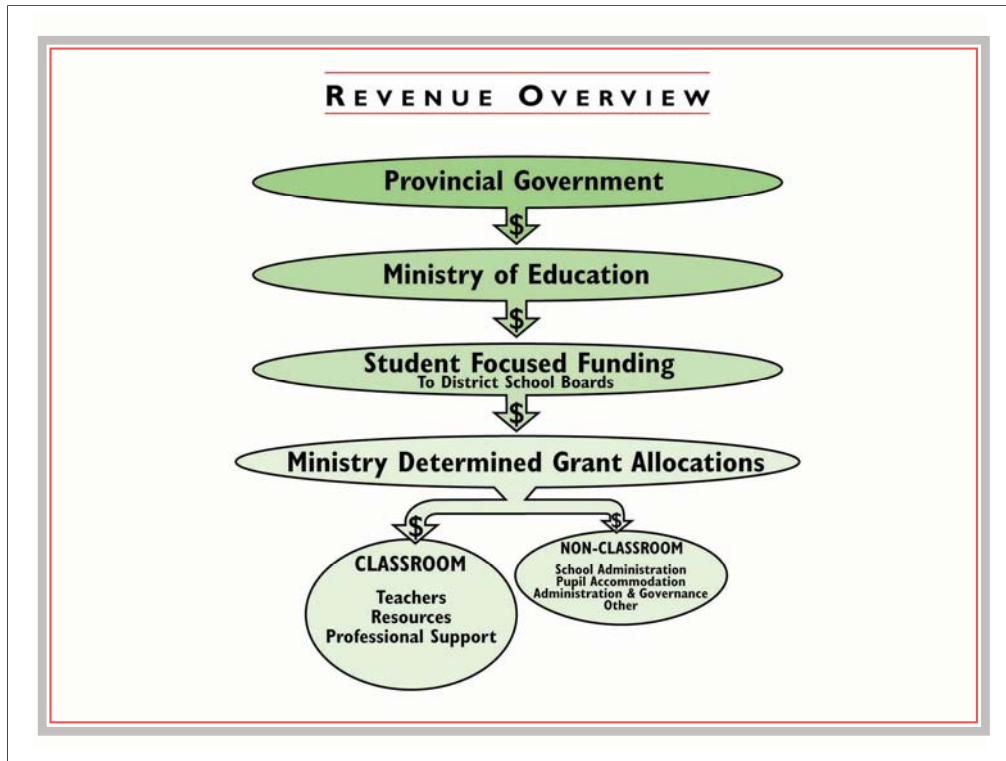


The budget process involves a team of finance staff who spend months gathering information from the Ministry and from the system. This information helps us in determining enrolments, calculating grants and other funding, and ensuring that we have budgeted for appropriate staffing levels, salary and benefits amounts, and all other expenditure areas of the Board. We take the funding the Ministry provides, along with their requirements for allocating this funding, and endeavor to balance our expenditure levels with this funding. Because the budget process is busy and complex, it is often not easily understood by those who are not involved in its detailed calculating and analysis.

It is critical, therefore, to connect with all of our system partners and align ourselves with the Board's mission, vision and values in this process. We are working to find ways to enhance our relationships by sharing information and being inclusive in our budget process. It is our hope that the information in this presentation will help you to have a better understanding of the grants we receive and the budget process we follow.



Where does the money come from?

In 1998-1999, the Province of Ontario put in place student-focused funding for elementary and secondary education. Under this new funding approach, the Province took over full control of education funding by removing the school boards' right to tax local property owners.

It is the Ministry of Education who is responsible for determining how much money school boards have to spend. (with the exception of some small amounts of miscellaneous revenue) all of our funding is determined by the Province of Ontario. Property taxes still support education and municipalities still collect these taxes for this purpose. However, school boards no longer raise additional revenue from local property taxes. Provincial Funding determines each board's overall funding allocation. Property tax revenues provide a part of the allocation. The province provides the remaining funding up to the level set by education funding model.

This funding structure is known as the Grants for Student Needs. Once the total funding for each board is calculated, the funding model then determines how much money will go into the classroom (to cover costs such as teachers' salaries, various learning resources and professional student supports) and how much money will go toward non-classroom areas (to cover costs such as pupil accommodation, transportation, and administration and governance salaries/honoraria and expenses).

QUICK FACT
Student Enrolment
Drives Funding

FTE

% of time a student is in school

Full-time = 1.00 FTE

Part-time = 1.00 FTE x % in
school

JK/SK = .50 FTE

ADE

Averaging of student enrolments
from 2 different times.

FTE at October 31st x 50%

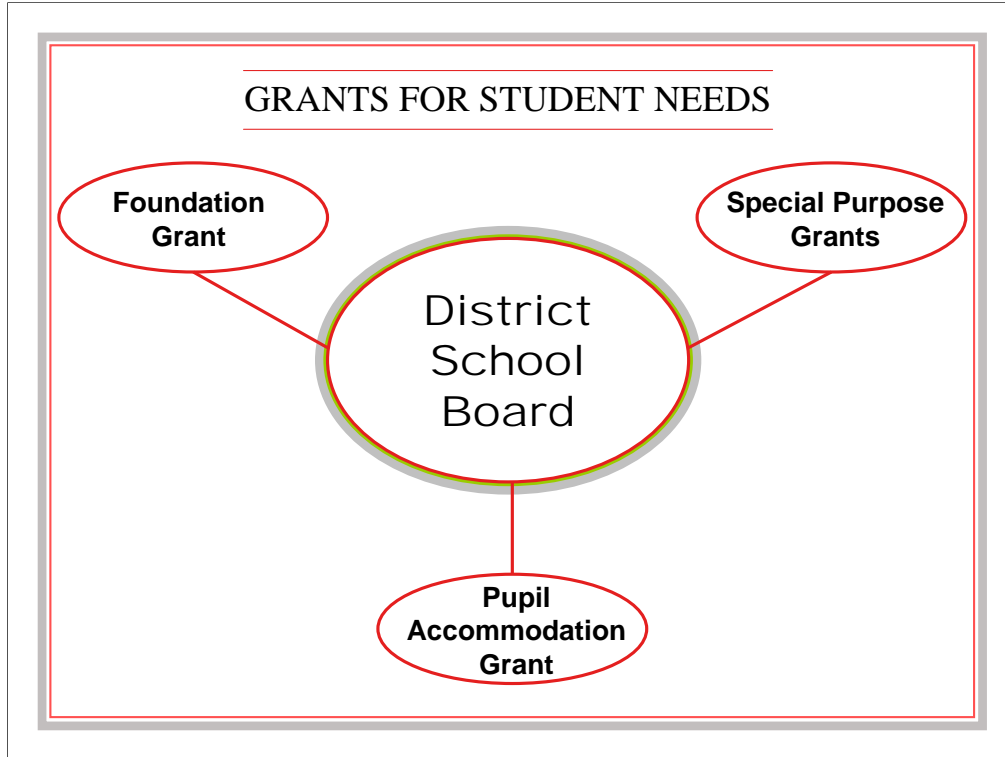
+

FTE at March 31st x 50%

The primary driver of the student-focused funding model is student enrolment. Simply said, the more students we have, the more funding we get. Before we look a little closer at student enrolment and the role it plays in establishing the budget revenues, it is important to have an understanding of the terminology used in describing enrolment.

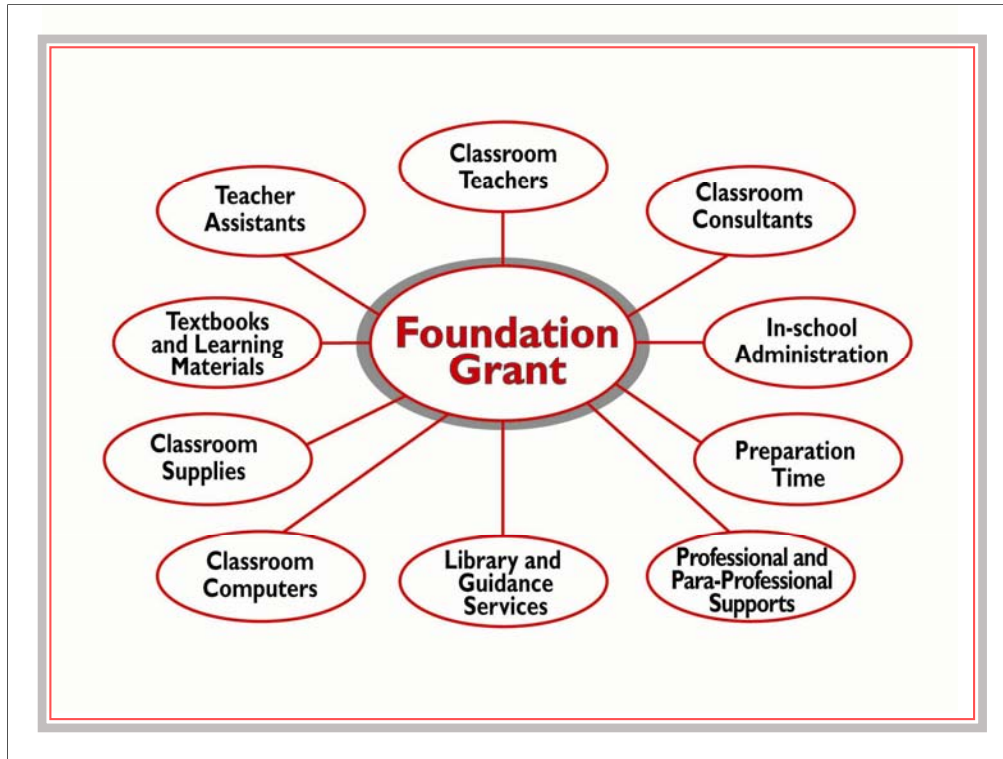
Firstly, we have FTE (Full-time Equivalent): this is the % of time a student is in school. A full-time student who is 100% in school, for example, is considered 1.00 FTE. A part-time student is considered to be the % of time in school x 1.00 FTE. The % of time in school is usually based on the number of credits taken. For JK/SK, however, they are .50 FTE as they are in school 1/2 of the school week.

Secondly, we have ADE (Average Daily Enrolment): which uses the average of the FTE at both the October 31st and March 31st enrolment counts of the school year. This ADE is used in the grant calculations.



How do Grants for Student Needs work?

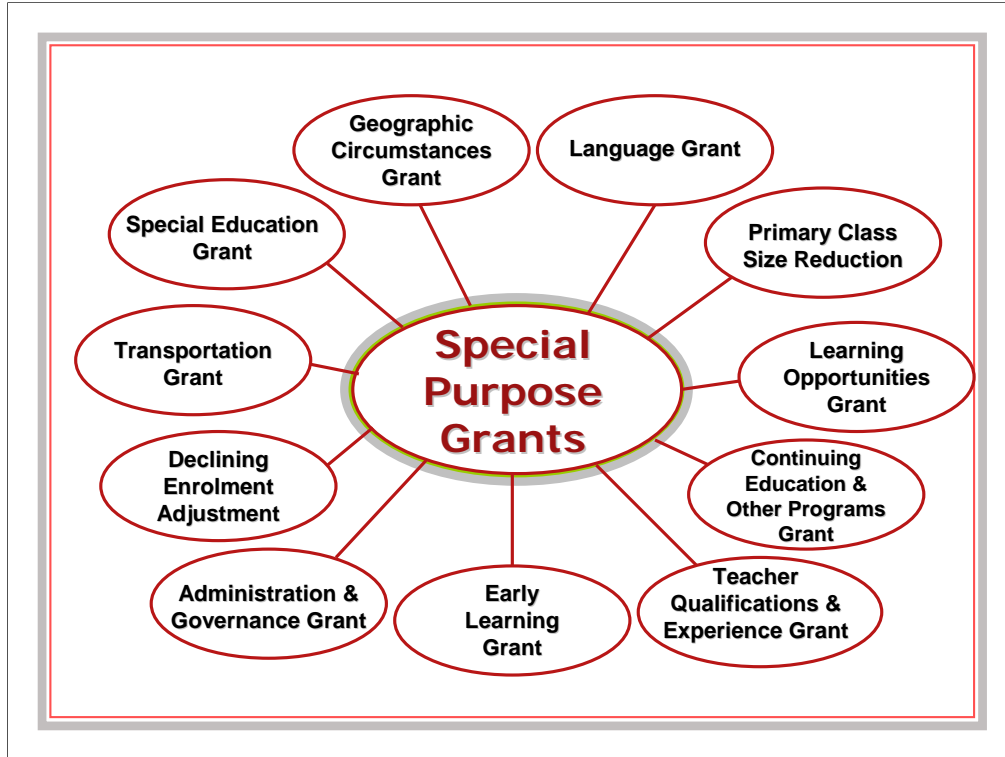
The Grants for Student Needs consist of a Foundation Grant, 11 Special Purpose Grants, and a Pupil Accommodation Grant.



Foundation Grant

This grant provides a base level of funding for each student. The Ministry determines a per student amount for each elementary student and for each secondary student. These per student amounts are the same for every school board in the province. The basic costs of education that are common to all students that are included in the Foundation Grant are:

- classroom teachers
- supply teachers
- preparation time
- educational assistants
- classroom supplies
- classroom computers
- textbooks and other learning resources
- library and guidance services
- classroom consultants
- professionals and paraprofessionals (such as psychologists, psycho-educational consultants, attendance counsellors, computer technicians)
- school administration (including principals, vice- principals, department heads and school secretaries)



In addition to the Foundation Grant, there are 11 Special Purpose Grants allocated by the Ministry. Looking specifically at some of the components of the Special Purpose Grant:

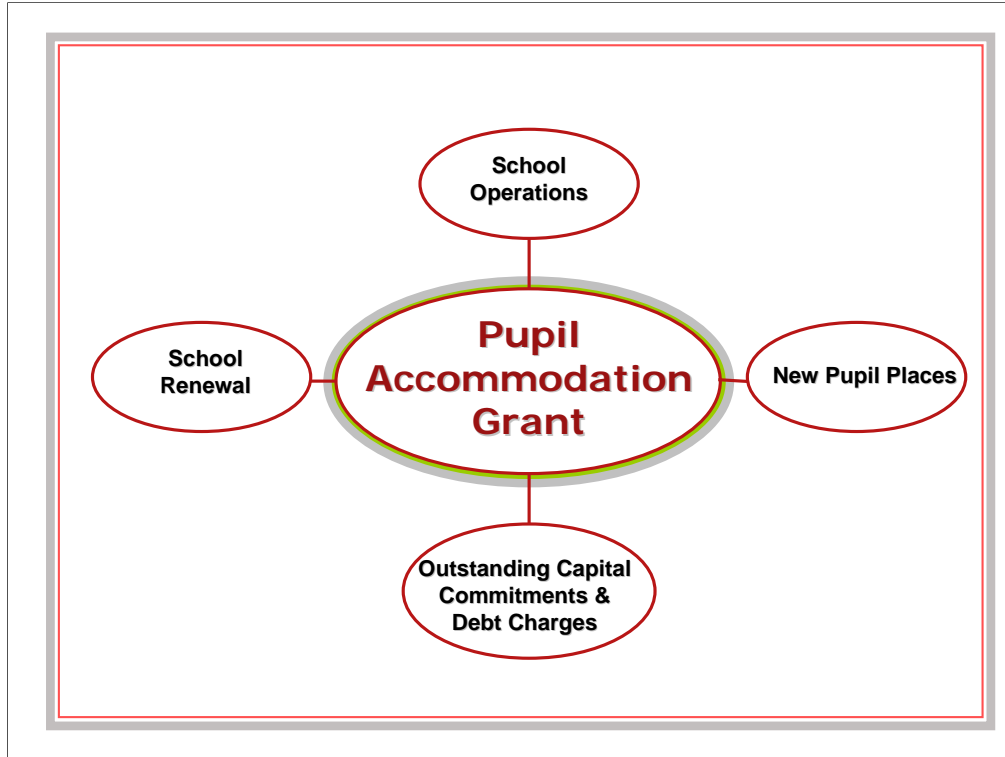
The Primary Class Size Reduction Amount is provided by the Ministry to reduce the class sizes for JK-Grade 3.

The government's goal is to reach a 20:1 ratio in 2007/2008.

The Special Education Grant provides funding for exceptional students and other students who need special education programs and supports.

The Teacher Qualifications and Experience Grant provides funding to boards that have teachers who, because of their qualifications and experience, have salaries above the benchmark level used to determine the Foundation Grant.

The School Board Administration and Governance Grant provides funding for administration and governance costs, including the costs of operating board offices and central facilities. This category of funding provides for all board-based staff and expenditures, including supervisory officers and their secretarial support.



Pupil Accommodation Grant:

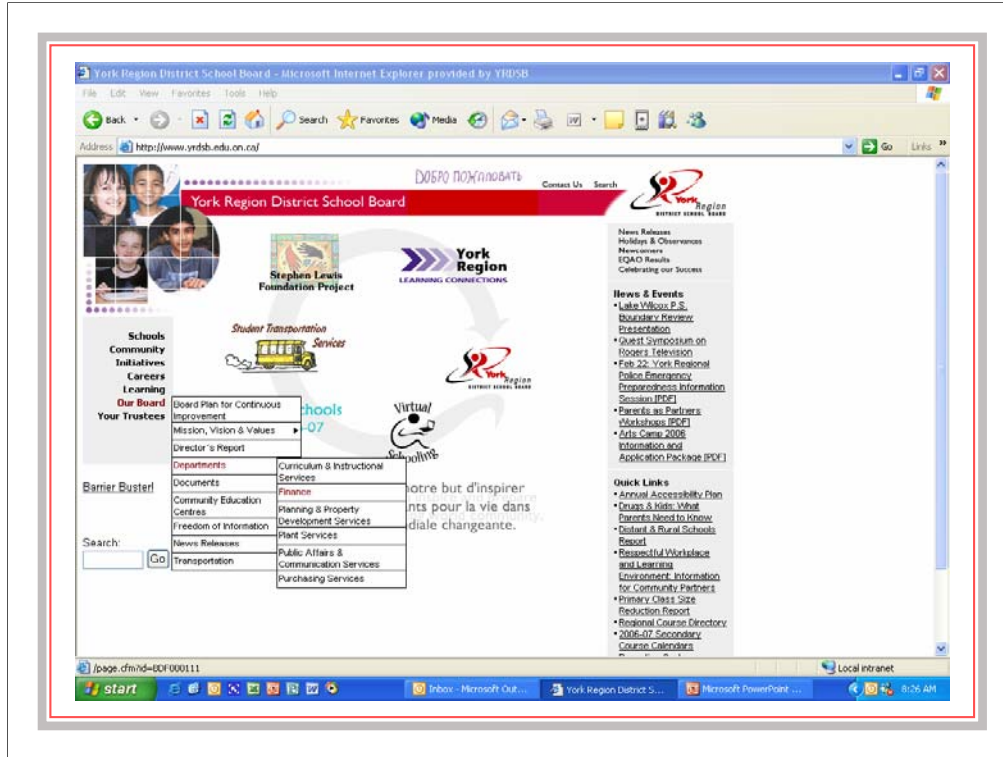
The Pupil Accommodation Grant is allocated by the Ministry for the costs of operating and maintaining schools and providing new classroom accommodation where required.

The School Operations Allocation is applied to the heating, lighting, cleaning and other routine maintenance of schools, including the cost of caretakers and maintenance staff .

The School Renewal Allocation is applied to renovations and repairs of schools.

This grant is also based on the number of students we have and it is allocated based on square footage per student depending on the age of each facility.

The New Pupil Places Allocation is allocated by the Ministry for new schools or additions where school boards have used all existing school buildings effectively and cannot accommodate growth in student enrolment without new buildings and additions. The New Pupil Places allocation provides funding to support the financing of construction costs over 25 years.



We hope that this budget Quick Facts presentation has provided you with a better understanding of how the Board's operations are funded, and where these funds are spent. If you would like more information on the Board's budget, as well as a more detailed look at the various revenue and expenditure allocations, an electronic version of the 2005-2006 Budget Book is posted on the York Region District School Board's website at www.yrdsb.edu.on.ca. Click on the link for Our Board, select Departments from the drop-down list, and click on the Finance link.