

Ministry of Education

**Operational Review Report
District School Board of Niagara**

April 2010

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Executive Summary

This report details the findings and recommendations of the Operational Review of the District School Board of Niagara (the school board or DSBN) conducted by the Operational Review Team composed of external consultants from Deloitte and Ministry of Education staff. The Operational Review was conducted over four days beginning January 11, 2010.

Introduction

The Ministry plans to perform Operational Reviews of the 72 district school boards across the province. The initiative supports Ministry goals and will increase confidence in public education. The Ministry's goal is to enhance management capacity within school boards by encouraging good stewardship of public resources and by the leveraging and sharing of best practices. By identifying opportunities for continual improvement, school board administration and operations will be aligned to support the government's highest priority: student achievement.

The Operational Review Team assessed the school board's operations in four functional areas: Governance and Board Administration; Human Resource Management and School Staffing/Allocation; Financial Management; and School Operations and Facilities Management. The purpose of this was to determine the extent to which the school board has implemented the leading practices set out in the "Operational Review Guide for Ontario School Boards". The review also provides, where appropriate, recommendations on opportunities for improvement. Appendix A provides an overview summary of the Operational Review scope and methodology.

The review team found that the school board has implemented many leading practices. Noted strengths include the school board's leadership in labour relations and treasury management, and its management of health, safety, and security. A summary of the findings and recommendations identified in each of the functional areas reviewed follows. Details can be found in subsequent sections of the report.

Governance and School Board Administration

The school board has adopted many leading practices in governance and school board administration. A few examples are:

- Developing a multi-year strategic plan for 2005-2010, titled *Achieving Success Together*
- Creating processes for the regular maintenance and/or establishment of policies and administrative procedures

- Engaging internal and external stakeholders on a regular basis.

Opportunities for improving the governance and school administration function include the development of a formal governance model, the creation of an annual operating plan, and the establishment of a formal succession plan.

The Ontario Public School Boards' Association (OPSBA) has published a governance document which serves as a guide for school boards. The board of trustees refers to the guide, an internal trustee handbook, and the Board's bylaws when addressing matters of governance.

The school board could benefit from a formal policy that clearly delineates the duties and responsibilities between the board of trustees and the director of education. The policy will ensure that the respective roles and responsibilities are clearly defined and highlight the elements of effective working relationships.

The school board is also encouraged to develop a formal operating plan which will enable the Director to report on specific outcomes. The operating plan should be aligned to the vision and goals of the school board's strategic plan, highlighting how the board of trustees' strategic direction is being implemented, and what successes have occurred.

Management recognizes the need for planning for the succession of key executives, superintendents and senior managers. The school board is currently expanding its activities in succession planning to deal with all contingencies.

Recommendations:

- The school board should develop a formal policy that clearly delineates the division of duties and responsibilities between the board of trustees and the director of education. The policy should also include a code of conduct for trustees. This activity will ensure that the respective roles and responsibilities are clear and will help to support an effective working relationship.
- The school board is encouraged to develop a board-wide annual operating plan by expanding its annual board improvement plan to cover all aspects of its nonacademic operations, including human resources, financial management, and facilities management. A plan will also facilitate focus and a greater integration among departments, enabling tracking and reporting on the progress of defined priorities and goals throughout the year.
- The school board should establish a formal succession plan to manage retirements and resignations of key executives, superintendents, administrators, and managers. This should include senior staff in both academic and non-

academic functions. This process will be managed by both the Director and the Human Resources department.

Human Resources Management and School Staffing/Allocation

The Human Resources (HR) department at the school board demonstrates a good level of operational effectiveness overall. It has implemented many of the leading practices, including:

- The HR department develops an annual departmental plan that includes targets, timelines and responsibilities
- Management periodically reports on the actual allocation of staff, compared to the original approved allocation plan and budget (FTEs by function, department and program, actual versus budget)
- HR management has established policies and procedures to minimize grievances
- HR management periodically conducts independent compliance audits of the board's insurance carrier, to ensure adherence to the benefit plan's terms and conditions

The school board would benefit from expanding its activities in a few HR areas. While the school board currently has a comprehensive recruitment process, it lacks a policy framework related to the process. It would benefit from a formal recruitment policy that would ensure barrier-free recruitment and hiring and emphasize its commitment to being an equal opportunity employer.

The department should continue in its efforts to develop a comprehensive attendance management program, including policies and procedures to address specific categories of absenteeism. This will provide management with a consistent and structured approach to improve attendance, including positive reinforcement for employees and standardized practices across all employee groups. Once this is in place, a reporting structure on the effectiveness of the program should also be developed.

Management should continue its efforts to develop policies and procedures for an employee evaluation/performance system for all staff. At the time of the review, management noted that they are starting work on an employee evaluation and performance system for non-academic staff. The department should continue doing so to ensure consistency and transparency in the board-wide evaluation process. Similarly, the school board is encouraged to establish formal professional development guidelines for non-academic staff, to ensure that learning and growth needs for all school board staff are met.

Lastly, while it is noted that the school board experiences low turnover, practices such as staff surveys and exit interviews can provide management with valuable input, for both professional development and policies impacting future employee relations.

Recommendations:

- Management should develop a recruitment policy and ensure it is reviewed annually to align staff planning with student achievement.
- The school board school should maintain appropriate processes and systems to monitor staff attendance on a timely basis.
- The department should continue its efforts to develop a comprehensive attendance management program, including policies and procedures to address specific categories of absenteeism.
- Management should periodically report to the Board and senior management on the effectiveness of its attendance management program, once it is in place.
- HR management should continue to develop policies and procedures for an employee evaluation/performance system for all staff, to ensure transparency and consistency in the process.
- HR management should establish and manage formal professional development guidelines for non-teaching staff, including annual learning plans, minimum training hours, and an in-depth supervisory training program for all managers of administrative functions. This will help ensure the school board is meeting the needs of its employees.
- Management should consider developing staff satisfaction surveys to include all employee groups. This would improve communication with staff and provide input for professional development plans and HR policy.
- Management should consider developing a formal plan for conducting exit interviews. These interviews would provide input for HR policy, as well as process and program improvement.

Financial Management

The department produces a number of positive results, through the implementation of these leading practices:

- The annual budget development process is transparent and clearly communicated, incorporating input from all key stakeholders, including staff, management, the board of trustees, and the community.
- The school board actively participates in purchasing consortia/cooperatives and group buying initiatives.
- The school board has an efficient cash management process to maximize interest income, using short-term investments where appropriate and ensuring that its debt service costs can be met to maturity.
- Management ensures adequate controls are in place to safeguard school-based funds and coordinate the annual reporting of revenues and expenditures from schools and school councils.

Currently, the finance department does not have a stand-alone risk mitigation plan. The department is encouraged to implement one, to mitigate the risks of spending beyond authorized and budgeted levels.

The school board is also encouraged to continue developing an internal audit and formal audit committee with external membership. The school board's finance committee currently performs the role of the audit committee. However, the Board reports that it is supportive of creating a formal audit committee, and is awaiting formal Ministry documentation and direction, prior to adding new members. Lastly, the review team found four areas of opportunity with the supply chain/procurement section of the school board. This includes looking at opportunities to increase use of EFT, incorporating PCards, and increasing opportunities for electronic supplier interface, all of which will make the school board more efficient. The school board is also encouraged to look at three-way matching for purchases under \$3000, to determine whether it presents a greater material risk than those single PO's that exceed \$3000.

Recommendations:

- The department should consider consolidating key risks and mitigation strategies into a single risk plan.
- Management should consider establishing an internal audit function giving consideration to the emerging Ministry direction to establish regional models for internal audit across the school board sector.
- When the school board establishes an internal audit function, it should ensure any internal audit plans are clearly documented and that internal audit report recommendations are followed up and acted upon by management.

- Management and the board of trustees should consider including external advisors on the Board's audit committee in accordance with the Ministry's emerging direction on internal audit.
- Management should investigate the use of PCards to use for small purchases, to reduce the volume of supplier invoices processed by accounting. To that end, it should perform a transaction/spend analysis of purchase orders, to identify optimum threshold limits that maintain budgetary control while managing the volume of invoices.
- Management should perform a detailed review of the school board's purchase-topayment cycle, specifically three-way matching, which is currently limited to purchases over \$3000.
- Management is encouraged to implement an electronic supplier interface for ordering, processing, and payment. This is an opportunity for increased process efficiencies.
- Management is encouraged to continue to explore additional Electronic Fund Transfers (EFT) opportunities with suppliers, for greater efficiency.

School Operations and Facilities Management

The department has adopted several of the leading practices in its custodial and maintenance operations, including:

- A monitored annual training plan for all plant staff that addresses ongoing skills development and emerging regulatory issues.
- Senior administration has developed comprehensive health, safety and security policies and procedures.
- An effective management process monitors and controls construction projects and their costs.

Currently, the plant department does not have a stand-alone departmental plan. To help link department priorities with performance measures and accountabilities, the department should develop a departmental plan aligned to the broader school board plan. This will also help create a clear definition of roles, and enable collaboration among the team members.

The school board is currently working towards implementing its cleaning standards and a formal green clean program. The school board should continue doing so on both fronts, as it already has a number of pieces in place that only require formalization.

The review team also found that a number of energy management best practices were currently being performed, and the school board is encouraged to formalize them. Specifically, the board is encouraged to establish a multi-year energy management plan, support the use of energy efficient equipment where feasible, and develop an overarching environmental policy. This will also help to ensure the school board is adopting standards set by the Ontario Energy Green Act of 2009.

Recommendations:

- The department should consider developing an annual departmental plan aligned with the school board's overall strategic directions and operating plan (once the latter is developed). This will enable the department to track and report the progress of its defined priorities and goals throughout the year.
- The school board should continue implementing its cleaning standards for schools, and develop a standard process to monitor, manage and report on results. Once this is in place, management should also report to senior administration on the results of the compliance reviews.
- The school board should continue its green clean products pilot project and move towards implementing a formal green clean program.
- The school board should develop an allocation model for custodial staff, and compare it to other school boards to ensure the optimal use of staff.
- The department, working with the senior administration, should formally establish a multi-year energy management plan that incorporates targets and performance measures to track conservation initiatives.
- The school board is encouraged to develop an overarching environmental policy that addresses both environmental education and responsible management.
- The school board should amend their procurement policy to ensure that, where feasible, all new equipment has an appropriate energy efficiency rating.

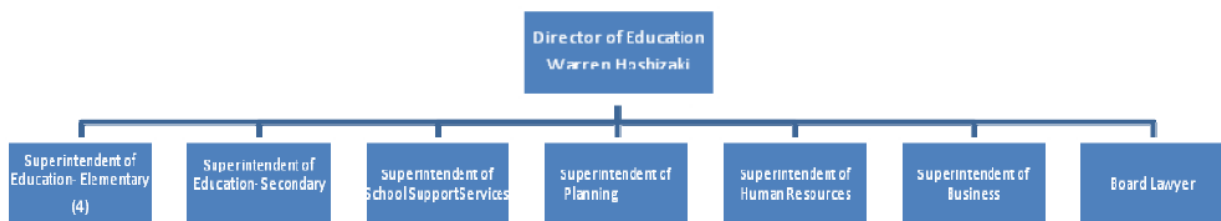
1. Background and Overview

1.1 School Board Profile and Structure

The District School Board of Niagara (DSBN) is committed to a single goal: success for every student. This goal, which is supported collectively by parents, teachers, support staff, administration, and trustees, is to support, challenge, and inspire every student to achieve their full potential. Responsible for providing public education to over 30,000 students, the school board offers a diverse range of programs in 119 schools spread over 12 municipalities.

Similar to most school boards across the province, the DSBN is facing declining enrolment.

The Senior Administration and Planning team (SAP) at the school board is composed of the Director of Education, and is supported by a team of 10 senior staff:



1.2 Key Priorities of the School Board

The vision of the District School Board of Niagara is: **“We are committed to student success together to inspire and empower all learners to reach their full potential”**. In support of this vision, the following mission statement has been developed for the school board: **Achieving Success Together**.

To fulfill its mission and vision, the school board has adopted a set of values that reflect the shared vision and values of everyone within the organization:

1. Relationships
2. Respect
3. Responsibility

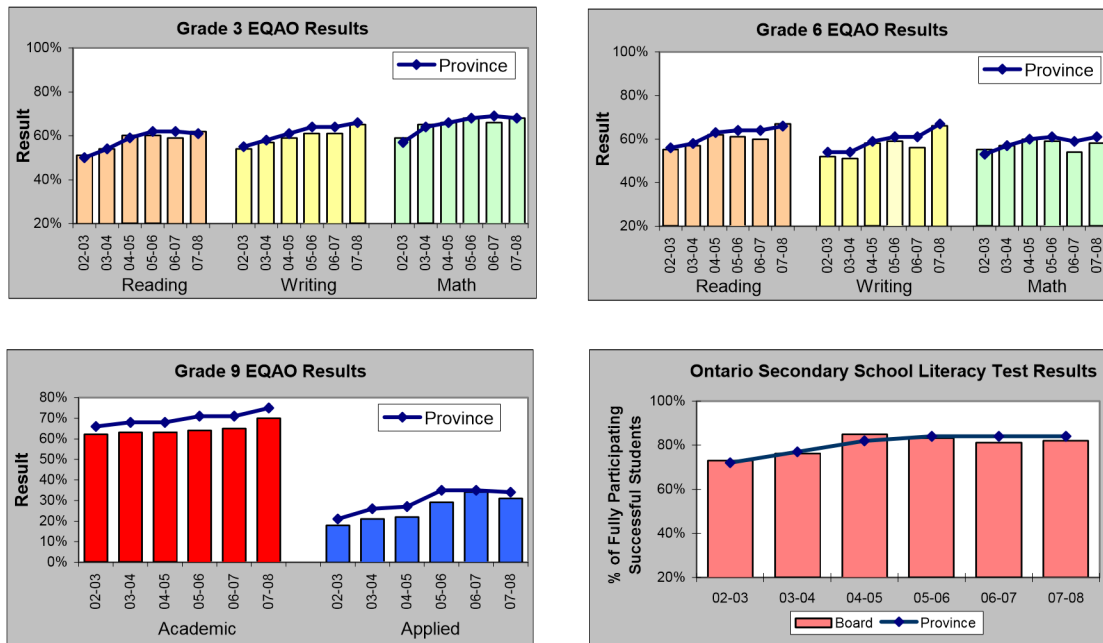
These goals and priorities are implemented through the School Success Planning process.

To support the implementation of its Strategic Plan, the school board has adopted a multi-year strategic plan, *Achieving Success Together*, and an academic board improvement plan. These components will be discussed in section 2 of this report.

1.3 Student Achievement

The EQAO results for the school board show that students' math scores for both Grade 3 and 6 are at or slightly below the provincial average. Grade 3 and 6 reading scores are at the provincial average. The school board is at the provincial averages for writing for Grade 3 and 6.

At the secondary level, Grade 9 EQAO results for academic students are slightly below the provincial average. The school board is at the provincial average for their OSSLT results. The following charts illustrate the school board's EQAO and OSSLT results over the last six years.



1.4 Fiscal Overview

The school board has consistently presented balanced budgets to the Ministry over the past few years.

The school board has been actively monitoring its ability to finance its capital commitments. The school board has completed its Capital Liquidity template, which demonstrates that its existing capital debt is fully-funded. Management will continue to work with Ministry staff as they go forward with any new capital projects.

The following tables provide a fiscal overview of the school board:

Summary Financial Data (Revenues)

Revenues	2007-08 Financial Statements	2008-09 Financial Statements	2009-10 Revised Estimates
Legislative Grants	\$234,228,370	\$245,485,468	\$251,244,156
Local taxation	\$112,059,881	\$111,539,247	\$112,752,787
Board Revenues	\$3,280,365	\$2,831,045	\$2,121,958
Other Operating & capital Grants	\$5,013,550	\$5,116,345	\$7,759,927
Total Revenues (Schedule 9)	\$354,582,166	\$364,972,105	\$373,878,828

Summary Financial Data (Expenditure)

Expenditures:	2007-08 Financial Statements	2008-09 Financial Statements	2009-10 Revised Estimates
Operating expenditures	\$100,824,330	\$357,137,502	\$365,073,151
Capital expenditures - Before transfers from reserves	\$9,824,068	\$9,871,064	\$12,133,552
Transfer to (from) Reserves	\$5,604,175	-\$203,646	-\$332,787
Total Expenditures	\$354,667,843	\$364,972,105	\$373,878,828
In-year Surplus (Deficit)	-\$85,677	\$0	\$0

School Board Reserves and Deferred Revenues

School Board Reserves and Deferred Revenues	2007-08 Financial Statements	2008-09 Financial Statements	2009-10 Revised Estimates
Retirement Gratuities	\$5,042,582	\$5,100,662	\$5,151,670
WSIB	\$3,746,502	\$3,795,969	\$3,833,929
General Operating	\$14,057,964	\$12,263,966	\$9,000,810
Year End Carry-Overs	\$1,346,178	\$2,314,984	\$2,314,984
Central Computer Upgrades	\$1,996,842	\$1,368,302	\$1,370,625
Other	\$3,107,304	\$2,686,795	\$2,716,068
Pupil Accommodation Debt Reserve	\$1,975,120	\$0	\$0
Major Capital	\$11,548,846	\$11,231,863	\$6,834,765

School Board Reserves and Deferred Revenues	2007-08 Financial Statements	2008-09 Financial Statements	2009-10 Revised Estimates
Total Reserve Funds (Schedule 5)	\$42,821,338	\$38,762,541	\$31,222,851
Professionals Development - Support	\$0	\$322,241	\$0
Proceeds of Dispositions Reserve- School Buildings	\$0	\$536,530	\$536,530
Energy Efficient School - Operating	\$0	\$594,496	\$0
Energy Efficient School - Capital	\$0	\$1,544,988	\$0
Total Deferred Revenues (Schedule 5.1)	\$0	\$2,998,255	\$536,530
Total Board Reserves and Deferred Revenues	\$42,821,338	\$41,760,796	\$31,759,381

1.5 Key School Board Statistics

The following table highlights key statistics for the school board. There has been a decreasing enrolment trend since 2002-03.

Day School Enrolment

Day School Enrolment	2002-03 Actual	2009-10 Rev. Estimates
Elementary Day School ADE	28,027	22,791
Secondary Day School ADE	15,171	14,074
Total Day School Enrolment	43,198	36,865

Primary Class Size

Primary Class Size	2003-04	2009-10
% of Classes Less Than 20	36%	89%
% of Classes Less Than 23	71%	100%
Average Class Size - Jr/Inter	26.86	26.6
% of 3/4 Classes 23 & Under	31%	100%
% of Combined Classes	35%	45%

Staffing

Staffing	2002-03	2009-10
School Based Teachers	2,468	2,326
Teacher Assistants	202	339
Other Student Support	195	279
School Administration	144	140
School Clerical	202	195
School Operations	432	436
Other Non-Classroom	125	119
Total Staffing	3,767	3,835
Teacher - Pupil Ratio	1:18	1:16
FTE Staff per 1,000 Pupils (ADE)¹	87.2	104
Total Salary & Benefits as % of Net Operating Expenditures	85.90%	87.60%

Special Education

Special Education	2002-03	2009-10
Special Education Incremental Expenditures	\$31,604,943	\$42,128,945
Special Education Allocation	\$31,058,211	\$37,991,119
Spending above Allocation (Reserve)	\$546,732	\$4,137,826

School Utilization

School Utilization	2002-03	2009-10
Number of schools	129	120
Total Enrolment (ADE)	43,198	36,865
School Capacity (Spaces)	53,904	50,390
School Utilization	80.10%	73.20%
Board Area (Km²)	1,868	1,868
Number of Trustees	11	11

¹ Note: Impacted by Class Size and Special Education

2. Governance and School Board Administration – Findings and Recommendations

The school board's governance model and administrative organizational framework make a significant contribution in helping the board of trustees, director, senior administration and community stakeholders support both student achievement and effective school board operations.

Governance and board administration processes are reviewed to:

- Understand how the governance model supports operational effectiveness and delineates the division of duties between the board of trustees and the administration;
- Assess the development of the annual plan (including the goals/priorities) and actions to engage and communicate with key stakeholders and the related reporting against the plan;
- Assess how policies and related procedures are generated and maintained;
- Determine whether staffing levels and organization structures provide for clarity of roles and accountability sufficient to carry out the school board's objectives;
- Identify opportunities to support continual improvement in the effectiveness and efficiency of all processes.

This section provides a summary of the findings and recommendations of our assessment of the school board's adoption of the leading practices relating to the governance and school board administration. Our findings are a result of our review of the data provided by the school board and our fieldwork, which included interviews with the Chair, the Director and senior staff of the school board.

The following table summarizes the leading practices defined for governance and board administration, and identifies where evidence showed that the practice was adopted in full. Where the evidence was not present or the practice was not completely adopted at the time of the review, a "No" indicates that an improvement opportunity exists.

Establishment of an Effective Governance Model

Leading Practices – Governance and School Board Administration	Evidence of Adoption?
The school board's governance model clearly delineates the division of duties and responsibilities between the board of trustees and the director of education to support an effective working relationship.	No

Development of the School Board's Strategic Direction and the Annual Operating Plan

Leading Practices – Governance and School Board Administration	Evidence of Adoption?
The board of trustees, using a consultative process, develops and communicates a multi-year strategic plan that provides a framework for annual planning.	Yes
The director of education and senior administration develop an annual operating plan of their goals/ priorities, incorporating both academic and non-academic departments. The plan is aligned with the Board's multi-year strategic plan and has goals that are specific, measurable, achievable, relevant and timely.	No
The senior administration periodically/ annually report to the board of trustees on the status and outcomes of the board strategic plan and annual operating plan.	Yes

Decision Making Processes

Leading Practices – Governance and School Board Administration	Evidence of Adoption?
The board of trustees and senior administration have appropriate processes for decision making to address student achievement targets and operational performance.	Yes
The board of trustees and senior administration have appropriate processes for the establishment and regular maintenance of policies and administrative procedures for the efficient and effective operation of the board.	Yes

Organizational Structure and Accountability

Leading Practices – Governance and School Board Administration	Evidence of Adoption?
The organizational structure has clearly defined organizational units that delineate roles and responsibilities, minimize administrative costs and ensure effective and efficient operation.	Yes
A departmental organization chart (supplemented with a directory of key staff contact information) is publicly available on the board's web site.	Yes

Succession and Talent Development

Leading Practices – Governance and School Board Administration	Evidence of Adoption?
As part of the Ministry's <i>Ontario Leadership Strategy</i> , the Director of Education, with support from HR, has established a formal Succession and Talent Development Plan to build and sustain leadership capacity.	No

Stakeholder Engagement

Leading Practices – Governance and School Board Administration	Evidence of Adoption?
The board of trustees and senior administration proactively engage internal and external stakeholders on a regular basis and through a variety of communications vehicles (e.g., websites, email, memos, town halls, etc.).	Yes
Key senior staffs from all functional areas are members and participants in sector committees of provincial associations and Ministry workgroups.	Yes

Establishment of an Effective Governance Model

The school board has not adopted a formal governance structure that delineates the roles and responsibilities of the board of trustees and senior administration. It does not have an established policy that delineates the roles and responsibilities between Trustees and the Director of Education.

The Ontario Public School Boards' Association (OPSBA) has published a governance document, which serves as a guide for school boards. The board of trustees refers to the guide, the school board's trustee handbook, and the school board's bylaws when addressing matters of governance.

The school board could benefit from a formal policy that clearly delineates the duties and responsibilities between the board of trustees and the director of education. The policy will ensure that the respective roles and responsibilities are clearly defined and highlight the elements of effective working relationships.

The current governance structure is supported by a Board of 11 experienced trustees and two student trustees. There are several long-serving trustees, with experience ranging from three to 42 years. The working relationship between the Board of Trustees and the senior administration and planning team was reported to be respectful and positive.

Trustees participated in OPSBA training for newly elected trustees. They also participated in a program on peer mentorship. The Chair reported that trustees see their role as one of oversight, in both policy and operational areas.

The school board is also encouraged to develop a formal operating plan, which will enable the Director to report on specific outcomes. The operating plan should be aligned to the vision and goals of the Board's strategic plan and span the activities of both the academic and non-academic functions. It can highlight how the board of trustees' strategic directions are being implemented, who is responsible for what, timelines, and expected outcomes.

The Board reported that they are currently developing a code of conduct for DSBN trustees, based on the existing board bylaws. The Board also reported that they have an *ad-hoc* committee on governance reviewing the legislative and regulatory changes expected from the passage of Bill 177.

The Director of Education is supported by a team of 10 senior staff:

- Four elementary Superintendent's of Education divided by family of schools
- One Superintendent of Education for Secondary
- Superintendent of Human Resources
- Superintendent of Planning
- Superintendent of School Support Services
- Superintendent of Business
- Board Lawyer

This group, referred to as the Senior Administration and Planning team (SAP), has responsibility for all areas of the school board's operations.

There are currently 10 Board committees:

1. Policy Advisory Committee
2. Program and Planning Committee
3. Finance Committee (which also serves as the audit committee)
4. Special Education Advisory Committee
5. Supervised Alternative Learning for Excused Pupils Committee
6. Parent Involvement Committee
7. Student Trustee Committee
8. Student Discipline Committee
9. *Ad hoc* Negotiations Committee
10. *Ad hoc* Properties Disposal Committee

The Board of Trustees uses a formal process to assess the annual performance of the Director of Education. As part of the review, the Director submits a report to the *ad hoc* trustee review committee composed of the Chair, Vice Chair, past chair and two trustees, on the execution of the annual operational plan and indirectly, the Director's performance. Additional trustees are also invited to provide feedback as required.

Development of the School Board's Strategic Direction and the Annual Operating Plan

The school board has developed a mission and vision statement as part of its recent strategic planning exercise. In 2005, the school board undertook a comprehensive consultation and development process to define its medium-term priorities. As a result, the first multi-year strategic plan, *Achieving Success Together*, was created. This plan is valid till 2010, and is designed to be a blueprint to focus the Board on achieving specific goals in three priority areas:

1. Student Growth
2. Staff Growth
3. System Growth

The plan spans five academic years, and is revisited every two years. Achievements of some of the targets are brought to the Board for reporting in January and August, and

include measures of progress and key milestones. The Director provides an overview of initiatives mid-year. It was also reported that new initiatives go to the Board if they were not included in the original budget.

The school board currently uses the Board Improvement Plan (BIP) as its operating plan. The vast majority of goals and activities in the BIP are academic in nature, with limited direct linkages on the non-academic operations of the board. Achievement of the goals is a shared responsibility, with ultimate accountability belonging to the Director of Education.

To track yearly progress, the school board developed SMART goals in literacy and numeracy for the schools. Each SMART goal within the plan has a detailed description of the strategy, indicator of success, and record of progress. The goals and objectives are a standing item at the weekly senior administrative meetings, and Supervisory Officers' are required to provide an update on their goals, and student achievement as a whole.

DSBN relied heavily on various internal and external stakeholders, and hired external support to facilitate and moderate the planning process. Several full day meetings were held involving all stakeholder groups, including parents, unions, teachers and principals. The resulting document was communicated widely, delivered to every home within school boundary routes.

Although the school board has a BIP, it is primarily focused on academic priorities, and does not comprehensively address non-academic areas such as human resources, financial services, and facilities services. The school board is encouraged to develop a formal annual operating plan. This is a good practice at all levels of the organization, since it enables the Director to report on specific outcomes identified in the operating plan, and demonstrate how they contribute to the implementation of the Board's strategic plan.

The school board completed a comprehensive review of corporate services in 2008. This review looked at all central services departments in the school board, including Purchasing and Central Services, Financial Services, Information Technology, Plant and Planning Services and Human Resources, to determine how they can better align and organize towards supporting and optimizing student achievement.

Decision-Making Process

The board of trustees' primary responsibility is to set policy and the strategic direction for the school board. The Director of Education and Senior Administration Planning team develops and implements plans and procedures to ensure adherence to Board policies, and manages the day-to-day operations of the school board. These

responsibilities are clearly outlined in the *Administrative and Organizational Structures Policy* (May 2008).

The Board meets on the second and fourth Tuesday of each month, and all Board and Standing Committee meetings are open to the public. As per the Education Act, matters of personnel, property, contract negotiations, and litigation are discussed *in-camera*.

Although the Board has a standard process for agenda setting, it is not formally documented. Every two weeks, prior to the board meeting, the Chair, Vice Chair and Director review the minutes from the prior meeting and set the agenda priorities for the next meeting. Minutes and documentation are sent to trustees three working days before a meeting. The Board is encouraged to document this procedure.

The Board accomplishes much of its policy development and decision-making through its comprehensive committee structure. DSBN maintains 10 board committees (including *ad hoc* committees) each with a unique makeup, terms of reference and board member participation. This is complemented by a number of staff committees, which are largely driven by senior administrators. The majority of issues are discussed at the committee level, reducing extensive debate at the committee of the whole. Items that are new (i.e. new program, new funding required) or political in nature typically proceed through the committees for board approval.

Through these committees, the Board can be informed of policy shortcomings or the need to review a particular administrative procedure. Policy development or review can also be initiated by students, staff, Senior Administration, Ministry of Education or parents and the community.

Responsibility for policy review resides with the Policy Advisory Committee. Recommendations for policy development are normally channeled through the Policy Advisory Committee for consideration by the Board. With the exception of the Accommodation Review process (which is reviewed after every use) established policies and administrative procedures are revisited on a five-year cycle.

Organizational Structure and Accountability

The school board is supported by 11 trustees, with a broad range of experience. The Senior Administration and Planning Team (SAP), comprises five area School Superintendents (four elementary and one secondary), a Superintendent of School Support Services, a Superintendent of Human Resources, a Superintendent of Planning, a Superintendent of Business Services and the Board Lawyer. Responsibility for facilities and operations resides with the Superintendent of Business. The school board has worked closely with the Ontario Institute for Studies in Education (OISE) to develop a new organizational structure to support student achievement.

The Senior Administration and Planning team has responsibility for all aspects of the administration of the school board. The team meets weekly to discuss issues and find resolution. The organization, roles, and responsibilities of the school board's administrative team have been formally defined and documented. The school board has up-to-date portfolios for the Director and superintendents, and their names and areas of responsibility are available on its website, which also has a current school board organization chart.

Succession and Talent Development

The school board has not formally adopted succession planning and talent development processes to build and sustain academic leadership capacity. Management noted that the school board is at the early stages of implementing the process. While there is no formal plan currently in place, succession planning is a priority for the school board and the school board is currently expanding its activities in succession planning to deal with all contingencies.

This process will be managed by both the Director and the Human Resources department. It was reported that it is the responsibility of the Director of Education to create a confidential succession plan to manage retirements and resignations of Senior Administrative Staff and it is the responsibility of the Human Resources Department to create a succession plan for key executive positions, managers and administrators.

The Director participated in a project of southwest regional directors of education titled 'Leading the Future'. The project's goals are to further develop the leadership capacities of directors of education in the area and to develop a set of detailed recommendations for the refinement of the Institute for Educational Leadership system leadership framework. The school board is encouraged to continue establishing a formal succession plan for key senior management positions.

Stakeholder Engagement

Management actively consults with stakeholders. An experienced full time manager of communications and public relations supports effective two-way communication with all stakeholders.

The school board has also developed a formal strategic communications plan to foster two-way communication and develop a climate of trust and understanding among students, parents and guardians, staff, and administration. The document outlines key messages and a number of communication vehicles such as the Director's memo, school newsletters, the board website, and the key communicator's network. There is also a protocol to provide direction to both trustees and Senior Administration.

The strategic communications plan is initiated at the beginning of the school year with the Back to School campaign, the Welcome to Kindergarten registration campaign in February, and the “Reach Your Potential” campaign to support the transition of students from elementary to secondary school. Major consultation points that are not cyclical but require community input include the development of the strategic plan and all accommodations reviews.

The Director of Education is the current chair of Council of Ontario Directors of Education (CODE) and participates on many of the CODE working groups. Notably, the Director has also partnered with the Institute for Educational Leadership (IEL) on a project titled Leading the Future- A Project of the Southwest Regional Directors of Education. The goals of the project are two-fold: one, to further develop the leadership capacities of directors of education in Southwest Ontario and two, to develop a set of detailed recommendation for the refinement of IEL’s system leadership framework. Many members of the Senior Administration and Planning team are current or former members of provincial subcommittees with the Ontario Public School Boards’ Association.

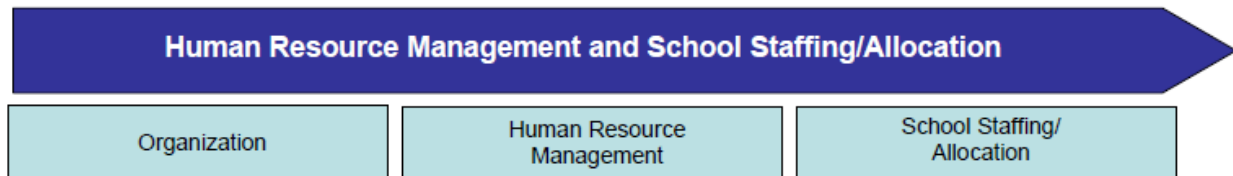
DSBN has recently completed a multi-phased corporate services review which allowed it to benchmark itself against other regional school boards. Each area in scope for the Ministry’s operational review was also examined as part of DSBN’s corporate services review. The review included human resources, financial and payroll services, purchasing, planning, information technology, and the plant department. This review was a result of the Director of Education identifying departments that were to be reviewed with a specific focus on best practices, areas of concern and identified areas of improvement within DSBN. For further insight and input, four comparator boards were investigated. These included Grand Erie, Halton, Hamilton-Wentworth and Waterloo.

Recommendations:

- The school board should develop a formal policy that clearly delineates the division of duties and responsibilities between the board of trustees and the director of education. The policy should also include a code of conduct for trustees. This activity will ensure that the respective roles and responsibilities are clear and will help to support an effective working relationship.
- The school board is encouraged to develop a board-wide annual operating plan by expanding its annual board improvement plan to cover all aspects of its nonacademic operations, including human resources, financial management, and facilities management. A plan will also facilitate focus and a greater integration among departments, enabling tracking and reporting on the progress of defined priorities and goals throughout the year.

- The school board should establish a formal succession plan to manage retirements and resignations of key executives, superintendents, administrators, and managers. This should include senior staff in both academic and non-academic functions.

3. Human Resource Management and School Staffing/Allocation – Findings and Recommendations



Effective management of human resources ensures an adequate number of qualified staff throughout the organization can perform their prescribed duties. Policies and procedures to develop staff are in place, through performance appraisals, professional development and support services. Staff allocations to schools and classrooms meet the Ministry's class size requirements, and are congruent with the board's collective agreements and allocation models.

The following is a summary of our assessment of the school board's adoption of the leading practices under the processes identified above. All findings are a result of a review of the data provided by the school board and on-site fieldwork, which included interviews with all key HR staff, as well as follow-up and confirmation of information.

3.1 Human Resources Organization

The review of the organization of the HR department assesses:

- Whether appropriate policies and procedures have been established and maintained to support the HR functions and required priorities, and whether they are aligned with the school board's directions;
- Whether an annual departmental plan setting out the goals and priorities and their alignment to the school board's strategic directions has been established;
- Whether the roles and responsibilities of staff support the key functions, activities and practices of HR;
- Opportunities to support continual improvement in the effectiveness and efficiency of all processes.

The following table summarizes the leading practices defined for HR organization and identifies where evidence was found to indicate that the practice was adopted in full. Where the evidence was not present or the practice was not completely adopted at the time of the review, a "No" indicates that an improvement opportunity exists.

Development and Reporting of Annual Goals and Priorities

Leading Practices – Human Resource Organization	Evidence of Adoption?
The HR department's goals and priorities are documented in an annual department plan. They are aligned to the annual board operating plan, accessible by key stakeholders. The plan incorporates measurable targets, specific timelines and identified responsibilities.	Yes

Organizational Structure and Accountability

Leading Practices – Human Resource Organization	Evidence of Adoption?
The HR department has clearly defined organizational units and delineates the respective roles and responsibilities. A current organizational chart is available to the public.	Yes
Senior HR staff has appropriate designations (e.g., Certified Human Resource Professional, etc.).	Yes

Monitoring and Communication of Policies

Leading Practices – Human Resource Organization	Evidence of Adoption?
HR management has processes in place to monitor HR policy compliance by all staff and management.	Yes
HR management builds staff capacity in understanding of HR policies and administrative procedures.	Yes

Development and Reporting of Annual Goals and Priorities

The department currently develops an annual departmental plan and operates under a common mission statement. Annually, each manager sets goals that are tied back to themes of student achievement. These goals comprise the overall annual departmental plan, along with direction from the Superintendent and the Director of Education. Goals are SMART goals- namely specific, measurable, attainable, realistic, and timely, and are revisited twice a year to review progress.

The department does not set up service level agreements with other departments or regularly survey its staff. However, as part of the recently completed corporate services review, senior administration was able to identify the level of staff satisfaction during numerous focus group sessions. The sessions were not solely focused on satisfaction, but did include a broad section of employees.

Organizational Structure and Accountability

The department performs several functions, including recruitment, employee benefits, workplace safety, and disability management. The HR functions report to the Superintendent of Human Resources, who is part of the Senior Administration and Planning team.

Roles and services of the department were reviewed during the corporate services review in July 2006. The department's job descriptions are accurate and up-to-date for approximately half of all staff. Every member of the AMG group (non-union and management) has, at a minimum, a fact sheet describing their role. Contact information for key HR management and staff is posted on the website. The board should complete the update of its job descriptions for all HR staff.

Department staff are qualified through a combination of professional designations, including the certified human resources professional, dispute resolution and work experience.

Monitoring and Communication of Policies

HR has responsibility over a number of HR policies, which are posted on the school board website. Policy adherence and compliance is mostly monitored through direct reminders at staff meetings or training sessions. Other key meetings include the system administrator meetings and area meetings, where members of the HR team can highlight changes to policies, or remind principals and superintendents of required actions.

More impactful changes, such as changes in the collective agreements, are communicated differently. All management and principals meet in-session to discuss the key changes, and are expected to communicate these changes to staff. The HR department monitors compliance with the changes. Those new policy changes which are not being followed effectively are deemed 'hot spots'. Further focused training/in service and monitoring is provided to address these deficiencies.

Outside of changes in the collective agreements, the board uses its NTIP (New Teacher Induction Program) and PAET (Performance Appraisal for Experienced Teachers) workshops to communicate policy compliance objectives to all teaching staff. Nonteaching staff receive similar instruction through staff meetings. Policies, both new and amended, are circulated via the school board's internal email system.

3.2 Human Resource Management

The purpose of reviewing the HR management processes is to assess whether:

- Planning and processes are in place for the recruitment and hiring of the appropriate number of qualified staff to support the student achievement targets;
- Appropriate processes are in place to promote the personal and professional growth of all staff;
- Adequate systems and procedures are in place to manage employee compensation plans, labour relations, employee performance and attendance, and other support services to foster employee satisfaction;
- Opportunities to support continual improvement in the effectiveness and efficiency of all processes can be identified.

The following table summarizes the leading practices defined for HR Management, and identifies where evidence was found to indicate that the practice was adopted in full.

Where the evidence was not present or the practice was not completely adopted at the time of the review, a “No” indicates that an improvement opportunity exists.

Staff Recruitment/Hiring

Leading Practices – Human Resource Management	Evidence of Adoption?
Recruitment policies and administrative procedures are reviewed annually, and are aligned with staff planning in support of student achievement.	No
The hiring policies and administrative procedures are standardized into one package for the respective staff groups.	Yes

Labour Relations

Leading Practices – Human Resource Management	Evidence of Adoption?
HR management and the board of trustees have established labour/management committees.	Yes
HR management has established policies and procedures to minimize grievances.	Yes

Employee Performance Evaluation Processes

Leading Practices – Human Resource Management	Evidence of Adoption?
HR management has policies and procedures for an employee evaluation/performance system for all staff.	No
HR management maintains and communicates formal disciplinary policies and procedures for all staff.	Yes
The HR department actively supports the professional development activities of the school board.	No

Attendance Management Processes/Programs

Leading Practices – Human Resource Management	Evidence of Adoption?
The school board maintains appropriate processes and systems to monitor staff attendance on a timely basis.	No
Attendance management processes/programs exist that include employee supportive policies and procedures to minimize the cost of absenteeism.	No
Management periodically reports on the effectiveness of the attendance management processes/programs to senior management and the board.	No

Management of HR and Payroll Data

Leading Practices – Human Resource Management	Evidence of Adoption?
Payroll processing is segregated from employee data records and changes to data are adequately controlled.	Yes
HR records are current, including the formal tracking of teacher qualifications and experience.	Yes
HR management has implemented an approved pay equity plan, which is reviewed periodically and amended as necessary.	Yes

Management of School Board's Employee Benefit Plans

Leading Practices – Human Resource Management	Evidence of Adoption?
HR management periodically conducts independent compliance audits of the board's insurance carrier to ensure adherence to the benefit plans terms and conditions.	Yes
Employee data is automatically synchronized between the board and the external carriers (i.e. OTPP, OMERS and the board's benefit provider).	Yes
Policies and/or procedures ensure the board's benefit plans are managed appropriately.	Yes

Monitoring Staff Satisfaction

Leading Practices – Human Resource Management	Evidence of Adoption?
Confidential staff satisfaction surveys are performed periodically.	No
Confidential exit interviews are performed for all staff who resign, take early retirement or transfer.	No

Staff Recruitment/Hiring

The school board has not developed policies or procedures for academic and nonacademic staff recruitment, and does not produce an annual recruitment plan. However, the school board has developed a process guided by timelines of retirements, recruiting fairs, and collective agreement to address staffing needs.

Based on official projected enrolment (OPE) in January, the school board calculates its non-program teacher needs and adjusts the results for projected retirements. To meet staffing needs, it draws from a pre-screened pool of occasional teachers (or custodians, depending on the vacancy) as well as qualified new hires. For other positions, the board may keep open a year round request for EAs, or may use temporary staffing services for administrative support. The school board reported that due to the close relationship with the local community college they are able to get a strong inflow of EAs. The school board uses ads in the local newspaper for plant department positions.

The department has created hiring manuals for teaching and business staff. The manuals cover reference checks as well as criminal background checks, which are performed for all new employees of the board. New hire policies and procedures are standardized in one package for use in all departments. HR is involved in the entire hiring process and must approve every hire recommended by the department.

Management organizes orientation sessions for new hires, in both academic and nonacademic departments. All staff are required to undergo a criminal check once they are admitted to an occasional list or a full time position (contract or permanent).

The board does not use the *Apply to Education* website, and instead tracks candidates manually through a spreadsheet. To ensure that teachers have the requisite experience. A principal may choose to use a retired teacher from the Occasional Teacher List over a new candidate for a longer-term position. The school board is encouraged to look at automating the application procedure to ensure an efficient and effective process. The school board has adopted a statement on employment equity.

The school board is commended for its sound recruitment process, and is encouraged to develop a formal recruitment policy to enhance the process and overcome current and future challenges. This policy would cover organizational objectives, personnel policies of the organization and selected school boards/educational organizations, preferred sources of recruitment, the needs of the organization, and recruitment costs and financial implications.

Labour Relations

The school board maintains seven different collective agreements and two “Terms of Employment” with its employee groups: principals and vice principals; administrative management (non-union); professional student services; educational support staff; office, clerical/technical and instructional support; occasional teachers; contract teachers; secondary teachers, elementary teachers; plant services and operations staff.

These collective agreements are managed by HR staff. The collective agreements are administered via seven labour-management committees, which include members of the school board management and members of each bargaining unit. Administration strives to maintain positive relationships with bargaining agents, and there is open two-way communication between the school board and the unions. While some meet on a monthly schedule, others only meet on an as-needed basis. The success of solving labour issues varies by both the issue and the bargaining unit.

HR has established policies and procedures (outlined in the collective agreements) to minimize grievances. The school board reported that there is an informal process to manage grievances, which includes a meeting with HR staff, the manager, the union and the employee before the formal grievance process is initiated. This has resulted in mitigating formal grievances.

The school board has created a few resources to assist school administration in the avoidance of grievances, including a series of workshops such as the Hicks-Morley training that superintendents, vice-principals and principals have received. Grievances follow a standard pattern, escalating through several stages from the principal/manager

level up to the designate of the Director of Education. Formal and informal mediation and resolution activities are conducted at each stage.

Employee Performance Evaluation Processes

The school board has developed comprehensive procedures for conducting teacher and principal performance appraisals based on Ministry guidelines. However, performance evaluation is focused on the teaching and academic staff, and there is no formal system in place for non-academic staff.

In line with the Ministry of Education's '*Supporting Teaching Excellence*' document, the school board evaluates its experienced teachers on a five-year cycle. New teachers are reviewed twice during the first year, as part of the New Teacher Induction Program (NTIP). HR ensures that notations are reported to the Ontario College of Teachers for new teachers who have completed the NTIP. The teacher performance appraisal (TPA) is conducted by principals or designated vice-principals. The results are shared with the respective superintendent of education. In addition to the standard five-year cycle, a principal or superintendent may require a supplemental TPA. The TPAs are subsequently forwarded to the HR department for filing in the employees' permanent record and for tracking purposes.

The school board is following the Principals/Vice-Principals Performance Appraisal (PPA) guideline issued by the Ministry. These administrators are reviewed after their first year of assignment and every five years thereafter. These reviews are conducted in 360° format (peer, superior and employee feedback). The school board has introduced a similar cycle for superintendents.

Management is starting work on an employee evaluation and performance system for support staff. These employee groups do not have a formal review cycle. For example, the goal this year is to introduce performance appraisals of Educational Assistants (EAs), who would be reviewed once every three years, or more often if required. The department should continue developing a process to ensure consistency and transparency in the board-wide evaluation process.

Management reported that they separate behavioral issues from performance issues, and have two separate processes for dealing with each. For issues of performance, the employee evaluation process is used. For issues of behavior, the school board has adopted a process of progressive discipline. The procedure is communicated to staff in the form of their '*Resource Guide for Correcting Behaviors and Progressive Discipline*' and involves seven steps:

1. First Oral Warning
2. Subsequent Oral Warning (where appropriate)

3. First Written Warning
4. Subsequent Written Warning
5. Suspension with Pay
6. Suspension without Pay
7. Dismissal

Although they are rare, all teacher terminations are reported to the board of trustees in presentation format, as a 'vote' item. Other terminations are noted to the board as an information item.

The HR department does not establish a board-wide staff development plan. Growth and development for staff and management is decentralized, and the responsibility of the local management to ensure that training is sought where needed. The HR department does not provide plans or tools to staff outside their direct span of control complement. A dedicated staff/professional development coordinator position does not exist at the board. Professional development modules are often developed with the support of seconded principals, as part of the Support Services department's mandate.

The school board reported that they are currently working on an extensive professional development program for academic staff (Leadership Pathways) that will be launched in spring 2010. This program will build on the existing two-year leadership program for supporting new administrators. The program has four pathways designed to respond to the participants' needs. Feedback is collected on these programs at the end of every session. However, the school board has not developed specific policies for nonacademic staff/professional development, as it is decentralized.

Currently, staff development for non-academic varies from group to group, and is predominantly based on in-house training on professional development days.

The HR department is encouraged to establish and manage formal professional development guidelines for non-teaching staff, including annual learning plans, minimum training hours, and an in-depth supervisory training program for all managers of administrative functions. Training evaluations could be instituted as part of this process, to help ensure the school board is meeting the needs of its employees, and to provide training for future leaders in non-academic areas. This will also help ensure that the HR department is aware of all professional development activities of its non-academic staff.

Attendance Management Processes/Programs

An effective attendance management system combines policies/procedures, information systems to record and analyze trends in absenteeism, and dedicated resources to develop a cohesive and consistent strategy. These elements, combined with employee wellness programs and return-to-work initiatives, form the basis of a comprehensive attendance management program.

The school board does not currently maintain appropriate processes and systems to monitor staff attendance on a timely basis. However they are currently developing an attendance support program with assistance from SBCI (School Boards' Cooperative Inc.) The school board is also working with Parklane Systems to ensure the integrity of the absence codes. This process began in December 2008, and has received approval from the Board to move ahead.

The program will leverage the three pillars of the program – attendance support management, disability management, and wellness (Employee Assistance Programs). The program will integrate information across its existing attendance management software, call-out system, and Human Resource Information System (HRIS) as well as rationalize the reporting of absence across the approximately 15 absence codes managed by HR. At present, attendance management is a manual process, where the action for support or discipline is initiated by the direct supervisor.

The school board is encouraged to continue implementing its comprehensive attendance management program. The program will provide management with a consistent and structured approach to improve attendance, by engaging in positive reinforcement with employees and adopting standardized practices across all employee groups. An attendance management program will also ensure that HR can periodically report on the effectiveness of the attendance management process to senior management and the Board. The Board is encouraged to look at the Efficiency and Effectiveness Committee of COSBO for the *Report on Attendance Management* for additional support as required.

Management should periodically report to the Board and senior management on the effectiveness of its attendance management program, once it is in place. This should include reports on attendance management costs annually, and the financial costs of replacement of staff and absentee rates of each group.

Management of HR and Payroll Data

The school board has segregated payroll responsibilities between the payroll department and HR, and maintains all activities in-house. HR configures an employee's benefits and position on a pay scale, while payroll is responsible for the batch pay execution.

HR records routinely updated, including the formal tracking of teacher qualifications and experience. HR manages the QECO (Qualifications Evaluation Council of Ontario) placement and is responsible for obtaining or creating a teaching experience letter for employees. Personnel files are maintained in hard copy and are synchronized against the Ontario College of Teachers database four or more times per year. New hire qualifications are confirmed using the Register of the Ontario College of Teachers. The staffing manager and HR administrator of support staff are responsible for position classification.

The board has updated its pay equity plan and completed the final group, the Association of Professional Student Services Personnel (APSSP), in 2005. There are no pending or outstanding grievances. The board has dealt with two pay equity grievances, based on job reclassification.

Management of School Board's Employee Benefit Plans

Management reports that compliance audits of the board's insurance carrier are conducted annually to ensure adherence to the benefit plans terms and conditions. The school board manages its administrative services only (ASO) benefits plan through its Benefits Review Committee (BRC). The committee includes membership from the provider, who is responsible for reviewing the plan and contributions. The BRC is also responsible for overseeing an annual audit of the paid claims. The plan was last tendered in 2008, and the incumbent provider was successful in the bid.

In addition to the audits, the school board has also developed procedures to ensure its benefit plans are managed appropriately. For example, the HR department is able to analyze claims by user group, to understand where future premium pressures may reside. Through HR and the BRC, the school board can alter the benefits package or the premiums without revisiting the collective agreement. The board relies on the comprehensive OPSBA benefits comparison that was conducted one year ago to benchmark its cost competitiveness.

Employee data is automatically synchronized between the school board and external carriers, and the HR department is responsible for initiating the OMERS enrollment process. This process is part of the new hire orientation and training.

Monitoring Staff Satisfaction

HR does not formally survey staff for feedback or to understand general attitudes. Recently, the corporate services review provided an opportunity for senior administration to gain insights into general employee satisfaction, during numerous focus group sessions. HR management are also expected to make approximately four school visits per year to get a better understanding of 'on the ground' issues faced by teaching and non-teaching staff.

Management does not formally conduct exit interviews in any department for departing staff. There are few annual resignations at DSBN, and this activity has not been considered as a value-add.

While it is noted that the school board experiences low turnover, practices such as staff surveys and exit interviews can provide management with valuable input for professional development and for policies impacting future employee relations.

Recommendations:

- Management should develop a recruitment policy, and ensure it is reviewed annually to align staff planning with student achievement.
- The school board school should maintain appropriate processes and systems to monitor staff attendance on a timely basis.
- The department should continue in their efforts to develop a comprehensive attendance management program, including policies and procedures to address specific categories of absenteeism. This will provide management with a consistent and structured approach to improve attendance, including positive reinforcement for employees and standardized practices across all employee groups.
- Management should periodically report to the Board and senior management on the effectiveness of its attendance management program, once it is in place.
- HR management should continue to develop policies and procedures for an employee evaluation/performance system for all staff to ensure transparency and consistency in the process.
- HR management should establish and manage formal professional development guidelines for non-teaching staff, including annual learning plans, minimum training hours, and an in-depth supervisory training program for all managers of administrative functions. This will help ensure the school board is meeting the needs of its employees.
- Management should consider developing staff satisfaction surveys to include all employee groups. This would improve communication with staff and provide input for professional development plans and HR policy.
- Management should consider developing a formal plan for conducting exit interviews. These interviews would provide input for HR policy as well as process and program improvement.

3.3 School Staffing/Allocation

The purpose of reviewing school staffing/allocation processes is to:

- Assess whether accurate and efficient processes are in place to forecast and plan for staffing needs to support student achievement target strategies;
- Ensure that staff optimization allocation processes are in place, supported by an effective attendance management system;
- Identify opportunities to support continual improvement in the effectiveness and efficiency of all processes.

The following table summarizes the leading practices defined for School Staffing/Allocation, and identifies where evidence was found to indicate that the practice was adopted in full. Where the evidence was not present or the practice was not completely adopted at the time of the review, a “No” indicates that an improvement opportunity exists.

Processes for Annual Staff Planning and Allocation

Leading Practices – School Staffing/Allocation	Evidence of Adoption?
The school board’s policies and procedures govern the development of an annual staffing plan and allocation process that reflects the priorities of the Board and Ministry initiatives.	Yes
The staff allocation process monitors adherence to key Ministry and board policy parameters, such as: class size, prep time, collective agreement requirements and other board directions.	Yes

Monitoring and Reporting on Staff Allocation

Leading Practices – School Staffing/Allocation	Evidence of Adoption?
Systems are in place and accessible by both HR and Finance staff to establish and track an approved level of staff.	Yes
Management periodically reports on the actual allocation of staff, compared to the original approved allocation plan and budget (FTEs by function, department and program, actual versus budget).	Yes
Procedures are in place to enable adjustment of staff allocations for school-based staff, if estimates for enrolment and funding change after budget approval.	Yes

Leading Practices – School Staffing/Allocation	Evidence of Adoption?
Management's plan for providing student support services and staffing is based on student-needs analysis.	Yes

Processes for Annual Staff Planning and Allocation

The school board has documented procedures for allocating teaching and non-teaching staff. The focus of the process is on which staff allocations will best support student achievement. This process is driven by enrolment projections, the collective agreements, student needs, class size requirements, and preparation time. For specific functions such as special education, additional sources of funding as sometimes provided by the Ministry are also considered. The staff allocation process requires a high degree of staff collaboration and is coordinated among the finance department, HR department and members of the planning department.

As with many school boards across the province, the school board is currently facing declining enrolment. The process was described as being driven from the bottom up, starting with a school-by-school assessment of future enrolments and staffing needs, and moving up to a total system wide projection. The school board reported that enrolment projections as compared to actual enrolments are less than a one per cent variance.

Staffing is mainly driven by Grants for Student Needs (GSN) which sets the parameter for the number of funded staff. The HR department uses formulas to determine the allocations for the various staff groups (i.e., teachers, support staff, secretarial, custodial, etc.). The process for each is supported by documented procedural guidelines. School staffing models are calculated on a school-by-school basis, after system-wide staffing levels are calculated.

Academic Staff

Classroom teacher staffing is forecast based on a model that incorporates enrolment, primary class size measures and collective agreement parameters (i.e. prep time). It was reported that prep time is calculated as a separate line item. Additional non-classroom teachers that are attached to programs are added to the allocation after the classroom teachers are established. A holdback of teachers is maintained centrally, and adjustment can be made as required.

Principals

Principals are responsible for developing teacher assignments which incorporate primary class size requirements and primary caps. At the elementary level the school organization is then reviewed by the superintendent responsible for that school. For the

secondary level, the school organizations are reviewed by a joint management-labor committee. There is a staffing committee at each school

Educational Support Staff

Educational Assistants are funded out of the Special Education envelope, and are allocated centrally in collaboration with principals and superintendents. The prior year's need is used as a starting point, and allocations are made for transfers in and out of the school.

Professional Student Services Personnel

Professionals and paraprofessionals are allocated centrally, based on the directions in the collective agreements and input from principals.

Secretarial and Clerical Staff

Secretarial and Clerical staff are allocated centrally, based on the directions in the collective agreements and need. There is little yearly variation.

Custodial/ Maintenance Workers

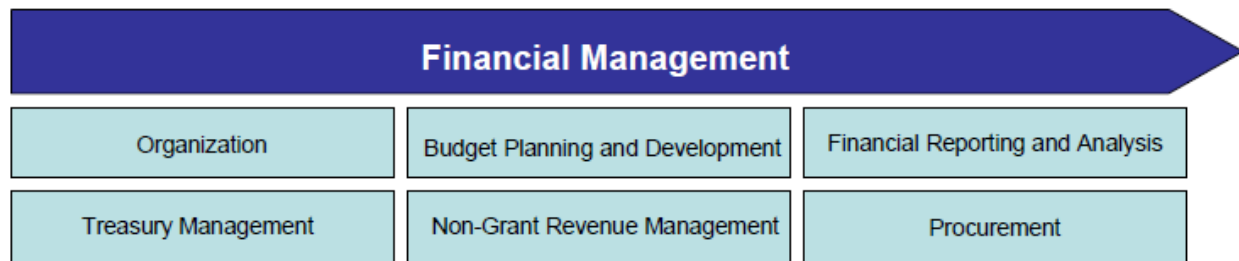
Custodial and maintenance staff are allocated centrally by the plant department. Calculations are loosely based on the historical need, square footage and the collective agreements. There is little yearly variation.

Monitoring and Reporting on Staff Allocation

Management notes that its staffing allocation models and formulas have been very effective in meeting Ministry class size policies and targets. As a conservative measure when placing teachers, the school board holds back approximately 22 elementary and five secondary teachers. The former are used to address PCS variations while the latter are allocated to address higher than expected enrolment or new student needs. These needs are established by physical class size counts throughout the first weeks of the year.

The allocation of staff is a centrally controlled function. It is closely monitored by SAP during their September meetings. Management reports to the Trustees on the annual allocation of staff with academic and non-academic staff counts three times per school year as part of the interim financial report. After the original board budget is approved, if adjustments to school based staff were required due to changes in enrolment or funding changes, the Superintendent of Human Resources brings the request to the SAP team for approval.

4. Financial Management – Findings and Recommendations



The financial management of the school board ensures the efficient and effective use of fiscal resources. Financial management ensures that the annual budget is developed within the Ministry's allocation and is aligned with student achievement targets. It also ensures that appropriate financial policies and procedures are in place to manage resources. Financial and related business processes contribute to an appropriate level of transparency in the allocation and use of the budget by the various departments. They also ensure that the reporting of results to the board of trustees and other school board stakeholders reflects the approved goals/priorities relating to student achievement.

The following is a summary of our assessment of the school board's adoption of the leading practices under the processes identified above. All findings are a result of a review of the data provided by the school board and on-site fieldwork, which included interviews with all key finance management staff, as well as follow-up and confirmation of information.

4.1 Finance Organization

The purpose of reviewing the organization of the finance department is to assess:

- The establishment of policies and procedures to support the key finance functions, activities and required business priorities and their alignment with student achievement targets;
- Financial department support of the overall goals/priorities and accountability measures established by the school board;
- The efficiency and effectiveness of department structure and support of the roles and responsibilities for the key functions, activities and practices;
- Opportunities to support continual improvement in the effectiveness and efficiency of all processes.

The following table summarizes the leading practices defined for the Finance organization, and identifies where evidence was found to indicate that the practice was adopted in full. Where the evidence was not present or the practice was not completely adopted at the time of the review, a “No” indicates that an improvement opportunity exists.

Development and Reporting of Annual Goals and Priorities

Leading Practices – Finance Organization	Evidence of Adoption?
The finance department's goals and priorities are documented in an annual department plan that is aligned to the annual board operating plan accessible by key stakeholders. The plan incorporates measurable targets, specific timelines and identified accountability.	Yes

Organizational Structure and Accountability

Leading Practices – Finance Organization	Evidence of Adoption?
The finance department has clearly defined organizational units and delineates the respective roles and responsibilities. A current organization chart is available.	Yes
Finance department staff have the appropriate finance/accounting designations and experience.	Yes

Monitoring and Communication of Policies

Leading Practices – Finance Organization	Evidence of Adoption?
Finance management has processes in place to monitor finance policy compliance by all staff and management.	Yes
Management provides scheduled finance policy and procedures awareness, training and skills development sessions.	Yes

Development and Reporting of Annual Goals and Priorities

The department currently develops an annual departmental plan with discrete and measureable goals. The plan includes: columns to track project descriptions/objectives; key milestones and tasks; key and measurable outcomes; priority; lead responsibility; other staff involved; target completion date; actual completion date.

Each year, the School Business Official (SBO) meets with staff to set departmental goals aligned with the strategic plan. In turn, each manager meets with their staff to set goals that are tied back to the theme of student achievement and are corporate and

personal in nature. The plan is shared internally within the department to ensure it is understood by all staff. The department reported that the annual departmental plan is a living document, and projects can be added throughout the year

Progress against the department goals are reported to the SBO, who in turn reviews the progress with the Director once throughout the year. The Controller of Finance and the SBO are ultimately accountable for the achievement of these goals.

For finance-related activities and requests, the department reports to the Finance subcommittee, of which both the SBO and Comptroller of Finance are members.

Organizational Structure and Accountability

The Superintendent of Business is responsible for the areas of Financial Services, Facility Services, Information Technology, Purchasing and Central Services. The Financial Services department is made up of two business units- payroll and finance. Both units report into the Superintendent of Business via the Comptroller of Finance. The department has 20 full time employees.

The department was recently the subject of an intensive corporate services review, which resulted in many recommendations, including the reorganization of the department. The department's job descriptions are up-to-date, and the department has clearly defined organizational units delineating roles and responsibilities. These job descriptions were revisited as part of the corporate services review. A current organization chart is posted on the school board's intranet, and contact information for key finance staff is available on the website.

The payroll function resides in the Financial Services unit while determining who is on payroll is a function of HR. This segregation of duties is sufficient to limit abuse of expenditure authorizations.

The school board reported that they do not have issues retaining qualified individuals to work in the Financial Services department. Staff in the department have appropriate financial designations, including CA, CMA, and the Canadian payroll designation, and the relevant experience to perform their duties.

Monitoring and Communication of Policies

The department is responsible for a number of finance and administrative policies, including cash management and investing of funds, budget control, charitable donations, school-based funds and petty cash. All of the department's policies are posted on the school board's public website, and the department's administrative procedures are posted on the board's internal website. All policies are on a five-year review cycle.

Policy compliance is ensured through direct involvement by management on an exception basis. To encourage compliance, policy awareness training presentations are made throughout the year to different employee and management groups.

The department builds staff capacity in understanding of finance policies and procedures through various means. All principals received a session on common audit findings from school policy compliance audits. Presentations are also made to administrators, central staff, trustees and other management to review finance policy highlights. All policies are available on the school board intranet. Policy changes are communicated via the intranet and highlighted in future awareness/training sessions.

Although policy training material exists, there is no common policy training process for new staff or administrators. Generally, new administrators receive instruction on the school board's financial system and school based funds. Budget development is also addressed in the school year.

4.2 Budget Planning and Development

The purpose of reviewing budget planning and development processes is to:

- Understand the linkages between the board of trustees' goals and priorities and the operational budgeting process;
- Assess whether sufficient transparency and controls exist in the budget planning and development process;
- Identify opportunities to support continual improvement in the effectiveness and efficiency of all processes.

The following table summarizes the leading practices defined for budget planning and development, and identifies where evidence was found to indicate that the practice was adopted in full. Where the evidence was not present or the practice was not completely adopted at the time of the review, a "No" indicates that an improvement opportunity exists.

Annual Budget Development Process

Leading Practices – Budget Planning and Development	Evidence of Adoption?
The annual budget development process is transparent, clearly communicated and incorporates input from all key stakeholders including management (with principals), board of trustees and the community.	Yes
Management has adopted an integrated (at school board and school levels) approach to enrolment forecasting that drives the budget process.	Yes
Budget development processes account for all required cost and revenue changes.	Yes
Staffing costs are compared with similar school boards and the funding model to ensure efficient use of resources.	Yes

Risk Mitigation and Board Approval

Leading Practices – Budget Planning and Development	Evidence of Adoption?
Management identifies and documents all significant risks during the budget planning process and develops strategies to mitigate the risks of spending beyond authorized/budgeted levels.	No
The annual budget presented for approval demonstrates that it is linked to the board-approved goals and priorities including student achievement targets. It provides useful and understandable information for all stakeholders.	Yes

Annual Budget Development Process

The school board follows an annual budget development process that incorporates input from all key stakeholders, including management, the board of trustees, and the community. This includes input from various forums, including the monthly committee of principals, the Senior Administration and Planning team, and the broader community (via trustees) to help define new priorities. The Director meets with the principals monthly and the budget is a standing item for discussion at these meetings. This provides principals an opportunity to provide input into what is needed at the school level for increasing student achievement. Major discussion and debate occurs at the finance committee level. It was reported that given the school board's declining enrolment, budget constraints are often made.

This process is documented through the yearly budget process and projected timelines-senior administrative planning that guides the activities through to final budget

approval.’ The school board reported that the budget is compiled and aggregated within Excel. The process typically begins in February with preliminary grant projections presented to SAP and subsequent establishing of budget guidelines. Department budget submission forms are then issued. The school board does not directly work with the coterminous board in developing the budget, but is aware of the services offered by them.

The planning department begins work on projected enrolments at the beginning of March, which includes known variances from past years and data points such as live birth rates, retention rates, development permits, and new growth pockets. The school board has a well-integrated approach to enrolment forecasting that is essential in developing the budget. As a result, key planning and enrolment assumptions are developed and monitored by the board’s planning department and extend out fifteen years, and are revisited annually. Estimates are extremely accurate, with a margin of error for 2009/10 at 0.2 per cent of plan.

Once the budget submission forms are received from the departments, the SBO develops an initial draft of the budget for SAP approval and input, and to look at it from a system wide level. This also ensures transparency in the process by allowing each SO to see the budget of other departments. At this point, if there is a request for additional funding from a department, the SBO looks at areas where dollars can be moved within the department. This is to ensure that the budget development processes account for all required cost and revenue changes. This is particularly challenging in the current declining enrolment environment, with the pressure the school board faces in funding its special education commitments.

For all new requests for budget increases, each SO or manager needs to demonstrate that the request cannot be accommodated from within current cost centers prior to formally submitting a ‘budget request’ form. All new requests are reviewed over a series of prioritization meetings at SAP, including the principals. For any recurring budget items with a high degree of variation, (e.g. utilities, snow removal, transportation) management is expected to look at historical averages and contract status in order to formulate a reasonable estimate. For all other items, management and senior administration are responsible for managing the budget costs and increases from within existing cost centers, to limit overall increases to 0%. Immediate, unanticipated costs, such as additional H1N1 preparedness are addressed by reallocations from other areas.

The SBO also gives the trustees updates at key points of the process (e.g. upon GSN announcement). Once the budget is 90-95 per cent complete, it goes to the trustees for their input on new initiatives and how they are to be funded, to see if the budget meets their approval, and if there are other initiatives that need to be included. The trustees review the version of the preliminary budget that has been approved by SAP. The

process then goes back and forth between SAP and the Board until it is completed in June, and submitted to the Ministry soon thereafter. It was reported that over the past few years, the school board has been drawing down its operating reserves in order to fund its annual budget.

To ensure efficient ongoing allocation of funds, staffing costs are compared with those of similar school boards. This was done recently as part of the corporate services review.. Additionally, the SBO has reviewed the board's budget with coterminous board for insight, especially on the special education allocations and commitments.

Risk Mitigation and Board Approval

The annual budget presented for approval demonstrates that it is linked to the strategic goals and priorities of the board, including student achievement targets. The budget provides useful and understandable information regarding budget variances that are explained in plain language. There is transparency across the budget at the superintendent level. All management below that level are expected to provide for their costs within their current allocations. There are only three 'enveloped' funds – the special education grant, community education funds, and the capital allocation.

After approximately three meetings by the Board's Finance Committee on the board budget, the draft final budget is tabled at a public board meeting for final resolution. Trustees receive a package that includes the budget, FTE numbers, and a copy of the final allocation. Budgets are typically passed with little debate. The majority of the discussion has occurred during the development cycle at the finance committee by trustees, senior administration and other trustees participating in the process. The budget is revisited again at the time of revised estimate submission.

Once the budget is approved by the board and the academic year has started, the senior administration maintains tight fiscal controls to ensure that overspending does not occur. Specifically, the in-year staffing approval process is tightly overseen by the Superintendents of Business and HR to ensure staffing does not result in unanticipated deficits. Other in-year deficits are primarily managed through cost centre reallocation.

One of the key risks faced by the school board is the degree of variance between enrolment and grant revenue. The department mitigates the risk of spending beyond authorized/budgeted levels, by closely monitoring the variance between enrolment forecasts and actual enrolment. The school board also has a reserve for working funds as part of its mitigation strategy.

The key opportunities for risk mitigation occur at the interim reporting periods where senior administration and trustees review which cost areas may be at risk of overspending. Issues and discussion occur first at the Senior Administration and Planning team meetings and are escalated to the trustees if required. The department

monitors the spending of cost centres against budget on a monthly basis, and reports to the SBO if any departments are materially over budget.

The board does not normally maintain contingencies outside of its capital budgets aside to cover unexpected or unbudgeted expenditures ; in addition, 20% of the remaining balance must be transferred to revenue in the budget of the year following the year in which the following statements have been completed. The movement of funds to or from reserves requires trustee approval.

The department should consider consolidating key risks and mitigation strategies into a single risk plan. This risk plan would be documented and presented to senior management and the Board as part of the budget development process and would also address how to use accumulated reserves.

Recommendation:

- The department should consider consolidating key risks and mitigation strategies into a single risk plan.

4.3 Financial Reporting and Analysis

The purpose of reviewing Financial Reporting and Analysis processes is to:

- Assess whether procedures are in place to ensure that management, the board of trustees and the Ministry receives timely, accurate and complete financial information of all school board activities;
- Identify opportunities to support continual improvement in the effectiveness and efficiencies of all processes.

The following table summarizes the leading practices defined for Financial Reporting and Analysis, and identifies where evidence was found to indicate that the practice was adopted in full. Where the evidence was not present or the practice was not completely adopted at the time of the review, a “No” indicates that an improvement opportunity exists.

Integrated System for Variance Analysis and Financial Reporting

Leading Practices – Financial Reporting and Analysis	Evidence of Adoption?
The school board’s integrated financial information system provides useful, timely and accurate information for management and stakeholders.	Yes

Interim and Annual Financial Reporting

Leading Practices – Financial Reporting and Analysis	Evidence of Adoption?
Interim financial reports provide sufficient detail (including a comparison of actual to budget and to appropriate benchmarks and with appropriate variance explanations) for a clear understanding of the status of the current year's budget and the outlook for the year.	Yes
Senior management is held accountable for the integrity of financial reporting through formal sign-off and approval procedures.	Yes
Management completes and files all financial reports in accordance with established timelines.	Yes

Audit

Leading Practices – Financial Reporting and Analysis	Evidence of Adoption?
Management maintains an independent internal audit function.	No
Internal audit plans are clearly documented. Internal audit report recommendations are followed up and acted upon by management.	No
The board has an audit committee with external members as advisors.	No
The external auditor's planning and annual reports are presented to the board's audit committee and any recommendations are acted upon by management.	Yes

Integrated System for Variance Analysis and Financial Reporting

The school board uses an integrated financial system which integrates general ledger, accounts payable, accounts receivable, budget, and purchasing modules. The financial system also reports on variance spending analysis and other management reporting, including most elements included in the interim financial reports.

The school board does not purchase its financial system as part of a consortium, although select staff are part of collaborative users groups. All cost centres are assigned to a single user, and the establishment of new accounts is logged and approved by the manager of finance.

Interim and Annual Financial Reporting

A number of factors (including variances in actual enrolment versus projections, contract negotiations, macro-economic trends, and Ministry directives) can produce in-year variances between budget estimates and actual costs. Interim financial reporting

allows management to track such variances and communicate them to the trustees and other key decision-makers.

To that end, finance staff prepare interim reports three times a year for senior administration and the board of trustees that compare budget to actual. Additionally, all management receive a monthly account summary of accrued spending and revenues for the cost centres they are responsible. These summaries are printed out monthly and distributed to each account owner. Schools and departments can access their budgets on-line at any time. A summary budget status report by school is provided monthly to the SO responsible, and schools that are at risk of having a year-end deficit are specifically identified. The department also has a defined and documented closing procedure that is fully automated.

The board should consider enhancements to its report, including calendarized reporting that uses historical expenditures as a benchmark for comparison, providing more accurate information on whether variances are in line with historical spending trends. The department is currently implementing a new financial reporting system that will show the percentage spent for the current and corresponding prior year period. Senior management reviews and approves interim financial reports which ensures accountability for the integrity of the reports.

The school board reports that it submits all required financial reports to the Ministry and Board of Trustees on time.

Audit

The school board currently does not have a formal internal audit function. Rather, the board's manager of finance and staff complete approximately four to five random internal audits of schools, to check their compliance to the school board's policy and procedures over the financial accountability of school-based funds. In addition, the school board's external auditor also completes similar audits of approximately three schools. They are executed based on need and manpower availability and not against a formal plan.

The role of an internal auditor provides added assurance that the internal controls established by management are operating effectively, and in compliance with policies and procedures. Developing a mandate for the internal audit function would assist the executive leadership team and the board of trustees in their overall governance and accountability roles. The internal audit function can also help develop performance measures and indicators for programs and services. Ideally, the function should report to a committee of the Board. The annual internal audit plans would be presented to and approved by the committee. All reports would be presented to the committee.

The ministry's direction on internal auditing in school boards continues to evolve, with a regional model emerging as the preferred option. The school board should further enhance its internal audit capabilities once there is a clear boundary on the scope of the function and the associated delivery/funding model.

The school board also reports that it does not have external members on the Finance Committee (which serves as the audit committee). It is currently composed of four trustees and is a permanent committee of the Board. The school board is waiting for formal Ministry documentation and direction prior to adding new members. The addition of external advisors to the audit committee should be considered, because along with significant changes in accounting in recent years, annual financial statements are becoming more complex. External members support audit committee members in understanding what constitutes sound internal accounting and operational control processes.

The external advisors would not be voting members, since current legislation only recognizes trustees as voting members on school board standing committees. The professional backgrounds of the external members could include professional accountants, lawyers or other professionals, depending on the needs of the committee and its mandate. This would ensure that an objective third-party view is applied to the review of financial statements, the auditor's report, and in-year reports produced by management.

The school board provided copies of the external auditor's annual management letters, with management's response for the past three years. The external auditor presents its annual audit plan and annual findings to the Finance Committee in a closed session. After a review by the committee and discussion with the auditor, management prepares responses which are subsequently reviewed by the Senior Administration and Planning team. Feedback is incorporated into the management response letter which is sent on to the board, via the finance committee.

The school board has used the same auditor since amalgamation, and has not gone to tender since that time. The school board is encouraged to consider retendering its audit services in the near future to ensure it is receiving the best value for money.

Recommendations:

- Management should consider establishing an internal audit function giving consideration to the emerging Ministry direction to establish regional models for internal audit across the school board sector.
- When the school board establishes an internal audit function, it should ensure any internal audit plans are clearly documented and that internal audit report recommendations are followed up and acted upon by management.

- Management and the board of trustees should consider including external advisors on the Board's audit committee in accordance with the Ministry's emerging direction on internal audit.

4.4 Treasury Management

The purpose of reviewing treasury management processes is to assess:

- Whether processes are in place to ensure the optimal use of cash, investments and borrowings within the school board;
- Whether sufficient internal controls exist to support cash management, investments and borrowings;
- Opportunities to support continual improvement in the effectiveness and efficiency of all processes.

The following table summarizes the leading practices defined for treasury management, and identifies where evidence was found to indicate that the practice was adopted in full. Where the evidence was not present or the practice was not completely adopted at the time of the review, a "No" indicates that an improvement opportunity exists.

Cash and Investment Management

Leading Practices – Treasury Management	Evidence of Adoption?
Existence of an efficient cash management process to maximize interest income, using short-term investments where appropriate and to ensure that the board's debt service costs can be met to maturity.	Yes
Cash management activities are consolidated with a single institution.	Yes
Management periodically reports to the board on the performance of the investment activity and the approved investment policy in accordance with the <i>Education Act</i> .	Yes
Management periodically compares the board's banking terms and conditions to those of similar school boards.	Yes
Management monitors financial risk related to cash/investment management and has a plan to mitigate associated risks.	Yes

Cash and Investment Management

The school board's cash management process is efficient, minimizing idle cash by monitoring daily cash flows against forecasts and making short-term investments.

Because of its large operating reserve base, DSBN is never in a cash borrowing position. It tracks daily cash account balances through its finance department, records interest earned, and actively invests idle cash in short-term instruments through its banker. Banking reconciliations are performed monthly by the finance department. Analysis, signoff and authorization activities are segregated among three individuals. In addition, school taxes are reconciled once every quarter for levies or write-offs.

The school board uses EFT for payments to schools, but still relies on manual cheques for payments to suppliers. They have developed controls around cheque usage, including locked storage and electronic signatures and encryption. There have been only a few limited issues regarding general cash management.

The school board has an approved investment policy and seeks investments with the best possible return in accordance Ontario Regulation 471/97. It was reported that reporting to the Board on investments occurs through the interim reporting process. The board will retire its only sinking fund this academic year.

With the exception of its benefits plan, all school board banking business is conducted through one institution. Schools may choose any banking institution they wish for their school accounts. The school board performs a review of its banking relationship periodically and uses the OASBO finance survey results to benchmark the competitiveness of the rates it receives. The school board will be going to tender for its banking services in the near future.

Management monitors financial risk related to cash/investment management and has a plan to mitigate associated risks. For example, key controls are in place to manage the school board's banking funds, including limits on wire transfers, segregation of authority and account fluctuation. Any activities that exceed these controls result in notification to board management. For reserve funds, formal reports must be approved by the trustees prior to access.

4.5 School-Based Funds and Non-Grant Revenue Management

The purpose of reviewing school-based funds and non-grant revenue management processes is to:

- Assess whether procedures are in place to ensure the timely, complete and accurate recording of the different types of school-based funds and non-grant revenue;
- Assess whether internal controls exist to support appropriate cash handling and cash management;

- Identify opportunities to support continual improvement in the effectiveness and efficiency of all processes.

The following table summarizes the leading practices defined for school-based funds and non-grant revenue management, and identifies where evidence was found to indicate that the practice was adopted in full. Where the evidence was not present or the practice was not completely adopted at the time of the review, a “No” indicates that an improvement opportunity exists.

Management of School-Based Funds

Leading Practices – School-Based Funds and Non-Grant Revenue Management	Evidence of Adoption?
Management ensures adequate controls are in place to safeguard school-based funds and coordinate the annual reporting of revenues and expenditures from schools and school councils.	Yes

Management of Non-Grant Revenue

Leading Practices – School-Based Funds and Non-Grant Revenue Management	Evidence of Adoption?
Management ensures adequate controls are in place to safeguard non-grant revenue and coordinate the annual reporting of revenues and expenditures from all sources.	Yes
Board budget identifies revenue and expenditure for each EPO program. Management monitors activity to ensure compliance with terms and conditions.	Yes

Management of School-Based Funds

Management ensures adequate controls are in place to safeguard school-based funds. The school board also relies heavily on its policies on handling of petty cash and fundraising activities to safeguard school based funds. All schools use a single application to manage the receipt and expenditure of funds. This greatly assists in the annual reporting of revenues and expenditures from schools and school councils. The finance department can also remotely monitor fund balances and transactions, in order to perform periodic reviews.

The department has developed clear procedures for school-generated funds, which includes accounting procedures for school fund accounting. All fundraising activities require the approval of the principal, and it is recommended that the purpose of the

fundraising be documented in school council minutes. Secretaries are responsible for collecting funds, which are logged in the electronic system and stored in a safe.

This also allows the finance department to run periodic reports to ensure there are no significant variances. Major cash receipts, while rare, are encouraged to be received by more than one administrator. The school board reported that the external auditor reviews all school-based funds and annual financial reports for schools are posted publicly in order to ensure transparency. The Financial Accountability of School Based Funds administrative procedure requires an annual financial report be filed.

The school board does not engage in fundraising for capital building projects.

Management of Non-Grant Revenue

The school board does not maintain any separate policies or procedures for the monitoring of non-grant revenue, but has put in adequate controls to safeguard nongrant revenue and coordinate the annual reporting of revenues and expenditures from all sources. The board's major sources include Education Programs – Other (EPO) grants, Community Education and revenues from leased space. The SBO documents all nongrant revenue, which includes timelines and person responsible, and everyone on SAP receives a copy. Reporting to the board of trustees occurs as part of the interim reporting process to the finance committee.

EPO grants are individually tracked and managed by the finance department. Prior to responding to any Ministry memo, administrators must provide financial proposals/submissions internally, to indicate how funds would be spent. Upon confirmation, the finance department provides monthly reports to each superintendent the status of their grants. They also track what outputs are required from each grant (e.g. audit, report, other confirmation, etc). At the end of the fiscal year all special grant projects are reviewed to ensure proper accounting.

Any community education initiative must demonstrate via a business case that it is, at a minimum, a break-even venture for the school board. Community education initiatives include night school, international languages, cultural exchanges and other non-ministry grants. Proceeds from community education over the break-even level reside in an earmarked reserve.

Leased space and community use of schools is managed through the finance and facility departments, with specific software to coordinate what space is available for rent. All forms of payment are accepted, and the school board reported that they are looking at automating the process to receive payments on-line. Lessees are required to undertake a formal agreement and receive a monthly invoice, with interest charged on late payments. The school board reported that delinquent accounts are not a major

problem. Annual allowances are made for bad debt/doubtful accounts, and attempts to collect on these accounts occur for three years.

4.6 Supply Chain/Procurement

The purpose of reviewing supply chain/procurement processes is to assess:

- Whether supply chain/procurement policies and practices are in place to ensure that the school board acquires goods and services through an open, fair and transparent process;
- Whether appropriate internal controls support the procurement and related payment process;
- Whether school board processes ensure value for money from all acquired goods and services;
- Opportunities to support continual improvement in the effectiveness and efficiency of all processes.

The following table summarizes the leading practices defined for supply chain/procurement, and identifies where evidence was found to indicate that the practice was adopted in full. Where the evidence was not present or the practice was not completely adopted at the time of the review, a “No” indicates that an improvement opportunity exists.

Policies and Procedures

Leading Practices – Supply Chain	Evidence of Adoption?
Approved supply chain/procurement policies and procedures are clearly communicated to staff with purchasing authority and are periodically reviewed and updated.	Yes
Approved procurement policies clearly outline circumstances under which the board will use competitive versus noncompetitive procurement methods.	Yes
Contract award criteria include elements other than the lowest cost, such as total cost of ownership, value, quality, vendor performance, etc.	Yes
Purchasing managers monitor purchasing activities for compliance with the Board’s procurement policies and procedures.	Yes

Participation in Group Purchasing Initiatives

Leading Practices – Supply Chain	Evidence of Adoption?
Management evaluate and develop strategies to increase purchasing power and minimize the cost of goods and services procured.	Yes
The school board actively participates in purchasing consortia/ cooperatives and/or group buying initiatives.	Yes

Purchasing Levels of Authority

Leading Practices – Supply Chain	Evidence of Adoption?
Purchasing authorization levels are commensurate to job roles and responsibilities and are monitored for compliance by a supervisor or department head.	Yes

Policies and Procedures for PCard and Corporate Card Use

Leading Practices – Supply Chain	Evidence of Adoption?
Policies and procedures for the use of PCards and corporate credit cards are documented and communicated to users through regular training and monitoring.	No

Accounting for Completeness of Purchase/Payment Cycle

Leading Practices – Supply Chain	Evidence of Adoption?
The school board's finance department performs three-way matching (purchase order, receipt/invoice and inspection) before invoices are paid.	No
Commitment accounting is in place to monitor budget utilization.	Yes
Management has implemented electronic supplier interface for ordering, processing and payment.	No

Use of Electronic Funds Transfer

Leading Practices – Supply Chain	Evidence of Adoption?
Management maximizes its use of electronic funds transfer (EFT) for vendor payments.	No

Policies and Procedures

The purchasing department developed the school board's Purchasing Procedures Handbook effective November 2007. This document is aligned with the mandatory elements of the Supply Chain Secretariat's *Supply Chain Guideline 1.0*, and covers purchase orders, competitive purchasing, small purchase funds, petty cash, and travel and conference costs. The school board plans to align the purchasing policies with version 2.0 of the Supply Chain Guideline in time for the April 1, 2010 target date.

In addition, the department has developed a code of ethics for procurement which has been posted on its intranet. The policy is applicable school board-wide, including IT and capital purchases. Expenses are managed by the finance department. The purchasing department was part of the corporate services review that was recently undertaken. As a result, management reported that they are currently implementing a number of supply chain best practices. They had not reached full implementation on all of them at the time of the review.

The school board's current purchasing policy and procedures consider factors other than lowest price in vendor selection. This includes consideration of the quality of product, qualifications and experience of staff, company background, service, timely delivery, references, locally-based, and past experience with the school board. The school board uses standard contracting templates when dealing with suppliers.

The school board has developed an environmentally responsible procurement policy. The requirements of DSBN's Environmental Responsible Procurement Procedure are executed during the pre-selection, selection, and ongoing vendor management phases of the supplier relationship. The school board has defined environmentally preferable as follows:

'A product or service has a lesser effect on human health and the environment when compared with competing products or services serving the same purpose, and that all suppliers commit to the development and/or maintenance of an environmental management system.' For suppliers providing a service to DSBN, we will give preference to those that can demonstrate efficient use of natural resources (such as water, energy, and raw materials), and minimize emissions to air or water (including solvents, carbon dioxide, air and water toxics). Preference will be given to product

suppliers that can demonstrate energy efficiency, efficient use of natural resources, improved recyclability, fewer hazardous substances that would require special disposal, product take-back options, responsible fibre sourcing, recognition of indigenous and human rights. Preference will also be given to suppliers using independent, performance based, and third party certification systems as measuring tools for environmental sustainability.'

As a result, preference is given to those products or services or suppliers who can demonstrate that they are environmentally preferable, while also meeting price and performance requirements

The school board maintains a vendor database of prequalified suppliers for all goods and services. Soliciting bids from qualified vendors (using the database) is the typical procurement process for the school board. In certain circumstances (e.g. large dollar value) the department will create evaluation criteria and go to public tender. Any item(s) that is single-sourced needs to be endorsed by the manager of the requesting department and the SBO.

School secretaries enter purchase requisitions into the purchasing module of the financial system and the principal approves them. Centrally, department staff can also create requisitions and their managers approve them. In order to monitor adherence with the school board's purchasing policy guidelines, purchasing management will review purchase orders to ensure compliance. Staff also reported that there are alerts set for purchasing thresholds, and the requisition list is reviewed annually. In addition, there are security parameters set for sign-in that demarcate the level one can order at, and each department has an administrator for purchasing. Exceptions to policy result in training for the principal and a note to the SBO.

The school board does not currently use MERX or Biddingo to advertise tender notices, but is considering this option. The school board does currently post all DSNB tenders on its website.

The school board has separate policies and administrative procedures for hospitality and travel expenses; one for trustees and one for employees. Both policies were recently reviewed and revisions approved by the Finance Committee. All travel and expense reimbursement must be claimed on the travel and expense reimbursement form, and paid through payroll direct deposit. All travel and expense forms are reviewed in detail by Financial Services staff for compliance to policies and administrative procedures.

Participation in Group Purchasing Initiatives

Management has developed strategies to increase purchasing power and minimize the costs of goods and services procured, and actively participates in purchasing consortia.

For example, DSBN is part of the Niagara Public Purchasing Committee (NPPC). In collaboration with participating agencies, opportunities to purchase commodities are leveraged in areas such as: antifreeze, asphalt products, batteries, elevator inspections and 23 other commodities. Participating agencies include the Regional Municipality of Niagara, City of St. Catharine's, Niagara College, City of Niagara Falls, City of Welland, Brock University, and the Town of Fort Erie. The school board is also part of the Ontario Education Collaborative Marketplace's purchasing consortia. Additionally, it participates in the transportation and broader public sector energy consortia. It does not manage any consortia on behalf of the other boards.

Purchasing Levels of Authority

The school board reported that they have a central purchasing warehouse that provides materials for all their schools. This has helped the school board cut down on costs by buying in bulk, and the annual inventory count is audited every year by the finance department.

There are a number of purchasing authorization levels (depending on the job position and function) which are monitored and controlled by financial services, and outlined in the Purchasing Policy. For tenders between one and five thousand dollars, three oral quotes are required. For tenders between five and fifty thousand dollars, three written quotes are required. Any procured goods above fifty thousand dollars require a formal tender process and is evaluated by a selection and evaluation committee. Purchasing is jointly managed by the buyers, purchasing administrator and manager. The unit also oversees the entire RFP, tendering and evaluation process.

Changes to the authorization limits need approval from the SBO. If the vendors have already been prequalified, tenders are awarded by Purchasing Services based on lowest price. In instances where vendors are not prequalified, there would be a committee formed to prequalify vendors and the individuals on the committee would be relevant managers or supervisors. Membership on the evaluation committee is dependent on the initiative being undertaken. Participation on all selection and evaluation committees requires assurance from the member that there is no Conflict of Interest.

Final authorization for purchases is granted by the cost centre owner that will be debited for the purchase.

Policies and Procedures for PCard and Corporate Card Use

The school board does not currently have a PCard program, and is undertaking to evaluate its benefits in the near future. Presently, a petty cash system is used for small dollar purchases, and purchases above \$200 require a purchase order.

A preferred practice that is used extensively across the school board sector is to target low dollar value transactions through a PCard program. The use of petty cash creates additional labor-intensive work for all staff, and also exposes the school board to increased risk.

The school board should review the volume of low dollar purchase orders with an aim to identify whether an increase in the purchase order threshold limits and a promotion of PCards would increase efficiency. As part of its corporate services review, the school board should perform an analysis of low dollar spending, to determine whether the cost of adopting PCards would be justified in the reduction of administration, cost and risk associated with petty cash for high volume, low value purchases.

There are two credit cards at the school board: one in the Director's office and one in the purchasing department. The cards are used for purchases that require credit card payment or credit cards to secure a purchase, including travel.

Accounting for Completeness of Purchase/Payment Cycle

The school board uses two-way matching for payment of invoices (matching of purchase order to invoice) for invoices less than \$3000. For invoices over \$3000, the board uses three-way matching for payment of invoices (matching of purchase order to invoice to receiving documentation). The school board operates on a drop-ship basis, where goods are delivered directly to the location that ordered them, or at the central warehouse. The receiver (typically a secretary) is expected to notify accounts payable when shipments are received and invoices are sent to the board's main office.

Requisitions are passed to the school board's buyer through BAS 2000, the board's integrated financial system, where the buyer will solicit quotes (if required). Commitment accounting is in place to monitor budget utilization, and pre-commit funds through BAS 2000. Prior to processing the PO, the requisition will be reviewed by the purchasing administrator, and funds are encumbered at the requisition stage. If there is an overbudget situation, the approver is alerted; the submission can still be made but it is flagged before it goes to the buyer. In the case where goods are available in central stores, the process is the same, except that goods are ordered directly from the central stores catalogue.

Management has also implemented an electronic supplier interface for ordering, processing and payment for purchases made through the central warehouse. The school board is encouraged to expand this process to include online external supplier catalogues.

The school board should examine the potential impacts and benefits of three-way matching. As part of this analysis, the overall dollar volume of spending driven through

PO's lower than \$3000 should be assessed to determine whether it presents a greater material risk to the board than those single PO's that exceed \$3000.

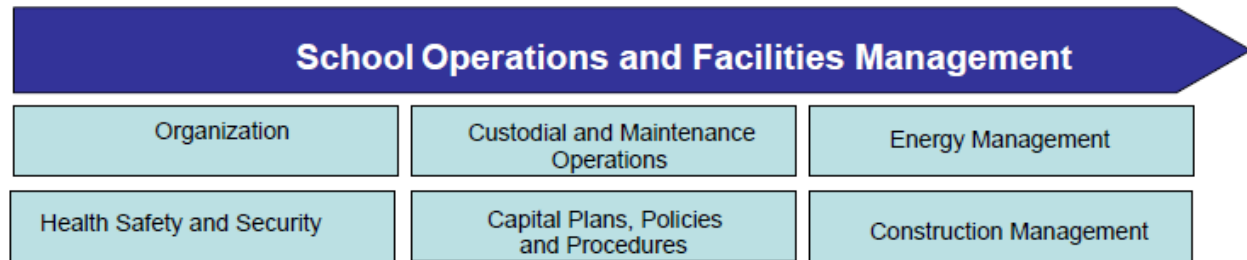
Use of Electronic Funds Transfer

The school board does not use EFT to pay its vendors. With the exception of a few wire transfers, the majority of payments are made by cheque. Management recognizes that additional EFT opportunities should be explored to maximize efficiency within the purchasing department, and the school board reported that it plans to use EFT to pay its vendors in the near future.

Recommendations:

- Management should investigate the use of PCards to use for small purchases, to reduce the volume of supplier invoices processed by accounting. To that end, it should perform a transaction/spend analysis of purchase orders, to identify optimum threshold limits that maintain budgetary control while managing volume of invoices.
- Management should perform a detailed review of the school board's purchase-topayment cycle, specifically three-way matching, which is currently limited to only those purchases over \$3000.
- Management is encouraged to implement an electronic supplier interface for ordering, processing, and payment. This is an opportunity for increased process efficiencies.
- Management is encouraged to continue to explore additional Electronic Fund Transfers (EFT) opportunities with suppliers, for greater efficiency.

5. School Operations and Facilities Management – Findings and Recommendations



Efficient and effective management of the school board's facilities (particularly schools) is an important factor in student achievement. Along with providing a positive learning environment for students, this function sets and meets standards of cleanliness and maintenance, examines opportunities to increase energy efficiency, and addresses the health, safety and security requirements of the school board. Management uses cost efficient and effective processes in the design and construction of new facilities.

The following is a summary of our assessment of the school board's adoption of the leading practices under the processes identified above. All findings are a result of the review of data provided by the school board and on-site fieldwork, which included interviews with all key school operations and facilities management staff, as well as follow-up and confirmation of information.

5.1 Operations and Facilities Organization

The purpose of reviewing the organization of operations and facilities is to assess:

- Whether the board of trustees and management have established policies and procedures that support the key departmental functions and activities, strong internal controls and financial management;
- Whether the department supports the overall goals, priorities and accountability established by the school board in support of student achievement targets and strategies;
- The efficiency and effectiveness of the departmental structure and whether roles and responsibilities support the key functions/activities and the required business practices;
- Opportunities to support continual improvement in the effectiveness and efficiency of all processes.

The following table summarizes the leading practices defined for the operations and facilities organization, and identifies where evidence was found to indicate that the practice was adopted in full. Where the evidence was not present or the practice was not completely adopted at the time of the review, a “No” indicates that an improvement opportunity exists.

Development and Reporting of Annual goals and Priorities

Leading Practices – Operations and Facilities Organization	Evidence of Adoption?
The School Operations and Facilities Management department’s goals and priorities are documented in an annual department plan. They are aligned to the annual board operating plan, accessible by key stakeholders. The plan incorporates measurable targets, specific timelines and identified responsibilities.	No

Organizational Structure and Accountability

Leading Practices – Operations and Facilities Organization	Evidence of Adoption?
The School Operations and Facilities department has clearly defined organizational units and delineates the respective roles and responsibilities. A current organization chart is available to the public.	Yes
Senior operations and facilities staff have appropriate designations (e.g. P.Eng.) and qualifications.	Yes

Monitoring and Communication of Policies

Leading Practices – Operations and Facilities Organization	Evidence of Adoption?
Management has processes in place to monitor school operations and facilities management policy compliance by all staff and management.	Yes
Management builds staff capacity in understanding of school operations and facilities policies and administrative procedures.	Yes
Processes exist to monitor new legislation and regulations and implement necessary changes.	Yes

Development and Reporting of Annual Goals and Priorities

The Plant Department operates under the mission statement “*To provide quality facilities that enhance student achievement through efficient and effective use of resources*”. The department does not develop an annual departmental plan. Instead, departmental priorities are driven by yearly priority areas as defined by the senior administration, the manager of plant operations, and the plant services controller. This annual update includes key priorities such as energy initiatives and maintenance projects. The status of the initiatives is tracked throughout the year.

The school board does not set up formal service level agreements with other departments or schools, and does not regularly survey its users. However, the department was reviewed as part of the comprehensive corporate services review in 2008, and received input on its structure and services.

Management should develop an annual departmental plan, complete with measurable targets, designated accountabilities, and target timelines that are aligned with the school board’s annual operating plan, once developed. These plans would need to be aligned with the school board’s overall strategic direction. This would help link department priorities with performance measures and accountabilities, facilitate clear definition of roles, enable collaboration among the team members, and provide a “roadmap” for the department.

Organizational Structure and Accountability

The plant department is divided into two units – plant services and plant operations. The department reports to the Superintendent of Business through the Plant Services Controller and a Manager of Plant Operations. The Plant Services Controller oversees a management team, which is composed of the Facility Renewal Administrator, the Facility Renewal Coordinator, the Property Supervisor, Maintenance Supervisors, and a Health and Safety officer. The Manager of Plant Operations is responsible for caretaking operations and area supervisors.

The department’s job descriptions are accurate and up-to-date, and include major duties and responsibilities, and the skills and knowledge required. The department has clearly defined organizational units delineating roles and responsibilities as a result of the corporate services review. An up-to-date organization chart is posted on the intranet, and contact information for key managers is available on the website.

Department staff are qualified through a combination of professional designations including P.Eng, engineering technician diplomas, CHRP, tradesperson designations and relevant work experience.

Monitoring and Communication of Policies

The department has responsibility for a number of policies and related administrative procedures, including Energy Use, Selection of Architect, Facility Access, Key Control and Intrusion Alarm and Video Security Surveillance. All of the department's policies and administrative procedures can be found on the school board's website.

New policies and procedures are communicated to staff by various means through management. Every September, the plant department has a meeting where upcoming projects, procedures and responsibilities are detailed. Additionally, professional development days provide opportunities in-year to review policy and procedure changes to large groups of staff.

In the case of regulatory changes that impact procedures, management shares the responsibility for communication. Typically, a memo will be received by either the SBO or Plant Services Controller which is passed on to staff. Other avenues for keeping informed of regulatory changes include input from the board's Business Council (which includes principals), OASBO updates or through the board's legal department.

Policy compliance is driven by corrective actions when procedures or policies are not completed. In the case of purchasing policy compliance, managers need to complete a purchase form prior to order execution. In the case of cleanliness standards, compliance is driven through visual inspections and notes detailing deficiencies.

Recommendation:

- The department should consider developing an annual departmental plan aligned with the school board's overall strategic directions, and an operating plan once the latter is developed. This will enable the department to track and report the progress of its defined priorities and goals throughout the year.

5.2 Custodial and Maintenance Operations

The purpose of reviewing all processes relating to custodial and maintenance operations is to assess:

- Whether custodial and maintenance services are responding effectively and efficiently to maintaining an optimized learning environment;
- Whether the department has the appropriate organizational structure to effectively manage service delivery;
- Whether appropriate internal controls effectively manage custodial and maintenance operations and expenditures;

- Opportunities to support continual improvement in the effectiveness and efficiency of all processes.

The following table summarizes the leading practices defined for custodial and maintenance operations, and identifies where evidence was found to indicate that the practice was adopted in full. Where the evidence was not present or the practice was not completely adopted at the time of the review, a “No” indicates that an improvement opportunity exists.

The Board’s Staffing Model Supports Cleaning Standards and Maintenance Requirements

Leading Practices – Custodial and Maintenance Operations	Evidence of Adoption?
The school board has adopted cleaning standards for schools and has developed a standard set of processes and tools to monitor, manage and report on results.	No
The school board has implemented a formal green clean program as part of its overarching Education Environmental Policy.	No
Management’s custodial/maintenance allocation model optimizes the use of staff and considers various factors (e.g. square footage, portables, gyms, etc).	No

Development of Annual/Multi-Year Maintenance Plan

Leading Practices – Custodial and Maintenance Operations	Evidence of Adoption?
Using a consultative process, senior administration develops and communicates a multi-year (three to five years) plan for major maintenance and renewal projects. The plan addresses the board’s preventative and deferred maintenance priorities and optimizes the use of available funding (Annual Renewal Grant and Good Places to Learn funding) The plan is approved by the Board and accessible by the public.	Yes

Training to Support Skills Development and Safety

Leading Practices – Custodial and Maintenance Operations	Evidence of Adoption?
A monitored annual training plan for staff addresses ongoing skill development and emerging regulatory issues.	Yes

Standardization of Cleaning and Maintenance Supplies

Leading Practices – Custodial and Maintenance Operations	Evidence of Adoption?
Management uses an inventory system to track and control major cleaning and maintenance equipment.	Yes
Management has defined common standards to ensure efficient procurement of supplies in order to minimize costs, promote energy and operating efficiency, and environmental sustainability.	Yes

Project Management, Monitoring and Support Systems

Leading Practices – Custodial and Maintenance Operations	Evidence of Adoption?
An automated (computerized) work-order system and process records, monitors and evaluates projects ensuring the effective use of resources.	Yes
Senior administration regularly evaluates the overall effectiveness and efficiency of its maintenance and custodial service delivery model.	Yes

The Board's Staffing Model/Allocation Supports the Cleaning Standards and Maintenance Requirements

The department does not have an approved cleaning standard. A guideline document titled 'Levels of Service- What you can expect from your Plant Operations staff' does exist, but it was not implemented or enforced at the time of the review. Management reported that this will be a priority for the coming year. The school board is encouraged to do so in order to monitor, manage and report on results. Once this is in place, management should also report to senior administration on the results of the compliance reviews.

Complaints are currently routed through the principal of the school. Visual inspections by area supervisors are carried out on an *ad hoc* basis or where there is a concern/complaint. When a concern is raised an inspection takes place and a document is produced as a "Note to file" with no formalized follow-up procedures. There is no annual report developed, as the approved standard does not exist at this time.

The school board has not implemented a formal green clean program. However, at the time of the review, it had begun piloting green product usage at some of its schools to evaluate their effectiveness. The pilot includes the testing of environmentally friendly cleaners and finishes in school settings. The department is currently awaiting the new Ministry guidelines regarding green clean programs, and is encouraged to revisit their assessments at the completion of their pilot.

Presently, there is no formal custodial allocation model at the board. Informally it is known that each custodial FTE is responsible for maintaining between 18-22,000 square feet of building at the elementary level and between 20-25,000 square feet at the secondary level. Staffing is developed by balancing the budget allocation and the guidelines contained within the collective agreement. The current staff complement includes full and part-time (both 10 month and 12 month) employees as well as a casual caretaking pool. Staffing allocations and procedures are not compared with coterminous or peer boards. The school board should develop an allocation model for custodial staff, and compare it to other school boards to ensure the optimal use of staff.

Development of Annual and Multi-Year Maintenance Plan

Using a consultative process, management develops an annual plan of renewal and maintenance projects to address improvements to school appearance and preventative, critical, and deferred maintenance. The planning cycle duration is five-years, with additional focus and reporting dedicated to the in-year and upcoming-year activities. The plan is mostly composed of projects. In the first week of each school year, principals submit up to three projects for their own school. Area supervisors collect the information and add additional priorities. Departmental management reviews the priorities against budget and need, aligning those selected projects with the school board's strategic priorities. The underlying principle is that projects selected must improve the school learning environment to support student success.

This project information is the basis of the plan, which includes assignment, budget, and forecast costs, and is developed through an in-house work order system that the school board has developed. Each project, prior to initiation, has an identified funding source. The SBO goes through the plan with each academic SO, and the renewal plan is brought to the Senior Administration and Planning team for approval. In addition, updates and revisions to the plan are brought to Senior Administration for approval and/or information as required. In addition, updates and revisions to the plan go to the Board's program and planning committee as required for approval and/or information. The schools are kept informed of preventative maintenance through monthly reports.

The school board reported that the ReCAPP system has been useful in helping to prioritize its renewal efforts. The school board has a dedicated staff member to ensure it is updated.

The school board is encouraged to ensure that the multi-year plan aligns to the departmental plan once it is developed.

Training to Support Skills Development and Safety

The school board has a comprehensive annual training program in place for its custodial and maintenance workers and is mandatory for employees. Training programs provided for custodial staff in the preceding year are as follows:

- Clean Sweep (Ergonomic and Safe Work Practices)
- Infection Control – H1N1
- Small Drinking Water Systems Operator
- Level 1 Training (Basic Caretaking)
- Level 2 Training (Ladders, Snowblowers, Autoscrubbers, Preventive Maintenance)
- Harassment Training
- Lockout/Tagout
- Single Person Lift Training
- Spills Training
- WHMIS
- Asbestos
- Fall Protection

Selected staff are cross-trained to integrate custodial and maintenance activities. Specifically, all head caretakers complete preventative maintenance courses to better understand major building systems. The department tracks its training on a spreadsheet that includes the CUPE group, name of training, who was involved, number of people who attended the session, cost per session, and overall training costs, which includes room, GST and refreshment costs, and overall staffing costs.

The school board reported that vendors who bring in products are required to provide training on product use and any safety requirements.

Standardization of Cleaning and Maintenance Supplies

The board operates a central storage facility, through the plant department. The facility maintains an inventory of cleaners. Caretakers order additional supplies through the school board's procurement channels when needed. When supplies need to be

replenished, the custodial supervisor works with the purchasing administrator to replenish supplies via tender. All purchases must be approved by the supervisor on-site. Management has defined a common standard to ensure efficient procurement of supplies, and it was reported that lowest price is typically the main criterion when purchasing supplies. The school board should ensure that the criteria in its purchasing policy, including environmental impact, are factored into all plant operations purchasing decisions.

The department maintains an inventory of minor tangible capital assets, including snow blowers and lawn mowers. The inventory list supports the offseason maintenance scheduling.

Project Management, Monitoring and Supporting Systems

The school board uses a computerized program that was developed in-house to track and prioritize work orders by location and type of work performed. All work orders are managed through a centralized application, originally purchased for the IT Help Desk, which operates on a ticket basis. The application tracks time and cost, and is manually integrated with the school board's financial system. Facility renewal projects are also managed through this system. All boilers are digitally controlled and there are automatic temperature settings in all the schools which control temperature and provide night setbacks. In addition, all schools have low temperature alarms which are centrally monitored.

The school board maintains a staff of approximately 44 maintenance personal, including the trades. Maintenance staffing is based on day-to-day needs, to ensure schools are well maintained to provide good learning environments. Selected seasonal activities (snowplowing, grass cutting) and specialized services (fire alarm repair, P. A. system repair) are outsourced.

Plant Services undertook an analysis of the cost-benefit of maintaining an internal workforce versus contracting out all maintenance services. The analysis factored in all substantiated costs (wages, benefits, vehicles, management time) and the workload was priced at the preferred rates for external services. The result was that maintaining an internal complement of staff allowed maintenance work to be completed for an hourly rate which is approximately 25 per cent less than the cost of on-demand external service.

Communication with custodial services is performed directly through the school principal or via the area supervisor. School staffing is usually one full-time caretaker throughout the day with two part-time caretakers in the evening. High schools have a larger complement.

Absenteeism is directly monitored by the area supervisors, who work with the disability management officer in the HR department to deal with more serious issues. One of the goals of the Clean Sweep training module is to reduce workplace injuries, which had increased notably.

Recommendations:

- The school board should continue implementing its cleaning standards for schools and develop a standard process to monitor, manage and report on results. Once this is in place, management should also report to senior administration on the results of the compliance reviews.
- The school board should continue piloting its green clean products and move towards implementing a formal green clean program as part of its overarching Education Environmental Policy.
- The school board should develop an allocation model for custodial staff, and compare it to other school boards to ensure the optimization and use of staff.

5.3 Energy Management

The purpose of reviewing all related energy management processes is to assess:

- Whether adequate planning and communication exist to support the reduction of energy consumption;
- Whether school board structure and processes are in place to ensure that energy is procured for the lowest cost;
- Identify opportunities to support continual improvement in the effectiveness and efficiency of all processes.

The following table summarizes the leading practices defined for energy management, and identifies where evidence was found to indicate that the practice was adopted in full. Where the evidence was not present or the practice was not completely adopted at the time of the review, a “No” indicates that an improvement opportunity exists.

Energy Management Plan

Leading Practices – Energy Management	Evidence of Adoption?
In reference to the <i>Ontario Green Energy Act, 2009</i> , senior administration has established a multi-year energy management plan that incorporates measures to be implemented and the tools to monitor and manage the plan.	No
Procurement practices support the objectives and targets of the energy management plan.	No
Successful conservation initiatives are communicated across all schools and with other school boards.	Yes

Tracking and Reporting Energy Conservation

Leading Practices – Energy Management	Evidence of Adoption?
Management provides formal annual reporting on the conservation savings achieved against the plan.	Yes
A comprehensive system exists to budget expenditures, track and regulate consumption, and identify opportunities for further savings.	Yes
Billing for all board facilities is consolidated from each utility.	Yes
The Board has established an overarching environmental policy that addresses both environmental education and responsible management practices.	No

Energy Management Plan

The school board does not have a formal energy management plan. Instead, the school board approved an Energy Use Conservation procedure in March 2008, which includes strategies and directions for energy conservation both in schools and in school board operated vehicles. Consumption is tracked and managed through a central application. An annual presentation is also made to the school board to describe how much money was saved through energy conservation initiatives.

While there are no formal consumption reduction goals or a designated energy manager, there is a school board-wide energy management committee and an energy conservation program. The committee promotes behaviour and awareness at the school level. The program is an incentive program that returns a portion of savings to schools that have been leaders in decreasing the consumption over a four year period. The school board has also developed an energy conservation newsletter (*Watt's New?*) which is distributed widely. Local press also reports on selected initiatives. Through the School Support Services department, the board has developed an Eco Schools

workshop and factored energy use reduction into the Grade 4 and high school curriculum.

The school board should continue expanding its energy procedures. Many components of an energy management policy are in place, and the department should bring the multiple pieces together and establish a multi-year energy management plan that incorporates measures to be implemented, and the tools to monitor and manage the plan. While the school board's procurement policy includes references to green products, it does not include a formal clause requiring all new equipment to be energy efficient. As part of the multi-year energy management plan, the school board will also be looking at amending its procurement practices to support the principles of energy efficiency. The school board should add language to its procurement policy to mandate that, where feasible, all new equipment has an appropriate energy efficiency rating.

Tracking and Reporting Energy Conservation

The Plant Operations department reports annually to the SAP and trustees on the conservation savings achieved against the plan. The report is a presentation that indicates consumption of energy, by source, location and aggregate level and also indicates trends.

The school board is aware of the Utilities Consumption Database, and is planning to participate in a future phase of the initiative. Current utility consumption data by school is entered manually into an energy management application, which tracks usage and trends, highlights variances in consumption, and provides reports to monitor use.

The school board also has building automation technology that automates energy regulation and conservation. The plant department plans to continue to update heating systems, temperature controls, lighting systems, windows and exterior windows to achieve even more energy savings in the future through Facility Renewal and Energy Efficient Schools funding.

As part of the renewal plan, major capital replacement initiatives are in place, with the intent to have positive energy reduction impacts. Projects underway include building controls and automation, boiler replacement and controls, chillers and light replacement.

Vendor billing for utilities has been consolidated for each utility type. Each municipality or provider issues one itemized invoice to the board per invoice cycle.

The school board does not have an environmental policy that encourages the protection of the school environment. However, it was reported that the school environment protection is paramount during any capital construction. Additionally, selected schoolbased academic programs have encouraged environmental protection, such as outdoor awareness modules and butterfly gardens. With all of the good work the school

board is performing in this area, they are encouraged to develop an overarching environmental policy that addresses both environmental education and responsible management.

Recommendations:

- The department, working with the senior administration, should formally establish a multi-year energy management plan that incorporates targets and performance measures to track conservation initiatives.
- The school board is encouraged to develop an overarching environmental policy that addresses both environmental education and responsible management.
- The school board should add language to its procurement policy to mandate that, where feasible, all new equipment has an appropriate energy efficiency rating.

5.4 Health, Safety and Security

The purpose of reviewing all the Health, Safety and Security processes is to assess:

- Whether adequate planning and communication exist to support the provision of a safe teaching and learning environment;
- Whether school board structure and processes are in place to implement safety precautions;
- Opportunities to support continual improvement in the effectiveness and efficiency of all processes.

The following table summarizes the leading practices defined for health, safety and security, and identifies where evidence was found to indicate that the practice was adopted in full. Where the evidence was not present or the practice was not completely adopted at the time of the review, a “No” indicates that an improvement opportunity exists.

Health, Safety and Security Management

Leading Practices – Health, Safety and Security	Evidence of Adoption?
Develop, implement, and monitor of an occupational health and safety strategy/plan that reflects the board's occupational health and safety policies and administrative procedures and ensures the school board is in compliance with associated occupational health and safety statutory requirements.	Yes
Develop, implement and monitor of a security strategy/plan that reflects the board's security and student safety policies and administrative procedures and ensures the board is in compliance with statutory/policy security requirements.	Yes
Develops, implements and monitors a health strategy/plan that reflects the board's health policies and procedures and ensures the board is in compliance with statutory health requirements.	Yes

Health, Safety and Security Management

The school board has a full time health and safety and environmental coordinator and a health and safety officer that reports to the Plant Services Controller. The school board also has an approved health and safety training plan, including a year-end report, which is reviewed annually by the coordinator to ensure it is in accordance with applicable requirements legislated under the Occupational Health and Safety Act. The policy can be found on the school board's website. A copy of the policy is also found at all school and work sites.

The Occupational Health and Safety (OHS) plan is based on a two-pronged approach, where every reasonable effort is made to ensure that all supervisors and employees know their responsibilities. Compliance and training is reported to the board annually. The unit's responsibilities include safety training and initiatives for the students as well as staff because both target groups operate in the same facility. Key OHS training has been developed into online modules, including anaphylaxis awareness, WHMIS, asbestos, and violence prevention.

The school board maintains a central and joint OHS committee and representatives at each school. Each site representative is responsible for monitoring the elements in the plan at each of their sites, through school inspections three times per year. An incident-reporting protocol has also been established, in which initial concerns from parents and community go to the principal, who reports them to the site representative. If there is a major issue, it goes to the joint OHS committee.

The school board reported that records of every incident are included in the Multi Workplace Joint Health & Safety Committee (MWJHSC) monthly minutes. In addition, financial reports are also included in the MWJHSC minutes.

The school board has a Safe Schools Plan, has implemented the safe schools initiative, and has established Emergency Response teams with management from both Plant Operations and Communications. The school board regularly practices fire drill and lockdown procedures through simulations, and has established a protocol with the local police. Most security incidents are property-related, and are handled by the plant department. Serious occurrences are reported the Board. The school board reported that while vandalism is not a major issue, graffiti is. As a result, the school board has agreed to a service level agreement that ensures graffiti is removed within two days.

Through Safe Schools Plan, supervisors are aware of their responsibilities during a threat situation, and each school has a copy of their personal safe schools plan. Management reported that an emergency response team has also been created at the SAP level, composed of the Director, the SBO, the plant services controller, the manager of plant operations, communications and the coordinator of OHS.

The school board, through the OHS department, also created a plan specifically to address the threat of H1N1. As part of this plan (and general pandemic preparedness) management responsibilities for business continuity are outlined. The business continuity plan includes a strategy for resumption of services that includes key individuals, passwords, and contacts. The plan was last refreshed in 2005.

The school board has a health strategy which was developed in conjunction with the municipal health department. The strategy is reviewed frequently, and results are reported annually to the Board. Changes in statutory health requirements which impact the school level are monitored by the coordinator of OHS.

In November 2008, the school board updated its health and pandemic strategy. The plan includes new mandatory online training for staff and students, and videos have been developed for distribution at schools. The department also developed a 'Clean Hands' champion program when H1N1 was announced. Cleaning supplies were also changed and alcohol-based hand sanitizers were introduced to every classroom. During this period, the school board reported that they tracked influenza-related absences through Trillium, and worked daily with the local public health network to track patterns.

The school board has also developed procedures to reflect the requirement to have locally based health policies. School principals are responsible for implementing and monitoring the anaphylaxis policy.

Healthy schools initiatives have been implemented across the school board. The initiatives resulted in food selection replacement at most cafeterias, as well as changes to the academic day to include longer breaks and more access to outdoor play structures. Lastly, each facility is tested annually for lead in drinking water and air quality (CO, CO₂) to ensure the sites are conducive to learning. These are done

internally as the plant department has the qualifications to perform them. However, there is an annual contract to perform this assessment on portables.

5.5 Capital Plans, Policies and Procedures

The purpose of reviewing capital plans, policies and procedures is to:

- Assess whether school capital assets are being utilized effectively and efficiently;
- Assess how well management is planning for future capital requirements, based on enrolment forecasts and the capacity/maintenance issues of the existing asset base, relative to the funding available from the Ministry (i.e. NPP funding);
- Assess whether management is appropriately prioritizing the maintenance and renewal expenditures in light of the available Ministry funding and multi-year capital programs;
- Identify appropriate controls and transparency within the current planning process;
- Identify opportunities to support continual improvement in the effectiveness and efficiency of all processes.

The following table summarizes the leading practices defined for capital plans, policies and procedures, and identifies where evidence was found to indicate that the practice was adopted in full. Where the evidence was not present or the practice was not completely adopted at the time of the review, a “No” indicates that an improvement opportunity exists.

Development of Annual and Multi-Year Capital Plans

Leading Practices – Capital Plans, Policies and Procedures	Evidence of Adoption?
The school board has an approved annual and multi-year capital plan that includes the related funding plan.	Yes
The school board has an approved pupil accommodation review policy.	Yes

On-going Monitoring and Maintenance of Data to Support Capital Planning

Leading Practices – Capital Plans, Policies and Procedures	Evidence of Adoption?
The school board maintains accurate and up-to-date inventories of school capacity and inventories using SFIS.	Yes
An accurate and current assessment of facility conditions is maintained, based on industry standards (using RECAP methodology).	Yes
Capital forecasts and related funding plans are assessed annually and adjusted to meet current needs and changes to original assumptions such as enrolment projections and capital grants.	Yes

Development of Annual and Multi-Year Capital Plans

In compliance with Ministry requirements, the school board has completed its capital liquidity template, and is appropriately funded. The template was completed as a joint activity between the Plant Services Controller and the Manager of Finance.

The school board borrows through the Ontario Financing Authority and chartered banks. All debt commitments are managed well, and payments are being made on time. The school board develops a five-year capital plan which is revisited every year. The Program and Planning Committee approves the plan and projects every year. Enrollment and facility condition are the major drivers of the plan. Enrollment forecasts are developed by the planning department and incorporate birth rates, migration and planned municipal development. The planning department has developed a long-term accommodation plan that encapsulates all this data into one report.

The school board is currently in a declining enrolment position, and projects it will be in this position for the balance of the decade. All elementary schools not under consolidation plans are currently operating at 80 per cent capacity or greater. Due to the location of some high schools and local preference, some high schools are currently operating at fewer than 50 percent capacity, with no projected increases in the near term. The school board reported that they currently have two K-8 schools that are shared with the coterminous board. In addition, they also share storage space and a media facility with the coterminous board.

Over the past 25 years, the school board has opened six new schools, and closed 19 schools. When planning for major capital upgrades, facility eligibility is determined based on its medium-to long-term viability. In accordance with Ministry guidelines, schools that are not expected to be open for 10 years or more become ineligible for major capital upgrades. All major capital additions have identified funding sources prior to being initiated. Sources include Good Places To Learn, Primary Class Size funding,

Prohibitive To Repair allocations and facilities operating grants. The school board does not borrow to accommodate any capital construction.

The school board has approved the Pupil Accommodation Review Guideline. These guidelines greatly influence the accommodation review process.

Ongoing Monitoring and Maintenance of Data to Support Capital Planning

To maintain the accuracy of capital needs, the school board keeps accurate and timely inventories of school capacity and utilization through SFIS and ReCAPP. It assists in the planning, renewal and maintenance planning process. The school board has a staff member with responsibility to ensure that ReCAPP data is kept current and accurate.

ReCAPP methodology is also used at the school board and used as a reporting tool. It is updated to maintain an accurate and current assessment of facility conditions mainly by the Plant department. Facility condition is updated annually using ReCAPP.

For PTR designated schools, the board employs architects and engineers to perform an assessment. This typically occurs in schools designated for an accommodations review. The school board then uses a cost consultant to estimate costs for both repairs and replacements prior to submitting the business case to the Ministry.

5.6 Construction Management

The purpose of reviewing all related construction management processes is to assess and identify:

- Whether processes are in place to ensure that school boards complete construction projects on-time, on-budget and with due regard to economy;
- Opportunities to support continual improvement in the effectiveness and efficiency of all processes.

The following table summarizes the leading practices defined for construction management, and identifies where evidence was found to indicate that the practice was adopted in full. Where the evidence was not present or the practice was not completely adopted at the time of the review, a “No” indicates that an improvement opportunity exists.

Cost Effective Practices in the Design and Construction of Facilities

Leading Practices – Construction Management	Evidence of Adoption?
Management gives full consideration to the use of available school space in their local communities before proceeding to build, purchase or lease other spaces.	Yes
Management uses cost-effective designs, standard footprints, energy conservation, and economical construction practices to minimize construction and future maintenance and operation costs.	Yes
In constructing, acquiring, operating and managing school facilities, the school board is guided by the principles outlined in the <i>Ontario Green Energy Act, 2009</i> .	Yes
Senior administration maintains standard policy and/or procedures to rationalize construction projects, including benchmarking against other school board construction costs and design standards (including coterminous boards).	Yes

Monitoring and Reporting on Progress of Construction Projects

Leading Practices – Construction Management	Evidence of Adoption?
An effective management process monitors and controls construction projects and their costs. This includes periodic project status updates and post-construction project evaluation.	Yes

Maintaining Current Approved Professional Service Providers

Leading Practices – Construction Management	Evidence of Adoption?
Senior administration periodically evaluates and updates the approved list of contractors, architects and related professionals no less than once every five years.	Yes

Cost-Effective Practices in the Design and Construction of Facilities

Management gives full consideration to the use of available school space in their local communities before proceeding to build, purchase or lease other spaces. The school board shares a school with its coterminous board. Available school space is maintained through SFIS and the school board's Excel spreadsheets, which are updated regularly.

Staff and management minimize construction, future maintenance, and operations costs with repeat designs, standard footprints, energy conservation, and economical construction practices. The school board developed a standard footprint for new schools in 2002. It uses this design, with modifications as necessary, for all new builds. The

school board also reported building schools using a spacing allocation of 100 square feet per student as a guide. Other cost control strategies used are planning projects so tendering occurs during slower periods in the construction cycle, and avoiding single source equipment and building systems. Where possible, management also ensures areas used by the community (e.g. gyms) are built on the main level, and can be sectioned off from the school for after-hours use.

This is part of the school board's procedures to rationalize construction projects. The school board has also benchmarked its costs against other boards, and reports that its costs are under the average costs of other school boards.

The design process includes consultation with the principal and their Superintendent to review the footprint. Once the design is drafted, the plans are presented to the public for information purposes. The school board also receives community feedback during the planning phase by offering a walkthrough of a similar school for all parents and school staff within the proposed school boundaries. Plans are also presented to Senior Administration and the Board's Program and Planning Committee for approval before tender.

At the end of the building process, Plant Services does a review and goes back to its principals and staff to ask what could have been done better. This ensures that each new construction project considers feedback from past projects. As part of this process, there is also a systems review with the maintenance supervisor.

The department is aware of the *Green Energy Act* and factors conservation initiatives into its new schools. Schools typically do not have air conditioning, and are designed to use existing trees and natural ventilation for cooling. Digital direct controls are implemented to control major systems. The school board is also piloting the efficiency of solar hot water heaters to determine whether they would be a reliable system for future school builds.

Monitoring and Reporting of Progress on Construction Projects

Management has an effective process in place to monitor and control construction projects and their costs. Before construction begins, administration provides the school board with all costs, and a small contingency is built into the approved budget. All major projects are managed through a general contractor. Payments are timed to and aligned with the progress of the construction activities.

Trustees receive reports on the status of the build through a yearly update usually, in late August prior to school opening. The trustee who represents the particular ward delivers periodic oral updates to the board. Most of the discussion, decision making and interim reporting on capital construction projects are conducted at the Program and

Planning and Finance Committees. The Senior Administration and Planning team receives regular reports on major initiatives at the weekly meetings when required.

Maintaining Current Approved Professional Service Providers

All major capital construction is outsourced. To control school renewal and construction costs, all contractors in use are prequalified by the school board, and use standard Canadian Construction Documents Committee contracting templates. General contractors and sub-trades are also pre-qualified. To minimize costs, the school board often chooses a selection of smaller capital projects, and tenders them as one larger project to a single general contractor. Additionally, the school board manages its costs by timing its tenders to occur during the slower months of the year, and ensures that no capital project is ever single sourced.

Appendices

Appendix A: Overview of the Operational Review

Operational Review Objectives

To perform an effective and consistent operational review the Ministry has worked with independent consultants to develop a Sector Guide that defines consistent standards and leading practices against which the operational reviews and analysis will be based.

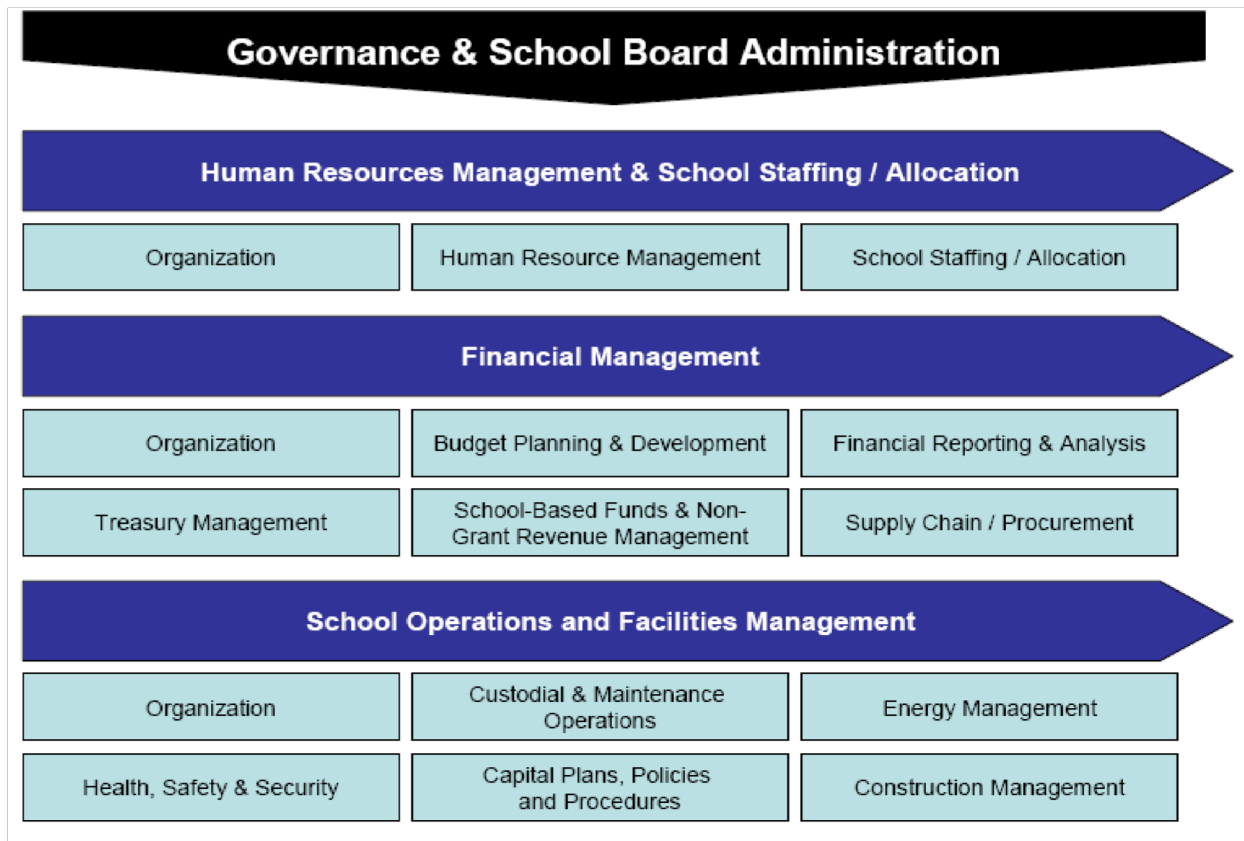
Recognizing the unique characteristics of each DSB, the specific purpose of the Operational Reviews is to:

- Strengthen management capacity in school boards by developing recommendations that support improvement in non-academic operations;
- Highlight existing successful business practices used by school boards, to the sector and to school board communities;
- Leverage “Best Practices” across the education sector;
- Provide support and assistance to ensure that school boards are financially healthy, well managed, and positioned to direct optimum levels of resources to support student achievement;
- Provide the Ministry with important input on DSB capacity/capabilities for consideration in the ongoing development of policy and funding mechanisms.

Operational Review Summary Scope

The scope of the Operational Review consists of the following functional areas which have been divided into key processes as shown below. The processes represent the end-to-end lifecycle of activities performed by school boards under each functional area.

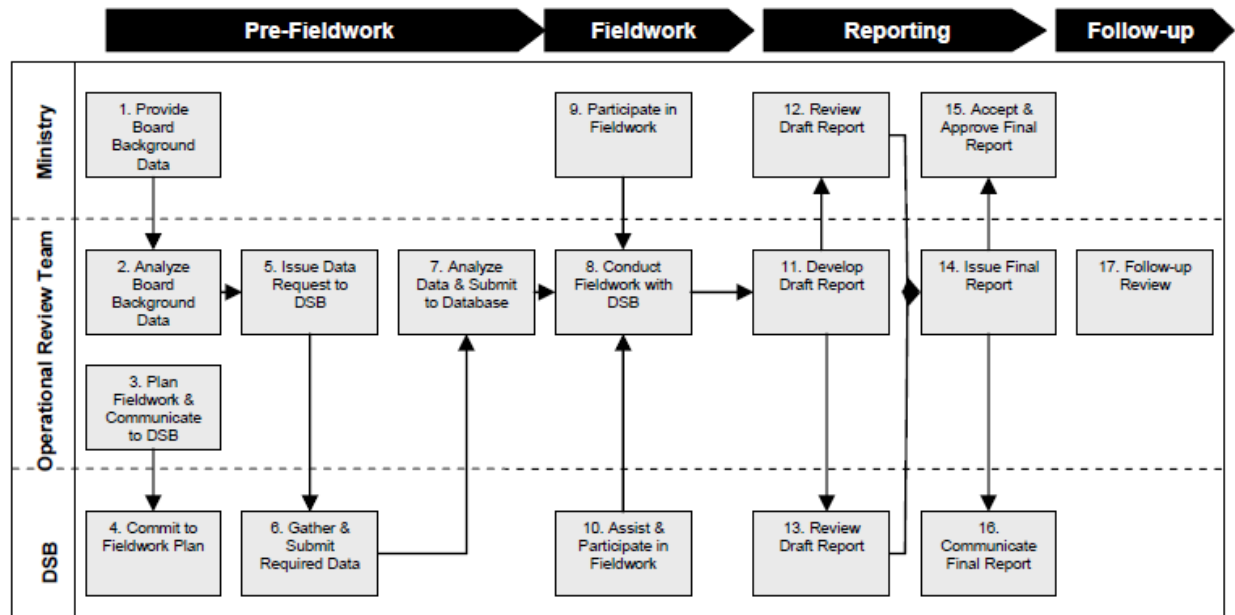
Each of the processes was examined based on its activities and its adoption of sector agreed leading practices, including alignment and support of student achievement strategies.



Operational Review Summary Approach

The high level Operational Review approach is shown below. The timing for the end-to-end process will vary depending on school board size and complexity.

Observations and assessments are made by the Operational Review Team based on a set of agreed upon leading practices designed for each functional area. The onsite reviews allow the team to validate ministry and board data; provide a better understanding of the environmental conditions and allow the team to review materials that support the existing leading practices.



The Table below defines the key phases and activities which comprise the Operational review Methodology.

Phase: Pre-Fieldwork

Key Activity	Description
Provide Board Background Data	The Ministry collects and maintains significant quantities of board data. The Operational Review team has developed a standardized data request for all school boards to provide background data prior to the review.
Analyze Board Background Data	Before the start of the fieldwork, the Operational Review team reviews board background data to understand the financial and operating characteristics. This review identifies specific issues and focus areas.
Plan Fieldwork and Communicate to Board	The Ministry and the Operational Review team develop a review schedule that is communicated to boards before the start of the next review cycle.
Commit to Fieldwork Plan	Boards are required to commit to the Operational Review schedule. The Ministry and the review team will attempt to accommodate scheduling conflicts.
Issue Documentation Request to Board	Before the start of fieldwork, a request for supporting documentation is generated to gather operating and other information for each focus area. The review team uses this information to enhance its understanding of the board before the start of field work.
Gather and Submit Required Documentation	Upon receipt of the request for supporting documentation, each board compiles the requested data. School boards have at least three weeks to complete this process prior to the start of the fieldwork.

Key Activity	Description
Analyze Data and Submit to Database	The review team analyzes the data provided by each board and adds the results to a sector-wide database to compare the results for each board.

Phase: Fieldwork

Key Activity	Description
Conduct Fieldwork with board	The fieldwork is conducted for each board according to the previously agreed upon review cycle. The time required for fieldwork ranges between five and 10 days, based on the size of the board.
Participate in Fieldwork	Ministry staff support the review team in the performance of fieldwork to ensure continuity and knowledge transfer of school board operations.
Assist and Participate in Fieldwork	School board staff participate in the fieldwork. The number of participants involved will vary depending on the size of the board.

Phase: Reporting

Key Activity	Description
Develop Draft Report	Based on the results of the fieldwork and data analysis, the operational review team writes a draft report. The draft report contains a synopsis of findings and, where
Review Draft Report (Ministry)	The Ministry reviews the draft report and provides feedback to the review team.
Review Draft Report (board)	The review team meets with board senior staff to review and obtain feedback.
Prepare Final Report	The review team incorporates the feedback from the both the Ministry and the board and prepares a final report.
Accept and Approve Final Report	The final report is issued to the Ministry for approval and release.
Communicate Final Report	The Ministry issues a final report to the board.

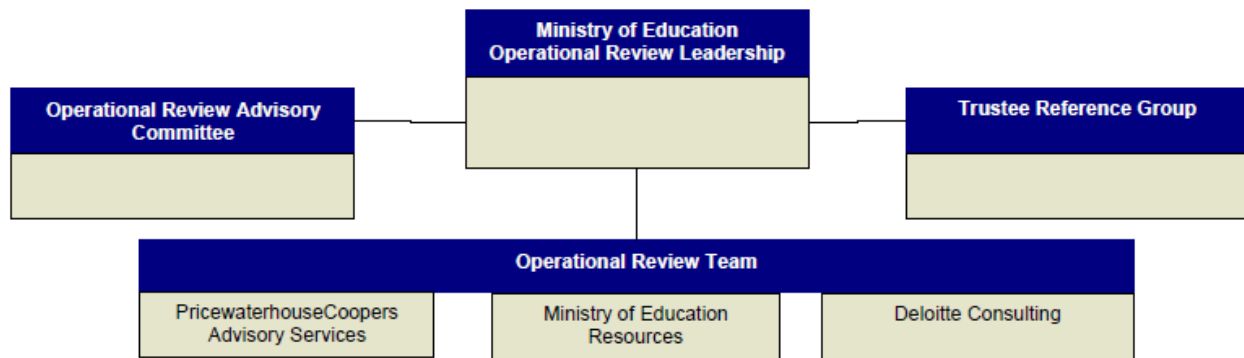
Phase: Follow-up

Key Activity	Description
Follow-up Review	Eight to 12 months after the release of the final report, the review team conducts a follow-up review to determine the extent of the board's adoption and implementation of the recommendations.

The Operational Review Team

The Ministry has assembled an Operational Review Team to ensure that these reviews are conducted in an objective manner. The Operational Review Team is designed to leverage the expertise of industry professionals and consulting firms to review specific aspects of each school board.

Management consultants from PricewaterhouseCoopers and Deloitte were hired to complete the Operational Reviews. The Ministry assigned an internal consultant with school board experience to provide the Review Team with valuable insight into school board operations in Ontario. The team has also received guidance and feedback from an Advisory Committee and a Trustee Reference Group convened by the Ministry of Education.



Limitations of this Review

The purpose of this Report is to document the results of the Operational Review of the District School Board of Niagara. The review has been conducted using the methodology as previously described. The review is not of the nature or scope that constitutes an audit made in accordance with generally accepted auditing standards.

Appendix B: Summary of Recommendations

Governance and School Board Administration

No.	Recommendation
1.	The school board should develop a formal policy that clearly delineates the division of duties and responsibilities between the board of trustees and the director of education, including the development of a code of conduct for trustees.
2.	The school board is encouraged to expand its annual operating plan to cover all aspects of its non-academic operations, including human resources, financial management, and facilities management. This will also enable the departments to track and report progress of their defined priorities and goals throughout the year.
3.	The school board should establish a formal succession plan to manage retirements and resignations of key managers and administrators. This should include senior staff in both academic and non-academic functions.

Human Resources Management and School Staffing/ Allocation

No.	Recommendation
4.	Management should develop a recruitment policy and ensure it is reviewed annually to align staff planning with student achievement.
5.	The school board school should maintain appropriate processes and systems to monitor staff attendance on a timely basis.
6.	The department should continue in its efforts to develop a comprehensive attendance management program, including policies and procedures to address specific categories of absenteeism.
7.	Management should periodically report to the Board and senior management on the effectiveness of its attendance management program, once it is in place.
8.	HR management should continue to develop policies and procedures for an employee evaluation/performance system for all staff to ensure transparency and consistency in the process.
9.	HR management should establish and manage formal professional development guidelines for non-teaching staff, including annual learning plans, minimum training hours and an in-depth supervisory training program for all managers of administrative functions.
10.	Management should consider developing staff satisfaction surveys to include all employee groups. This would improve communication with staff and provide input for professional development plans and HR policy.
11.	Management should consider developing a formal plan for conducting exit interviews. These interviews would provide input for HR policy as well as process and program improvement.

Financial Management

No.	Recommendation
12.	The department should consider consolidating key risks and mitigation strategies into a single risk plan.
13.	Management should consider establishing an internal audit function giving consideration to the emerging Ministry direction to establish regional models for internal audit across the school board sector.
14.	When the school board establishes an internal audit function, it should ensure any internal audit plans are clearly documented and that internal audit report recommendations are followed up and acted upon by management.
15.	Management and the board of trustees should consider including external advisors on the Board's audit committee in accordance with the Ministry's emerging direction on internal audit.
16.	Management should investigate the use of PCards for small purchases, to reduce the volume of supplier invoices processed by accounting. To that end, it should perform a transaction/spend analysis of purchase orders, to identify optimum threshold limits that maintain budgetary control while managing volume of invoices.
17.	Management should perform a detailed review of the school board's purchase-to-payment cycle, specifically three-way matching, which is currently limited to only those purchases over \$3000.
18.	Management is encouraged to implement an electronic supplier interface for ordering, processing, and payment. This is an opportunity for increased process efficiencies.
19.	Management is encouraged to continue to explore additional Electronic Fund Transfers (EFT) opportunities with suppliers, for greater efficiency.

School Operations and Facilities Management

No.	Recommendation
20.	The department should consider developing an annual departmental plan aligned with the school board's overall strategic directions and operating plan once the latter is developed. This will enable the department to track and report the progress of its defined priorities and goals throughout the year.
21.	The school board should continue the implementation of its cleaning standards for schools and develop a standard process to monitor, manage and report on results. Once this is in place, management should also report to senior administration on the results of the compliance reviews.
22.	The school board should continue piloting its green clean products and move towards implementing a formal green clean program as part of its overarching Education Environmental Policy.
23.	The school board should develop an allocation model for custodial staff, and compare it to other school boards to ensure the optimization and use of staff.

No.	Recommendation
24.	The department, working with the senior administration, should formally establish a multi-year energy management plan that incorporates targets and performance measures to track conservation initiatives.
25.	The school board is encouraged to develop an overarching environmental policy that addresses both environmental education and responsible management.
26.	The school board should amend their procurement policy to support that where feasible, all new equipment will have an appropriate energy efficiency rating.