

**2006:B15**

**MEMORANDUM TO:** Directors of Education

**FROM:** Nancy Naylor  
Assistant Deputy Minister  
Business and Finance Division

**DATE:** December 5, 2006

**SUBJECT:** School Board Expenditure Guidelines

---

I am writing to inform you of a new initiative by the Ministry to assist school boards with the development of expenditure guidelines. The Ministry recognizes that many boards have well established and accountable expenditure practices. However, not all boards have made these practices public and the information provided varies significantly among boards. As part of the Ministry's commitment to working with school boards and other education partners to improve management and business practices, this initiative will continue to build public confidence that Ontario has a well-managed education system that focuses resources on students.

The Office of the Auditor General of Ontario released their first value-for-money (VFM) audit report conducted of the school board sector examining boards' purchasing practices. The report provides recommendations to improve current practices. The Ministry appreciates and supports the advice from the Office of the Auditor General of Ontario and strongly encourages all boards to review their current practices in light of the recommendations proposed. The attached expenditure guidelines will also help guide boards with this exercise.

The guidelines are intended for both trustees and school board staff and address the following areas of school board expenditure: (1) use of corporate credit cards, (2) travel, meals and hospitality, (3) advertising and (4) advocacy. The purpose of these guidelines is to define a province-wide standard that provides a foundation for each school board to develop its own specific policies in each area – or to review existing guidelines and policies. The Ministry intends to work with boards to develop more guidelines for other areas of expenditure in the future.

The Ministry conducted an informal survey of existing board policies in each of the four areas this past summer. The results showed that, while many boards had developed policies in one or more of the four areas, there was a need for greater consistency in the content of the policies and the need to ensure that the policies were available to the public on the board's website.

Each of the attached guidelines:

1. States the principles that should guide the development of policy.
2. Identifies best practices that put the principles into action.
3. Provides illustrative examples of suitable and inappropriate expenditures. It should be noted that these examples are not intended to be a comprehensive list and that other examples could be identified.

It is expected that school boards will establish new policies or revise existing policies in each of the four areas and that the policies will be consistent with the guidelines provided by the Ministry. It is also expected that school boards will make these policies available on their public websites by March 31, 2007.

As we continue to focus on our shared goals of improved student achievement, higher graduation rates, lower dropout rates and smaller primary class sizes, this initiative will help address the need to be more transparent in reporting how we use education resources to achieve these goals.



Nancy Naylor  
Assistant Deputy Minister  
Business and Finance Division

Attachment