

# *The Education Funding Regulations*

*being*

Chapter E-0.2 Reg 20 (effective April 1, 2009) as amended by  
Saskatchewan Regulations 48/2012.

## **NOTE:**

**This consolidation is not official. Amendments have been incorporated for convenience of reference and the original statutes and regulations should be consulted for all purposes of interpretation and application of the law. In order to preserve the integrity of the original statutes and regulations, errors that may have appeared are reproduced in this consolidation.**

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## CHAPTER E-0.2 REG 20

### *The Education Act, 1995*

#### PART I

#### Title, Interpretation and Application

##### Title

- 1 These regulations may be cited as *The Education Funding Regulations*.

##### Interpretation

- 2 In these regulations:

- (a) “**Act**” means *The Education Act, 1995*;
- (b) “**approved**” means approved by the minister;
- (c) “**enrolled**” means the summation of the number of pupils and kindergarten children enrolled in a school for a school year, determined pursuant to the annual enrolment reports submitted to the ministry by each board of education and the conseil scolaire;
- (d) “**historical high school**” means historical high school as defined in *The Independent Schools Regulations*;
- (e) “**ministry**” means the ministry over which the minister presides;
- (f) “**qualified independent school**” means qualified independent school as defined in Part V.1 of *The Independent Schools Regulations*;
- (g) “**recognized**” means recognized by the minister;
- (h) “**Saskatchewan resident**” means a person who resides permanently in Saskatchewan, but does not include a person who, in the minister’s opinion, has no significant tie to Saskatchewan other than the fact that he or she attends school in Saskatchewan.

27 Aug 2010 cE-0.2 Reg 20 s2; 6 Jly 2012 SR  
48/2012 s3.

##### Application

- 3(1) These regulations apply to operating grants and capital grants payable for the period commencing on April 1, 2009 and ending on the date on which these regulations are repealed:

- (a) to boards of education and the conseil scolaire pursuant to sections 310 to 315 of the Act; and
- (b) to registered independent schools, including historical high schools, and to any other educational institution and organization pursuant to section 19 of *The Government Organization Act*.

(1.1) Pursuant to section 19 of *The Government Organization Act*, these regulations apply to operating grants payable to qualified independent schools for the period commencing on April 1, 2012 and ending on the date on which Part III.1 of these regulations is repealed.

(2) The minister shall distribute operating grants pursuant to these regulations on a monthly basis or at any other intervals that the minister may determine.

27 Aug 2010 cE-0.2 Reg 20 s3; 6 Jly 2012 SR  
48/2012 s4.

PART II  
**Boards of Education and the Conseil Scolaire**

DIVISION 1  
**Operating Grants**

**Operating grants**

4(1) In this section:

(a) **“fiscal year”** means:

(i) in clause (2)(a), the fiscal year of the board of education or conseil scolaire, being the period commencing on September 1 in one year and ending on August 31 of the following year; and

(ii) except in clause (2)(a), the fiscal year of the Government of Saskatchewan, being the period commencing on April 1 in one year and ending on March 31 of the following year;

(b) **“separate school board”** means the board of education of a separate school division.

(2) In calculating the operating grants payable to a board of education or the conseil scolaire for any fiscal year, the minister may take into account:

(a) the final approved budget of the board of education or conseil scolaire, as the case may be, for the relevant fiscal year of the board of education or conseil scolaire;

(b) the minister’s estimates of revenues available to the board of education or conseil scolaire, as the case may be, for the relevant fiscal year of the Government of Saskatchewan, including:

(i) education property taxes;

(ii) grants in lieu of taxes;

(iii) in the case of a board of education, the board of education’s percentage of licence fees charged by the municipality respecting trailers and mobile homes located within the school division;

- (iv) tuition revenue and other fees;
  - (v) federal grants;
  - (vi) interest on investments and assets; and
  - (vii) such other revenue as the minister may determine;
- (c) the minister's estimates of expenses incurred by the board of education or conseil scolaire, as the case may be, for the relevant fiscal year of the Government of Saskatchewan, including:
- (i) the effects of inflation on expenses outlined in the final approved budget of the board of education or conseil scolaire for the government's previous fiscal year; and
  - (ii) teacher salary increases;
- (d) financial information furnished by the board of education or conseil scolaire, as the case may be, in consultations with the minister or at the request of the minister; and
- (e) such other matters as the minister determines may be relevant to the funding of educational programs for pupils, kindergarten children and children who are not yet eligible to be enrolled in kindergarten.
- (3) Without restricting the generality of clause (2)(b), if a separate school board, pursuant to subsection 288(7) of the Act, determines mill rates for a particular taxation year that are higher than those determined by the Lieutenant Governor in Council for that taxation year, the minister, given the final approved budget of the separate school board, shall reduce the operating grant payable to the separate school board by the amount by which the tax revenue allocated to the separate school board based on the mill rates set by the separate school board for that taxation year exceeds the tax revenue that would otherwise have been allocated to the separate school board based on the mill rates set by the Lieutenant Governor in Council for that taxation year.
- (4) Without restricting the generality of clause (2)(b), if a separate school board, pursuant to subsection 288(7) of the Act, determines mill rates for a particular taxation year that are lower than those determined by the Lieutenant Governor in Council for that taxation year, the funding requirements of the separate school board shall be deemed to have decreased and the minister shall refrain from increasing the operating grant payable to the separate school board.

DIVISION 2  
**Capital Expenditures – Boards of Education**

**Recognized capital expenditures**

**5** Recognized capital expenditures of a board of education consist of:

(a) with respect to expenditures for recognized debt retirement for school facilities and, in the case of a board of education of a school division located in the Northern Saskatchewan Administration District, teachers' residences, the sum of:

(i) actual payments of principal and interest for approved capital loans and debentures; and

(ii) actual payments made to other boards of education in lieu of direct debt retirement;

less any payments received for capital debt retirement from other boards of education, the Government of Canada, Indian bands or other institutions;

(b) the replenishment of any cash reserve funds recognized:

(i) in equal annual instalments, including principal and interest, for a term agreed on by a board of education and the minister if those cash reserve funds are used by the board of education with the minister's approval for approved capital projects; and

(ii) at an interest rate approved at the time the funding arrangement is completed; and

(c) the payment of recognized capital grants:

(i) in accordance with a payment schedule agreed to by the minister and the board of education; and

(ii) if the provincial share is to be paid out over two or more consecutive years, in instalments to a maximum of the approved amounts in any fiscal year, based on evidence acceptable to the minister that:

(A) sufficient progress is being made on the capital project; and

(B) previous instalments from the province have been expended on the capital project.

DIVISION 3  
Capital Grants

**Interpretation of Division**

**6(1)** In this Division:

- (a) **“ability to pay factor”** means the difference between one and the ratio of a board of education’s basic grant to its net recognized expenditure;
- (b) **“actual usable area”** means the entire area of floor space in a school, in square metres, excluding any recognized area of floor space that is used for:
- (i) walls;
  - (ii) internal circulation in the school, including corridors, hallways, mudrooms, vestibules and foyers;
  - (iii) mechanical and boiler rooms;
  - (iv) janitorial and building maintenance areas;
  - (v) student washrooms;
  - (vi) gymnasium service areas;
  - (vii) servery areas;
- (c) **“approved construction area”** means the sum, in square metres, of the recognized area of new floor space for a construction project and the recognized area of renovated floor space for a construction project;
- (d) **“average provincial mill”** means the mathematical average of the value of one mill from all boards of education offering kindergarten to grade 12 curricula for the 2008 assessment year;
- (e) **“base share”** means the numerical value BS calculated in accordance with the following formula:

$$BS = (0.658519 + UF) \times [(0.5 \times APF) + 0.25]$$

where:

UF is the utilization factor calculated pursuant to these regulations; and

APF is the ability to pay factor calculated pursuant to these regulations;

- (f) **“basic grant”** means the difference between a board of education’s total recognized expenditure and total recognized revenue;
- (g) **“board of education share percentage”** means the level of a board of education’s contribution for funding capital construction and is the sum of:
- (i) the base share; and
  - (ii) the mill factor;

- (h) **“capital surplus”** means:
  - (i) surplus money from previous capital projects; and
  - (ii) interest earned on surplus money from previous capital projects;
- (i) **“debenture and loan interest”** means:
  - (i) any revenue earned as interest on moneys received from the sale of debentures, before the issuance of the final approval of the capital project, that may be recognized by the minister; and
  - (ii) any revenue earned as interest on loans;
- (j) **“down payment”** means the value of a board of education’s contribution to capital project funding as determined by the ministry based on estimates before public tender and adjusted, if necessary, at the time of public tender, and is the product of:
  - (i) the difference between:
    - (A) the total project cost with federal goods and services tax added; and
    - (B) the sum of:
      - (I) all applicable federal tax rebates;
      - (II) all third party funding;
      - (III) debenture and loan interest;
      - (IV) unused capital surplus; and
      - (V) provincial capital reserves held by that board of education; and
  - (ii) the board of education share percentage;
- (k) **“maximum provincial contribution”** means the maximum value, in the minister’s discretion, of provincial funding for a capital project, and is the difference between:
  - (i) the total project cost; and
  - (ii) the sum of:
    - (A) the board of education’s down payment;
    - (B) all applicable federal tax rebates;
    - (C) all third party funding;
    - (D) debenture and loan interest;
    - (E) unused capital surplus; and
    - (F) provincial capital reserves held by the board of education;



(l) “**mill factor**” means the numerical value ML calculated in accordance with the following formula:

$$ML = \frac{\log (BM \div APM)}{C} \times BS$$

where:

BM is the value of the particular board of education’s 2008 mill;

APM is the average 2008 provincial mill;

C is the numerical value required to produce the required range of board of education share percentages; and

BS is the base share for the board of education, calculated pursuant to these regulations;

(m) “**net recognized expenditure**” means the difference between a board of education’s total recognized expenditure and tuition fee revenue;

(n) “**provincial capital reserves**” means the money derived from the following sources to be applied to the provincial share of an approved project:

(i) net proceeds from rental revenue;

(ii) net proceeds from the sale of school properties;

(iii) recognized provincial share of federal tuition fees;

(iv) interest earned on any of the sources listed in subclauses (i) to (iii);

(o) “**recognized usable area**” means the recognized area of floor space in a school, in square metres;

(p) “**target school**” means the specific school for which a capital funding request is made by a board of education;

(q) “**total actual usable area**” means the sum of:

(i) the actual usable area in a target school; and

(ii) the sum of the actual usable areas for all schools currently in operation that are located:

(A) within a 30-kilometre radius of a target school; and

(B) in the same school division as the target school;

(r) “**total construction cost**” means the board of education’s choice of publicly tendered offers to construct a capital project, but excluding consultants’ fees and associated provincial sales taxes on those fees, ministry construction allowances, miscellaneous costs, site purchase costs, and the federal goods and services tax;

- (s) **“total project cost”** means the total construction cost plus consultants’ fees and associated provincial sales taxes on those fees, ministry construction allowances, miscellaneous costs, site purchase costs, and all applicable provincial taxes, but excluding the federal goods and services tax;
  - (t) **“total recognized usable area”** means the sum of:
    - (i) the recognized usable area for a target school; and
    - (ii) the sum of the recognized usable areas for all schools currently in operation that are located:
      - (A) within a 30-kilometre radius of a target school; and
      - (B) in the same school division as a target school.
- (2) This Division applies, with any necessary modification, to capital grants to the conseil scolaire.

27 Aug 2010 cE-0.2 Reg 20 s6.

**Utilization factor**

- 7(1) Subject to subsection (2), the utilization factor for a target school is the amount calculated as the difference between:
- (a) 0.8; and
  - (b) the quotient obtained when the total recognized usable area is divided by the total actual usable area.
- (2) The utilization factor is deemed to be zero if:
- (a) the utilization factor, as calculated pursuant to subsection (1), yields a negative or zero value; or
  - (b) the capital project:
    - (i) has a total approved cost of less than \$150,000; and
    - (ii) does not involve the addition of new general instructional areas or the conversion of existing general instructional areas to new program instructional areas.

27 Aug 2010 cE-0.2 Reg 20 s7.

**Building grants**

- 8(1) For the purposes of this section:
- (a) the amount of a down payment paid by a board of education for an approved project is to be determined by the regulations in effect for the year in which initial funding approval for the project is given; and
  - (b) if the minister approves funding for a project over more than one fiscal year, the board of education share percentage applicable to each fiscal year in which funding is approved continues to be the share percentage in effect for the board of education for the fiscal year in which initial funding approval for the project is given.

- (2) Subject to subsections (3) to (7), the down payment is the difference between:
  - (a) the total project cost with federal goods and services tax added; and
  - (b) the sum of:
    - (i) the maximum provincial contribution;
    - (ii) all applicable federal tax rebates;
    - (iii) all third party funding;
    - (iv) debenture and loan interest;
    - (v) unused capital surplus; and
    - (vi) provincial capital reserves held by that board of education.
- (3) The minimum value of the board of education's down payment is the lesser of:
  - (a) 0.1 mill applied to the total equalized assessment of the school division for 2008; and
  - (b) for:
    - (i) roof projects, \$10,000;
    - (ii) fuel tank removal, \$5,000 per tank; and
    - (iii) all other capital projects, \$150,000.
- (4) There is no minimum down payment value for the purposes of any of the following:
  - (a) accessibility modifications;
  - (b) asbestos remediation;
  - (c) building condition assessments;
  - (d) development of early learning and child care centres;
  - (e) e-learning initiatives;
  - (f) energy or sustainability pilot projects;
  - (g) facility asset management software acquisition;
  - (h) planning studies;
  - (i) radon gas remediation;
  - (j) relocatable classroom moves.
- (5) Subject to subsection (6), the maximum provincial contribution will be revised to reflect the total project cost with federal goods and services tax added.

(6) The minister may withhold, in whole or in part, any additional provincial contribution pursuant to subsection (5) if the scope of the project exceeds:

- (a) the approved construction area for that project; or
- (b) the current approved construction cost guidelines.

(7) If the maximum provincial contribution is revised pursuant to subsection (5) or (6), the down payment to be paid by the board of education will be recalculated in accordance with this section.

27 Aug 2010 cE-0.2 Reg 20 s8.

**Transferred school**

**9(1)** This section applies to a school:

- (a) that on or after July 1, 2003 and on or before July 1, 2004:
  - (i) was transferred by the minister from one school division to another pursuant to section 118 of the Act; or
  - (ii) became part of a new school division established pursuant to section 41 of the Act; and
- (b) with respect to which initial approval for a capital project is given in 2006-2007.

(2) Notwithstanding any other provision of this Division, the board of education share percentage with respect to an approved capital project in any school described in subsection (1) is the lesser of:

- (a) the 2006-2007 share percentage for the board of education of the school division in which the school is currently located; and
- (b) the share percentage that was in effect at the time of the transfer for the board of education of the school division from which the school was transferred.

27 Aug 2010 cE-0.2 Reg 20 s9.

**DIVISION 4**  
**Additional Grant Payment**

**Additional grant payment**

**10** In addition to any other recognized expenditure pursuant to these regulations, the minister may make a grant to a board of education or the conseil scolaire in an amount not exceeding the recognized amount in the following categories:

- (a) redundancy pay costs for teachers;
- (b) Supplemental Unemployment Benefits Plan payments;
- (c) substitute teacher costs for internship seminars;

- (d) special education ACCESS secondments;
- (e) on-line course development for distance education;
- (f) any other recognized amount for which the minister determines that all boards of education and the conseil scolaire are to be eligible for funding.

27 Aug 2010 cE-0.2 Reg 20 s10.

### PART III Historical High Schools

#### Operating grants

**11(1) Repealed.** 6 Jly 2012 SR 48/2012 s5.

- (2) Subject to subsections (3) and (4), a historical high school is eligible for an operating grant for each pupil enrolled in grades 9 to 12 in the school who is a Saskatchewan resident, but who is not sponsored by a board of education.
- (3) Operating grants are payable to a historical high school pursuant to subsection (2) only if the historical high school:
  - (a) meets the requirements of the minister, the Act and the regulations with respect to courses of study, qualifications of teachers, operating schedules and supervision; and
  - (b) furnishes the minister with any information that the minister may require with respect to finances, structure and administration of the school.
- (4) A historical high school that has an associate school agreement with a board of education is not eligible for funding pursuant to this section.

27 Aug 2010 cE-0.2 Reg 20 s11; 6 Jly 2012 SR 48/2012 s5.

#### Capital grants

- 12(1)** Subject to subsections (2) and (3), the minister may make a grant to a historical high school for capital construction in an amount equal to 20% of the recognized costs of the recognized facilities, including architect's fees.
- (2) A historical high school is eligible for capital grants pursuant to this section only if the historical high school:
  - (a) meets the criteria set out in subsection 11(3); and
  - (b) submits preliminary drawings and cost estimates of proposed capital projects to the minister.
- (3) A historical high school that has an associate school agreement with a board of education is not eligible for funding pursuant to this section.

27 Aug 2010 cE-0.2 Reg 20 s12.

PART III.1  
**Qualified Independent Schools**

**Operating grants**

**12.1(1)** Subject to subsection (2), a qualified independent school is eligible for an operating grant for each pupil enrolled in kindergarten to grade 12 in the school who is a Saskatchewan resident, but who is not sponsored by a board of education.

(2) Operating grants are payable to a qualified independent school pursuant to subsection (1) only if the qualified independent school furnishes the minister with any information that the minister may require with respect to the finances, structure and administration of the qualified independent school.

6 Jly 2012 SR 48/2012 s6.

**Capital grants**

**12.2** Capital grants are not payable to qualified independent schools pursuant to these regulations.

6 Jly 2012 SR48/2012 s6.

PART IV  
**Repeal and Coming into force**

**R.R.S. c.E-0.2 Reg 19 repealed**

**13** *The 2008-2009 School Grant Regulations* are repealed.

27 Aug 2010 cE-0.2 Reg 20 s13.

**Coming into force**

**14** These regulations come into force on the day on which they are filed with the Registrar of Regulations, but are retroactive and are deemed to have been in force on and from April 1, 2009.

27 Aug 2010 cE-0.2 Reg 20 s14.