

media statement

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Board of Trustee Response to Independent, External Review of the Finances and Governance of the CBE

In November 2019, Education Minister Adriana LaGrange announced an independent, external review of the finances and governance of the CBE. We received the [report](#) yesterday afternoon.

We are pleased that the review confirmed that there are no financial irregularities or improprieties. The report highlighted that our spending is fully aligned with that of other metro school jurisdictions and that we have strong financial processes and controls. The review also found that we have very efficient operations, especially in the area of operations and maintenance.

The [Ministerial Order](#) outlines areas for improvement related to governance processes and financial oversight. We are committed to working with Alberta Education on the plan to comply with the Ministerial Order.

A number of the directives in the Ministerial Order have already been addressed as part of [CBE's 2020-21 budget](#) such as:

- deploying 70 teachers back into schools;
- making changes to [transportation](#) to align with funding and mandated service levels;
- moving the Kingsland welcome centre for new Canadians into the Education Centre and exploring other options to maximize the lease space;
- reducing and standardizing the learning leader teaching positions across the system. These learning leaders are teachers with the majority of their time spent in classrooms;
- consolidating our outreach program from four to three sites to further align with government funding for outreach services; and
- reducing English Language Learning supports from seven to five years to align with government funding.

Other work underway by the Board of Trustees including:

- Ongoing policy review: The Board of Trustees continuously reviews its governance policies and previously identified those policies referenced in the Ministerial Order.
- Governance support: To be effective governors of a \$1.2 billion organization, the Board already accesses the advice and support of external experts. We look forward to expanding our complement of governance coaches.

learning | [as unique](#) | as every student



Calgary Board
of Education

The citizens of Calgary expect that we will be good stewards of public dollars and we will continue to spend those dollars to support student learning. We acknowledge there is always room to improve.

As a public school board, the CBE welcomes all students regardless of their background, ability or financial status. Our students continually demonstrate strong academic results and outperform the province on diploma exams and provincial achievement tests. Strong academic results is the best evidence of our effectiveness and value for dollars. As democratically elected trustees, we are committed to governing with integrity and making decisions in the best interests of the more than 126,000 students we serve.

For more information, visit cbe.ab.ca.

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Frequently Asked Questions

How does the CBE prioritize students in its budget?

As a public school board, the CBE welcomes all students regardless of their background, ability or financial status. Our students continually demonstrate strong academic results and outperform the province on diploma exams and provincial achievement tests. Strong academic results are the best evidence of our effectiveness and value for dollars. As democratically elected trustees, we are committed to governing with integrity and making decisions in the best interests of the 125,000 students we serve.

The report states “In general, CBE’s per-student funding and expenses are comparable to the other Metro Boards in Alberta.” All school boards prioritize student learning in their decision-making, and this is no different at the CBE. Our core values are:

- Students come first
- Learning is our central purpose
- Public education serves the common good

Some examples of the CBE prioritizing students in budget decisions:

- Reducing non-based school staff by 18 per cent over the last five years at a time when our student population increased by seven per cent.

- Being more efficient than other school boards in maintenance and operations which has allowed more dollars to be directed to the classroom.
- The Board of Trustees passed a motion in January 2020 requiring that the transportation budget be balanced using only provincial transportation funding and user fees in order to maximize dollars for student learning.

For many years the CBE has provided a breadth of programming to support student learning especially for our students with complex needs. While this has increased costs it has also contributed to strong student achievement results. The CBE reviews its programming on a regular basis and has made changes in the 2020-21 budget to align with the new provincial assurance and funding framework. The CBE will continue to evaluate its programming and develop performance measures as directed in the Ministerial Order.

Has the CBE considered other options with regards to the Education Centre lease including subletting the building?

The Education Centre lease was signed by a previous Administration and Board of Trustees at a time when rents were rising exponentially, and we were not permitted to buy or build our own space. The lease arrangement was approved by the [provincial government at the time](#).

While the option to purchase the building has been recently explored by the CBE, various other options have been considered over the years. The CBE has engaged a range of experts in developing options around the Education Centre lease. We are happy to continue that work. The CBE has sublet some floors in the past, however, due to market conditions, we are not currently able to find new tenants.

Budget 2020-21 includes a consolidation of the Kingsland Welcome Centre into the Education Centre to better utilize resources.

What did the report say about salary costs at the CBE?

Interestingly, the report did not make any explicit comments on salary costs at the CBE. The majority of our staff are unionized. Less than 1.5 per cent of all CBE employees are not covered by a [collective agreement](#). In 2016 an independent salary review was commissioned by the CBE for these exempt

employees and salary bands were reduced. We recognized that market conditions have changed in Calgary since 2016. In accordance with the Ministerial Order the Board of Trustees will use an independent third party to perform an updated salary survey to determine if CBE exempt employee salaries are in line with other school boards, public and private entities.

Of course, the largest collective agreement relates to the Alberta Teachers' Association which is currently negotiated by the Province of Alberta. For the others, the CBE routinely tests its compensation levels against market conditions for the relevant roles.

As well, the CBE is fully compliant with Government regulations related to the [compensation and benefits for the Chief Superintendent](#). Compensation levels for the remaining senior officials flows from that regulation. Superintendent salaries and benefits have been frozen for more than five years.

Similarly, remuneration for the Board of Trustees is at the same levels as it was in 2009.

The CBE also has a [comprehensive compensation disclosure site](#) on our main website to demonstrate our openness and transparency. The CBE is one of a very few school jurisdictions in Alberta who make this information readily available.

It is being reported that 22 per cent of employees with teaching certificates are not in the classroom. Is this correct?

Approximately 90 per cent of employees with teaching certificates are classroom teachers. Another eight per cent are principals or assistant principals. In some smaller schools principals and assistant principals carry a teaching load. The remaining two per cent fill centralized teaching support roles. By centralizing key functions, the CBE can better resource and support our 250 schools. Finally, in budget 2020-21 the CBE is deploying approximately 70 of those centralized teaching positions back to schools.

The majority of the 22 per cent of employees referred to in the report are classroom teachers who receive a small additional allowance to compensate them for additional responsibilities in schools.

Will the CBE be reducing the number of classroom teachers getting an extra allowance for additional responsibilities?

The CBE has approximately 1,082 classroom teachers who carry additional duties related to enhancing and improving teaching and learning in schools. These Learning Leaders work directly in schools and carry an in-classroom teaching load.

While these individuals are teachers first, they play a key role in ensuring the CBE continues to achieve high student outcomes. Continuous professional learning supported by dedicated Learning Leaders has one of the highest positive impacts on student outcomes.

That said, the new fiscal reality requires changes and the CBE is making those changes. Under the proposed budget 2020-21, approximately one third of current Learning Leaders (teachers with added duties) will see this allowance end and as necessary, classroom teaching time adjusted. This will free up \$1 million dollars and allow the CBE to maximize the number of full time teachers in classrooms across the CBE. While the CBE will miss the value provided by these professionals, we believe it is the right decision given our fiscal realities.

How are reserves used by the CBE?

Reserve levels in school jurisdictions should rightly ebb and flow over time as it addresses the opportunities and challenges of its fiscal environment. Fundamentally the CBE believes in investing the dollars it receives in a year in the students in the system for that year. To build up reserves would require that we take funding away from today's students to make dollars available to future students.

The CBE has recently completed a massive school construction program (over \$600 million) that necessitated significant investment to turn buildings into schools. The CBE drew upon its reserves to do that work. As well, the CBE received \$32 million less funding in October, 2019 than in the previous school year. The CBE drew \$10 million from its reserves to maintain services and supports to students through this time of transition. The CBE will carefully manage reserve levels into the future to balance the needs of students in the system today with the risks to students and their learning into the future.

Other ways in which the CBE has used its reserves include:

- Moderating the increase of transportation fees for families
- Supporting full day kindergarten for our most vulnerable students
- Enhancing the wireless capacity across the system

What recommendations were made in the report to reduce transportation costs?

The report recommends the CBE provide bus service only where it is required and/or set fees to reflect actual costs. This would mean the CBE consider the elimination of bus services to students within 2.4 km of their community school and students in alternative programs as these services are not mandated by the province. The other option is to increase fees to cover the actual costs. The 2020-2021 student transportation fees and service levels announced by the CBE on May 15 already reflect this recommendation by eliminating non-mandated mid-day kindergarten transportation and establishing a higher fee that reflects the actual cost for other non-mandated transportation services, such as for students within 2.4 km or who attend an alternative program.

Also, to ensure that maximum dollars are directed to teaching and learning, the Board of Trustees passed a motion in January 2020 requiring that the transportation program operate without subsidy or support from the CBE's teaching and learning budget. Accordingly, the costs of transportation services must be funded solely from provincial dollars and related parent fees.

The report also recommended consolidating all half days of instruction to full days in order to reduce the number of days that students would be transported to schools. This was considered by the CBE in connection with 2020-21 transportation service level planning. Due to constraints external to the CBE this was not achievable for the coming school year but will be reconsidered for the future.

What is the role of external audit committee members at the CBE?

The external members of the CBE audit committee are comprised of five or more knowledgeable individuals who volunteer to provide their financial expertise and work experience to the Board of Trustees to support the annual audited financial statement process. The CBE highly values the skillset of these individuals, while still recognizing the democratically elected Trustees are ultimately responsible for financial oversight.

The CBE audit committee including the external members meet twice a year with our external financial auditors, KPMG, to discuss the audit process and [annual audited financial statements](#). The audit committee makes recommendations to the Board of Trustees regarding the audited financial statements.

The CBE's audit committee existed long before it was legally required. With the implementation of the Education Act in 2019 the CBE's audit committee continues to exceed the requirements set out in that Act.

The CBE is committed to further leveraging the insights and perspectives of these knowledgeable community volunteers.