



FOR IMMEDIATE RELEASE**November 16, 2004**

Malcolmson report casts doubt on need for Gulf Islands 4-day School Week

GULF ISLANDS—Last week CUPE released a news release announcing the completion of a report by John Malcolmson related to the budgeting process used by School Trustees on the Gulf Islands Schools, District 64.

John Malcolmson is a consultant who has worked in the research and evaluation fields for the past 20 years, with a special focus on public education and education finance, literacy, labour relations, justice issues and social policy analysis. He has worked as a treaty negotiator on behalf of First Nations and as a research analyst for the BC Teachers' Federation.

Attached please find a copy of the executive summary of the Malcolmson report. For a complete report please go to www.cupe.bc.ca and click on the green tower.



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Budget and Staffing Analysis: District 64 Gulf Islands

Executive Summary

Gulf Island's funding allocation from the province in 2004/05 reflects a net drop of just over \$123,000 compared with the 2003/04 year. This primary factor driving the decrease is continued declining enrolment.

Total revenue- allocations from the province together with all other sources of revenue -is expected to decrease \$335,000 in 2004/05 compared with last year's Financial Statements. At the same time, spending is projected to drop more than \$560,000 as the District struggles to cope with falling revenue resources.

The report shows that District 64's financial problems come at a time when the rising assessments have Gulf Islands' property owners sending record levels of school property tax revenue on to Victoria.

In the period leading up to preparation of this year's annual budget, the District estimated an actual funding shortfall of \$350,000 in 2004/05. To address this shortfall and that expected for next year, the District has implemented a round of spending cuts affecting nearly all major areas of spending. These cuts have included moving District 64 to a four-day school week this year.

An examination of updated enrolment, revenue and operating surplus information shows the District's shortfall this year is only \$20,000. Given a reduction of this magnitude, the report concludes that the cost-cutting rationale for implementing the four-day week rests on outdated and erroneous information.

The report also shows that last year, the District's revenue and spending forecasts found in Budget schedules varied considerably from actual levels found in the Financial Statements.

Reported staffing in the current year shows a general decrease across most categories in the District. The only category not to face a staffing reduction this year was "Principals and Vice Principals" which will see a reported increase of 1.80 FTE positions this year. The report also shows that before this increase District 64 already had the highest staffing ratio for this category of employees amongst BC districts in the 1,000 to 2,000 student range.

There were a number of reporting anomalies in how District 64 presented its 2003/04 salary spending and staff allocations. In total, these anomalies account for \$264,000 and affect four FTE staff positions. In addition, there were a number of inconsistencies in the way the District reports financial data from one year to the next. These inconsistencies are found in the way District 64 reports enrolment, offshore tuition revenue, miscellaneous revenues, year-to-year operating surpluses and a host of smaller revenue areas. There are also a number of unanswered questions regarding District finances that are listed at the end of the report. The inconsistencies and unanswered questions complicate efforts to scrutinize District 64 finances in the interest of public accountability.