



BCTF Research Report

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No Model and No Mandate

BC's flawed Funding Model Review for public education

British Columbia's review of the funding model for public education has produced a flawed result via a flawed process. The only reasonable next step is for the government to immediately halt the implementation of a new funding model and return to the drawing board.

Consultation with education system stakeholders has ended without the Ministry of Education revealing a concrete model of the proposed changes and their impacts on students and school districts. The lack of a model made genuine consultation impossible. Even in its absence, teachers and other stakeholders repeatedly shared deep concerns, well-grounded in research, around aspects of the proposed funding changes. This report summarizes teacher concerns around the funding model review process and the substance of several key funding review proposals, in particular prevalence funding for inclusive education and narrow, outcomes-based accountability.

Consultation on a model without a model

The Funding Model Review was announced, and the panel tasked with carrying it out was appointed, in the second half of 2017. In the intervening two years, the panel has released a discussion paper and a set of 22 recommendations. The last six months have also seen the Ministry of Education convene five "implementation working groups" with sector stakeholders to consult on the recommendations and their implications for British Columbia's K-12 education system. However, at no point in these two years, and, crucially, at no point during the implementation consultation process, has the ministry released a concrete model that would illustrate in detail any of the proposed changes to how it disburses funds to school districts and their impacts on the capacity of districts to deliver services.

Problems from the get-go

Teachers have consistently expressed concerns about the funding formula review since the initial discussion paper was made public nearly two years ago with its themes of outcomes-based management and prevalence-based funding for inclusive education. Even prior to the publication of this paper, we were alarmed to learn that adequacy of funding was not included in the six guiding principles for the Funding Model Review—this despite systemic underfunding being a central feature of British Columbia’s public education system for nearly two decades.

The process since then has only confirmed these concerns, all the while making it difficult to voice them due to a lack of specifics from the ministry. Most egregiously, the work of the Inclusive Education Working Group was obstructed by the lack of a clear, detailed and concrete prevalence funding model proposal. It is difficult to overstate how much of a hindrance the lack of a reference point of a specific model was over the four months that the committee met. Tasked with “establishing implementation options”—already problematic because it presupposed that the panel’s recommendations would be accepted—the working group was ultimately presented with no concrete options for a prevalence-based model, despite repeated requests. Participating stakeholders were thus unable to have informed conversations around the implications of this proposed, significant shift in funding mechanism for British Columbia’s students, parents, teachers, and school districts, whether in terms of student services, district budgets, or other areas of policy. An entire consultation process was carried out without the subject of the consultation being made clear.

Lack of clarity on impacts

While the ministry has claimed at late stages of the process that it is engaged in limited modelling of the impacts of prevalence funding on sample districts, teachers are deeply concerned that this modelling was not made available to stakeholders and that it only encompasses a sample of districts rather than all districts. Seeing how funding model changes would affect resources available to all 60 BC school districts should be a minimum bar for serious stakeholder input. The lack of impact modelling should worry all administrators and school board trustees. Some districts will lose resources as the ministry has made it clear that this reform will redistribute funds between districts rather than tackle underfunding. There will be no levelling up. Equity for students may be compromised by equity for school districts.

Lack of details on key inclusive education proposals

Without specifics, the Inclusive Education Working Group was able, at best, to have conversations about general principles. The challenge in policymaking, however, lies in translating broad principles, such as equity and accountability, into specifics. The working group was limited to conversations based on hypothetical assumptions which lacked key details, severely limiting its efficacy. The broad question of how data would be used to construct a prevalence model remains opaque. Some of the key missing information includes:

- which specific data would be used and their sources,
- how each piece of data would be weighted within each broad category,
- what the equations driving the prevalence formula would be,
- what role assessments would play and how they would be prevented from disappearing,
- how districts and the ministry would be held accountable for students receiving services, and
- how districts would be affected relative to their current allocations.

Without seeing a proposed new funding model, the Inclusive Education Working Group could not fulfill its mandate of analyzing the implications of a new model. It was nearly impossible to enumerate the unintended consequences for students, teachers, administrators, and parents created by a vague, hypothetical model. We nevertheless raised long-standing concerns, which appeared to be shared at least in part by other stakeholders, that a prevalence-based funding model would indeed have negative consequences for the adequacy of funding, the assessment of student needs, and, ultimately, the delivery of services. These concerns were frequently minimized. This is in stark contrast to widespread criticism of the current model of funding from ministry staff, which centered on the unintended consequences that it produces. The current model has its flaws but could be improved by bringing funding closer to, not further away from, identified student needs and the costs of services.

Lack of specifics and lack of consensus

The other working groups were also hampered, either directly or indirectly, by the lack of a concrete model being presented. For example, the lack of modelling for Recommendation 9, which calls for a move from course-based to headcount-based funding for Grades 10 through 12, limited the work of the Adult Education and Distributed Learning Working Groups. This important recommendation was excluded from the mandates of all of the working groups despite its far-reaching implications and despite being contentious among numerous stakeholders. A move away from per-course funding has the potential to limit elective programs such as music and drama as well as create difficulties for continuing education programs.

Despite the Ministry of Education's characterization that consensus had been reached during consultations, the October 1, 2019 stakeholder meeting to "conclude" the consultation process confirmed that teachers are not the only ones who feel a consensus is lacking. Our input into the reports of the working groups was often ignored, despite being rigorously based in an analysis of the current funding model, the experiences of other jurisdictions, and the academic literature. The point of view of teachers was neglected and minimized throughout the consultation process. Most troubling is the inference that disagreement expressed by various stakeholders, in particular teachers and parents, is due to "fear of the unknown" and misunderstanding, rather than principled and informed differences.

Without genuine consultation or modelling, the only course of action now should be to immediately halt implementation efforts. No decisions should be made without a clear understanding of the detailed impacts of changes to the funding model and input on them from stakeholders.

Problems with prevalence persist

Aside from a flawed process, there are ample reasons to halt implementation efforts simply based on the content of the proposed funding changes. Even lacking specifics of the proposed funding model to analyze, the BCTF has raised concerns about the Funding Model Review recommendations, in particular around prevalence funding of inclusive education. These concerns are anchored in analysis of the flaws in BC's current funding model that would be extended by the proposals, the experiences of other jurisdictions with prevalence

funding—particularly other Canadian jurisdictions—and a review of the relevant academic literature, which frequently raises cost control as a motivation for prevalence-based funding models. Highlighted below are several key themes that the BCTF has raised consistently throughout the review process.

1. Adequate funding

A central concern with the implementation of a prevalence model is that the *future growth* of total public education funding, and funding for inclusive education in particular, will be inadequate to meet student needs. The current provincial education budget is already inadequate relative to current needs. A prevalence model—by removing the existing, tenuous link between funding and identified student needs—would make it easier for funding to fall even further behind growing needs over time. Prevalence delinks funding from student needs for services and the costs of providing those services, making budget-setting more discretionary than it already is while making underfunding easier to carry out and harder to pin down.

2. Student assessment

Teachers are also very concerned that a prevalence-based funding model could lead to a decline in formal student assessments and a concomitant loss of access to services for some of BC's most vulnerable students. Without the use of special education designations for funding purposes, prevalence-based funding would eliminate an important means of both encouraging assessments and tracking education funding needs. While the Ministry of Education claims that assessment would continue under the new model, the criterion that revamped assessments need only to be "commonly understood" across the province, proposed at the Inclusive Education Working Group, is not easily enforceable and lacks rigour. The combination of prevalence funding and outcomes-based accountability metrics that give districts widespread administrative flexibility is in tension with ensuring high standards of services for all students. Formal assessments are likely to decrease, ultimately limiting access to services for those students whose families cannot afford private assessment.

3. Competition for funding and for services

One of the few concrete things the ministry has revealed about the proposed prevalence funding is that it would cover not only the vast majority of inclusive education¹ but also encompass everything from English Language Learning to pre-K preparedness to breakfast programs for vulnerable students. A single pool of funds established and distributed without any reference to particular needs or costs will only produce pressures for competition between these programs for resources, especially in a context of cost containment. A similar dynamic is likely to play out within inclusive education itself, as different categories of need, whether autism, learning disabilities, or behavioural needs, are effectively pitted against one another for resources.

Prevalence funding is set to increase the role of advocacy by parents and teachers, exacerbating inequities between students. The capacity for advocacy is unequally distributed and highly dependent on socio-economic status. The increase in administrative discretion over providing services created by prevalence funding and the proposed accountability framework risks heightening the vulnerability of already-vulnerable students.

4. Data quality and data adequacy

The current prevalence funding proposal would distribute funds to districts in part (50 percent) based on linked and anonymized Ministry of Health data for BC students. It is unclear, however, how health data would capture large categories of need such as learning disabilities or intensive behavior—needs typically only assessed within the education system rather than by the medical system. Beyond gaps in data, an opaque statistical model will make it very difficult for stakeholders to track whether funding is meeting the needs of all learners as well as the costs of delivering services. Finally, throughout the review process, the ministry provided no detail on how implicit and systemic bias in data would be dealt with, especially that which cannot be corrected by imputation or “extending” data due to bias located in missing data. Left unaccounted for, such bias can lead to under-resourcing of the most vulnerable students.

These long-standing concerns have not been allayed during the stakeholder consultation process; if anything, many of them have been heightened.

¹ Only one to two percent of students currently designated with a special need would likely fall into the new “complex need, high cost” category still funded via designations.

Changes to funding mean changes to policy

Teachers have consistently maintained that changes to the funding formula will have deep implications for and are closely tied to changes in policy across the Ministry of Education. This is contrary to the repeated refrain stakeholders heard in response to attempts to raise implications for policy beyond strictly funding: “this is a funding model, not a spending model.” However, if implemented, the Funding Model Review recommendations would clearly have far-reaching impacts on policy and spending decisions. Discussion of *these* implications of funding model reform was actively discouraged during stakeholder consultation.

While the Ministry of Education has yet to make any formal announcements, there have been clear indications that inclusive education policy will be remade to align with a new prevalence-based funding model. For example, stakeholders heard that assessments will indeed look different under a new funding model—a clear shift in long-standing policy that has survived previous funding changes. It remains unclear, however, what mechanisms will be in place to ensure that there is assessment proportionate to need, that it is being done by the appropriate professionals, and that access to assessment is not inequitably distributed (whether by district, by socio-economic status, or by other criteria). This has deep implications for students, teachers, and parents, with enormous risks that the burden of advocacy for services will fall much more heavily on parents, further exacerbating inequities. This is just one area of education policy clearly impacted by funding reform.

Administrative discretion at the heart of new accountability framework

Teachers’ concerns about reduced assessment and the resulting negative impacts on services for students are part of a deeper worry about an on-going shift in how the public education system is governed. British Columbia’s system is moving to a governance framework characterized by increased administrative discretion on the one hand and flawed, outcomes-based sanctions on the other. Despite repeated invocations of accountability, the Funding Model Review panel’s recommendations would absolve the Ministry of Education of genuine accountability for the public education system as a whole as well as responsibility for funding it adequately.

If implemented, the recommendations would provide little to guarantee minimal provincial standards of service or consistent application of policies. Relying on “nudging” districts into the correct action is not enough and hinders genuine accountability. There remains a deep tension between the purported aim of the panel’s recommendations to create more autonomy for school districts in allocating resources, and the aim of ensuring high standards of service for students. The cost of increased discretion for district administrators will be a greater focus on standardized outcomes for students—something in deep tension with the revised curriculum and teacher professional autonomy. Increased discretion for administration will also lead to less recourse for parents, which only exacerbates the tendencies towards more time-consuming and inequity-generating individual advocacy from a prevalence model.

The consultation process also revealed that administrative savings are being planned as a source of additional funds for services under the new model. While there may be administrative bloat in some areas of the education system, BC generally has an already very lean system whose major problem is underfunding, not overspending. It would be easy for formal assessments and other determinants of student needs to be classified as an “administrative burden” by management consultants with much expertise in cost-cutting but little expertise in public education. There is, however, no magic solution to nearly two decades of underfunding that does not involve greater resources directed into schools and classrooms. Many stakeholders have identified inadequacy of funding as the central problem in education funding in BC. This is almost entirely missing from ministry-led discussion.

Simplicity at the cost of transparency

During the final stakeholder consultation meeting that took place on October 1, 2019, ministry staff suggested that a new model is necessary because the current model is “too complex.” We disagree: an argument could be made that it is, in fact, too simple. The current model’s simplicity creates a lack of transparency. For example, the annual adjustment to all the per-students amounts, from the base amount to unique student amounts, is completely opaque, making it difficult to determine if resources for public education are keeping pace with changing costs and needs from year to year. A new formula featuring a single large provincial prevalence amount (rather than a number of students with particular needs and a per-student amount) would only magnify this problem. Education funding in British Columbia

needs more transparency and a greater alignment of funding to identified needs. The two go hand in hand. A prevalence model for inclusive education could easily exacerbate long-term underfunding in education budgets: a hazy, aggregate relationship between funding and needs makes it much easier for funding to fall behind needs.

Overall, teachers continue to have deep concerns about the long-term impacts of a shift to a prevalence funding model as well as the implementation of other key recommendations—concerns about services for vulnerable students, about the consistency of services across the province, about narrow, outcomes-based accountability, about increased demands for individual advocacy, about the variety of course offerings for upper secondary students, as well as about the *future growth* of funding for public education. Our concern is that many of the proposed funding changes would have a negative impact on British Columbia's students, including the most vulnerable and those with the greatest needs.

How should we move forward?

The BCTF calls on the ministry to immediately put the Funding Model Review process and any implementation of the panel's recommendations on hold indefinitely, to present a concrete model of any proposed changes and to give stakeholders a genuine opportunity to offer feedback.

At minimum, no changes should be made for the 2020–21 school year. This is necessary given that nothing has been finalized and no concrete model has been presented to stakeholders. Contrary to how critiques of the proposed changes are often presented, teachers and other stakeholders do not fear the unknown. We are simply very concerned that a major policy shift with deep implications for British Columbia's students and its classrooms is being rushed and forced through without sufficient informed discussion and knowledge of its impacts. It is far too late to start planning a transition for September 2020 when its effects have not been made clear less than a year out.

A pause and return to the drawing board is the only viable solution given the pervasive flaws in the funding review process to date. Genuine consultation should include a clear description of how any proposed new model would work in detail, what it would mean for the finances of every school district, as well as its implications for policy in any other areas of the ministry. Wide-ranging impacts on policy

across the ministry should be the subject of a broader, more fulsome consultation. Finally, there should also be space to discuss alternative funding models and systemic underfunding. British Columbia's students deserve better and our public education system can do better.

