British Columbia

Funding Model Implementation
PROGRESS REPORT

JUNE 2019

The Ministry is pleased to provide Boards of Education, district staff and partner groups with an update on progress of the Working Groups, Advisory Committee and internal review of the Independent Review Panel's 22 recommendations to improve K-12 public education funding.

Background

In October 2017, the Minister of Education announced the K-12 Public Education Funding Review. The funding review was a Government platform commitment identified in the Minister's mandate letter from the Premier. The review was announced in response to many years of input by education partners that the current funding allocation system is not working well. In particular, the BC School Trustees Association has passed many years of resolutions that the current funding system is not meeting the needs of their students and school districts.

In February 2018, the Minister appointed an Independent Review Panel (the Panel) to review the current funding model which annually allocates more than $5.65 billion in provincial funding to Boards of Education through operating and special purpose grants. The Ministry worked closely with the BC School Trustees Association – as co-governors of the system – to establish a statement of purpose and guiding principles for the new model. The Panel carried out extensive consultation between February and June of 2018:

- All 60 school districts provided input to the K-12 Public Education Funding Review through regional working sessions and/or written submissions;

- Twelve regional sessions were held for Board Chairs, Superintendents, and Secretary Treasurers, with 59 school districts participating in the sessions;

- More than 350 written submissions were received and reviewed; and

- Over 12 other partner and stakeholder organizations had one-on-one meetings with the Panel.

Based on what the Panel heard through their engagement process, the Panel provided their report and 22 recommendations to the Minister in August 2018. The Minister studied the recommendations over the fall and released the report in December 2018.

As the Panel's report outlines, an equitable funding allocation system needs to be aligned with accountability for student achievement, financial management and program policy improvements, which together support an education system committed to improving outcomes for all students regardless of where they live or their background. The Panel recommendations across these areas emphasize the need for the Ministry to align efforts across multiple areas within the Ministry. The Ministry also needs to ensure we continue to engage with our education partners through Working Groups and an Advisory Committee to identify potential implications associated with implementation of the recommendations.

The Minister announced in December that additional work would be completed in the 2019-20 school year to allow time for the Ministry and partner groups to review the recommendations and determine the best path forward for 2020-21. This work continues to be guided by the statement of purpose and guiding principles established jointly by the BC School Trustees Association and Government.

Since the report was released in December 2018, the Ministry has held a partner forum on February 15, 2019, formed Working Groups and an Advisory Committee, presented at numerous partner organization events and received and responded to submissions and queries regarding the report, recommendations and next steps in the process.

Implementation Working Groups and Advisory Committee

Four Working Groups have been established (Adult and Continuing Education, Financial Management, Inclusive Education and Online Learning – see **Appendix A** for the membership of the working groups). Along with the Working Groups, there is also an Advisory Committee for Enhancing Student Learning. Through these groups, education partners and Ministry staff are assessing the implications of the Panel's recommendations and are discussing ways to address those implications (see **Appendix B** for a list of recommendations). They are being supported by Ministry program leads and the Ministry Executive when required.

The work to assess how best to proceed with the 22 recommendations in the report is extensive, with a clear focus on creating a system that will be equitable, predictable and fair for school districts, staff and sector partners. This means not only seeking to improve the equitable allocation of funding, but also ensuring that the policies, procedures and legislative framework that support funding allocations will meet the needs of students and their families.

As part of this process, Ministry staff are responsible for:

- Building draft policy and program documentation (to accompany potential funding changes) informed by the Working Groups and partner input;

- Ensuring there is coordination and alignment across all the Working Groups;

- Seeking direction on key issues and questions when required;

- Communicating to, engaging with and providing status updates to education partners; and

- Undertaking technical modelling of potential new funding formulae, informed by the Working Groups and partner input.

Working Groups are responsible for:

- Outlining how to best educate partners and stakeholders on the current funding system and the proposed changes;

- Completing a reporting template that identifies implications associated with implementing the recommendations and discusses strategies for how best to successfully move forward; and

- Submitting the reporting template to the Minister of Education by Fall, 2019.

Working Group and Committee Progress Updates

Progress updates follow from each of the four Working Groups as they consider key implementation issues related to the Panel's recommendations. An update from the Advisory Committee for Enhancing Student Learning is also included.

Adult and Continuing Education Working Group

Recommendation 11

Co-Chairs: Debbie Jeffrey and Emilie Hillier

The Adult and Continuing Education Working Group has met three times. The group has:

- Defined challenges and opportunities of existing program structures for Adult and Continuing Education;

- Discussed the vision for Adult Education, as a foundation for program and funding policy;

- Analyzed relevant data, such as demographics of adult students and their educational outcomes, to articulate/provide evidence on the current successes and challenges;

- Developed three student profiles to better understand the range of learners in Adult Education programs, their learning needs, and their goals;

- Provided advice on key policy questions related to Adult Education, from a system, district, and school perspective;

- Defined positive and negative implications for different funding approaches. Suggested mitigations for potential issues arising from different funding approaches; and

- Identified possible indicators of success for adult programs and students, including completion and transition rates.

Financial Management Working Group

Recommendations 18, 19, 20

Co-Chairs: Joan Axford and Kim Horn

The Financial Management Working Group has met four times. The group has explored and discussed how best to improve transparency, accountability, and communication at all levels, while considering workload issues that could result from any additional reporting requirements. The Working Group has determined:

- The financial management cycle should start with strategic planning at the Ministry, district and school levels with resource allocation plans that align with strategic plans;

- There needs to be a well-understood process to inform government about potential cost pressures, including the factors and criteria that should be considered in the annual provincial budget process and shared understanding of the annual budget;

- A three-year planning cycle will require knowledge of the key assumptions for funding and risks; and

- The sector should be accountable at all levels for the resources provided, the resulting services for students and student outcomes. Development of and attention to financial management policies should include reporting and monitoring of reserves.

Specific areas being reviewed and discussed include:

- The need for a simple, easy-to-understand document that accompanies school district budgets and financial statements demonstrating how resources are being allocated towards key goals/objectives;

- Provincial policies for school district reserves;

- Supportive guidelines and tools to help school districts plan and report;

- Criteria to consider as part of the annual Provincial budget process (i.e. cost pressures to sustain services, changes to inclusion or geographic data, implications of any legislative, policy and/or regulatory changes); and

- Provincial policies to support consistency in financial planning and reporting efforts.

Inclusive Education Working Group

Recommendation 6

Co-Chairs: Piet Langstraat and Cloe Nicholls

The Inclusive Education Working Group has met four times and has determined:

- Overall systems implications to implementing a new Inclusive Education Supplement;

- Approaches for a new complex needs/high-cost category and the implications of implementing each approach;

- Implications of implementing a partial prevalence-based model in the BC context, including access to reliable third-party data, other potential data sources, and the implications on student supports and services; and

- Impacts of the proposed funding model on accountability measures, including accountability for parents and communities.

Future Working Group meetings will focus on summarizing the approaches and implications discussed to date and preparing the final report. The Working Group will also consider how to continue to track student outcomes in a new model; and how to shift student assessments from being a funding requirement to being done for the purpose of supporting student educational needs.

Through the Co-Chairs, the Working Group has received input and letters on a range of topics, including accountability in the system, requesting clarity on student assessments, the impacts of prevalence models in other jurisdictions and addressing overall funding needs within inclusive education. In addition to the Working Group's efforts, Ministry staff are reviewing the Special Education Policy Manual (last major revision 2002) and related Ministerial Orders to ensure that potential changes will be supported by robust legislation and policy. The Ministry will also work concurrently with partner groups to develop a guidebook for parents and caregivers that will explain the Inclusive Education polices and funding as well as general expectations for equitable services and supports.

Online Learning Working Group

Recommendation 10

Co-Chairs: Mike McKay and Eleanor Liddy

The Online Learning Working Group has met three times and has also established online engagement opportunities for Working Group members to contribute to a dialogue between in-person meetings. To date, the group has explored and provided feedback on:

- Student profiles for the range of learners accessing online learning opportunities;

- Implications of the relationship between Recommendation 10 and other Recommendations;

- A description of a "student journey" that identifies the elements necessary to ensure a quality flexible learning environment. This description was initially

developed in consultation with participants at the recent 2019 Digital Learning Symposium distributed learning conference;

- The articulation of a vision for a flexible learning design that continues to serve its current students while also ensuring that quality programs and services are accessible to all students; and

- Different concepts for program delivery based on elements of the quality flexible learning initiative.

Advisory Committee for Enhancing Student Learning

Recommendations 12, 13, 14

Chair: Keith Godin

The Framework for Enhancing Student Learning is focused on outcome-based performance measures and ensuring school districts are taking an in-depth look at how students are doing with intellectual, human and social and career development.

Recognizing that many Boards already do strategic planning, this Advisory Committee for Enhancing Student Learning aims to align all efforts across the sector to some common values, outcomes, and measures, while fully respecting local autonomy to deliver education. The purpose of this Advisory Committee is to:

- Create a system-wide focus on continuously improving educational outcomes for all students, with clear accountability across the education community;

- Improve equity for Indigenous students, children in care, and students with diverse abilities or disabilities;

- Provide guidance and recommendations on implementing the Framework for Enhancing Student Learning policy;

- Review and provide guidance on the educational outcomes and measures that will be included in the policy;

- Provide guidance and recommendations on capacity building in the sector; and

- Provide guidance and advice on implementing Funding Model Review recommendations 12, 13, and 14.

The Advisory Committee has met three times and will continue to meet on an ongoing basis at least 6 times per year.

In addition to establishing the Advisory Committee for Enhancing Student Learning, the Ministry has:

- Reviewed current school district and individual school strategic plans;

- Started an extensive consultative process to engage Indigenous rights-holders, partners and key stakeholders across the sector to identify some common values; determine what the proposed five sector-wide educational outcomes and measures should be; and identify opportunities for capacity building across the sector;

- Proposed five sector-wide educational outcomes based on consultation and common values across the sector;

- Proposed one to three measures for each of the five proposed sector-wide educational outcomes; and

- Started to support and work collaboratively with school districts on new opportunities to build capacity.

Remaining Recommendations

The recommendations that are not specifically being reviewed by the Working Groups and Advisory Committee are the focus of planning, policy development and technical modelling by Ministry staff. This work involves key concepts such as how funding could be calculated, incorporating data from various sources and considering how best to update relevant policies and procedures (e.g. targeted funding for Indigenous learners). To inform this work, the Ministry is undertaking a small project in collaboration with a number of volunteer school districts. This project has two key objectives:

1. Understand the amount of administrative time and effort that goes into accessing funding through the current funding allocation system (e.g. enrolment claims, data management, assessing, diagnosing and reporting students with special needs, compliance audit preparation, etc.); and

2. Refine key concepts associated with the proposed funding model changes by working with Ministry staff on modelling out certain elements of the proposed changes and providing feedback (e.g. targeted funding for Indigenous learners, inclusive education, unique district, headcount, etc.).

Once this work is wrapped up and Working Group reports have been received and reviewed, the Ministry will be better positioned to move forward with further modelling and policy development and share this work broadly with school districts and other sector partners.

Next Steps

The Ministry will continue to support the four Working Groups through the spring and summer as they wrap up discussions and finalize input for their reporting templates that are due in Fall 2019. Once all Working Group reporting templates have been completed, the Ministry will hold a second All Partners' Meeting in the fall to review what was heard and discussed through the Working Group processes. Ministry staff will then work with Government to determine next steps around implementation.

Many partner groups have asked for clarification on whether the quantum of funding invested in K-12 public education will increase. The focus of the work right now is to ensure that the allocation of funding to Boards of Education is equitable and that there is both transparency and accountability for how the dollars are spent. Once this foundational work is complete, Government can then turn its attention to the amount of funds to invest in K-12 public education through the annual budgeting process.

The Ministry recognizes that a number of partner organizations have asked detailed questions about the proposed funding allocation system and how it would be implemented. Ministry staff are tracking these questions and working to develop a set of responses that will be shared broadly with partners to help provide clarity. Further engagement opportunities will take place in the fall through conferences to inform local planning and budgeting processes.

Appendix A – Membership by Working Group

Partner Organization	Adult & Continuing Education Working Group	Inclusive Education Working Group	Financial Management Working Group	Online Learning Working Group
British Columbia School Trustees Association (BCSTA)	✓	✓	✓	✓
BC School Superintendents Association (BCSSA)	✓	✓	✓	✓
BC Association of School Business Officials (BCASBO)	✓	✓	✓	✓
British Columbia Principals' & Vice-Principals' Association (BCPVPA)	✓	✓	✓	✓
British Columbia Council of Administrators of Special Education (BC CASE)		✓		
BC Confederation of Parent Advisory Councils (BCCPAC)	✓	✓	✓	✓
BC Distributed Learning Administrator's Association (BCDLAA)				✓
BC School District Continuing Education Directors Association (BCSDCEDA)	✓			
BC Teachers' Federation (BCTF)	✓	✓	✓	✓
BCEdAccess		✓		
Canadian Union of Public Employees BC (CUPE BC)	✓	✓	✓	✓
English Language Learning Consortium		✓		
First Nations Education Steering Committee (FNESC)	✓	✓	✓	✓

Partner Organization	Adult & Continuing Education Working Group	Inclusive Education Working Group	Financial Management Working Group	Online Learning Working Group
Family Support Institute of BC (FSI)		✓		
Inclusion BC		✓		
Independent Experts			✓	
Metis Nation BC	✓	✓	✓	✓
Ministry of Advanced Education, Skills and Training	✓			
Office of the Auditor General			✓	
Representative for Children and Youth		✓		
Rural Education Advisory Committee (REAC)	✓	✓	✓	✓

Appendix B - List of Recommendations being Reviewed by Working Group, Committee or Ministry of Education

Recommendation Number	Summary of Recommendations	Group
1	Allocate funding for Indigenous students, unique district characteristics, and inclusive education first. The remainder will be allocated on a per-student basis.	Ministry Inclusive Education
2	Targeted funding for Indigenous learners, with a minimum level of spending.	Ministry
3	Ministry to work with FNESC to revise Indigenous Education funding policy.	Ministry
4	Existing funding for geographic factors consolidated into a new supplement with two components: unique school and unique SD.	Ministry
5	Replace enrolment decline and funding protection with a transitional mechanism to manage effects of enrolment decline.	Ministry
6	Combine current special needs, ELL/FLL, vulnerable student funding into a single Inclusive Education Supplement. Allocate funding through two components: assessment for high cost SPED students; prevalence model using population data for other students.	Inclusive Education
7	Ministry to work with the Conseil scolaire francophone de la Columbie-Britannique (CSF) to develop a unique SD factor for CSF, considering recommendations 4, 5, and 6.	Ministry
8	Eliminate the Classroom Enhancement Fund and redirect funding to operating grants.	Ministry
9	Base funding allocations for school-age programming on the number of students, rather than the number of courses. Phase in by 2020/21.	Ministry
10	Develop a new policy/delivery model for Distributed Learning.	Online Learning
11	Keep the following programs course based: graduated/non-graduated adults, CE, DL for adults only, summer school.	Adult and Continuing Education
12	Ministry establish provincial accountability and reporting framework. 3-5 specific, measurable, outcomes-focused, system-wide goals. Monitor SD progress on these goals.	Advisory Committee for Enhancing Student Learning

Recommendation Number	Summary of Recommendations	Group
13	Boards of Education develop strategic plans based on goals in recommendation 12.	Advisory Committee for Enhancing Student Learning
14	Boards strengthen planning processes: SD senior management develop operational plans to deliver on Board goals. SD senior management issue year-end reports at same time as financial statements.	Advisory Committee for Enhancing Student Learning
15	Shift focus of Compliance Audit Program from pure finance to quality assurance. Incorporate best practices on student outcomes, programs/services, operational management. Defer recovery of funding for one year.	Ministry
16	Ministry to provide provincial leadership/support to help governance/management capacity in SDs.	Ministry
17	Ministry to expand workforce planning project and work with SDs to establish a K-12 human capital plan.	Ministry
18	Ministry to identify cost pressures and new program expenditures, bring them to Treasury Board for quantum consideration.	Financial Management
19	Support multi-year financial planning. Government to issue 3-year operating grants. SDs develop 3-year financial plans.	Financial Management
20	Ministry to set provincial policies on governing SD reserves including a provincial range for unrestricted reserves.	Financial Management
21	No change to locally-generated revenue.	Ministry
22	Provide capital funding for expenditures not included in current program; or ensure SDs can establish reserves to save for select capital items.	Ministry