

Proposals for the 2012/13 TDSB Operating Budget

Every year all school boards in Ontario (including the Toronto District School Board) are required to submit by June 30 a balanced operating budget to the Minister of Education. This year, the TDSB Board of Trustees will be holding a meeting on June 13 to consider staff recommendations for the 2012/13 TDSB budget and to pass a budget.

TDSB has a yearly operating budget of about \$2.7 Billion. Roughly 80% of that amount is spent on school-based staff.

TDSB is facing a \$109M shortfall next year. This is the result of several factors, the three most significant being:

- reductions in Provincial funding other than those to expand new Ministry initiatives (eg. All day JK/SK),
- TDSB enrollment (increasing at primary grades but still decreasing at secondary as the last of the “echo” generation graduates), and
- student and community supports and services that TDSB has historically provided that go beyond those paid for by the Provincial funding formula (school pools, EAs, Model Schools of Inner Cities, etc.)

Somewhat awkwardly, we decide on the part of our operating budget dealing with school-staffing in March or very early April, and the rest of our operating budget in June. This is caused by our not receiving funding details from the Ministry until after the deadline that Principals need to plan for the start of school in September.

In early April, we considered that part of the TDSB budget related to school-based staffing. During that process we reduced spending by \$50M from this year's levels by reducing the number of Education Assistants, Vice-Principals, Secondary Teachers, and others.

On June 13 we will be meeting to set the final part of the operating budget. To balance the budget to revenue (as is required by the Education Act), we'll need to find ways to reduce spending in these areas by \$58M.

Our staff have recommended a series of changes from this year's budget. I have tried to summarize as accurately and clearly as possible so that you can let me know what you think of these possible changes.

This process has been a challenging one. Almost everything that we spend money on supports students and the community in some way. Almost anything that we reduce will remove some support from some students or sector of the broader community.

Our goal is to find ways to balance our operating budget with as little impact on the supports that we provide as possible.

I welcome your thoughts on this.

On May 31, Trustees Shelley Laskin (St Paul's), Gerri Gershon (Don Valley West), and I (Eglinton-Lawrence) will be hosting a community meeting to discuss the budget options facing us, and to hear your thoughts.

The meeting will be at North Toronto CI, May 31 at 7pm.

(NTCI is at 17 Broadway Ave., 2 blocks north and a little bit east of Yonge and Eglinton).

Howard Goodman
TDSB Trustee, Eglinton-Lawrence

TDSB Staff Recommendations - 2012/13 Operating Budget

Executive Office and Central Administration Reductions

Anticipated Savings = \$7.6M

1) Staff recommendation: Reduce the number of Family of Schools (FOS) from 24 to 20.

Background and Implications:

- TDSB schools are currently divided into 24 Family of Schools. A Superintendent and Facility Team Leader and their associated staffs manage every FOS.
- This recommendation will eliminate about 8% of central FOS staff positions (Superintendents, Facility Team Leaders, administrators, etc.) and increase the number of schools in each FOS.
- This would slightly decrease the oversight of, and assistance available to, individual schools and school Principals.
- This would slightly reduce our ability to quickly respond to concerns raised by parents.
- This would make implementation of TDSB policies more consistent across the city and make internal TDSB communications more efficient.
- This change will likely be handled by attrition

2) Staff recommendation: Eliminate FOS Literacy and Numeracy Advisor positions.

Background and Implications:

- For the past several years, the Province has funded literacy and numeracy advisors as part of an overall strategy to strengthen the capabilities of classroom teachers in these areas. Literacy and numeracy advisors coached teachers on effective teaching techniques. We had assigned one literacy and one numeracy advisor to each Family of Schools.

- Now that the Province has redefined its priorities and funding, staff recommend that these positions be eliminated.
- Staff don't expect to see any short-term effects from this change.
- The current Literacy and Numeracy Advisors would return to classroom teaching positions.

3) Staff recommendation: Restructure some Senior Administrator positions to reduce costs.

Background and Implications:

- This would reduce our ability to undertake central projects to plan for the future.
- Staff don't expect to see any short-term effects from this change.
- This reduction will be handled largely by attrition and reassignment.

Reduction in Non-Academic Central Departments:

Anticipated Savings = \$3.9M

Staff recommendation: Reduce the budget of "back-office" departments serving the needs of the Board by roughly 10%.

Background and Implications:

- "Back-office" departments include Accounting, Payroll, Employee Services, Purchasing, Facilities Services, Legal, Real Estate, Permits, Strategic Planning, IT Systems, Business Development, Trustee Support, and Communications.
- Staff don't expect that students or the public will notice much change in service, but service to employees may decrease and some central projects may be postponed or cancelled.
- This would be handled by renegotiating purchasing agreements, improving work processes, attrition, and staff re-assignment.

Transportation Department Restructuring

Anticipated Savings = \$0.9M

Staff recommendation: Eliminate the few bussing routes currently run directly by TDSB, and contract these to companies that already operate most of our bussing.

Background and Implications:

- While almost our entire student bussing is done under contract by bussing companies (Stock, Laidlaw, etc.), we have continued to run a number of TDSB-owned busses with TDSB staff.
- There will be no change in the level of service to students.
- Our current TDSB drivers will be given the opportunity to apply to our bussing contractor, or transfer to an open suitable job within TDSB.

Facilities Services Aligned to Funding

Anticipated Savings = \$9.9M

Staff recommendation: Change priorities and funding for school maintenance and repair to allow us to focus on the most pressing needs in our school buildings.

Background and Implications:

- TDSB 2011/12 operating budget spending on school repairs was \$70M. The proposal for 2012/13 is to spend \$60M.
- In each of the past few years we instructed staff to spend \$30M on major upgrades of windows and roofs, and about \$40M on other school repairs.
- Since so many windows and roofs have already been upgraded, our staff is recommending that next year we reduce this emphasis on windows and roofs and use all of the available \$60M budgeted for building repair to flexibly address the wide variety of minor and medium scale building repairs that are needed.
- Staff 's recommendation would also allow us to spend an additional \$30M on major building upgrades using our capital budget. The combined operating and capital spending on our buildings would increase by about \$20M (a reduction of about \$10M on the operating side, and an increase of about \$30M on the capital side).
- (Under accounting rules set by the Ministry, school boards must keep separate and distinct capital and operating budgets. The process that we are going through now deals only with our operating budget. Under the Education Act, we are required to submit a balanced operating budget to the Minister by June 30 each year.)

Adult Day School, Summer School, & Non-credit Courses

Anticipated Savings = \$0.5M

- 1) Staff recommendation: Increase the fees that we charge for non-Credit General Interest courses (as decided by the Board earlier this spring)
- 2) Staff recommendation: Reduce our Continuing Education administrative staff
- 3) Staff recommendation: Increase our delivery of on-line Summer School credits.

Background and Implications:

- All these courses are managed by our Continuing Education Department, which in 2011/2012 ran a \$2.2M deficit.
- Streamlining our registration processes should mean that there is no reduction in service to Continuing Education students.

- Adult Day School Credit Courses will be maintained, with exploration of increased on-line course delivery. (The Ministry grants for these courses are about 50% of the grants that are given for high school credit courses offered to students younger than 18.)
- These combined changes, combined with renewed marketing efforts, may result in an increased number and variety of both General Interest and Summer School courses offered.

School-Based Professional Development

Anticipated Savings = \$4.5M

Staff recommendation: Wherever possible, deliver professional development (PD) for teachers in a way that doesn't require us to hire a supply teacher.

Background and Implications:

- Staff plan to reduce the number of "off-site" PD sessions that we use, and rely more on "in school" delivery of PD.
- Embedded and school-based PD is likely to increase the quality of the PD delivered.
- This change would reduce the amount of days that the regular classroom teacher is away from her/his students.

Printing and Courier Service Reorganization

Anticipated Savings = \$1.0M

Staff recommendation: Acquire new more efficient equipment, negotiate more favourable supplier contracts, and streamline some of our courier processes.

Background and Implications:

- With 600 sites scattered throughout the City, we have a need to move many documents, many of them confidential. And with more than 250,000 students and reporting to a community of more than 2,500,000 people, we have considerable need to print and copy documents.
- There are no anticipated changes in courier and printing staff.
- There is not likely to be any change in service levels due to these changes.

Provincial "Broader Public Sector Expense" Rules

Anticipated Savings = \$0.2M

Staff recommendation: Strictly follow the new Provincial rules.

Background and Implications:

- Last year the Province set out rules for public sector expenses.

- To be transparent and accountable to the communities that we serve, TDSB and our schools hold literally thousands of public, community, and internal meetings each year, many of them in the evening or during lunch. The new rules will result in a modest reduction of what we spend on many of these meetings.
- There should be little noticeable change in how these meetings are run.

Moratorium on International Travel & Conference Expense (2012/13 only)

Anticipated Savings = \$1.0M

Staff recommendation: Impose a one-year moratorium on all but essential international travel.

Background and Implications:

- TDSB is one of the largest, most respected school boards in the world, and it is very important that our staff have opportunities to share insight and knowledge with other leading boards. However, given the current financial circumstances staff is recommending that there be a one-year moratorium on all but essential international travel.
- We would continue to welcome visitors from around the world to come here to learn from the excellent practices taking place in TDSB schools.
- There would be no noticeable short-term impact of this moratorium.

Secondment and Replacement Costs (2012/13 only)

Anticipated Savings = \$2.0M

Staff recommendation: Renegotiate the terms of arrangements with partner organizations (Ministry, faculties of education, etc.) to ensure that full salaries of seconded TDSB staff are covered by the partner organizations.

Background and Implications:

- Each year a number of TDSB staff are seconded to partner organizations for one to several year terms. This helps increase the capacity of our staff when they return to TDSB, and improves the understanding of TDSB's needs within our partner organizations. In the past, some of our partners paid only part of the salary of the seconded staff members.
- The only change that might occur is a reduction of the number of secondments.

Building Closures during summer and Winter Breaks

Anticipated Savings = \$1.0M

Staff recommendation: Close administration and school buildings not hosting programs (e.g. Summer school, daycare, maintenance) during one week of the winter break and on Fridays during the summer.

Background and Implications:

- This would reduce the utility costs (heating, cooling, light) needed to heat, cool, and light the buildings.
- It is fairly common in other large organizations to run compressed weeks during the summer and completely shut down during the week between Christmas and New Year.
- Administrative staff would accumulate “lieu time” by working longer hours in other times of the year. Discussions with employees and unions will determine the precise way these closures will be managed. This also is quite common in many public and private organizations.
- There will be slight reduction of already limited service available during these shutdown periods.
- Some schools may not be available for community use during these periods.

Information Services Operating Savings

Anticipated Savings = \$0.6M

Staff recommendation: Negotiate lower cost licensing agreements, replace some proprietary software with open source software, move some services to a cloud-computing model, and other cost-savings measures.

Background and Implications:

- A 2008 study by KPMG found that TDSB already runs an extremely cost-efficient lean IT department given the broad scope of services that it provides to students and staff.
- There would be some effort needed by staff when switching from one program to another.
- There should be no noticeable change in service to either the public or within TDSB.

Professional Development – Principals (2012/13 only)

Anticipated Savings = \$0.4M

Staff recommendation: One-time reduction to the budget for professional development for Principals.

Background and Implications:

- The capability of a Principal is perhaps the single most important factor in the effectiveness of a school. This one-time reduction is being considered solely because of the depth of TDSB’s fiscal challenges this year.
- There should be no noticeable short-term impact of this reduction.

International Languages Programs

Anticipated Savings = \$0.4M

Staff recommendation: Consolidate low-enrolment International Language (IL) courses to reduce the cost of delivery.

Background and Implications:

- An International Language course is fully funded when there are 23 students. TDSB runs 1,282 International Language courses in 176 schools serving 30,000 students, and spends \$2.8M more on these courses than the provincial funding we receive for them.
- Some students would have to travel farther than in the past to take an International Language course.
- Average International Language class size would increase as low-enrolment classes are combined.
- There would probably be no reduction in the number of languages offered under International Languages.

Changes to School Cafeterias Due to Provincial Healthy Food Rules (PPM150)

Anticipated Savings = \$1.6M

Staff recommendation: Change the way food is offered at schools in order continue to operate school cafeterias at full cost recovery.

Background and Implications:

- The changes to the Ministry regulations of what foods may be offered in a school has resulted in less food being bought by students. Current estimates are that this year's loss on school food services will be about \$1.6M.
- An analysis of the current situation in TDSB cafeterias is expected in June.
- The new food rules were put in place at the beginning of this school year, resulting in a significant reduction of sales. There is some indication that food sales in school cafeterias have rebounded somewhat in recent months.
- TDSB staff operate some school cafeterias; for-profit companies operate others under contract.
- We won't yet know which specific actions will be needed to return to full cost-recovery. Possible actions may include renegotiation of food-service contracts, measures to increase the amount of food that students buy in our cafeterias, and reducing the costs of operating the cafeterias.
- The actions taken will vary from school to school, depending on the individual circumstances of each school.

Permit Fee Increase

Anticipated Savings = \$2.2M

Staff recommendation: Increase Permit Fees for use of schools by 40% in Jan. 2013.

Background and Implications:

- TDSB runs an annual \$11M shortfall related to community use of schools.
- In order to move towards cost-recovery, a 40% permit fee increase would be needed.
- TDSB permit fees are among the lowest offered by surrounding school boards.
- Typically TDSB permit fees are a very minor part of the cost of running a program in TDSB space. The majority of the cost is for program staff and supplies.
- This would cause most organizations using TDSB space under permit to re-evaluate their budgets and possibly revise the fees that they charge members.
- This may cause some organizations with very limited resources to no longer be able to use space in TDSB schools.

Realignment of Professional Support Services (PSS)

Anticipated Savings = \$2.0M

Staff recommendation: Reorganize Professional Support Services (PSS) to streamline the processes used to assess and assist students with complex needs (e.g. Low vision, hard of hearing, autism, ADHD) and reduce the overall Professional Support Services budget by 5.7%.

Background and Implications:

- Professional Support Services includes Occupational Therapists, Psychologists, Physiotherapists, Speech and Language Therapists, Psychologists, and Social Workers among others.
- TDSB currently spends \$34.9M on Professional Support Services.
- This reduction would reduce the number of assessments that Professional Support Services staff will be able to perform in a year and the amount of support that they will be able provide.

Reduction of Central Administrators, Coordinators, and Instructional Leaders

Anticipated Savings = \$2.5M

Staff recommendation: Reduce the number of centrally assigned non-school-based Principals, VPs, and teachers by 20 (\$2.5million), to partially offset a reduction of the related Provincial grant by \$5 million.

Background and Implications:

- The Provincial grant related to these positions was reduced by \$5 million for 2012/13.

- School Boards use these sorts of centrally assigned staff to keep up-to-date with changes in curriculum and Ministry policies, to prepare reports for the Ministry, and to manage a variety of subject-specific administrative tasks (e.g. coordination of French Immersion programs).
- This reduction would reduce the ability of the Board to adopt new teaching practices and may cause a reduction in the promptness of preparing reports for the Ministry.
- School-based staff may notice that they have less information about new developments in education.
- Students and parents should not notice any immediate impact from this reduction.

Bring Special Education Services Closer to Benchmarks

Anticipated Savings = \$1.5M

Staff recommendation: Reduce spending on Special Education supports by 0.5% (\$1.5M from a current total of \$330M), in order to bring spending more in line with the \$316M provided by the Ministry for us to provide Special Ed supports to students.

Background and Implications:

- The proposed cuts would be concentrated in the area of central coordination of Special Education services, rather than in-school supports.
- Parents, students, and school staff will likely notice a decrease in the ability of Board central staff to respond in a timely manner to special circumstances and issues.

Reduction in School Budgets

Anticipated Savings = \$1.2M

Staff recommendation: Reduce school budgets be reduced by 2%.

Background and Implications:

- These budgets are used to cover such items as telephone systems, copiers, office and classroom supplies, musical instruments, and special school events.
- School budgets are based on a per student allocation – currently \$145 at elementary and \$220.50 at secondary.
- The reduction would be roughly \$4/elementary pupil, \$6.50/secondary pupil.
- The transition to HST from GST/PST 2 years ago increased the purchasing power of school budgets by about 7%. At the time, the savings were divided 3% for the school and 4% for central TDSB budget.
- School budgets are sometimes supplemented by Superintendents to provide extra support in situations where there will be great value to students.

- Depending on what happens with inflation, parents and students may see a slight reduction in the ability of the school to provide supplies and support events.

Use of “Education Program Other” (EPO) Grants

Anticipated Savings = \$6.0M

Staff recommendation: Use any EPO grants provided by the Ministry for areas where we are running a funding shortfall, to offset the costs of offering that service.

Background and Implications:

- EPO grants are used by the Ministry to target money to be spent on specific programs.
- For example, based on announcements earlier this spring, we expect that there will be an EPO directed at providing Outdoor Education. Since we receive no grants for Outdoor Ed at the moment, and we spend \$6.7M on Outdoor Ed. Any Outdoor Ed EPO grant we receive will reduce the \$6.7M deficit that we incur in providing Outdoor Ed experiences to our students.
- There would be no impact on any programs or services by using EPOs this way.

Ministry Operational Review

Anticipated Savings = \$5.4M

Staff recommendation: Request that the Ministry conduct a detailed Operational Review, in the expectation that this review will identify further spending reductions that will have minimal impact on the supports that we provide students, parents, the community, and schools.

Background and Implications:

- The review will concentrate primarily on our Business Services and Facilities Services departments, and should be completed by early Fall.