

Alberta Education : Annual Report : 2005/2006



Extracts from this report are available
on Alberta Education's website at
<http://www.education.gov.ab.ca/annualreport/>

For more information contact:

Sharon Campbell, Executive Director
Performance Measurement and Reporting Branch
Alberta Education
Commerce Place, 9th Floor, NW
10155-102 Street
Edmonton, Alberta T5J 4L5

Telephone: (780) 427-8217
Fax: (780) 422-5255
E-mail: measurement.learning@gov.ab.ca

To be connected toll-free in Alberta, first dial 310-0000

Deaf or hearing impaired with TDD/TDY
units call 427-9999 in Edmonton
Other locations call 1-800-232-7215

Copyright © 2006, the Crown in Right of the Province
of Alberta, as represented by the Minister of Education

Permission is hereby given by the copyright owner for
any person to reproduce this document for educational
purposes and on a non-profit basis.

ISSN: 1715-4391

Table of Contents

Preface: Public Accounts 2005/2006

Minister's Accountability Statement

Minister's Message

Management's Responsibility for Reporting

Overview 7

Introduction

Performance at a Glance

Financial Highlights

Ministry of Education Structure

Operational Overview: Ministry of Education

Integrated Results Analysis 17

Deputy Minister's Message

Report of the Auditor General

Ministry Spending by Core Business

Core Business 1: Support High Quality Learning Opportunities in the Education System

- Spending Highlights
- Accomplishments
- Performance Highlights
- Performance Measures

Core Business 2: Support Learners to Achieve Excellent Learning Outcomes

- Spending Highlights
- Accomplishments
- Performance Highlights
- Performance Measures

Core Business 3: Support the Continuous Improvement of the Ministry and Education System

- Spending Highlights
- Accomplishments
- Performance Highlights
- Performance Measures

Financial Results and Performance

Endnotes for Performance Measures

- Endnote A: Notes on Surveys
- Endnote B: Technical Note on Targets and Trend Lines
- Endnote C: Methodology for Performance Measures

Financial Information 75

Audited Information

- Ministry of Education Consolidated Financial Statements
- Department of Education Financial Statements
- Alberta School Foundation Fund Financial Statements

Unaudited Information

- Summary of School Jurisdictions' Financial Information
- Disclosure of Salaries and Benefits for Superintendent Positions

Other Information 177

Audited Information

- Alberta Teachers' Retirement Fund Board Financial Statements

Unaudited Information

- Statement of Remissions, Compromises and Write-offs

Alphabetical List of Entities' Financial Statements in Ministry 2005/2006 Annual Reports

Preface: Public Accounts 2005/2006

The Public Accounts of Alberta are prepared in accordance with the *Financial Administration Act* and the *Government Accountability Act*. The Public Accounts consist of the Annual Report of the Government of Alberta and the annual reports of each of the 24 Ministries.

The Annual Report of the Government of Alberta, released June 26, 2006, contains the Minister of Finance's accountability statement, the consolidated financial statements of the Province, and a comparison of the actual performance results to the desired results set out in the government's business plan, including the Measuring Up report.

This Annual Report of the Ministry of Education contains the Minister's accountability statement, the audited financial statements of the Ministry, and a comparison of actual performance results to desired results set out in the Ministry business plan.

The Alberta Education Annual Report also includes:

- the financial statements of entities making up the Ministry including the Department of Education and the Alberta School Foundation Fund, for which the Minister is responsible,
- other financial information as required by the *Financial Administration Act* and *Government Accountability Act*, either as separate reports or as a part of the financial statements, to the extent that the Ministry has anything to report, and

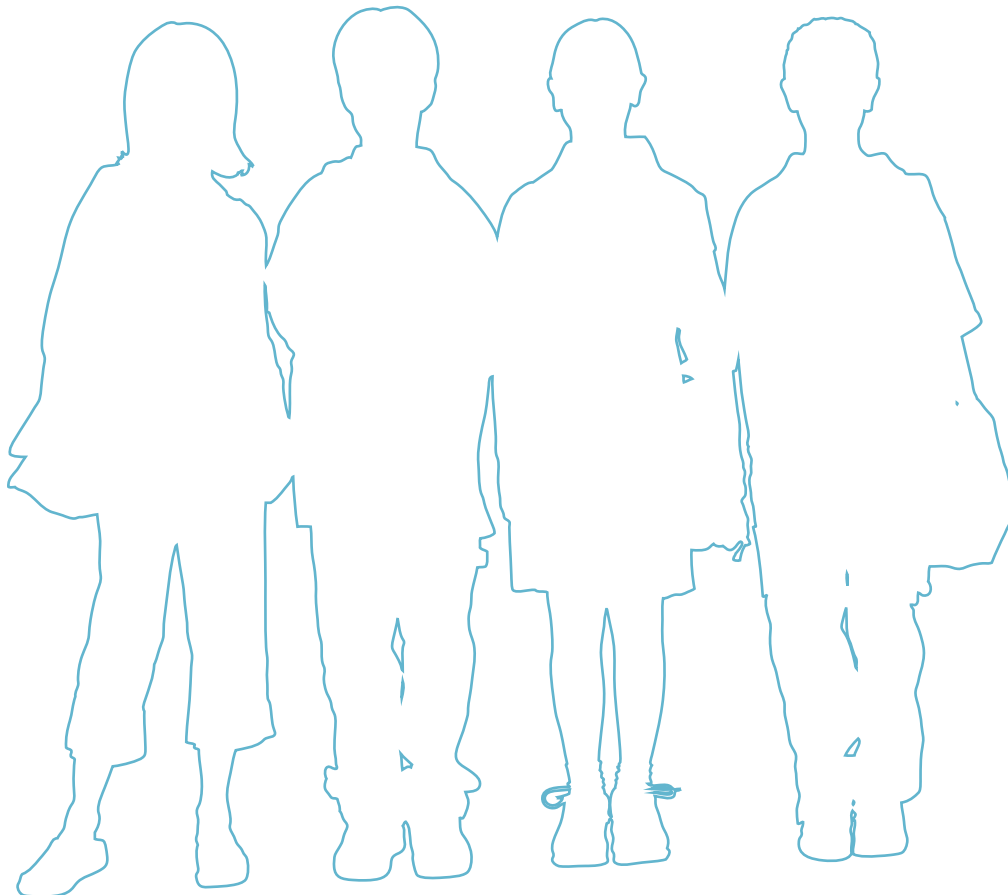
- financial information relating to accountable organizations and trust funds, which includes the Alberta Teachers' Retirement Fund and school jurisdictions in the public education system (public, separate, and francophone school boards and charter schools).

Minister's Accountability Statement

The Ministry's Annual Report for the year ended March 31, 2006, was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as at September 12, 2006, with material economic or fiscal implications of which I am aware, have been considered in the preparation of this report.

[original signed by]

Gene Zwozdesky
Minister of Education
Government House Leader



Minister's Message



I am pleased to present Alberta Education's 2005/2006 Annual Report, complete with an exciting new look and layout. The report demonstrates the continued success and excellence of Alberta's outstanding K – 12 education system.

A highlight for me this past year was my meetings with the province's 62 school boards and the charter schools. These meetings strengthen relationships and develop mutual understanding. Where feasible, I also met with teachers, superintendents, and parent council representatives.

A three-year bullying prevention public awareness campaign was launched in 2005/2006 in cooperation with Alberta Children's Services. It includes an interactive site for children at <http://www.teamheroes.ca>, which received over one million visitors in its first year! Resources also are available for parents and teachers online at <http://www.bullyfreealberta.ca>.

One of my highest priorities is high school completion. While I am pleased to see the improvement in high school completion rates, we need to do better. I am hosting a symposium in September 2006 that brings together youth, parents, business and community leaders, educators, and government to address this issue and enable more of our young people to complete high school.

As Minister of Education, I am committed to ensuring that our education system provides the children of this province with the confidence, knowledge, skills, and attitudes needed for success.

Government made a significant investment of over \$4.76 billion in K – 12 education in 2005/2006, which constituted 17.5% of total government spending. This amount represented an increase of 8.5% over the previous year and included increased funding to school boards for transportation in response to unexpected rises in fuel costs. More than 98% of the funding for education in 2005/2006 supported programs for Alberta's K – 12 students, with approximately \$4.6 billion providing support for students and teachers in the classroom, and \$41.8 million supporting school construction.

Our focus on our students was sustained by Alberta Education's comprehensive response to all recommendations of Alberta's Commission on Learning, including an injection since October 2003 of \$551 million in new funding. As a result, the average class size guidelines recommended by the Commission were met ahead of schedule in Grades 4 – 12 and class sizes have been reduced in K – 3.

New, on-going funding also supported enriched programming for First Nation, Métis, and Inuit students; students with special needs; and development of new curriculum and increased access to new technologies. Daily Physical Activity was introduced in September 2005 for students in Grades 1 – 9 to ensure all students benefit from routine physical activity.

During 2005, many events were held in schools across the province to commemorate Alberta's Centennial, culminating in a provincial celebration in September. Our proud history came alive for students in a variety of creative, hands-on activities and included 21 projects that provided a historical perspective on education in Alberta.

As Minister of Education, I am committed to ensuring that our education system provides the children of this province with the confidence, knowledge, skills, and attitudes needed for success. We will continue to work effectively with our education partners and stakeholders to ensure every child has an opportunity to learn and succeed.

[original signed by]

Gene Zwozdesky
Minister of Education
Government House Leader

Management's Responsibility for Reporting

The Ministry of Education includes:

- the Alberta School Foundation Fund
- the Department of Education.

The executives of the individual entities within the Ministry have the primary responsibility and accountability for the respective entities. Collectively, the executives ensure the Ministry complies with all relevant legislation, regulations, and policies.

Ministry business plans, annual reports, performance results, and the supporting management information are integral to the government's fiscal and business plans, annual report, quarterly reports, and other financial and performance reporting.

Responsibility for the integrity and objectivity of the consolidated financial statements and performance results for the Ministry rests with the Minister of Education. Under the direction of the Minister, I oversee the preparation of the Ministry's Annual Report, including consolidated financial statements and performance results. The consolidated financial statements and the performance results, of necessity, include amounts that are based on estimates and judgments. The consolidated financial statements are prepared in accordance with the government's stated accounting policies.

As Deputy Minister, in addition to program responsibilities, I establish and maintain the Ministry's financial administration and reporting functions. The Ministry maintains systems of financial management and internal control which give consideration to costs, benefits, and risks that

are designed to:

- provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations, and properly recorded so as to maintain accountability of public money,
- provide information to manage and report on performance,
- safeguard the assets and properties of the Province under Ministry administration,
- provide Executive Council, Treasury Board, the Minister of Finance, and the Minister of Education any information needed to fulfill their responsibilities, and
- facilitate preparation of Ministry business plans and annual reports required under the *Government Accountability Act*.

In fulfilling my responsibilities for the Ministry, I have relied, as necessary, on the executive of the individual entities within the Ministry.

[original signed by]

Keray Henke
Deputy Minister
Alberta Education

Overview

Introduction

In 2005/2006, Alberta Education continued to build on its strong foundation to provide the best possible Kindergarten to Grade 12 (K – 12) education for Alberta students.

Alberta Education’s vision, mission, principles, and values define the Ministry. Together, the Ministry’s vision and mission present Alberta’s view of the future for education and how it will be realized. The principles identify the Ministry’s approach to conducting its business, and the values demonstrate the beliefs or traits that guide Ministry actions.

Vision

The best Kindergarten to Grade 12 education system in the world.

Mission

The Ministry of Education, through its leadership and work with stakeholders, ensures that learners are prepared for lifelong learning, work, and citizenship so they are able to contribute to a democratic, knowledge-based, and prosperous society.

Values

Respect
Integrity
Trust
Openness
Caring

Principles

Learner Centred – The highest priority of the education system is the success of the student.

Accessible – Every student in Alberta has the right of access to a quality basic education consistent with the student’s needs and abilities.

Collaborative – Kindergarten to Grade 12 education, which provides the foundation for lifelong learning, best occurs when partners and stakeholders work together to provide a holistic approach and a supportive environment.

Accountable – All those involved in the education system are accountable to Albertans for quality results, system sustainability, and fiscal responsibility.

Responsive – The education system is flexible, anticipates learner needs, and provides opportunities for parent and student choice.

Innovative – The education system demonstrates leading edge innovation for improved results.

Equitable – All students have equitable access to quality learning opportunities.

Alberta Education continues to play a key role in promoting Cross-Ministry Initiatives. These are priorities established by the provincial government each year that transcend the mandate of individual ministries.

During 2005/2006, the Ministry contributed to four of government's priority policy initiatives:

- Aboriginal Policy Initiative
- Alberta Children and Youth Initiative (ACYI)
- Health Renewal and Wellness Initiative
- Leading in Learning and Skilled Workforce Initiative.

The Ministry also contributed to government-wide administrative initiatives:

- Shared Services Delivery Improvement Strategy
- Corporate Human Resource Development Strategy
- Corporate Information Management/ Information Technology Strategy
- Service Alberta.

The following core businesses were established for 2005/2006 and aligned with the business plan goals:

- Support High Quality Learning Opportunities in the Education System – Goal 1: High Quality Learning Opportunities for All
- Support Learners to Achieve Excellent Learning Outcomes – Goal 2: Excellence in Learner Outcomes
- Support the Continuous Improvement of the Ministry and Education System – Goal 3: Highly Responsive and Responsible Ministry.

Alberta Education enhanced its focus on outcomes and improving education for students in 2005/2006 with the introduction of the evaluation methodology for the Accountability Pillar, one of three pillars of the Renewed Funding Framework. The Funding Pillar distributes funding equitably and the

Flexibility Pillar gives school jurisdictions increased flexibility to allocate funds to meet student needs. In return, the Accountability Pillar evaluates school jurisdiction improvement and achievement on a common set of performance measures.

The Accountability Pillar measures also were incorporated in the Alberta Education 2005 – 2008 Business Plan for assessing and reporting on Ministry performance. In 2005/2006 a new Accountability Pillar measure, the diploma examination participation rate, was developed and is introduced in this Annual Report.

During 2005/2006, Alberta Education undertook an organizational review to improve the alignment of functions for leading and managing the K – 12 system and to improve communications within the organization and the system. The Ministry was restructured from the four divisions that were established in November 2004 when Education was created (Basic Learning, Corporate Services, Information and Strategic Services, and System Improvement and Reporting) to the new structure, effective June 1, 2006. This new structure is presented and described later in this section.

Alberta Education enhanced its focus on outcomes and achieving results in 2005/2006 with the introduction of the evaluation methodology for the Accountability Pillar, one of the three pillars of the Renewed Funding Framework.

Performance at a Glance

Selecting measures and setting targets to assess, report and improve upon the performance of the education system is key to being accountable for results. The performance measures and targets for 2005/2006 are established in the Alberta Education Business Plan for 2005 – 2008. Highlighted below are the performance measures reported in Alberta Education’s 2005/2006 Annual Report, including:

- achievement of 2005/2006 targets,
- most recent result, and
- change over time.

Major activities undertaken in 2005/2006 to influence results in this and future years are presented in the Integrated Results Analysis.

- Targets**
- ✓ Target Met
 - ✓+ Target Exceeded
 - × Target not met
 - n/a No target set for 2005/06 (insufficient data or new measure for 2006-2009)
- Results over time**
- ↑ Improved performance
 - ~ No change in performance
 - ↓ Performance decline

Goal 1: High quality learning opportunities for all

Outcomes	Performance Measures	2005/06 Targets	Results
Needs of learners, society, and economy	Satisfaction with overall quality of basic education	n/a	85% ~ ¹
	Satisfaction that students receive solid grounding in core subjects	n/a	84% ~ ¹
	Satisfaction with opportunity for students to receive a broad program of studies	n/a	79% ~ ¹
	Employer satisfaction with graduates’ skills and quality of work	87% ✓ ²	84% ~ ¹
Needs of children at risk	Dropout rate	6% ✓+	4.9% ↑
Safe and caring schools	Agreement that schools are safe and caring	n/a	92% ~ ¹

Goal 2: Excellence in learner outcomes

Outcomes	Performance Measures	2005/06 Targets	Results	
Learners demonstrate high standards	Provincial Achievement Tests, Grades 3, 6, 9	acceptable	79.8% ×	76.9% ↓
		excellence	21.1% ×	19.1% ~
	Grade 12 diploma examinations	acceptable	n/a	84.7% ~
		excellence	n/a	23.0% ↑
	Diploma examination participation rate (four or more exams)	n/a	53.5% ↑	
Rutherford scholarship eligibility of Grade 12 students	n/a	26% ✓+	35.3% ↑	

Outcomes	Performance Measures	2005/06 Targets	Results
Learners complete programs	High school completion rate (within five years of starting Grade 10)	76% ✓	77.4% ↑
	High school completion of Albertans aged 25-34	90%+ ✓	91% ↑ ¹
Preparation for lifelong learning	Participation rate of Grade 1 students in Early Childhood Services (ECS) programs	95%+ ✓	96% ~
	Post-secondary transition rate (within six years of starting Grade 10)	51% ✓+	57.5% ↑
Preparation for employment	Employment rate of Albertans aged 25-34 with high school completion only	83% ✓ ²	82% ~ ¹
	Agreement that students learn attitudes and behaviours for success at work when they finish school	n/a	69% ~
Preparation for citizenship	Agreement that students model the characteristics of active citizenship	n/a	83% ~ ¹

Goal 3: Highly responsive and responsible ministry

Outcomes	Performance Measures	2005/06 Targets	Results
Effective working relationships	Satisfaction that Alberta Education staff are collaborative	84% ✓+	89% ↑ ¹
	Satisfaction that Alberta Education staff are responsive and flexible	83% ✓+	88% ↑ ¹
	Satisfaction that input is considered, respected, and valued by schools, boards, and province	n/a	61% ~ ¹
	Satisfaction with parental involvement in decisions about child's education	n/a	85% ~ ¹
Leadership and continuous improvement	Satisfaction that leadership at the provincial level supports teaching and learning	n/a	61% ~ ¹
	Satisfaction that leadership at school, board, and provincial levels supports teaching and learning	n/a	70% ~ ¹
	Perception of K – 12 system improvement	n/a	72% ↑ ¹

¹ The confidence interval is considered in assessing change over time on survey measures.

² Targets are considered met if the result is within 5% of the target value.

Note

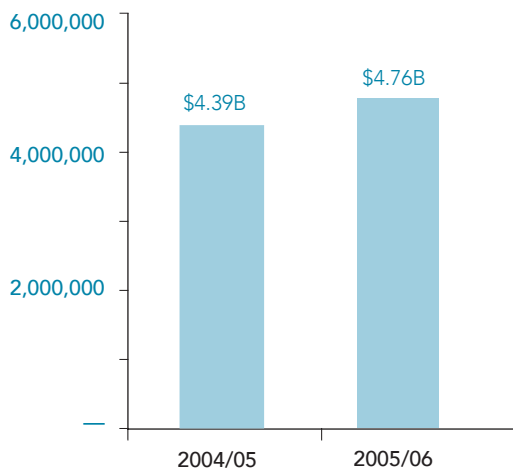
- See Endnotes A and B for detailed information on assessing change over time and target achievement.

Financial Highlights

In 2005/2006, the Ministry of Education spent more than \$4.7 billion on K – 12 education, an increase of 8.5% over 2004/2005.

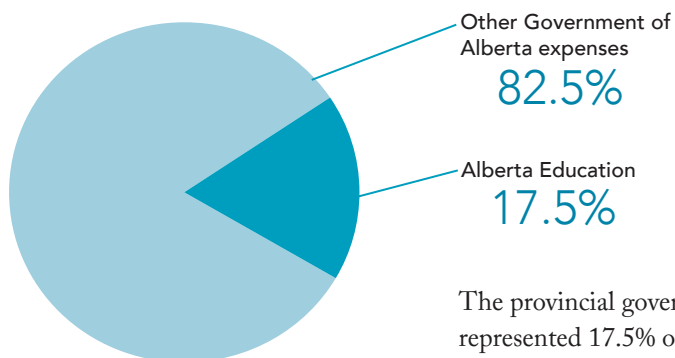
Education Spending

(in thousands)



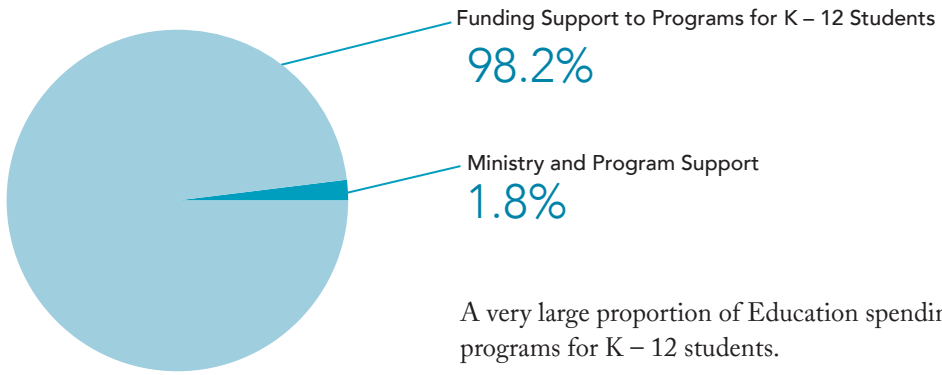
Spending on Education increased from less than \$4.4 billion to nearly \$4.8 billion from 2004/2005 to 2005/2006, an increase of 8.5%.

Education Expenses Compared to Government of Alberta Expenses

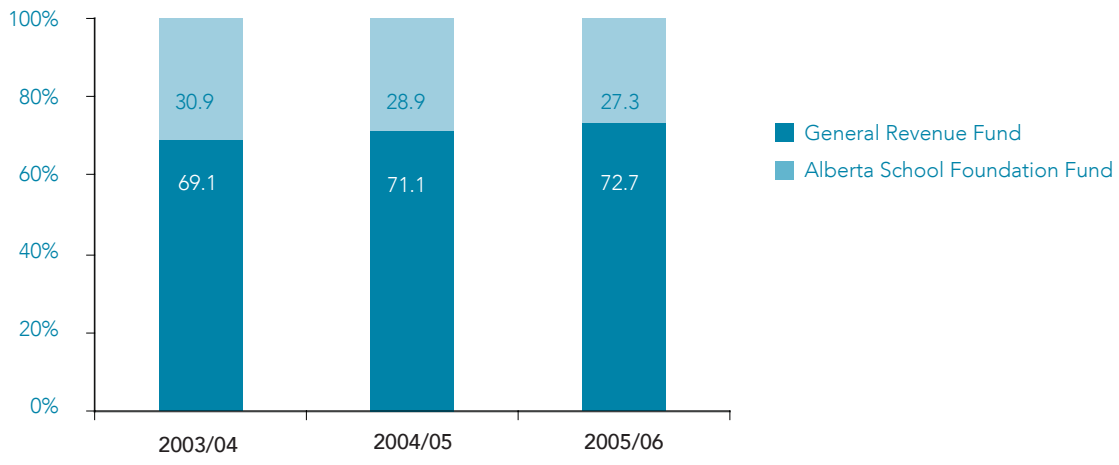


The provincial government's investment in K – 12 education represented 17.5% of total government spending in 2005/2006.

Percentage of Ministry Expenses to Support Programs for K – 12 Students



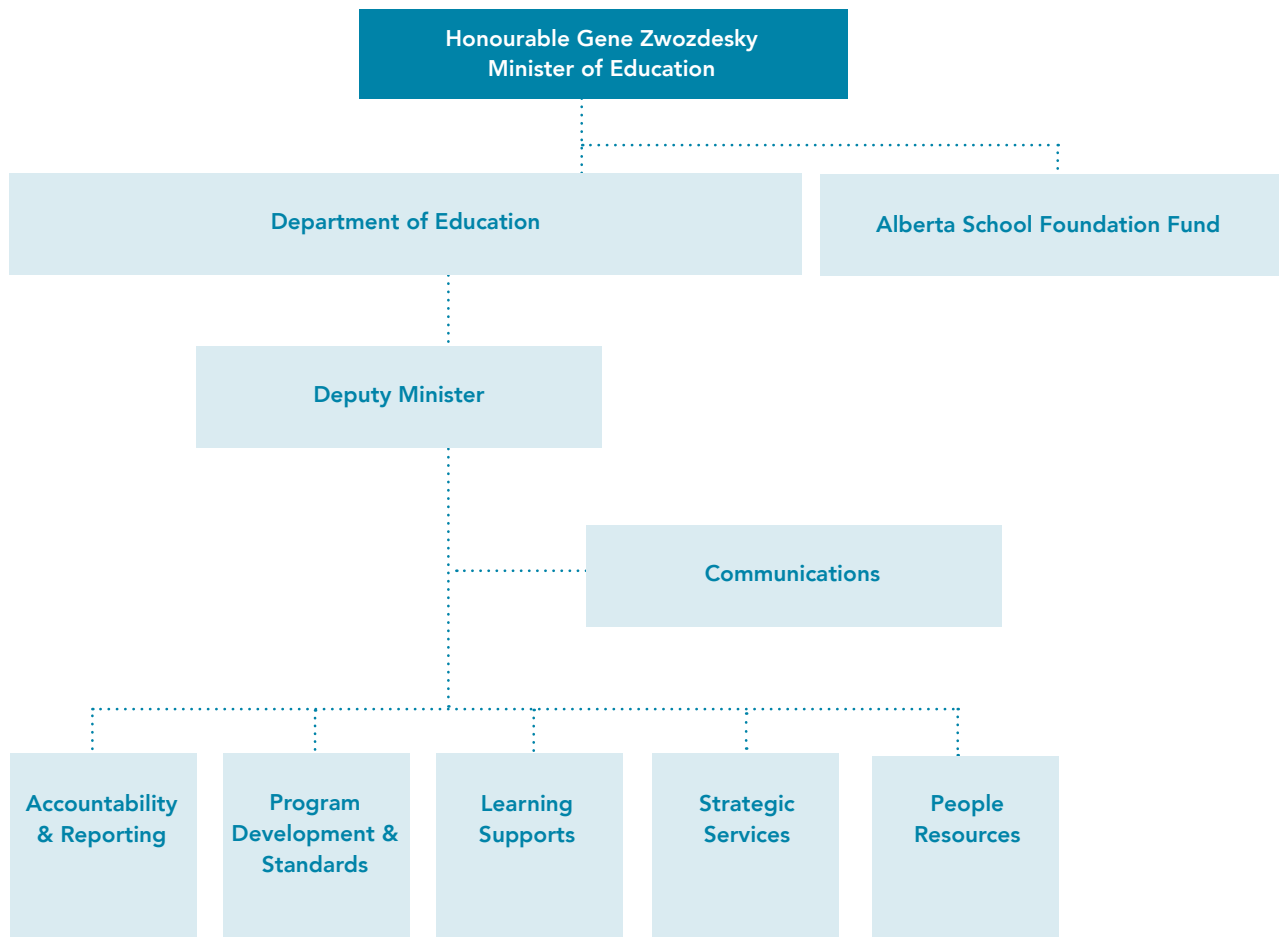
Education Spending by Source



Over time, the General Revenue Fund has provided an increasing portion of Education spending, from about 69% in 2003/2004 to nearly 73% in 2005/2006. Conversely, the portion funded by the Alberta School Foundation Fund, i.e., the funds raised by the education property tax, has decreased from almost 31% to just over 27% during the same time frame.

Ministry of Education Structure

as of June 1, 2006



The Ministry of Education consists of

- The Department of Education
- The Alberta School Foundation Fund

Operational Overview: Ministry of Education

The Ministry of Education consists of two entities: the Alberta School Foundation Fund and the Department of Education.

Alberta School Foundation Fund

The Alberta School Foundation Fund receives tax revenues from municipalities based on:

- the equalized assessment of real property in Alberta, and
- education mill rates established by the Lieutenant Governor in Council.

These monies, along with those from provincial General Revenues, are allocated on a fair and equitable basis to school boards.

Phone: (780) 427-2055. For toll-free access in Alberta, first dial 310-0000.

Department of Education

Students are the central focus of the Ministry. On average, about 590,000 Albertans, from preschoolers to young adults, enroll in the K – 12 education system each year. Leading a basic education system that addresses the varied learning needs of students throughout the province, the Ministry ensures that students receive a strong foundation of knowledge and skills to prepare them for lifelong learning, citizenship, and work.

Phone: (780) 427-7219

Department Organization

To carry out its functions, the Department of Education is divided into six organizational units reporting to the Deputy Minister. These are described below and reflect the new structure that was put in place June 1, 2006, as a result of the organizational review that took place in 2005/2006.

Accountability and Reporting Division

In cooperation with stakeholders, the Accountability and Reporting Division develops a climate of continuous improvement with evidence-based decision criteria to improve student learning. The division takes a lead role in developing and reporting on results-based accountability and evaluation frameworks and performance measures for the Department and the K – 12 education system. This includes the development and management of provincial assessments in Grades 3, 6, 9, and 12; administration of high school equivalency exams (GED); and coordination of Alberta's participation in national and international assessments.

The division also develops the Ministry's Information Management Framework and develops, manages, and operates information and technology systems for the collection, analysis, and reporting of data to support decision making and analysis within the Ministry and within the K – 12 education system.

Phone: (780) 422-1608

E-mail: measurement.learning@gov.ab.ca

Program Development and Standards Division

The Program Development and Standards Division develops and supports K – 12 programs of study in English and French to ensure they are relevant and responsive to the learning needs of students. The division also develops and/or acquires print and digital resources in English and French to support effective learning and teaching based on the Alberta Program of Studies.

The division works with school authorities and stakeholders to develop programs and standards that support students' needs and choices. It also works collaboratively with stakeholders and other ministry partners to support the implementation of initiatives for students.

The Program Development and Standards Division leads the implementation of the Ministry's International Education Strategy and provides strategic advice and direction on international education matters.

Phone: (780) 427-7484

Learning Supports Division

The Learning Supports Division provides leadership and support services related to program implementation to meet the diverse learning needs of children and students. The division facilitates the exchange of promising practices and innovative ideas that build capacity to better meet students' needs and improve student learning.

The division enhances effective and collaborative relationships with school authorities and stakeholders and provides timely information, advice, and support on the education system and in issues management. The Learning Supports Division also provides leadership and support to school authorities related to school infrastructure and innovative ways to use technology to meet the changing needs of the education system.

The division works collaboratively with stakeholders, other ministries, and other jurisdictions across Canada to support the implementation of initiatives for children and students. Staff in this division gather information and monitor school authorities for compliance with Ministry requirements. They also produce and distribute learning and support resources.

Phone: (780) 427-2051

Strategic Services Division

The Strategic Services Division provides strategic planning, policy, financial, legislative, records management, and administrative services to the Ministry. The division develops comprehensive environmental scans and trend analysis to support the development of policy frameworks, initiatives, and proposals that will sustain and improve opportunities for students in Alberta. Strategic Services supports continuous improvement in teaching and learning through Alberta Initiative for School Improvement

projects. The division coordinates inter-provincial and territorial initiatives and provides departmental support to the Council of Ministers of Education, Canada.

The Strategic Services Division develops the ministry business plans, budget proposals and plans; conducts fiscal analysis of education property tax, and provides financial accountability analysis and reporting; processes payments to school authorities; reviews and recommends funding support to school jurisdictions and initiatives; monitors high school funding; and performs due diligence reviews to ensure financial resources are appropriately administered.

Phone: (780) 427-3663

People Resources Section

The People Resources Section provides strategies and advice on human resource management, sector workforce planning, and teacher development and certification programs. The section focuses on planning and policy development impacting the education sector workforce in the longer term as well as department succession planning; recognition, attraction, and retention; employee relations; staff learning, safety, and wellness. People Resources also supports the Council on Alberta Teaching Standards (COATS) and the Certification Appeal Committee.

Phone: (780) 427-3659

Communications Branch

The Communications Branch works with the Ministry and its stakeholders to provide communications advice and support by providing information to Albertans on Ministry achievements and initiatives, supporting the Ministry through the provision of strategic communications advice and planning, specialized writing and editing, and facilitation of internal communications within the Ministry.

Phone: (780) 422-4495

E-mail: comm.contact@learning.gov.ab.ca