

QUÉBEC

Ministry of Education

I. GENERAL BACKGROUND

Finances

In 1997–1998 (the latest available statistics) the sources of educational expenditures of the school boards in Quebec are as follows:

General Operations/Administration

Government of Quebec subsidies	\$5,140.3 million
Administration	\$4,730.4 million
Equalization Adjustment	\$409.9 million
Taxation	\$973.7 million
Other sources of revenue (e.g. food services)	\$496.3 million

Investments

Government of Quebec	\$505.0 million
Internal financing	\$65.3 million
Other sources of revenue	\$26.7 million
Total	\$597.0 million

II. LOCAL SCHOOL REVENUE

These self-supporting revenues can finance the following services.

- Those administrative expenditures related to school facilities
- Those administrative expenditures of the central administration office of the school boards
- Those administrative expenditures related to the management of schools, vocational education centers and adult education centers.

These self-supporting revenues are made up of revenues from school taxes and equalization adjustment subsidies

III. TAX AND SPENDING LIMITS

The law anticipates two restrictions:

(A) Local school boards can levy an additional property tax but it can't exceed \$0.35 per \$100 of assessed value, and (B) The maximum tax yield resulting from the sum of the following items: basic amount of \$150,000 and a weighted amount per student of \$500.

An annual regulation determines the indexing of these amounts and their weighting. If amount B is greater than A, the difference is paid by an equalization adjustment subsidy. If amount B is less than A, the school board adjusts its tax rate so that the total equals that of B (without equalization adjustment).

IV. STATE EARMARKED TAX REVENUE

Not applicable

V. THE BASIC SUPPORT PROGRAM

Operating grants from the Ministry of Education cover the essentials of the allowable resources for the school boards to operate using the following breakdown.

Basic Grants

The basic grants include the per pupil amounts established by the general formulas applicable to all school boards. They correspond to the configuration/layout/shape of the basic services supplied by the school boards. They include the following characteristics:

They represent the essential resources attributed to the school boards to allow them to fulfill their obligations with regard to student educational activities as well as adults in their general and professional training. They are granted automatically, independent of the expenditures calculated in the financial report, based on per pupil amounts, shared by all school boards or individually, as well as student enrollments.

Student Educational Activities

The student educational activities relate to education/learning, supporting learning, complementary services and to the professional development of the staff concerned. The portion of educational expenditures for the management of schools is financed with the help of the self-supporting revenues of the school boards (i.e., school tax and equalization adjustment subsidy).

Adjustment Of The Student Enrollment In The Vocational Stream (3rd Level)

The student enrollments taken into account in the calculation of the grants for those students registered in the vocational stream includes those grant-aided on September 30/98 for the student educational activities who have chosen this option. However in the case of target schools on the island of Montreal, they can offer these vocational stream courses as of grade 7.

This grant corresponds to the number of students subsidized for this measure by a per student amount of:

- \$65, if the course is 50 hours or less
- \$130, if the course is more than 50 hours

Educational Activities for Adults in General Training

The basic grant for educational activities for adults in general training includes those activities related to the education offered to adults, the individual follow-through and supervision, the cost of teaching materials and primary materials, support training, front-line service and assistance, instructional development and personnel development of those staff affected by these activities. That part of the expenditures relating to the management of the centers is financed by the self-supporting revenues of school boards (i.e., school tax and equalization adjustment subsidy.)

Adjustments in Basic Grants

With restrictions in budget allocation, it will no longer be possible to allow for reallocations between school boards.

Negative adjustments will be allowed in the following circumstances:

- In the event where the operating procedures of basic grant allocation for adult education by a school board no longer support the educational needs of said adults;
- In the case of adults aged 18 years or less who were financed in 1997–1998 by a basic grant for adult education and who would be included in those 1998–1999 student enrollments subsidized for student educational activities.

Educational activities for occupational/vocational training. The basic grant for the educational activities for occupational/vocational training deals with the education of these students and includes the cost teaching materials, complementary services, educational support services, educational opportunities, front-line service and assistance as well as the personnel development of those staff affected by these activities. That part relating to the management of the centers is financed by the self-supporting revenues of school boards (i.e., school tax and equalization adjustment subsidy.)

Administrative Activities

The expenditures regarding administrative activities relate to those activities of the head office of the school board, which include: general administration, computers, management of educational activities (does not include curriculum consultants), human resources development, facilities and financial management. These expenditures are financed by the self-supporting revenues of school boards (i.e. school tax and equalization adjustment subsidy). The Ministerial grant/allowance permits to take into account those distinctive features of school boards of size, distance and scattering of schools within its boundaries.

School Facilities

The expenditures regarding school facilities include maintenance, repair, housekeeping, energy consumption and health/safety/security. These expenditures are financed by the self-supporting revenues of school boards (i.e. school tax and equalization adjustment subsidy). The Ministerial grant/allowance permits to take into account those distinctive features of school boards relating to facilities maintenance, distance and scattering of schools within its boundaries.

Recurring and Non-Recurring Adjustments to the Basic Grant

Recurring adjustments. The recurring adjustments are those declining adjustments contributed, a priori, for the following causes/reasons:

The adjustment in 1997–1998 that dealt with the Ministry’s financial resources is renewed for 1998–1999 for the new school boards, on the basis of their school enrollments. For the year 1998–1999, there is no new general measure for expenditure cuts.

Governmental measure for the decrease of labor cost in the public and para-public sectors for teaching staff. The adjustment made in this area for 1997–1998 that allowed for keeping track of the agreements in principle between the government and the employee representatives of the school boards, is renewed in 1998–1999 for the new school boards, on the basis of school enrollments kept by the Ministry. For the year 1998–1999, there is no new measure.

Non-recurring adjustments. The non-recurring adjustments are those increases or declines in adjustments occurring during the year to the basic grant for the following reasons:

- a) Non-compliance with control measures for hiring of staff. Reductions in the basic grant result from non-compliance with control measures for hiring of staff in school boards. The negative adjustment is applied when a school board:
- provides a position when there is no incumbent, without having obtained authorization/permission from the Ministry;
 - hires a person in a way that conflicts with the procedures of employment set out in collective agreements or in federal regulations;
 - refuses a candidate for reasons judged to be unsatisfactory/insufficient by the Regional Employment Office or the provincial office of Relocation
 - stops the transfer of available permanent positions

With the exception of this last item, the negative adjustment is equal to 100% to the remuneration and employer’s contributions related to the employee who is hired or refused, for the period of time that the school board is at fault. In the case of last item, the adjustment will depend on the available staff salary determined by the Ministry.

b) Control processes regarding school enrollments. Decreases or increases in the basic grant result from spot-checking of school enrollments, children and adults, for the school years 1997–1998 and 1998–1999, of which the results are not consolidated with the basic grants of the previous year or the current year. The non-recurring adjustment does not apply to the standard basic grant for educational activities for the year in question. No adjustment will be made for the years previous to 1997–1998, with the exception of those cases applicable to the Ministry or to a spot-checking measure.

c) Non-compliance with legislation and directives currently in force. Decreases in the basic grant will occur when a school board does not fulfill, or only partially fulfills, its mandate, especially in the case of expenditures that are not in accordance with legislation and regulations, non-compliance with the number of teaching days set out in the school calendar, specified by regulation or required by virtue of present budgetary rules as well as by not fulfilling those services mandated for school boards.

d) Strikes or lock-outs. Decreases in the basic grant can result from disruption in activities due to strikes or lock-outs. A compensation could be awarded in order to keep track of certain expenses during these times.

e) Cash out provisions. Cash out provisions are awarded to school boards for the remuneration of non-teaching staff, in accordance with collective agreements.

f) Technical adjustments. Modifications to the basic grant resulting from technical corrections to the terms of reference of the grant that would not have been introduced in amending these terms of reference. With the establishment of the new school boards, these kinds of adjustments will be made in order to keep track of the decisions made by the provisional councils concerning the sharing of certain specialized services or decisions of the Ministry de l Education or the Ministry of Health and Welfare regarding the configuration of their network. As well, the Ministry could bring about, for the school year 1998–1999, modifications to the terms of reference for those school boards affected by the transfer of staff or students in order to keep track of the financial consequences of these transfers on their terms of reference.

g) Quebec Sales Tax. The objectives of the basic grant for 1997–1998 are to ensure equity in the rate of reimbursement of the sales tax in Quebec (TVQ) and to keep track of the effect of the increase in the rate of the sales tax of Quebec in force since January 1, 1998, is extended into 1998–1999, after a deduction in the amount charged to school transportation that is transferred to the related program.

The resources are granted *a priori* to the new school boards based on the school enrollments kept by the Ministry.

h) Support for activities sponsored by the Ministry of Labor. The non-recurring adjustment is granted for the support for those activities sponsored by the Ministry of Labor under the terms of the Accord Canada-Quebec for institutional training. It is established on the basis of available funds, man-hours required, direct purchases, weighted man-hours required, local purchases of training for unemployment-insurance claimants, sponsored by the Ministry of Labor for the fiscal year 1997–1998.

Transfer of Regular School Enrollments after September 30

The non-recurring adjustment helps to keep track of the transfer of regular school enrollments between school boards and private schools agreed to at the end of subsidies after September 30.

Supplemental Grants

Supplemental grants for 1998–1999 consolidate those grants deemed to be supplemental, complimentary, or granted previously. This consolidation was done for two reasons: simplification and determination of financial resources assigned by school enrollments or targeted services.

Measures for pay equity, disability income, salary restructuring and non-monetary clauses granted by subsequent basic grants in 1997/1998 are now included in the per student expenditure for the other expenses included in the basic grant for students' educational activities.

The major characteristics of the supplemental grants are as follows:

- funds can be granted *a priori* upon presentation of a request or report on school enrollments;
- the grants are limited by the funds available to the Ministry
- the allocated funds are distinct from the expenditures mentioned in the financial report, these can be reduced in part or in whole as a result of the “non-realization” of those activities for which the funds were destined.

The measures identified by the supplemental grants are described below. As for the information pertaining to the management categories, they can be found in the document entitled *Recensement des Demandes D'allocations au*

Ministry de l'Education pour l'Annee Scolaire 1998–1999.

The resources pertaining to certain measures have been distributed among the new school boards based on the student enrollments kept by the Ministry. The provisional councils can however decide otherwise.

VI. TRANSPORTATION

Basic Grant

The basic grant includes, where applicable, the following:

- the daily transportation of students, that is for the daily entry and exit of classes;
- the transportation between schools that allows for students to attend mandatory courses/classes that are part of the regular schedule but that are not offered in their school;
- the occasional transportation of students which, for reasons of distance, do not travel in the morning or at night. This transportation is organized, perhaps on the week-ends, either twice a month and at any other time/frequency.

Supplemental Grants

There are 5 instances of supplemental grants in 1998–1999 for the following situations:

1. Increases in regular school enrollments of school boards
2. Increases in regular school enrollments of private schools
3. Increases in the number of handicapped or special/learning disabled students that need transportation
4. Increases in the number of students in reception classes
5. Acquisition of equipment or accessories needed to transport handicapped or special/learning disabled students

Non-recurring adjustment

School boards and the public transportation system.

The basic grant for a school will receive a negative non-recurring adjustment when the number of students who are paid allowances for their complete

transportation is greater than the number planned/proposed in the contract negotiated with the public transportation system.

Allowed resources constitute a reduction in the basic grant. This reduction is compiled in the following manner:

- \$300 per year per student that exceeds the total number planned/proposed in the contract, or
- part of the sum corresponding to the ratio of the number of days of noncompliance with clauses in the contract to the number of days of transportation planned/proposed by the school board.

A school board that remits directly to students an allowance to pay (in whole or in part) for transportation must, when the board does not have a contract with a public transportation system, enter into a memorandum of understanding with the public transportation system in its jurisdiction.

The principle of non-recurring adjustment planned/proposed in the case of non-compliance with the public transportation contract applies equally in the case of non-compliance with a memorandum of understanding.

Stoppage of Service.

General provisions. Every school board or private school subsidized by the Ministry must alert/advise the Ministry whenever there is a stoppage in student transportation services no later than 10 days from the beginning of this stoppage. For the purposes of this section, stoppage in service does not include those interruptions resulting from weather conditions, general consultation, holidays planned/proposed in the school calendar and materials breakdown resulting in school closures.

Stoppage of service applicable/due to the carrier. When the transportation service is interrupted, in whole or in part, due to reasons applicable to the carrier, the Ministry of Education pays in full to the school board or subsidized private school the total amount of subsidies to which it is eligible.

Stoppage of service applicable/due to the school board or subsidized private school. When the school transportation service is interrupted, in whole or in part, due to reasons applicable to the school board or subsidized private school, the Ministry performs an adjustment. However, if it is a partial stoppage in services, then the adjustment is proportional to the services that were interrupted.

However, the Ministry will annul part of or all of the adjustment when a school board or subsidized private school recovers part of or all of its school days.

For the purposes of this sub-section, the school year is deemed to be 180 days in length and the adjustment is calculated on the basis of the number of days of interrupted service beginning with the 6th consecutive day of interrupted service.

Recurring adjustments.

Agreements between school boards. The Ministry encourages the continuation of agreements for the school year 1997–1998 between school boards re: supply of transportation services. To this end, the cost of providing services by one school board on behalf of another will be part of the total basic grant for the school year 1998–1999 for the school board that defrayed the cost of it in 1997–1998.

In the context of the present school restructuring, the Ministry invites all parties concerned to renew their existing agreements with the objective of ensuring student transportation in the most cost-effective manner possible.

For every agreement referred to that will not be renewed for the school year 1998–1999, the Ministry will initiate an adjustment on the remitted allowances.

The cost of services, if they were maintained by a particular school board, would be excluded from the calculation of remitted allowances. Moreover, when a school board, which is responsible for transportation, provokes a breach of an agreement, then the supplementary costs arising from such a breach will be deducted from the school board's basic grant.

The cost of services, if they were maintained by a particular school board and if there is a breach of agreement from the school board that guaranteed the transportation as well as the supplementary costs resulting therefrom, would be remitted in their entirety to the school board which must now provide these services. In spite of the preceding, no adjustment will be made on the remitted allowances in the case of a breach of agreement when a school board, as part of the agreement, compensated another school board for supplying certain transportation services for the school year 1997–1998 that were the reason for breach of agreement.

Agreements between school boards and private schools. The Ministry encourages the continuation of agreements for the school year 1997–1998 between school boards and private schools re: supply of transportation services. To this end, the

cost of providing services by one school board on behalf of an authorized private school will be part of the total basic grant for the school year 1998–1999 for the school board that defrayed the cost of it in 1997–1998.

In this present section, all references to student enrollments registered as on September 30 at an authorized private school do not include those students boarding on the premises.

When a private school wishes to renew, for the school year 1998–1999, an agreement with a school board for the transportation of its students, the Ministry will remit an allowance to pay for all of or part of this service. In the context of the present school restructuring, the Ministry invites all parties concerned to renew their existing agreements with the objective of ensuring student transportation in the most cost-effective manner possible.

VII. SPECIAL EDUCATION

In the determination of the basic grant for school boards, a per pupil amount for each grade school level is assigned for student at risk as well as handicapped students. Please note that certain allowances are equally extended to special education, especially for regional and supra-regional services.

VIII. GIFTED AND TALENTED EDUCATION

No allowance or special measure is extended to gifted students. These students are considered to be regular students as per the method for allocating resources.

IX. BILINGUAL EDUCATION

There is no bilingual course in the public schools of Quebec. However, the French school boards offer English as a Second Language courses and the English school boards offer French as a Second Language courses.

X. EARLY CHILDHOOD EDUCATION

The clientele for kindergarten aged 5 years old is part of the clientele subsidized by the Ministry as identified in article 1.3 of the Budgetary Rules governing school boards. As for the clientele aged 4 years old, the only ones who are subsidized by supplemental grants are those from low-income areas.

XII. OTHER CATEGORICAL PROGRAMS

Special Allowances

The basic grant for school boards comprises certain special allowances for small schools, distant schools, size and maintenance of schools.

Daycare

The Ministry finances daycare services to ensure that parents do not pay more than \$5.00 per day for regular services. Daycare services for children must be administered by the school board personnel and must allow for 1 adult for every 20 children and one of these persons must be identified as responsible for the daycare.

Daycare service in a school setting must be offered during at least 2 times out of the following 4 time periods:

- in the morning, at least 30 mm. before the beginning of classes;
- at noon, at the end of morning classes and until the beginning of afternoon classes;
- in the afternoon after classes end and until at least 5:00 p.m. A portion of this time must be dedicated to helping students with their school-work;
- for half a day during regular class hours, if there are children of 4 years of age.

In the kindergarten for 5-year olds and in elementary grades, student attendance is defined as regular if the child is kept, outside of class time, for at least 2 hours 30 mm. for a minimum of 3 days per week.

In preschool for 4 year olds, with the exception of school children from the Island of Montreal, student attendance is defined as regular if the child is kept, outside of class time, for at least 5 hours per day for a minimum of 3 days per week.

On the Island of Montreal, free educational activities for 11 hours 45 minutes are offered to 4 year olds to complete their half-day of class time in those elementary schools having a poverty index between 0%—30% as identified in the 1998–1999 map from the Island of Montreal School Board. This measure applies to those schools offering preschool for 4 year olds in 1997–1998 and those that will continue to do so in 1998–1999.

Parental financial contributions should not exceed \$5.00 per day per child:

- for class days, this contribution includes provision of services that does not exceed 5 hours of daycare, including support time for school work;
- for professional development days, this contribution includes provision of services that does not exceed 10 hours of daycare per day;
- this contribution does not include the provision of food or special activities that would bring about additional costs.

Any additional parental financial contributions, if any, for services supplementary to the basic service described above, must be reasonable and on the basis of the real costs incurred for such services.

The amounts earmarked for this measure must inevitably be remitted from the school boards to the daycare services on the basis of each of their needs.

XIII. TEACHER RETIREMENT

The employer's contribution to the retirement program is referred to in the government's handbook.

XIV. TECHNOLOGY

Concerning the new information and communication technologies, certain allowances are approved for school boards.

Operations

This measure facilitates the setting up of the Ministerial Action Plan for new information and communication technologies (NTIC) by financing the regional and supra-regional curriculum enrichment computer centers (CEMIS), the integration of technology into the classrooms, the vocational upgrading of educational personnel in areas of new technologies, support for the evaluation of educational software, innovative curriculum projects, coordination of the enrichment centers (CEMIS) and the development of the World Wide Web for educational purposes.

Financing of Hardware/Equipment for the Vocational/Career Training of Youths and Adults

In the process of implementing the policy for vocational/career training, this measure finances, in part, the supplementary costs for the purchase, and only

rarely, the installation of the equipment/hardware for the implementation of the new programs and technologies.

It also allows for the purchase, by the school boards, of certain equipment/hardware deemed necessary because of the content of the new programs of study, revised/updated programs or because of substantial increases in enrollments. It also allows for increases in accommodation capacity corresponding to occupational shortages in the labor force.

Purchase of Hardware for General Education

In the process of implementing the Action Plan for Information and Communication Technologies for Preschool, Elementary—Secondary, General Education for Youths and Adults, this measure finances, in part, the costs of purchasing hardware for schools and adult education centers, as well as certain centers of the Ministry of Health and Welfare.

The hardware purchased by this measure must be used only for students in a learning context or by teaching staff in their planning, teaching and management activities.

The hardware includes those microcomputers that are equipped with operating systems and, where applicable, complete systems software. This also includes peripheral equipment, internal and external network systems as well as the microcomputer upgrades for students and teachers.

XV. CAPITAL OUTLAY AND DEBT SERVICE

As in the case of operations, a basic grant is approved for investments by each school board. This grant/allowance is chiefly allotted on the basis of funds per student. The specific investment grant/allowances are approved for school boards for the purpose of expanding space in facilities for general education and professional development. Overall spending investments, financed by the Ministry, are subject to long-term financing.

XVI. STANDARDS/ACCOUNTABILITY MEASURES

Pursuant to the Public Education Act, the Ministry determines the layout/content of school boards financial reports, as well as the date on which they must be submitted to the Ministry. In order to assist school boards with their accounting, the Ministry will make available the Standard manual of education accounting

that brings together the information and directives on accounting and school board financial operations that weeks to insure their adequate and uniform application.

XVII. REWARDS/SANCTIONS

In the case of rejection or negligence in complying with the Act that authorizes the school board, the Public Education Act allows the minister to retain or annul all or part of the subsidy destined for a school board, except for the student transportation subsidy or the subsidy for debt servicing connected to an authorized loan.

XVIII. FUNDING FOR NON-TRADITIONAL PUBLIC SCHOOLS

Not applicable

XIX. STATE AID FOR PRIVATE K-12 SCHOOLS

Budgetary rules, specific to certified private schools approved for subsidies clarify/define the allowances that are agreed to by the Ministry

In 1997–1998 (preliminary data) sources of financial expenditures for private schools break down this way;

Government of Quebec subsidies	\$287.5 millions
Student fees	\$177.0 millions
Donations and Corporations	\$43.4 millions
Other revenues	<u>\$113.6 millions</u>
TOTAL	\$621.5 millions