

DATE: April 14, 2020

TO: Board of Trustees

FROM: Darrel Robertson, Superintendent of Schools

SUBJECT: 2020-2021 Distribution of Funds

ORIGINATOR: Todd Burnstad, Chief Financial Officer

RESOURCE STAFF: Jeremy Higginbotham, Madonna Proulx

REFERENCE: [Interim Funding Manual for School Authorities 2020/21 School Year](#)

ISSUE

Each year the administration of Edmonton Public Schools brings forward a recommendation report to the Board of Trustees for the distribution of funds for the upcoming school year.

PLEASE NOTE: This report identifies the proposed distribution of funds for the 2020-2021 budget based on information available at this time, and is for planning purposes only. Assumptions have been used to estimate the 2020-2021 provincial funding and to calculate our weighted moving average enrolment figure. This information will be updated and reflected in our 2020-2021 Spring Budget following finalization and confirmation of funding by the Province in the coming weeks.

BACKGROUND

Provincial Funding

Since elected, the government has consistently communicated that funding for education would be frozen for the next three years at approximately \$8.223 billion and, beginning in 2020-2021, a new funding and assurance framework would be developed. The new framework, where possible, would support the recommendations of the Blue Ribbon panel as well as those of the Auditor General. Taking its commitments and recommendations into consideration, the 2020-2021 provincial budget was tabled on February 27, 2020, and a new “Interim Funding Manual for School Authorities 2020/2021 School Year” was released.

2020-2021 Interim Funding Manual highlights

- The new provincial funding model consists of 15 major grants. With the exception of rural small schools and geographic grants, our Division qualifies for all remaining grants (Attachment I).
- Unless otherwise indicated, all grants are either fully or partially calculated using the new Weighted Moving Average (WMA) enrolment approach introduced by the province. This model captures the number of funded students across three school years and does not allocate funding per individual student.

- Base funding rates for Kindergarten to Grade 9 have been reduced by approximately nine per cent from the previous year.
- Credit Enrolment Units (CEUs) are no longer the basis for high school funding with the exception of summer school. The WMA base funding rate for high school is 10 per cent higher than grades 1 to 9.
- Summer school funding will be based on the prior year CEU counts to a maximum of ten per student and at a reduced rate (approximately 25 per cent less than the current year).
- New for 2020-2021, Outreach programs do not need to be located in an approved off-site facility. As well, the province has moved from a per-site funding allocation to a per-school division allocation. Our Division currently has five outreach sites, all located in leased spaces.
- The Specialized Learning Supports grant (SLS) is intended to support Kindergarten through to Grade 12 learning needs within an inclusive learning environment. The grant is made up of three allocations: multi-disciplinary team support, jurisdiction composition support, and mental health program support.
- Funding for the Regional Collaborative Service Delivery (RCSD) grant has been repurposed and such supports for students are now included in the SLS grant.
- Program Unit Funding (PUF) will continue to be allocated to support pre-Kindergarten (pre-K) children with severe disabilities or language delays for a maximum of two years preceding Kindergarten. Funding will be allocated using the three-year WMA enrolment of children, ages 2 years 8 months to 4 years 8 months, who have been assessed and diagnosed with a severe disability or a severe language delay.
- Refugee funding is now a stand-alone grant. Like other grants, it is also funded using the WMA enrolment approach and students qualify for a maximum of five years.
- English Language Learners (ELL) continue to be funded. However, under the new funding model, students can only qualify for either ELL or Refugee funding, whichever is the higher amount.
- The First Nations, Metis, and Inuit (FNMI) grant is now comprised of three components: a truth and reconciliation component, a student self-identification WMA enrolment component, and a school and community demographic.
- The Operations and Maintenance (OM) grant is a targeted grant to ensure safe and well-maintained schools for students. It is calculated using a new formula that includes WMA enrolment funding as well as considerations for utilized and under-utilized spaces. Amounts can be transferred into OM from other grants; however, school authorities may not reallocate targeted OM funding for other costs.
- Transportation funding in 2020-2021 will be held constant based on allocations provided under the 2019-2020 model plus five per cent.
- The Nutrition and SuperNet grants remain relatively unchanged.
- The System Administration Grant is a targeted grant to cover governance (Board of Trustees) and school authority central administration costs. The amount is fixed over the next three school years. Amounts can be transferred from the System Administration grant to other grants, but school authorities may not spend funds from other grants on system administration.

RELATED FACTS

- Total revenue for the Division is estimated at approximately \$1.18 billion. This is an increase of approximately one per cent from the 2019-2020 fall budget or approximately \$11.6 million.
- The province has indicated, that, beginning in 2020-2021, that RCSD funding will no longer be allocated to banker boards but rather proportionate funding will be allocated directly to school divisions. In the past a banker board would receive the funds directly on behalf of several school divisions. Shared expenses would be paid from these funds prior to any balance being transferred to

the individual Divisions to cover their related RCSD expenses.

- Almost 75 per cent of Division funds continue to be allocated to support students in the classroom.
- The preliminary enrolment number has been updated from 107,328 as previously projected, to 107,028. There is uncertainty around the impact of the COVID-19 pandemic especially around our international students projection, as such, a very conservative estimate has been used for purposes of this report and will be updated for the spring budget.
- Enrolment growth is projected at approximately two per cent or 2,072 new funded students, bringing the 2019-2020 total projected enrolment to 107,028 students. Under the new WMA model, we are projecting that funding will be based on 105,335 students (Attachment II).
- Grants such as Institutional Services and Program Unit Funding (PUF) will be offset by an equal allocation and will be updated in conjunction with the spring proposed budget.
- Over the last couple of years, the Division has been able to access accumulated operating surplus dollars to react to emergent or unforeseen situations. In the fall of 2019, the Board approved depleting the majority of our accumulated operating surplus balance to offset the impact of the difference between the 2019-2020 provincial education funding and the amount the Division anticipated to receive.
- Direct school allocations for the Distribution of Funds are based on the 2019-2020 fall revised budgets as a starting point, with reductions. These reductions factor in three components: a weighted enrolment reduction, an equity reduction, and an enrolment reduction. Offsetting these reductions is an adjustment to factor in any increases in weighted enrolment based on the initial projected enrolment numbers for 2020-2021. These reductions are necessary in order to submit a balanced budget.
- Central base allocations have been reduced by an average of eleven per cent from fall 2019-2020 allocations. This reduction is greater than the percentage reduction that will be experienced in schools, based on the Division's priority of maximizing dollars for classrooms.
- As a result of changes to the provincial funding framework for Program Unit Funding (PUF), Edmonton Public Schools has had to make significant changes to the Division's Pre-Kindergarten (pre-K) model for the 2020-2021 school year.
 - We will be offering pre-K in six hub schools as opposed to ten hub schools that offered programming during the current year. However, we will be keeping the four schools that are discontinuing pre-K programming on reserve should we need more space to accommodate children. The current 20 pre-K satellite locations are being suspended as of September 2020.
 - The Division's revised model was informed by the constraints of the provincial funding framework and new provincial eligibility criteria for PUF children. Also considered were current enrolment trends, infrastructure, capacity to support pre-K programming, and feedback from pre-K leadership staff.
 - In the current year, and under the current funding model for PUF, the Division is serving approximately 1,040 pre-K children. In 2020-2021, under the new funding model for PUF, we are projecting to serve approximately 600 pre-K children.
- The Division continues to look for efficiencies and has created a shift in allocations in order to take advantage of bulk purchasing and maximize project planning to ensure more dollars go directly to classrooms. This model eliminates the need for schools to budget and pay for costs associated with items like student devices (Chromebooks), classroom display systems, and the ongoing technology support costs. In addition, costs associated with maintaining the physical structure of the school building have also been transferred to the Infrastructure department to manage centrally where scheduling of work can be coordinated to maximize the amount of work that can be done throughout the Division. The cost savings anticipated to be realized from this initiative have been directed to increase the allocations directly supporting classrooms.

- As provincial education funding is frozen, a fall budget update will not be required. However, budget enrolment adjustments will be made for schools that experience material changes in actual enrolment verses projected enrolment.

RECOMMENDATION

That the Distribution of Funds for the 2020-2021 Budget be approved.

NEXT STEPS

Following funding confirmation from the province, anticipated in mid-April, the 2020-2021 Spring Proposed Budget will open for completion by schools and central departments on April 17, 2020.

Due to the timing of the introduction of the new funding framework, the Division did not have the opportunity to revise the budget allocation model used to direct these funds to schools and central departments. The 2020-2021 allocations were put in place as a bridging mechanism in this transition year. The Division will be forming principal and central leader committees to review and revise our allocation model for roll out with the 2021-2022 budget. When revising our allocation model, the Division will need to prioritize the essential elements of student programming and support, given the realities of the new funding framework.

ATTACHMENTS and APPENDICES

ATTACHMENT I	2020-2021 Preliminary Spring Revenue Budget
ATTACHMENT II	2020-2021 Preliminary Enrolment Projections using WMA
ATTACHMENT III	2020-2021 Distribution of Funds - Total Allocations
ATTACHMENT IV	2020-2021 Distribution of Funds - Other Allocations

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Edmonton Public Schools
2020-2021 Preliminary Spring Revenue Budget vs 2019-20 Fall Revised Revenue Budget

	2020-2021 Preliminary Spring Budget	2019-2020 Fall Revised Budget	Variance Spring vs. Fall \$	Variance Spring vs. Fall %	NOTES
Base Instruction Grants					1
Kindergarten	\$ 27,652,700	\$ 31,802,500	\$ (4,149,800)	(13.0%)	
Grades 1 to 9	426,880,700	466,203,600	(39,322,900)	(8.4%)	
	454,533,400	498,006,100	(43,472,700)	(8.7%)	2
High School Subtotal	162,100,300	171,978,600	(9,878,300)	(5.7%)	2,3
SUBTOTAL Base Instruction Grants	616,633,700	669,984,700	(53,351,000)	(8.0%)	2
Services and Supports Grants					1
Specialized Learning Support	88,294,000	-	88,294,000	100.0%	2,4
Program Unit Funding (PUF)	9,433,500	39,247,400	(29,813,900)	(76.0%)	2,5
English as a Second Language (ESL)	19,596,000	22,035,800	(2,439,800)	(11.1%)	2,6
Refugee	14,916,000	13,813,900	1,102,100	8.0%	2,6
First Nations, Métis and Inuit (FNMI student)	10,864,800	10,716,600	148,200	1.4%	2,7
First Nations, Métis and Inuit (FNMI other)	2,629,500	-	2,629,500	100.0%	7
Institutional Programs	8,086,000	9,949,900	(1,863,900)	(18.7%)	8
Other Discontinued Grants	-	95,445,700	(95,445,700)	(100.0%)	
SUBTOTAL Services and Supports Grants	153,819,800	191,209,300	(37,389,500)	(19.6%)	
School Grants					1
Operations and Maintenance (OM)	90,121,000	75,978,800	14,142,200	19%	2,9
Transportation	30,951,100	29,545,400	1,405,700	5%	10
SuperNet	2,294,000	2,294,000	-	-	
SUBTOTAL School Grants	123,366,100	107,818,200	15,547,900	14%	
Community Grants					1
Socioeconomic Status (SES)	14,759,000	11,973,300	2,785,700	23%	2
Nutrition	1,300,000	1,206,100	93,900	8%	11
SUBTOTAL Community Grants	16,059,000	13,179,400	2,879,600	22%	
Jurisdiction Grants					1
System Administration	38,007,000	-	38,007,000	100%	2,12
SUBTOTAL Jurisdiction Grants	38,007,000	-	38,007,000	100%	
SUBTOTAL PROVINCIAL OPERATIONAL REVENUE	947,885,600	982,191,600	(34,306,000)	(3.5%)	
Bridge Funding	51,521,400	-	51,521,400	100%	13
TOTAL PROVINCIAL OPERATIONAL REVENUE	999,407,000	982,191,600	17,215,400	2%	
CAPITAL AND IMR FUNDING					
Infrastructure Maintenance Renewal (IMR)	11,770,000	11,770,000	-	-	
Amortization of Capital Allocations and Expended					
Deferred Capital Revenue	41,736,300	41,736,300	-	-	
SUBTOTAL CAPITAL AND IMR FUNDING	53,506,300	53,506,300	-	-	
TOTAL PROVINCIAL OPERATIONAL AND CAPITAL REVENUE	1,052,913,300	1,035,697,900	17,215,400	2%	
OTHER PROVINCIAL REVENUES					
Educational Programs Cost Recovery	1,905,700	1,905,700	-	-	
Secondments - Provincial	2,768,400	2,768,400	-	-	
Alberta Education Conditional Grants	30,000	30,000	-	-	
Alberta Teachers' Retirement Fund (ATRF)	59,115,000	59,115,000	-	-	
SUBTOTAL OTHER PROVINCIAL REVENUES	63,819,100	63,819,100	-	-	
OTHER PROVINCIAL GRANTS	3,042,200	2,989,300	52,900	2%	
OTHER ALBERTA SCHOOL AUTHORITIES	671,100	942,200	(271,100)	(28.8%)	
Federal French Funding	609,900	609,900	-	-	
TOTAL GOVERNMENT OF ALBERTA REVENUE	1,121,055,600	1,104,058,400	16,997,200	2%	

Edmonton Public Schools
2020-2021 Preliminary Spring Revenue Budget vs 2019-20 Fall Revised Revenue Budget

	2020-2021 Preliminary Spring Budget	2019-2020 Fall Revised Budget	Variance Spring vs. Fall \$	Variance Spring vs. Fall %	NOTES
FEDERAL GOVERNMENT AND FIRST NATIONS FEES	2,566,500	2,363,100	203,400	9%	
School Fees - School Generated Funds	13,949,700	13,949,700	-	-	
Transportation Fees	8,802,500	8,802,500	-	-	
Lunch Program Fees	4,862,200	4,862,200	-	-	
Metro Continuing Education Fees	885,900	885,900	-	-	
Music Instrument & Other Material Fees	309,600	309,600	-	-	
SUBTOTAL FEES	28,809,900	28,809,900	-	-	
OTHER SALES AND SERVICES					
International Student Tuition	2,550,000	6,273,000	(3,723,000)	(59.3%)	14
Sales and Services - Schools and Central DUs	5,171,800	5,068,900	102,900	2%	
Other Sales and Services - School Generated Funds	4,344,700	4,344,700	-	-	
Secondments - Other Entities	1,213,900	1,213,900	-	-	
Adult Education	2,048,600	2,048,600	-	-	
SUBTOTAL SALES AND SERVICES	15,329,000	18,949,100	(3,620,100)	(19.1%)	
INVESTMENT INCOME	401,800	2,401,800	(2,000,000)	(83.3%)	15
GIFTS AND DONATIONS					
EPSB Gifts and Donations	7,245,800	7,245,800	-	-	
EPSB Foundation Support	400,100	400,100	-	-	
SUBTOTAL GIFTS AND DONATIONS	7,645,900	7,645,900	-	-	
FUNDRAISING - School Generated Funds (SGF)	2,197,700	2,197,700	-	-	
RENTAL OF FACILITIES	4,220,400	4,220,400	-	-	
TOTAL REVENUE	\$ 1,182,226,800	\$ 1,170,646,300	\$ 11,580,500	1%	

Notes to supplement the 2020-2021 Preliminary Spring Proposed Revenue Budget

The significant change in the number and structure of grants makes trying to compare grants under the new funding framework to the old one difficult. To that end, notes have been provided where possible to enhance understanding of the new grants.

1. **New Provincial Funding Model**

The new provincial funding model consists of 15 major grants. With the exception of rural small schools and geographic grants, our Division qualifies for all remaining grants.

2. **Weighted Moving Average (WMA)**

Unless otherwise indicated, all grants are either fully, or partially funded on the new WMA enrolment approach recently introduced by the province. The WMA captures the number of funded students across three school years and does not allocate funding per student. Further details on the WMA for our Division are included in Attachment II.

3. **High School Funding**

Credit Enrolment Units (CEUs) are no longer the basis for high school funding with the exception of summer school. The WMA base funding rate for high school is 10 per cent higher than the grade 1 to 9 base funding rate. Summer school funding will be based on the prior year CEU counts to a maximum of ten per student and at a reduced rate.

4. **Specialized Learning Supports (SLS)**

The SLS grant is a new services and support grant. Previous supporting grants such as Inclusive Education, Regional Collaborative Service Delivery (RCSD), and Equity of Opportunity have been repurposed into this grant.

5. **Program Unit Funding (PUF)**

PUF continues to be granted to support pre-Kindergarten children with severe disabilities and delays, between the ages of 2 years 8 months to 4 years 8 months, for a maximum of two years preceding Kindergarten. The previous model allowed for three years of funded programming, up to and including Kindergarten-aged children. Programs less than 800 hours but greater than 400 hours are funded as a half-day program. Our Division has always operated under a half-day programming model; however, under the previous model sites were permitted to claim family-oriented programming sessions (FOPS) which would maximize allowable funding. Under the new model, FOPS do not qualify for funding. The following summarizes the ways PUF funding has been reduced:

- moving from a three-year to a two-year model (PUF funding for Kindergarten programming is discontinued; however, the province has indicated that supports for specialized services are now in the Specialized Learning Supports grant)
- moving to the WMA enrolment model
- elimination of FOPS for funding purposes
- Under the current PUF model, our Division is serving approximately 1,040 PUF children. Under the new model, we are projecting the number of PUF children served, being reduced to approximately 600.

6. English as a second language (ESL) and Refugee

The 2020-2021 ESL amount is lower than the prior year because of the WMA and under the previous funding model, students could qualify for both ESL and Refugee funding. Under the new funding model students can only qualify for one of these grants, whichever is the higher amount. This also explains the reason for the increase in Refugee funding. Students continue to qualify for refugee or ELL grants for a maximum of five years.

7. First Nation, Metis, and Inuit (FNMI)

Under the new funding model, there are three components to the FNMI grant:

- support for truth and reconciliation
- student self-identification: majority of the funds received under this grant are for students that self-identify
- school and community demographic

8. Institutional Programs (EPI)

Under the previous funding framework, EPI funding was based on net program actual costs. Under the new model, funding is based on a three-year average of prior years' actual costs.

9. Operations and Maintenance (OM)

The OM grant is targeted funding to ensure safe and well-maintained schools for students. It is allocated to school divisions using a new formula that includes the WMA enrolment funding as well as consideration for utilized space and under-utilized space. The old plant operations and maintenance (POM) grant only factored in enrolment and not space utilization. Amounts can be transferred into OM from other grants, but school divisions cannot reallocate targeted OM funding for other costs. Administration is currently engaged in ongoing conversations with the province to gain understanding of the new grant and to ensure that the province is factoring in our most up to date space utilization.

10. Transportation

For 2020-2021, the total transportation grant will be held constant at the 2019-2020 funding level plus five per cent.

11. Nutrition

The School Nutrition Grant is intended to provide students in school jurisdictions across Alberta with daily nutritious food that adheres to the Alberta Nutrition Guidelines for Children and Youth. Funding for this grant continues with a flat allocation of \$1.2 million plus a \$100,000 SES allocation.

12. System Administration

The new System Administration grant is targeted and is intended to cover governance (Board of Trustees) and school division's central administration costs and will be fixed for the next three years. In prior years, system administration was partially funded by base instruction grants. Amounts can be transferred from the System Administration grant to other grants, but school divisions may not spend funds from other grants on system administration.

13. Bridge Funding

Bridge funding is not referenced in the funding manual. However, Administration's understanding is that if a school division's total funding, based on the new WMA enrolment funding, is less than its 2019-2020 projected funding, a bridging amount was allocated to get that school division to a minimum of its 2019-2020 provincial funding. In future years, as enrolment grows, bridge funding will be reduced.

14. International Students

With the uncertainty around the COVID-19 pandemic, to be conservative the number of international students included in this report has been reduced from approximately 500 to 200.

15. Investment Income

The Division's \$60 million GIC will be significantly drawn down in 2019-2020. Remaining investment income on regular cash flow will be updated in the spring proposed budget and will be based on a cash flow analysis under the new funding model and current interest rates.

Edmonton Public Schools
2020-2021 Preliminary Spring Enrolment Projections using the new *Weighted Moving Average (WMA) calculation

<u>Student Enrolment by Division</u>	<u>2020-2021</u>		<u>2019-2020</u>		<u>2018-19</u>		<u>2020-2021</u>
	Spring Projections 100%	Spring Projections 50%	Funded Headcount 100%	Funded Headcount 30%	Funded Headcount 100%	Funded Headcount 20%	Total WMA Funded Enrolment
Funded Students:							
Early Childhood Services (ECS)	8,928	4,464	9,471	2,841	9,075	1,815	9,120
Grades 1 -12 funded students:							
Elementary - Division I	24,637	12,319	24,043	7,213	23,677	4,735	24,267
Elementary - Division II	23,960	11,980	23,411	7,023	22,799	4,560	23,563
Junior High	23,411	11,706	22,225	6,668	20,965	4,193	22,566
Senior High:							
Years 1-3	21,674	10,837	21,276	6,383	20,751	4,150	21,370
Year 4	2,191	1,096	2,310	693	2,360	472	2,261
Year 5	702	351	726	218	744	149	718
Subtotal Senior High	24,567	12,284	24,312	7,294	23,855	4,771	24,348
Subtotal - Enrolment Grades K-12	105,503	52,752	103,462	31,039	100,371	20,074	103,864
Sub-total other funded students	1,325	662	1,294	388	1,101	220	1,271
Total Funded Students	106,828	53,414	104,756	31,427	101,472	20,294	105,135
Other (International)	200	-	500	-	500	-	200
Total Student Enrolment	107,028	53,414	105,256	31,427	101,972	20,294	105,335

Funded Student Enrolment Increase 2020-2021 vs 2019-2020:

Percentage	2%
Change in funded enrolment	2,072

***Weighted Moving Average (WMA):**

Base instruction grants are allocated using the three-year Weighted Moving Average (WMA) enrolment of school divisions. Funding provided through the base instruction component does not allocate funding per student or schools. Rather, WMA enrolment is used to allocate funding for the Early Childhood Services (ECS)-Grade 12 instructional activities of the entire school division. The three-year WMA enrolment is calculated as follows:

School Year	Weighted Factor	Enrolment count (FTE)
2018-2019	20%	Actual
2019-2020	30%	Estimates **
2020-2021	50%	Projection ***

****Estimates**

Estimates are based on the frozen funded enrolment counts and are not usually finalized until the end of March in any given school year.

*****Projection for enrolment counts**

There will be no in-year adjustments if the projected enrolment count is different from the actual count. The difference between the projected count and actual student count will be adjusted for in the calculation of the WMA for the subsequent school year. If the projected count is higher than the actual count, the WMA for the next year will be adjusted down, and if the projected count is lower, the WMA for the next year will be adjusted up to account for the difference.

**Edmonton Public Schools
2020-2021 Distribution of Funds (DOF)**

Total Allocations

		2020-2021 Distribution of Funds	2019-2020 Fall Revised Budget		Variance Fall vs Spring \$	Variance Fall vs Spring %	Notes
Revenue	*			*			
Operating Revenue		\$ 1,182,226,800	\$ 1,170,646,300		\$ 11,580,500	1.0%	
Operating Reserve Funds Required		-	56,455,706		(56,455,706)	(100.0%)	
Total Operating Revenue Required		\$ 1,182,226,800	\$ 1,227,102,006		\$ (44,875,206)	(3.7%)	
School Allocations							
Direct School Allocations		\$ 791,372,771	\$ 846,959,788		\$ (55,587,017)	(6.6%)	1
Indirect School Allocations		57,074,899	32,296,541		24,778,358	76.7%	2
		848,447,670	879,256,329		(30,808,659)	(3.5%)	
School Generated Funds/External Revenues		37,060,472	37,060,472		-	-	3
Subtotal School Allocations	74.9%	885,508,142	916,316,801	74.7%	(30,808,659)	(3.4%)	
Other Allocations							
Metro Continuing Education		11,178,349	13,666,028		(2,487,679)	(18.2%)	4
External Revenue Allocations - Central		11,207,456	11,513,520		(306,064)	(2.7%)	5
Division Level Fixed Costs	7.3%	85,787,041	85,787,041	7.0%	-	-	6
Division Level Committed Costs	7.7%	91,423,812	99,626,428	8.1%	(8,202,616)	(8.2%)	7
		199,596,658	210,593,017		(10,996,359)	(5.2%)	
System Administration	3.2%	38,007,000	41,077,188	3.3%	(3,070,188)	(7.5%)	8
Subtotal Other Allocations		237,603,658	251,670,205		(14,066,547)	(5.6%)	
Alberta Teachers' Retirement Fund (ATRF)		59,115,000	59,115,000		-	-	9
Total Budget Allocations		\$ 1,182,226,800	\$ 1,227,102,006		(44,875,206)	(3.7%)	

* The amount as a percentage of the total allocations.

Notes to the 2020-2021 Distribution of Funds (DOF) - Total Allocations

Unless otherwise noted, variance explanations have been provided for amounts where the 2020-2021 Distribution of Funds differs from the 2019-2020 fall revised budget by more than five per cent.

1. Direct School Allocations

Direct school allocations for the distribution of funds are based on the 2019-2020 fall revised budgets as a starting point, with reductions. These reductions factor in three components: a weighted enrolment reduction, an equity reduction, and an enrolment reduction. Offsetting these reductions is an adjustment to factor in any increases in weighted enrolment, based on the initial projected enrolment numbers for 2020-2021.

2. Indirect School Allocations

Indirect school allocations are allocations provided to central departments that directly support the classroom. Examples include departments such as Research and Innovation, Curriculum, and Inclusive Learning. The year-over-year variance also includes a shift in allocations where funds are being managed centrally to provide a sustainable technology evergreening model. This new model eliminates the need for schools to budget or pay for costs associated with items like student devices (Chromebooks), classroom display systems, and the ongoing technology support costs. In addition, costs associated with maintaining the physical structure of the school building have also been transferred to the Infrastructure department to manage centrally.

3. School Generated Funds/External Revenues

School generated funds are funds raised in the community for student activities (such as drama, ski club, and school teams) under the control and responsibility of school management. The funds are collected and retained for expenses at the school level.

4. Metro Continuing Education (MCE)

Summer school funding will be based on the prior year CEU counts to a maximum of ten per student, and at a rate that has been reduced by approximately 25 per cent, as such, the MCE allocation has been reduced. However, other external revenue projections such as adult education have been carried forward from the 2019-2020 fall budget and will be updated in conjunction with the spring budget.

5. External Revenue Allocations – Central

This allocation is a flow through amount, whereby, there is a direct revenue amount related to the allocation. This amount has been carried forward from the 2019-2020 fall budget and will be updated in conjunction with the spring budget.

6. Division Level Fixed Costs

This line represents an allocation for a variety of costs at the Division level to limit their impact to school budgets. A further breakdown of these costs has been included on Attachment IV.

7. Division Level Committed Costs

In order to submit a balanced budget without the use of operating reserve funds, many central allocations were reduced by an average of eleven per cent compared to the 2019-2020 fall budget. A further breakdown of these costs have been included on Attachment IV.

8. System Administration

To align with the new System Administration grant, a matching allocation has been created. The System Administration grant is targeted and is intended cover governance (Board of Trustees) and school authority central administration costs. These costs cannot exceed the amount of the grant.

9. Alberta Teachers' Retirement Fund (ATRF)

This amount represents a flow-through of teacher retirement benefits paid by the province on behalf of our teachers and matches the revenue from the province.

Edmonton Public Schools
2020-2021 Distribution of Funds (DOF)
Other Allocations

	2020-2021 Distribution of Funds	2019-2020 Fall Revised Budget	Variance Fall vs Spring \$	Variance Fall vs Spring %	Notes
Division Level Fixed Costs					
Fiscal and Debt Services	\$ 55,203,556	\$ 55,203,556	\$ -	-	1
Utilities	21,750,000	21,750,000	-	-	
Insurance	6,116,685	6,116,685	-	-	
High Speed Networking	2,716,800	2,716,800	-	-	
	\$ 85,787,041	\$ 85,787,041	\$ -	0.0%	
Division Level Committed Costs					
Student Transportation	40,071,796	46,884,050	(6,812,254)	(14.5%)	2
School Plant Operations & Maintenance	16,372,192	16,372,192	-	-	
Human Resources Supply Services	13,927,332	13,991,330	(63,998)	(0.5%)	
Core Technology Enterprise Management	4,782,266	4,782,266	-	-	
Language and Cultural Support	5,198,885	5,192,824	6,061	0.1%	
Enterprise Systems	4,994,275	4,994,275	-	-	
Professional Improvement Leaves	1,640,000	1,640,000	-	-	
Board of Trustees	891,829	1,002,055	(110,226)	(11.0%)	3
Central Building Maintenance	890,000	1,000,000	(110,000)	(11.0%)	3
PeopleSoft Road Map	-	1,033,000	(1,033,000)	(100.0%)	4
Staff Development	650,000	650,000	-	-	
Election	480,000	480,000	-	-	
Partnership Commitments	408,501	458,990	(50,489)	(11.0%)	3
Infrastructure Parking Allocation	405,000	405,000	-	-	
Audit	136,946	136,946	-	-	
Board Initiative Fund	40,050	45,000	(4,950)	(11.0%)	3
ASBA Membership	210,000	210,000	-	-	
PSBAA Membership	120,000	120,000	-	-	
Division Feedback Survey	142,400	160,000	(17,600)	(11.0%)	3
Division Awards	26,700	30,000	(3,300)	(11.0%)	3
Youth Engagement Model	23,140	26,000	(2,860)	(11.0%)	3
Trustee Transition Allowance	12,500	12,500	-	-	
	\$ 91,423,812	\$ 99,626,428	\$ (8,202,616)	(8.2%)	

Notes to the 2020-2021 Distribution of Funds - Other Allocations

Unless otherwise noted, variance explanations have been provided for amounts where the 2020-2021 Distribution of Funds differs from the 2019-2020 fall revised budget by more than five per cent.

1. Fiscal and Debt Services

This decision unit is responsible for debenture and capital loan principal payments, interest costs and the amortization cost for supported Division capital assets such as buildings.

2. Student Transportation

In the 2019-2020 fall budget, the transportation department received an additional \$7.8 million comprised of \$5.4 million from the Transportation Fee reduction grant (formerly known as Bill 1), and \$2.4 million of operating reserve funds. Access to these funds is no longer available.

3. Division Level Committed Costs

In order to submit a balanced budget without the use of operating reserve funds, many central allocations were reduced by an average of 11 per cent compared to the 2019-2020 fall budget.

4. PeopleSoft Road Map

The 2019-2020 fall budget reflected the last year of a three-year plan to upgrade the Division's PeopleSoft system. This allocation is no longer required.