**Nailing Down the Money for Poor Kids:**

**A minor victory but a long way to go**

**Learning from the recent TDSB debate over the Learning Opportunities Grant**

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You learn a lot when you try to get a school board to say exactly how it spends public funds.

**Background**

For many years now, in fact since 1998, the Ministry of Education has been raising all the taxes that are used to support publicly funded schools through a complicated system of grants to local school boards. Local boards and the trustees elected to them no longer have any say, as they once did, in how much. Education Funding Grants include several types of grant, but we shall just mention three:

1. the Pupil Foundation Grant based on the number of pupils enrolled in a school board at each of three levels from Junior Kindergarten to Grade 12. It is supposed to fund what the Ministry thinks is the right number of classroom teachers and specialized teachers for those students;
2. the School Foundation Grant based on the number of elementary schools and secondary schools grouped into six or seven categories according to number of pupils enrolled in each one. It is It is supposed to fund what the Ministry thinks is the right level of administrative support (principal, vice-principal, office staff and supplies) for each size of school;
3. Special Purpose Grants. There are twelve of these and they recognize the additional cost of special circumstances, such as rural schools and schools in remote areas, or providing programs for particular categories of student such as Aboriginal students, recent immigrants, and so on.

One example of these Special Purpose Grants is the Special Education grant. It provides funds for the extra cost of programs for pupils identified as exceptional for reasons of disability or giftedness, etc. Another is the Language Grant, which supports programs for recent immigrants who speak languages other than English or French. And then there is the **Learning Opportunities Grant**. This is the famous grant that has been in the news recently. It has been a lightning rod for issues of equity and accountability at the Toronto District School Board.

**What is the Learning Opportunities Grant (LOG)?**

The **Learning Opportunities Grant** was introduced in 1998 to provide “funding based on social and economic indicators that are associated with a higher risk of academic difficulties.” Using census data (most recently from 2006) and data provided by school boards, it uses the following indicators of such risks and weighted them as follows in the formula for distribution of the grant:

Low Income 50%

Recent Immigration 25%

Low Parental Education 12.5%

Lone Parent Status 12.5%

The money is allocated, according the Ministry’s Technical Paper still in effect, to support “boards in offering a wide range of programs to improve the educational achievement of these students.” The Technical Paper gives examples of these: “breakfast programs, homework clubs, reading recovery, and withdrawal for individualized support.” (Ministry of Education, *Technical Paper 2013-14,* pp. 57-58)

This emphasis on funding to support the education of disadvantaged students was picked up again in the McGuinty Government’s Poverty Reduction Strategy in 2009. And the list of programs that could serve as examples is a little longer: “remedial reading, breakfast and lunch programs, tutors, mentoring, adapted curriculum, summer school, literacy and numeracy programs and homework clubs.” (Government of Ontario, *Breaking the Cycle,* 2009, p. 12).

So all of us looked set for the development of programs to help improve the education of children from disadvantaged backgrounds. Except that the Ministry then added the following weasel words: “Boards have considerable latitude in determining the type of program and support that they provide with this funding.” (*Technical Paper*, p.57)

Thereby hangs the tale! Everything depends on what is meant by “considerable latitude.” It is a politician’s dream at both the provincial and local levels. The Ministry can say we are generously funding the education of disadvantaged children. But the money goes into general revenues for the Boards, who can say in turn that they can spend it on anything they like. It is what is called an “unsweatered” grant. So Boards feel free to use it to balance the budget for programs and services that affect all board schools regardless of privilege or disadvantage: topping up teachers’ salaries (?), heating costs (?), additional vice-principals (?), extra transportation costs for French immersion programs or gifted classes (?), and so on. Since there is no accounting needed for the spending of these funds, it could be anything. Indeed, a brief internet search will soon produce evidence that the **LOG** is considered by school board officials as their flexibility money. The provincial advocacy group People For Education has also pointed out this tendency in their Annual Reports of the last two years, and it is well documented by Hugh Mackenzie of the Canadian Centre for Policy Alternatives in his paper *No Time for Complacency* (November 2009). Here’s an example from the Peel District School Board

www.mississaugalife.ca/2011/03/this-doesn’t-add-up/‎.

The original stated purpose of the LOG has not only been eroded; it has almost been forgotten.

**If that’s the LOG, what’s the LOG-DA?**

But wait, it gets murkier. Over the last few years, the Ministry has been topping up the **Learning Opportunities Grant** with a series of small grants designated for specific purposes having to do with improving standardized test scores and high school completion rates for all students. These small grants do not allow Boards any latitude in how they are spent. They are in fact “sweatered,” so the Boards now triumphantly point to these expenditures as evidence that they are observing the requirements of the LOG. The bulk of the LOG is still the part derived from the numbers of disadvantaged students in each Board. It is called the Demographic Allocation and the amount allocated for Ontario next year is about $346 million and well over one third of that comes to the Toronto District School Board. The smaller grants amount to about 145 million, for a total **LOG** of $490.5 million. What we are focusing on then is the **Learning Opportunities Grant – Demographic Allocation** (**LOG-DA**). Are your eyes glazing over yet? Perhaps they were meant to. But this is no time to give up.

Enter the Inner City Advisory Committee (ICAC) of the Toronto District School Board. For a number of years, ICAC has tried to find out how much of the **LOG-DA** money is being spent for the disadvantaged students who generated it. Each time, the answer came back: “this is an “unsweatered” grant; it goes into general revenues and we cannot show how that particular amount is spent, and we are not required to do so anyway.” The perfect impasse was reached. ICAC knew that it was not the full amount (in the $120 million plus range), but could only speculate.

**The tide begins to turn**

And then, one day, bingo! On June 6, 2012, the first signs of how much that might be came out in a Trustees’ Budget Committee meeting, in response to a Trustee’s question to staff on how much the Model Schools for the Inner City were costing (Model Schools are the 150 elementary schools out of 480 with the highest proportion of disadvantaged pupils. This may well have been a sinister question, pending a decision to impose a percentage cut on this particular budget item, in view of the board’s claim that this was an unfunded program, since the **LOG-DA** was “unsweatered” (not tied to a particular program).

Whatever the reason for the question, the result was the funding table that began the process of discovery, the pig in the poke that became the cat let out of the bag. The table was called a *Summary of Model School funding from LOI and EPO/Grants for 2011-12*. There are two acronyms here. The Learning Opportunities Index (LOI) is a formula for rating schools according to the proportion of disadvantaged pupils in their enrolment; in other words, this is a sum that can be aligned with the purposes of the **LOG-DA**. EPO are Education Programs-Other, funds “sweatered” for specific programs the Ministry is keen on. So, what did we learn?

We learned that about $42.5 million was accounted for under this rubric. But we realized that three of the nine columns of expenditures listed were from EPO. Once these were removed from consideration, we were left with about $40 million that could be a reasonable charge against the LOG for disadvantaged pupils’ education. There was no mention of the amount of the grant, since the staff aim was to show how much it was costing to fund disadvantaged pupils’ education. The Trustees were being shown the expenditure as a preliminary to cuts. And cut they already had: 30 so-called Learning Opportunities teachers (centrally assigned coaches) earlier in the spring. That meant a loss of about $1.5 million from this $40 million. We we’re now down to $38.5 million going forward into the new budget year. One Trustee commented that she had no idea the Model Schools (i.e. poor kids’ education) cost so much!

What we knew and the Trustees should have remembered or been told is that poor kids had generated $126 million in the **LOG-DA**. So only 30% of the money trumpeted as part of the Government’s Poverty Reduction Strategy was going to fund the kinds of programs the Province supposedly had in mind.

So ICAC resolved to be ready for the next budget round. We had another look at the revealing report of June 6, 2012, and found the situation was even worse than we had first thought. Two of the columns listed against the LOG referred to sweatered funds for specific programs for the board schools as a whole. They could not count against the **LOG-DA** for poor kids’ programs. Now the expenditures aligned with **LOG-DA** were reduced by another $9.5 million.

So for the 2012-13 school year, only $29 million, less than one quarter, of **LOG-DA** was being used as intended. 77% of the money for poor kids was being siphoned off to balance the budget. The holes being filled were attributable either to shortfalls in provincial grants or the choice of other priorities for that money by the Board.

**Going public with a bang**

This was getting intolerable and nobody seemed to want to do anything about it. So, led by Social Planning Toronto, a campaign was put in motion this spring by Leslie Johnston and John Campey to start the reverse of this trend. My role was to develop the data to arm the action. Delegations began appearing before trustee committees and were greeted with either skepticism or hostility by most (not all) of the Trustees. It was time to turn things up a notch.

A conversation I had with Bob Spencer (another former Trustee of the old Toronto Board of Education) helped turn things around. I had gone back over the total amounts of the **LOG** going back to 1998. Assuming the 2012-13 diversion amount (70%), I calculated that the aggregate amount taken out of poor kids’ education for other Board purposes would be about **$1 billion** by 2014. Bob said that a press release containing that figure, hypothetical though it might be in the absence of any mention of **LOG**-related expenditures in Board reports before 2012, would get us on to the front page.

Taking a leaf from Government timing of unwelcome news, the press release showing our figures derived from Board sources (the $40 million from **LOG** as of June 2012) along with the billion dollar calculation went out on Friday and did make the front page of the *Toronto Star* on the following Sunday (May 5, 2013).

By the next day (Monday May 6) board staff had scrambled to contain the damage. Now the money was accounted for quite differently from before. First, they confused the issue of the **LOG-DA**, by quoting the amalgam of both sweatered and unsweatered portions of the **LOG** ($143 million). This, it was claimed, proved our figures were wrong. They were not. We were referring to **LOG-DA** ($126 million).

Then, in addition to the $40 million we had accepted from their earlier accounting, the Board added their sweatered grant expenditures and began claiming that a whole lot of other programs benefiting disadvantaged pupils should also be included: nutrition programs, board-wide equity, inclusiveness, safe school initiatives, translation and community services. This took the amount up to $100 million of the whole **LOG** (or $80 million of **LOG-DA**). But many of these expenditures could not really be counted as **LOG-DA**, since they were in large measure funded in other ways or were board-wide.

But in any case, Board staff missed the point. For *The Toronto Star* it did not matter whether the amount being diverted from poor children’s programs was $80 million or $40 million. The cat was well and truly out of the bag and among the pigeons. And so a *Star* editorial slammed the Board for this siphoning off of funds for poor kids’ education and the Ministry of Education for allowing them to get away with it by not requiring accountability by Boards for this money.

Now things really began to happen. A set of Qs and As went out to Trustees from staff which repeated the misleading information, citing Student Nutrition, Outdoor Education, classroom computers, Continuing Education, Alternative Schools among other things as accounting for the full $143 million. But we were now fully prepared. One by one, we could show that these were either board-wide programs or were directly funded from other sources or did not particularly serve disadvantaged students.

**Negotiating with staff**

It was time to meet the authors of the Board’s misleading information. First up was the Director who agreed to meet four of us within a week. Donna Quan is an Acting Director, following the speedy departure of Director Chris Spence a few months earlier. Right off the top, she asserted equity was a priority for her in the budget process. So we went over our rebuttal of the Board’s figures for poor children’s specific programs one by one and asked for a more detailed accounting. We also showed her a document from the Ottawa-Carleton Board, in which they quite openly explained that a huge chunk of their **LOG** money had gone into topping up the unfunded portion of teachers’ salaries. The Director listened carefully and seemed to have in front of her a very different list of expenditures than the ones we had seen before. So she invited us to meet with the Chief Financial Officer to get to the bottom of these details.

Another twist in the plot then occurred. Before we could meet with her, the Chief Financial Officer left the Board. Some said she had been fired, although it was hastily added that this had nothing to do with our campaign. She eventually would be heading off to a job in another sector. So we met with the new Acting CFO.

By now we had received yet another table of figures for the **LOG** money, one that was going to Trustees for their budget seminars. This was also problematic, but we could agree that, although there were some items inappropriately listed as **LOG-DA** (once separated from the rest of the **LOG**), the amount being spent on programs for disadvantaged pupils was somewhere between $30 and $40 million. Finally the Board was prepared to agree with the figures we had initially presented. Those figures will eventually made public and the Social Planning Toronto campaign will be vindicated.

We have come a long way. But the battle is far from over. The ICAC wants the Board to begin the process of redistributing the funds it has diverted from the education of disadvantaged pupils. It may be too late to reverse anything significantly this year, but the process of accounting for and spending this money for what it was intended may begin with an open Task Force on the subject, rather than leaving it to staff to manipulate the numbers and the reactions while releasing as little concrete information as possible.

**Lessons learned**

What have we learned through this? In the new kinds of school boards, where the Trustees are expected to leave policy development and accountability for implementation up to the administrative staff, the public must be prepared to arm itself by whatever means possible with all the facts it can glean from complicated government documents, sprawling websites, as well as Board agendas and minutes.

These facts are critical tools in the campaign to correct an injustice.

It is possible to win over some public opinion on matters of principle. But the neo-liberal agenda aims to reduce public funding for public services and dismantle services destined for the most vulnerable parts of our society while claiming the opposite. It is administered by staff imprisoned by complicated financial data and Ministry regulations.

It takes time to expose the inconsistencies in terms that can be generally understood, published in the media, and win the support of a crusading editorialist. After that, the figures and policy analysis must continue to stand up to all the best efforts of staff to shoot them down. Every single rebuttal must be challenged, because staff will rely on the ignorance or incomplete knowledge of those outside what is designed as a closed system.

To make headway, I believe that there is a point in time for negotiations with senior officials in face-to-face meetings. This is a tried and true stage in the community organizing strategies of the Saul Alinsky school of Chicago. The aim is to encourage a sharing of information and analysis outside the glare of public opinion, in circumstances that allow officials to make concessions and help advance the agenda, but with everyone knowing the consequences of further prevarication.

This is not to say that the public campaign must be placed on hold. The politicians will eventually vote and they need to understand the full weight of support in their wards and ridings for the correction of an injustice. It is just that the administrative staff position carries so much weight these days, that we ignore the place of negotiation and reasoned persuasion with facts and figures in hand at our peril.

There was a time when Trustees and their assistants did this work of mobilizing public pressure and assembling data for analysis. But while there are still some Trustees who use their responsibility to keep their public informed as a vehicle for the pursuit of equity, there are many who worry that the legal constraints of balancing the budget, of following Ministry expectations communicated to them by staff, and of never challenging the prevailing system effectively prevent them from taking a strong stand on anything.

The public, in such cases, must mobilize itself to challenge both Board decisions and the Ministry framework of centralizing legislation, public sector cutbacks, weakening local democracy and a gradual erosion of equity. We must turn the tide and begin the process of rebuilding that which has been lost. We do this not only in support of funding the education of the disadvantaged, but also to create a society in which all can learn together and contribute equally as citizens to a better world ahead.