Ministry of Education

Operational Review Report Hamilton-Wentworth Catholic District School Board

March 2010

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Executive Summary

This report details the findings and recommendations of the Operational Review of the Hamilton-Wentworth Catholic District School Board (the school board) 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 November 16, 2009.

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 of the leading practices. Noted strengths include the school board's development of an attendance management framework and its leadership on occupational health and safety issues. 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 board of trustees includes nine elected trustees. The board of trustees has many long-serving members, including the current Chair, who has held this position since 1991. The Senior Administrative Team, which is referred to as Director's Council, is composed of the Director of Education and eight key positions, including five Superintendents of Education, an Administrator of Human Resources, a Controller of Plant, and a Superintendent of Finance and Treasurer. This latter position is currently vacant; however, the school board has posted this position and is currently in the process of being filled.

The school board has adopted a governance structure that clearly delineates the roles and responsibilities of the board of trustees and senior administration, as shown in two separate documents outlining the roles of the Board and the Director of Education. The governance structure stipulates that the Board oversee approved policies, while ensuring that the administration is accountable for established policies and procedures. The Director is responsible for implementing the Board's policies and all aspects of the school board's operations. These procedures are included in the by-laws section 2.00 under the 'Duties and Powers of School Trustees' and as part of the 'Senior Staff – Administrative Responsibilities' document, which outlines the responsibilities of the Director of Education.

The school board's formal orientation session for new trustees provides a mentorship program with experienced trustees, as well as in-depth information sessions led by members of Director's Council. These sessions provide an overview of the major areas of the school board. The school board does not currently have a code of conduct for trustees. Senior administration reported that it this being considered for development after the next municipal election in 2010. The school board is encouraged to formalize a code of conduct for trustees to support the school board's governance model.

The school board has developed a three-year strategic plan, which is in place from September 2009-June 2012. A formal timeline to develop the strategic plan is in place and includes substantial input from the board's key stakeholders.

The Director of Education has a formal performance appraisal, conducted annually. It is based on the Director's accomplishments in meeting the academic, faith formation, system, administrative, and budgetary priorities of the school board. All trustees participate in the review. Once the appraisal is complete, the Chair and Director review it together before it is presented at an *in-camera* Board meeting.

Recommendations:

- The school board is encouraged to develop a formal annual operating plan to cover all aspects of its operations, including human resources, financial management, and facilities management. The format of the operating plan should be updated to demonstrate its alignment to the Board's multi-year strategic plan. This will also enable the departments to track and report progress of their defined priorities and goals throughout the year.

- The school board should establish a formal succession plan to manage retirements and resignations of key managers and administrators, with a particular focus on non-academic operations.

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:

- HR management builds staff capacity in understanding of HR policies and administrative procedures.

- 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 records are current, including the formal tracking of teacher qualifications and experience.

- An attendance management program is in place, and includes employee supportive policies and procedures to minimize the cost of absenteeism.

- HR management has established policies and procedures to minimize grievances.

Recommendations:

- The HR department should consider developing an annual departmental plan aligned with the operating plan and overall strategic plan. This will enable the department to track and report the progress of its defined priorities and goals throughout the year.

- Management should develop recruitment policies and procedures and ensure they are reviewed annually to align staff planning with student achievement.

- Management should consider expanding its evaluation/performance system to include non-academic staff.

- Management should consider developing a policy or procedure governing the formal discipline and dismissal of non-academic staff, to ensure consistency and transparency.

- 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 these leading practices in financial management:

- The annual budget development process is transparent and clearly communicated, incorporating input from all key stakeholders including management (with principals), the board of trustees, and the community.

- The school board actively participates in purchasing consortia/cooperatives and group buying initiatives.

- 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.

- Policies and procedures for the use of PCards and corporate credit cards are documented and communicated to users through regular training and monitoring.

Recommendations:

- The department should consider developing an annual departmental plan aligned with the annual operating plan and overall strategic plan. This will enable the department to track and report the progress of its defined priorities and goals throughout the year.

- Finance management should provide finance policy and awareness, training and skills sessions, for both new and experienced staff. This will ensure clarity and adherence to policies and procedures.

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

- The department should develop calendarized reporting that uses historical expenditures as a benchmark for comparison. This will provide more accurate information on whether variances are in line with historical spending trends.

- The school board should ensure interim financial statements are formally signed off by senior management to ensure the integrity of financial reporting.

- The school board is encouraged to complete and file all financial reports in accordance with established timelines.

- Management and the board of trustees should consider including external advisors on the Board's audit committee to contribute to committee's effectiveness.

- The department is encouraged to develop a cash investment/management process, to mitigate any associated budgetary risks and maximize potential returns on idle cash.

- Management should periodically report to the board on the performance of the investment activity and the approved investment policy.

- Management should consider periodically comparing the school board's banking terms and conditions to those of similar school boards, to ensure it is getting the best rate possible for its investments.

- Management should monitor financial risks related to cash/investment management and develop a plan to mitigate associated risks.

- The school board is encouraged to formally communicate the Purchasing Procedures and Purchasing Authority policy to staff, to ensure consistency on the application of the policy among all staff.

- Management should perform a detailed review of the Board's purchase-topayment cycle, to validate efficiency and effectiveness opportunities.

- Management is encouraged to implement an electronic supplier interface for ordering, processing, and payment. This is an opportunity for the school board that can result in increased process efficiencies.

School Operations and Facilities Management

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

- Management builds staff capacity in the understanding of school operations and facilities policies and administrative procedures.

- An accurate and current assessment of the conditions of school board facilities is maintained, based on industry standards (using RECAPP methodology).

- The school board has developed and implemented an occupational health and safety strategy/plan that reflects the board's policies and administrative procedures. The plan is monitored on a regular basis to ensure the school board is in compliance with associated occupational health and safety statutory requirements.

- The Board has established an overarching environmental policy that addresses both environmental education and responsible management practices.

Recommendations:

- The department should consider developing an annual departmental plan aligned with the operating plan and overall strategic plan. This will help the department to track and report the progress of its defined priorities and goals throughout the year.

- In consultation with the board and stakeholders, senior administration should develop and communicate a multi-year maintenance plan. This plan would identify priorities over a three- to five-year period, and commit timelines and funding sources to the plan.

- The plant department should develop and maintain an inventory for its minor capital assets residing at its school and maintenance sites.

- 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 department should work with its major utility providers to consolidate billings for schools in one periodic invoice per utility.

1. Background and Overview

1.1 School Board Profile and Structure

The Hamilton-Wentworth Catholic District School Board is committed to providing quality education, combining academic excellence with the spiritual, moral, social, emotional, cultural, and physical growth of the student. The school board does this in an appropriate and challenging environment in which members of the school community exemplify the teachings of Jesus Christ and strive to promote academic excellence and clear indicators of achievement. The school board is responsible for providing public education to almost 28,000 students, offering a diverse range of programs in its 63 schools.

Since 2002-03, enrolment has declined by approximately 670 students or 2 per cent. The Board's enrolment continues to decline.

The following diagram represents the Senior Administrative Team at the school board. This group is referred to as Director's Council and is composed of the Director of Education, five Superintendents of Education who each have responsibility over a family of schools, the Administrator of Human Resources, the Controller of Plant and a Superintendent of Finance. The Superintendent of Finance position is currently vacant.
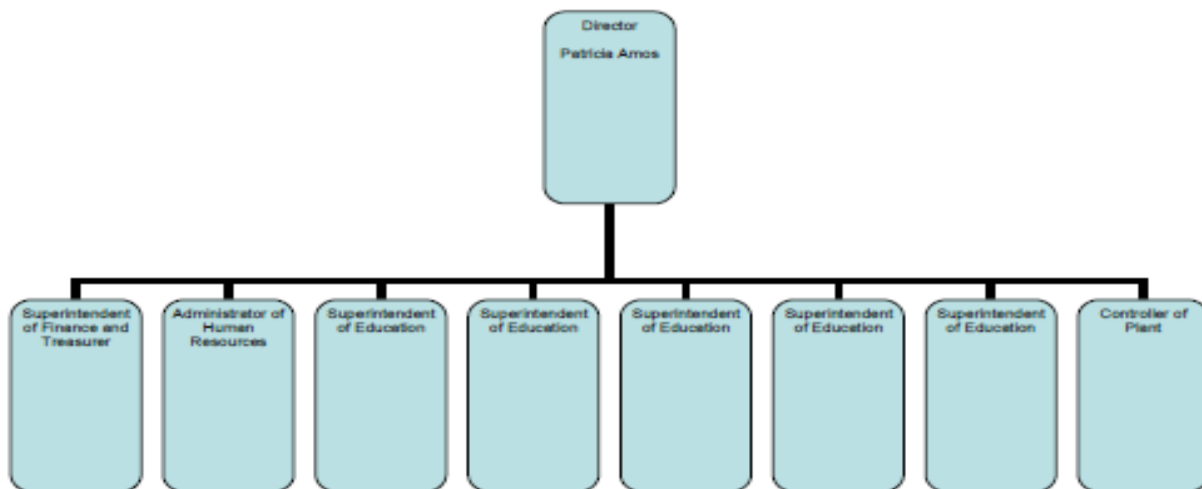
1.2 Key Priorities of the School Board

Hamilton-Wentworth Catholic District School Board Vision

Learners from Hamilton-Wentworth Catholic Schools will demonstrate:

- knowledge and practice of their Catholic faith model

- the capability of nurturing a strong family unit

- esteem, respect and responsibility for self and others

- academic competence

- the ability to listen accurately and express knowledge clearly

- independence, critical thinking and effective problem solving

- proficiency with technology in order to adapt to a changing world

- the values, attitudes and skills for effective partnerships

- the ability to transform our society.

To enable learners to achieve this vision, the faith community of the Hamilton-Wentworth Catholic District School Board will reflect:

- the centrality of Jesus Christ in our lives

- the teachings of the Catholic Church

- exemplary role models

- social justice, respect and fairness for all

- a dedicated staff

- a curriculum that is dynamic, practical and relevant

- high standards

- an environment conducive to learning

- effective partnerships

- accountability at all levels.

Hamilton-Wentworth Catholic District School Board Mission Statement

The Catholic Community of Hamilton-Wentworth believes that an effective learning process:

- begins at home and is part of family life

- is nurtured within the parish

- is anchored in the Catholic faith

- takes place within the context of worship, sacraments, and the life of the Church

- is enhanced by the school community

- is embraced by the learner as a personal responsibility for life

- includes an appropriate and challenging environment in which members of the school community exemplify the teachings of Jesus Christ which reflect Gospel values and the responsible use of human, financial and natural resources, to promote academic excellence and clear indicators of achievement.

1.3   Student Achievement

The school board has performed at or above the provincial average since 2002-03. Grade 3 and Grade 6 Education Quality and Accountability Office (EQAO) results are above the provincial average since 2005-06.

At the secondary level, Grade 9 EQAO results and Grade 10 Ontario Secondary School Literacy Test (OSSLT) results were either at or above the provincial average since 200304. The following charts show the school board's EQAO and OSSLT results over the last seven years.
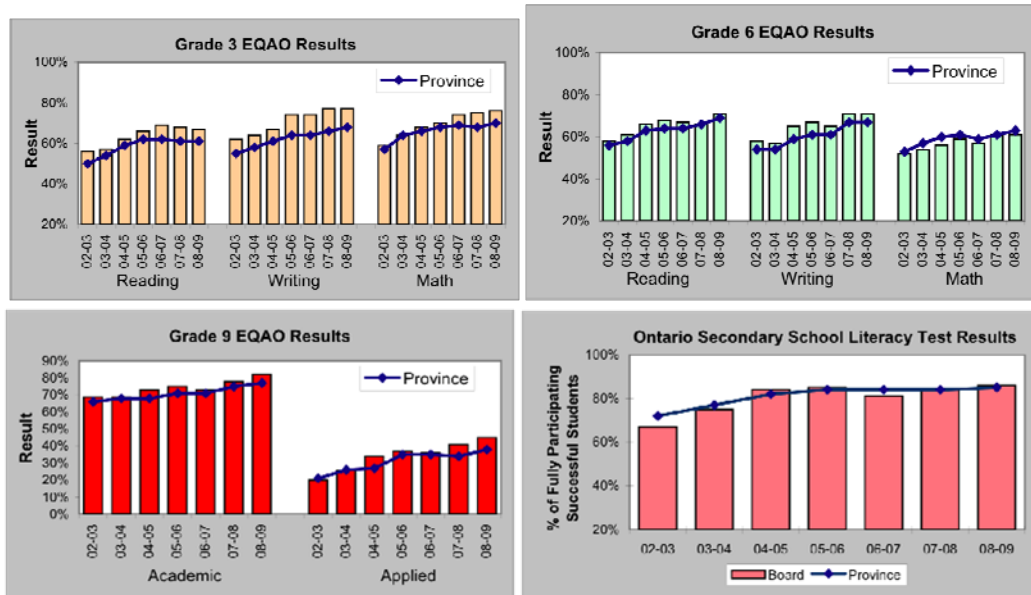
1.4   Fiscal Overview

The school board has consistently presented balanced budgets to the Ministry. Since 2006-07, the school board's Reserve for Working Funds has increased $1.4 million.

The school board has been actively monitoring its ability to fund 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	2006-07 Financial Statements	2007-08 Financial Statements	2008-09 Revised Estimates
Legislative Grants	$190,375,758	$202,784,876	$214,235,177
Local taxation	$50,842,317	$51,218,537	$51,951,851
Board Revenues	$5,935,690	$4,831,846	$3,726,554
Other Operating & capital Grants	$5,808,298	$6,242,967	$3,240,540
Total Revenues (Schedule 9)	**$252,962,063**	**$265,078,226**	**$273,154,122**

Summary Financial Data (Expenditure)

Expenditures:	2006-07 Financial Statements	2007-08 Financial Statements	2008-09 Revised Estimates
Operating expenditures	$235,129,083	$243,513,724	$256,167,988
Capital expenditures - Before transfers from reserves	$17,122,005	$16,239,674	$16,586,132
Transfer to (from) Reserves	$710,975	$5,324,827	$400,000
Total Expenditures	**$252,962,063**	**$265,078,225**	**$273,154,120**
In-year Surplus (Deficit)	**$0**	**$0**	**$0**

School Board Reserves and Deferred Revenues

School Board Reserve and Deferred Revenues:	2006-07 Financial Statements	2007-08 Financial Statements	2008-09 Revised Estimates
Retirement Gratuities	$494,897	$799,983	$808,223
Reserve for Working Funds	$0	$1,124,827	$1,481,961

School Board Reserve and Deferred Revenues:	2006-07 Financial Statements	2007-08 Financial Statements	2008-09 Revised Estimates
WSIB	$53,447	$303,996	$307,127
Snow Cleaning	$0	$250,000	$252,575
Pupil Accomodation Debt Reserve	$1,869,591	$1,888,797	$1,908,252
GPL Reserve	$2,774,021	$6,202,507	$6,258,668
Total Reserve Funds (Schedule 5)	**$5,191,956**	**$10,570,110**	**$11,016,806**
Distant School Reserves	$4,471	$4,517	$4,564
Proceeds of Dispositions Reserve- School Buildings	$7,763,608	$7,866,536	$7,947,561
Education Development Charge Reserve	$1,635,812	$713,593	$720,943
Total Deferred Revenues (Schedule5.1)	**$9,403,891**	**$8,584,646**	**$8,673,068**
Total Board Reserves and Deferred Revenues	**$14,595,847**	**$19,154,756**	**$19,689,874**

1.5 Key School Board Statistics

The following table highlights key statistics for the school board. There is a declining enrolment trend.

Summary Board Statistics

Day School Enrolment	2002-03 Actual	2007-08 Revised Estimates
Elementary Day School ADE	19,133	17,465
Secondary Day School ADE	9,316	10,313
Total Day School Enrolment	**28,449**	**27,778**

Primary Class Size:

Primary Class Size	2003-04	2007-08
% of Classes Less Than 20	35%	94%
% of Classes Less Than 23	69%	100%
Average Class Size - Jr/Inter	26.22	26.10
% of 3/4 Classes 23 & Under	67%	100%
% of Combined Classes	19%	22%

Staffing

Staffing	2003-04	2007-08
School Based Teachers	1,630	1,743
Teacher Assistants	325	502
Other Student Support	151	171
School Administration	84	85
School Clerical	137	160
School Operations	306	243
Other Non-Classroom	84	75
Total Staffing	**2,717**	**2,979**
Teacher - Pupil Ratio	**1:17**	**1:16**
FTE Staff per 1,000 Pupils (ADE)[1]	**95.5**	**107.3**
Total Salary & Benefits as % of Net Operating Expenditures	**86.9%**	**90.1%**

Special Education

Special Education	2003-04	2007-08
Special Education Incremental Expenditures	$23,252,052	$34,039,724
Special Education Allocation	$22,984,406	$30,268,836
Spending above Allocation (Reserve)	**$267,646**	**$3,770,888**

School Utilization

School Utilization	2003-04	2007-08
Number of schools	64	63
Total Enrolment (ADE)	28,449	27,778
School Capacity (Spaces)	27,990	27,786
School Utilization	**101.6%**	**100.0%**
Board Area (Km^2)	**1,136**	**1,136**
Number of Trustees	**9**	**9**

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[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 strategies 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.	Yes

Development of the 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 staff 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

Leading Practices – Governance and School Board Administration	Evidence of Adoption?
A departmental organization chart (supplemented with a directory of key staff contact information) is publicly available on the board's website.	Yes

Succession and Talent Development

Leading Practices – Governance and School Board Administration	Evidence of Adoption?
As part of the Ministry's *Ontario Leadership Strategy*, 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, e-mail, memos, town halls, etc.).	Yes
Key senior staff from all functional areas are members and participants in sector committees of provincial associations and/or Ministry workgroups.	Yes

Establishment of an Effective Governance Model

The school board has adopted a governance structure that clearly delineates the roles and responsibilities of the board of trustees and senior administration. The Director of Education is supported by a team of eight senior staff. This includes five superintendents of education (who each have responsibility for a family of schools and a number of administrative responsibilities), an administrator of human resources, a controller of plant (facilities), and a superintendent of finance and treasurer. The planning and leadership meeting of the senior administration team, referred to as the Director's Council, is held weekly to discuss issues, provide updates, and make decisions. The Director's Council is responsible for all aspects of the administration of the system.

The governance structure is supported by a board of nine experienced trustees, including the current Chair who has held that position since 1991. The Board meets monthly, holding its Committee of the Whole (COTW) meetings and public board meetings on the same day in succession.

A formal orientation session for new trustees includes a mentorship program. Experienced members mentors the new trustees as they become familiar with their roles and the division of responsibilities (between trustees and senior administration). In addition, Director's Council members provide trustees with a set of training sessions, which includes an overview of the major areas of the school board. The school board does not currently have a code of conduct for trustees. Senior administration reported that this is being considered for development after the next municipal election in 2010. The school board is encouraged to formalize a code of conduct for trustees, to support its governance model.

The relationship between the Director and the Chair is collegial and collaborative. The Board works with the senior administration through the committee structure. In addition to the Committee of the Whole, the school board has a Religion, Family Life and Instructional Services Committee, which is a standing committee. The school board has 10 permanent committees: By-laws and Regulations; Child Care Management; International Language Advisory; Resolution and Awards of Merit; Transportation; Pastoral Care Services; Promotions and Communications; Hamilton-Wentworth Catholic Athletic Association; Equal Opportunities; Policy Review; and the Audit committee. There are also two statutory committees: the Special Education Advisory Committee (SEAC) and the Supervised Alternative Learning for Excused Pupils (SALEP) committee. Between two and five trustees participate on each committee, along with senior administration and other leaders (i.e. principals, teachers and managers). When needed, the board of trustees establishes *ad hoc* committees to address specific issues. Currently, the Board has established a Budget Steering Committee to support the Director's Council and the Board in the area of financial management, until the position of Superintendent of Finance is filled.

As part of its governance model, the school board has established procedures to direct the Board's governance, and guidelines that delineate the roles and responsibilities of administration and trustees. These procedures are outlined in the by-laws section 2.00 under the 'Duties and Powers of School Trustees' and as part of the 'Senior Staff – Administrative Responsibilities' document, which also outlines the responsibilities of the Director of Education.

The framework stipulates that the board of trustees sets and maintains policy, and Director's Council develops and implements operating plans and procedures, consistent with the school board's key goal of improving student achievement.

The Board has established policies and procedures that provide a framework for decision-making and guidelines for the effective operation of the school board, including the Policy Review Process and Budget Preparation policies. These are available on the school board's website.

The Board conducts a formal performance appraisal of the Director of Education. The annual review is based on the Director's performance in meeting the academic, faith formation, budgetary and system administrative priorities (strategic plan) of the school board. All trustees participate in the appraisal, and once it is complete, the Chair and Director review it together before it is presented in an *in-camera* Board meeting. The Director's Annual Report also outlines progress in these areas.

Development and Reporting of Annual Goals and Priorities

The school board has developed a three-year strategic plan, which is in place from September 2009 - June 2012. A formal timeline to develop the strategic plan is set out and the process begins in April, when the board collects input from its principals. The principals identify a master list of strategic priorities. Senior Administration reviews and finalizes the priorities based on Ministry initiatives and Board improvement needs, and shares it with the principals at the annual summer conference.

Each identified priority becomes part of the system priorities for a period of one to three years, depending on its nature and duration. A package outlining all of the proposed priorities is formally presented, via the Director's Council, to the Committee of the Whole in August for a vote. Once approved, this package becomes the System Administrative Priorities for the academic year. A unique aspect of the board's strategic plan process is that a priority achieved in a particular year may be reintroduced in another year, if there is a need for added focus (e.g. safe schools). In these cases, the relevant department is responsible for managing the in-year reporting process for the priority.

The System Administrative Priorities for 2009-2012 include:

- Faith Formation (On-going System Priority)

- 1st year of System Priorities doe the 3 year period- September 2009-June 2010:

    o Success for All (7-12)

    o Growing Success, Assessment, Evaluation and Reporting: Improving Student Learning

    o Learning for all (K-12)

- 2nd year continuation of System Priorities for the 3 year period- September 2008-June 2011

    o Catholic School Effectiveness- Board Improvement (K-12)

    o Promotions and Communications

- 3rd year continuation of system priorities from the 3 year period- September 2007- June 2010

  o Safe Schools

System Administrative Priorities for the 2009-10 school year were also developed, and include:

- Faith Formation

- Safe Schools

- Catholic School Effectiveness - School Improvement (Board Improvement K-12)

- Promotions and Communications

- Success for All (7-12)

- Growing Success, Assessment, Evaluation and Reporting: Improving student Learning

- Learning for All (K-12)

These priorities are tracked and reported upon during the year, through regular updates to both the Director's Council and the Board. The Director of Education submits progress report summaries that outline the completed strategies against the strategic plan, along with discretionary budget expenditures and programs. The Director of Education also presents these progress reports to principals. Although staff do report on accomplished priorities, the school board is should consider including the actions, timelines, and steps taken against the strategic plan for all of its listed priorities. This will help the school board track in-year progress and re-assess and update the plan as needed.

The school board's board improvement plan is primarily focused on academic and faith formation priorities, and does not cover areas such as human resources, finance, and facilities. Allocation of funding for non-academic areas (human resources, finance, and facilities) is currently set by the System Administrative Priorities and its annual review process.

The current process for allocating non-academic funds is through the Budget Steering Committee, where available funds are allocated centrally to system priorities, based on need. As an example, the school board may have chosen to focus on improving literacy. Additional funds to implement in-school programming would be approved centrally, matched to a grant (if available) and delivered at the school level.

Ultimately, the System Administrative Priorities, the annual budget and the progress report on the achievement of the priorities define the academic and non-academic priorities for the year. The board receives in-year updates, after review from the Budget Steering Committee, on each of the priorities with discretionary spending allocated to them.

The school board should develop a formal annual operating plan aligned to the Board's multi-year strategic goals, including functional responsibility and timelines. 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 show how they contribute to the implementation of the Board's strategic plan. In addition, there is an opportunity at the school board to develop annual operating plans for HR, finance and plant operations, aligned with the overall Board strategic plan.

Decision-Making Process

The Board's primary responsibilities are to determine school board policy and communicate with parents, students, and stakeholders. The administrative team develops and implements plans and procedures to ensure adherence to Board policies and the accomplishment of key priorities. These responsibilities are clearly outlined in the by-laws and administrative responsibilities.

The Board meets on the first Tuesday of each month. As per the *Education Act*, *incamera* meetings are conducted to discuss matters of personnel, property, contract negotiations, and litigation. The Director's Council meets weekly for planning and update sessions. The draft agenda for the upcoming Board meeting is set at these meetings. This draft agenda is validated by the Director and the Chair and distributed to all trustees and members of the Director's Council. A copy of the agenda is posted on the school board's website.

During each Board meeting, board recommendations are recorded and set. Minutes are distributed after the meeting. Agenda items for upcoming meetings are not included in these minutes.

Decisions on program or spending items are made at Board meetings, after discussion and development at the committee level. Binding decisions that include a financial component cannot be approved at the committee level, and must be approved by the Board. Matters that concern the academic, religious, and family life affairs of the school board, such as the formulation of program policies, go to the Religion, Family Life and Instructional Services Committee for review and approval. Matters concerning finance, property building and human resources go to the Committee of the Whole for review and approval. This is set out under section 7 of the school board's by-laws.

The Board's policy review process is formally documented and posted on the school board's website. There is also a standing committee to help them manage and monitor their policies. The Policy Review Committee is composed of the Director, three trustees and other staff and managers. They meet monthly to develop and review policies and procedures. At this committee, reviewed policies are set in place for one, three or five years. Additionally, the committee periodically reviews the list of policies that are set to expire the next year. This helps the committee plan its future activities.

The Director is responsible for policy review and the initiation of new policies. For policies that require in-depth review, the committee will develop a draft policy. This draft policy is then circulated to the board for review and discussion. All policies are posted in the school board's First Class e-mail system, and staff receive e-mails with new policies for feedback and review. In some cases, the policy will be made public in draft form to gather input from the community and general public (e.g. the ARC process). Once policies have been finalized, they are posted on the school board's website.

Organizational Structure and Accountability

The governance structure is supported by a Board of nine experienced trustees. The board of trustees is responsible for approving the policies and by-laws governing the school board's operations, and ensures that the educational goals and needs of all students are met.

The organization, roles and responsibilities of the school board's senior administration team has been formally defined and documented. The Director of Education is supported by a team of eight people. This includes five superintendents of education who each have responsibility for a family of schools and a number of administrative responsibilities. Administrative responsibilities include leadership and professional development, academic accountability, and community liaison among others. The other members of the senior team include an administrator of human resources, a controller of plant (facilities) and a superintendent of finance and treasurer. The planning and leadership meeting of the school board, referred to as Director's Council, occurs weekly.

The senior administration team report to the Director of Education. Managers or principals report directly to senior administration. The superintendent of finance and treasurer position is currently vacant. Finance and business operations managers that would normally report to this position report to the Manager of Finance or to the Director of Education.

The school board's website was recently redeveloped to improve its functionality. The names of senior administration, areas of responsibility and telephone contact information are available on the site. Trustee contact information organized by ward is

also posted on the site. Contact information for key managers (e.g. accounting) is also available on the site, including a description of their areas of responsibility.

Succession and Talent Development

The school board is proud to note that they rarely have to hire publicly for open academic positions. Rather, through a system of mentoring, professional development and special project experience, they are able to develop talent internally to fill senior academic positions. While there is no formal succession and talent development plan, the school board has developed a detailed succession and talent development strategy for academic staff that begins as individuals are promoted to the principal position.

Elementary teachers wishing to become principals enroll in a two year-long training and mentoring program, called the Principal Intern Program, completing additional professional development and a special project to qualify. There is a similar training opportunity for secondary teachers through the Secondary Leadership Program. Successful candidates are selected for vice-principal, assistant to the principal or other leadership positions prior to a promotion to principal. The Assistant to the Principal position is a position of responsibility which comes with an additional allowance and includes monthly mentoring, training and networking. For the superintendent position, the talent development program is similar except that it is two years in length, and includes formal mentoring under a superintendent. The board approves a pool of candidates for vice-principal, principal and superintendent positions to have a selection eligible for promotion when these positions become available.

The school board has not established a formal succession plan or implemented initiatives to support its non-academic positions. The school board would benefit from the establishment of a formal succession plan for key management positions on the nonacademic side.

Stakeholder Engagement

Management regularly seeks stakeholder consultation. In addition to targeted communication during public consultation periods (i.e. annual budget process, ARC, etc.) when community input is required, the school board routinely communicates to its stakeholders through different channels. Its main communication vehicles are its website and quarterly newsletters.

Additionally, the Board releases a bulletin to its school councils after every Board meeting. This serves to inform the broader community of central board decisions and activities. School council chairs also participate in information sessions once a year to learn more about board activities, and help clarify their role in communicating to the community and local stakeholders.

Finally, the school board hosts an annual parent's conference and information session. This conference allows for parents to learn about new and ongoing initiatives, as well as identify issues and problem areas. Select *ad hoc* committees struck by the board may include parents. Parents are also involved, either individually or through the local school council, in the strategic improvement plan development process. The importance of parental involvement is underscored in the school board's mission.

Senior administration and the chair are active in various stakeholder groups. The director is a member of the Council of Director's of Education (CODE) and the English Catholic school equivalent (ECCODE), as well as the Industry Education Council and committees at the municipal level. The chair has been a long-standing board member of the Ontario Catholic School Trustees' Association (OCSTA) and the former president of this association. Staff have also served at the executive level of the Ontario Catholic Supervisory Officers Association (OCSOA) as well as the Ontario Association of School Business Officials (OASBO). Senior staff also hold positions in the community such as Vice President of the Police Services Board.

Recommendations:

- The school board is encouraged to develop a formal annual operating plan to cover all aspects of its operations, including human resources, financial management, and facilities management. The format of the operating plan should be updated to demonstrate its alignment to the Board's multi-year strategic plan. This will also enable the departments to track and report progress of their defined priorities and goals throughout the year.

- The school board should establish a formal succession plan to manage retirements and resignations of key managers and administrators, with a particular focus on non-academic operations.

3. Human Resource Management and School Staffing/Allocation – Findings and Recommendations
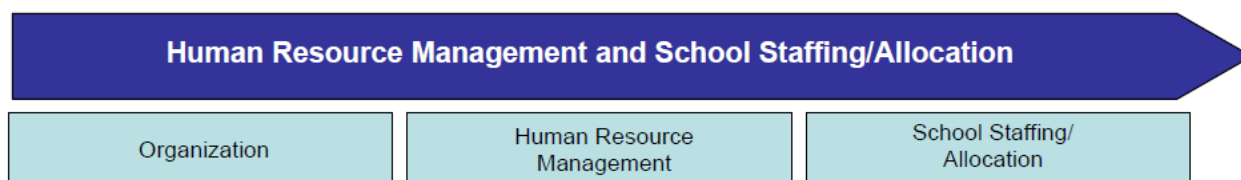
Effective management of human resources ensures an adequate number of qualified staff throughout the organization can perform their prescribed duties. Policies and procedures to develop staff are in place, through performance appraisals, professional development and support services. Staff allocations 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.	No

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 Human Resources department (HR) does not develop its own annual departmental plan. Rather, in consultation with the Director of Education, the Administrator of Human Resources sets objectives in line with the system priorities. While formal targets for each objective are not set, management reported that it works to achieve its annual objectives in collaboration with staff, management, the community and the school board's bargaining agents in a timely fashion.

The HR department does not have service level agreements, and does not solicit annual feedback to determine the level of satisfaction with the HR function. However, through its newly developed wellness initiative, the department expects to receive system-wide feedback from users during the 2009-2010 academic year.

Management should consider developing an annual departmental plan, complete with measurable targets, designated accountabilities, and target timelines aligned with the annual operating plan and the overall strategic plan. 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 framework of accountability for the department.

Organizational Structure and Accountability

The HR department is composed of four service areas: Administrative Services, Labour Relations, Employee Benefits and Respectful Workplace. Each area reports to the Administrator of Human Resources. Payroll services is part of the finance function. Of particular note is the school board's decision to create a Respectful Workplace Advisor position, to respond to concerns of workplace conflict and potential Human Rights Code and Policy violations. In addition, professional development related to this policy is coordinated through this position.

The HR department's job descriptions are accurate and up-to-date, and the department has a current organization chart and clearly defined organizational units delineating roles and responsibilities. Contact information for key HR staff is posted on the website.

Department staff are qualified through a combination of professional designations and work experience, including CHRP and dispute resolution.

Monitoring and Communication of Policies

HR participates in the annual review cycle of policies by the Policy Review Committee and updates policies and procedures through the defined process. HR policy compliance is monitored through the department's active involvement in all board activities with an HR component, as well as through the reporting of exceptions.

To educate staff and management on the implementation and usage of policies, the HR department uses a variety of methods. HR has developed in-service sessions which can be delivered to different employee groups on designated professional development days. Examples of past sessions include: 'Helping Kids with Diabetes in your Schools', 'Trillium - You and Your Data', and 'Privacy and Information Management'. In addition, the HR department may update staff respectively on policies and procedures at the monthly principals' meetings or through communication with the unions. .

Recommendation:

- The HR department should consider developing an annual departmental plan aligned with the operating plan and overall strategic plan. This will enable the

department to track and report the progress of its defined priorities and goals throughout the year.

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.	No
The HR department actively supports the professional development activities of the school board.	Yes

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.	Yes
Attendance management processes/programs exist that include employee supportive policies and procedures to minimize the cost of absenteeism.	Yes
Management periodically reports on the effectiveness of the attendance management processes/programs to senior management and the board.	Yes

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

Management reported that there is not a significant amount of turnover at the school board. As a result, staffing tends to be reactive and includes direct oversight and approval by the Board. Although there is no formal recruiting policy, staffing activities reflect the collective agreements, with a timed process of internal then external postings for particular positions. The department reported that it can be difficult to recruit French teachers and qualified trades people.

The school board uses job fairs and the *Apply to Education* website to recruit teaching staff. The school board reported that they will be looking to use the *Apply to Education* service for recruitment of Educational Assistants as they look to improve the recruitment process.

All qualified teaching applicants who apply are granted an interview. Successful candidates are tracked manually through the HR department and placed on a waiting list and/or occasional teaching list prior to being offered a full-time permanent position. The department reported that due to a continued abundance of qualified applicants, recruitment does not normally occur outside of the local area, except for certain specialized positions.

The school board maintains several active rosters of supply or 'occasional/on-call employees'. These rosters currently exist for custodians, assistant custodians, EAs, school clerical staff and teachers. Once an individual has been interviewed and deemed suitable for the board, they are placed on the waiting list. When a space opens up on the occasional list, management reviews and approves the addition to the occasional list.

Full-time permanent, long-term occasional, and maternity leave coverage positions are all selected from the occasional list. This system of hiring ensures that the school board maintains an active roster, has an opportunity to work with individuals prior to committing to a full-time offer, and has greater control over staffing costs. This system has been especially useful for maintaining an adequate staff coverage during flu season or similar public heath outbreaks (e.g. as part of H1N1 preparedness).

New hire policies and procedures are standardized into one package for various staff groups, and HR must approve every hire recommended by the departments. Management organizes orientation sessions for new hires in both academic and nonacademic positions.

The school board has adopted a formal statement on employment equity through their policy on Anti-Racism and Ethno-cultural Equity, which is posted on the school board's website.

Although recruitment is currently not a challenge, the school board should develop a recruitment policy and supporting procedures, given that labour market conditions can change significantly. This will also help the school board strategically plan for areas that are currently present a challenge.

Labour Relations

The school board has strong, positive relationships with each of its seven collective bargaining units and three non-union professional associations, which consist of: elementary teachers; secondary teachers; continuing education instructors and child care workers; occasional teachers, educational assistants, clerical and para-professional staff; assistant custodians, custodians and maintenance staff, Principals and VPs, Chaplaincy Leaders; and professional support staff. The school board has developed labour/management committees for each of its unions. A new grievance tracking process helps manage active grievances.

Grievance matters are initiated with the employee/teacher's direct manager, and proceed in a staged process through exploration, response, and finally, involvement of the Director. HR is actively involved throughout the process and offers mediation in addition to other resolution support. Prior to the filing any formal grievance, management actively tries to resolve the issue or informally mediate the problem.

The manager of labour relations, the HR administrator, the Director and Chair sit on the negotiation steering committee. Once bargaining is completed, new issues or information updates are delivered to principals, managers, and supervisors via their monthly meeting(s) and or internal correspondence.

The department maintains communication with the unions and non-union employee groups, meeting regularly with each union to discuss any concerns. HR provides coaching to school administration, managers and supervisors on procedures for grievances and other labour relations matters.

Employee Performance Evaluation Processes

The school board has developed procedures for conducting employee performance appraisals. 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). The Superintendent responsible for NTIP 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 and channeled to the respective superintendent of education. The TPAs are subsequently signed off by HR personnel and filed in the appropriate HR Permanent Employee Record. In addition to the five-year cycle, a principal or superintendent may trigger a supplemental TPA as required. Principals are responsible for conducting teacher performance appraisals, but may have a Vice-Principal share in this responsibility by conducting the assessment if they are unable to.

Like teachers, EAs are reviewed on a cycle and have their reviews stored in the HR system. A process to review principals is in development and the evaluation tool is currently in trial during the 2009-10 school year. Performance reviews for non-academic staff including school board administration, clerical, maintenance and custodial are informal and occur on an *ad-hoc* basis.

Staff development varies from group to group, and is predominantly based on in-house training on professional development days. The school board plans for professional development (PD) by soliciting input from all employee groups through the various committee structures. The school board reported that professional development is driven in large part by Ministry initiatives, statutory regulation, and collective agreements. For existing PD, each session is evaluated for usefulness by attendees. Staff are eligible to attend conferences and workshops, and staff pursuing certain accreditations or certifications may have access to funding through various sources.

The school board has developed extensive professional development programs for academic staff. However, the school board has not developed specific policies for nonacademic staff/professional development.

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

The school board uses a system of progressive discipline. While there is no progressive discipline policy, the stages of reprimand and remediation are informal and escalate from verbal notification up to termination. The Board of trustees is informed of all teacher terminations. In cases of dismissal of non-teaching staff, the Director and Chair are consulted and advised. In certain circumstances, such as the attendance management procedure, a documented policy exists, and the process of progressive support is formalized.

The trustees and management should consider developing a formal policy or process governing the formal discipline and dismissal of non-teaching staff, to ensure consistency and transparency in the process.

Attendance Management Processes/Programs

An effective attendance management system combines polices/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's attendance support program was piloted in 2003 and expanded to all employee groups by March 2008. The goal is to promote positive levels of employee performance and attendance. The current system is based on a procedure of three levels: a notification letter, a formal meeting with a monitoring clause, and additional monitoring if required. The program also helps to reveal illegitimate absences.

To help ensure the integrity of absence reporting, the department has rationalized the number and type of absence codes available through their absence reporting and automated call out system. The school board currently has 12 employee absence codes. All staff absences are reported through an automated allocator. In addition, all staff are directed to notify their supervisor in the event of an absence. All principals, managers and supervisors are required to validate weekly the absences for their respective staff through an online process.

The school board has developed monthly and annual reports on attendance management statistics with the intention of reporting on the financial costs of replacement of staff and absentee rates of each group. These reports are formally presented at Director's Council and it was reported that the chair of the Board is also involved in monitoring these statistics. The school board is encouraged to continue their efforts in formalizing the reporting of attendance management and include a year-end presentation to trustees.

Management of HR and Payroll Data

The payroll function resides primarily in the finance department. From a data management and pay grid perspective, the centralized HR system is reconciled with the finance system via a flat file transfer. Separate system modules for HR and payroll ensure segregation of data at the system level. Updates to personnel records for pay and benefit changes or other compensation adjustments are only performed by authorized staff.

All staff classifications are validated through existing teacher qualification procedures, using the Qualification Evaluation Council of Ontario (QECO). In the case of an experienced teacher transfer, teachers are paid on the lower end of the grid until their experience profile is received from their previous board.

HR records are current, including the formal tracking of teacher qualifications and experience. Superintendents and managers work together if there is a non-academic position that needs to be reclassified, and management works with unions if it is a unionized position. Teacher qualifications are synchronized twice a year with the Ontario College of Teachers database. New hire qualifications are confirmed as part of the application documents teachers submit during the recruitment process.

The school board has implemented a pay equity plan. The approved plan is reviewed periodically and amended as necessary. The school board reported that they have two pay equity initiatives outstanding with two support staff unions.

Management of School Board's Employee Benefit Plans

Management reported that compliance audits of the board's insurance carrier are conducted periodically to ensure adherence to the benefit plans terms and conditions. This is a good practice to ensure accuracy and validity of claims paid.

Management also reported using a benefits broker. The school board reviews its benefits program and calculates the board and employee contributions for the plan. While the school board does not formally tender its plans annually, it receives competitive information regarding the cost effectiveness of its plan through the broker.

Benefit program premium renewals and budget projections are reviewed at Budget Steering Committee.

Management subsequently provides the Board with a report on the cost of plans, and explains costs and other pressures during the presentation of the budget. Programs related to employee support are also benchmarked for cost by the benefits broker. This ensures the school board receives maximum value through its employee support programs.

Through HR, processes are in place to accommodate workers returning from injury, and provide consideration for limitations/restrictions for an early and safe return to work. A formal wellness committee was initiated last year where management and the unions met to discuss what needs their employees have. To ensure direct input from staff, a staff wellness survey will be completed during the 2009-10 school year.

Monitoring Staff Satisfaction

The majority of the staff satisfaction input is derived through the monthly principals' meeting and through indirect input from the labour management committees and employee groups. With the exception of the planned wellness survey, confidential staff surveys are not currently part of the HR department's annual activities.

Management does not conduct formal exit interviews. Practices such as staff surveys and exit interviews for all employee groups can provide management with valuable input for attendance management, professional development, and policies impacting future employee relations.

Recommendations:

- Management should develop recruitment policies and procedures and ensure they are reviewed annually to align staff planning with student achievement.

- Management should consider expanding its evaluation/performance system to include non-academic staff

- Management should consider developing a formal policy or procedure governing the formal discipline and dismissal of non-academic staff, to ensure consistency and transparency.

- 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	Yes

Leading Practices – School Staffing/Allocation	Evidence of Adoption?
allocations for school-based staff, if estimates for enrolment and funding change after budget approval.	
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 developed procedures for the staff allocation of teaching and nonteaching staff. The school board reported that this process is driven largely through collective agreements, Ministry guidelines, and funding provisions. This process is also driven by enrolment projections, student needs, class size requirements, and preparation time, in alignment to collective agreements.

The school board is currently facing declining enrolment, although there are some growth areas. As a result, annual staff planning is a collaborative exercise that includes principals, superintendents, the manager of planning and transportation, HR and the finance department. Beginning in February, the manager of planning and transportation performs a forecast of students by grade and by school, using municipal planning data and other population projection sources.

The forecast model sets a preliminary level of teachers required. Initial surplus teachers are identified to the board in early March and teachers are notified on or before March 31st. Principals and vice-principals are allocated based on a staffing guideline tied to the size of the school (i.e. <250, 250+, 450+ students) and prep time is factored into every allocated full-time equivalent (FTE) position.

For special education allocations, one Special Education Resource Teacher (SERT) is allocated to each primary school and a small team of SERTs to each high school. EAs are allocated to students (ratios of ½:1 to 2:1). A small number of EAs that are approved for the beginning of the school are not immediately placed in schools but placed over the first few months to respond to unanticipated need`.

Support staff and other non-academic staff are allocated in June, and the process is repeated in early September based on actual enrolment.

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. At the school board, only 'funded' staff can be allocated to a school/program. Tight fiscal controls are necessary to ensure that the school board remains within budget. As such, trustees approve all external postings, promotions, and the hiring of teaching staff, to ensure budgets are balanced and openings are distributed equally among qualified members of the

occasional rosters. The allocation of staff is done centrally, with finance and HR providing oversight to ensure that allocations are within budgeted levels. Adjustments to staff levels can be done in the second semester, and these changes are reflected in the revised estimates.

Senior management does not hire teaching staff without Board approval. All funding is confirmed before the positions are posted externally. During the year, HR is able to compare its data to Trillium assignments to ensure that staff allocations are equal to funding available. Reconciliation is run a minimum of two times per academic year. Additionally, principals and superintendents are ultimately responsible for monthly or periodic checks on their programs and schools.

Principals report on changed support needs in September (based on student transfers, changed behaviors, etc.) and the holdback of EAs are released on an as-needed basis. This holdback allows the board to address its most pressing in-year priorities without compromising its budget position.

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.	No

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.	No

Development and Reporting of Annual Goals and Priorities

The finance department does not formally document an annual departmental plan. Instead, the department takes its direction from the three-year system administrative priorities. This is also complemented by the individual personal plans and reviews that are intended to be completed annually. Part of the inability to develop and report against plans is due to the long-standing vacancy of the Superintendent of Finance position.

The committee overseeing finance activities at the board is the Budget Steering Committee. Besides being active in the annual planning process, this committee is

responsible for all in-year allocations and reallocations of funds. Management from the finance department, the Chair, and the Director of Education attend this committee.

Management should consider developing an annual departmental plan, complete with measurable targets, designated accountabilities, and target timelines that are aligned with the annual operating plan, once it is developed, and the overall strategic plan. 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 framework of accountability for the department.

Organizational Structure and Accountability

The finance department comprises four service areas: Accounting and Finance (which includes payroll), Purchasing, Budget and Internal Audit and Printing. Each service area reports to the Superintendent of Finance. It was reported that due this position being vacant, the accounting and finance units are currently reporting to the Manager of Finance. The oversight duties of this position, which would usually be held by the SBO, have been divided among the other superintendents and the Director of Education. In addition, the purchasing department and the internal audit/budget department currently report directly to the Director of Education. The printing department reports to the Manager of Finance.

The department exhibits a clear segregation of duties between management reporting and expenditure authorization. Payroll resides in this department, but pay grade management and Qualifications Evaluation Council of Ontario (QECO) approvals are entered into the HR/Payroll System by the HR staff. Payroll does not process this increase until it is entered by HR.

The department's job descriptions are accurate and up-to-date. The department has clearly defined organizational units delineating roles and responsibilities. An organization chart was last updated in 2008, and contact information for key finance staff is on the website. The department is encouraged to update the departmental organization chart as needed. The school board should also examine the organizational structure of the finance department to ensure its effectiveness in providing services, as one service area with a large mandate has only a single employee.

Department staff are qualified through a combination of professional designations and work experience. Two of the finance managers are chartered accountants.

Monitoring and Communication of Policies

The department participates in the Policy Review Committee's annual review, and updates policies and procedures as necessary through the defined process. The major

policies that the finance department is responsible for include the purchasing policies and the budget preparation policy.

The finance department does not conduct finance policy awareness, training and education sessions. Typically, the finance department becomes involved in policy adherence on an exception basis. For example, purchases in process that do not adhere to the procurement policy would be caught be the accounting department.

It was reported that, ideally, the finance department would like to provide in-service on purchasing policies/procedures and best practices to new and returning management staff and principals annually.

In this regard, the finance department should take the opportunity to provide finance policy and awareness, training and skills sessions, for both new and experienced staff, teachers and principals. This will ensure clarity and adherence to policies and procedures.

Recommendations:

- The department should consider developing an annual departmental plan aligned with the annual operating plan and overall strategic plan. This will enable the department to track and report the progress of its defined priorities and goals throughout the year.

- Finance management should provide finance policy and awareness, training and skills sessions, for both new and experienced staff. This will ensure clarity and adherence to policies and procedures.

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 annual budget development process is transparent and clearly communicated, incorporating input from all key stakeholders including management, the board of trustees and members of the community. The budget development process is guided by a board policy entitled 'Budget Preparation' and occurs on a cyclical basis, beginning each year in March.

The budget development process is spearheaded by the finance department. More specifically, the managers of finance and budget/internal audit take a leadership role in developing the initial draft, based on the current year's allocation and spend. Subsequent iterations of the draft budget are presented at the Budget Steering Committee prior to broader consultation.

Approximately 85 per cent of the board's annual spending is allocated to pay and benefits. Rather than use a zero-based budgeting approach, the finance department begins to define the forecast costs by analyzing the current payroll, subtracting known retirements and adding approximately three per cent to wages, reflecting collective bargaining agreements. Staff FTE counts are reconciled by comparing HR and financial data against class and FTE counts. The department also factors in other known commitments prior to tabling the forecast to the Budget Steering Committee, through the Director. This is typically initiated in advance of the GSN announcement, and finalized after the board's funding allocation is known.

Each April, the trustees and the School Council Advisory Group meet to discuss any budget concerns. In addition, the public can contact trustees at any time to bring forth any questions. Finally, the Chair issues a copy of the estimates to all stakeholders annually, with a letter inviting any comments or concerns. These are considered when the revised estimates are prepared.

Enrolment forecasts are conducted by the Manager of Planning and Transportation, after principals input class-by-class forecasts. Based on class size caps, a baseline teacher demand is calculated. Other non-teaching FTE positions are then calculated, based on the enrolment forecast. Two superintendents (elementary and secondary) then review the forecasted needs and determine staffing levels. The finance department also works with the superintendent responsible for special education and the controller of plant to understand how their budgets will affect the board's overall position.

It was reported that input from principals is particularly useful in developing enrolment projections. Management monitors enrolment forecasts periodically, until October. The school board maintains that a margin of error of 1% on its forecasts is acceptable and can be accommodated in its budget forecast.

The budget development process at the school board accounts for all of the required cost and revenue changes. Revenues and expenditures are monitored closely, and no significant items are added to the budget without funding attached. Collective agreements are used to establish the non-staffing FTE staff requirements of the expenditure forecast.

The school board accesses staffing information available through the Ontario Catholic School Trustees' Association (OCSTA) and OASBO. As part of the budget process, the school board is encouraged to also compare staffing costs with the coterminous board and other Catholic school boards. This will help the school board compare allocations of staff and average compensation costs to ensure the efficient use of resources.

Risk Mitigation and Board Approval

The school board reported that a formal risk mitigation strategy does not exist. Instead, the main source of financial risk mitigation planning is a monthly financial report that is submitted to the Board via the Director's Council. These meetings provide an opportunity to deal with in-year contingencies, offset by a decreased expenditure in another budget area.

For recurrent risks that materialize (e.g. snow removal costs), the school board establishes a small contingency on top of the expected allocation. If the contingency is not used, it is reallocated to other short term in-year priorities that are unfunded (or under-funded). Since the Board is notified of all hires (planned and in-year) there is limited risk of over-hiring or hiring beyond the committed allocation.

Recommendations:

- 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.	No
Senior management is held accountable for the integrity of financial reporting through formal sign-off and approval procedures.	No
Management completes and files all financial reports in accordance with established timelines.	No

Audit

Leading Practices – Financial Reporting and Analysis	Evidence of Adoption?
Management maintains an independent internal audit function.	Yes
Internal audit plans are clearly documented. Internal audit report recommendations are followed up and acted upon by management.	Yes
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 to record, track and report financial data. The system integrates general ledger, accounts payable, accounts receivable, budget, planning, and purchasing modules. The financial system facilitates variance analysis and management reporting.

The department reported that the financial system is manually integrated with the main HR system. An interface is run after each pay to load payroll information into the established database. The plant department has started using a new work order system. At this point, it is not integrated with the system the finance department uses. Allocations are controlled centrally in the finance department by a limited number of staff, but cost centres are not explicitly assigned to principals or superintendents for management.

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 percentage variances between budget estimates and actual costs. Interim financial reporting allows management to track these variances, and communicate them to the trustees and other key decision-makers.

The monthly financial report is the main report to both the Director's Council and the Board. These reports are prepared by senior finance staff and presented to the Board for approval as an item of information. If the statements indicate that some kind of action is needed, the recommendation would also be presented to the Board for approval.

These reports have not been prepared and distributed consistently since 2007. Furthermore, they do not include calendarized reporting, which is a snapshot of the yearover-year spend comparison. The reports also do not include formal sign-off by senior management. The school board should ensure interim financial statements are formally signed off by senior management, to ensure the integrity of financial reporting.

The school board noted that in-year reports to the Ministry are completed but at times can be delayed. This is due in part to the increased workload performed by staff, in the absence of a Superintendent of Finance. The school board should complete and file all financial reports to the Ministry in accordance with established timelines.

The department should expand on existing report templates to incorporate the recommendations made by the Committee on Interim Financial Reporting for School Boards, which were released September 2009. Enhancements should include calendarized reporting, with historical expenditures as a benchmark for comparison. Formal sign-off on interim financial reports should be performed by senior management, to ensure accountability for the integrity of the reports. This will also provide more accurate information on whether variances are in line with historical spending trends.

Audit

The school board maintains an internal audit function that primarily focuses on schoolbased audits. Using the audit tools suggested by OASBO (the Ontario Association of School Business Officials), the audits focus on the accounting of school-based funds and enrolments. Internal audit is typically initiated upon the retirement or transfer of a principal, as well as targeting at least one school under each superintendent. Additionally, the school board's auditor performs a small school-based review annually on a selection of schools, as part of its board-wide audit.

Internal audit plans and findings are developed and shared with the Director of Education. Findings are captured and documented in a memo for the principal and secretary, with a full report going to the Director of Education.

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's management letter, auditor's report and financial statements are presented annually to the Board. Each area of the organization is responsible for reviewing and responding to any direct findings. The Manager of Finance consolidates responses and presents the management response letter back to the Director and the Board.

The school board has recently established an audit committee. The role of this committee is to oversee the annual audit of the school board. While the membership is still being determined, it is expected that two trustees and the Director of Education would participate on this committee. The board is committed to following Ministry direction with respect to this committee's membership.

The school board also reported that they do not yet have external members on their audit committee, but are actively seeking involvement. The addition of external advisors would be beneficial, 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 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, auditor's report, and in-year reports produced by management.

In December 2009, the Ontario legislature passed the Student Achievement and School Board Governance Act. These amendments to the *Education Act* clarify what is expected from school boards, trustees, board chairs, and directors of education to support improved student achievement. The amendments also promote good governance practices and sound financial management, by establishing audit committees. Now that the legislation has passed, the ministry intends to bring forward a regulation on audit committees specifying the composition and requirements of these committees.

Recommendations:

- The department should develop calendarized reporting that uses historical expenditures as a benchmark for comparison. This will provide more accurate information on whether variances are in line with historical spending trends.

- The school board should ensure interim financial statements are formally signed off by senior management to ensure the integrity of financial reporting

- The school board is encouraged to complete and file all financial reports in accordance with established timelines.

- Management and the board of trustees should consider including external advisors on the Board's audit committee to contribute to committee's effectiveness.

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.	No
Cash management activities are consolidated with a single institution.	Yes

Leading Practices – Treasury Management	Evidence of Adoption?
Management periodically reports to the board on the performance of the investment activity and the approved investment policy in accordance with the *Education Act*.	No
Management periodically compares the board's banking terms and conditions to those of similar school boards.	No
Management monitors financial risk related to cash/investment management and has a plan to mitigate associated risks.	No

Cash and Investment Management

The school board reported that a formal cash management process does not currently exist. However, bank balances are reviewed daily, and transfers between accounts take place as needed. The board maintains several bank accounts, based on the type of expenditure. The school board should consider comparing its banking terms and conditions to those of similar school boards. It was reported that banking services have never been tendered. Consideration should be given to doing so, to ensure the school board is getting the best rate possible for its cash balances, which can be considerable at times.

The majority of non-electronic revenue receipts at the board are in the form of cash, cheque or wire transfer. The board maintains cheques and keeps them in a vault in the finance department. Payments are made mainly by electronic cheques and EFT. It was reported that manual cheques are sometimes processed for payroll, and the use of wire transfers is rare. Management reported that they reconcile the amount of school taxes allocated to the school through a daily download. This is then reviewed monthly by the Manager of Finance.

Management has consolidated cash management activities for the school board with one financial institution. However, schools are not required to use the board's banker, as it was reported that schools prefer to use a bank that is close to the school which is more convenient for staff. The school board reported that schools have been successful in having no service charges or reduced service charges on the accounts they set up. Principals are signing officers on all school-based accounts. Cash and cheques are sometimes received at the school by the school's main office.

The school board does not maintain an investment policy. The board's uncommitted funds reside in the reserve account. The school board has undertaken some long-term borrowing for capital purposes. Some of the board's debt is committed in sinking funds, although all committed payments are made according to schedule.

The school board monitors financial risk related to cash and investment management. This is done informally, and there are no documented mitigation plans.

All unanticipated transfer from reserves (including deposit and withdrawal) must be approved by the Budget Steering Committee. All transactions are included on the monthly financial statement to the board of trustees so that everyone is aware of the transaction.

Recommendations:

- The department is encouraged to develop a cash investment/management process to mitigate any associated budgetary risks and maximize potential returns on idle cash.

- Management should periodically report to the board on the performance of the investment activity and the approved investment policy.

- Management should consider periodically comparing the school board's banking terms and conditions to those of similar school boards, to ensure it is getting the best rate possible for its investments.

- Management should monitor financial risks related to cash/investment management and develop a plan to mitigate associated risks.

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, and coordinates the annual reporting of revenues and expenditures from schools and school councils. The main control in use for oversight of schools is a review of the school's balance sheet, cash flow, and bank account reconciliation. This is conducted at year end during the consolidation process for all schools and school councils. Audits include a review of the collection and expenditure of the student fees from the prior year along with the current year.

The principal and head secretaries are responsible for collecting funds at the school level. They are also responsible for expenditure and manual cheque requisitions. Each secondary school maintains a safe for cash deposits and cheques. Schools are encouraged to do timely deposits, and there is a vault or lock box at all secondary schools. Principals approve all requisitions, and the finance department reviews this at the time of the audit.

The school board reports to the trustees annually on the use of school-based funds. Additionally, the superintendents are responsible for providing in-year reports on behalf of the use of funds at their family of schools.

The school board does not have any fundraising activities specifically for capital projects.

Management of Non-Grant Revenue

The school board reported that procedures for governing non-grant revenue have been created at the departmental level. The main sources of non-grant revenue at the school board include continuing education, community use of schools, property leasing (from daycares), other usage fees and non-Ministry grants, such as Language Instruction for Newcomers to Canada and Literacy and Basic Skills.

Revenue sources from all sources are typically reviewed during the budget development process. The finance department is responsible for the initial development of contracts and forecasting revenue streams. Key decision points (e.g. lease rates) are approved by the Budget Steering Committee. The Board is kept informed of the revenue stream through the monthly financial statement.

The school board has five continuing education centres which deliver summer, night, day and adult class offerings. The centres offer for-credit, non-credit, English as a second language, and literacy basis skills courses.

The school board has developed an online calendar for some of its offerings, and can now register and accept payment for its adult day school online. Recently, the school board was able to centralize all of its continuing education program activities into a single bank account, and move payment activities to the hub location. The school board reports to the Board twice a year on results of their continuing education programs.

EPO grants are initially distributed from the Director of Education to the appropriate superintendent. The Director copies the finance department an all correspondence regarding EPO grants. Once the grant has been approved, the finance department sets up a specific account code for the program. To track expenditures, the finance department performs periodic expenditure checks towards the end of the year to ensure that program expenditures are on target with plan.

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.	No
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.	Yes

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.	Yes

Policies and Procedures

The school board has developed and approved a Purchasing Procedures and a Purchasing Authority policy, which was last updated in 2000. Management is currently in the process of revisiting and revising its policy in light of the recent supply chain guideline. There is no distinct supply chain code of ethics at the school board. The school board is encouraged to align the purchasing policies with version 1.0 of the Supply Chain Guideline (which includes a Supply Chain Code of Ethics and Procurement Policies and Procedures standards) in time for the March 31, 2010 target date. Trustee hospitality and travel expenses are covered in a separate policy, which is aligned with the Ministry guidelines and posted on the school board's website.

The department reported that the purchasing policy is not formally communicated to staff. The school board is encouraged to do so, to ensure consistency on the application of the policy among all staff.

The majority of goods are purchased by principals, superintendents, the manager of IT and management in the plant department. Individuals with the authority to purchase are

given instructions by the finance department. If proper procurement procedures are not followed, finance staff and management identify the issue and help to correct it.

The school board does not routinely tender on MERX or Biddingo. It was reported that the board has limited use for these particular contracting vehicles. Instead, the board uses the Daily Commercial News, a periodical specifically geared to contractors and trades who can bid on open capital projects.

The school board has established select vendor of record arrangements in the plant department, and for selected school-based products. The purchasing department qualifies a short list of paper suppliers at the beginning of the year, and replenishes its supply once a quarter, based on price and quality comparisons. Additionally, it qualifies six vendors each year to provide office supplies. Sample products are reviewed by a panel of principals prior to awarding the contract. Qualified vendors supply the major order at the beginning of the year, with schools permitted to replenish their stocks from the approved list in-year, provided they have adequate funds.

The school board's current purchasing policy and procedures consider factors other than lowest price in vendor selection. The school board considers the quality of product, service, timely delivery, and compliance with proposal requirements. In keeping with their values and beliefs, they adhere to a 'sweatshop free' purchasing commitment. The purchasing department also tests samples of the goods it procures if possible. Service providers are required to submit references, undergo a criminal reference check, and produce valid identification. The school board prefers to work with local vendors and suppliers. It was reported by the school board that sole source contracts are infrequent, and only occur in cases where there is a specific product that only one vendor can supply.

Purchasing officers monitor purchasing activities for compliance with the board's procurement policies and procedures. This is reinforced in the purchasing guide, which stipulates that it is the responsibility of all supervisory staff to understand the purchasing and expenditure reimbursement policies and guidelines. In addition, the Manager of Purchasing approves the register in the purchase order inbox for processing. The requisitions are checked for purchasing approvals, tax coding and account entry. In the case of emergency procurement (e.g. for large purchases related to construction or capital upgrades) these procured items are reported to the board.

Participation in Group Purchasing Initiatives

Management has developed strategies to increase purchasing power and minimize the costs of goods and services, and actively participates in purchasing consortia. The school board's procurement strategy includes participation in consortia to realize cost savings. The school board is involved in two utility purchasing consortia; the Ontario

Catholic School Boards Association for electricity, and the Hamilton School Board Gas Consortium for gas.

The school board is also part of a transportation consortium with its coterminous board. As part of the transportation consortium, the school board has moved the operations into a closed school. It derives a small amount of lease revenue from the joint operations. The school board also reported that they have made numerous efforts and have had some success in working with the city in the areas of snow removal and grass cutting. They have also worked with their coterminous board to align the tender for copiers.

Purchasing Levels of Authority

Public procurement procedures are based on total value of goods procured. Goods less than $7,500 can be procured directly from a supplier, and approved based on the individual's level of authority. For goods in excess of $7,500 but less than $10,000, three sealed quotes are required. For goods in excess of $10,000 but less than $17,500, three sealed quotes are required and the bids must be opened in the presence of a trustee. The evaluators must accept the lowest bid. Procurement of goods in excess of $17,500 must go to the board of trustees as a vote item for review and approval.

There are a number of purchasing authorization levels (depending on the job position and function) which are monitored and controlled by financial services. For employees with the authority to purchase, there are two thresholds:

1. Up to $4,500 (for select managers and principals). This group includes school principals, the Manager of Finance, the Manager of Purchasing, the Manager of ICT, and the Manager of Library and Information Services. The school board reported that this group is decided on by Director's Council and the policy is revised when necessary and approved by the Board.

2. Above $4,500 (for superintendents, equivalent and above)

Any good or service in excess of $7,500 must be procured in accordance with the procurement policy.

The school board has established policies for travel expenditures for all staff and management. There are separate policies for employee travel and reimbursement and trustee travel and reimbursement. Employees are reimbursed travel costs, while trustees are allocated an allowance. Employee and trustee expenses are authorized by the HR department in accordance with the policy. Reimbursement is managed through payroll.

Policies and Procedures for PCard and Corporate Card Use

The school board has an approved policy on PCards which is posted on its website.

The board has both PCards and corporate credit cards. Corporate credit card access is limited and highly regulated. One card resides with the Director of Education for travel, conference and professional development-related expenditures. The other card is a 'board use' card, which is used in instances where credit cards are mandated (e.g. IT software support services.) The school board reported that this card is kept locked up with the Manager of Purchasing, who authorizes all purchases on the card.

The remaining staff and managers who are required to incur routine expenses use PCards. The majority of cards in use are in the plant department for maintenance staff and area managers. Principals use petty cash or cheques and do not have PCards.

The current threshold for PCards is $500. Statements for purchases made on PCards are issued electronically.

A travel and expense policy currently exists for all staff and trustees and is posted on the school board's website.

Accounting for Completeness of Purchase/Payment Cycle

The purchase and payment cycle is managed through the main financial system at the board. Purchase orders (POs) are expected to be initiated for goods and services in excess of $50 to $100. At the end of each day, the reviewed requisitions are converted into POs and transmitted to vendors via fax server. The few vendors that do not accept fax transmissions are sent the PO via e-mail or mail. These vendors are noted in their supplier profile.

Budget permitting, all requisitions that have appropriate approvals are converted into POs that automatically encumber funds. In the case that a budget code is overspent, the PO is not created and the finance department needs to intervene to review whether the purchase should be executed or coded to another account. Procurement catalogues are not enabled in the current system, but references to the vendors' online catalogues are made in the requisition as part of the process. Management is encouraged to implement an electronic supplier interface for ordering, processing and payment. This is an opportunity for the school board that can result in increased process efficiencies.

The school board uses two-way matching for payment of invoices – purchase order and invoice. It does not explicitly match packing receipts with goods prior to payment. The school board operates on a drop-ship basis, whereby goods are delivered directly to the location that ordered them, and invoices are sent to the board's main office. Most major purchases (such as IT equipment, furniture or textbooks) are all received centrally over the summer months. These invoices are not paid until the goods are reconciled against

the purchase order, invoice and receipt. For goods procured and delivered to the plant department, the controller of plant is required to sign all invoices as an acknowledgement of receipt. For goods received at the school, there is no formal receiving procedure. The individual receiving the goods is responsible for signing for and accepting the goods.

At the end of each year, the finance department reviews all outstanding purchase orders. In some cases, purchase orders are not filled and are cancelled. In other instances, purchases are filled by the supplier, but the invoice remains outstanding, resulting in a delayed payment to the vendor.

Use of Electronic Funds Transfer

The school board has been successful in migrating many of its main vendors to electronic fund transfer payments. Select payments are still made by wire transfer or cheque, most notably payroll.

Recommendations:

- The school board is encouraged to formally communicate the Purchasing Procedures and Purchasing Authority policy to staff to ensure consistency on the application of the policy among all staff.

- Management should perform a detailed review of the Board's purchase-topayment cycle, to validate the process's efficiency and effectiveness opportunities.

- Management is encouraged to implement an electronic supplier interface for ordering, processing and payment. This is an opportunity for the school board that can result in increased process efficiencies.

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 Operations department does not document an annual departmental plan in report format. Instead, departmental priorities are driven by yearly goals, and strategies

developed through a series of input activities based on five areas. These include professional and spiritual growth for staff, consultative process and communication, new projects, energy issues, and budget control and review. Achievement of goals is based on timely completion and budgetary compliance.

The department does not currently have service level agreements set up with other departments. A committee chaired by a superintendent of education and comprising plant personnel and principals meets regularly to review custodial service. A department employee coordinates communication among principals, vendors and providers of services such as snow removal and grass cutting. The school board reported they are currently working with the Information Communication Technology (ICT) department to create an intranet site for principals to have more direct contact with the department. The site will help facilitate timely communication, document concerns, record timelines, and assist in monitoring follow-up actions.

Management should consider developing an annual departmental plan, complete with measurable targets, designated accountabilities, and targeted timelines, that is aligned with the annual operating plan (once it is developed) and the overall strategic plan. 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 framework of accountability for the department.

Organizational Structure and Accountability

The department comprises five service areas: custodial services, plant office and budget, technical and maintenance services, physical plant and construction, and health, safety and security. Each area reports to the controller of plant.

The controller of plant reports to the Director of Education. Regular reports are brought to the board of trustees. The department is composed of one controller, five managers, two supervisors, three office staff, a facilities technician, 16 maintenance staff, 131 custodians and 139 assistant custodians.

The department's job fact sheets outline major duties and responsibilities, and are accurate and current. The department has clearly defined organizational units delineating roles and responsibilities. A current organization chart (as of October 2009) is available, with contact information for key plant services staff posted on the website.

Department staff are qualified through a combination of professional designations and work experience. The controller is a professional engineer, and other managers have a combination of education, certification and direct work experience.

Monitoring and Communication of Policies

The department participates in the annual review cycle of policies by the Policy Review Committee and updates policies and procedures as necessary through a defined process. The department has responsibility over a number of policies, all of which are posted on the school board website. The major policies managed by the department include the Community Use of Schools Policy, Occupational Health and Safety Policy, and the Environmental Policy. Management monitors the adherence to policies by staff.

When policies or procedures are changed, the majority of information is initially directed to either the Director or Controller. Required changes in activities are communicated to the management and principals through the plant department.

The department reported that training on policy and procedures occurs frequently, in conjunction with workplace training. For example, the department conducts a plant professional development day where a number of policies such as occupational health and safety and workplace hazards are covered. The importance of training is also underscored, as it is the first goal among five the department has set in its yearly priorities.

Recommendation:

- The department should consider developing an annual departmental plan aligned with the operational plan and overall strategic plan. 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.	Yes
The school board has implemented a formal green clean program as part of its overarching Education Environmental Policy.	Yes
Management's custodial/maintenance allocation model optimizes the use of staff and considers various factors (e.g. square footage, portables, gyms, etc).	Yes

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.	No

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.	No
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

To maintain a consistent level of school cleanliness across the system, the department has developed cleaning procedures and standards for its custodians in the form of a Custodial Manual. This manual covers the following items:

1. Safety, first aid and emergency procedures

2. Organizational relationships

3. General custodial expectations

4. Principal-staff cooperation in the maintenance and security of a school

5. General custodian duties: general, seasonal, service and annual

6. School-building components

7. Performance evaluation procedures - each custodian is to be evaluated every three years. This section outlines the purpose of a review, the characteristics of a performance evaluation, and the importance of periodic feedback.

The school board reported that in light of the concern over serious viral infections, the entire cleaning model is moving from a sanitizing standard to a disinfecting standard. It

was reported that this improvement is resulting in changes to cleaning procedures, cleaning agents, and equipment.

The allocation model for custodians is based on square footage. All custodial staffing is approved through a custodian staffing subcommittee. Staffing of custodians and assistant custodians is based on the minimum allotment in the collective agreement and a cleaning time allotment per school. The board has approximately 233 FTE custodial staff, or approximately 16,000 square feet per FTE. The department reported that this is slightly above average when compared to other school boards. The school board uses split shifts in their staffing, and reported that only four custodial positions are split between two sites. It was reported that the assistant custodian flexible assignments (ranging from four to eight hours and subject to change by school board needs) greatly enhance the department's ability to staff schools efficiently.

Approximately 60 per cent of custodial services are provided after hours. The department reported that they have worked with human resources and have been successful in accommodating custodians transitioning back to full-time work from injury. It was reported that the newly introduced attendance management procedure has produced immediate, positive benefits in attendance for staff.

The school board has considered and rejected outsourcing custodial services in the past so as to maintain the positive relationship they have with their unions. It was reported that using an outsourcing or hybrid model would jeopardize the current communityfocused model, and create challenges with respect to criminal reference checks and custodian continuity.

The prescribed standards of cleanliness or annual performance reports are not reported to the Board or senior administration on a routine basis. Standards are upheld through spot audits of schools (using the area managers) and investigations of complaints by teachers, principals or parents. The plant department focuses its major reporting on capital project tenders, major maintenance projects or property incidents (e.g. accidents, break-ins).

All maintenance staff providing routine service are internal staff members. Any nonroutine or hazardous maintenance activities are provided to the board by a third party to minimize risk to staff. There are 16 maintenance staff positions, with half performing mechanical maintenance and the other half responsible for building maintenance.

The school board has successfully implemented a Green Clean pilot at four sites. For example, at St. Matthew Catholic Elementary School, which is the new Leading in Energy and Environmental Design (LEED) school, the school will be cleaned with green products and monitored to ensure LEED certification points are achieved. As a result of the success and cost savings of the pilot, the school board plans on expanding the

program, and looking for local champions to undertake the initiative. While the school board does not formally track the amount of green products being used, it is expecting to re-tender its custodial supply contract in the near future. As part of the tender process, it may choose to include a requirement to supply more green-certified products in line with the expansion of the Green Clean program.

Development of Annual and Multi-Year Maintenance Plan

The school board does not formally document a multi-year maintenance and renewal plan. Rather, it keeps a multi-year log of planned and priority maintenance activities that it develops (and revisits) in consultation with the principals, senior administration and other members of management. From this, the school board creates an annual project plan of key maintenance and renewal activities on a site by site basis that is presented to the Board on an annual basis. The prioritization of the activities factors in Good Places to Learn and facility renewal funding.

Selected outsourced maintenance is performed based on a multi-year maintenance plan. School mechanics/controls and chillers and pumps are all maintained by contracted third parties. The school board also has a roofing consultant that manages the long-term replacement priorities. These service providers provide multi-year maintenance plans to the plant department, so that the timing of maintenance activities and costs can be factored into the plan as required.

The department and the school board have developed long-term plans and budgets for secondary school additions, sports field improvements, and mechanical upgrades. Renewal projects that are targeted and planned to be implemented for schools are made public.

Facility condition reports are not performed on a cycle. As part of the accommodations review process, an independent consultant may review several schools as part of the evaluation area. These reports are used to update ReCAPP.

The department should develop a multi-year maintenance and renewal plan, including the funding available to support the plan. This would provide the school board and its stakeholders with a clear forecast of critical needs over the next several years. The plan should also set targets, timelines and assigned responsibilities for key initiatives. This would enable management to track and report the progress of its defined priorities and goals throughout the year.

Training to Support Skills Development and Safety

The department sponsors mandatory annual training for all of its maintenance and custodial staff. Mandatory training includes: Workplace Hazardous Materials Information System (WHMIS) and Occupational Health and Safety. For large sessions, training is

usually performed on professional development days. Selected maintenance staff are also eligible for reimbursement of costs related to workplace training (e.g. electrician certification). Additionally, all vendors are required to provide product use training when introducing new products to the board.

The school board stated it favours a co-working model over a cross-training model. As an example, the department has created a Building Environmental Systems Operator role at each high school. This is a specialized custodian who has received boiler, heating, and air conditioning training, so that they can attend to or monitor major mechanical components of each school. This position has proven successful in helping to maintain and diagnose major mechanical issues in a timely manner, without creating unnecessary work orders for maintenance staff or other third-party service providers.

Standardization of Cleaning and Maintenance Supplies

The school board does not have an inventory system to track major cleaning or maintenance equipment. Instead, the department has given each school custodian the responsibility for managing their own stock and supplies. The seasonal equipment used by custodians is maintained by a third party provider.

Management has defined common standards to ensure efficient procurement of supplies. All purchases are currently made though the supervisor of custodial services, allowing management to track and control purchases and spending.

The major inventory item for maintenance staff is the fleet of leased vehicles. These vehicles are tightly controlled. Weekend use is strictly prohibited. Actual usage is monitored via gasoline consumption through the PCard authorization process.

The school board is encouraged to develop an inventory system to track and control major cleaning and maintenance equipment.

Project Management, Monitoring and Supporting Systems

The department has an automated work order system, and has recently upgraded its centralized work order system. The application automatically dispatches and tracks work orders for specific maintenance activities. Although the system is not directly integrated with the board's financial system a manual reconciliation is performed if costs are incurred during the work order completion.

Vandalism is an ongoing cause of work orders at the school board. It is estimated that the annual costs related to vandalism range from $250,000 to $500,000. The school board has installed security cameras in many of its locations, including all of its high schools. The cameras have been successfully used to identify vandals.

Recommendations:

- In consultation with the board and stakeholders, senior administration should develop and communicate a multi-year maintenance plan. This plan would identify priorities over a three- to five-year period, and commit timelines and funding sources to the project.

- The plant department should develop and maintain an inventory for its minor capital assets residing at its school and maintenance sites.

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 *Ontario Green Energy Act, 2009,* 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.	Yes
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.	No
The Board has established an overarching environmental policy that addresses both environmental education and responsible management practices.	Yes

Energy Management Plan

The school board is making progress with its energy conservation efforts. Although the school board does not have a formal energy management plan, it has developed an Energy Policy that promotes the 4Rs (Rethink, Reduce, Reuse and Recycle) in daily activities. Working through the Social and Ecological Responsibility in Education (SERE) Committee, the school board promotes energy conservation practices and the implementation of the policy. The school board has also certified many of its schools as EcoSchools, and uses the SERE committee to promote practices across the board, in and out of the classroom.

Senior administration has reviewed the *Ontario Green Energy Act*. The school board has yet to adopt a specific plan, and does not have nominated roles or goals. The school board has chosen to target specific conservation initiatives as part of its board-wide renewal process. Major projects included the transition to T8 lighting, window replacement, boiler replacement, and the use of electronic ballasts in schools. Major projects also include long-term roofing replacement plans and insulation upgrades. The Board is working on an Energy RFP focusing on improving efficiencies in mechanical and electrical systems. New school design and construction have incorporated LEEDlike features, such as occupancy sensors to reduce electrical usage and reduce heat and cooling in unoccupied areas.

The school board's procurement policy includes references to green products, and has a formal clause requiring all new equipment to be energy efficient. The school board reported that its recent purchase of new cooling fans met its energy efficiency standards.

The school board should continue expanding its energy management policy. It should also establish a multi-year energy management plan that incorporates measures to be implemented, and the tools to monitor and manage the plan. It should also incorporate

training and education programs for staff and students as part of the larger energy management plan.

Tracking and Reporting Energy Conservation

The school board has been active in the tracking and reporting of energy consumption at its schools. Originally, it used an application to track and report on all energy consumption. Presently, the tracking is done manually, but to expand upon its tracking efforts, the school board is contracting a third party to support increased energy tracking and reporting for its facilities. The school board is also working with the McMaster University Engineering Department and Union Gas to monitor buildings for natural gas consumption and heating efficiency, to better understand the relationship between architectural design and climate influences on energy consumption.

The department is also designing a web page for principals and staff that is linked to the provincial Utilities Consumption Database, to facilitate data sharing. The school board was part of the first wave of this initiative, and continues to be a participating member. Director's Council and the Board receive monthly reports on the status and completion of the energy conservation projects.

The school board reported that projects are undertaken based on its understanding of the benefits that have accrued to other boards, rather than on a cost-benefit analysis or report. As part of expanding its tracking efforts, the department is encouraged to formally estimate the cost-benefit realization and track effectiveness for all projects designated as energy conservation.

Supplier billing for utilities is approximately $3M for electricity and $3M for gas each year. The board no longer has oil-based heating in any facility. Because of the geography of the school board, different schools in the school board have different utility suppliers. At present, vendor billing is not currently consolidated from each utility. Discussions with one major utility regarding billing consolidation are underway. Management should continue working with the utility companies to provide consolidated billing in an electronic format. This would support more efficient monitoring and forecasting of energy consumption.

The school board has established an overarching environmental policy that addresses both environmental education and responsible management practices. The policy is posted on the school board's website, and is based on the concept of stewardship. The policy states that the school board recognizes the need for the school system to have a knowledgeable concern for the quality of the natural environment, the careful use of natural resources, and the proper treatment of living organisms.

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 department should work with its major utility providers to consolidate billings for schools to one periodic invoice per utility.

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 developed an occupational health and safety plan. The procedures are driven by the operational aspects of the school board (e.g. inspections, accidents, asbestos removal) and are formalized in a manual. The occupational health and safety manual is reviewed every year by an occupational health and safety committee. The manual is available in at least two locations at every facility site, usually the main administrative office and the staff room. With assistance from HR, the central committee reports annually to Director's Council and the Board on key activities and outcomes of the year.

Occupational health and safety training is mandatory and provided annually. The school board reported that training is driven by incident statistics. For example, it was reported that the focus last year was on slips, trips and falls, due to the volume of injuries in this area.

The board-wide occupational health and safety committee comprises the following members of management: the Superintendent of Education, the Manager of Labour Relations, one elementary principal who serves as the Co-Chair, (with a vice-principal as an alternate), and one secondary principal (with a vice-principal alternate). The committee also includes eight union representatives. The Controller of Plant and the Manager of Health and Safety serve as a resource to the committee.

Each school also has its own occupational health and safety committee to reflect local practices and procedures. If there are health and safety concerns, parents can report matters to the principal directly, or to the plant department through the information provided on the website.

The school board has developed a security and student safety plan and safe schools manual, in line with the Safe Schools Strategy and Bill 212: *Education Amendment Act* (*Progressive Discipline and School Safety*), 2007. Included in this plan are a number of procedures (e.g. Catholic Children's Aid Society protocol, police protocol) that define steps under particular security scenarios. An anti-bullying initiative has also been developed in conjunction with the coterminous board, the city of Hamilton, and the local police. An additional school board initiative is the development of a diversity conference. At this conference, all Grade 7 students attend a two-day conference on diversity, which also covers topics such as anti-racism and bullying prevention.

The school board has also established an Emergency Measures Committee, linked into the broader Hamilton Emergency Measure Committee. As a result, the school board was able to quickly develop a response plan to pandemics reflected the collaboration with local resources outside of the school board (e.g. municipality, public health, etc.) It was reported that there is also a sub-committee for safe schools at the school board level.

The school board has a health strategy which was developed in conjunction with the municipal health department. The strategy is reviewed annually, and results are also reported annually to the Board. Changes in statutory health requirements which impact the school level are championed by the Superintendent of Special Education (also responsible for the school board's health strategy) who works closely with the municipal health department.

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.

The school board has a healthy schools policy, through which a number of initiatives have been implemented. For example, all high schools have removed soda pop from vending machines, and increased the number of bike racks available to students. Finally, each facility is tested annually for lead in drinking water, air quality (CO, CO2) and temperature variations to ensure the sites are conducive to learning. The plant department also has a moisture meter which identifies moist drywall, wood, plaster or other organic surfaces as potential mold hazards.

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 RECAPP 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. Due to declining enrolment, the plan is currently based on only the highest priority needs.

Consideration for new school construction is mainly based on enrolment projections (both annual and long-term third party projections) and the facility condition index of the existing local school. The administration uses a variety of different data sets to help determine capital needs projections, including population and in-migration numbers, as well as regional population projections. The municipality also provides the board with plans and data on growth areas. While material demographics shifts occur slowly in Hamilton (over a three-year period or longer), the consultation process continues over the academic year, before a new school is confirmed. The capital plan is then revisited, confirmed, or amended accordingly.

The data used for capital planning by the school board is managed by the Manager of Enrolment and Transportation. The main sources of data include ReCAPP, School Facilities Information System (SFIS) and the new energy management database. These sources are updated periodically after site reviews or the completion of renovations and major capital projects. Facility reviews for space analysis and Prohibitive to Repair

(PTR) assessments are performed annually, cost permitting, on an as-needed basis, using a consultant.

Every year, the plan is revisited to validate the in-year projects. Proposed capital projects are submitted to the Board for approval. The school board reported that they maintain separate renewal and capital plans, but refer to the capital plan before making decisions on renewal.

Funding for capital projects is a joint activity performed by the plant and finance departments, with assistance from the Director's office. There is no separate standing capital planning committee dedicated to major renovations or capital constructions.

Currently, all occupied teaching sites are operating in excess of 50 per cent capacity, with a few schools at or above capacity. The school board has completed the consolidation of five schools, and is undertaking the development of one new high school and five elementary schools in growth areas of the city. The development of one additional elementary school is also under consideration.

The new 'Pupil Accommodation Review Guidelines' have been approved by the board of trustees. The process for school closures is contained in the board's Pupil Accommodation Review policy.

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. The school board reported that SFIS is adequate at meeting the needs of the school board.

ReCAPP methodology is also used to maintain an accurate and current assessment of facility conditions. This task is outsourced to an expert in ReCAPP who reports back to the Controller of Plant. PTR schools are identified through the ReCAPP and visual inspection.

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 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 *Ontario Green Energy Act, 2009.*	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

The school board is currently experiencing declining enrolment. The Board uses its capital plan, SFIS, and the accommodation review process to define its major construction initiatives. The school board has one active facility on leased property. Some school properties are also on land adjacent to or part of the parishes belonging to the Diocese of Hamilton.

Before new facilities are constructed, the school board conducts an extensive outreach process with the community, to obtain input from schools and parents.

The school board reported that staff and management minimize construction, future maintenance and operations costs through the use of cost-effective designs, standard footprints, energy conservation, and economical construction practices. Prior to the purchase of any new land, the Director of Education, the Controller of Plant, and a planner review the purchase agreement to ensure value. The school board also uses a standard footprint for all new builds that is customized for the particular site, in addition to repeat designs and standard engineering. The school board has qualified three architects for new school design, and a fourth for a major addition. Each approved architect is able to bid on the school tenders but must work with the single boardapproved engineering firm during design. There are preferred engineering firms in each of the following disciplines: mechanical, electrical, structural, soils, roofing and site services.

This procedure allows the board to control costs and ensure that the construction of schools is done consistently and meets internal operating standards. Over the last tendering process, three architects qualified to design one or more schools, using the school board's preferred footprint and engineering firm. The department, through the Plant Controller, is responsible for overseeing the materials used in each school, to ensure they also meet the quality standard. All new schools are required to use common finishes to control costs. The school board reported that this also helps reduce maintenance costs.

The school board undertakes two to three major capital projects per year, including renovations and new builds. The school board reported that Good Places to Learn Renewal and Prohibitive to Repair funding has been useful in meeting the school board's capital planning needs.

Management reported that they compare construction costs with other school boards, and use reports produced by the Ontario Association of School Business Officials to benchmark building and renovation costs. Each major project has a five per cent unallocated contingency built into the overall costs. As per the procurement procedure at the school board, any change order in excess of $17,500 is returned to the Board for approval.

The school board, through the plant department, has an inventory of unoccupied schools. All unoccupied schools are locked, with only minimal heating and security systems active. Where a local use for the school cannot be found (e.g. adult day school,) the board has offered the school for sale. Two of the three current unoccupied schools are being used as satellite sites for school board departments, as well as community hubs.

Nine schools have been closed over the last eight years. The school board follows the approved procedure for disposition of assets, where surplus school buildings are offered to the coterminous board and other community users prior to a public sale. The current stock of unoccupied schools is older, and has little resale value.

Management is aware of the implications of the *Green Energy Act, 2009*. For example, new school developments are strategically placed to ensure that window position, trees and other environmental shading factors are considered during the site plan phase. The school board also has one LEED silver elementary school under construction. Transferable design features from this school that do not materially alter construction cost are being incorporated into all future school builds, including facility energy consumption meters in common rooms.

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 also provides the school board with all costs and contingencies, which are built into the approved budget. The construction process is managed by the architect, the manager of construction, and the controller of plant. Site managers are rarely used, because plant management has the ability to be on site during major construction activities. The status of construction projects is reported to the board of trustees in predefined stages (e.g. tender, design, plan, build, etc). With the exception of one former supplier, the school board has had no major issues with construction quality over the last several years.

Administration reported that the majority of projects have come in on time and on budget. Bids for the last two capital projects (the LEED school – St. Matthew Catholic Elementary School and the new school for the Lancaster area) were higher than expected. The school board is currently discussing these projects with the Ministry.

Maintaining Current Approved Professional Service Providers

The school board outsources all new construction. To control school renewal and construction costs, management works with its prequalified list of approved external engineers and architects. The Board pre-qualifies contractors in a variety of ways. New construction done through an architectural design is tendered to firms which have been qualified through Canadian Construction Documents Committee procedures and public notice. These contractors are approved by the school board. Day to day contractors are required to submit a completed school board form, which requires documentation of due diligence, such as proof of compliance with Occupational Health and Safety legislation and Workplace Safety and Insurance Board status, and verification of required skilled trades such as electricians and plumbers.

External engineers and architects must prequalify with the school board prior to bidding on a construction contract. Currently, the board has qualified six engineering firms and four architects to design and manage its construction activities over the next five-year period. Contracts are not generalized, but specifically customized for every project, based on the scope of services required. During the build phase of the project, the school board ensures that only one general contractor is used, with a stipulated total price, for the duration of the build. This ensures better control over the management of trades and services.

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.
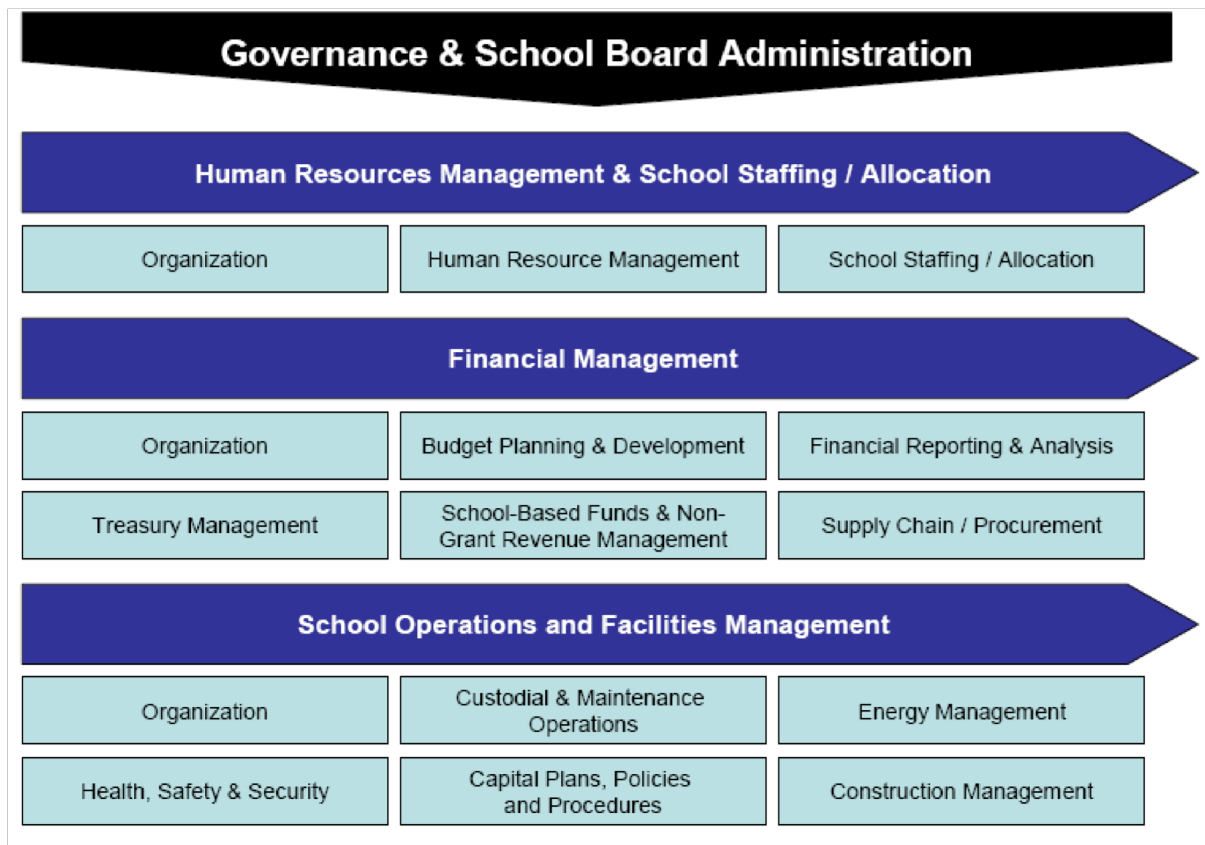
Operational Review Summary Approach

The high level Operational Review approach is shown below. The timing for the end-toend 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 existence leading practices.
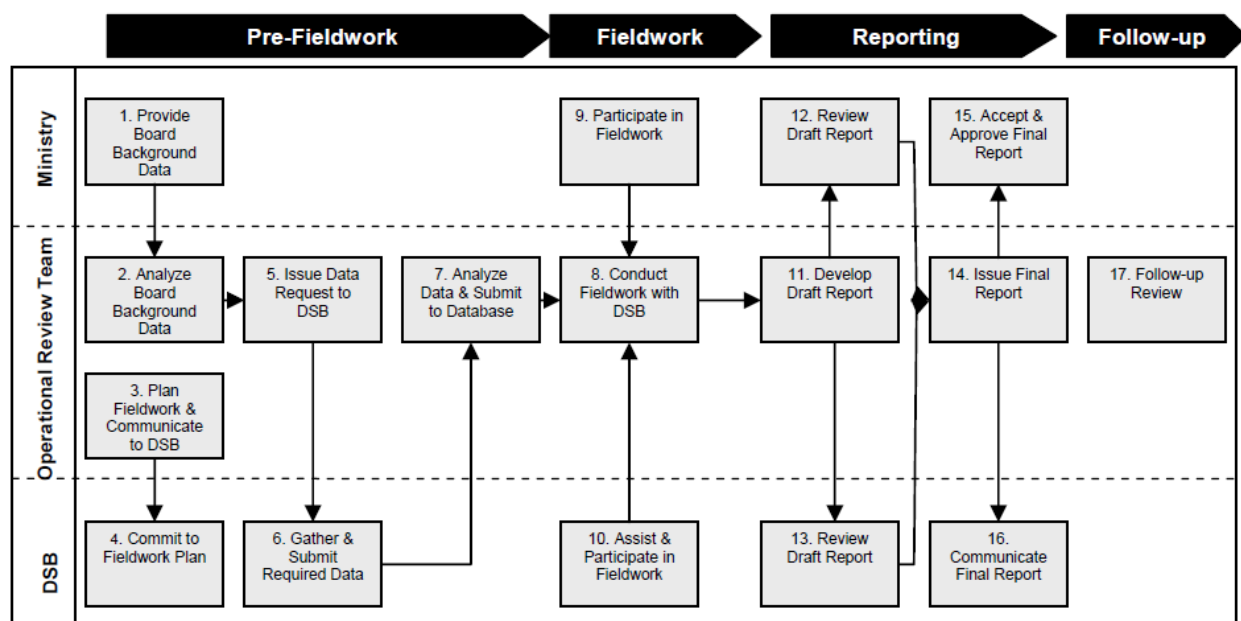
The Table below defines the key phases and activities which comprise the Operational review Methodology.

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 appropriate, recommendations for improvement.
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.
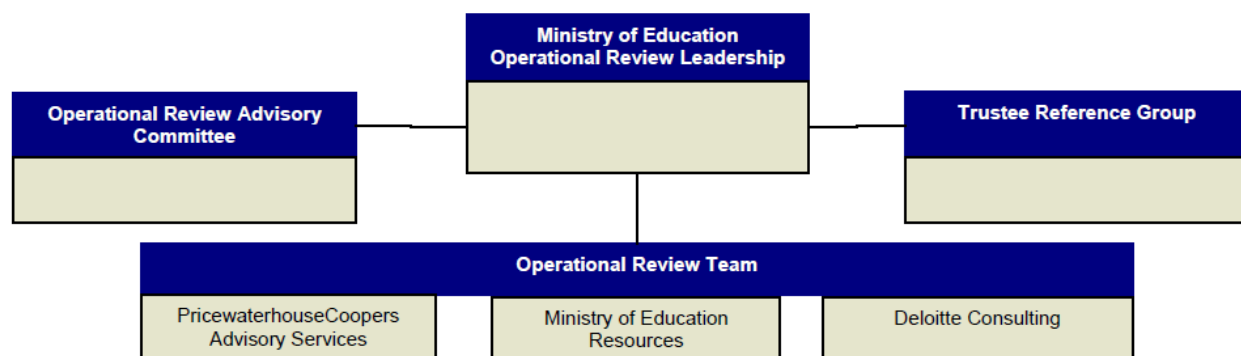
Limitations of this Review

The purpose of this Report is to document the results of the Operational Review of Hamilton-Wentworth Catholic District School Board. 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 is encouraged to develop a formal annual operating plan to cover all aspects of its operations, including human resources, financial management, and facilities management. The format of the operating plan should be updated to demonstrate its alignment to the Board's multi-year strategic plan. This will also enable the departments to track and report progress of their defined priorities and goals throughout the year.
2.	The school board should establish a formal succession plan to manage retirements and resignations of key managers and administrators, with a particular focus on non-academic operations.

Human Resources Management and School Staffing/ Allocation

No.	Recommendation
3.	The HR department should consider developing an annual departmental plan aligned with the operating plan and overall strategic plan. This will enable the department to track and report the progress of its defined priorities and goals throughout the year.
4.	Management should develop recruitment policies and procedures and ensure they are reviewed annually to align staff planning with student achievement.
5.	Management should consider expanding its evaluation/performance system to include non-academic staff
6.	Management should consider developing a formal policy or procedure governing the formal discipline and dismissal of non-academic staff, to ensure consistency and transparency.
7.	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.
8.	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
9.	The department should consider developing an annual departmental plan aligned with the annual operating plan and overall strategic plan. This will enable the department to track and report the progress of its defined priorities and goals throughout the year.
10.	Finance management should provide finance policy and awareness, training and skills sessions, for both new and experienced staff. This will ensure clarity and adherence to policies and procedures.

No.	Recommendation
11.	The department should consider consolidating key risks and mitigation strategies into a single risk plan.
12.	The department should develop calendarized reporting that uses historical expenditures as a benchmark for comparison. This will provide more accurate information on whether variances are in line with historical spending trends.
13.	The school board should ensure interim financial statements are formally signed off by senior management to ensure the integrity of financial reporting.
14.	The school board is encouraged to complete and file all financial reports in accordance with established timelines.
15.	Management and the board of trustees should consider including external advisors on the Board's audit committee to contribute to committee's effectiveness.
16.	The department is encouraged to develop a cash investment/management process to mitigate any associated budgetary risks and maximize potential returns on idle cash.
17.	Management should periodically report to the board on the performance of the investment activity and the approved investment policy.
18.	Management should consider periodically comparing the school board's banking terms and conditions to those of similar school boards, to ensure it is getting the best rate possible for its investments
19.	Management should monitor financial risks related to cash/investment management and develop a plan to mitigate associated risks.
20.	The school board is encouraged to formally communicate the Purchasing Procedures and Purchasing Authority policy to staff in order to ensure consistency on the application of the policy among all staff.
21.	Management should perform a detailed review of the Board's purchase-topayment cycle, to validate the process's efficiency and effectiveness opportunities.
22.	Management is encouraged to implement an electronic supplier interface for ordering, processing and payment. This is an opportunity for the school board that can result in increased process efficiencies.

School Operations and Facilities Management

No.	Recommendation
23.	The department should consider developing an annual departmental plan aligned with the operating plan and overall strategic plan. This will help the department to track and report the progress of its defined priorities and goals throughout the year.
24.	In consultation with the board and stakeholders, senior administration should develop and communicate a multi-year maintenance plan. This plan would identify priorities over a three- to five-year period, and commit timelines and funding sources to the project.
25.	The plant department should develop and maintain an inventory for its minor capital assets residing at its school and maintenance sites.

No.	Recommendation
26.	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.
27.	The department should work with its major utility providers to consolidate billings for schools to one periodic invoice per utility.