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PAAC on SEAC

SEAC Resource Guide on

Special Education Funding

2022

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**PAAC on SEAC**

**SEAC Resource Guide on Special Education Funding**

**2022**

PAAC on SEAC members have developed this resource to help SEAC members understand how special education is funded in Ontario, and the role of SEAC in the school board budget process.

This resource has been updated in May 2022 and includes links to some of the 2022-23 Ministry of Education documents on funding.

This and other resources are available on the PAAC on SEAC website, at [www.paac-seac.ca](about:blank)

The Ministry of Education posted documents and data about education funding –

including the various components of the Special Education Grant – at [https://www.ontario.ca/page/education-funding-2022-23](about:blank)

Education funding announcements were made February 17, 2022 – much earlier than last year’s (on May 4, 2021).

Regulations were passed in April 2022 to put this information into effect.

It is possible that funding decisions and regulations could change after Ontario’s June 2022 election. If so, school boards may have to adjust their 2022-23 budgets.

Every school board in the province is unique and will have its own budget format and process. This means that SEAC members will need to ask questions and seek clarification about their board’s annual special education budget. In reviewing the proposed budget, it is important to understand trends in special education revenues and expenditures by looking at past budgets, and financial statements.

SEAC members should also have Ontario School Information System (OnSIS) Data about the students who are receiving special education programs and services, including the:

* Number of students identified as exceptional through the Identification, Placement and Review Committee (IPRC)
* Number of students, not identified as exceptional, who have an Individual Education Plan
* Number of students receiving special education programs and services who are not identified as exceptional, and who do not have an IEP.
* changes in overall school board enrolment numbers

SEAC members should also be aware of their board’s special education model of services and how students with special education needs are supported.

SEAC members should also be aware of changing needs and potential new areas of expenditure.

Key responsibilities of SEAC include:

* to participate in the board’s annual budget process as that process relates to special education, and
* to have the opportunity to review the financial statements of the board, as those statements relate to special education. (*Regulation 464/97 Section 12, 2 and 3)*

Some members of SEAC find this challenging. As a SEAC member there are important things you need to know about how special education is funded and about the financial statements of your board.

* To help you in your role, this document includes suggestions to assist SEAC, indented.

**Did you know** – **Budget Process**

Each school board has a different process for the development of budgets, often including the establishment of a budget committee or ad hoc group.

* SEAC members may participate in Budget Committee or working group.

Under Regulation 464/97, SEAC members are to have the opportunity to participate in the special education budget planning process.

* SEAC members should receive orientation and training regarding financial statements, the Special Education Grant, revenues, and expenditures.
* The board Finance Department can provide a review of the previous year’s financial statements and budget to SEAC typically 3-4 months after end of fiscal year. See the PAAC on SEAC Calendar for recommended timing at: http://www.paac-seac.ca/annual-calendar/
* SEAC agendas should include regular updates on Financial Statements and the budget process.
* Financial information should be presented to SEAC members in easy-to-understand language with visuals and graphics.

Boards often start their budget process to decide what they will “spend” before they find out how much “income” they will receive from the Province.

* SEACs cannot conclude that there will not be enough money or that services must be cut, until they know how much income the board will receive from provincial grants.

The media sometimes reports about anticipated deficits in special education before boards know what grants they will receive. These premature announcements can make families very nervous, fearful that accommodations, programs, and services their children require will not be provided, especially if this happens at the very time IPRCs are determining next year’s placements.

* SEAC member associations can help dispel unfounded rumours by sharing accurate information.

**Did you know** – **Special Education Grant**

Money from the Special Education Grant is supposed to be spent only on “special education programs and services”

“Students with special education needs” or “students receiving special education programs and services” are not just those who have been identified as “exceptional” at Identification Placement Review Committees, and those who have Individual Education Plans.

* SEAC should ask whether special education funding is being spent on other students in their board, and why.
* SEAC should ask what “special education programs and services” other students receive, which are being paid for out of the special education grant.
* SEAC may want to ask why these students don’t have IEPs.

The Special Education Grant is intended to support the incremental additional costs of special education programs and services.

* The board’s special education expenditures should ALWAYS exceed the revenue it receives from the Special Education Grant. That is what is supposed to happen and does not mean that special education is “overspent”.
* Money to pay for special education is also provided through other funding envelopes.
* All students are funded through the Foundation Grant and various other special purpose grants.
* Whenever per-pupil amounts are set by the province, those amounts are multiplied by the total population of each school board.
* Under the Ontario Human Rights Code, school boards have a duty to accommodate – to find the money necessary for students with disabilities, unless they can prove undue hardship.

The Ministry provides direction about which expenses should be paid for from special education grants (on pages 1-10 and in the "Appendix: Special Education Enveloping" chart on page 11 of its Uniform Code of Accounts at

[https://efis.fma.csc.gov.on.ca/faab/Code%20of%20Accounts/2022-2023/2022-23\_Code-of-Accounts\_EN.pdf](about:blank).)

It can be difficult for SEACs to determine which expenses should be charged only to special education, and which expenses should be partially or even totally funded from Foundation Grants and other per-pupil funding envelopes.

The Ministry says: “Professionals and para-professionals who provide support for special education, such as psychologists, psychometrists, and speech pathologists, are funded through a combination of the Pupil Foundation Grant, the Special Education Grant, and other supplemental grants”.

If an initiative (such as mental health programming) applies to the entire student population, special education funding should not cover all of the costs.

* SEACs should determine that special education money is spent only on what it should pay for, not on things for which other grants are available.
* That’s especially true for the 2022-23 school year, since the Ministry has provided boards with additional funds for pandemic-related “mental health” and “reading recovery” support.

On page 191, the Technical Paper states: "The Special Education Grant is limited to special education expenses, including spending restrictions on specific amounts within the grant".

If any money from the special education funding envelope remains unspent in any year, it must be kept in a separate deferred revenue fund. (Any unspent money from a board’s Special Equipment Amount Per PupiI Amount and some parts of the Behaviour Expertise Amount must be kept in their own separate deferred revenue funds. See sections B, C and F below for details.)

* SEAC should check school board audited financial statements to see if there is special education deferred revenue, and how it changes from year to year.

2022-23 funding data for the entire province, called Grants for Student Needs (GSN), and for each school board in Ontario was posted by the Ministry on Feb 17, 2022 at[https://files.ontario.ca/edu-2223-gsnprojections-en-2022-02-17.pdf](about:blank)

In this document you will find your board’s total operating grant amounts in each of the education funding “envelopes” – i.e.:

* projected funding for the coming school year,
* the revised estimate for the current school year, and
* actual amounts granted over each of the previous 3 years.

It also shows how board enrolment may have changed from year to year

You can search for similar data for each year going back to 2003-04, with funding and enrolment data going all the way back to 1998-99 (to see how each board changed).

* SEAC should review Ministry of Education grant regulations
* SEAC should verify Ministry grant allocation amounts with their board
* SEAC should review the board’s Special Education Grant each year
* It is helpful when the school board shares Ministry of Education resource materials regarding special education funding, including Power Points and Webinars, with SEAC members.
* SEAC can divide the total Special Education Grant amount by the total board population to arrive at the board’s per pupil income for special education, and should consider how it changes, from year to year.

**Provincial Comparison – TOTAL and SPECIAL EDUCATION FUNDING**

PAAC compared Ontario Grant For Student Need PROJECTIONS for 2022-23

against REVISED ESTIMATES for 2021-22 (dated Feb. 17, 2022)

|  |  |  |  |
| --- | --- | --- | --- |
| GRANT | 2021-22 Revised Estimate | 2022-23 Projection | **Difference** |
| Total Funding | $25,437,599,852 | $26,121,453,148 | **+ $683,853,296** |
| Total Average Daily Enrolment | 1,999,828 | 2,000,321 | **+ 493** |
| *Total $ per pupil* | **$12,720** | **$13,059** | **+ $339** |
|  |  |  |  |
| Total Special Education | $3,158,856,224 | $3,251,731,378 | **+ $68,613,662** |
| Total SE $ per pupil | **$1580** | **$1,626** | **+ $46** |

**Did you know** – **Special Education Grant Components**

The special education "envelope” itself is composed of various components.

2022-23 Provincial totals for each component are in the Special Education Funding Guide at [https://files.ontario.ca/edu-2223-speced-guide-en-2022-03-21.pdf](about:blank)

Board-by board component amounts are not shown in Ministry projections

* SEAC should ask the board how much money they received from the Ministry, for each of those special education grant components.

Almost all special education funding component grants are based on per pupil amounts - multiplied by the total number of students in the school board (not by the numbers of students deemed to have special education needs)

Only a few components of the grant amounts are linked to specific information about students who receive special education programs and services.

The key components within the Special Education Grant are:

1. **Special Education Per Pupil Amount (SEPPA)**
2. **Differentiated Special Education Needs Amount (DSENA)**
3. **Special Equipment Amount (SEA)**
4. **Special Incidence Portion (SIP)**
5. **Care, Treatment, Custody & Corrections Amount**
6. **Behavioural Expertise Amount**

For detailed information please see pages 34-54 of the Technical Paper at [https://files.ontario.ca/edu-2022-23-technical-paper-en-2022-03-15.pdf](about:blank)

**Year-to-year Comparison of Special Education Funding COMPONENTS**

The 2022-23 Special Education component projections are found at [https://files.ontario.ca/edu-2223-speced-guide-en-2022-03-21.pdf](about:blank)

|  |  |  |  |
| --- | --- | --- | --- |
| SE Grant component | 2021-22 Projection | 2022-23 Projection | **Difference** |
| Special Education Per Pupil Amount (SEPPA) | $1.61 B | $1.61 B | **-** |
| Differentiated Special Ed Needs Amount (DSENA) | $1.18 B | $1.21 B | **+ $30 M** |
| Special Equipment Amount (SEA) | $130.6 M | $140.1 M | **+ $9.5 M** |
| Special Incidence Portion (SIP) | $137.8 M | $142.0 M | **+ $4.2 M** |
| Educ/Community Partnership Program (ECCP) | $112.1 M | $113.3 M | **+ $1.2 M** |
| Behaviour Expertise Amount (BEA) | $37.2 M | $37.3 M | **+ $100,000** |
| Projected TOTAL | $3.2 B | $3.25 B |  |
| Revised Actual TOTAL | $3.16 B |  |  |

**Special Education Funding Components:**

**A. Special Education Per Pupil Amount** (SEPPA - remains the same at $1.61 billion in 2022-23)accounts for almost 50% of the total special education grant; is based on total enrolment and is calculated using different per pupil rates for primary, junior, and secondary students. The highest rate is for the youngest students.

**B. Differentiated Special Education Needs Amount** (DSENA – raised to $1.21 billion in 2022-23) has five components that use multiple factors that have been called “surrogate statistics” – other measures from which school boards’ levels of student “need” are inferred.

These calculations are used to create a different per pupil amount for each school board, which is multiplied by total enrolment.

There are now 5 components of DSENA:

1. **Special Education Statistical Prediction Model Amount** (SESPM – raised to $809.0 million in 2022-23) which uses a number of demographic and socio-economic factors for each board (as measured for their area in Canada’s 2006 census) which are assumed to make it more likely that their students will need special education programs and services.
2. **Measures of Variability Amount** (MOV – raised to $295.6 million in 2022-23) - a complex statistic relating to 7 factors for each board.

*Some of these Measures of Variability would seem to create an incentive to identify more students with higher needs, or who are failing because the amount of funding Boards receive depends on:*

1. how many of their students are reported to be receiving special education programs and services;
2. how many students were exempt from, or achieved only Level 1 in Education Quality and Accountability Office (EQAO) standard tests and how many students taking part in EQAO testing receive three or more accommodations
3. how many students with special education needs have earned 5 or less credits in Grade 9, or 13 or less credits by the end of Grade 10 and how many Grade 9 and 10 students with special education needs are taking Locally Developed or “K” courses
4. if boards are rural and remote
5. if there are more First Nations, Métis, and Inuit students
6. if Boards operate in French
7. as Northern Adjustment money – a total of $10 million now funds 3 regional collaborative bodies among Northern Ontario school boards. Some of this money was transferred to permanent Grants for Student Needs (GSN) from the Ministry’s year-by-year Priorities and Partnerships “Integrated Services for Northern Children” Funding (PPF) earlier and another $1.4 million will be transferred in 2022-23. The 3 boards that administer this must account for the funds separately and keep any unspent funds in a special deferred revenue fund.

**3**. **Base Amount for Collaboration and Integration** - set each year (raised to $34.3 million in 2022-23) to provide every school board a minimum level of base funding of $477,015.57

- to enable school boards to explore collaborative and integrated approaches to serving students with special education needs.

**4. Multi-Disciplinary Supports Amount** (up to $53.1 million in 2022-23)

includes a **Multi-Disciplinary Team Amount** ($29.7 million) for up to four new additional staff each school board + an **Other Staffing Resources** **Amount** ($23.5 million) to support students with special education needs in a way that reflects local needs.

**5. Local Special Education Priorities – In 2022-23, $16.1 million will be**

transferred to school boards from year-to-year Priorities and Partnerships

Funding (PPF) into the more permanent GSN Grant.

Each Board is to receive a base amount of $110,000 plus $4.11 per pupil.

(There will be another $200,000 for School Authorities for a total of $16.3 million.)

Boards may use this funding to address local special education priorities including:

* additional educational staff and/or professional/paraprofessional staff to support students with special education needs (e.g. special education resource teachers, educational assistants, speech-language pathologists, occupational therapists, and psychologists among others)
* other local priorities such as evidence-based programs and interventions, as well as transition supports

**C.** Another component of special education funding is the **Special Equipment Amount** (SEA – raised to $140.1 million in 2022-23.) – which is explained in detail in the Ministry’s SEA Guidelines at [https://files.ontario.ca/edu-2223-sea-guidelines-en-2022-03-18.pdf](about:blank).

It has 2 parts:

1. The **SEA Per Pupil Amount** is based on total school board enrolment and is to be spent to make specialized computer technology available to individual students, as well as to pay for related training, insurance, and technician services for all SEA-funded equipment.
2. Boards may apply for **SEA Claims-Based Amount** to pay for the individualized assistive devices or equipment some individual students need, after boards pay the first $800. (This is one of the few components of funding that is granted for specific individual students.)

* SEACs should know their board’s SEA funding amounts (and how that has changed, year-to-year) and how their board allocates the equipment etc. purchased from SEA funding.
* SEACs should note that SEA Per Pupil Amount spending must be reported separately from all other special education expenditures.
* SEACs should ask if there is any unused SEA Per Pupil Amount funding because it must be kept separately in a SEA Per Pupil Amount deferred revenue fund.

**D.** School boards may apply for **Special Incidence Portion** (SIP – raised to $142.0 million in 2022-23.) funding “on behalf of students who are already supported by more than two full-time equivalent board-paid staff providing intensive support for the health and/or safety of the applicant student, other students and/or staff”. (This is another of the few components of funding that is based on the supports provided to specific individual students.)

SIP is explained in detail in the Ministry’s SIP Guidelines at [https://files.ontario.ca/edu-2223-sip-guidelines-en-2022-03-18.pdf](about:blank)

However, since SIP will provide just $28,803 per such student in 2022-23, it falls far short of covering the full cost of such staffing.

The calculations required in SIP applications show that not only does regular class teacher time not count, but special education class teacher time is calculated at 2.5 times the number of minutes. This could be seen as a financial incentive promoting special education class placement, especially if calculations involve a group of students sharing the same additional staff.

In 2020-21 and 2021-22, boards received SIP funding based on their previous allocation and a formula set by the Ministry. Because of pandemic pressures, documentation was not required.

In 2022-23, the Ministry says it will again require boards to submit full documentation, as outlined in the SIP Guidelines.

* SEACs should know their board’s SIP funding amounts (and how that has changed, year-to-year) and how their board allocates additional staffing.
* SEACs should ensure that parents are informed when boards apply for SIP funding for their child, as SIP Guidelines require.

**Provincial Changes in SIP Funding**

PAAC has noted that provincial SIP allocations have increased greatly in recent years, although the increase in the per pupil amount has been minimal.

These changes can be seen in the following chart.

|  |  |  |  |
| --- | --- | --- | --- |
| School year | Per pupil SIP grant | Total Ontario SIP funding | Number of Ontario students affected |
| 2010-11 | $27,000 | $41 million | 1519 |
|  |  |  |  |
| 2012-13 | “ | “ | “ |
| 2013-14 | “ | “ | “ |
| 2014-15 | $27,000 | $60.3 million | 2233 |
| 2015-16 | $27,000 | $68.7 million | 2544 |
| 2016-17 | $27,000 | $72.8 million | 2696 |
| 2017-18 | $27,000 | $79.8 million | 2956 |
| 2018-19 | $27,405 | $89.3 million | 3259 |
| *2019-20* | $27.679 | *Estimate = $93.5 million* | *Estimate = 3378* |
| *2020-21* | $28,235[[1]](#footnote-1) | $117.7 million | *# unknown.*  *no documentation required during the pandemic* |
| *2021-22* | $28,518[[2]](#footnote-2) | *Projection = $137.8 million[[3]](#footnote-3)* | *# unknown.*  *no documentation required during the pandemic* |
| *2022-23* | $28,803[[4]](#footnote-4) | *Projection = $142.0 million[[5]](#footnote-5)* | *Projection = 4930* |

**E. Education and Community Partnerships Program Amount** (ECPP - formerly called the Facilities Amount – up slightly to $113.3 million in 2022-23) supports school boards to deliver educational programs to students who are unable to attend school because they are in Care, Treatment or Custody/Corrections facilities (once known as “Section 23” programs). School boards establish agreements with the community agencies providing these services, which must be approved by the government.

For more information see [https://files.ontario.ca/edu-2223-speced-guide-en-2022-03-21.pdf](about:blank)

**F.** **Behavioural Expertise Amount** (BEA – remaining at $37.3 million in 2022-23) provides funding for school boards to hire board-level Applied Behaviour Analysis (ABA) expertise professionals, including Board Certified Behaviour Analysts (BCBAs), and to provide training opportunities that will build school board capacity in ABA.

The BEA allocation is made up of 3 components:

• **ABA Expertise Professionals Amount** (up to $25.2 million) is based on a formula of $183,039 per school board + $6.03 for each student in the board

• **ABA Training Amount** (down to $6.0 million) is based on a formula of $1,500 per school board + $2.95 x for each student in the board.

• **After-School Skills Development Amount** (ASSD = remains at $6.1 million in 2022-23) is based on a formula of $50,477 per school board + $1.23

for each student of the board. This money is to be used “to provide students with autism spectrum disorder (ASD) and other students with special education needs who may benefit from the program with additional targeted skills development opportunities outside the instructional day”.

* SEACs should note that ABA Training Amount and After-School Skills Development Amount spending must be used only for those purposes and each should be accounted separately from all other special education expenditures. Any unspent money for each must be kept in separate deferred revenue accounts at year end.
* SEACs should ask if there is any unused BEA Training Amount and After-School Skills Development Amount.
* SEACs should find out how many students are participating in After-School Skills Development programs (in-person and virtually).
* SEACs may want to know how much After-School Skills Development programs cost per participating student.

**Did you know - Priorities and Partnerships Funding (PPF)**

Each year, the Ministry allocates this temporary funding in addition to its Grants for Student Needs (GSNs) - for a variety of additional purposes. Sometimes the Ministry makes a temporary PPF grant permanent, incorporating it into a GSN.

2022-23 Priorities and Partnerships Funding is described at [https://efis.fma.csc.gov.on.ca/faab/Memos/B2022/B05\_EN.pdf](about:blank), and the three special education PPFs are on page 7.

Each Ontario school board’s 2022-23 PPF allocation is shown at [https://efis.fma.csc.gov.on.ca/faab/Memos/B2022/B05\_Attach1\_EN.pdf](about:blank)

**Did you know** – **SEAC Role in the school board Budget Review Process**

The special education department will be informing the budget process by sharing with the budget committee anticipated new or changing student needs that may impact expenditures for special education.

* SEAC should be asking in advance of the budget process for the department’s anticipated needs for the following year.
* SEACs can request the opportunity to identify special education issues, or priorities for the following school year, to share with the budget committee.
* During the pandemic, students may have moved in or out of the board and board enrolment projections should be compared with enrolment projections made by the Ministry at [https://files.ontario.ca/edu-2223-gsnprojections-en-2022-02-17.pdf](about:blank)

When the draft special education budget is shared with SEAC the following items should be clearly identified:

* Revenues for special education from the Foundation Grant, Special Education Grant and other grants
* Changes to the grant amounts from previous years
* Expenditures by category, including staffing projections
* Links between the expenditure item and funding source
  + SEAC members should carefully analyze special education budget information, program staffing and statistical information about students with special education needs.

The school board budget should clearly show the difference between anticipated revenues and expenditures.

* When there is a deficit projected, SEAC should ask how it will be covered
* If programs or services are to be reduced to balance the budget or reduce the deficit, SEAC should ask for details about the changes and the implications for students.
* If SEAC members have concerns about the ability of the school board to meet the needs of students they can make a “recommendation” to the school board.
* SEAC has the “Right to be Heard” by the Trustees and can request to make a presentation as part of public consultation on the school board budget.

**PAAC on SEAC Resources:**

For more information about Special Education Budget and Financial Statements, please see **Section 3.6** of the **PAAC on SEAC Effective Practices Handbook for SEAC Members, 2016** http://www.paac-seac.ca/home/paac-on-seac-effective-practices-handbook-for-seac-members/section-3-seac-roles-and-responsibilities/3-6-special-education-budget-and-financial-state

1. Page 2 at [http://www.edu.gov.on.ca/eng/funding/2021/2020-21-sip-guidelines-en.pdf](about:blank) [↑](#footnote-ref-1)
2. Page 2 at [http://www.edu.gov.on.ca/eng/funding/2122/2021-22-sip-guidelines-en.pdf](about:blank) [↑](#footnote-ref-2)
3. Page 8 at [http://www.edu.gov.on.ca/eng/funding/2122/special-education-guide-2021-22.pdf](about:blank) [↑](#footnote-ref-3)
4. Page 2 at [https://files.ontario.ca/edu-2223-sip-guidelines-en-2022-03-18.pdf](about:blank) [↑](#footnote-ref-4)
5. Page 9 at [https://files.ontario.ca/edu-2223-speced-guide-en-2022-03-21.pdf](about:blank) [↑](#footnote-ref-5)