

Ministry of Education

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

May 2010

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Executive Summary

This report details the findings and recommendations of the Operational Review of the Niagara 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 February 22, 2010.

Introduction

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

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

The review team found that the school board has implemented many leading practices. Noted strengths include the school board's leadership in its strategic planning process, succession, and talent development, the use of three-way matching, and the development of a framework to prioritize maintenance and capital projects. 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 has adopted many leading practices in governance and school board administration, including:

- A governance model that clearly delineates the division of duties and responsibilities between the Board and the Director of Education, and supports an effective working relationship.

- Maintaining a current strategic plan and building toward their long term 2020 strategic plan.
- A formal and well-developed Succession and Talent Development Plan has been established.
- A formal stakeholder and communications plan that actively engages internal and external stakeholders on a regular basis.

Recommendations:

none

Human Resources Management and School Staffing/Allocation

The Human Resources (HR) department at the school board has implemented many of the leading practices, including:

- Creating processes to monitor compliance of HR policies and procedures.
- Creating opportunities to inform/train staff on HR policies and procedures.
- Effective labour relations, including established policies and procedures to minimize grievances.
- Policies and procedures for employee evaluation, professional development, and discipline are in place for all staff.
- Management of HR and payroll data is adequately controlled, tracked, and reviewed.
- Plans and processes for the monitoring and reporting of staff allocation are maintained and accessed by both HR and Finance.

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. The departmental plan should be founded on the strategic directions of the Board and the board-wide operating plan. It should link department priorities with unit or individual performance measures and accountabilities, facilitate clear definition of roles, enable collaboration among the team members, and provide a roadmap for the department.

The school board does not have policies to adequately support the recruitment process. The school board is encouraged to formalize these procedures, to ensure transparency, and to provide consistency across the teaching and non-teaching staff groups.

Management undertakes various activities in support of an attendance management program. The school board is encouraged to consolidate and build on their procedures to create an effective attendance management system, which combines policies/procedures, information systems to record and analyze trends in absenteeism, and dedicated resources to develop a cohesive and consistent strategy. While there is some reporting on absence statistics, reports are not tied to targets or initiatives driven by a formal attendance support process or program.

The school board is encouraged to formalize the process for exit interviews, and ensure they are performed for all staff. Practices such as staff surveys and exit interviews can provide management with valuable input, for both professional development and policies impacting future employee relations.

The school board's staff planning and allocation process is based on enrolment projections, student need, class size maximums, preparation time, alignment to collective agreements, and resource and program needs, among others. The school board is encouraged to clearly document this process, and create a detailed document demonstrating the procedures in use.

Recommendations:

- Management should develop a recruitment policy and ensure it is reviewed annually to align staff planning with student achievement.
- Management should continue to develop a comprehensive attendance management program, including policies and procedures to address specific categories of absenteeism. This will provide management with a consistent and structured approach to improve attendance across all employee groups.
- Management should periodically report to the Board and senior management on the effectiveness of its attendance management program, once it is in place.
- Management should implement an approved pay equity plan, which is reviewed periodically and amended as necessary.
- 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.

- The school board should develop policies and procedures to govern the development of an annual staffing plan and allocation process that reflects the priorities of the Board and Ministry initiatives.

Financial Management

The department has implemented several leading practices:

- The finance department has clearly defined organizational units and delineates the respective roles and responsibilities for its staff
- Staff are appropriately trained, and maintain significant experience with the school board.
- Ongoing education regarding financial policy is supported by monitoring the compliance of these policies.
- The annual budget development process is transparent and clearly communicated, incorporating input from key stakeholders including staff, management, trustees, and the community.
- The school board's integrated financial information system provides useful, timely, and accurate information for management and stakeholders.
- Controls are used to safeguard non-grant revenues, while ensuring the proper reporting of revenues and expenditures from all sources.

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, which are in turn guided by the overall strategic plan. This would help link department priorities with unit or individual performance measures and accountabilities, facilitate clear definition of roles, enable collaboration among the team members, and provide a roadmap for the department.

Management has processes in place to mitigate budgetary risks. The key risks and mitigation strategies should be formalized and summarized into a single risk plan. The plan should be presented to senior management and the Board as part of the budget development process. It should explain why accumulated reserves are being used.

Management does not report to the Board on investment activities because there are too few banking transactions involving term investments. The school board should assess its financial risks and determine if a plan to monitor its cash and investment activities is necessary.

The school board does not currently have an internal auditor but reported that they will follow the Ministry directive once the new guidelines are established. Developing a mandate for the internal audit function would assist the executive leadership team and the Board in their overall governance and accountability roles. The internal audit function can also help develop performance measures and indicators for programs and services. The school board does not have an audit committee, and is awaiting further direction from the Ministry. The establishment of an audit committee with external advisors should be considered.

There has been no requirement to centralize bank accounts to one institution due primarily to geographic consideration. Schools should be encouraged to use the school board's bank where feasible.

The school board does not currently maintain approved procurement policies or procedures aligned with the Supply Chain Secretariat's Supply Chain Guideline 1.0. As a result, the current procurement policy does not identify circumstances where the school board will use competitive versus non-competitive procurement methods. Aligning the policy with the new guidelines will also ensure that vendor evaluation criteria is developed, reviewed, or approved before the competitive process begins.

There is currently no policy or procedural guideline that indicates that purchasing authorization levels are commensurate with job roles and responsibilities. These should be formalized and monitored for compliance by supervisors or department heads.

The school board uses Electronic Funds Transfer (EFT) payments to school for employee payroll, but does not use EFT to pay the majority of its suppliers. The school board is encouraged to expand the use of EFT in the purchasing payment cycle, to maximize efficiency within the Accounts Payable department.

Recommendations:

- The department should consider developing an annual departmental plan aligned with the school board's annual operating plan and overall strategic direction. This action will enable the department to track and report the progress of its defined priorities and goals throughout the year.
- The school board should consider consolidating key risks and mitigation strategies into a single risk plan.
- Management should establish an internal audit function giving due consideration to the new Ministry's direction on internal audit.
- Management should ensure the internal and external audit plans are clearly documented and acted upon by senior management.

- Management and the board of trustees should consider establishing an audit committee that includes external advisors in accordance with the Ministry's emerging direction on internal audit.
- Cash management activities should be consolidated with a single institution.
- Management should periodically report to the Board on the performance of the investment activity, including not investing and the reason as to why, in accordance with the approved investment policy in accordance with the Education Act.
- Management should monitor financial risks related to cash/investment management and develop a plan to mitigate associated risks.
- The school board should review existing supply chain and procurement policies, ensuring they are communicated to staff with purchasing authority and are periodically reviewed and updated.
- Management is encouraged to develop procurement policies that clearly outline circumstances under which the school board will use competitive versus noncompetitive procurement methods.
- Management is encouraged to develop guidelines that ensure purchasing authorization levels are commensurate with job roles and responsibilities and that such levels are monitored for compliance by a supervisor or department head.
- Management should continue to explore additional Electronic Fund Transfers (EFT) opportunities to maximize efficiencies.

School Operations and Facilities Management

The department has adopted several of the leading practices in operations and facilities management, including:

- The development of an annual maintenance plan, including staff training.
- Standardization of cleaning and maintenance supplies.
- An automated work-order system that is evaluated by senior administration.
- Development, implementation and monitoring of a detailed security plan and health strategy.
- An approved annual and multi-year capital plan.

- On-going monitoring and maintenance of data supporting capital planning, including using SFIS and ReCAPP methodology.
- Cost effective practices in the design and use of facilities, project management controls, and maintaining and updating lists of contractors and service providers.
- The school board shares facilities with both the conterminous and French school boards.

The department has not developed an annual departmental plan. Currently, system priorities are used to drive departmental priorities. Management should consider developing an annual departmental plan, complete with measurable targets, designated accountabilities, and target timelines aligned with the annual operating plan, which in turn would roll up to the overall strategic plan. This would help link department priorities with unit or individual performance measures and accountabilities, facilitate clear definition of roles, enable collaboration among the team members, and provide a roadmap for the department.

The school board has piloted green product usage at some facilities to evaluate their effectiveness, and has plans for further testing. However, it has not implemented a formal green clean program.

Although the school board has reviewed the synopsis of the *Ontario Green Energy Act, 2009*, it does not have a formal energy management or conservation plan and has not set any goals related to energy conservation. While there are no formal consumption reduction goals or a designated energy manager, the Eco Schools program has seen significant impacts on behaviour of students and staff. There are presently no procurement practices that support objectives or targets of energy management.

The school board should expand its energy conservation procedures. Some minor components of an energy management policy are in place. The department should combine them while establishing a multi-year energy management plan that incorporates measures to be implemented, and the tools to monitor and manage the plan. Included in the multi-year plan should be a procurement policy that includes references to green and energy efficient products. This would include, where feasible, a requirement that all new equipment has an appropriate energy efficiency rating.

Occupational health and safety is the responsibility of HR. The school board does not have a occupational health and safety committee, as no such comprehensive occupational health and safety plan has been developed. The school board is encouraged to develop one.

Recommendations:

- The department should consider developing an annual departmental plan aligned with the school board's operating plan and overall strategic directions. This will enable the department to track and report the progress of its defined priorities and goals throughout the year.
- The department should develop a green clean program.
- The school board is encouraged to establish a multi-year energy management plan that incorporates measures to be implemented and the tools to monitor and manage the plan.
- The school board should enhance its procurement policy to support energy management goals.
- Management should provide formal annual reporting to the board of trustees on the conservation savings achieved against the plan once it has been developed.
- The school board should develop a system to track consumption, budget expenditures, and identify opportunities for further energy management savings.
- The department should work with its major utility providers to consolidate billings for schools to one periodic invoice per utility.
- The school board should develop an occupational health and safety plan, to ensure compliance with associated health and safety statutory requirements.

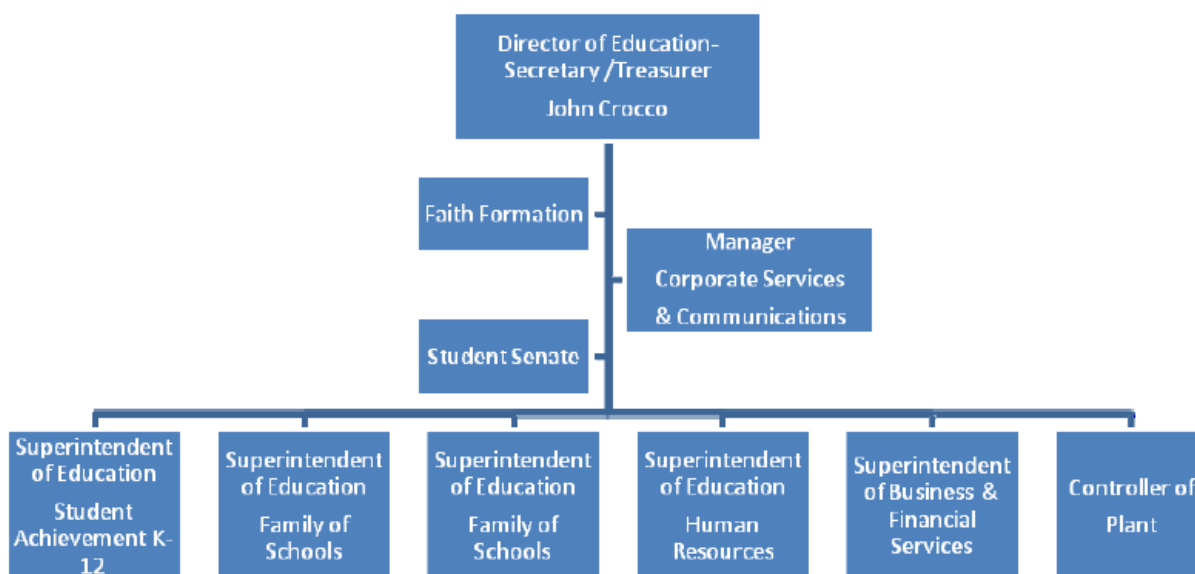
1. Background and Overview

1.1 School Board Profile and Structure

The Niagara Catholic District School Board is committed to one common goal: success for every student. The collective goal of parents, teachers, support staff, administration, and trustees is to support, challenge, and inspire every student to achieve their full potential. Responsible for providing public education to 22,628 students, the school board offers a diverse range of programs in its 61 schools.

Since 2002-03, enrolment has declined by approximately 846 students or 3.7 per cent. The school board's enrolment continues to decline.

The Senior Administration Team at the school board is composed of the Director of Education, supported by senior staff as follows:



1.2 Key Priorities of the School Board

The Niagara Catholic District School Board developed the following mission statement:

“The Mission of the Niagara Catholic District School Board, as a Catholic Community of learners, is to ensure that all students develop the knowledge, skills and values to reach their full potential, with Christ as the Way, the Truth and the Light.”

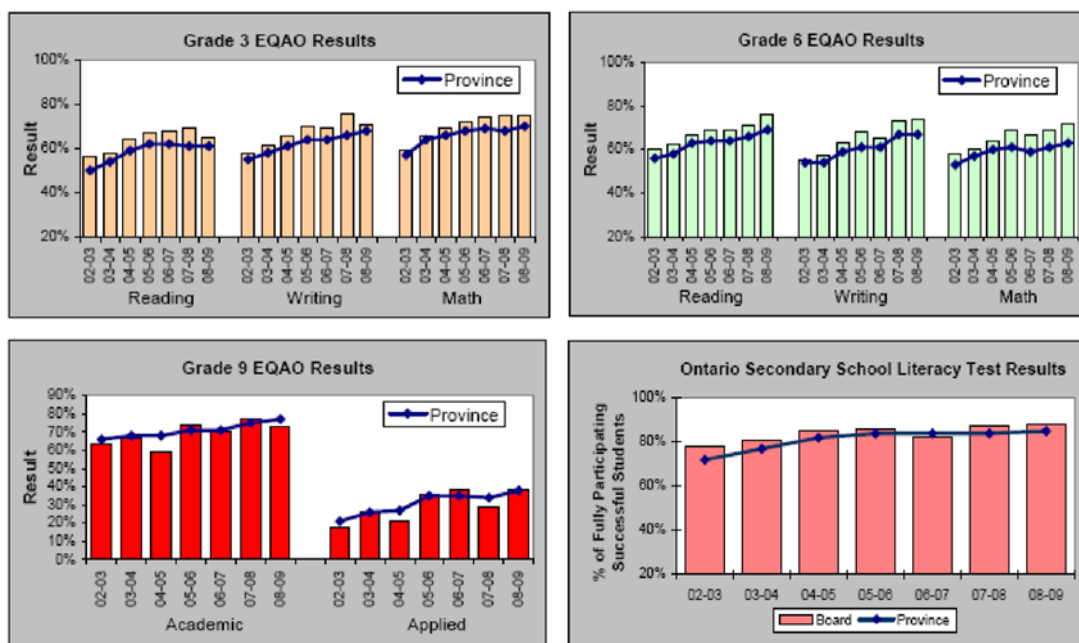
The school board currently identifies its priorities through the 2009/2010 system priorities plan. In addition the school board is in the process of developing a strategic plan. It is called the 2020 Plan that looks into the long-term direction of the school board and will

be implemented in the fall of 2010. These components form the basis of an effective strategic plan for the organization, as will be discussed in section 2 of this report.

1.3 Student Achievement

The EQAO results for the school board show that students' reading, writing and math scores for both Grade 3 and 6 are consistently above the provincial average.

At the secondary level, Grade 9 EQAO results are generally above the provincial average. Grade 10 Ontario Secondary School Literacy Test (OSSLT) results are also generally above or equal to the provincial average. 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 presented balanced budgets to the Ministry over the past two years.

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

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

Summary Financial Data (Revenues)

Revenues	2007-08 Financial Statements	2008-09 Financial Statements	2009-10 Revised Estimates
Legislative Grants	\$162,080,429	\$168,848,225	\$176,235,266
Local taxation	\$46,786,298	\$46,163,808	\$45,856,253
Board Revenues	\$2,931,849	\$3,318,903	\$2,501,445
Other Operating & capital Grants	\$5,119,362	\$5,516,556	\$4,042,944
Total Revenues (Schedule 9)	\$216,917,938	\$223,847,491	\$228,635,908

Summary Financial Data (Expenditure)

Expenditures	2007-08 Financial Statements	2008-09 Financial Statements	2009-10 Revised Estimates
Operating expenditures	\$198,343,649	\$213,095,542	\$218,066,015
Capital expenditures - Before transfers from reserves	\$14,033,737	\$10,476,783	\$11,045,018
Transfer to (from) Reserves	\$4,727,183	\$275,166	-\$475,125
Total Expenditures	\$217,104,569	\$223,847,491	\$228,635,908
In-year Surplus (Deficit)	-\$186,631	\$0	\$0

School Board Reserves and Deferred Revenues

School Board Reserve and Deferred Revenues	2007-08 Financial Statements	2008-09 Financial Statements	2009-10 Revised Estimates
Reserve for Working Funds	\$10,417,850	\$9,920,760	\$8,445,635
WSIB	\$914,445	\$924,860	\$935,360
Benefits Stabilization	\$313,304	\$316,872	\$320,622
Contingency Reserve	\$836,953	\$846,486	\$856,236
Pupil Accommodation Debt Reserve	\$16,255,567	\$17,212,965	\$18,412,965
Total	\$28,738,119	\$29,221,943	\$28,970,818
Special Education Reserve	\$227,198	\$229,786	\$232,536
Proceeds of Dispositions Reserve-School Buildings	\$4,603,202	\$4,655,631	\$4,710,631
Energy Efficient School - Operating	\$0	\$307,678	\$0
Energy Efficient School - Capital	\$0	\$2,005,072	\$0

School Board Reserve and Deferred Revenues	2007-08 Financial Statements	2008-09 Financial Statements	2009-10 Revised Estimates
Total Deferred Revenues (Schedule 5.1)	\$4,830,400	\$7,198,167	\$4,943,167
Total Board Reserves and Deferred Revenues	\$33,568,519	\$36,420,110	\$33,913,985

1.5 Key School Board Statistics

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

Day School Enrolment

Day School Enrolment	2002-03 Actual	2009-10 Revised Est.
Elementary Day School ADE	15,390	14,111
Secondary Day School ADE	8,084	8,517
Total Day School Enrolment	23,474	22,628

Primary Class Size

Primary Class Size	2003-04	2009-10
% of Classes Less Than 20	32%	90%
% of Classes Less Than 23	62%	100%
Average Class Size - Jr/Inter	25.29	24.73
% of 3/4 Classes 23 & Under	64%	100%
% of Combined Classes	14%	20%

Staffing

Staffing	2003-04	2009-10
School Based Teachers	1,318	1,420
Teacher Assistants	245	330
Other Student Support	105	205
School Administration	135	83
School Clerical	88	101
School Operations	172	0

Staffing	2003-04	2009-10
Other Non-Classroom	62	0
Total Staffing	2,125	2,139
Teacher - Pupil Ratio	1:18	1:16
FTE Staff per 1,000 Pupils (ADE)¹	90.5	94.5
Total Salary & Benefits as % of Net Operating Expenditures	72.7%	82.3%

Special Education

Special Education	2003-04	2009-10
Special Education Incremental Expenditures	\$16,733,910	\$25,678,359
Special Education Allocation	\$17,842,475	\$23,886,918
Spending above Allocation (Reserve)	-\$1,108,565	\$1,791,441

School Utilization

School Utilization	2003-04	2009-10
Number of schools	59	61
Total Enrolment (ADE)	23,474	22,628
School Capacity (Spaces)	22,663	22,652
School Utilization	103.6%	99.9%
Board Area (Km²)	1,868	1,868
Number of Trustees	8	8

¹ Note: Impacted by Class Size and Special Education

2. Governance and School Board Administration – Findings and Recommendations

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

Governance and board administration processes are reviewed to:

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

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

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

Establishment of an Effective Governance Model

Leading Practices – Governance and School Board Administration	Evidence of Adoption?
The school board's governance model clearly delineates the division of duties and responsibilities between the board of trustees and the director of education to support an effective working relationship.	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.	Yes
The senior administration periodically/annually report to the board of trustees on the status and outcomes of the board strategic plan and annual operating plan.	Yes

Decision-Making Processes

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

Organizational Structure and Accountability

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

Succession and Talent Development

Leading Practices – Governance and School Board Administration	Evidence of Adoption?
As part of the Ministry's <i>Ontario Leadership Strategy</i> , the director of education, with support from HR, has established a formal Succession and Talent Development Plan to build and sustain leadership capacity.	Yes

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 and senior administration. The governance structure is supported by eight experienced trustees and two student trustees.

The school board follows a governance model, which clearly separates policy from service delivery. The school board has also established policies to direct the governance approach of the Board, and guidelines that delineate the roles and responsibilities of administration and trustees. The Board sets and maintains policy, and senior administration develops and implements operating plans and procedures.

Training and orientation is provided to trustees by the Ontario Catholic School Trustee Association. It is based on the association's provincial standards, which ensure ongoing improvement of the governance processes and internal review of Board performance. The Board also maintains ongoing learning through information updates, including monthly Committee of the Whole and Board Meetings, information workshops for Trustees as required, regular e-mails, and sessions from the Ministry.

The Chair of the Board maintains an excellent relationship with both the Trustees and the Director of Education, and places a high value on open and transparent processes. There is a formal and annual performance appraisal process for the Director of Education. This revised process has been in place for the past two years, and is based on the Chair and trustees completing a formal evaluation. The Board then meets with the Director to provide feedback and comments.

There are currently nine committees at the Board level:

Standing Committees

- Policy Committee
- Financial Audit Committee

Statutory Committees

- Special Education Advisory Committee (S.E.A.C.)
- Supervised Alternative Learning For Excused Pupils Committee (S.A.L.E.P.)
- Disciplinary Hearing Committee

Ad-hoc Committees

- St. Catharine's Elementary and Secondary Family of Schools Attendance Area *Ad Hoc* Committee
- Niagara Falls Elementary and Secondary Family of Schools/St. George and St. Joseph (Snyder) Catholic Elementary Schools Attendance Area *Ad Hoc* Committee

Liaison Committees

- E. A.P. Committee
- Regional Catholic School Council/CPIC

The Board reported that they are fully aware of Bill 177 - An Act to amend the Education Act with respect to student achievement, school board governance and certain other matters.

Development and Reporting of Annual Goals and Priorities

Under the direction of the Director of Education, the school board is undergoing a planning process for a new long-term strategic direction. The school board is currently operating with a new 2009/2010 system priorities plan format. It is being used as a transition document, as the school board moves toward implementation of the new long term strategic plan. The system priorities plan has been communicated to parents, students, and staff by being posted at every school.

The development of the Vision 2020 Strategic Plan has gone through four stages: consultation, data analysis, plan development, and implementation, over the last two years. The development process has included individual meetings with the Director and discovery sessions with trustees, staff, students, parents, community and religious leaders. The school board also enlisted the help of a professional facilitator to guide the process. The school board is currently in the final stages of the plan development. The Vision 2020 Strategic Plan will be presented to the Board in May 2010.

The development process has ensured alignment with School Improvement Plans (SIPS) and Board Improvement Plans (BIPS), where existing SIPS and BIPS goals are given priority when developing annual goals. The school board aims to identify four broad goals that will remain constant for the 10 year length of the plan with measurable indicators of success within each priority. To ensure the plan remains relevant, it has refresh cycle stages, with specific benchmarks at three, five and 10 years. This will ensure the plan remains relevant and meets community and school board needs.

High student achievement is a focus of the school board, through its mission statement and the Vision 2020 plan. Student achievement results are reported to the Board at mid and year end. In addition, one school a month is invited to report to the Board on the successes of their school and its students through the School Excellence Program.

These presentations often involve students, and result in a month long display set up at the school board office highlighting the school's achievements.

The school board's new system priorities plan is revisited periodically throughout the year, and is aligned with the BIPS. Factors that may influence changes to the annual operating plan include unexpected budget deviations or the release of new Education Quality and Accountability Office (EQOA) scores. The system priorities plan includes assignment of responsibility, measurable targets, and timelines, which are evaluated at a mid-year review. The Vision 2020 Strategic Plan will help direct future operating plans and ensure alignment of priorities. The Board is held accountable to the current system priorities plan, which is publicly available, with achievements reported mid-year and in June 2010.

The school board is encouraged to separate the operational components of the system priorities plan, and develop a separate operating plan. This plan would cover all operations, including the program areas, 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 annual operating plan will also assist departments in developing annual plans that can be refreshed regularly without altering the overall strategic plan.

Senior administration periodically reports to the Board on the status and outcomes of the strategic plan and annual operating plan. This is done by the Director on a monthly, mid-year, and annual basis. The Director's Annual Report provides the year end summary, while monthly reports review the school board progress on both the operating and strategic plans. The senior administration team is kept up to date through weekly Administrative Council meetings chaired by the Director.

Decision-Making Process

The process for agenda-setting and decision making for the Board is documented. All non-cyclical items additional to the standard monthly agenda must be discussed at Administrative Council prior to being forwarded to the Board for review. Reports to the Board must be approved by the Director, and submitted for addition to the draft agenda through the Administrative Assistant, Corporate & Communications Services. Once complete, the draft agenda is reviewed by the Manager of Corporate & Communications Services, after which it is reviewed for revisions by the Director. The agenda is then reviewed by the Executive council made up of the Chair of the Board, the Vice-Chair, and the Director of Education.

Agendas are distributed by courier to the trustees as per Board By-laws. To enhance public transparency, agenda information cover-sheets are posted online prior to Board and Committee of the Whole Meetings. Reports and minutes are posted on the school board's website.

There are a variety of circumstances that may initiate the need for policy revisions or updates. The Director and Manager of Corporate Services are responsible for managing the process. The process provides for internal and external consultations to gather input on draft policies prior to it going to Administrative Council and the Policy Committee for approval.

Principals and other key administrators are provided a copy of the proposed policy, which includes the rationale for the changes, and are requested to give their input. In addition the school board maintains a list of key stakeholders who are invited to review draft policies and provide their comments. This process takes about 6 weeks and is considered very important by the Board.

Administrative procedures are updated when applicable, and changes (with rationales) are made to administrative guidelines. All policies are accessible on the school board's website, and internal processes are available on the intranet. The Director has implemented a process of full policy review that is tracked on a central work sheet. Each policy or procedure is assigned to a senior management staff member who is responsible for its review. Policies are reviewed every four years, or as required to ensure compliance with the Education Act and all relevant legislation.

Organizational Structure and Accountability

The governance structure is supported by a Board of eight experienced trustees and two student trustees. The Board 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 structure and the roles and responsibilities of the school board's senior administration team has been formally defined and documented in the Board by-laws. The Director of Education is supported by a team of six senior staff as follows:

- The Superintendent of Education, Student Achievement K-12, who has responsibility for Program / Curriculum, Special Education and the Special Education Advisory Committees (SEAC);
- Two Superintendents of Education, Family of Schools, one who has responsibility for four families of schools, Research Assessment and Evaluation as well as the Regional CSC/ Parental Involvement Committee (PIC) and the other has responsibilities for four families of schools, Fresh Start and Adult-Continuing Education;
- The Superintendents of Education, Human Resources, Business and Finance and the Controller of Plant Services.

There are also three senior staff that report to the Director and lead the following areas: Faith Formation, Corporate Services, and Communications. This new structure was created in September 2009 but has not yet been formally assessed on an annual basis. Management reports that it has worked well thus far. The organizational chart (with a directory of key staff) is available on the school board's website.

Succession and Talent Development

The school board has adopted succession planning and talent development processes to build and sustain leadership capacity in both academic and non-academic functions. This includes having one individual within HR specifically responsible for ensuring success in this area. These efforts have resulted in a positive culture of support. Formal and informal structures support the growth of talent capacity, with procedures in place to develop talent in-house.

The school board has two specific programs for succession and talent development. An Annual Internship Program (AIP) is targeted to vice principals in their first two years, and trains them to become principals. The Leadership Internship Program (LIP) is designed for teachers with more than five years of experience who are interested in a senior role, such as principal. This program is based on a combination of professional development, mentorship, and coaching.

In addition, there is a detailed process to address succession and talent development from the vice principal, to principal, to superintendent, to executive level. Retention rates remain very high at the executive level. The Principal Performance Appraisal (PPA)

Steering Committee rolled out programs to principal and vice principals during a summer professional development day.

Components of both the AIP and LIP programs have been rolled out to non-academic staff. The school board is regularly monitoring them to tailor them for non-academic staff. Currently, non-academic mentoring and cross training programs are used within and across departments. For example, the Finance and Maintenance departments are cross-training their staff to perform duties in both functional areas. This program encourages employee growth, reduces absenteeism and creates career opportunities for the staff.

The Superintendent of HR and an administrator centrally track the delivery of professional development (PD) programs. Most PD is focused on teacher development, succession and talent development or specialist training for nonacademic staff.

The Board has completed the following tasks as outlined by the Ministry's Leadership Strategy document: data collection, skills and competency evaluation, and professional learning. They report they are presently in the capacity building stage of implementation. The processes and policies involved in the school board's succession and talent development are well developed, and provide strong staffing for the school board as a whole. The school board is encouraged to continue developing their processes. In particular, they are encouraged to formalize the succession management plan for non-academic staff.

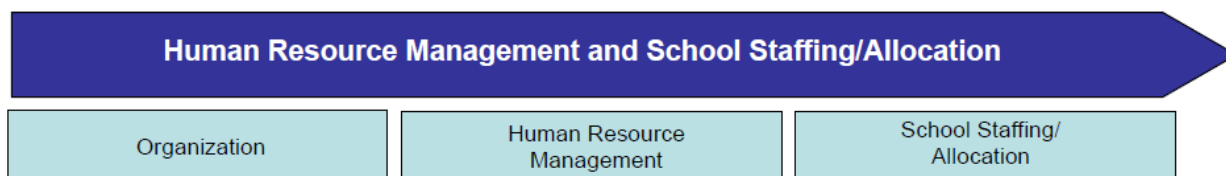
Stakeholder Engagement

Management actively consults with stakeholders. An experienced Manager of Board Services and Communication supports effective communication among stakeholders. A communications strategy released in 2009 makes use of newsletters, video blogs and social media platforms such as Facebook.

An event and communications timeline indicates who is responsible for initiating communications activities for specific events. The school board should update the existing communications plans with key dates and priorities identified in the Vision 2020 strategic planning process.

The school board's senior staff team members are actively involved in various forums, such as the Council of School Business Officials (COSBO), Ontario Public School Boards' Association (OPSOA), Council of Directors of Education (CODE), Curriculum Services Canada (CSC), Ontario Catholic Supervisory Officer's Association (OCSOA) and the International-Association School Business Officials (ASBO). The school board values staff participation in system committees, which ensures that the school board learns and shares best practices from across the sector.

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 department does not currently develop an annual departmental plan, as a separate and distinct plan. Instead, board-wide priorities are used to drive departmental priorities. The department intends to develop a departmental plan for the 2010-2011 academic year. It will be aligned with the priorities outlined in the 2020 strategic plan, due to come into effect in the fall of 2010.

Departmental activities are monitored and guided in part by monthly departmental meetings, weekly senior administration meetings, and weekly meetings between the Director and the Superintendent of HR. The Board receives monthly staffing updates, since staffing is the only standing item carried over to each new agenda.

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. The plan should be founded on the strategic directions and school board's operating plan. The departmental plan would link department

priorities with unit and individual performance measures and accountabilities, facilitate clear definition of roles, enable collaboration among the team members, and provide a roadmap for the department.

Organizational Structure and Accountability

HR operations are centralized. The department is presently updating its existing job descriptions and an organizational chart. The department has published a document titled 'Who's Who in Human Resources' that provides contact information and areas of responsibility for each staff member in HR. Contact information for the Superintendent of HR is available online. Department staff are qualified through a combination of work experience and degrees, diplomas, and designations in Benefits Administration, Canadian Human Resources Professional (CHRP), Health and Safety and WSIB.

Monitoring and Communication of Policies

HR has responsibility over a number of policies, including employee leaves of absence, service recognition, religious education courses for staff, reimbursement of travel expenses, occupational health and safety, and employee workplace harassment, among others.

Compliance with HR policies, including those in collective agreements, begins with reporting by field superintendents and or indications from central HR staff. Issues, if not dealt with at the immediate supervisory level, can be escalated to the Superintendent of Human Resources and to the Director of Education. Persistent unresolved or reoccurring issues are discussed at Administrative Council.

The Superintendent of HR attends each interview, to ensure consistency in hiring practices. Monthly updates on HR priorities and policy updates are issued from the Director's office. In addition, staff attend required in-services and professional development days.

Recommendation:

- The HR department should consider developing an annual departmental plan aligned with the school board's operating plan and overall strategic direction. 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.	Yes
HR management maintains and communicates formal disciplinary policies and procedures for all staff.	Yes
The HR department actively supports the professional development activities of the school board.	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.	No
Management periodically reports on the effectiveness of the attendance management processes/programs to senior management and the board.	No

Management of HR and Payroll Data

Leading Practices – Human Resource Management	Evidence of Adoption?
Payroll processing is segregated from employee data records and changes to data are adequately controlled.	Yes
HR records are current, including the formal tracking of teacher qualifications and experience.	Yes
HR management has implemented an approved pay equity plan, which is reviewed periodically and amended as necessary.	No

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

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

Staff Recruitment/Hiring

Recruitment is done on an as-needed basis, due to the school board's high employee retention rate. The school board does not have formalized procedures to adequately support the recruitment process. Occasionally, there are targeted recruitments for program specialists. The school board is encouraged to document its practices, to ensure transparency and consistency in the recruitment process for all employee groups.

Although there is no formal recruitment policy, the proximity of Brock University and Catholic colleges in the U.S. make it relatively easy to meet the school board's teacher needs. The school board can attract teachers who are interested in remaining in the Niagara community. Recruitment efforts are ongoing throughout the year, and have generated enough candidates for non-teaching roles as well.

Recruitment of elementary and secondary principals is conducted through Principal Selection Committees. The committee members, who have been trained for the interview process, recommend approval of the candidate to Administrative Council. The school board is discussing a proposal to adopt an online application process, initiated by employee and applicant feedback. Criminal reference checks are performed by HR staff on all new hires.

The processes for adding names to the school board's occasional teaching list are outlined in the collective agreement, and ensure that the occasional teacher list does not exceed 22 per cent of current teacher quotient.

The school board maintains recruitment practices. It is encouraged to develop a formal recruitment policy to enhance the process and overcome current and future challenges in recruitment. This policy would cover organizational objectives, personnel policies of the organization and selected school boards/educational organizations, preferred

sources of recruitment, needs of the organization, and recruitment costs and financial implications.

Labour Relations

HR management and the Board have established a Joint Staffing Committee which meets monthly as outlined in the collective agreement. This committee is composed of two secondary principals, two elementary principals, and two system principals. The school board has effective labour relations due to a number of measures.

Regular steps are taken to ensure that positive labour/management relations are maintained. This includes a monthly meeting between the Director and the head of each union. The school board's proactive approach to conflict resolution contributes positively to overall labour relations.

The school board maintains seven collective agreements with its employee groups, which include: elementary teachers; elementary occasional teachers; secondary teachers; secondary occasional teachers, office and clerical staff; custodial and maintenance staff; educational resource facilitators (teaching assistants); professional student services personnel (PSSP); media support specialists, and Ontario Public Service Employees Union (adult English as a Second Language and Literacy and Basic Skills Instructors). The standing collective agreements are: OECTA Elementary, OECTA Secondary, CUPE, Occasional Teachers, Supervisory Officers, Principals and Vice Principals as well as Non-Unionized Support Staff. Monthly meetings are held with the Principals and Vice-Principals, where regular updates on the Collective Agreements are presented.

Senior staff of the HR department are responsible for negotiating the collective agreements and managing grievances. HR is responsible for providing updates to staff regarding changes in HR procedures. There are also professional development (PD) opportunities for school administrators to clarify the collective bargaining process and instruct them on how to read collective agreements. This training was facilitated through a lawyer who has helped clarify labour relations issues from collective agreements. Monthly meetings between the Director and each of the union presidents allow for open communication.

Employee Performance Evaluation Processes

The school board maintains employee performance and evaluation policies and procedures for all employee groups. The importance of performance evaluation is underscored by its inclusion in the school board's system priorities.

Additional improvements to the school board's employee performance evaluation processes are underway. These will provide more detailed performance appraisal

instruments for educational assistants, child youth workers, secretaries, and custodians. The school board's goal is to review all job descriptions for unionized and non-unionized employees by June 2010. A review committee is developing a common performance appraisal tool for all employee groups. Input has been sought from the Plant Department specifically, as it was found the policies in place were not aligned with the needs of employees in the department.

HR uses an electronic tracking system to identify and track performance evaluations for long-term occasional, new, and experienced teachers. Information is sent to the Ontario College of Teachers on new teachers who have completed the New Teacher Induction Program. HR staff track and report on performance concerns related to teaching and non-teaching staff. Every administrator is required to evaluate the performance of their support staff. Any performance issues with academic staff are first discussed with the school principal. If necessary, they may be elevated to the relevant Superintendent of Education.

Progressive discipline processes are used to address behavioural issues. Should issues escalate to a potential dismissal, then the situation is referred to the Director for approval.

The school board provides extensive professional development (PD) for teaching and non-academic staff. An annual PD plan is created, and staff are provided a calendar of PD activities. Professional development is also highlighted in the strategic plan. Operationally, staff development is led by HR but not exclusively delivered by the department. PD is planned in collaboration with the unions, and takes into account training priorities, Ministry initiatives, labour concerns, safe schools initiatives, Catholic Schools Council requirements, performance appraisals, and leadership programs, among others. For example, the school board developed a customer service program for secretaries. This program was so well received it was rolled out to all staff.

The most recent staff survey of staff needs was the Director's survey. Feedback from the survey has been incorporated into programming. The school board uses electronic staff attendance management systems to track PD. This tracking ensures consistency across the school board, and facilitates monitoring of PD activities.

The school board does not mandate maximum or minimum number of hours of PD. Managers ensure adequate PD to meet the needs of their staff. There are however PD modules with prescribed durations, (such as health and safety training), which are mandatory and tracked. Partnerships with local colleges and universities help deliver specific PD programming, such as developing Additional Qualifications (AQ) course for teachers. Although there is no mandatory in-house training for managers and administrative staff, there is time allowed for PD and budgets for travel where appropriate.

To help maintain the connection between PD and classroom outcomes, teachers and staff provide input and participate in the development and delivery of PD. In some cases, classrooms have been used as examples during PD sessions.

Attendance Management Processes/Programs

The school board's attendance management web-based system provides the HR department with daily, weekly and monthly reports. The system provides reports that flag employee behaviour after predetermined thresholds are crossed. There are currently 80 classifications of absentee codes. Attendance data is collected by school support staff on a weekly basis and the results are monitored by Principals and Viceprincipals. At the school board level, HR staff report attendance data to weekly Administrative Council. Attendance management reports are provided monthly to the Board.

Although some processes and policies are in place to support attendance the school board is encouraged to formalize attendance management procedures into a single document. An effective attendance management program combines step-by-step procedures, policies, 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.

Management periodically reports on attendance statistics. Using the web-based attendance management system, data is extracted and reformatted to produce trend analysis reports. This information is shared with unions, and collective actions are taken to best support employees and address identified issues. While the department does report attendance statistics, these reports are not tied to targets or initiatives that are driven by a formal attendance support program or strategy. In this regard the school board is encouraged to formalize the attendance management program and then report on employee attendance in comparison with set targets and in relation to the effectiveness of key attendance support initiatives.

Management of HR and Payroll Data

The payroll function reports to the finance department, and HR manages all updates to personnel files. This ensures segregation of duties, and each department keeps their own employee records. All payroll functions are provided in-house, and all staff are enrolled in direct payroll deposit.

Position reclassification is done in conjunction with current employees. The reclassification process begins with the incumbent recommending to their supervisor that their position be reclassified. If the supervisor is in agreement, the request is forwarded to the Standing Pay Equity Committee for discussion. Final approval is

provided by the Director. There is no formal pay equity policy in place. However, the school board reports that it is the process of developing an approved pay equity plan, and is encouraged to complete it.

The HR department is responsible for ensuring employee records are current, including the formal tracking of teacher qualifications and experience. The department synchronizes teacher qualifications with the Ontario College of Teachers database as information is received. New hire qualifications are confirmed using the Register of the Ontario College of Teachers.

Management of School Board's Employee Benefit Plans

Management reported that periodic and year-end compliance audits of the board's insurance carrier are conducted to ensure adherence to the benefit plan's terms and conditions. Spot check audits are also carried out by providers through their online systems. Automatic payments to specific accounts are terminated if there is suspicion of fraud. HR maintains a calendar of collective agreement key dates, and reviews these dates and other agreement details against insurance plans.

The HR system automatically transmits data on employee contributions to the Ontario Teachers' Pension Plan (OTPP) and data on employee and employer contributions to the Ontario Municipal Employees Retirement System (OMERS) on a regular basis, ensuring accurate and timely enrolment of all eligible employees. This can be done online.

The school board's medical and dental benefit plans are managed through an Administrative Services Only (ASO) arrangement. There are a number of processes that help mitigate costs, particularly regarding return-to-work and WSIB costs. For example, return-to-work plans are developed collectively with labour, management and employees. To support the return-to-work process, physical demand analyses have been completed for each role at the school board. Management maintains a cost per employee for each of its various benefits plans. These costs are not benchmarked across other school boards. However, they are benchmarked to the industry standards through Ontario Association of School Business Officials (OASBO). It was reported that unions are fully informed regarding benefit decisions.

Monitoring Staff Satisfaction

Most recently the Director's Survey was used to measure staff satisfaction with HR systems and processes. Results from these surveys have been carried directly into the planning and development process of the 2020 strategic plan. HR staff should undertake more targeted surveys when appropriate.

Exit interviews are completed only on request, aside from those at the Principal and Vice-Principal level, where interviews are conducted with the Director. The school board is encouraged to formalize the process for exit interviews, and ensure they are performed for all staff. Practices such as staff surveys and exit interviews can provide management with valuable input, for both professional development and policies impacting employee relations.

Recommendations:

- Management should continue to formalize their recruitment policy and ensure it is reviewed annually to align staff planning with student achievement.
- Management should continue to develop a comprehensive attendance management program, including policies and procedures to address specific categories of absenteeism. This will provide management with a consistent and structured approach to improve attendance across all employee groups.
- Management should periodically report to the Board and senior management on the effectiveness of its attendance management program, once it is in place.
- Management should implement an approved pay equity plan, which is reviewed periodically and amended as necessary.
- 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.	No
The staff allocation process monitors adherence to key Ministry and board policy parameters, such as: class size, prep time, collective agreement requirements and other board directions.	Yes

Monitoring and Reporting on Staff Allocation

Leading Practices – School Staffing/Allocation	Evidence of Adoption?
Systems are in place and accessible by both HR and Finance staff to establish and track an approved level of staff.	Yes
Management periodically reports on the actual allocation of staff, compared to the original approved allocation plan and budget (FTEs by function, department and program, actual versus budget).	Yes
Procedures are in place to enable adjustment of staff allocations for school-based staff, if estimates for enrolment and funding change after budget approval.	Yes
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's staff allocation is governed by enrolments, collective agreements, and relevant provincial legislation. The process is based on enrolment projections, student need, class size maximums, preparation time, alignment to collective agreements, and resource and program needs among others. The process for unionized staff is driven by the various collective agreements.

The Board is kept up to date on any changes to staff allocation requirements throughout the year by the Director. While the school board conducts what has been described as an exhaustive process for school staffing, they are encouraged to develop formal policies and procedures to further support the development of an annual staffing plan.

Academic Staff

Classroom teacher requirements are forecast based on a model that incorporates enrolment, primary class size measures and collective agreement parameters (e.g. prep time). It was reported that prep time is calculated as a separate line item. Additional non-classroom teachers who are attached to programs are added to the allocation after the number of classroom teachers is established.

Principals are responsible for developing teacher assignments which incorporate primary class size requirements and primary caps. At the elementary level the school organization is then reviewed by the Superintendent of Education responsible for that school. For the secondary level, the school organizations are reviewed by the Family of Schools superintendent and the Superintendent of Human Resources. The school board reported that there is a staffing committee at each school.

Educational Support Staff

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

Professional Student Services Personnel

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

Secretarial and Clerical Staff

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

Custodial/ Maintenance Workers

Custodial and maintenance staff are allocated centrally by the plant department.

Calculations are loosely based on the historical need and the collective agreements. There is little yearly variation.

Monitoring and Reporting on Staff Allocation

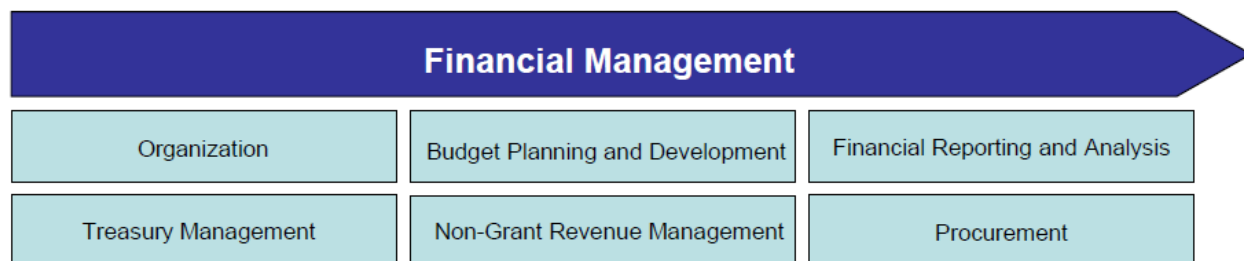
Staffing allocations are monitored on a weekly basis with changes being made in response to variations in original enrollment forecasts. Challenges exist at the secondary level where significant drops in enrolment are not un-common in the second term. This is centrally monitored through HR, with final allocation numbers reported to the Board.

Internal measures allow for adjustment of staff allocations for school-based staff if estimates for enrolment and funding change after budget approval. Utilization is monitored by managers and superintendent responsible for individual programs. Management's plan for providing student support services and staffing is based on student-needs analysis

Recommendation:

- The school board should develop policies and formalize procedures to govern the development of an annual staffing plan and allocation process that reflects the priorities of the Board and Ministry initiatives.

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.	Yes

Development and Reporting of Annual Goals and Priorities

The department does not currently develop an annual departmental plan. The department reported that their annual goals and priorities are driven by the annual budget timelines and budget objectives, which are approved by the Board. In addition, system priorities are also used to drive departmental priorities.

Currently, the Director and the Board ensure accountability of the Finance Department through monthly, mid-year, and final year reports from the SBO to the Committee of the Whole. Trustees provide input into financial management decisions through this consultation.

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 and are in turn guided by 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 roadmap for the department.

Organizational Structure and Accountability

The Finance Support Service Department reports to the Superintendent of Business and Finance (SBO). The SBO is responsible for the department which includes accounting services, payroll services, purchasing services, transportation services, student information and administrative services, and internal audit.

The department has clearly defined organizational units, delineating roles and responsibilities. A current organization chart is posted on the website, alongside contact information for key finance staff. The department maintains job descriptions, which are currently being updated. The department also uses a series of internal checks for expenditure authorization, including forms, descriptions and sign offs, which provide a clear paper trail of payments. These checks provide consistency across expenditures.

Departmental staff have appropriate experience and financial designations (including the Certified Payroll Management Program (CPMP) and other relevant designations) to perform their duties. Management has had strong success in retaining staff within the organization, and it was suggested that this was due to providing opportunities for cross-training. In addition to being a professional development opportunity, crosstraining also provides strong continuity across the department.

Monitoring and Communication of Policies

The department is responsible for developing finance and administrative policies, including:

- Monthly Financial Reports
- Purchasing of Goods and Services
- Fund Raising
- School Generated Funds
- Advertising Expenditures
- Advocacy Expenditures

- Corporate Cards, Purchasing Cards and Petty Cash
- Employee Conferences, Workshops and Meetings
- Reimbursement of Travel Expenses
- Employee Meals and Hospitality
- Student Transportation

Policies and updates to policies or procedures are communicated to staff through system memos. The department requires staff to complete Administrative Forms, downloaded from the website, to ensure appropriate and complete information regarding their submissions. Administrative forms are completed by staff when submitting cheque requisitions, PO requisitions, credit card payments, mileage claims, and other submissions. They are monitored for irregularities.

The department builds staff capacity in the understanding of finance policies and procedures through training held at least three times a year. This includes sessions in the spring and fall, as well as the use of system memos for updates to financial systems throughout the year.

Recommendation:

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

4.2 Budget Planning and Development

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

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

The following table summarizes the leading practices defined for budget planning and development, and identifies where evidence was found to indicate that the practice was adopted in full. Where the evidence was not present or the practice was not completely

adopted at the time of the review, a “No” indicates that an improvement opportunity exists.

Annual Budget Development Process

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

Risk Mitigation and Board Approval

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

Annual Budget Development Process

The school board has developed an annual budget development process that is transparent, clearly communicated, and incorporates input from key stakeholders. The annual budget presented for approval of the Board demonstrates that it is linked to system priorities, including student achievement targets. The budget provides useful and understandable information, with notations regarding budget variances written in plain language. Timelines in the budget are left flexible to accommodate external influences and factors.

The budget development process begins in January of each year, when enrolment projections (by school) are completed. These take into account past enrolments, demographic data from the JK class, grade 8 to grade 9 retention rates, and changes in regional Catholic population. These enrolments are calculated by the Finance Department and compared against per school projections used by the Plant

department. These estimates are anticipated to be within a 0.5%-1% margin of error and are often made conservatively over a multi-year basis. The school board reported that it has systems in place to manage version control of forecasts. Version control of the enrolment forecasts is achieved through a semi-annual comparison of data prepared by the department and the Plant Department (January projections and June actuals), where major variances are reviewed.

Next, Ministry revenue changes are predicted in alignment with predicted changes in enrolment, and a two-four year projection document is generated for the consideration of the Board. The Committee of the Whole (COTW) is provided with an annual budget review and analysis, which reports on all variances and break downs by department for the previous year. The budget is then presented to the Catholic Schools Council, and submitted to the Board for approval. The process ensures that the budget aligns with system priorities. The integrity of financial data is maintained by weekly reporting throughout the year, using internal budgeting tools.

Expenditure planning is competitive and operates from a zero base. Throughout the budgeting process, principals and school board officials can provide input through the Director and senior staff. Staff ensure that all known cost and revenue pressures are tracked and incorporated into the budget.

As part of the budget development process, management reviews current and past years' budget variances by key expenditure categories, and uses the analysis to forecast future expenditures. There is no formal in-depth expenditure review procedure. A line-by line review of potential variances in revenue and expenditure are considered. During the budget process, senior staff receive multiple updates of proposed budget revenue and expenditures. These include related updates of the assumptions built into the budget. Through this process, senior staff monitors and measures the effectiveness and performance of the budget process.

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. There is currently collaboration with coterminous boards and other community institutions on issues that affect budgetary decisions. These included consolidation of transportation services and the shared use of a fiber optic communications network with local hospitals and universities.

Risk Mitigation and Board Approval

The annual budget demonstrates that it is linked to the system priorities and the priorities of the school board. The budget provides useful and understandable information, with notations regarding budget variances written in plain language. Board members are informed of the budget development cycle, receiving monthly updates throughout the process.

Some steps that the school board has put in place to mitigate risk are:

- Superintendent of Business and Financial Services will approve all purchases that would create a deficit situation in a budget account.
- Superintendents of Education are required to perform monthly reviews of the budget account, balanced on all budget accounts for which they are responsible.
- The Superintendent of Business and Financial Services and the Administrative Council review the Monthly Revenue and Expenditure Statement.
- The Director of Education must approve all requests for overtime or additional staff, as well as any changes in the deployment or payment of staff.

In addition, other strategies are deployed to avoid over-spending such as deferring purchases of large items until later in the financial year once it is confirmed the school board is in a financial position to afford them. The department aims to achieve a balanced budget and uses the school board reserves to meet this budget objective. This practice has been commonly used in previous years. However, there is no policy governing the accumulation of reserves or when they should be applied to current operations.

Ongoing monitoring of accounts allows senior administration to lock spending authority on specific accounts, if they are flagged for inappropriate or excessive spending. Spending is carefully monitored in the maintenance department. Managers are informed or reminded of their spending restrictions prior to their accounts being frozen.

Although there are a number of processes in place to mitigate budgetary risks, they are not formalized in a risk management procedure or document. The department should consider consolidating key risks and mitigation strategies into a single risk plan. This risk plan would be documented and presented to senior management and the Board as part of the budget development process. It would also address how to use accumulated reserves.

Recommendation:

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

4.3 Financial Reporting and Analysis

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

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

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

Integrated System for Variance Analysis and Financial Reporting

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

Interim and Annual Financial Reporting

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

Audit

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

Integrated System for Variance Analysis and Financial Reporting

The school board uses an integrated financial system to record, track, and report financial data. The financial system facilitates variance analysis and management reporting. The Manager of Accounting Services controls the set up and creation of general ledger accounts. Financial information is not shared with other school boards. Superintendents of schools are responsible to establish cost-centres through their principals, and have discretionary funding available to them for small, unplanned expenses.

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 such variances, and communicate them to the trustees and other key decision-makers. To that end, finance staff prepare interim monthly reports on banking transactions and statements of revenue and expenditures for senior administration, the COTW, and the Board. To ensure the process is clear for all stakeholders, the department is encouraged to explain variances for material differences in the reports. This will ensure added clarity and further description of the nature and impact of any variances to date.

Senior management is held accountable for the integrity of financial reporting, through formal sign-off and approval procedures. The Manager of Accounting Services, the Superintendent of Business and Finance, and the Director sign off on interim financial statements. All financial reports are completed and filed all in accordance with established Ministry timelines.

Interim financial reports are used by staff and management to plan their expenditures closely and can be used to identify and rectify areas of concern by both HR and Finance

departments. There has been no implementation of cost reduction targets for departments. Staff are made aware of closing procedures through the Accounting Department which distributes a timeline highlighting Ministry due dates and cut offs for accounts payable.

Audit

The primary function of the internal auditor is to provide added assurance that internal controls established by management are operating effectively, and comply with policies and procedures. Currently, the school board does not have an internal auditor, and is awaiting further direction from the Ministry.

Developing a mandate for the internal audit function would assist the executive leadership team and the Board in their overall governance and accountability roles. The internal audit function can also help develop performance measures and indicators for programs and services. The function should report to a committee of the Board. The annual audit plans would be presented and approved by the committee, and all reports would be presented to the committee.

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

The school board also reported that it does not have an audit committee, and is currently awaiting further direction from the Ministry. The establishment of an audit committee with external advisors should be considered, because along with significant changes in accounting in recent years, annual financial statements are becoming more complex. External members support audit committee members in understanding what constitutes sound internal accounting and operational control processes. In the interim, the Board operates as a *de facto* audit committee.

The external advisors to the audit committee 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 thirdparty view is applied to the review of financial statements, auditor's report, and in-year reports produced by management.

The school board's external auditor presents findings to the Superintendent of Business and Finance, and sends copies of the annual management letter to the Director and Board.

Recommendations:

- Management should establish an internal audit function giving due consideration to the new Ministry's direction on internal audit.
- Management should ensure the internal and external audit plans are clearly documented and acted upon by senior management.
- Management and the board of trustees should consider establishing an audit committee that includes external advisors in accordance with the Ministry's emerging direction on internal audit.

4.4 Treasury Management

The purpose of reviewing treasury management processes is to assess:

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

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

Cash and Investment Management

Leading Practices – Treasury Management	Evidence of Adoption?
Existence of an efficient cash management process to maximize interest income, using short-term investments where appropriate and to ensure that the board's debt service costs can be met to maturity.	Yes
Cash management activities are consolidated with a single institution.	No
Management periodically reports to the board on the performance of the investment activity and the approved investment policy in accordance with the <i>Education Act</i> .	No
Management periodically compares the board's banking terms and conditions to those of similar school boards.	Yes
Management monitors financial risk related to cash/investment management and has a plan to mitigate associated risks.	No

Cash and Investment Management

The school board's cash management process is efficient, minimizing idle cash by monitoring daily cash flows against forecasts. The department uses its financial system to monitor and report on cash flow from one central account. In addition, the department accesses its on-line accounts daily. The school board does not create formal cash flow forecasts. Bank reconciliation is performed by the accounts payable coordinator, and approved by the Manager of Accounting Services a minimum of once monthly. Staff involved in cash management are not bonded.

The school board makes minimal use of manual cheques. Cheques are issued by a single staff member, contain control numbers, and require signoff from the SBO and the Director. The school board reports no cash management problems in recent years.

Although all of the central board's banking is done with one financial institution, management has not consolidated cash management activities for the school board and its schools with one financial institution. The school board reported this is due to primary consideration given to convenience of individual schools and their relationships to local banks. Schools should be encouraged to use the school board's bank where feasible.

There is currently no process in place for management to report to the Board on investment activity. There is no investment activity at the school board aside from central bank accounts. These accounts are monitored daily, with interest rates and interest payments tracked internally as well as through the bank systems. The focus is on adding to reserves rather than managing investments. Processes to minimize risk to the school board include minimal use of wire transfers, which must be approved by the Manager of Accounting Services and the Superintendent of Business and Finance.

The school board maintains \$12 million in sinking funds and maintains three to five year plans to pay them off. To ensure maintenance of all financial contracts and agreements, the school board uses a digital document service to record all agreements, while maintaining paper copies.

The school board has not formally tendered its banking relationship in a number of years. The school board intends to formally tender key banking services once direction is received from the Ministry. Currently key banking terms are compared through OASBO. The department compares financial terms against those of other Boards.

Recommendations:

- Cash management activities should be consolidated with a single institution.
- Management should periodically report to the Board on the performance of the investment activity, including not investing and the reason as to why, in

accordance with the approved investment policy in accordance with the Education Act.

- Management should monitor financial risks related to cash/investment management but should develop a formal 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

Leading Practices – School-Based Funds and Non-Grant Revenue Management	Evidence of Adoption?
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. Fundraising activities involving students are based on the guidelines provided in the Board's publicly available fundraising policy. The school board works with parent councils to ensure details of fundraising policies are well communicated.

The School Administration Support unit, which is part of the finance department, ensures staff are aware of management practices regarding school-based funds. Through this training and the use of a web-based accounting system, adequate controls are in place to ensure school based funds are well managed. The Manager of School Administration Support Services provides oversight in terms of monitoring all transactions, and generates monthly reports.

The process for collection and control of school-based funds are detailed in section three Accountability- Roles and Responsibilities of the Administrative Guidelines for School Generated Funds administrative guideline. Specific roles and responsibilities are delineated for the Director, the SBO, the Family of Schools Superintendent, the Principal, the designated Secretary, staff members, and the Catholic School Council Chair, who might be involved with the school-generated funds.

Management of Non-Grant Revenue

Management ensures adequate controls are in place to safeguard non-grant revenue and coordinate the annual reporting of revenues and expenditures from all sources. The school board reported that non-grant revenue is received through rentals (daycare and YMCA), continuing education, community use of facilities, and school funds. Procedures for governing non-grant revenue have been created, and there is also a Board-approved policy on space rental fees. This policy is to be revisited in the near future by the Board.

The small amount of bad debt incurred often takes place with the employee purchase plan, at the end of employee contracts. To mitigate this, the program is now offered only to full time employees. To maintain monitoring of credit worthiness, the continuing education program operates a point of sale credit card system to ensure collection of

fees. All payments are managed by a stand-alone online system. There is no process in place for writing-off delinquent accounts.

There is constant communication between the coterminous boards to minimize duplication of continuing education programs. The school board reviews non-grant revenue monthly to assess the continuation of the service and cost recovery. The centralized online registration and payment system allows for easy review of records.

The department has recently created the position of Coordinator of Financial Reporting in the Accounting Department, responsible for the monitoring, review, and reporting of Education Programs Other (EPO) accounts. This staff member receives all information regarding EPO grants and other non-grant revenues so that all funds are accounted for and reconciled regularly. The school board is made aware of EPO grants through Ministry memos are received by the SBO, which forwards them to the Coordinator of Financial Reporting. The coordinator is responsible for ensuring account numbers are created from each new EPO grant in the electronic finance system which is then used to control and monitor the spending of the grant. The coordinator of the specific EPO program is responsible for reporting requirements and ensuring funds are spent for the purpose of the grant.

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.	No
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.	No

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.	Yes

Leading Practices – Supply Chain	Evidence of Adoption?
Commitment accounting is in place to monitor budget utilization.	Yes
Management has implemented electronic supplier interface for ordering, processing and payment.	Yes

Use of Electronic Funds Transfer

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

Policies and Procedures

The school board does not currently maintain approved procurement policies or procedures that are aligned with the Supply Chain Secretariat's Supply Chain Guideline 1.0. In this regard, the current procurement policy does not identify circumstances where the school board will use competitive versus non-competitive procurement methods. There is no indication that vendor evaluation criteria is developed, reviewed, or approved before the competitive process begins.

The school board requires the use of requests for proposals (RFPs) for any purchase request above \$30,000. Contract award criteria developed as part of requests for proposal is weighted heavily on lowest cost and the use of local vendors. Generally, the school board does not use any electronic tendering system or services. Vendors are drawn from the board's Vendor of Record (VOR) list or from a local search of potential vendors. Hard copy RFPs are couriered to vendors selected by the purchasing department. Once an RFP or tender has been offered to a new vendor, that vendor is considered qualified and is added to the board's VOR list. The purchasing department has developed standard contract documents for both goods and services.

Purchase orders can be requested from any departmental manager, supervisor, or school principal, through the internal electronic system. Management monitors purchasing activities for compliance with the board's procurement policies and procedures, through a combination of purchase order (PO) review and approval by individual department managers and through PO reviews performed by centralized purchasing staff assigned to specific schools. Purchasing card statements for maintenance department staff are reconciled with work orders monthly. The internal portal used by custodial staff for ordering cleaning supplies automatically reconciles the department's orders with invoices. Any PO budget line over \$10,000 must be approved by the Manager of Purchasing Services.

Participation in Group Purchasing Initiatives

Management has developed strategies to increase purchasing power and minimize the costs of goods and services procured, through active participation in purchasing consortia. These include the Niagara Public Purchasing Committee (NPPC), OASBO, and a consortium with the District School Board of Niagara.

The school board uses the same electronic purchasing systems as its coterminous school board, the District School Board of Niagara, and as such is able to very closely align purchasing activities. The NPPC allows for the three coterminous school boards to cooperate on joint tenders and delivery of goods. The consortium supports individual participants through combined ordering, which helps in lowering inventory levels and waste. Designated purchasing staff at Niagara Catholic are able to log into the coterminous school board's procurement system and purchase against open orders and contracts which have been negotiated on behalf of the NPPC and which reside on the coterminous board's system.

Purchasing Levels of Authority

There is currently no policy or procedural guideline that indicates the workflow of purchasing approval by dollar threshold and role. Direction regarding purchasing levels comes with Board approval, though specific details as to purchasing authorization may be managed by senior administration and the Director.

To some extent, however, purchasing controls are in place through the Finance department's delegation of budget accounts to individual principals, program consultants, or plant managers who are responsible for budget balances.

In addition, general guidelines for the Manager of Purchasing regarding purchasing thresholds have been provided in the February 28, 1998 purchasing document, which outlines the following:

- Where purchases fall between \$1,001 and \$10,000, the Manager of Purchasing Services is required to obtain three oral quotations in consultation with the initiating Superintendent, Principal or Manager.
- Where purchases fall between \$10,001 and \$30,000 the Manager of Purchasing Services is required to obtain three written quotations in consultation with the initiating Superintendent, Principal or Manager.
- Where purchases fall above \$30,001 the Manager of Purchasing Services is required to use the formal tendering process in consultation with the initiating Superintendent, Principal or Manager.

The purchasing policy does not require a mandatory posting of the tender request or RFP on electronic bulletin boards, regardless of dollar value.

The travel and expense policies are same for both staff and trustees. Travel expenses submitted by staff must be approved by the Supervisor, the Appropriate Superintendent and the Superintendent of Business. Travel expenses submitted by trustees must be approved by the Director and the Superintendent of Business.

Despite having budget controls within the financial system and guidelines for purchasing managers, the school board should formalize a policy to include approval levels that are commensurate with all job titles/roles with the authority to create or approve purchases. In this regard, the school board should consider reviewing thresholds to ensure that current procurement needs can be met efficiently in an appropriate control environment.

Policies and Procedures for PCard and Corporate Card Use

The school board's rationale for the implementation of PCards was to establish a more efficient, cost-effective method of purchase and payment for transactions up to \$1,000. However, the school board has not recently performed a spend analysis or comparison between POs and PCards. The school board has an approved administrative procedure for PCard usage, and currently has over 100 PCards in use. PCard usage is monitored by the purchasing department through a reconciliation of electronic invoices against action sheets which are required by PCard owners for each transaction. Corporate cards are used for purchases between \$2,000 and \$3,000, and are used primarily by maintenance. All maintenance corporate card purchases must have approval from a manager.

Accounting for Completeness of Purchase/Payment Cycle

Requisitions are created by staff online through the electronic ordering system. The plant department uses a vendor supplied catalog for its purchases, while other departments use an online catalogue created and managed by the purchasing department. Requisitions are then approved online by respective managers before being sent electronically to the purchasing department, where they are reviewed and converted to purchase orders. An encumbrance is automatically created on the assigned budget account code through a commitment accounting process, and the PO is dispatched to vendors via fax.

The majority of vendor shipments are made directly to requesting departments and schools. Receipts are entered by school administrative staff on site. There is a requirement that receipts be entered into the system within 24 hours. Invoices with small amounts may be paid without the school confirming receipt of the goods or services. Invoices with larger amounts require purchasing staff to follow up with the administrative staff who have failed to submit/record receipts. Vendors are instructed

(via their contract with the school board) to send invoices directly to the accounts payable department, where they are entered into the financial system. The school board's accounts payable staff then perform three-way matching of POs, receipts and invoices before creating vendor payments through the financial system.

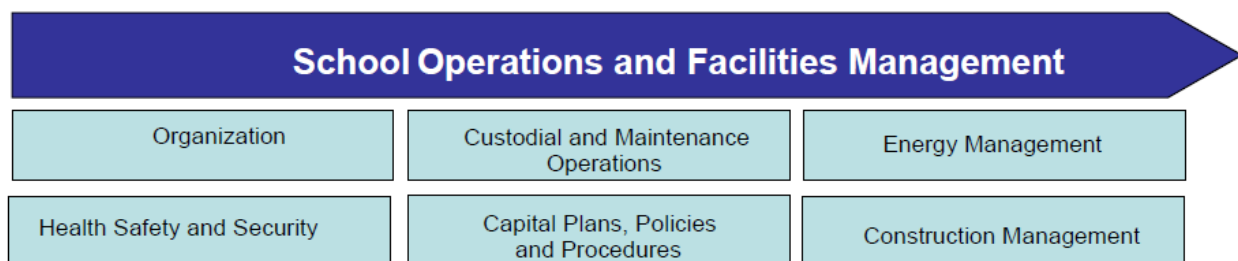
Use of Electronic Funds Transfer

The school board uses Electronic Funds Transfer (EFT) payments to schools for employee payroll. However, it does not use EFT to pay the majority of its suppliers. The school board is encouraged to expand the use of EFT in the purchasing payment cycle to maximize efficiency within the Accounts Payable department.

Recommendations:

- The school board should review existing supply chain and procurement policies, ensuring they are communicated to staff with purchasing authority and are periodically reviewed and updated
- Management is encouraged to update existing procurement policies in order to clearly outline circumstances under which the board will use competitive versus non-competitive procurement methods.
- Management is encouraged to develop guidelines that ensure purchasing authorization levels are commensurate with job roles and responsibilities and that such levels are monitored for compliance by a supervisor or department head.
- Management should continue to explore additional Electronic Fund Transfers (EFT) opportunities to maximize 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 department has not developed an annual departmental plan. Currently, system priorities are used to drive departmental priorities. The department intends to develop a departmental plan from the 2020 strategic plan, due to come into effect in the fall of 2010.

Performance on system priorities is measured through weekly meetings, as well as through monthly reports on capital projects to the Board. Weekly meetings include the Monday senior administration meeting and the Friday plant services meeting attended by the Controller, Managers and Supervisors. The school board does not set up formal service level agreements with other departments or schools, and does not regularly survey its users. The Director's survey helped measure satisfaction with the department. A close working relationship with principals ensures positive two way communication between the facilities department and its clients.

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 which in turn would roll up to 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 roadmap for the department.

Organizational Structure and Accountability

The department reports to the Controller of Plant and is divided among the Manager of plant Operations, the Manager of Facility Renewal, the Supervisor of New Construction and the Manager of Business and Planning. The department's job descriptions include major duties and responsibilities, and are currently under review. The department has clearly defined organizational units delineating roles and responsibilities. The organization chart is up to date.

Department staff are qualified through a combination of professional designations (including P.Eng.) and work experience. The leadership cadre has significant experience with the school board, and most members of the administrative team hold professional designations or are trade professionals. These combined skills provide in-depth knowledge of many plant areas, and allow for savings to be realized where work can be completed in-house.

Monitoring and Communication of Policies

The department has responsibility for a number of policies, including architect selection, pupil accommodation review, video security surveillance, and playground equipment. The department's policies and administrative procedures can be found on the school board's website.

The condition of facilities and buildings is assessed by site supervisors and through rotational visits of senior management. Operating facilities in 12 municipalities presents compliance challenges for different municipal regulations. The electronic facilities

management system used by the school board helps monitor the facilities department's compliance with policies and project tracking.

All changes in procedures or regulations are communicated through memos or annual training. Annual training takes place over the March break, and involves rotations through detailed seminars identified by staff and management needs assessments. Other staff training is administered online.

Recommendation:

- The department should consider developing an annual departmental plan aligned with the operating plan and overall strategic directions. 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.	No
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.	Yes

Training to Support Skills Development and Safety

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

Standardization of Cleaning and Maintenance Supplies

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

Project Management, Monitoring and Support Systems

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

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

To maintain a consistent level of school cleanliness across the system, the department has developed cleaning procedures and standards for its custodians. There are a number of controls that ensure these standards are met, including daily inspections and supervisor's annual facility audits. Forms completed during annual audits serve as input for employee evaluations. Cleanliness reviews are presented to senior management meetings, but not directly to the Board.

Complaints regarding facilities are channelled through principals to onsite supervisors. Alternatively, during non-staffed hours, facilities use a monitoring service which has contact lists of appropriate individuals. Custodians are often contacted directly regarding concerns with their facilities.

The school board has not implemented a formal green clean program. However, it has piloted green product usage at some facilities to evaluate their effectiveness. The pilots included the testing of environmentally-friendly cleaners and finishes in school settings. Presently, it has been determined that green cleaning products are cost prohibitive. The department plans to conduct future tests on a school using green products on one half while continuing to use standard products on the other, to further evaluate potential green cleaning products.

The school board's custodial staffing allocation model (based on square footage) regularly meets actual allocation needs. The model considers portable classrooms, and uses split shifts to maintain consistent standards across facilities. The model has not been approved by the Board, nor has it been included in collective agreements. The school board compares its model to those of other boards through OASBO's Operating and Maintenance Committee.

Development of Annual and Multi-Year Maintenance Plan

Management develops a multi-year maintenance plan for major maintenance and renewal projects. The priority of any given project is relative to other projects, and this priority is given after all projects are submitted annually to Plant managers. A scoring system helps the Controller (in consultation with managers) determine which projects

deserve what priority. This system takes into account the strategic plan and system priorities and requires each plan to be measured against a set of questions. These questions relate to health and safety, protection of NCDSB property, programs, payback, image, as well as legal requirements and standards. The number of projects planned per year is limited by budget constraints. Once the list of priorities is finalized, it is inputted to the electronic project management system and opened to inspection by principals. It does not require Board approval.

The ReCAPP system is not presently used in determining the maintenance plan. Although the onus to maintain and update ReCAPP is on school boards, management reported the tool was inaccurate and did not meet the school board's requirements. The existing electronic project management system is used to provide orders to staff for preventative maintenance. Issues that affect the comfort level of students or staff within their learning environments are prioritized. The system will produce two types of alerts, one for caretakers and the other for trade technicians, depending on the required work. Projects are differentiated between maintenance and facility renewal using the Ministry's threshold of \$10,000.

Training to Support Skills Development and Safety

The school board has an extensive March break training program in place for its custodial and maintenance staff. The multi-session training covers topics such as general maintenance, fire and life safety, security, HVAC systems, and cleaning procedures, among others. Staff rotate through these sessions in small teams, and are also given the opportunity to meet with the Controller of Plant for one rotation during the training. This training is structured using feedback from staff surveys and performance evaluations.

Mentoring is used within the Plant department at many levels. Procedure manuals are available for casual cleaners. The mentoring, in conjunction with cross training, is used to encourage employees to progress along their career path more quickly. It is also encouraged to ensure that daily tasks continue when staff are absent. The school board encourages cleaners to train as caretakers, and caretakers to train in minor maintenance. This allows for a greater depth in the talent pool and helps support succession management. This shift towards cross training was a result of designating custodial staff as essential. Training is provided for hazardous products through the Workplace Hazardous Materials Information System (WHMIS) training. Third party consultants are used for lock-out and fall arrest training.

Standardization of Cleaning and Maintenance Supplies

The department uses both an in-house inventory system (using Excel) as well as an electronic ordering system to track and control major cleaning and maintenance

equipment. The systems provide for a record and schedule of planned vehicle maintenance for the department's 14 maintenance vans.

Management has defined common standards to ensure efficient procurement of supplies and equipment. Procurement is done by individual schools using the online vendor catalogue. Once orders are placed, they are deducted from that school's budget. All orders must be approved by a supervisor. The online program allows management to produce reports to compare schools. Though management has not reviewed its procurement practices to support greater usage of Green Seal or EcoLogo cleaning supplies, they have made some headway in testing green cleaning products. The plant department uses the electronic ordering system to report on individual locations, and can price cleaning and maintenance costs per student and per square foot.

Project Management, Monitoring and Supporting Systems

The school board uses an electronic project management system to track work orders by location and type of work performed. The system also allows departmental staff to prioritize their work day and close out work orders onsite via the online portal. As well, it provides management with the basis for monthly tracking of completion times.

Maintenance staff are employees of the school board. There are 14 internal trades people, and the school board contracts out specialized services such as high voltage work. An assessment of maintenance service delivery found an hourly cost benefit using internal maintenance staff.

There are both formal and informal communications between management and custodial staff. Yearly management visits and inspections with principals are more formal. Informally, managers may visit sites unannounced, to coordinate with staff and examine the progress of all outstanding work orders. An afternoon shift from 2:30 pm – 11:30 pm allows for cleaning of the school after community use. Modified work plans help injured workers back to work in a timely manner, appropriate to their abilities. The caretaking staff have been included in the absenteeism tracking program, which has allowed management to more accurately flag and address absence patterns. Although the system is automated, employees are required to call and report absences to their supervisors. This lowers absenteeism, compared to using only the dial-in reporting system. It was reported that there is a strong sense of ownership among the staff and a sense of empowerment, which has helped reduce short-term absenteeism.

Recommendation:

- The department is encouraged to develop a green clean pilot program as a first step towards full implementation of a formal green clean program.

5.3 Energy Management

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

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

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

Energy Management Plan

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

Tracking and Reporting Energy Conservation

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

Energy Management Plan

Although the school board has reviewed the synopsis of the *Ontario Green Energy Act, 2009*, it does not have a comprehensive energy management or conversion plan, and has not set any goals related to energy conservation. There are, however, multiple energy saving processes in place at the school board. These include eco schools programs, solar power in new construction, lighting updates, and the use of energy purchasing consortia.

There have been cost benefit analyses performed on new green technologies. These have been provided by the companies that install and maintain the products. The community has been engaged in initiatives with a green focus, through their local school councils. The Eco School program and its processes are supported by the school board.

While there are neither formal consumption reduction goals nor a designated energy manager, the Eco Schools program has resulted in significant impacts on the behaviour of students and staff. Adopted by every school across the school board, the program has been in operation for the past three to four years. It is publicized throughout the school board, and includes training for staff (e.g. Maintenance staff during March break training). The program involves class instruction, certification, public events and publicity.

The school board's existing procurement guidelines do not support energy management. Gas and electricity are purchased through consortia, but the school board does not negotiate prices separately. Certain procurement requirements have resulted in the use of green technologies (e.g. green elevators in recent construction.)

The school board should expand its energy conservation procedures. Some minor components of an energy management policy are in place. The department should combine the multiple pieces while establishing a multi-year energy management plan that incorporates measures to be implemented, and the tools to monitor and manage the plan. Included in the multi year plan should be a procurement policy that includes references to energy efficient products, including (where feasible) a requirement that all new equipment have an appropriate energy efficiency rating.

Tracking and Reporting Energy Conservation

The school board plans to monitor energy consumption data on new projects, such as solar panel installations. However, there are currently no energy conservation goals or energy management savings reporting mechanisms. The annual Eco Schools report provides a summary of Eco Schools programs, but no breakdown of savings. Billing for all school board facilities is consolidated from each utility. The school board aims to develop its overarching environmental policy in the spring of 2010.

Recommendations:

- The school board is encouraged to establish a multi-year energy management plan that incorporates measures to be implemented and the tools to monitor and manage the plan.
- The school board should enhance its procurement policy to support energy management goals.
- Management should provide formal annual reporting to the board of trustees on the conservation savings achieved against the plan once it has been developed.
- The school board should develop a system to track consumption, budget expenditures, and identify opportunities for further energy management savings.
- 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.	No

Leading Practices – Health, Safety and Security	Evidence of Adoption?
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

Occupational health and safety is the joint responsibility of HR and plant. There is currently no occupational health and safety plan in effect at the school board. However, the school board has implemented a number of practices to ensure OHS requirements are met. For example, individual health and safety committees have been established at each school board site. These committees are responsible to inspect their facility over the 10 month school year period. The electronic facilities system is used to record inspections and manage the process while generating monthly inspection reports and a list of required inspections for the upcoming month. As responses are recorded online, the system defaults to a 'Yes', and prompts an explanation if a 'No' is selected, as well as providing the opportunity to complete a work order to correct the identified concern.

The electronic system produces different sets of inspection requirements and checklists for secondary, elementary and administrative buildings. WHMIS requires an annual inventory of all hazardous material. This process is also prompted through the electronic system. Though these systems and practices are in place the school board is encouraged to develop, implement, and monitor an occupational health and safety plan that reflects its occupational health and safety policies and administrative procedures. This will also ensure the school board is in compliance with associated occupational health and safety statutory requirements.

The school board maintains detailed safety and fire procedures for every site. Community and parent concerns are communicated through principals to the Director, while all serious incidents are communicated automatically to the Director. These procedures were developed in conjunction with emergency officials across all municipalities in which the school board operates. Through the leadership of the school board, each of the municipalities has agreed to standard fire and safety procedure requirements. From these standards, the school board's SPEAR program was developed. This program provides all emergency responders with essential information of each school board site in their vehicles for use when responding to situations. This information includes evacuation details and site maps and building layouts. The school board maintains an emergency preparedness center at school board headquarters, where hard copies of emergency plans of each facility are kept.

The school board has developed a health strategy and encourages staff and students to take part in 20 minutes of daily physical activity. This strategy is reviewed frequently and has most recently been updated to include an H1N1 pandemic plan. Niagara Public Health is invited to all health strategy meetings, and played a key role in the development of the strategy and maintain an ongoing role in its maintenance. The school board monitors Ministry targets to ensure the establishment of current and relevant policies.

Recommendation:

- The school board should develop an occupational health and safety plan, to ensure compliance with associated health and safety statutory requirements.

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, and it is appropriately funded. The annual capital plan is inputted through SFIS and updated as enrolment projections are made available. Changes to the capital plan are reported to the Director and on to the Board as information, not of approval.

To assist in accurately making projections for capital plans, external consultants are retained to provide capital needs estimates. In order to achieve a clear picture of future needs the following are taken into account:

- Census reports
- Historic demographic trends
- Migration
- Birthrates
- Past capital requirements

The COTW serves as the capital planning committee, while the finance department works closely to ensure long term financial stability of capital projects. Funding for projects comes from the Ministry.

The Board has approved and recently updated the Pupil Accommodation Review Guideline.

Ongoing Monitoring and Maintenance of Data to Support Capital Planning

To maintain the accuracy of capital needs forecasts, the school board keeps accurate and timely inventories of school capacity and utilization through SFIS and ReCAPP. Prohibitive to Repair (PTR) schools are identified based on Ministry guidelines and flagged through the ReCAPP and visual inspection process. The school board suggests that although Ministry programs are used, the internal electronic facility management system is used first and foremost.

Capital forecasts and related funding plans are assessed annually and adjusted to meet current needs. Numerous programs are used in conjunction to meet capital demands. They include Good Places to Learn Renewal funding, Energy funding including Green Energy funds, and the green schools pilot initiative as well as Best Start. Prohibitive to Repair (PTR) schools are identified based on Ministry guidelines and flagged through the ReCAPP and visual inspection process. Projects are also being funded through Primary Class Size Reductions and Growth Schools programs as well as renewable energy project funding.

5.6 Construction Management

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

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

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

Cost Effective Practices in the Design and Construction of Facilities

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

Monitoring and Reporting on Progress of Construction Projects

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

Maintaining Current Approved Professional Service Providers

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

Cost-Effective Practices in the Design and Construction of Facilities

Management gives full consideration to the use of available school space in their local communities before proceeding with the construction, purchase, or lease of other spaces. Both the Niagara Catholic and its coterminous school board are facing declining enrolments, and have a surplus of space throughout their systems. It was reported that overall the school board is under-capacity at the elementary level, and over-capacity at the secondary level. The school board shares facilities with both the coterminous and French school boards.

Dedicated staff within the department maintain SFIS data. Used as a capital planning tool, it helps to maintain an accurate inventory of available school space.

Staff and management minimize construction, future maintenance and operations costs with energy conservation, and economical construction practices. They do not use standard footprint construction. Detailed architect selection, based not only on price but also on qualifications and the scope of the project, allow for thorough design processes that include the approval of plans by the maintenance department. Time is allotted to review drawings prior to tendering of the project.

The school board is aware of the principles outlined in the *Ontario Green Energy Act*. It is reported that it builds to the Leadership in Energy and Environmental Design (LEED) equivalent, though they do not formally pursue the designation due to the additional cost involved. Numerous grants are presently being used to install green and energy efficient systems in facility updates and new construction.

The school board is aware of its design and construction costs and has benchmarked these costs against other boards. It is reported they are on par with the average costs of other school boards. Though costs are monitored closely through bi-weekly meetings at the beginning of contracts followed by weekly meetings as the project continues, contingencies are used on all construction. The school board's electronic project management system allows for weekly reports on current project costs versus project budget.

Monitoring and Reporting of Progress on Construction Projects

Management has an effective process in place to monitor and control construction projects and their costs. The Controller approves progress payments, which are released by the project manager who tracks all change orders through Excel. The school board has had positive experiences with on-time completion of construction projects. The COTW is updated monthly on all ongoing construction projects. To ensure construction quality, full inspections of facilities or updates are done before the conclusion of warranties.

Maintaining Current Approved Professional Service Providers

The school board out-sources all new construction. To control school renewal and construction costs, management works with its pre-qualified list of approved external engineers and architects. The school board employs a standard Canadian Construction Documents Committee (CCDC) contract for construction projects, which includes documentation of due diligence such as proof of compliance with Occupational Health and Safety legislation and Workplace Safety and Insurance, bonding status, and verification of required qualification for design and construction of electrical and mechanical systems.

Appendices

Appendix A: Overview of the Operational Review

Operational Review Objectives

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

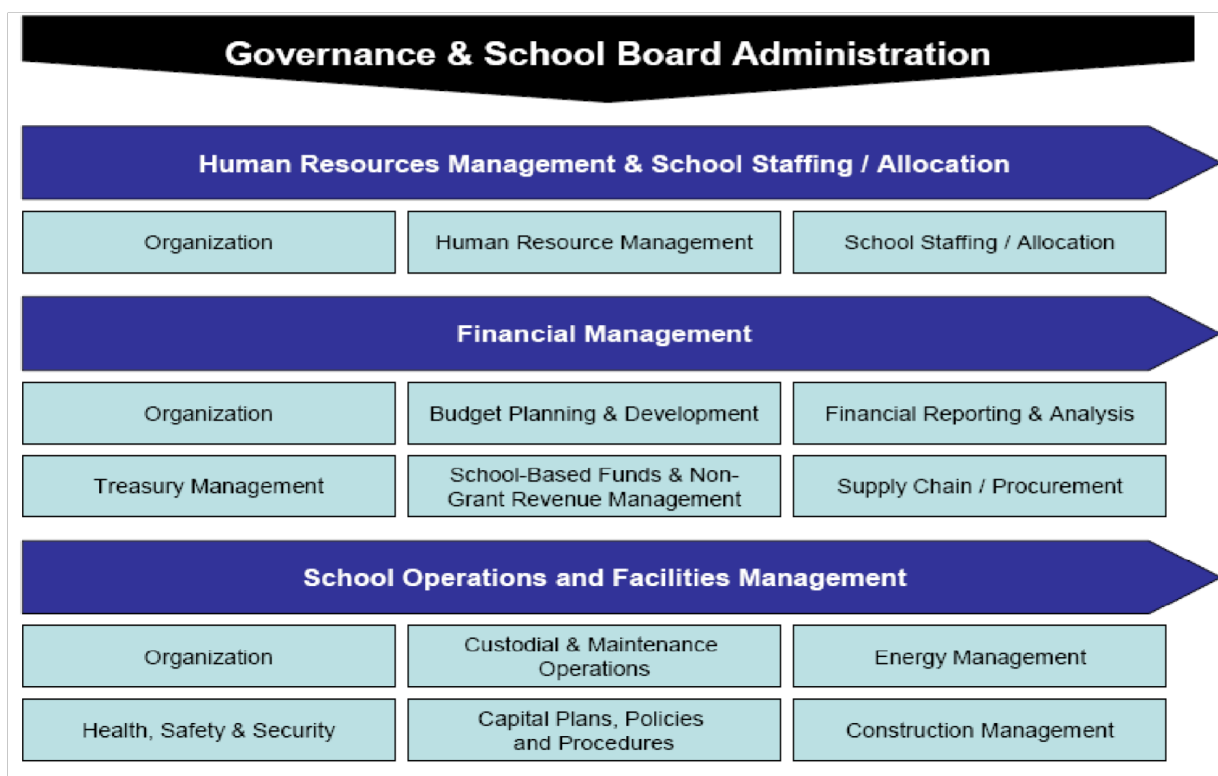
Recognizing the unique characteristics of each DSB, the specific purpose of the Operational Reviews is to:

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

Operational Review Summary Scope

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

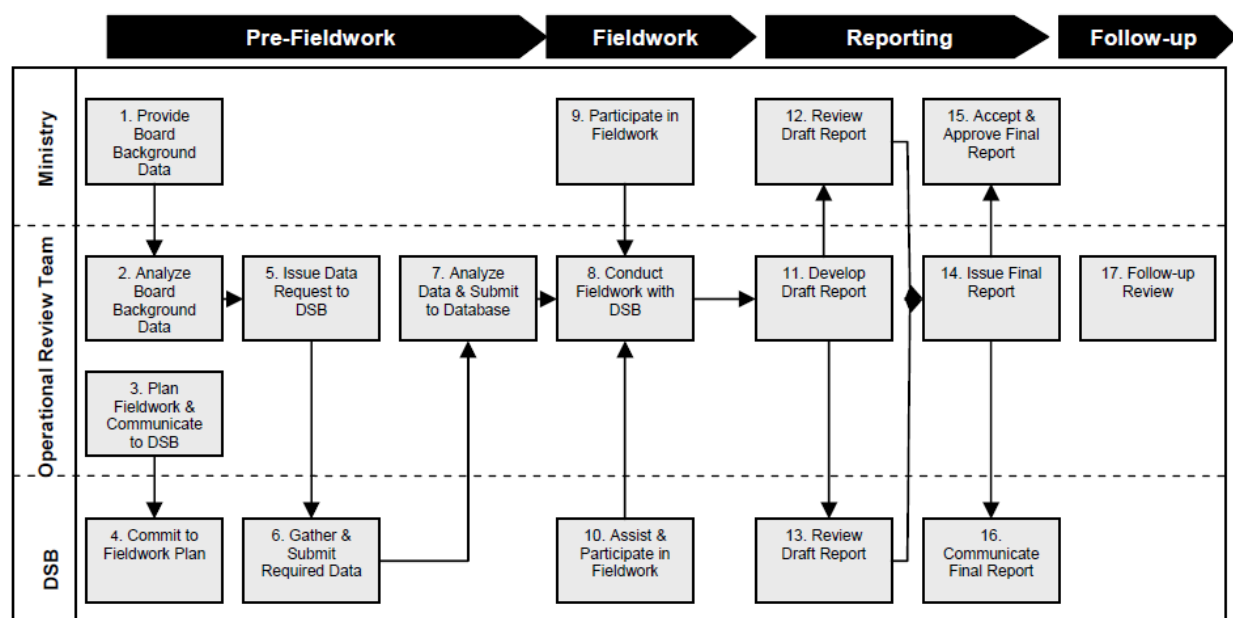
Each of the processes was examined based on its activities and its adoption of sector agreed leading practices, including alignment and support of student achievement strategies.



Operational Review Summary Approach

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

Observations and assessments are made by the Operational Review Team based on a set of agreed upon leading practices designed for each functional area. The onsite reviews allow the team to validate ministry and board data; provide a better understanding of the environmental conditions and allow the team to review materials that support the 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 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.
Analyze Data and Submit to Database	The review team analyzes the data provided by each board and adds the results to a sector-wide database to compare the results for each board.

Phase: Fieldwork

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

Phase: Reporting

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

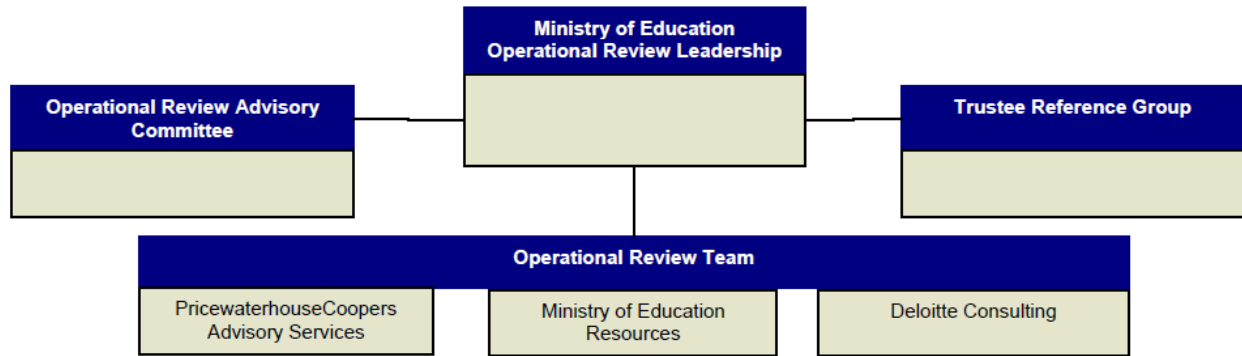
Phase: Follow-up

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 Niagara 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
	No recommendations

Human Resources Management and School Staffing/ Allocation

No.	Recommendation
1.	Management should develop a recruitment policy and ensure it is reviewed annually to align staff planning with student achievement.
2.	Management should continue to develop a comprehensive attendance management program, including policies and procedures to address specific categories of absenteeism. This will provide management with a consistent and structured approach to improve attendance across all employee groups.
3.	Management should periodically report to the Board and senior management on the effectiveness of its attendance management program, once it is in place.
4.	Management should implement an approved pay equity plan, which is reviewed periodically and amended as necessary.
5.	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.
6.	The school board should develop policies and procedures to govern the development of an annual staffing plan and allocation process that reflects the priorities of the Board and Ministry initiatives.

Financial Management

No.	Recommendation
7.	The department should consider developing an annual departmental plan aligned with the school board's annual operating plan and overall strategic direction. This action will enable the department to track and report the progress of its defined priorities and goals throughout the year.
8.	The school board should consider consolidating key risks and mitigation strategies into a single risk plan.
9.	Management should establish an internal audit function giving due consideration to the new Ministry's direction on internal audit.
10.	Management should ensure the internal and external audit plans are clearly documented and acted upon by senior management.
11.	Management and the board of trustees should consider establishing an audit committee that includes external advisors in accordance with the Ministry's emerging direction on internal audit.

No.	Recommendation
12.	Cash management activities should be consolidated with a single institution.
13.	Management should periodically report to the Board on the performance of the investment activity, including not investing and the reason as to why, in accordance with the approved investment policy in accordance with the Education Act.
14.	Management should monitor financial risks related to cash/investment management and develop a plan to mitigate associated risks.
15.	The school board should review existing supply chain and procurement policies, ensuring they are communicated to staff with purchasing authority and are periodically reviewed and updated.
16.	Management is encouraged to develop procurement policies that clearly outline circumstances under which the board will use competitive versus noncompetitive procurement methods.
17.	Management is encouraged to develop guidelines that ensure purchasing authorization levels are commensurate to job roles and responsibilities and that such levels are monitored for compliance by a supervisor or department head.
18.	Management should continue to explore additional Electronic Fund Transfers (EFT) opportunities to maximize efficiencies.

School Operations and Facilities Management

No.	Recommendation
19.	The department should consider developing an annual departmental plan aligned with the operating plan and overall strategic directions. This will enable the department to track and report the progress of its defined priorities and goals throughout the year
20.	The department is encouraged to develop a green clean pilot program as a first step towards full implementation of a formal green clean program
21.	The school board is encouraged to establish a multi-year energy management plan that incorporates measures to be implemented and the tools to monitor and manage the plan
22.	The school board should enhance its procurement policy to support energy management goals.
23.	Management should provide formal annual reporting to the board of trustees on the conservation savings achieved against the plan once it has been developed
24.	The school board should develop a system to track consumption, budget expenditures, and identify opportunities for further energy management savings.
25.	The department should work with its major utility providers to consolidate billings for schools to one periodic invoice per utility.
26.	The school board should develop an occupational health and safety plan, to ensure compliance with associated health and safety statutory requirements.