

**MINISTRY OF EDUCATION
DECISION NOTE**

PREPARED FOR: Honourable George Abbott, Minister, for **Decision** at the request of Executive Director, Governance and Independent Schools Division.

SUBJECT: Glen Eden School for students with special needs

KEY POINTS:

- 1) Glen Eden School lost its CommunityLink funding in 2010
- 2) The school has made a request for additional funding to deliver programming for students with special needs
- 3) The school continues to meet the requirements for certification and funding as a Group 1 independent school

BACKGROUND:

Glen Eden, a Group 1 independent school serving children with special needs, is located in the Langara area of Vancouver. The school enrolls students from Kindergarten through Grade 12. There were 25 students enrolled in the 2010/11 school year.

Supplementary funding is provided to public and independent schools to address special education needs of students who meet the provincial criteria for Level 1, 2 or 3 disabilities. In the 2010/11 school year, in addition to its operating grant of \$93,537, Glen Eden received \$373,050 in supplementary special needs funding for students with physical disabilities, chronic health impairments, autism/ASD, as well students requiring Intensive Behaviour Interventions or who have a Serious Mental Illness.

Glen Eden is one of six independent schools that exclusively serve students with learning disabilities, behavioural disorders, or auditory limitations, and who require instruction in groups of five or fewer students for the majority of the school day. These designated special education schools receive a grant (\$2,200 per FTE) specifically for those students who require services but do not fall within the Level 1, 2 or 3 categories. In 2010/11, Glen Eden received \$4,400 for two students who fall into this category of special needs. The total amount of Ministry of Education funding granted to Glen Eden in 2010/11 was \$466,587.

In the past, Glen Eden School also received an annual grant of \$220,000 from the CommunityLINK program. The CommunityLINK program distributes over \$51 million in funding among all boards of education to support vulnerable students in academic achievement and social functioning. No other independent school has ever received CommunityLINK grants. Glen Eden School was provided with the CommunityLINK funding during a period when the Ministry of Children and Family Development (MCFD) was responsible for the program.

Date Drafted: August 12, 2011
Revision No.:

MCFD managed the CommunityLink program until 2004, when it was transferred to the Ministry of Education. From 2004 to 2009, the Ministry of Education entered into conditional annual agreements with the school to continue the CommunityLink grants. The grant was gradually diminished over a three-year transitional period until 2009, when the grant to the school was discontinued.

Providing CommunityLINK funding to Glen Eden was an anomaly; CommunityLINK funding has not been available to any other independent school. In Glen Eden's case, the funds were used for its educational program rather than for the intended purpose of providing supplementary programs for vulnerable students such as breakfast and lunch programs, inner city and community school programs, school-based support workers, and counselling for at-risk children and youth.

In 2010/11, Glen Eden also received approximately \$50,000 per month for 10 months from the Richmond School District to provide educational services to 12 students the school district was unable to accommodate for various reasons. The Richmond School District has confirmed the funds it provides Glen Eden are from the district's own sources (rentals, international students, etc.) and not from the operating grant provided by the Ministry of Education.

DISCUSSION:

Glen Eden School officials approached their MLA, Honourable Moira Stilwell, to express their concerns about losing the CommunityLink grant. A meeting was scheduled with the Honourable Margaret MacDiarmid, Minister of Education, for October 28, 2010. That meeting was cancelled due to the cabinet shuffle. It was expected that when Glen Eden School officials met with Minister MacDiarmid, they would have proposed that the Ministry provide increased funding for their school.

Since then, Glen Eden has continued to communicate with the Office of the Inspector of Independent Schools regarding the possibility of receiving additional funding support. Glen Eden School has identified three areas of need, in part as a result of losing the CommunityLink grant:

- s.17 to cover program costs;
- s.17 for the lease of the facility; and,
- An ongoing financial arrangement for those students who do not have third-party supports to assist with tuition costs.

Given the amount of operating and special education funding Glen Eden School receives on an annual basis, and the unique partnership it currently enjoys with the Richmond School District, there is some question regarding the school's internal capacity to deliver a cost-effective program that meets the needs of its students. Opportunities exist for private donations and fundraising, but the Office of the Inspector of Independent Schools is unaware of any efforts put forward by Glen Eden School in this regard.

OPTIONS:

s.13

Option 2: Do not provide Glen Eden School additional annual funding as requested to meet its immediate and future programming and facility costs.

s.13

RECOMMENDATION:

Option 2

<u>Contact Information</u>		Agree / Disagree:	Agree / Disagree:
Governance & Independent Schools 250-356-7811 OHS	CA ADM initial	James Gorman Deputy Minister	Honourable George Abbott Minister
		Date signed:	Date signed:

Glen Eden Multimodal Centre

Tuition Schedule for July 2011 to June 2012

	<u>3 Month Observational Period</u>	<u>10 Month Program</u>		<u>12 Month Program</u>	
		Per Year	Per Month	Per Year	Per Month
A. One staff to 3-5 students with Clinical Needs	\$19,000				
Base Fee	(\$6,000 per month	\$45,000	\$4,500	\$54,000	\$4,500
* Less Regular Grant	plus	-\$3,000	-\$300	-\$3,000	-\$250
* Less Special Education Grant (1) \$2,200	\$1,000 intake fee)	-\$2,200	-\$220	-\$2,200	-\$184
Total		\$39,800	\$3,980	\$48,800	\$4,066
B. One Staff to 2 students with Low to Moderate Clinical Needs	\$19,000				
Base Fee	(\$6,000 per month	\$50,000	\$5,000	\$60,000	\$5,000
* Less Regular Grant	plus	-\$3,000	-\$300	-\$3,000	-\$250
* Less Special Education Grant (1) \$2,200	\$1,000 intake fee)	-\$2,200	-\$220	-\$2,200	-\$184
Total		\$44,800	\$4,480	\$54,800	\$4,566
C. One Staff to 2 students with Moderate to High Clinical Needs	\$19,000				
Base Fee	(\$6,000 per month	\$50,000	\$5,000	\$60,000	\$5,000
* Less Regular Grant	plus	-\$3,000	-\$300	-\$3,000	-\$250
* Less Special Education Grant (2) \$9,200	\$1,000 intake fee)	-\$9,200	-\$920	-\$9,200	-\$767
Total		\$37,800	\$3,780	\$47,800	\$3,983
D. One to One with High Clinical Needs	\$19,000				
Base Fee	(\$6,000 per month	\$65,000	\$6,500	\$78,000	\$6,500
* Less Regular Grant	plus	-\$3,000	-\$300	-\$3,000	-\$250
* Less Special Education Grant (3) \$18,300	\$1,000 intake fee)	-\$18,300	-\$1,830	-\$18,300	-\$1,525
Total		\$43,700	\$4,370	\$56,700	\$4,725

* Students who are not registered by September 30th may still be eligible for full or half the grant amounts through an application made in October or February if approved by the Ministry
 Out-of-province students do not qualify for Ministry of Education grants

**"Self-Identified" Special Needs Schools:
FTE and Funding Data (2010/11)**

SCHOOL TOTALS *

	Sp.Ed Category	Funding Level	Headcount	Sp. Ed. Funding Amount	Average Per Sp. Ed. Student Amount
Artemis School	H	3	19	174,800	\$8,300
		TOTALS	21	174,800	

Mediated Learning Academy	A	1	4	146,400	\$18,775
	C	2	12	219,600	
	D	2	37	677,100	
	F	2	1	18,300	
	G	2	42	750,300	
	H	3	1	9,200	
		TOTALS	97	1,820,900	

PALS Autism School	D	2	1	18,300	\$18,300
	G	2	14	256,200	
		TOTALS	15	274,500	

Purpose Independent Secondary School	H	3	76	593,400	\$7,800
		TOTALS	76	593,400	

Whytecliff Agile Learning Centre (Burnaby)	D	2	9	164,700	\$1,125
	H	3	24	202,400	
		TOTALS	33	367,100	

Whytecliff Agile Learning Centre (Langley)	C	2	1	18,300	\$8,850
	D	2	5	63,950	
	H	3	46	409,400	
	SES	SES	4	4,400	
		TOTALS	56	496,050	

"Self-Identified" Special Needs Schools

TOTALS	298	3,726,750	\$12,500/FTE
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** These schools provide specialized services to support special education students but are not designated by government as special needs schools.*

Designated Special Needs Schools: FTE and Funding Data (2010/11)
SCHOOL TOTALS

	Sp.Ed Cat	Funding Level	Headcount	Funding Amount	Average Per Sp. Ed. Student Amount
Children's Hearing and Speech Centre	F	2	5	91,500	\$18,300
		TOTALS	5	91,500	

Discovery School	C	2	2	36,600	\$9,250
	D	2	15	274,500	
	F	2	1	18,300	
	G	2	1	18,300	
	H	3	8	73,600	
	SES	SES	24	50,600	
		TOTALS	51	471,900	

Fraser Academy	D	2	1	18,300	\$2,450
	G	2	2	36,600	
	H	3	1	9,200	
	SES	SES	187	403,700	
		TOTALS	191	467,800	

Glen Eden School	D	2	6	107,600	\$14,350 *
	G	2	12	210,450	
	H	3	6	50,600	
	SES	SES	2	4,400	
		TOTALS	26	373,050	

* Adding \$500,000 from Richmond SD, per FTE amount rises to **\$33,578**

James Cameron School	D	2	3	45,750	\$3,700
	G	2	3	54,900	
	SES	SES	52	113,300	
		TOTALS	58	213,950	

Kenneth Gordon School	D	2	4	73,200	\$3,650
	F	2	1	18,300	
	G	2	5	89,300	
	SES	SES	96	206,800	
		TOTALS	106	387,600	

SYSTEM TOTALS

Sp. Ed. Category	Funding Level	Headcount	Funding	Average Per Sp. Ed. Student Amount
A	1	0	0	\$4,690
B	1	0	0	
C	2	2	36,600	
D	2	29	530,700	
E	2	0	0	
F	2	7	128,100	
G	2	23	420,900	
H	3	15	138,000	
SES	SES	361	794,200	
	TOTALS	437	2,048,500	

Funded FTE Special Needs Enrolment Totals

(by Level and Category as at September 2010)

Level 1 Funding (MEd provides \$36,600 per FTE for each student reported)

Categories A-B	FTEs Reported	
	<i>Public</i>	<i>Ind.</i>
A - Physically Dependent	603.0	45
B - Deafblind	53.5	6

Level 2 Funding (MEd provides \$18,300 per FTE for each student reported)

Categories C-G	FTEs Reported	
	<i>Public</i>	<i>Ind.</i>
C - Moderate to Profound Intellectual Disability	2,042.5	115.5
D - Physical Disability or Chronic Health Impairment	7,013.5	813.0
E - Visual Impairment	331.5	27.0
F - Deaf or Hard of Hearing	1,095.5	145.5
G - Autism Spectrum Disorder	5,448.5	712.5

Level 3 Funding (MEd provides \$9,200 per FTE for each student reported)

Category H	FTEs Reported	
	<i>Public</i>	<i>Ind.</i>
H - Intensive Behaviour Intervention/Serious Mental Illness	7,317.0	415

Total FTEs Funded for Categories A - H 23,905.0 2,279.5

SES Funding (MEd provides \$2,200 per FTE for each student reported)

Category (Special Education School)	FTEs Reported	
	<i>Public</i>	<i>Ind.</i>
Special Education School (SES)	N/A	365

MINISTRY OF EDUCATION INFORMATION NOTE

PREPARED FOR: Honourable George Abbott, Minister, for **Information** at the request of Executive Director, Governance and Independent Schools Division.

SUBJECT: Funding request from Glen Eden Multimodal School

KEY POINTS:

- 1) Agreement to **provide short-term emergency funding** support requested by Glen Eden Multimodal School.
- 2) The Minister requested additional information to be able to assess the policy implications fully.

BACKGROUND:

Glen Eden has requested additional funding to address the school's current financial shortfalls. This is not the first time Glen Eden has approached the Ministry for additional funding:

- In August 2005, Glen Eden requested an advance of its special needs funding for the 2005/06 school year to meet its operating costs. The Ministry met that request and has done so annually for all independent schools since.
- Since 2009, there have been ongoing communications with Ministry staff regarding the loss of CommunityLINK funding to Glen Eden in 2009. Providing this funding to Glen Eden was an anomaly since no other independent school had ever received CommunityLINK grants, and in Glen Eden's case, the funds were not used as intended. Glen Eden used CommunityLINK funding to cover operating expenses, not for targeted services to support socio-economically vulnerable students.

In its request for funding assistance to operate for the 2011/12 school year, Glen Eden identified a current shortfall of ^{s.17} in two areas of need:

- ^{s.17} to cover program costs; and
- ^{s.17} for the lease of the facility.

Glen Eden also requested the development of an ongoing financial arrangement to ensure the school remains viable.

Glen Eden School is one of six provincially designated 'special education schools'. The others are:

- Discovery School;
- Fraser Academy;
- James Cameron School;
- Kenneth Gordon School; and
- The Children's Hearing and Speech Centre of BC.

These special education schools exclusively serve students who have learning disabilities or behavioral disorders, or who are deaf or hard of hearing. These schools pre-date the implementation of government's inclusion policy in 1991. These six schools were permitted to

continue providing their unique programming to eligible students but government also decided that the number would be capped at these 6 schools.

Supplementary special education funding is provided to Boards of Education and Independent School Authorities, including those that govern the six designated special education schools, to address the needs of students who meet the provincial criteria for Level 1, 2 or 3 disabilities (see Attachment 1). Designated special education schools are also entitled to apply for 'Special Education School' (SES) grants specifically for students with learning disabilities or severe learning disabilities who require additional services but do not fall within the Level 1, 2 or 3 categories.

In the 2010/11 school year, in addition to its operating grant of \$93,537, Glen Eden received special education funding as follows:

- Level 1 funding (\$36,600 per FTE) = \$0
- Level 2 funding (\$18,300 per FTE) = \$318,050 for 18 students (headcount)
- Level 3 funding (\$9,200 per FTE) = \$50,600 for 7 students (headcount)
- Special Education School (SES) funding (\$2,200 per FTE) = \$4,400 for 2 students (headcount)

The total amount of Ministry of Education funding granted to Glen Eden in 2010/11 was \$466,587. As an independent school, Glen Eden is not eligible for capital funding. Enrollment and funding data for all designated independent special education schools are found in Attachment 2.

In 2010/11, Glen Eden also received approximately \$500,000 (\$50,000 per month for over 10 months) from the Richmond School District to provide educational services to 12 students resident in that school district. The Richmond School District was unable to provide services for these students in a manner that met the school district's inclusion policies. It is the understanding of the Office of the Inspector of Independent Schools that this arrangement is reviewed annually and that in the future, Richmond School District may be reviewing its special education policies to meet the needs of these students. The Richmond School District has confirmed the funds it provides Glen Eden are from the district's own sources (rentals, international students, etc.) and not from the operating grant provided by the Ministry of Education. The students are not registered or enrolled by the district.

In total, Glen Eden received approximately \$873,050 in funding in 2010/11 to provide support services to 26 special needs students (details set out above). This represents an average per FTE amount of approximately \$33,580 (see Attachment 2).

While there is a cap on the number of provincially designated special education schools, other independent schools identify themselves as special education schools; they are not designated as such by government, however. They include:

- Artemis School;
- Mediated Learning Academy;
- PALS Autism School;
- Purpose Independent Secondary School; and
- Whytecliff Agile Learning Centres in Burnaby and Langley.

These 'self-identified' special education schools enrol a high percentage of funded special needs students, in some cases at the exclusion of non-special needs students, and provide similar support services to those provided by Glen Eden. These schools continue to meet their financial obligations without additional ministry funding (see Attachment 3).

DISCUSSION:

In keeping with the Minister's direction, the Ministry will undertake discussions with school officials in the coming days to determine the minimum amount required to maintain the viability of the school between now and Christmas. Consideration will be given to advancing the school short-term emergency funding to get it through the next couple of months. During the fall, the Ministry will work with the school to conduct a more detailed review of Glen Eden, including a thorough financial review together with an analysis of whether, and to what extent, this school has adopted sustainability measures in a manner consistent with practices at schools with similar mandates.

Policy considerations:

- s.13

- Aside from Glen Eden, no other provincially designated special education school has asked for additional funding and they continue to meet their financial obligations, including operating, facilities, and special needs costs, without additional one-time funding lifts from government.
- Glen Eden School's monthly tuition rates range between \$3,980 for a 10-month program and \$4,725 for a 12-month program (see Attachment 4).
- Many independent schools secure private donations to ensure their operational needs are met; others establish ongoing and/or temporary corporate sponsorships to do so. For example, it was recently announced that Discovery School will be expanding its program offerings as a result of a \$50,000 donation from TELUS. The Ministry is not aware of similar efforts undertaken by Glen Eden to secure such corporate sponsorship.
- Eaton Arrowsmith School provides educational services to students with learning or severe learning disabilities. Eaton Arrowsmith is an unfunded independent school that charges high tuition rates and identifies other non-government sources of revenue to operate.
- VIS Greybrook ceased operations in December 2009 citing financial hardship. VIS Greybrook's students enrolled in public or other independent schools. The operating funds that would have gone to VIS Greybrook were redirected to the enrolling public school districts. Those students who remained in the independent school system were captured in the May ES Audit.

Attachment(s)

1. Funded FTE Special Needs Enrolment Totals
2. Designated Special Needs Schools: FTE and Funding Data (2010/11)
3. "Self-Identified" Special Needs Schools: FTE and Funding Data (2010/11)
4. Glen Eden Multimodal School Tuition Schedule for 2011/12

<u>Contact Information</u>		Approved by:
Governance & Accountability 356-7811 280-20	ADM initial	James Gorman Deputy Minister
		Date signed:



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February 21, 2012

Ken Dawson
Ministerial Assistant
Minister of Education's Office
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MINISTER OF EDUCATION RECEIVED		
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FOR B/N MATERIALS FOR MTS.

Dear Mr. Dawson,

The Vice-Chairman of Glen Eden School Society asked me to personally deliver the attached letter to your Minister. Given the unexpected invitation to meet with Minister Abbott next Monday, you may wish to ensure he has the opportunity read the attached prior to our meeting.

Sincerely,

Vicki Huntington, MLA
Delta South



Glen Eden School Society

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Vancouver, BC V6P 5G6
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glenedenschool@gleneden.org
www.gleneden.org

February 15th, 2012

The Honourable Christy Clark
Premier, Government of British Columbia
PO Box 9041 STN Provincial Government
Victoria, B.C. V8W 9E1

RE: Request for Help in Addressing Cut CommunityLink Funding – Glen Eden School

Dear Premier Clark,

Since 2002, when you helped to address funding issues impacting our program, Glen Eden School has provided more than 150,000 hours of service and care for children and families. Our program has achieved amazing success, treating the 0.01% of the student population with complex needs and challenging behaviours for which public schools cannot effectively provide. But in 2009, our \$220,000 annual CommunityLink funding was cut which has resulted in our present dire financial circumstances which will make it impossible for us to meet the March 15th, 2012 payroll. We are turning to you to ask for your urgent help in re-instating our funding, to guarantee the future of our program and the benefit that it provides to students, families and taxpayers.

In December of 2010, we appealed to Minister MacDiarmid to reverse her decision, one which was made without researching why Glen Eden received the funding in the first place. Since March 2011, we have been in regular contact with the Inspector of Independent Schools and have made multiple attempts to converse with the acting Minister. In September of 2011, George Abbott had the Inspector and his team visit Glen Eden to learn more about our program. They were very impressed. Since that time we have had numerous discussions and contact with the Inspector, however, we have yet to receive any definitive answers. We were able to complete our 2010/2011 fiscal year utilizing long-term reserves to meet our budget. Despite strict cost cutting measures our forecasted budget for 2011/2012 remains at a projected deficit of \$¹⁷.

Glen Eden provides an important service that benefits the lives of its students and families, while reducing costs for taxpayers. We measure success on an individual basis. Some of our students graduate with high school diplomas. Others go on to attend university. For others, with severe psychiatric impairments and high-risk behaviours, we improve quality of life and reduce long-term care needs. In all cases, we provide care much more cost-effectively and successfully than individual school districts. That is why, for the last ten years, we have been building successful partnerships with school districts such as Richmond School District No. 38 to address the complex needs of their most challenging 0.01%. In terms of both short and long-term social costs, Glen Eden is an effective investment and use of government funding.

For thirty years, Glen Eden has been improving the quality of life for children, youth and their families. Without immediate action, the future of Glen Eden School is in doubt. We have complied with all required reporting, have reached out for help and do not know where else to turn. We simply cannot wait for answers any longer.

Please consider helping to expedite a short term solution and a long term plan. With your help, we can continue to provide care, jobs, and benefit to taxpayers in a sustainable and efficient way.

Sincerely,

A handwritten signature in black ink, appearing to read 'Andrew Czuczor', with a stylized flourish at the end.

per: Glen Eden Board of Directors
Mr. Andrew Czuczor, Vice Chairman

Encl.

cc: Hon. George Abbott, Minister of Education
Ms. Vicki Huntington, MLA, Delta South

GLEN EDEN FUNDING SHORTFALL (FEBRUARY 24, 2012)

Context

Glen Eden is a Group 1 independent school and is one of the province's six designated special education schools. Since 2002, Glen Eden Multimodal School (GEMS) has communicated periodically with the Minister's Office and the Office of the Inspector of Independent Schools regarding GEMS' financial shortfalls. Each time, the Ministry of Education has accommodated GEMS' requests through various funding mechanisms to meet its shortfalls (e.g., through CommunityLink and other Ministry partner funding envelopes, or through advancing Ministry of Education October payments of special needs funding).

Providing CommunityLINK funding to Glen Eden was an anomaly; CommunityLINK funding has not been available to any other independent school. In Glen Eden's case, the funds were used for its educational program rather than for the intended purpose of providing supplementary programs for vulnerable students such as breakfast and lunch programs, inner city and community school programs, school-based support workers, and counselling for at-risk children and youth.

In 2010/11, Glen Eden also received approximately \$50,000 per month for 10 months from the Richmond School District to provide educational services to 12 students the school district was unable to accommodate for various reasons. The Richmond School District has confirmed the funds it provides Glen Eden are from the district's own sources (rentals, international students, etc.) and not from the operating grant provided by the Ministry of Education.

The other five provincially designated special education schools continue to meet their financial obligations, including operating, facilities, and special needs costs, without additional one-time funding lifts from government. Some funded independent schools identify themselves as special education schools but are not designated as such by government. These schools enrol a high number of special needs students, in some cases at the exclusion of non-special needs students. These schools continue to meet their financial obligations without additional funding from government. (See Attachment 1 and 2.)

Key Information

When the \$220,000 annual CommunityLINK funding was cut in half in 2010 and removed in 2011, Glen Eden managed to keep the financial impact to budgetary shortfalls of \$^{s.17} and \$^{s.17} respectively. This appears to show that the school has demonstrated some previous flexibility to absorb the loss of revenue.

In 2010/11 school year, GEMS received approximately \$970,000 through various revenue streams to provide support services to 26 special needs students (approximately \$33,500 per FTE). In September 2011, GEMS advised the Ministry of another potential funding shortfall and requested consideration of immediate funding assistance to carry the program forward until the release to them of Ministry funding in October. MEd provided GEMS \$78,925 as an advance on its 2011/12 funding amount (\$147,550) to help bridge its operational shortfall and enable GEMS to identify alternative sources of revenue.

Tuition revenues at Glen Eden increasingly rely on Richmond SD contributions. Since 2008, the Richmond SD payments have climbed from 17% to 50% of the total tuition revenue. The

current school year (2011-12) is seeing a 30% decline in enrolment but current staffing levels and expenses have remained relatively similar to 2010-11. Fundraising appears to have been discontinued. Revenue of \$10,954 in 2008 has steadily reduced in the following years. Budget projections for 2012 show \$0 revenue.

The principal of GEMS, Dr. Rick Brennan, recently contacted Theo VandeWeg, A/Inspector of Independent Schools, to request additional funding be provided. No exact figures have been discussed but a^{s.17} shortfall is projected for the 2011/12 school year. OIIS staff have investigated some options as outlined below.

Funding Options

The resolution to GEMS' recurring funding challenges requires short-term and long-term solutions. A short-term solution would address GEMS' immediate financial needs; a long-term solution would address GEMS' financial needs in an ongoing, sustainable manner. Given the type of services GEMS provides and its student demographics, the MoH, MCFD, and MEd are considered possible sources of funding support.

Potential Short-Term Solutions

s.13,s.17

Potential Long-Term Solutions

s.13,s.17

Recommendations

Given the forgoing, there are two recommendations that may be considered concurrently in addressing GEMS' funding issues:

s.13,s.17

**MINISTRY OF EDUCATION
DECISION NOTE**

Attachment 1

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KEY POINTS:

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Date Drafted: August 12, 2011

Revision No.:

1

CLIFF No: 147890

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In 2010/11, Glen Eden also received approximately \$50,000 per month for 10 months from the Richmond School District to provide educational services to 12 students the school district was unable to accommodate for various reasons. The Richmond School District has confirmed the funds it provides Glen Eden are from the district's own sources (rentals, international students, etc.) and not from the operating grant provided by the Ministry of Education.

DISCUSSION:

Glen Eden School officials approached their MLA, Honourable Moira Stilwell, to express their concerns about losing the CommunityLink grant. A meeting was scheduled with the Honourable Margaret MacDiarmid, Minister of Education, for October 28, 2010. That meeting was cancelled due to the cabinet shuffle. It was expected that when Glen Eden School officials met with Minister MacDiarmid, they would have proposed that the Ministry provide increased funding for their school.

Since then, Glen Eden has continued to communicate with the Office of the Inspector of Independent Schools regarding the possibility of receiving additional funding support. Glen Eden School has identified three areas of need, in part as a result of losing the CommunityLink grant:

- s.17 to cover program costs;
- s.17 for the lease of the facility; and,
- An ongoing financial arrangement for those students who do not have third-party supports to assist with tuition costs.

Given the amount of operating and special education funding Glen Eden School receives on an annual basis, and the unique partnership it currently enjoys with the Richmond School District, there is some question regarding the school's internal capacity to deliver a cost-effective program that meets the needs of its students. Opportunities exist for private donations and fundraising, but the Office of the Inspector of Independent Schools is unaware of any efforts put forward by Glen Eden School in this regard.

OPTIONS:

s.13

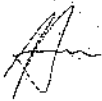
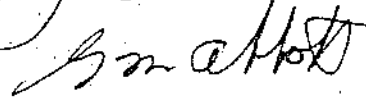
Option 2: Do not provide Glen Eden School additional annual funding as requested to meet its immediate and future programming and facility costs.

s.13

COPY

RECOMMENDATION:

Option 2

<u>Contact Information</u> Governance & Independent Schools 250-356-7811 OHS		AGREE / Disagree:	Agree / Disagree:
			
	ADM initial	James Gorman Deputy Minister	Honourable George Abbott Minister
		Date signed: Aug. 19, 2011	Date signed:

Sept 8th

Awaiting confirmation of
 approval (based on mtg outcome)

From Rick

Oct 14.

Vandeweg, Theo EDUC:EX

From: Galleguillos, Julio EDUC:EX
Sent: Friday, October 14, 2011 10:32 AM
To: Vandeweg, Theo EDUC:EX
Subject: FW: Information from Glen Eden
Attachments: 20111014101715606.pdf

s.22

-----Original Message-----

From: Lizette Etsebeth [mailto:letsebeth@gleneden.org]
Sent: Friday, October 14, 2011 10:31 AM
To: Galleguillos, Julio EDUC:EX
Subject: FW: Information from Glen Eden

Hello Julio,

Dr Brennan has asked me to send the following information to you.

List of students for 2010/2011 and 2011/2012

The following are the payments that we have received from the Richmond School District since 2007.

2007/2008	\$168,230.00
2008/2009	\$196,716.70
2009/2010	\$438,370.63
2010/2011	\$417,511.50
2011/2012	\$ 40,773.00 (we have only had one payment for this year so far since school only started in September)

Please let me know if there is anything else you need from us.

Yours truly,

Lizette Etsebeth
Administrative Assistant
Glen Eden Multimodal Centre
604-267-0394

Vandeweg, Theo EDUC:EX

From: Galleguillos, Julio EDUC:EX
Sent: Thursday, October 6, 2011 1:01 PM
To: Vandeweg, Theo EDUC:EX
Subject: Glen Eden

Hi Theo,

Further to our visit to Glen Eden School, I looked at their 2008 to 2011 financial statement and their 2012 budget forecast below is the result:

The Glen Eden School (the school) revenues are dependent on the number of students enrolled in the school. These students are funded by Ministry of Education, Richmond SD, Parents, and others. Currently, the school is forecasting a loss of \$¹⁷ for the 2012 school year. This loss is mainly due to the enrolment decrease of 6 students.

In the 2010/11 year the school received In the 2010/11 school year, the school received \$466,587 from the MOE, 90,000 gaming grants, 947,508 in tuition fees (approximately %50 from Richmond) and reported a relatively small loss of \$¹⁷. The school expenditures are made up mainly of staffing costs and lease payments. In 2011 the school reported a total of \$¹⁷ in payments to staff and \$¹⁷ for lease or 91% of their costs.

In conclusion, the school reported relatively small losses in the 2010 and 2011 years in approximately \$1.5 budget these losses should be manageable. The 2012 forecasted loss is mainly the result of 6 students leaving the school and the loss of funding associated with these students. It appears that the school is not forecasting for an equivalent reduction in cost, mainly salaries. The school should be ensuring that their costs are in proportion to their revenue specially when revenue is so dependent on student enrolment.

Thank you

Julio Galleguillos

Glen Eden April – May 2010 CommunityLINK Funding Pressure

Total Pressure: \$34,435

Issue:

Based on decisions taken by the Minister of Education, Glen Eden Independent school was informed that it would receive a \$110,000 grant from the CommunityLINK funding envelope during the 2009/10 school year.

In summer 2009 funding responsibility for CommunityLINK was transferred to the Ministry of Housing and Social Development. MHSD informed Glen Eden school via letter that it would receive seven monthly instalments of \$10,795 between September 2009 to March 2010.

The letter stated that payments would be made throughout the school year and that information would be forthcoming regarding April – June payments.

Thus MHSD paid \$75,565 in the 2009 fiscal year. \$34,435 remained to be provided in the 2010 fiscal year.

When funding responsibility for CommunityLINK was returned to the Ministry of Education in spring 2010, Glen Eden's April – June payments were not considered as part of CommunityLINK funding pressures. Consequently, the \$34,435 was not considered when the CommunityLINK envelope was allocated (and subsequently announced) to school districts.

History:

The Ministry of Education assumed responsibility for the CommunityLINK portfolio in 2004 and continued a practice started at MCFD of providing Glen Eden with an annual CommunityLINK grant of \$220,000.

Government discontinued the grant in the summer of 2009. To provide the school with the time to replace the funding with other sources, the school was informed that it would receive a final CommunityLINK grant of \$110,000 during the 2009/10 school year.

Glen Eden is a Group 1 independent school serving children with a range of special needs, It is located in the Langara area of Vancouver.

REPORT ON A SPECIAL FACT FINDING VISIT

TO GLEN EDEN SCHOOL
8665 Barnard Street
Vancouver

September 29, 2011

BACKGROUND:

Glen Eden School is an independent special education school enrolling students from Kindergarten through Grade 12. The school is located at 8665 Barnard Street in Vancouver. Their enrolment typically ranges between 20 and 30 students.

The Glen Eden School has requested additional funding to address the school's current financial difficulties. The school has frequently experienced financial challenges; current pressures are characterized as resulting from the loss of \$220,000 CommunityLINK funding, which was reduced by 50 percent in 2010 and discontinued in 2011. The school has requested the Ministry of Education address the financial pressures through the provision of additional funding.

Earlier this year, the school advised the Ministry of looming cash flow issues. In response, the Ministry of Education advanced the school \$78,925 on September 22, 2011 (from the October 2011 Special Education grant instalment of \$147,550). This appears to have resolved the school's cash flow problems over the short term.

DISCUSSION:

A special review committee was appointed in accordance with Section 3 of the *Independent School Act*, which authorizes the Inspector of Independent Schools to appoint external evaluation committees and to specify their duties. The committee consisting of three Ministry of Education officials: Julio Galleguillos (Financial Systems and Policy), Bill Standeven (Diversity and Equity Branch), and Theo VandeWeg (Inspector of Independent Schools). Dr. David Carter (external consultant) was added to the team for his experience and expertise in special education programming. The committee visited Glen Eden School on September 29, 2011.

OBSERVATIONS/FINDINGS (PROGRAM):

- Glen Eden is a small segregated and specialized program enrolling only students with special needs (including two adults over school age). ^{s.22} students live in residential placements operated in conjunction with the school.
- Practices at the school include behaviour data collection and analysis using functional behaviour assessment techniques commonly used in special education programs – e.g. baseline data collection, graphing appropriate *versus* inappropriate behaviours, watching for changes, and potential relationship

between changes, and very careful attention to antecedent behaviours (behavioural triggers). With children who have complex needs, especially those displaying inappropriate behaviours at a high frequency, this is both appropriate and broadly supported by current research.

- The programming appears to be well planned, documented and delivered. Individual student planning seems to be detailed and appropriate.
- The program as described by the staff includes three stages, through which students progress. Occasionally, students are returned to previous levels if additional assessment or stabilization is required:
 - Level 1 *Therapeutic Assessment Phase* (three months)
 - All new students are expected to complete this level during which time the focus is on psychotherapeutic assessment data gathering, planning, and goal setting. Although Glen Eden has no medical staff on site, consultation may occur with medical personnel involved with the children.
 - This phase does not involve educational programming and there is no expectation of academic progress.
 - Level 2 *Stabilization Phase* (no set time frame).
 - Results/insights from Level 1 are applied and educational components introduced to the student's program
 - Level 3 *Educational or School Phase*
 - Academic programming is done as appropriate, planning for transitions (back to or out of school) are made and applied life skills are taught.
- The Level 1 *Therapeutic Assessment Phase* is managed by the Director of Research (a neuroscientist). This program element would not typically be done within a school district program. It has some parallels to the Hospital/Treatment Center Provincial Resource Programs (PRPs) where students are congregated by another ministry for hospitalization or treatment reasons. However, in the case of the PRPs the Ministry of Education is only responsible for funding and making available an educational program for school aged students. Other partner Ministries are responsible for therapy/treatment services and facilities.

OBSERVATIONS/FINDINGS (FUNDING):

- The Authority has a variety of funding sources to support its therapeutic and educational program. In the 2010/11 school year the school enrolled 26 students and received:
 - \$466,587 from the Ministry of Education (\$303,050 of this for unique special needs funding)
 - \$90,000 gaming grants
 - \$529,997 in tuition fees
 - \$417,511 from Richmond School District, in recognition of students resident in the district who are enrolled in Glen Eden.
- In 2010/11, Glen Eden School reported a loss of ^{s.17} Expenditures included the following two main items that together represented 91 percent of their costs:
 - ^{s.17} in staffing
 - ^{s.17} for lease
- Appendix A shows the school Income Statements from 2008 to 2012 budgeted.
- In 2010-11 school year, 26 student FTEs were funded by the Ministry. The school has projected 21 fundable FTEs for 2011-12, but based on the September 30, 2011 (1701) counts, there are currently only 18 fundable FTEs.

	2010-11 actual	2011-12 projected	2011-12 current	Overall Change
Funded Enrolment Count	26	21	18	-8
Special Education Funding	373,050	315,700	295,100	-77,950

- Current Glen Eden staffing expenses have not fluctuated much and current levels appear to be similar to previous years, even though there has been a recent 30% reduction in enrolments
- Appendix B shows graph of Revenue versus Expenses since 2008. While Revenues have dropped, expenses have remained relatively constant.
- In 2010 the CommunityLINK funding was reduced to \$109,997 and the school reported a loss of ^{s.17} In 2011, the CommunityLINK funding was discontinued and the school reported a loss of ^{s.17} For 2012, the school is predicting an ^{s.17} loss (based on 21 funded students), mostly due to reduced Ministry of Education funding revenues as enrolments have dropped. (The

projected losses were based on 21 funded students but will be greater with current actual enrolment of 18 funded students.)

- Projected grants for 2011-12 based on the current ministry fundable FTE of 18 (subject to change) total \$388,637:

GLEN EDEN 2011-2012 FUNDING PROJECTIONS AND PAYMENT SCHEDULE				
Operational		Total = 93,537		
Operational Grants (4 payment instalments)	Oct 31 (20%)	Jan 31 (30%)	Mar 31 (20%)	June 30, to be adjusted based on eligible student audit
	17,148	27,930	18,031	30,428 TBA
Special Education		Total = 295,100		
Special Ed Grants (2 payment instalments)	Sept 22/11 Special Advancement	Oct 22/11 (50%) (147,550 minus 78,925)	Dec 16/11 (50% to be adjusted with enrolment changes)	
	78,925	68,625	147,550 TBA	

- Fundraising appears to have been discontinued. Revenue of \$10,954 in 2008 has steadily reduced in the following years. Budget projections for 2012 show \$0 revenue.

ANALYSIS and OBSERVATIONS:

- When the \$220,000 annual CommunityLINK funding was cut in half in 2010 and removed in 2011, Glen Eden managed to keep the financial impact to budgetary shortfalls of \$^{s.17} respectively. This appears to show that the school has demonstrated some previous flexibility to absorb the loss of revenue.
- Tuition revenues at Glen Eden increasingly rely on Richmond SD contributions. Since 2008, the Richmond SD payments have climbed from 17% to 50% of the total tuition revenue.
- The current school year (2011-12) is seeing a 30% decline in enrolment but current staffing levels and expenses have remained relatively similar to 2010-11.

	Number of students	Total Expenses	Cost per student	Revenue per student	Revenue (Ministry)	Revenue (Richmond)	Revenue (parents)
2010-11	26	\$ ^{s.17}		54,388	466,587	417,512	529,996
2011-12	18			61,027	388,637	367,000	*342,857

* Note that tuition was estimated at \$400,295 but this was based on projected enrolment of 21 students. Prorating this for 18 students results in an estimated tuition of \$342,857 for 2011-12.

- In 2010-11, the cost per student was ^{s.17} This is very close to the school's declared tuition cost of \$60,000 per year.
- In 2011-12, the projected cost per student is ^{s.17} This is primarily due to an enrolment drop of 30% while reducing expenses by only 9%.
- Note that projected revenue per student (through tuition, Richmond SD contributions, and Ministry Operational/Special Needs funding) is \$61,027 – a workable amount if the projected costs per students for 2011-12 were to be similar to 2010-11. This is clear evidence that a downward adjustment in staffing costs and rental expenses (which together represent 81% of total expenses) would have a substantial impact on Glen Eden's budget deficit.
- Rent of facilities has risen in past years and is currently at ^{s.17} annually (16% of total expenses)
- Glen Eden has discontinued pursuing revenues through fundraising and donations.
- The school's director indicated that Richmond SD considers the current financial arrangements advantageous.

CONCLUSIONS:

Glen Eden runs a specialized program which provides both therapeutic and clinical services which go beyond the Ministry of Education responsibility to fund. Glen Eden appears to focus solely on the Ministry of Education to resolve its financial pressures, rather than exploring:

- **Increased cost-efficiencies by addressing fixed costs (rent) and staff-student ratios (too high).**
- **Additional sources of funding through fundraising, donations or other partnerships.**
- **Review of the financial arrangements with Richmond SD.**
- **Other Ministries to support the clinical components of the program.**

RECOMMENDATIONS/NEXT STEPS:

s.13

Appendix A

Glen Eden School

Income Statement

	2007-08	2008-09	2009-10	2010-11	2012 Budgeted
Income					
Tuition	959,885	629,540	453,435	529,996	767,295*
Richmond SD contribution for Richmond students	168,230	196,717	438,371	417,512	\$367,000
Ministry of Education – Regular	77,678	87,187	85,740	93,537	71,384
Ministry of Education – Special	264,800	274,600	308,400	373,050	311,200
Community Link	220,000	220,000	109,997	0	0
Gaming Funds - Direct Access	60,000	60,000	60,000	90,000	90,000
Donations and Other fund raising	s.17,s.21				
Miscellaneous income					
Direct Cost					
Bad Debt					
Dues, fees and licenses					
Interest and bank charges					
Office supplies					
Professional services					
School clinical activities					
Staff development					
Sub contracts					
Teaching supplies					
Wages and Employees Benefits					
Operating and Administration Cost					
Accounting and legal					
Amortization					
Insurance					
Office supplies					
professional services					
Rent					
Repairs and maintenance					
Telephone					
Utilities					
Wages and benefits					
Others					
Total Expenses					
Net Income					

Page 34

Withheld pursuant to/removed as

s.21;s.17