

April 11, 2006

The Honourable Sandra Pupatello
Ministry of Education
Office of the Minister
Mowat Block
Queen's Park
Toronto, Ontario
M7A 1L2

Dear Minister,

Further to our correspondence of April 7, 2006, I am writing on behalf of the Board to advise you of the results of the Special Meeting of the Board held last evening.

The Board met for several hours to review the report and consider its implications for the quality of education provided to Catholic students in Dufferin-Peel. The report's recommendations fall into four categories: comments on the Board's financial systems and management, recommendations for cuts to student services, recommendations that the Board redirect dedicated funds for other purposes, and recommendations for increased funding from the Province.

With respect to the report's commentary on the alleged financial management issues, the Board once again rejects the report's comments, as it has previous criticisms by the former Minister. The Dufferin-Peel Catholic District School Board operates to the highest professional standards with senior management and staff of exceptional calibre. When the Board's financial management practices were first raised by the former Minister earlier this year, we engaged the chartered accountancy firm, Deloitte, to perform a number of specified procedures in relation to certain financial information prepared by board staff. The specified procedures performed were designed to confirm to trustees that financial information being provided to them was reliable and consistent with information being provided to the Ministry of Education. Deloitte, in performing those procedures, found no exceptions. We would be pleased to forward a copy to you under separate cover.

With respect to the balance of the report's recommendations, the Board is perplexed as to why the Ministry's investigators would recommend cutting services and redirecting dedicated funds at the same time that they recommend increased provincial funding.

This Board has repeatedly advised the Ministry and Minister of the need for additional funds to address chronic underfunding of salaries, transportation and special services. We did not arrive at this deficit overnight. It is the cumulative result of years of underfunding by the Province with operating deficits that the Board has had to cover through the use of its reserves. These reserves were fully depleted as of our last fiscal year - leaving the Board in a true deficit position for the first time.

Last fall, during meetings with senior Board staff and senior Ministry officials, the Board was advised not to submit a deficit budget, but rather to file a balanced budget with identified risks. It was further advised to work with the Ministry to resolve the issues. The Board did so, in good faith, believing that funding to address the cumulative chronic budget pressures would be part of the resolution package. When those measures were not forthcoming, the Board had no choice but to submit a budget that accurately depicted its deficit position.

To date, the Ministry's only contribution to resolving the situation at Dufferin-Peel Catholic District School Board is to direct the Board to cut programs and redirect hard fought for capital funds dedicated for new building construction to cover the Ministry's shortfalls in salary and transportation funding.

.../2

Ministry of Education
April 11, 2006

In our April 7, 2006 letter to you, we asked you to inform us of your intentions regarding the report's recommendations that the government take steps to address the salary gap for existing staff and implement a new transportation funding model. We would also like to know your plans to work with your ministerial colleagues to support the many unfunded special health and social work related services Boards currently subsidize. Resolution of these significant budget pressures would render most of the recommended cuts unnecessary. You said that your government is not about program cuts. Trustees of this Board feel the same way about the services and programs that we believe the Catholic students of Dufferin-Peel deserve and their parents expect.

Minister, we appreciated your comments in the Legislature, recorded in Hansard, indicating your willingness to work collaboratively with this Board to resolve our funding issues and welcome your interest in taking a fresh approach to the challenges that are before us. We share that commitment. However, we wish to state clearly that this Board cannot solve the problem alone by cutting programs and services.

We do not agree with the allegations made by the investigators and your predecessor with respect to the Board's financial management. We believe the investigators' findings to be without foundation. They imply that it was their investigation that revealed the current deficit position to be \$11 million. In fact, Board officials have been working on a continuing basis to achieve budget reductions that do not negatively impact student programs and services. We advised the investigators, and have previously advised Ministry staff that, as a result of these savings, the original projected 2006-07 deficit will likely be less as we continue to seek reasonable economies and await the GSN for this year. Depending on the GSN and other grant announcements, it is our hope that we could be in a position of less than \$11 million by August 25, 2006.

Minister, we will be sharing this communication with our various stakeholders. I'm sure they will join us in looking forward to your government's response. We look forward to the dialogue and would urgently invite you to meet with Trustees at a mutual convenient time at our Catholic Education Centre to discuss this matter further.

Yours truly,



Anna Abbruscato,
Vice Chair

AA:al

Copies to: All Trustees, M. Bator, J. Kostoff, R. Borrelli
Supervisory Officers, J. Stunt - OCSTA, School Council Chairs
Secondary P/VP Association, Elementary P/VP Association
OECTA Secondary, OECTA Elementary
APSSP, ERW, Mid-Management, CUPE 2026, CUPE 1483
Parishes