

Regular Board Meeting

May 27, 2025

2025-2026 CORE EDUCATION FUNDING UPDATE

Multi Year Strategic Plan Value: Believe, Excel, Respect, Thrive & Trust

"Desire without knowledge is not good, and one who moves too hurriedly misses the way."

Proverbs 19:2

BACKGROUND

On May 23, 2025, the Ministry of Education released the *2025: B02 2025-26 Education Funding* memorandum. For 2025-2026, sector-wide Core Education (Core Ed) Funding is expected to be \$30.3 billion or about a 3.3% increase from prior year (2024-2025, \$29.3 billion). The average per-pupil funding is projected to be \$14,560 (2024-2025, \$14,186).

A preliminary report has been prepared to share key funding changes with the Board of Trustees prior to a final budget report to be presented later in June 2025.

The majority of school board revenues are generated from the Core Ed Funding. Additional sources include the Responsive Education Programs (REPs), and other miscellaneous revenues.

DISCUSSION

This report highlights the key changes to Core Ed funding and potential impact for DPCDSB. Final calculated funding will be provided as part of the budget presentation in June.

Projected enrolment is not expected to have a major impact on the grant calculations, given that growth is neutral: the decline in elementary is offset by an increase in secondary. However, panel specific grant calculations may be impacted, such as the Special Education Funding per-pupil amount.

Core Ed includes updates to salary and benefit benchmarks to reflect the final year of all 2022-2026 negotiated collective agreements and the third year of the 2023-2027 principal and vice-principal agreement. No adjustment to executives. Employee Life and Health Trust benefits funding amounts have also been adjusted to reflect centrally negotiated agreements.

Other Core Ed funding adjustments that will have some impact for DPCDSB in 2025-2026:

Continued phase-in of updated census data to reflect the 2021 Statistics Canada census updates. Using the updated census data is expected to support the on-the-ground needs of school boards, as it reflects more recent data than the previous 2006 census. Areas impacted include the Remote and Rural allocation, Language allocation and demographic needs, particularly within the special education funding.

- Updated benchmarks for online learning and in-person learning credit loads for secondary students
 to reflect realities of the proportion of secondary students taking one online credit during the
 regular school day. The change will result in a small number of FTE teachers added to in-person
 staffing.
- A two percent (2%) increase to the non-staff portion of the School Operations Allocation benchmark in the School Facilities Fund to assist with increases in commodity prices (i.e. electricity, natural gas, insurance).
- Updates to funding benchmarks within the Student Transportation Fund to support increasing cost of transportation services and to reflect current routing simulations and enrolment changes. Funding will also be provided to cover costs associated with the non-refundable portion of HST (2.16%) for all the amounts related to buses and contracted special-purpose vehicles (CSPVs), support for continuous optimization of transportation routes, and top-up funding to ensure that each school board receives an increase of at least 2.5% over 2024-2025.

The School Board Administration expense limit has been adjusted to \$2.2 million per school board plus 3.44% of each school board's total operating expenses (2024-2025: \$2.1 million plus 3.5%). Specific accountability measures have been introduced for first, second and third year of non-compliance. DPCDSB is likely to experience a decrease in School Board Administration funding as a result of the Declining Enrolment Adjustment (DEA).

RESPONSIVE EDUCATION PROGRAMS (REP)

2025-2026 REPs are similar to 2024-2025. The Ministry REP investments focus on learning and well-being to support students for success now and in the future. A comparison of the 2025-2026 REPs to the 2024-2025 year is attached.

CONCLUSION

DPCDSB is committed to transparency and accountability in the budget development process. A preliminary report on the 2025-2026 Core Ed funding is provided for review ahead of the full budget presentation. DPCDSB will continue to operate under a Multi-Year Financial Recovery Plan (MYFRP) with the Ministry of Education in the 2025-2026 year and the financial position will remain in deficit.

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RESPONSIVE EDUCATION PROGRAMS (REP)

(Announced to-date)

REP	2025-26	2024-25
Cooperative Education Supports for Students with Disabilities Pilot	\$ 69,000	\$ 69,000
Critical Physical Security Infrastructure	350,700	350,700
De-streaming Implementation Supports	0	80,300
Early Reading Enhancements: Reading Screening Tools	353,000	353,000
Entrepreneurship Education Pilot Projects	40,000	40,000
Experiential Professional Learning for Guidance Teacher-Counsellors	97,600	97,600
Graduation Coach Program for Black Students	260,900	237,900
Health Resources, Training and Supports	37,100	37,100
Licenses and Supports for Reading Programs and Interventions	274,400	276,600
Math Achievement Action Plan: Board Math Leads	166,600	166,600
Math Achievement Action Plan: Digital Math Tools	510,300	517,400
Math Achievement Action Plan: School Math Facilitators	1,128,600	987,200
Mental Health Strategy Supports - Emerging Needs	38,200	38,200
Reading: Education Staff to Support Reading Interventions	1,880,000	1,750,500
Skilled Trades Bursary Program	23,000	23,000
Special Education Additional Qualifications (AQ) Subsidy for Educators	24,100	25,300
Special Education Needs Transition Navigators	218,600	221,200
Summer Learning for Students with Special Education Needs	229,000	231,700
Summer Mental Health Supports	425,500	362,900
Supporting Indigenous Languages Revitalization in Education	93,500	93,500
Transportation & Stability Supports for Children and Youth in Care	225,800	225,750
Total REPs	\$ 6,445,900	\$ 6,185,450

Ministry of Education Ministère de l'Éducation



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2025:B02

Date: May 23, 2025

Memorandum To: Directors of Education

Supervisory Officers, Isolate Board School Authorities

Principals, Section 68 School Authorities

From: Denise A. Cole

Deputy Minister Ministry of Education

Subject: 2025-26 Education Funding

The Ontario government is increasing Core Education Funding for the coming school year by \$953.5 million compared to 2024-25. Together with other investments, this represents \$30.7 billion in total operating education funding investments for the 2025-26 school year.

The ministry is investing a total of \$2 billion, primarily through capital funding, to support school boards to build, expand and renew schools. Ontario also recently announced an investment of \$1.3 billion through the 2024-25 Capital Priorities Program.

This memorandum provides information about key investments in three funding programs:

- 1. Core Education Funding (Core Ed), Pages 1 to 8
- 2. Responsive Education Programs (REP), Pages 8 to 13
- 3. Building, Expanding and Renewing Schools ("BERS" or "Capital Funding"), Pages 13 to 15

1. CORE EDUCATION FUNDING ("CORE ED")

Total Core Ed is projected to be \$30.3 billion, an increase of \$953.5 million or 3.3 per cent compared to 2024–25 supported by targeted investments for labour-related changes, transportation and internal audit, a modernized approach to Education and Community Partnership Program (ECPP) funding, and technical adjustments as outlined below.

A. LABOUR-RELATED CHANGES

Staffing Benchmark Adjustments & Other Funding Elements

The ministry is making updates to salary benchmarks and other funding elements to reflect the final year of the 2022-2026 collective agreements and the third year of the 2023-2027 principal and vice-principal terms and conditions of employment as follows:

- A \$1 per hour increase in education worker salaries. This increase is also being applied to non-union non-management salary benchmarks.
- A 2.5 per cent increase in teacher, principal and vice-principal salaries. This increase is also being applied to managerial staff funded through the School Operations Allocation as well as non-executives¹ funded through the Board-Based Staffing Allocation. This is also the second year of the new principal and vice-principal salary grid and allowance structure, further detailed in the 2025-26 Technical Guide.
- A net neutral change where the provincial average supply teacher benchmarks are
 increased, offset by the reduction in occasional teacher top up funding from the prior year.
 This is the second year of the occasional teacher top-up funding which provides temporary
 funding above the average benchmarks to select school boards. It is being phased out by
 2028-29, as school boards adjust their cost structures.
- Any unused Investment in System Priorities (ISP) amount for principals and vice-principals
 from the 2024-25 school year is being added to the 2025-26 school year amount. The sum
 of these amounts is available to be used until the end of the 2026-27 school year. Note that
 ISP funding for principals and vice-principals is moving from the Language Supports and
 Local Circumstances Allocation to the School Management Allocation.

Benefits Funding

Employee Life and Health Trust benefits funding amounts have been adjusted to reflect the outcome of the 2022-2026 collective agreements for all employee groups.

Other Labour-Related Adjustments

Adjustments have been made to reflect salary increases on investments that are expected to be used for staffing but historically were not tied to any salary benchmark in the funding formula. The following funding benchmarks and components are being adjusted effective with the 2025-26 school year, to reflect the impact of collective agreement salary increases:

- maternity leave and sick leave benchmarks
- New Teacher Induction Program component benchmarks

¹ Includes the Non-Executive Staffing component and the Director's Office function (i.e., administrative support) within the Executive Staffing component.

- Specialist High Skills Major component
- Education and Community Partnership Programs and Care and Treatment Education Programs components
- Student Transportation Fund benchmarks
- Regional Internal Audit Team component

B. OTHER KEY INVESTMENTS

Student Transportation

The Student Transportation Fund (STF) is projected to increase by \$81.4 million (6.3 per cent) to a total of \$1.38 billion for 2025-26. The STF has been updated to reflect:

- 1. Results of recent routing simulations including changes to number of routes, daily distance, and time travelled, as well as changes in enrolment for each school board.
- 2. Updates to funding benchmarks to support the increasing cost of transportation services (i.e., cost of purchasing vehicles, additional time for northern routes, etc.).
- 3. New and revised amounts in the STF, including:
 - funding to cover costs associated with the non-refundable portion of HST (2.16 per cent) for all the amounts related to buses and contracted special-purpose vehicles (CSPVs).
 - support for continuous optimization of transportation routes on buses, CSPVs and contracted taxis and address annual volatility in routes, distance and time.
 - top-up funding to ensure that each school board receives an increase of at least 2.5 per cent over the 2024-25 STF.

The projected allocation for each school board under the STF is presented in Appendix A of this memorandum.

Reminders:

- In keeping with the past two years, school boards and transportation consortia will be expected to provide several reports on student transportation during the school year.
- Per memorandum <u>2024: SB22</u>, all student transportation consortia are expected to implement a formal opt-in and/or opt-out process by 2025–26 to maximize the efficiency and effectiveness of transportation planning and operations.
- Additional information on the reporting timelines and opt-in/opt-out processes will be communicated to school boards and consortia at a later date.

Regional Internal Audit Investment

Additional funding of \$2 million is being provided to enhance school board financial management through the Regional Internal Audit Team (RIAT) component within the Data Management and Audit Allocation.

C. MODERNIZATION OF EDUCATION AND COMMUNITY PARTNERSHIP PROGRAM FUNDING AND OTHER SPECIAL EDUCATION FUND UPDATES

Education and Community Partnership Programs (ECPP) and Care and Treatment Education Programs (CTEP)

Informed by several reviews and feedback from education sector partners across the province, the ministry is modernizing ECPP funding to better meet the changing needs of students, improve student outcomes, enhance access and the quality of education programs, and reduce administrative burden while continuing to support local student needs.

Two new funding components in the Complex Supports Allocation will replace the prior ECPP component:

- 1. Education and Community Partnership Programs (ECPP) Component: funding for students who have been court-ordered into a youth justice secure or open custody/detention facility, adult custodial facility serving youth, the Syl Apps Youth Centre or for those attending the provincial Child and Parent Resource Institute (CPRI) program. Each school board receives its 2024-25 ECPP approved application amount for youth justice and adult custodial programs, the Syl Apps Youth Centre and provincial CPRI programs adjusted for 2025-26 labour-related increases. These amounts will be subject to in-year changes as outlined in the *Directives for Education and Community Partnership Programs (ECPP) 2025-26, Spring 2025* (to be released shortly).
- 2. Care and Treatment Education Programs (CTEP) Component: formula-based approach for all school boards to provide education programs for students who have a primary need for care and/or treatment. School boards will no longer be required to submit applications. The CTEP is made up of the following two amounts:

CTEP Base Amount

Each school board receives the higher of a base amount of \$300,000, or its 2024-25 ECPP care and treatment approved application amount adjusted for 2025-26 labour-related increases.

CTEP Per Pupil Amount

Each school board receives a per-pupil amount of \$3.70 multiplied by the school board's ADE.

Further details can be found in the *Directives for Care and Treatment Education Programs* (CTEP) 2025-26, Spring 2025 (to be released shortly) which provide direction to school boards on the funding of these programs.

Special Incidence Portion (SIP)

Funding for the SIP component continues to be based on an interim approach as the ministry continues to work towards a new approach for future years. This interim approach helps reduce the administrative burden associated with the previous SIP claims process.

SIP funding for the 2025-26 school year is allocated through two amounts:

- Interim base amount: calculated using 2024-25 amounts adjusted for 2025-26 labourrelated increases. Each school board's Interim Base amount is set out in the funding regulation.
- Exceptional circumstances amount: calculated using a base amount of \$65,966 and a per pupil amount of \$2.68 by the school board's ADE.

Differentiated Needs Allocation (DNA) and Differentiated Special Education Needs Amount (DSENA) Table Amounts

The DNA and DSENA table amounts for 2025-26, 2024-25, and 2023-24 are available in the EFIS File Download Portal (FDP), under the 2025-26 Estimates folder.

D. ONGOING IMPLEMENTATION AND FUNDING ADJUSTMENTS

Non-staff benchmarks

The ministry is providing a two per cent increase to the non-staff portion of the School Operations Allocation benchmark in the School Facilities Fund to assist school boards in managing the increases in commodity prices (i.e., electricity, natural gas, facility insurance, and other costs).

Continued Census Data and Related Updates

This is the second year of a five-year phase-in of updates to reflect 2021 Statistics Canada census data as well as related data updates and formula adjustments for the following amounts/components:

- Diversity in English Language Learners amounts
- Actualisation linguistique en français components
- Remote and Rural components
- Demographic Needs components
- Board Action Plan component
- Safe and Accepting Schools component
- Special Education Statistical Prediction Model component

Differentiated Funding for Online Learning

The online learning and the in-person and remote learning credit load benchmarks are being updated to reflect a change to the assumption of the proportion of secondary students taking one online credit during the regular school day, equivalent to 16 per cent. The 2025–26 secondary benchmark for classroom teacher staffing and related allocations will use a funded average credit load of 7.5 credits per pupil split between online learning (approximately 0.16) and in-person and remote learning (approximately 7.34).

Removal of Time-Limited Recent Immigrant Supplement Components

The Recent Immigrant Supplement components for ESL/ELD and the Programme d'appui aux nouveaux arrivants (PANA) are being sunset, as recent immigrant enrolment has returned to pre-pandemic levels provincially, whereby the funding generated by this supplement has declined proportionately and is no longer required.

Indigenous Education Lead

The funding formula related to the Indigenous Education Lead is being updated to better support the intention of the funding. School boards will generate funding for an Indigenous Education Lead only when a lead is employed in that role. There are no other changes regarding this lead position.

School Board Administration Expense Limit and Accountability Measures

The school board administration expense limit has been adjusted to \$2.2 million per school board plus 3.44 per cent of each school board's total operating expenses.

- For the first year of non-compliance, school boards would be required to submit a compliance management plan, post the plan on their public website and provide a progress update on achievement of the plan.
- For the second consecutive year of non-compliance, school boards would be required to hire at the school board's expense a third-party organization (e.g., consulting firm) to review their school board administration expenses and provide a report proposing a course of action to achieve compliance. School boards would be required to seek approval of the scope prior to proceeding with the review and be required to post the report on their public website, along with their proposed plan to become compliant.
- For the third consecutive year of non-compliance, the minister would direct the school board to implement specific adjustments to its school board administration expense to achieve compliance, based on the review completed by the third-party organization.

Removal of the School Authorities Amalgamation Adjustment

The School Authorities Amalgamation Adjustment, introduced in 2009-10 when school authorities were amalgamated with district school boards, is being sunset as it is expected that school boards have now fully adjusted to the amalgamation.

E. SCHOOL AUTHORITIES

Isolate Board School Authorities

As in previous years, funding for isolate board school authorities will be adjusted, as appropriate, to reflect changes in funding to district school boards. As such, funding for isolate board school authorities may include adjustments to some of the items presented in this memorandum.

The ministry will provide funding information directly to isolate board school authorities in the coming weeks.

Section 68 School Authorities

The 2025-26 Estimates forms, instructions and the budget request form are available and will be released directly to Section 68 school authorities via email.

F. REPORTING

Dates for submission of financial reports

The ministry has established the following dates for submission of financial reports:

Date	Description
June 30, 2025	School Board Estimates for 2025–26 School boards are encouraged to submit by June 30, 2025; however, an extension to July 31, 2025, can be provided by notifying your ministry financial analyst.
November 14, 2025	School Board Financial Statements for 2024–25
December 15, 2025	School Board Revised Estimates for 2025–26 (district school boards only)
May 15, 2026	School Board Financial Report for September 1, 2025, to March 31, 2026 (district school boards only)

The 2025-26 Estimates forms and instructions are now available in the <u>Education Finance</u> <u>Information System</u> (EFIS).

Rural and Northern Education Allocation (RNEA) – schools list

By June 30, 2025, school boards must submit to the ministry the list of all the additional schools, approved by board of trustees' motion, to be eligible to spend the Rural and Northern Education Allocation (RNEA) on these specific schools.

Please submit these motions along with the list of these additional schools to EDULABFINANCE@ontario.ca and include the school name, School Facilities Inventory System (SFIS) number, Campus ID, Board School Identification number (BSID) and panel (elementary/secondary). Please include "RNEA" in the subject line of your email.

2. RESPONSIVE EDUCATION PROGRAMS (REP) AND FUNDING FOR EXTERNAL PARTNERS (FEP)

In 2025-26, REP and FEP will provide \$420.4 million in funding to school boards and other education partners. REP will provide \$302.4 million, in supplemental and time-limited funding to school boards. REP investments focus on learning and well-being to support students for success now and in the future.

A. RESPONSIVE EDUCATION PROGRAM (REP) ALLOCATIONS

Where available, school board and school authority allocations are provided below and in Appendix B (attached separately). Other allocations will be confirmed at a later date.

Literacy (\$99.5M):

- Education Staff to Support Reading Interventions (\$74.5M) Funding to hire teachers to work one-on-one or in small groups with students in Kindergarten to Grade 3 who would benefit from more support in reading and in accordance with centrally negotiated terms for reading specialist teachers (2022-2026).
- Early Reading Enhancements: Reading Screening Tools (\$12.5M) Funding to purchase
 ministry-approved early reading screening tools identified through the <u>Vendor of Record</u>
 <u>arrangement by OECM</u>, to ensure students who require further supports in reading are
 identified early and supported within the classroom.
- Licences and Supports for Reading Programs and Interventions (\$12.5M) Funding to purchase licenses, resources and professional learning to support the provision of systematic, evidence-based reading interventions, supports or programs for struggling readers, including but not limited to students who have a learning disability.

STEM (\$71.4M):

- Math Achievement Action Plan: School Math Facilitators (\$38.9M) Funding to hire School Math Facilitators to work in Grades 3, 6, and 9 classrooms in priority schools.
- Math Achievement Action Plan: Digital Math Tools (\$15.0M) Funding for digital math tools for all students in Grades 3, 6, 7, 8 and 9 to support student learning at home and in classrooms.
- Math Achievement Action Plan: Board Math Leads (\$13.5M) Funding for a Board Math Lead who will inform, monitor, and provide timely reporting of progress towards math achievement and improvement targets and lead board-wide actions to meet these targets.
- Math Achievement Action Plan: Additional Qualifications (\$4.0M) School boards are
 invited to submit an <u>application</u> by June 27, 2025 to subsidize teachers who have
 completed Additional Qualifications (AQ) courses in math.

Supporting Vulnerable Students (\$50.1M):

- Summer Learning for Students with Special Education Needs (\$10.0M) Funding for the summer of 2025 to support the learning and transition of students with special education needs as they start the 2025-26 school year.
- Special Education Needs Transition Navigator (\$8.4M) Funding for Transition
 Navigators to support improving educational outcomes for students with special
 education needs and/or disabilities by improving transition practices into, during and
 out of school.
- Focus on Youth (FOY) (\$8.1M) Funding to create high quality employment opportunities for high school students and increases access to free/low-cost summer camps for children and youth (Kindergarten Grade 12) in high needs areas where such opportunities may be limited.
- Transportation and Stability Supports for Children and Youth in Care (\$6.6M) Funding to improve the educational experience and outcomes of children and youth in care by ensuring positive and stable connections to school, school supports and learning opportunities during times of instability and transition.
- Graduation Coach Program for Black Students (\$6.0M) Funding to provide intensive, culturally-responsive supports to Black students by engaging graduation coaches with lived experience and connections to Black communities to provide direct support and mentorship.
- Removing Barriers for Students with Disabilities (\$6.0M) School boards are invited to <u>submit applications</u> online by June 27, 2025 to fund projects that prevent and remove accessibility barriers experienced by students with special education needs / disabilities.
- **Human Rights and Equity Advisors (\$3.1M)** Provided to select school boards to fund a Human Rights and Equity Advisor (HREA).

- Special Education Additional Qualification (AQ) Subsidy for Educators (\$1.0M) –
 Funding to support educators' participation in approved Schedule C and Schedule D
 special education Additional Qualification (AQ) courses such as "D-Special Education
 Specialist."
- Developmental Disabilities Pilot: Student Transitions (\$0.5M) School boards are
 invited to <u>submit applications online</u> by June 27, 2025 to receive funding to explore and
 implement successful practices in transitioning students with developmental disabilities
 to work through an intensive job-placement program in the 2025-26 school year.
- **Teaching in De-streamed Classrooms (\$0.4M)** Funding to support system leaders to address systemic barriers, racism, and discrimination through effective, culturally relevant, leadership practices in system and schools.
- **Menstrual Equity Initiative (MEI)** Continuing from 2024-25, school boards with executed transfer payment agreements will have the ability to order menstrual products each school year using the Supply Portal.

Mental Health (\$25.2.M):

- **Summer Mental Health Supports (\$16.0M)** Funding for the summer of 2025 to provide mental health services to students and ensure the continuity of services over the summer months.
- School Mental Health Ontario (\$6.5M) Funding for implementation support to all school boards through clinical expertise, evidence-based resources/practical tools for educators, and the delivery of professional learning to school-based mental health clinicians.
- Mental Health Strategy Supports: Emerging Needs (\$1.3M) Funding for education and awareness raising among students to address substance use prevention, including addictions, cannabis use, vaping, and screen time.
- Health Resource Training Supports: (\$1.2M) This funding is used to purchase and/or develop new resources and supports, and to deliver local training to principals/vice-principals, educators and other school staff related to current and emerging health and safety issues. For the 2025-26 school year, school boards are encouraged to use funds to support student safety.
- Physical Activity Through Cricket (\$0.2M) School boards are invited to <u>submit</u> <u>applications online</u> by June 27, 2025 for students to learn, try, practice, and compete in cricket through the school setting.

Operations (\$22.5M):

• **K-12 Cyber Security Operating Model (CSOM) (\$11.5M)** – Increased funding will be provided in a multi-year phased approach to implement foundational security tools and capabilities and to establish partnerships for managed services.

- **Critical Physical Security Infrastructure (\$10.0M)** Funding to support critical school physical infrastructure renewals, upgrades, and installation costs.
- New Teacher Induction Program: Enhancing Teacher Development Fund (NTIP-ETD)
 (\$1.0M) School boards who experience a significant increase in the number of newly
 hired teachers from the previous year and/or have new hires past Year 2 on the Teacher
 Qualifications and Experience Grid are invited to <u>submit applications online</u> between
 September 1, 2025 and October 17, 2025.

Student Readiness (\$13.8M):

- **Personal Support Worker (PSW) Bursary (\$5.5M)** Funding to participating school boards for up to 2,000 PSW students starting school board PSW programs from April 1, 2025, to March 31, 2026.
- Experiential Professional Learning in the Skilled Trades for Guidance Teacher-Counsellors (\$3.0M) Funding to coordinate and provide experiential professional learning opportunities for all guidance teacher-counsellors to develop understanding of the skilled trades, the apprenticeship pathway and the benefits of the skilled trades as a career.
- Cooperative Education Supports for Students with Disabilities Pilot (\$2.1M) Funding to participating boards to provide targeted supports to students with disabilities to pursue cooperative education credits within a variety of placement opportunities.
- Entrepreneurship Education Pilot Projects (\$1.8M) Funding to provide entrepreneurship education for Grades 7-12 students developed/provided in partnership with local third-party organizations that have expertise in entrepreneurship.
- **Skilled Trades Bursary Program (\$1.0M)** Funding to provide \$1,000 bursaries to students who will have earned or are earning two credits in a cooperative education program working in a skilled trades placement, have plans to pursue a post-secondary skilled trades pathway, demonstrate leadership in the skilled trades, and have financial and other barriers to completing secondary school.
- Learn and Work Bursary Program (\$0.4M) Funding to provide \$1,000 bursaries to students, who are enrolled in a cooperative education program and have financial and other barriers to success and to completing secondary school.

Indigenous Education (\$10.1M):

- Indigenous Graduation Coach Program (\$5.5M) Funding to select school boards for Indigenous Graduation Coaches to support the well-being and achievement of First Nations, Métis, and Inuit students.
- Supporting Indigenous Languages Revitalization in Education (\$3.1M) Funding to select school boards to grow the number of Indigenous languages programs and speakers in Ontario and in the provincially funded education system.
- Rapid Response Northern Schools Team (\$0.8M) Funding to Keewatin-Patricia District School Board for a team of pre-screened, highly trained, and experienced staff ready to

- mobilize and deploy in First Nations communities in response to requests made by that community during times of crisis and urgent need.
- Indigenous Youth Entrepreneurship Program (\$0.3M) Funding to participating school boards to give Grade 11 and 12 First Nations, Métis, and Inuit students an opportunity to earn two senior business studies credits through a program based on the Ontario Business Studies curriculum and supplemented by Indigenous content, hands-on activities, guest speakers, business mentors, and funding opportunities.
- **First Nations School Support Program (\$0.2M)** Funding to Keewatin-Patricia District School Board to provide professional development for educators and administrators in partnering First Nations-operated schools.
- **The Limestone Bridge Program (\$0.2M)** Funding to Limestone District School Board to provide teaching through cultural experiences and land-based learning.

French-Language Education (\$8.1M)

In addition to French-language investments in all Key Priority themes, French-language targeted investments will include supports for French-language teacher retention; funding for the Consortium d'apprentissage virtuel de langue française de l'Ontario (CAVLFO); the modernization of online learning courses; and providing culturally, linguistically, and pedagogically relevant supports to French-language students and staff.

B. SECTION 68 SCHOOL AUTHORITIES (\$0.2M)

Funding limits for select REP programs have been established and provided in Appendix B (attached separately). Section 68 school authorities should review this memorandum to identify any other programs that would be beneficial to address school authority student needs. Funding requests for the select REP programs and any other programs identified should be included in the 2025-26 Estimates and budget request forms.

C. TRANSFER PAYMENT ADMINISTRATION

In the 2025-26 school year, Transfer Payment Agreement (TPA) administration and reporting will continue through Transfer Payment Ontario (TPON). To access REP TPAs and reporting templates, school board staff must have registered accounts on the TPON system.

D. TAX COMPLIANCE VERIFICATION

Transfer payment recipients that have received cumulative transfer payment funding of \$10 million or more from the Government of Ontario in the previous government fiscal year; or where a new or renewed agreement has a value of \$10 million or more, are required to provide Tax Compliance Verification (TCV) and attestation of compliance with Tax, Labour, and Environment laws.

This verification is required on an annual basis. The \$10 million threshold includes funding across ministries and encompasses Core Ed. All transfer payment recipients should verify if they meet this requirement.

To maintain compliance, all eligible transfer payment recipients must complete and submit the TCV through the Tax Compliance Verification Portal and must also complete the Attestation of Compliance with Tax, Labour, and Environmental Laws in the Transfer Payment Ontario (TPON) system, under your organizational profile. For more information on Tax Compliance and instructions for updating this information in TPON, please see Appendix C.

E. UNDERSPENDING OF 2024-25 REP FUNDS

All REP funds should be spent for the original purpose intended and as articulated in signed TPAs. Unspent funds from 2024-25 must be recovered by the ministry and will not be available for repurposing or carrying forward.

3. CAPITAL FUNDING

The government is investing over \$30 billion, including approximately \$23 billion in capital grants over 10 years, to build, expand and renew schools and childcare spaces across Ontario. The ministry is continuing to build upon the government's objective of helping more students attend modern schools, close to home, by building, expanding and renewing schools across the province.

For the past two years, substantially increased funding investments in the Capital Priorities Program have supported new builds and additions across the province to meet the needs of Ontario's growing communities. In addition to investing \$1.3 billion in 45 new schools and expansions, announced in January 2025, the government is making significant new investments to renew and improve existing school infrastructure and almost doubling funding for Temporary Accommodations for the 2025-26 school year.

A. SCHOOL RENEWAL

School renewal funding will be increased to \$2 billion for the 2025-26 school year to address specific areas of modernization and improvement and support accessible and healthy learning environments.

In addition to the continued investment of \$1.4 billion to renew and improve schools through the School Condition Improvement (SCI) and School Renewal Allocation (SRA), an additional \$575 million will be allocated to school boards for school renewal to support accessibility improvements and replacement of Reinforced Autoclaved Aerated Concrete (RAAC).

Please refer to Appendix D for funding details for SCI, SRA and Capital Planning Capacity (CPC). Further details regarding the funding for RAAC and accessibility will be communicated to school boards in the near future.

Reminders:

- While school boards are provided the flexibility to revitalize and renew aged building
 systems and components under the SRA, they are encouraged to prioritize their
 allocation to address facility condition, accessibility, ventilation, health and safety, and
 general building code requirements. These priorities should also be accounted for under
 a board's capital plan.
- School boards are required to publicly post information about renewal projects in a prominent place on their websites.
- School boards must spend their annual renewal allocations within two years to ensure timely on the ground improvements. Renewal allocations for the 2025-26 school year will expire on August 31, 2027. All unspent funds from allocations prior to 2023-24 will expire on August 31, 2026.
- School boards are responsible for paying their Renewal Software Licensing Fee using the funding that is included as part of the Core Ed School Facilities Fund.

B. TEMPORARY ACCOMMODATIONS

For the 2025-26 school year, the Temporary Accommodations Allocation (TAA) is almost doubling, from \$40 million to \$70 million, to support school boards in managing ongoing costs pending completion of new capital projects which will bring close to 125,000 pupil places online. This funding may be used for portable moves, leases, and purchases, as well as for lease costs for instructional space.

Funding will be allocated in proportion to school boards' historical share of temporary accommodation activity. Please refer to Appendix C for funding details.

The ministry will be working with the sector to collect details regarding the use and current inventory of portables, including leases, and future Temporary Accommodation needs. This engagement and data collection will inform refinements to the allocation approach for future years.

C. CAPITAL PRIORITIES

Through the 2024-25 Capital Priorities Program, the ministry's approach to assessing accommodation needs has continued to focus on quantifiable metrics, as outlined in the Program Guidelines. The submissions were assessed by need and project readiness.

School boards received written feedback on their project submissions, which should be leveraged in preparing for future Capital Priorities rounds.

The ministry encourages school boards to continue to develop projects that meet program and evaluation criteria, and to advance the shovel readiness of these projects. Further information on the launch of the 2025-26 Capital Priorities Program will be forthcoming.

D. ONTARIO BUILDS SIGNAGE REQUIREMENTS

As previously communicated, signage continues to be required for Capital Priorities and childcare projects, as well as renewal projects supported with an investment of \$250,000 or more (through School Condition Improvement and/or School Renewal Allocation) or with a project duration of 90 days or more at a school site.

Please refer to the Communications Protocol in the <u>Capital Manual</u> before undertaking any public communications activities related to capital funding and additional details on signage requirements.

4. INFORMATION RESOURCES

A. CORE ED

For more details on these changes and Core Ed, please refer to *Core Education Funding: Technical Guide for School Boards, 2025-26* available on the <u>Education Funding webpage</u>.

If you have any questions or require additional information, please contact:

Subject	Contact	Email
Financial Accountability, Reporting	Andrew Yang	Andrew.Yang@ontario.ca
Requirements, and Regional Internal Audit		
French-Language Education	Gina Caruano	Gina.Caruano@ontario.ca
	Luc Davet	<u>Luc.Davet@ontario.ca</u>
Indigenous Education	Nick Bertrand	Nick.Bertrand@ontario.ca
Online Learning	Bill Torrens	Bill.Torrens@ontario.ca
Operating Funding Modelling	Paul Duffy	Paul.Duffy@ontario.ca
Operating Funding Policy	Romina Di	Romina. Di Pasquale @ ontario.ca
	Pasquale	
School Operations and Renewal	Andrea Dutton	Andrea.Dutton@ontario.ca
Special Education	Charmaine Perera	Charmaine.Perera@ontario.ca
Student Transportation	Mehul Mehta	Mehul.Mehta@ontario.ca

General questions regarding the Core Ed release can be emailed to: EDULABFINANCE@ontario.ca.

B. REP

For more details, please contact your ministry program contacts or the office of the Assistant Deputy Minister responsible for the program. Other general MPTPA questions can be sent to EDU-TPAs@ontario.ca.

Details and training materials on how to register and use TPON can be found online through the <u>TPON provincial website</u>. For questions about REP multi-project TPAs, please contact <u>EDU-TPAs@ontario.ca</u>. For technical inquiries related to TPON, please contact <u>TPONCC@ontario.ca</u>.

Please check your tax compliance status and direct all inquiries to the Ministry of Finance.

C. Capital

For more details on these and other initiatives, please refer to the <u>Education Capital</u> <u>Policies and Programs Manual</u> available on the <u>Education Funding webpage</u>.

If you have any questions or require additional information, please contact:

Subject	Contact	Email
School Condition Assessment Program	Andrea Dutton	Andrea.Dutton@ontario.ca
Funding for School Renewal		
Capital Planning Capacity Program		
Capital Priorities Program	Teuta Dodbiba (up to	Teuta.Dodbiba@ontario.ca
Child Care Capital Funding	end of November 2025)	Patrizia.DelRiccio@ontario.ca
Land Priorities Funding		
Temporary Accommodation Allocation	Patrizia Del Riccio (as	
Capital Accountability Framework Major	of December 2025)	
Capital Progress Report Education		
Development Charges		
Design Standardization Communications	Teuta Dodbiba	Teuta.Dodbiba@ontario.ca
Protocol		
Signage		
Education Capital Information System	Mehul Mehta	Mehul.Mehta@ontario.ca

CONCLUDING REMARKS

Some of the elements and proposals related to Core Ed and Capital funding set out in this memo can only take effect if certain regulations are made by the Minister of Education or Lieutenant Governor in Council under the *Education Act* or other legislation as required. Such regulations have not yet been made. Therefore, the content of this memo should be considered subject to such regulations, if and when made.

In closing, Ontario remains committed to ensuring the sustainability of its education system. The government is unwavering in its commitment to prioritizing what truly matters: providing students with the essential tools and skills required for their success.

Your leadership and commitment are vital as we move forward and strive for continuous improvement. Let us continue to collaborate, innovate, and inspire as we lead the way in education. We must never lose sight of the two million students who walk through the doors of our public schools. They are at the heart of what we do. Every decision we make, every policy and program we develop should be made with their best interests in mind.

I trust that every school board will uphold their responsibility to the parents and students they serve, ensuring these public funds are utilized effectively to directly benefit students.

Sincerely,

Denise A. Cole Deputy Minister

cc:

Senior Business Officials Business Administrators, School Authorities