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October 30, 2024

Honourable Demetrios Nicolaides
Minister of Education
228 Legislature Building
10800 – 97 Avenue
Edmonton, AB T5K 2B6

Dear Minister Nicolaides,

Re: Replacement of the Weighted Moving Average Funding Framework

We are writing to provide the Calgary Board of Education's (CBE's) perspective regarding the government's intention to revise the current public education funding framework.

As you consider the overall adequacy of funding for public education, we would offer our perspective on a revised or renewed funding framework. Namely, a funding formula needs to reflect the following principles:

- Adequacy of funding connected to the costs of delivery
- Simplicity and flexibility
- Transparency
- Responsiveness
- Predictability

Funding Needs to be Adequate to Cover Costs of Delivery

Per-student funding is the metric most relevant to public education. Any funding model must be founded upon adequate overall funding per-student as no framework, on its own, can alleviate underfunding.

To address adequacy, the funding framework must connect, in whole (ideally) or, in part, with the actual costs of delivery. The results of inadequate funding are growth in average class size and services and supports for students that do not keep up with need.

Between 2018-19 and 2024-25, the CBE's funding per student adjusted for capital expenditures has remained relatively constant, at, or below, 2018-19 levels. Over the same period, inflation has eroded the CBE's purchasing power of this funding by more than 20 percent.

Similarly, the CBE's average cost of labour has increased by more than 8 percent. The funding that would have purchased 100 teachers in 2018-19 can only purchase 92 teachers in 2024-25. Funding that only grows by enrolment

growth and not inflation and the cost of labour puts upward pressure on class sizes and downward pressure on services and supports to students.

Another tangible example is the current Operations and Maintenance grant. This grant does not, and has not since its inception, fully covered the actual costs. As a result, school districts need to redirect dollars, often from educational grants, to fund operating and maintenance costs. Ideally a revised funding model would incorporate actual cost information into the determination of grant amounts.

Funding Model Needs to be Simple and Flexible

The CBE supports a simple funding model that addresses the key areas of cost within a school district.

We believe that locally elected Boards are best positioned to make resource allocation decisions to meet the needs of students and families. Accordingly, any model should allow for as much flexibility as possible to allocate resources to support teaching and learning.

With flexibility comes accountability for the resources conferred. The CBE fully supports the need for accountability. That said, the reporting requirements must be reasonable. Current accountability measures in place, which include provincial achievement results, diploma exams, and the Annual Education Results Report fully deliver on the accountability obligations of a Board.

Transparency is Important

Whatever methodology is implemented, the CBE believes it should be transparent to families, communities, Trustees, and board staff.

Transparency is enhanced by limiting the number and complexity of grants within the framework.

Transparency also means using existing outcome measures to assess how school boards have deployed the public education dollars entrusted to them. This includes provincial achievement tests, diploma exams, and the host of information included with the Annual Education Results Report.

Additional monitoring of funds provided adds complexity, reduces transparency, and increases red tape within limited additional accountability.

Model Should Be Responsive to Changing Environment

The CBE believes that a modernized funding framework needs to be responsive to both sudden increases and decreases in student enrolment as well as other significant changes that increase or decrease cost. This could include, but not be limited to, curriculum changes, changes to class size guidance, collective bargaining agreements. Other government policy changes could also have impacts on cost. Duty of care and duty to accommodate changes would be one example.

The current weighted moving average framework has proven to be less effective in periods of rapid enrolment fluctuations.



Predictability of Funding is Valued

Finally, the CBE is supportive of a funding framework that provides predictability over time. Conceptually, the current model promised increased predictability. In practice, however, changes were made every year that adjusted funding sufficient to eliminate the promised predictability. The result, in the absence of predictability over time, is shorter term decision making that does not promote a sustainable and systematic improvement in student outcomes.

Also, while funding announced outside of the annual budget cycle is appreciated, it does impact the ability of school districts to effectively plan and leverage regular cycles of hiring and deployment of resources.

It is important to note that if an additional \$1 billion was injected into public education in Alberta, the impact to the CBE, even under the existing funding model, would be approximately \$180 million. An injection of that size would allow the CBE to positively impact both average class size and the availability of the services and supports necessary to support all students, especially students with complex needs.

We would further note that based on the 2024 Fraser Institute Report on Public Education Funding in Canada, approximately \$1 billion in additional funding would bring Alberta's per student funding in line with the Canadian average referenced in that report. (*Fraser Institute, Education Spending in Public Schools in Canada, 2024 Edition, Table 5, Page 9*).

<https://fraserinstitute.org/studies/education-spending-in-public-schools-in-canada-2024>

We look forward to continuing this conversation with you to address the adequacy of provincial funding for public education and a funding model that addresses simplicity, transparency, flexibility, responsiveness, and predictability to ensure students across Alberta are supported for success.

We are happy to meet with you to discuss this further.

Yours sincerely,



Patricia Bolger, Chair
Board of Trustees

cc Joanne Pitman, Chief Superintendent of Schools
Brad Grundy, Chief Financial Officer
Marilyn Dennis, President, Alberta School Boards Association





ALBERTA
EDUCATION

*Office of the Minister
MLA, Calgary - Bow*

AR 127346

December 20, 2024

Ms. Patricia Bolger
Board Chair
Calgary Board of Education
1221 - 8 Street SW
Calgary AB T2R 0L4

Dear Ms. Bolger:

Thank you for your letter sharing the Calgary Board of Education's perspective on potential changes to the funding framework. I appreciate the opportunity to respond.

Albertans want a strong and vibrant education system that meets students' learning needs and equips them with the skills and knowledge necessary for success in school, work, and life. Alberta's Kindergarten to Grade 12 funding model is designed to provide all school authorities in Alberta with sufficient resources to deliver programs equitably.

We recognize the challenges our education partners face with emergent enrolment growth and the rising costs of programs and services. We are reviewing key aspects of the current funding model, including how enrolment growth funding is calculated through the weighted moving average. Alberta Education is also evaluating options that balance the needs of the education system with government fiscal priorities.

Education recently held engagement sessions with the Alberta School Boards Association and Association of School Business Officials of Alberta to discuss the funding model's challenges and potential improvements. Members of the associations shared valuable insights and ideas during the sessions and via email.

Department staff are currently analyzing feedback from various stakeholders on the funding model. We will continue collaborating with our education partners to develop solutions that address the needs of schools and students. Our primary goal is to ensure that schools are appropriately supported so they can provide a world-class education to Alberta's students.

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Ms. Patricia Bolger
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Thank you again for sharing feedback and suggestions regarding the funding framework. I wish the Calgary Board of Education board, staff, and families all the best throughout the coming new year.

Best,

A handwritten signature in black ink, appearing to read "Demetrios Nicolaides". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Demetrios Nicolaides ECA PhD
Minister of Education