

BCTF Research Report

Part of the BCTF Information Handbook

SECTION V
2009-EF-02

Cancellation of the Annual Facility Grant creates more shortfalls for school districts

<http://www.bctf.ca/publications.aspx?id=5630>

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September 1, 2009

The Ministry of Education recently announced the cancellation of the Annual Facility Grant (AFG) for 2009–10, resulting in a loss of \$110 million dollars in revenue to school districts. This decision comes after Boards of Education submitted their 2009–10 balanced budgets by June 30, based on expected revenues for the coming school year. Boards of Education are now scrambling to deal with more potential shortfalls with very little notice.

Do Boards of Education really carry a surplus with respect to this grant?

The ministry instructed districts to use up “unspent” AFG funds from previous years. Are the “unspent” funds from the Annual Facility Grant truly a surplus accumulated over a number of years, as the ministry implies? Judging from the districts reporting shortfalls in the media since the ministry announced the cancellation of the AFG, districts held these funds in reserve to do necessary repairs/upgrades over the summer or in the near future.

According to an article by Elaine O’Connor in *The Province*, school districts are reporting significant shortfalls due to the cancellation of the AFG. Vancouver, for example is projecting a \$10.6 million shortfall. And some districts are already cancelling projects to repair and upgrade schools. Nanaimo-Ladysmith school district is reporting a \$1.5 million shortfall for repairs already completed or underway and to be planning layoffs of maintenance employees due to projects put on hold (*Nanaimo News Bulletin*, August 29, 2009).

Does it make educational sense to cancel the Annual Facility Grant?

While the ministry claims to be protecting services in the classroom, this should not be done at the expense of health and safety. The Ministry of Education policy document states the purpose of the AFG is to protect the health and safety of students and staff by “correcting deficiencies in design or construction, and unsafe conditions.” Grant categories directly related to health and safety include Asbestos Abatement and Health and Safety Upgrades. Other grant categories relate indirectly to health and safety including Facility Upgrades, Site Upgrades, Mechanical System Upgrades, and Electrical System Upgrades.

The AFG is also intended to provide support to improve access for persons with disabilities. The elimination of this grant may prevent some disabled students from attending the school that most meets their educational needs, or limit their participation in school events.

The AFG also supports technology infrastructure upgrades to accommodate computer and telecommunications wiring and cabling. The loss of this infrastructure funding will likely limit the ability of some schools to integrate technology into the classroom.

From an advocacy perspective, it is important to document the types of projects planned for 2009–10 that will be cancelled as a result of the elimination of the AFG, and assess the implications for health and safety, access for students with special needs, and the integration of technology into the curriculum.

Does it make economic sense to cancel the Annual Facility Grant during a recession?

According to the Ministry of Education policy document for the AFG, the main rationale for the grant is to support school boards to upgrade and maintain schools to extend the life of the buildings, presumably resulting in cost-savings over the long-term. This work is primarily performed by the construction trades. These projects fit within the economic infrastructure projects promoted by the federal government to stimulate the Canadian economy. It is difficult to justify eliminating a \$110 million grant that would have provided significant employment in the construction trades across the province, when BC is struggling to move out of a recession.

Where to find information about the Annual Facility Grant for your district:

To learn more about the Annual Facility Grant in your district see *Schedule B2 – Special Purpose Funds – Changes in Ministry of Education Special Purpose Funds* in the District Audited Financial Statement for 2007–08. The 2008–09 statements must be submitted to the Ministry of Education by September 2009 and should be available on your district web-site soon after. (To locate the most recent audited financial statement for your district, refer to the table in the Appendix.)

BC School District Revenue and Expenditure Tables (2008–09) include some very useful tables that compare specific revenues and expenditures on programs or functions by district. To locate these tables go to: www.bced.gov.bc.ca/accountability/district/revenue/

Sources:

Ministry of Education. Policy Document: Annual Facility Grant. Accessed on August 31, 2009 at: http://www.bced.gov.bc.ca/policy/policies/annual_fac_grant.htm

O'Connor, Elaine. "Schools losing funding for repairs, upgrades; Education ministry says school boards have unspent money." *The Province*, August 30, 2009. p.A5.

"Cut to school facilities grant leaves district \$1.5 million short." *Nanaimo News Bulletin*, August 29, 2009, p.1.

Appendix:

Table of links to school-district financial-information web pages

Links to school district financial information, including Audited Financial Statements

SD	Web page for financial information
5	http://www.sd5.bc.ca/news/publications/reports/annualbudget/
6	http://www.sd6.bc.ca/documents.php?t=F
8	http://www.sd8.bc.ca/finance.htm
10	http://www.sd10production.bcelearner.ca/ (select “Public Info” in sidebar)
19	http://www.sd19.bc.ca/finance
20	http://www.sd20.bc.ca/forms_publications/fin.shtml
22	http://www.sd22.bc.ca/finances.html
23	http://www.sd23.bc.ca/FinancialReports/
27	http://www.sd27.bc.ca/index.php?option=com_content&task=view&id=3646&Itemid=143
28	http://www.sd28.bc.ca/district/departments/finance/default.htm
33	http://www.sd33.bc.ca/pages/show/24
34	http://www.sd34.bc.ca/cms/One.aspx?portalId=944111&pageId=1257732
35	http://www.sd35.bc.ca/district/finance/Budgets/Forms/AllItems.aspx
36	http://www.sd36.bc.ca/general/FinancialReports/
37	http://web.deltasd.bc.ca/about/financial-information
38	http://www.sd38.bc.ca/SBOInfo
39	http://www.vsb.bc.ca/districtinfo/organization/finance/FinancialReports.htm
40	http://www.sd40.bc.ca/sbo/Finance/finance%20index.html
41	http://www.sd41.bc.ca/budgets_policies/budgets.htm
42	http://www.sd42.ca/financial-reports-0
43	http://docushare.sd43.bc.ca/dscgi/ds.py/View/Collection-602
44	http://www.nvsd44.bc.ca/AboutUs/FinancialInformation.aspx
45	http://www.sd45.bc.ca/news/publications/index.html
46	http://www.sd46.bc.ca/finance
47	http://www.sd47.bc.ca/governance.html (bottom R corner)
48	http://www.sd48.bc.ca/financial_info.php
49	http://www.sd49.bc.ca/audited.html
50	http://www.sd50.bc.ca/index.php/publisher/articleview/?SGLSESSID=50q251hk71k91uavgcaju35it1&/1/action/view/frmArticleID/15/
51	http://www.sd51.bc.ca/aboutus/index.htm
52	http://sd52.bc.ca/?page_id=9
53	http://www.sd53.bc.ca/district/financialinfo
54	http://www.sd54.bc.ca/index.php?option=com_content&view=article&id=33&Itemid=105
57	http://www.sd57.bc.ca/index.php?id=2507
58	http://www.sd58.bc.ca/audited%20statements%20page.htm
59	http://www.sd59.bc.ca/vpage.php?p=content+districtinfo+publicinfo.html
60	http://www.district.prn.bc.ca:16080/course/view.php?id=10
61	http://www.sd61.bc.ca/budget.aspx
62	http://www.sd62.bc.ca/Budget_Info
63	http://www.sd63.bc.ca/DeptFinance.htm
64	http://www.sd64.bc.ca/district.html#financial
67	http://www.sd67.bc.ca/businfo.asp

SD	Web page for financial information
68	http://www.sd68.bc.ca/About/
69	http://www.sd69.bc.ca/Pages/publications.aspx Finance page: http://www.sd69.bc.ca/DistrictDepartments/FinancePayroll/Pages/default.aspx
70	http://www.sd70.bc.ca/ District/Financial.html
71	http://sd71.bc.ca/sd71/BUDGET/
72	http://www.sd72.bc.ca/recurring/publications.asp
73	http://www.sd73.bc.ca/public-information.php/page/financial-statements/
74	http://www.sd74.bc.ca/financial_info.htm
75	http://www.mpsd.ca/districtinformation/financialreports.aspx
78	http://www.sd78.bc.ca/ (select "FINANCIAL" in sidebar)
79	http://www.sd79.bc.ca/groups/administration/wiki/b6770/District_Budgets.html
81	http://www.sd81.bc.ca/publications/
82	http://www.cmsd.bc.ca/index.php/Finance/HomePage
83	http://www.sd83.bc.ca/FinancialReports/
84	http://www.sd84.bc.ca/Financial%20Statements/Financial%20Statements.htm
85	http://www.sd85.bc.ca/index.php?content=124
87	http://www.sd87.bc.ca/Finance
91	http://www.sd91.bc.ca/sd91/fft_finance.html
92	http://www.nisgaa.bc.ca/documents.php
93	http://www.csf.bc.ca/english/financial_reports.php

Links checked September 1, 2009.