



TDSB NEW FISCAL DIRECTION (NFD) - UPDATE

Accounting, Finance and Accountability Committee

March 4th 2009

ACCOUNTING, FINANCE AND ACCOUNTABILITY (AFA) COMMITTEE RECOMMENDING “NEW FISCAL DIRECTION” (NFD) FOR THE TDSB

NFD programs currently focused in six main categories:

- **Increase revenues**
- **Reduce overall expenditures**
- **Shift spending to align more closely with the student achievement and school safety priorities**
- **Increase financial scrutiny and encourage thrift**
- **Develop a long range capital plan**
- **Link budgeting with strategic planning**

A series of recommendations have been put forth for analysis

INCREASE REVENUE (i)

| # | Recommendation | Description | Status | Target Date |
|---|------------------------------------|---|--|----------------------|
| 1 | Enrollment | Stemming the decline of student enrolment or increasing enrolment is the single greatest opportunity to maintain or increase revenues. The responsibility for student enrolment currently is spread throughout the organization with no one person responsible for developing and overseeing a plan to retain and recruit students. We are therefore recommending the appointment of a senior executive responsible for admissions and marketing by April, 2009, and that a draft plan for retaining and recruiting students be submitted to the AFA committee by June 30, 2009. Further, we recommend that any decisions by the Board about curtailing or expanding programs and opening or closing schools be viewed in terms of the potential to maintain, increase or decrease enrolment. | – Briefing note to April / May AFA | Jun 30 th |
| 2 | Optional Attendance | We recommend that the Director review the optional attendance criteria that are currently in use and report to the Board in October 2009 on potential changes that would encourage greater enrolment in TDSB schools. | – TBD | Oct |
| 3 | Awareness Campaign | We recommend that the senior executive responsible for admissions and marketing develop a media campaign promoting the TDSB and why parents should enrol their children and teenagers in our schools and that the campaign be based on sound market research. | – Staff to present plan at May meeting | ----- |
| 4 | Fee based programming and services | We recommend that the Board's fee-for-service activities, such as general interest and seniors programming, be reorganized into a more market-focused department within the school board and that the Director report to the AFA committee on the potential to increase revenues in these segments. Further, we recommend that this business development grouping work with the Program Department to explore the potential for selling TDSB services and intellectual property to school boards across Canada and abroad. | – Briefing note for May AFA | ----- |
| 5 | International students | We recommend that the Director, as part of the annual reporting on International Students Services, report on a process or funding to encourage schools to receive more international students. The Director should report on this matter no later than October 2009. | – Briefing note for June AFA | Oct |

INCREASE REVENUE (ii)

| # | Recommendation | Description | Status | Target Date |
|---|----------------|--|---|----------------------|
| 6 | Fundraising | <p>Schools in Toronto currently raise about \$35-million each year, some of which is raised through student activity fees. We understand that this fundraising is unevenly distributed because of income inequities across the city. We also know that schools are fundraising for items that are ancillary to our educational mission and are not the core of our schools (e.g. playgrounds vs textbooks). We also know that the TFSS and TEOF are the prime vehicles for funding for nutritional programs. We are, however, recommending an increased role for fundraising at the TDSB with two prongs:</p> <ul style="list-style-type: none"> – Creating a more robust centralized fundraising capacity, either through TDSB staff or through a renewed partnership with the TFSS, to raise money for our neediest schools. The proceeds of this fundraising would be directly at core educational supports, technology, school improvements, or materials that are not currently being provided by taxpayers. We recommend that the Director report back to the AFA on this matter in April, 2009. – Revising the fundraising policy to allow fundraising centrally and at the local level for school capital improvements, technology, school supplies, curriculum materials, sports and arts supplies and other resources that our teachers need to do their job. Further, we recommend that a percentage of all fundraising from all schools be placed in an equity fund that would be dispersed to schools in less affluent neighbourhoods. We recommend that the Director report back to the AFA on this matter in April, 2009. | – Defeated @ AFA | Apr 14th |
| 7 | Advertising | <p>We recommend that the advertising and sponsorship policies be revised to permit greater parent-facing or community-facing advertising by schools and by the school board. This could include advertising on websites, school newsletters or at parent and community events and on outdoor locations. The Director should report to the AFA committee on this matter in April, 2009.</p> | – Briefing note for May / June on policy & implications | Apr 14th |
| 8 | Fine Art | <p>That the Board's Stewardship of Fine Art Workgroup develop a plan by June 2009 to optimize the use of the Board's artwork to create an art endowment fund that would support arts-based programs in schools, such as reproducing artwork for sale, seeking benefactors to sponsor the art, exhibitions, sale or leasing of some artwork, galas, auctions, donations of art teachers' works</p> | – Briefing note for September | Jun 30 th |

INCREASE REVENUE (iii)

| # | Recommendation | Description | Status | Target Date |
|----|-----------------------------|---|---|----------------------|
| 9 | 5050 Yonge Street | We recommend that the administrative space committee present the Board with a plan by June 2009 to sell or redevelop 5050 Yonge Street with a view to moving our administrative space to another lower cost location or locations by August 2010. The committee should consider the potential requirements for a school at the 5050 location as part of its plan. We recommend that the Executive Officer of Business Services support the administrative space committee as it develops its plans. | – Work group considering options for Spring 2009 | Jun 30 th |
| 10 | ESL Funding | That staff report to the Administration, Finance and Accountability Committee following an audit of student enrolment to ensure that all the ESL funding to which the Board is entitled is being captured and that the Director report to the AFA committee on the outcome of the audit | – Planned by staff – Report in May 2009 on findings | ----- |
| 11 | Magnet Schools | We recommend that the Director report to the Programs and School Services Committee no later than August 2009 on the feasibility of establishing specialized schools (e.g. an all-girls secondary school, specialized choir school) with a view to attracting increased enrolment. | – Briefing report by fall 2009 | Aug 26 th |
| 12 | Ministry curriculum changes | We recommend that the TDSB refuse to implement Ministry of Education curriculum changes unless the Ministry funds the total cost of textbooks/resources, professional development and curriculum leadership related to the curriculum changes. | – Staff to consider recommendations and report in April / May to PSSC | ----- |

REDUCE OVERALL EXPENDITURES (i)

| # | Recommendation | Description | Status | Target Date |
|----|-----------------------------------|---|--|---------------------|
| 13 | Overall reductions | We recommend that the Executive Officer of Business Services report to the AFA Committee in February 2009 on potential areas for cost reduction in 2009-2010. | – Part of planned budget process for 2009 / 2010 | Mar 4 th |
| 14 | Executive / governance reductions | We recommend a xx% reduction in expenditures at the executive and trustee levels through reductions in staffing and discretionary expenditures. | – Defeated @ AFA | ----- |
| 15 | Other centralized expenditures | We recommend a xx% reduction in central legal, communications, professional development and program departments. Where practical, we recommend that the program, communications and professional development departments develop a more client-focused approach that might include charging schools for consulting services, as required. | – Part of annual budgeting process, assessing decentralized school based decision making | ----- |
| 16 | New school construction | We recommend that all new school construction or renovation fall within Ministry benchmarks, unless otherwise specifically approved by the Board and that if Ministry benchmarks are not followed that the Board use a peer review or quantity-surveyor process to ensure that costs are minimized. | – Staff are examining – This will be addressed for each new capital project | ----- |
| 17 | School based staffing allocations | We recommend that the 2009-2010 staffing allocations generally be reduced in line with projected enrolment. These reductions would not include special education staffing, child and youth workers, social workers or guidance teachers. | – Part of annual staffing process – Report to March Board | Mar 4 th |
| 18 | Professional development | That, where possible, professional development activities be job-embedded to allow teachers to remain in class and to reduce excessive use of occasional teachers. | – Briefing note to identify implications for further discussion at PSSC in June 2009 | ----- |

REDUCE OVERALL EXPENDITURES (ii)

| # | Recommendation | Description | Status | Target Date |
|----|--|---|--|----------------------|
| 19 | School closures and consolidations | We recommend that the Director report to the Board no later than May 2009 with options to reduce school-based expenditures beginning with the 2010-2011 fiscal year. | – Staff developing options through Better Schools Brighter Futures, May / June 2009 | May 20 th |
| 20 | Intellectual property and curriculum resources | We recommend that the Director report to the AFA committee in October 2009 on the potential for the TDSB joint venturing with private publishing companies or other school boards to capitalize on TDSB intellectual property and to reduce the cost of curriculum resources. | – Briefing note will be developed to address options for discussion at AFA Committee in October 2009 | Oct |
| 21 | Workplace health and safety | We recommend that the Director report to the Human Resources Committee by June 2009 on work place health and safety issues with a view to reducing workplace injuries and the lost time and expenditures associated with workplace injuries. | – Briefing note to be prepared for June 2009, further discussion at HRC | Jun 30 th |
| 22 | Absenteeism | We recommend that the Director report to the Human Resources Committee by June 2009 on employee absenteeism issues and measures that are being taken to reduce absenteeism. We recommend that the Director report to the HR committee on a semi-annual basis showing absenteeism by school and by department. | – Briefing note to be done for June 2009 HRC meeting for further discussion | Jun 30 th |

SHIFT SPENDING TO MORE CLOSELY ALIGN WITH STUDENT ACHIEVEMENT & SCHOOL SAFETY PRIORITIES (i)

| # | Recommendation | Description | Status | Target Date |
|----|------------------------------|--|---|----------------------|
| 23 | New Spending Priorities | We recommend that the Director report to the AFA committee as soon as possible on priorities for new spending to improve student achievement, school safety or other system priorities and to report on which programs should be discontinued. | <ul style="list-style-type: none"> – Part of planned budget process for 2009 / 2010 – Priorities brought forward March 2009 | ----- |
| 24 | School based staffing pilots | We recommend that the Director report to the Board as soon as possible on a process to empower school principals (or families of schools) to allocate and fund school-based staff, within the scope permitted by collective agreements and provincial guidelines. Starting in 2009, principals would be allocated a budget for these positions and they could allocate resources among these staffing positions or on other needs as identified by schools. This method of allocation has been used effectively with the school based safety monitors for three years and has proven effective. We recommend that this process be started in 2009-1010, perhaps with a pilot starting in two or three families of schools of the TDSB. | <ul style="list-style-type: none"> – For P&P March 5th – Defeated at AFA Committee/Board | Mar 4 th |
| 25 | Permit fees | Option (1) we recommend that schools receive a share of facilities permit fees equal to 50% of the net fees directly associated with their school and that these fees be added to the principals' discretionary budgets. Option (2): we recommend that the permit office be closed and that permitting function be devolved to schools. We recommend that the Director report to the AFA on this sharing of permit revenues by May, 2009. | <ul style="list-style-type: none"> – Briefing in May on implications and options to be considered for further discussion | May 20 th |
| 26 | Outdoor leadership centre | we recommend that the Director develop a proposal and report to the Programs and School Services Committee by June 2009 on the reopening of one outdoor education centre for spring, summer and fall seasons to provide leadership and conflict resolution training and outdoor experiences for secondary students and that the centre be funded through Focus on Youth, Safe Schools and through fees charged to secondary schools. | <ul style="list-style-type: none"> – Briefing note on potential to re-open and implications and opportunities for further discussion | Jun 30 th |
| 27 | Integrated services leasing | To encourage further integration of community and government services in our schools, we recommend that individual schools receive a percentage of net lease revenues from tenants in their schools and that these revenues be added to the principals' discretionary budgets. | <ul style="list-style-type: none"> – Briefing note on implications and opportunities for discussion in fall 2009 | ----- |

SHIFT SPENDING TO MORE CLOSELY ALIGN WITH STUDENT ACHIEVEMENT & SCHOOL SAFETY PRIORITIES (ii)

| # | Recommendation | Description | Status | Target Date |
|----|---------------------------------|--|---|----------------------|
| 28 | Utility reductions | We recommend that schools receive a share of the financial savings associated with any decreased use of water, solid waste or energy in their school where these savings are attributable to the school's conservation measures (as opposed to equipment or capital upgrades). We recommend that the Director report to the AFA on a pilot of this scheme by May, 2009. | <ul style="list-style-type: none"> – Briefing note on implications and opportunities for May / June 2009 – Significant savings accomplished to date | May 20 th |
| 29 | Occasional teacher budgets | We recommend that the Director report to the AFA and Human Resource Committees in April on a plan to shift a significant portion of the occasional teacher budgets held centrally to schools or families of schools so that principals and superintendents can monitor these expenditures more closely and can reallocate any net savings to other school priorities. | <ul style="list-style-type: none"> – Briefing note on implications and opportunities for May / June 2009 for further consideration | Apr 14 th |
| 30 | Per student funding allocations | We recommend that the formula for school budgets be revised to place greater emphasis on per student funding so that schools are adequately compensated for retaining and recruiting students and that the Director report to the AFA committee on this in May, 2009; these funds could also be used to provide innovative programming that would target hard-to-serve students or students in their fifth year. | <ul style="list-style-type: none"> – Briefing note in May / June 2009 – Schools have been marketing for past several years – Assisted by Communications department | May 20 th |
| 31 | Innovation fund | We recommend that the Director report to the AFA and the Programs and School Services Committees regarding restarting and funding the Innovation Fund to allow schools to apply for central funding for innovative or localized programming. | <ul style="list-style-type: none"> – Part of budget process to consider funding issues – New initiative | ----- |

GREATER FISCAL SCRUTINY & TRANSPARENCY & TO ENCOURAGE GREATER THRIFT (i)

| # | Recommendation | Description | Status | Target Date |
|----|----------------------------|--|---|----------------------|
| 32 | Internal auditor | We recommend the appointment of an internal auditor who would report to the audit committee and the Director. We recommend that the audit committee and the internal auditor's role be expanded to include value-for-money reviews of operating and capital spending and that the auditor's work plan be presented to the Board no later than June 2009. Further, we recommend that the Director write to the Ministry of Education to request that the Ministry fund the internal audit function and that the province amend the Education Act to permit a school board to appoint external committee members to their audit committee. | <ul style="list-style-type: none"> – Position planned – Audit plan to come for Fall 2009 | Jun 30 th |
| 33 | Facilities spending review | We recommend an operational audit of the facilities department's maintenance function with a view to improving the efficiency and effectiveness of the operations, to identify opportunities to more closely align spending with the needs of schools. We recommend that the Ad Hoc Budget Committee establish the scope of this review and that the Director report on this matter as soon as practical and that specialized external resources be retained to support this review. | <ul style="list-style-type: none"> – Under consideration, scope and timing TBD | ----- |
| 34 | Frugal hotline | We recommend that staff, parents and students be encourage to recommend opportunities for saving money and that the Executive Officer for Business Services report to AFA from time to time on the feasibility of the suggestions. | <ul style="list-style-type: none"> – Staff to consider options an report September 2009 | ----- |
| 35 | Budget and fiscal updates | We recommend that the Director report to the AFA committee each quarter on any significant in-year changes to the budget and on actual spending versus budget. | <ul style="list-style-type: none"> – Part of annual reporting cycle | ----- |
| 36 | Budget disclosure | We recommend that each school, each superintendent and each department be required to post their 2009-2010 annual plans and budgets online, effective September 20, 2009. Further, we recommend that school principals consult with their school council and that superintendents consult with relevant ward councils regarding their budgets. | <ul style="list-style-type: none"> – TBC – Report in Sep / Oct 2009 on action – Principals to engage school councils | Sep 20 th |

DEVELOP A LONG RAGE CAPITAL PLAN (i)

| # | Recommendation | Description | Status | Target Date |
|----|---------------------------|--|---|----------------------|
| 37 | Three to five year plan | We recommend that the Executive Officer for Facilities and the Executive Officer for Business Services, in consultation with the President of Toronto Lands Corporation, jointly develop and present a 3-5 year capital budget and plan to the Administration Finance and Accountability and Operations and Facilities Committees in May 2009. This plan should include options for funding a capital plan in the \$100-million per year range through borrowing, asset sales or provincial funding programs. We further recommend that the plan include detailed spending plans for consideration by the Operations and Facilities Committee. | <ul style="list-style-type: none"> – Capital budget to be completed – Better Schools Brighter Futures to inform budget – June 2009 | May 20 th |
| 38 | Toronto Lands Corporation | We recommend that the Director work with the President of TLC to develop a five year strategic plan for TLC and a surplus property plan on the part of TDSB that will generate \$40-\$50-million (net) per year to the TDSB over the next five years. | –Defeated @ AFA | ----- |

LINK BUDGETING WITH STRATEGIC PLANNING (i)

| # | Recommendation | Description | Status | Target Date |
|----|----------------------------------|--|--|-------------|
| 39 | 2009 – 2010 Budget Review | <p>That staff present a report to the Administration, Finance and Accountability Committee with a consultative draft budget in April 2009.</p> <p>That the Administration, Finance and Accountability Committee consult with the Board's Special Education Advisory Committee and conduct public meetings on the draft budget across the city in the April-May period.</p> <p>That trustees consult with their ward councils in the April-May period.</p> | – Part of planned budget process for 2009 / 2010 | Apr 14th |
| 40 | Strategic Planning and Budgeting | <p>We recommend that the Director and the Chair of the Board revisit the TDSB's existing strategic planning and budgeting framework with a view to launching a more comprehensive planning and budgeting exercise in September 2009 for the 2010-2011 fiscal year. We recommend that this revise process include a three-year operating budget forecast. Further, we recommend that the Director and Chair report to the Planning and Priorities Committee by August 2009 on this revised process.</p> | – New Director to establish process with Board | Aug 26th |

AFA COMMITTEE NEW ADDS (i)

| # | Recommendation | Description | Status | Target Date |
|----|----------------------------------|--|---|-------------|
| 41 | Student Census | That staff present a report on the feasibility of using a third party, such as a university of research firm, to conduct a student census and the cost of repeating the census every three years. | <ul style="list-style-type: none"> – Briefing note on implications and future actions – Fall 2009 | ----- |
| 42 | Safe Schools Supervisory Officer | That staff review and provide input on the establishment of a supervisory officer position with responsibility for safe schools. | <ul style="list-style-type: none"> – Briefing note on implications for June 2009 | ----- |
| 43 | Integrated Services Strategy | That staff report to the Administration, Finance and Accountability Committee, Operations and Facilities Management Committee and Program and School Services Committee on a comprehensive integrated services strategy and meet with the chairs of the three standing committees to monitor progress. | <ul style="list-style-type: none"> – Under consideration | ----- |
| 44 | School-Level Computer Purchasing | That staff review and provide input on the mat-ter of decentralizing the purchase of classroom computers and allowing individual schools to make decisions re classroom computer needs. | <ul style="list-style-type: none"> – Already planned by staff – Report in May 2009 on findings | ----- |