

**BC MINISTRY OF EDUCATION**  
**FUNDING ALLOCATION SYSTEM TECHNICAL REVIEW COMMITTEE**  
**TERMS OF REFERENCE**  
**Revised September 2015**

**Strategic Context – *Capable young people thriving in a rapidly changing world***

The purpose of the BC K-12 education system is to enable our province’s students to develop individual potential and to acquire the knowledge, skills and abilities needed to contribute to a healthy society and a prosperous and sustainable economy (Ministry of Education Service Plan).

The Ministry of Education provides leadership to the K-12 education system through governance, legislation, policy and standards; and distributes funding to support effective school district delivery of education services in alignment with our co-governance objectives and the objectives of the BC Education Plan.

B.C.’s Education Plan envisions a more flexible and dynamic education system in which students are more engaged and better prepared for their life’s journey. The focus for this transformation is the movement to increasingly personalized learning, which is enabled and supported by quality teaching and learning, flexibility and choice, high standards and learning empowered by technology (Education Plan).

In this context, the Ministry of Education allocates operating grant funding to public school districts using a simplified, comprehensive and transparent student-based formula that was implemented in 2002/03, replacing the previous cost-based formula. In accordance with the *School Act*, school districts have the autonomy and flexibility to spend their operating grant according to local needs and district priorities. Targeted funds may require districts to spend in accordance with specific provincial education system transformation objectives.

The Technical Review Committee (“the Committee”) comprised of representatives from key education partner associations is convened annually to examine the operating grant funding allocation formula for continued relevance, appropriateness and effectiveness, and consistency with agreed funding principles.

**Committee Purpose and Accountability:**

The purpose of the Technical Review Committee is to review the school district funding allocation formula, in order to identify issues and opportunities, and provide advice and recommendations to the Minister of Education on changes to the method and/or formula used to allocate funds to school districts for public education.

The Committee will provide a written report to the Deputy Minister through the Chair in providing its advice and recommendations to the Minister. Education partner-appointed members are not accountable to their associations in performing their role on the Committee. Members bring their experience and expertise to the Committee in order to provide advice in support of province-wide education system objectives.

**Funding Principles and Assumptions**

The funding formula is based primarily on a per FTE funding amount (approximately 80% of total funding), with supplementary grants for special needs, English language learning,

Aboriginal education, teacher salary differentials, enrolment decline, and unique geographic factors. These components together generate a total operating grant funding level for each district.

The Committee makes recommendations to improve the funding formula that consider and are consistent with the following principles: equity, efficiency, consistency, transparency, flexibility, autonomy and stability/predictability. And for further clarity, to ensure that the formula:

- facilitates equitable access to high quality education services in all districts
- encourages the efficient use of funds
- can be applied consistently to all school districts
- is transparent and easily understood by boards of education and the public
- provides school districts flexibility and autonomy over the spending of their operating grant allocation in the delivery of education services
- provides boards of education with a stable, predictable funding allocation system that supports boards in multi-year planning

Overall, Committee recommendations will be consistent with and support the achievement of education objectives as set out in the strategic context section of this Terms of Reference.

Assumptions:

- the formula applies only to the available funding authorized by the Ministry's budget for the operating grant or "block"
- the formula will primarily allocate funding based on student enrolment

### **Committee Composition and Operations:**

This Committee will consist of four representatives from each of the following stakeholder organizations:

- BC Association of School Business Officials (BCASBO),
  - BC School Superintendents' Association (BCSSA),
- and three representatives from the Ministry of Education.

The Ministry requests these associations to provide representatives to the Committee (annually) who can provide a balance of expertise and experience and who can represent a full range of district types in TRC discussions, i.e. Rural/Urban; Extra Small/Small/Medium/Large; and different geographic regions.

Committee structure:

- Chair – will be the Assistant Deputy Minister, Resource Management Division, Ministry of Education.
- Alternate Chair – will be the Director, Funding and Allocation Branch, Ministry of Education, who will support meeting preparation and management.
- Secretariat support – will be provided by the Senior Policy & Funding Analyst, Funding and Allocation Branch, Ministry of Education

## **Roles and Responsibilities**

The Committee will:

- 1) Review elements of the funding allocation formula as directed by the Minister of Education;
- 2) Review elements of the funding allocation formula that the Committee members identify (related to new/emerging issues; availability of new/relevant data, or a new program/policy that may benefit from a funding formula consideration, or other reasons);
- 3) Develop an annual work plan, and establish a meeting schedule that ensures recommendations are provided to meet necessary funding calculation and publication timelines;
- 4) Consider ad hoc issues outside the work plan as directed by the Minister;
- 5) Provide advice and recommendations in writing via approval of Committee minutes and summary reports; and
- 6) Committee members maintain confidentiality of options deliberated during the review of the funding formula.

## **Consultation and Communication**

The Committee and/or the Ministry will consult with education partners/stakeholders regarding the annual funding allocation formula review using approaches appropriate to the issue and available time to consult:

- The Committee will consider the need for consultation at each meeting (as a standing agenda item).
- Ministry representatives will consult with Ministry program areas to bring forward emerging issues/initiatives that may have implications for the funding formula.
- Consultation will be undertaken, as appropriate, with school districts, BCASBO Executive, BCSSA Executive and the British Columbia School Trustees' Association (BCSTA) Executive, and each association's members as required, on interests and concerns regarding the funding allocation formula during the annual review process.

Terms of Reference revised: September 29, 2015.

The Terms of Reference will be reviewed annually.