Ministry of Education

Operational Review Report Nipissing-Parry Sound Catholic District School Board

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Executive Summary

This report details the findings and recommendations of the Operational Review of the Nipissing-Parry Sound 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 three days beginning May 17, 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 clearly defined and delineated division of duties between the Board of Trustees (the Board) and senior administration, strong labour relations, well- developed staff allocation models (including custodial allocation) and extensive use of PCards. A summary of the findings and recommendations identified in each of the functional areas reviewed follows. Details can be found in subsequent sections of the report.

Governance and School Board Administration

The school board has adopted many leading practices in governance and school board administration, 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.

- Appropriate processes for Board and senior administration decision making to address student achievement targets and operational performance.

- Regular, proactive engagement by the Board and senior administration with internal and external stakeholders, through a variety of communications channels.

While the school board pursues some goals from its previous strategic plan, which are included in the Board Improvement Plan (BIP) document and ENDS statements (the school board's statement of the results to be achieved by the organization) the Board, has not developed a multi-year strategic plan since 2007. The Director and Chair noted that this is a priority for the 2010-2011 school year. The Board should continue to develop a multi-year strategic plan that incorporates both academic and non-academic goals, and provides a clear direction to all staff on long-term goals.

Once the multi-year strategic plan is established, the school board should develop a formal annual operating plan that will enhance operational effectiveness by demonstrating the alignment of the plan to the Board's multi-year strategic plan. This plan would cover all operations, including human resources, financial management, and facilities management. Once developed, senior administration should report annually to the Board on the status and outcomes of the plan.

The school board should develop a formal succession plan for both academic and nonacademic staff. This will help build and sustain leadership capacity across all aspects and departments of the school board.

Recommendations:

- The school board, using a consultative process, should develop and communicate a multi-year strategic plan that provides a framework for annual planning.

- Once this overarching strategic plan is developed, the school board should develop a formal annual operational plan aligned with the Board's multi-year strategic goals. This annual operating plan should cover all aspects of its nonacademic operations, including human resources, financial management, and facilities management. This will also enable all departments to track and report progress on their defined priorities and goals throughout the year.

- Senior administration should report to the Board of Trustees annually on the status and outcomes of the school board's strategic plan and annual operating plan, once they are developed.

- The school board should establish a formal succession plan to manage retirements and resignations of key managers and administrators. This should include senior staff in both academic and non-academic functions and would help build and sustain leadership capacity.

Human Resources Management and School Staffing/Allocation

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

- Clearly defined organizational units with associated job descriptions.

- Building staff capacity in their understanding of HR policies and procedures, along with processes to monitor compliance of policies.

- Standardized hiring policies.

- Effective labour relations, including policies and procedures to minimize grievances.

- Policies and procedures for employee evaluations are in place for all staff.

- Plans and processes for the planning, monitoring and reporting of staff allocation are maintained and formalized.

The HR department uses project and payroll calendars to guide annual objectives, since it does not have a formal annual department plan. The department should expand on its departmental calendar document and consider developing an annual department plan, complete with measurable targets, designated accountabilities, and timelines.

While the department reports on attendance trends, these reports are not tied to targets or initiatives and they are not driven by a formal attendance support program or strategy. In this regard, the school board should formalize an attendance support program and report on employee attendance trends against set targets.

The school board does not conduct compliance audits of employee benefit plans. Management should consider conducting compliance audits of the school board's insurance carrier to ensure adherence to the benefit plans terms and conditions. This will ensure accuracy and validity of claims paid.

HR does not formally survey staff for feedback or measurement of general attitudes. Management does not formally conduct exit interviews in any department. Although the school board has a low staff turnover rate, practices such as exit interviews and staff

surveys can provide management with valuable input, for both professional development and policies impacting future employee relations.

Recommendations:

- The HR department should consider developing an annual department 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.

- Management should periodically report to the Board and senior management on the effectiveness of its attendance support program.

- Management should consider conducting compliance audits of the school board's insurance carrier, to ensure adherence to the benefit plans terms and conditions. This will ensure accuracy and validity of claims paid.

- Management should consider developing staff satisfaction surveys, which should include all employee groups. This would improve communication with staff, and provide input for professional development plans and HR policy.

- Management should consider developing a formal plan for conducting exit interviews. These interviews would provide input for HR policy as well as process and program improvement.

Financial Management

The Financial Services department (the finance department) has implemented several leading practices:

- A clearly defined organizational unit with job descriptions that delineate the respective roles and responsibilities of staff.

- Ongoing education regarding financial policies.

- The school board's integrated financial information system provides useful, timely, and accurate information for management and stakeholders.

- Controls are used to safeguard school-based funds, while ensuring the reporting of revenues and expenditures from schools.

- The efficient use of PCards.

- Established and effective three-way matching processes.

The department has developed an annual goals document, but it has not developed a formalized annual department plan. Management should consider developing an annual department plan, complete with measurable targets, designated accountabilities, and target timelines.

The school board has an annual budget development process that incorporates input from all key stakeholders, including management, the Board, and the community. However, the budget development process has not been formally documented. The school board should take the opportunity to document the budget development process, to ensure transparency to the Board, and clarify the roles and responsibilities of school board staff.

Although there are a number of processes in place to mitigate budgetary risks, they are not formalized in a risk management policy or document. The department should consider consolidating key risks and mitigation strategies in a single risk plan.

The finance department prepares quarterly financial reports for management which detail account variances. The department should expand on existing report templates to incorporate the recommendations made by the on Interim Financial Reporting Committee (IFRC), which were released in September 2009. Enhancements should include calendarized reporting, with historical expenditures as a benchmark. This will also provide more accurate information on whether variances are in line with historical spending trends.

The school board does not currently have an internal auditor and reported that they will follow the Ministry directive once the new guidelines are established. The school board should develop a mandate for the internal audit function, which 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.

The school board has not consolidated school bank accounts into one institution, primarily because of geographic limitations. 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 little investment activity at the school board aside from the central bank account. Changes in any investments are captured in quarterly reports, and reporting took place more frequently when the school board had short-term investments. The school board should implement an investment policy, and report

regularly on investments to the Board in accordance with the *Education Act*. (even if there are only a few or no investments).

Management should develop processes or policies that ensure controls are in place to safeguard non-grant revenue, and to coordinate the annual reporting of revenues and expenditures from all sources.

The school board has not developed purchasing levels of authority, where controls are placed on the spending authority of staff by title or position. Instead, the school board delegates spending authority through the budgeting process. Staff members with budget-approved spending responsibilities have the right to spend any amount within the constraints of the designated funds. To supplement its budget controls and guidelines for purchasing managers, the school board should formalize a policy that includes approval levels commensurate with all job titles/roles with authority to create or approve purchases.

Management should implement an electronic supplier interface for ordering, processing, and payment. This could present opportunities for the school board to increase process efficiencies.

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

Recommendations:

- The finance department should consider developing an annual department plan aligned with the school board's annual 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.

- Management should document the annual budget development process to enhance transparency for participating superintendents/managers, and encourage internal discussion between departments in the development of the annual budget.

- Management should consider enhancing the process of reporting on the school board's budget risks using the suggested steps outlined in section 4.2 of this report. The development of a single risk plan/report would identify and document all significant risks periodically and include strategies to mitigate the risks of spending beyond authorized and budgeted levels.

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

- Management should consider establishing an internal audit function giving consideration to the emerging Ministry direction on internal audit across the school board sector.

- When the school board establishes an internal audit function, it should ensure any internal audit plans are clearly documented and that internal audit report recommendations are followed up and acted upon by management.

- Management and the Board of Trustees should consider establishing an audit committee that includes external advisors in accordance with emerging Ministry direction.

- The school board should consolidate cash management activities with a single institution, where feasible.

- Management should periodically report to the Board on the performance of the school board's investment activity and develop an 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.

- Management should ensure adequate controls are in place to safeguard non-grant revenue and coordinate the annual reporting of revenues and expenditures from all sources.

- Management should 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 implement an electronic supplier interface for ordering, processing, and payment. This is an opportunity for increased process efficiencies.

- Management should continue to explore additional Electronic Fund Transfers (EFT) opportunities to maximize efficiencies, where feasible.

School Operations and Facilities Management

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

- The department has clearly-defined organizational units and delineates the respective roles and responsibilities.

- Processes to monitor school operations and facilities management policy compliance by all staff and management.

- Management's custodial/maintenance allocation model optimizes the use of staff and considers various factors, including facility size and type, student use and age of building.

- An annual training plan for staff that addresses ongoing skill development and emerging regulatory issues.

- Management uses an inventory system to track and control major cleaning and maintenance equipment.

- 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.

Although the plant department develops a goals document, it does not incorporate measurable targets, specific timelines, or responsibilities. Management should consider developing an annual department plan, complete with measurable targets, designated accountabilities, and deadlines aligned with the annual operating plan. This in turn would roll up to support the overall school board strategic plan, once these documents are developed.

The department does not currently have a formalized and approved cleaning standard. However, plant management is developing a custodial handbook which will outline cleaning standards and clarify common practices across the school board. The department should continue to develop its custodial handbook and to develop and enforce cleaning standards for sites across the school board.

The school board has not implemented a formal green clean program. However, the department continues the testing of green products focusing on high volume use products (e.g. garbage bags), to further evaluate potential green cleaning products. The school board should use the Ministry's Green Clean Program Resource Guide to help develop a formal green clean program.

The school board does not formally develop a multi-year maintenance and renewal plan. Rather, the department uses an internal spreadsheet to track facility maintenance requirements as well as major equipment maintenance requirements. The department should use its current planning practices to develop a multi-year maintenance and renewal plan, including the funding available to support the plan. This would provide a clear forecast of critical needs over the next several years.

The school board is developing a draft environmental policy for school level implementation. The school board does not currently have an overarching energy management plan. The department should combine the various existing pieces of its energy management plan, while establishing a multi-year energy management plan that incorporates energy management objectives and measures, including associated procurement practices. Once a formal plan is in place, the school board should communicate successful conservation initiatives to all schools and other school boards.

The school board has no formal energy conservation plan, and as such has no annual reporting of conservation measures. The school board does, however, track energy consumption, and uses these figures for future energy assumptions. This tracking is facilitated as vendor billing is consolidated from all utility providers. The school board should develop, track, and report energy conservation goals.

The school board maintains a number of initiatives that are environmentally conscious, including *ad-hoc* recycling and energy conservation programs at school sites and energy efficient capital upgrades. The school board should continue with its rollout of the schoolbased environmental plans in September 2010, and build on this plan to develop an overarching environmental policy for both environmental education and responsible management.

Occupational health and safety (OHS) is the shared responsibility of the Superintendent of Education and the Superintendent of Business. There is currently no occupational health and safety plan in effect at the school board. While some OHS systems and practices are in place, the school board should develop, implement, and monitor an occupational health and safety plan reflecting its overarching occupational health and safety policies and administrative procedures directing all OHS practices and procedures at the school board.

Although the school board maintains health policy statements and includes healthy eating education as part of staff professional development, it has not developed or implemented an overarching health strategy. The school board should continue to work towards developing its strategy, currently in the planning process.

The school board does not have a multi-year capital plan or capital planning committee, and should create both. Capital planning is done by the Superintendent of Business and

the manager of plant who report to the Executive Committee. Capital plans are developed and approved in the school board's budget.

Capital forecasts and funding plans are assessed on an *ad-hoc* basis. The school board should consider assessing its capital plans annually to ensure its needs are being met, and appropriate changes are made to original assumptions.

Recommendations:

- The plant department should consider developing an annual department 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 school board should implement cleaning standards for schools and develop a standard process to monitor, manage and report on results. Once this in place, management should also report to senior administration on the results of the compliance reviews.

- The school board should review the Ministry's Green Clean Program Resource Guide and use it to develop a formal green clean program as part of its overarching Education Environmental Policy.

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

- The school board should 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 promote the procurement of energy efficient goods and services where feasible, and support energy management goals.

- Successful conservation techniques currently used by the school board should be communicated across all schools and with other school boards, to enhance recognition of energy management across the system.

- Management should provide formal annual reporting to the Board on the energy 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 school board should develop an overarching environmental policy that addresses both environmental education and responsible management.

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

- The school board should develop, implement and monitor a health strategy that reflects the school board's health policies and procedures and ensures the school board is in compliance with statutory health requirements.

- The school board should develop an approved annual and multi-year capital plan that includes the related funding plan.

- Management should complete the planned update of its current capital commitments and future requirements. This would include an assessment of the funding to support the existing debt service costs, and a projection of funding sources to support the school board's future capital and facility renewal requirements.

1. Background and Overview

1.1 School Board Profile and Structure

The Nipissing-Parry Sound 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 2,874 students, the school board offers a diverse range of programs in its 13 schools.

Enrolment has declined by approximately 681 students since 2002-03, and continues to decline.

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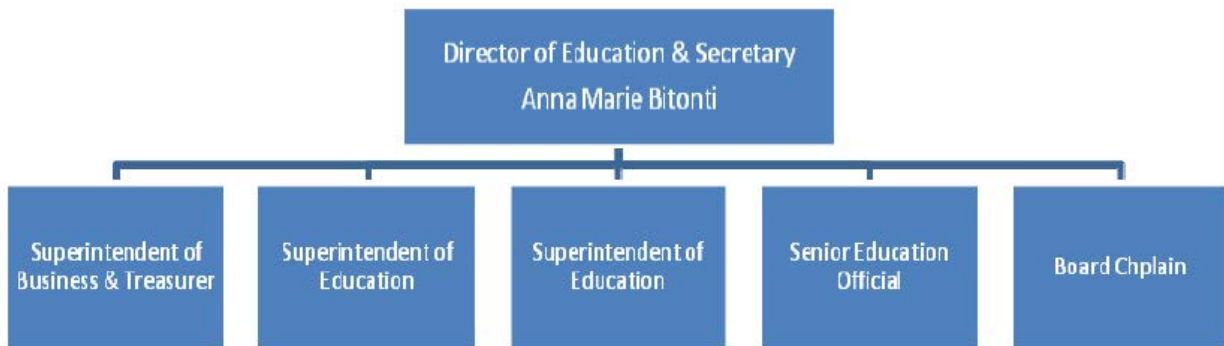
1.2 Key Priorities of the School Board

The Nipissing-Parry Sound Catholic District School Board developed the following mission statement:

As a faith community, we provide learning opportunities that inspire, nurture and celebrate each learner's journey to:

- Reach their full potential.

- Be a contributing member of society.

- Live the richness of their faith. □ Embrace lifelong learning.

To support their mission statement the school board has developed the following vision statement

Rooted in Faith, Alive in Spirit.

- **Rooted** - indicates that the Catholic faith is the basis around which the Board exists and operates. That is, the faith dimension is its foundation. Like a tree, the Catholic faith represents the roots, anchoring and giving stability to the Board. The roots also represent the point where nourishment enters and gives life. The Catholic faith gives life to our learners and the organization

- **Faith** - represents the Catholic faith. The Nipissing-Parry Sound Catholic District School Board is a Catholic School Board, built on the teachings, practices and values of the Roman Catholic Church, which need to be present in everything the Board undertakes and provides.

- **Alive** - reflects excitement, energy, life, challenge and hope. This word gives a sense of vitality and purpose to the organization, that is, to bring to life the potentials of each learner, the richness of the Catholic faith and the realization of the aspirations of all the individuals who are stakeholders to the Board

- **Spirit** - outlines the importance of and a focus on both the Holy Spirit as part of the Trinity and human spirit, that is, a spirit for both faith and life. It is through one's spirit as an individual and as a member of the community, that each learner, staff member, parent and stakeholder is energized, moves forward, learns and is motivated to achieve their potential and be a contributing member of their community.

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 since 02-03, have been at or below the provincial average, with the recent exception of 08-09 all grade 3 results climbing above provincial averages.

At the secondary level, Grade 9 EQAO results are consistently above the provincial average. Grade 10 Ontario Secondary School Literacy Test (OSSLT) results are generally at or below the provincial average. The school board has made student achievement and EQAO results a priority and has shown a continuous improvement over the past number of years. This improvement can be seen in the following charts showing the school board's EQAO and OSSLT results over the last seven years.
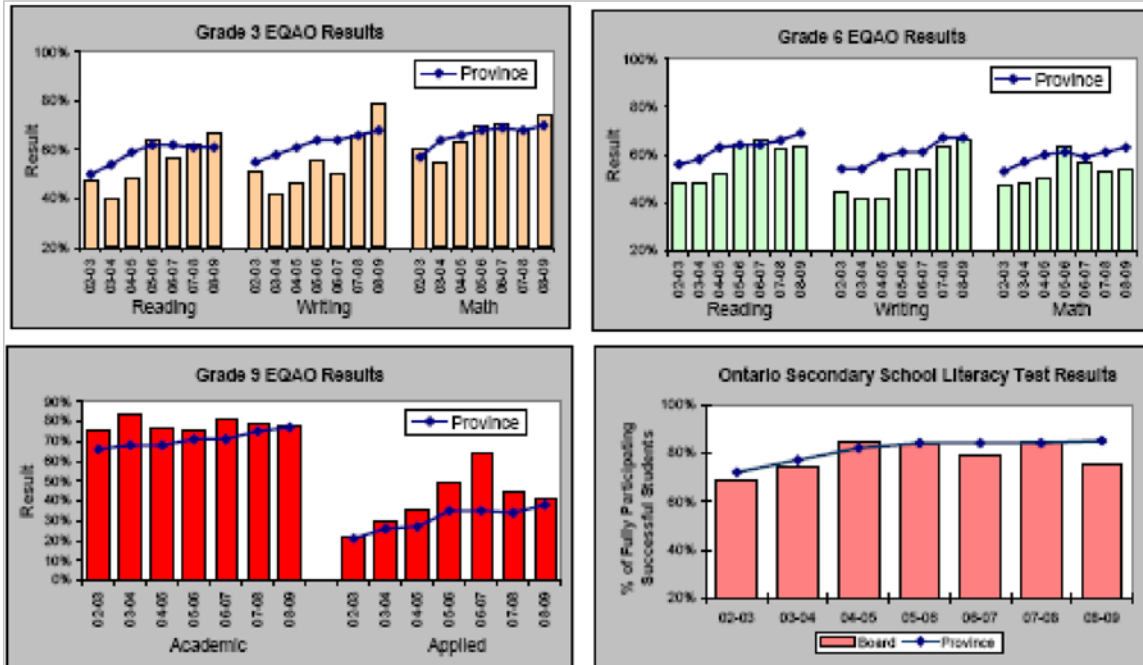
1.4   Fiscal Overview

The school board has presented a balanced budget 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	$31,615,446	$33,163,002	$33,872,122
Local taxation	$5,345,350	$5,309,688	$5,252,337
Board Revenues	$2,549,521	$2,520,872	$2,210,506
Other Operating & capital Grants	$1,415,196	$1,209,631	$1,320,815
Total Revenues (Schedule 9)	**$40,925,513**	**$42,203,192**	**$42,655,780**

Summary Financial Data (Expenditure)

Expenditures	2007-08 Financial Statements	2008-09 Financial Statements	2009-10 Revised Estimates
Operating expenditures	$39,837,828	$40,990,294	$40,222,535
Capital expenditures - Before transfers from reserves	$846,363	$1,444,843	$2,433,245
Transfer to (from) Reserves	($350,756)	$2,946,998	$0
Total Expenditures	**$40,333,435**	**$45,382,135**	**$42,655,780**
In-year Surplus (Deficit)	**$592,078**	**($3,178,943)**	**$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
Retirement Gratuities	$500,000	$500,000	$500,000
Reserve for Working Funds	$2,350,308	$2,102,859	$2,102,859
Miscellaneous	$327,979	$3,522,426	$3,522,426
Total Reserve Funds (Schedule 5)	**$3,178,287**	**$6,125,285**	**$6,125,285**
Energy Efficient School - Operating	$0	$66,234	$0
Energy Efficient School - Capital	$0	$95,127	$0
Total Deferred Revenues (Schedule5.1)	**$0**	**$161,361**	**$0**
Total Board Reserves and Deferred Revenues	**$3,178,287**	**$6,286,646**	**$6,125,285**

1.5 Key School Board Statistics

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

Day School Enrolment

Day School Enrolment	2002-03 Actual	2009-10 Revised Est.
Elementary Day School ADE	2,347	1,925
Secondary Day School ADE	1,207	949
Total Day School Enrolment	**3,554**	**2,874**

Primary Class Size

Primary Class Size	2003-04	2009-10
% of Classes Less Than 20	32%	94%
% of Classes Less Than 23	78%	100%
Average Class Size - Jr/Inter	26.46	23.24
% of 3/4 Classes 23 & Under	20%	100%
% of Combined Classes	71%	70%

Staffing

Staffing	2003-04	2009-10
School Based Teachers	222	218
Teacher Assistants	72	76
Other Student Support	18	23
School Administration	15	15
School Clerical	16	18
School Operations	39	40
Other Non-Classroom	26	22
Total Staffing	**408**	**412**
Teacher - Pupil Ratio	**1:16**	**1:13**
FTE Staff per 1,000 Pupils (ADE)[1]	**114.8**	**155.9**
Total Salary & Benefits as % of Net Operating Expenditures	**70.60%**	**78.90%**

Special Education

Special Education	2003-04	2009-10
Special Education Incremental Expenditures	$4,048,169	$5,960,205
Special Education Allocation	$4,115,756	$5,470,308
Spending above Allocation (Reserve)	**-$67,587**	**$489,897**

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[1] Note: Impacted by Class Size and Special Education

School Utilization

School Utilization	2003-04	2009-10
Number of schools	14	13
Total Enrolment (ADE)	3,554	2,874
School Capacity (Spaces)	4,630	4,271
School Utilization	**76.8%**	**67.3%**
Board Area (Km^2)	**10,597**	**10,597**
Number of Trustees	**7**	**7**

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.	No
The director of education and senior staff develop an annual operating plan of their goals/priorities, incorporating both academic and non-academic departments. The plan is aligned with the Board's multi-year strategic plan and has goals that are specific, measurable, achievable, relevant and timely.	No
The senior administration periodically/annually report to the board of trustees on the status and outcomes of the board strategic plan and annual operating plan.	No

Decision-Making Processes

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

Organizational Structure and Accountability

Leading Practices – Governance and School Board Administration	Evidence of Adoption?
The organizational structure has clearly defined organizational units that delineate roles and responsibilities, minimize administrative costs and ensure effective and efficient operation.	Yes

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

Succession and Talent Development

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

Stakeholder Engagement

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

Establishment of an Effective Governance Model

The school board's governance structure clearly delineates the roles and responsibilities of the Board and senior administration, and is supported by seven experienced trustees and one student trustee. The relationship between the Director of Education (the Director) and the Chair of the Board (the Chair), who has served 33 years on the Board, is both collegial and collaborative. This is the second time the Director has worked with the current Chair. The relationship between the Chair and the other trustees is also one of collaboration and respect.

The school board closely follows the Carver model of governance, and there is a clear separation of roles between the Board and senior administration. The school board has established policies to direct the Board's governance approach 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. These policies are outlined in the "Board of Trustee-Staff Linkage" (BTSL's) policies.

The implementation of the school board's new governance model took place in 2006, after three years of discussion at the Board and senior administrative level. A third-party consultant was engaged to help train the Board and senior administration on the Carver model, and will be hired again after the 2010 elections to provide in-service training to new trustees and to refresh returning trustees on the model.

The Director is supported by a team of six senior staff:

- Superintendent of Business & Treasurer

- Two Superintendents of Education

- One Senior Education Officials (position vacant as of April 30, 2010)

- Board Chaplain

The Board works directly with the senior administration team through a committee structure. In addition to the Committee of the Whole, the Board has a number of committees as follows:

Board Committees

- Board Education and Development Committee

- First Nation Advisory Committee

- Parent Involvement Committee

- Supervised Alternative Learning Education Programs

Statutory Committees

- Special Education Advisory Committee (S.E.A.C.)

- Suspensions and Expulsions

Ad-hoc Committees

- Partnerships Committee

Other Board-level Staff standing committees include:

- Joint Health and Safety Committee

- Elementary Staffing Advisory Committee

- Joint Professional Development Committee

The Director's performance is monitored monthly at Board meetings. It is measured against whether or not the Director of Education is in compliance with the Board's 12 Executive Limitations policies. All of these policies are reported on at least once annually. A reasonable interpretation of the policy and clear and precise evidence of compliance must be presented. In addition, and on an annual basis, the Director's performance is measured by assessing achievement (*what results, for whom and at what cost)* of the Board's ENDS statements (the school board's statement of the results to be achieved by the organization). Similarly, a reasonable interpretation and evidential data must be provided, to ensure compliance with these ENDS statements for monitoring.

The Board has adopted many of the suggestions as set out in the Ministry's Report of the Governance Review Committee. In particular, it has established a code of ethics, which is posted on the school board's website. At monthly Board meetings, the Board is held accountable to its governance requirements. In doing so, the Board appoints a monitor for each meeting who reports on the Board's performance. In addition to the monthly meeting monitor, the Board ensures measurement of its performance, by a monthly review of at least one governance policy over a cycle of two years.

Along with this performance measure, the Board has engaged a third party performance/governance coach to ensure ongoing internal professional development (PD) and improvement from a governance perspective. The coach monitors Board agendas and minutes, reporting on the success of the Board's governance measures, providing insightful feedback, and providing regular in-house PD sessions.

Development and Reporting of Annual Goals and Priorities

The school board continues to pursue goals from its 2004-2007 strategic plan and, since 2007, has used the annual budget planning process to direct and document its annual strategic plan. Annual budgeting priorities are determined by the executive council (defined in following sections), ensuring alignment with the Board Improvement Plan (BIP) and the Board's ENDS statements. The BIP includes input from the school improvement teams to ensure that the process is both top down and bottom up. Once plans are developed they are shared with staff and stakeholders via the principals' meetings, school councils, SEAC and posted to the school board's public website. These goals are held accountable by the Board through regular presentations, reports by the Director, both monthly through monitoring and annually through ENDS monitoring. In addition the Director also prepares a formal Director's Annual Report.

While some goals from the previous strategic plan are pursued and the BIP and ENDS documents are key components in strategic planning, the Board has not developed a

multi-year strategic plan since its 2004-2007 plan was developed. The Director and Chair mentioned this was a priority of the school board for the upcoming year once the elections have taken place. The Board should continue to develop a multi-year strategic plan that incorporates both academic and non-academic goals, and provides a clear direction to all staff on long-term goals.

Once the multi-year strategic plan is developed, the school board should develop a formal annual operating plan that will further enhance operational effectiveness by demonstrating the alignment of the plan to the Board's multi-year strategic plan. This plan would cover all operations, including human resources, financial management, and facilities management.

Currently, departments set annual operating goals independently and submit them to the Director. The school board should establish an overarching operating plan, enabling the departments to track and report progress of their defined priorities and goals throughout the year. It would further assist departments in developing annual plans that can be refreshed regularly without altering the overall strategic plan. Once developed, senior administration should report its plans annually to the Board on their status and outcomes.

Decision-Making Process

The Board's process for agenda-setting and decision-making is formalized, and addresses student achievement targets and operational performance. Items and topics to be considered on Board agendas are contained in the Board's annual agenda schedule. This document is developed annually and updated quarterly at Board agenda planning meetings. This process is formally outlined in the Agenda Planning policy document, GP5.

Board meeting agendas are set collaboratively by the Director, the Chair, and the ViceChair of the Board. Detailed agenda items must fall within the scope of the annual agenda schedule. Prior to their inclusion on the agenda, items are screened to ensure they refer to matters of governance rather than school board administration. Items added to the annual agenda schedule must meet pre-determined criteria and require approval of the Chair.

The Board has appropriate processes for the establishment and regular maintenance of policies and administrative procedures. As noted, the Board of Trustees maintains a governance policy review schedule which is updated at the beginning of every school year at the trustee's annual Agenda Planning session.. Trustees are required to review one policy every month. Senior administration ensures updates to procedures take place as required, with suggestions for policy change arising from weekly executive council meetings and bi-weekly administrative council meetings. Through these

meetings, administrative procedures are revised and updated. All policies and administrative procedures are posted on the school board's website.

Organizational Structure and Accountability

The organizational structure and the roles and responsibilities of the school board's senior administration team have been formally defined and documented through HR job description documents. The Director is supported by a team of six senior staff, as follows:

- Superintendent of Business & Treasurer

- Two Superintendents of Education (SO)

- One Senior Education Official (SO) (vacant as of April 30, 2010)

- Board Chaplain

The school board's senior administration is subdivided into two groups. The first is the Executive Council, composed of the Director, Superintendents of Education, Superintendent of Business, Board Chaplain and Senior Education Official. The Administrative Council's membership includes the Manager of Plant, Health & Safety, Manager of Human Resources, Manager of IT, Student Success Leader, and Communications Officer, as well as all members of the Executive Council (both IT and HR Manager positions were vacant at time of review).

The school board employs a Communications Officer (reporting directly to the Director) responsible for outreach, communications, and management of the communications calendar. The reporting structure of the school board, including contact information for all key staff, is available on the school board's website. The school board's organizational chart is available on its website.

Succession and Talent Development

The school board does not have a formal plan for succession planning and talent development. It remains at the pre-implementation stage with respect to the Ontario Leadership Strategy, and is currently working with principals to develop a series of leadership modules. In addition, the school board is currently working on a mentoring program for principals which involve the three academic SO's meeting and dialoguing with their principals once a month. The Director has, however, identified leadership planning as a priority for the school board, and intends to leverage best practices from leadership and talent development programs of other school boards, as well as using Ministry and other association tools to develop a program for the school board.

The school board should carry forward with the goal to develop a formal succession and talent plan for both academic and non-academic staff. This will help build and sustain leadership capacity across all aspects and departments of the school board.

Stakeholder Engagement

Management actively consults with stakeholders and the school board employs a Communications Officer who reports directly to and meets with the Director weekly. The annual communications strategy is task-oriented, focusing on annual projects and outreach events. The school board uses a number of outreach techniques, including the Directors Annual Report, quarterly community newsletters, media releases, and Twitter updates. In addition, there are a number of tools that are used by the school board to help facilitate communication both internally and externally. These include the use of a survey tool to gain feedback from staff, an internal document sharing system, and a trustee portal where all information related to Board meetings and agenda items is contained. Each year the Board engages in "Ownership Linkages", where a particular stakeholder group is selected and a linkage activity is planned and held (e.g. focus group), facilitated by the Trustees, and is guided by two or three questions, centered on the Board's ENDS statements. An analysis of feedback/responses is conducted and serves as a reference point for reviewing the Board's ENDS statements and determining future priorities.

Members of the senior administrative team are actively involved at various provincial and national forums, including membership in the Ontario Catholic Supervisory Officer Association, Provincial Character Development Team, MISA Advisory Committee, and the Council of Ontario Directors of Education (CODE).

Recommendations:

- The school board, using a consultative process, should develop and communicate a multi-year strategic plan that provides a framework for annual planning.

- Once this overarching strategic plan is developed, the school board should develop a formal annual operational plan aligned with the Board's multi-year strategic goals. This annual operating plan should cover all aspects of its nonacademic operations, including human resources, financial management, and facilities management. This will also enable all departments to track and report progress on their defined priorities and goals throughout the year.

- Senior administration should report to the Board of Trustees annually on the status and outcomes of the school board's strategic plan and annual operating plan, once they are developed.

- The school board should establish a formal succession plan to manage retirements and resignations of key managers and administrators. This should include senior staff in both academic and non-academic functions and would help build and sustain leadership capacity.

3. Human Resource Management and School Staffing/Allocation – Findings and Recommendations
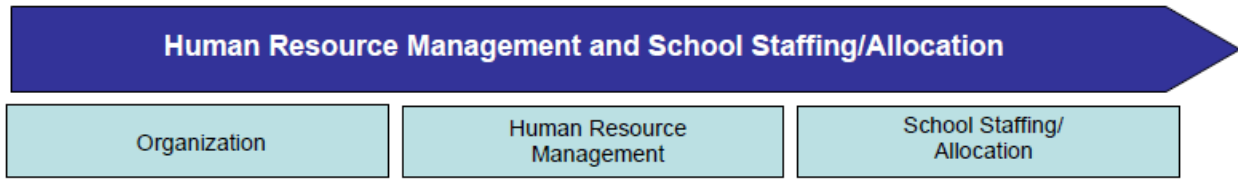
Effective management of human resources ensures an adequate number of qualified staff throughout the organization can perform their prescribed duties. Policies and procedures to develop staff are in place, through performance appraisals, professional development and support services. Staff allocations 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 department 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 HR department uses project and payroll calendars to guide annual objectives, since it does not have a formal annual department plan. The department has a decentralized structure, where some HR duties (such as staffing allocations) are performed by other departments in the school board, with input from HR. The school board is currently recruiting for the vacant HR manager position. The HR project calendar and payroll calendars are monitored by senior administration to ensure alignment with other school board objectives.

The department has not conducted formal surveys to measure feedback on the level of satisfaction with the services of the HR department. Surveys are used regularly to assess particular needs of different departments. The department receives much of the feedback on its services informally.

The department should expand on its departmental calendar document, and consider developing an annual department plan, complete with measurable targets, designated accountabilities, and target timelines. A departmental plan would link department priorities with unit and individual performance measures and accountabilities, facilitate clear definition of roles, enable collaboration among team members, and provide a roadmap for the department. The plan should be aligned with the school board's strategic plan and operating plan once they are developed.

Organizational Structure and Accountability

The department's organizational chart is up-to-date. Department staff are qualified through a combination of work experience and degrees. Components of staffing responsibilities are assumed by members of the executive council. The position of manager of HR requires a graduate degree and a Canadian Certified Human Resources Professional (CHRP) designation.

Monitoring and Communication of Policies

HR has responsibility over a number of policies, including labour relations, performance appraisal of non-teaching staff, long term disability, workplace sexual harassment, violence and harassment in the workplace (Bill 168), employment equity, and employee attendance support management.

All HR policies and procedures are available to school board employees through the school board's public website and an internal portal. The department monitors compliance with its policies on a reactive basis, relying on anecdotal evidence or complaints. The department also monitors for emerging patterns and provides training sessions for school board staff as necessary.

Compliance with HR policies is encouraged by building employee awareness of policies and supervision. Management ensures that staff are kept aware of policy changes and updates to administrative procedures through ongoing orientation to new policies during PD days, electronic communication and through the school principals. At both the annual principal's retreat and at monthly principal meetings, principals are oriented to all new or pressing HR policies and issues. Monthly reminders are provided to principals in a monthly calendar regarding all policies and procedures they must be aware of and/or review with their staff each month.

Recommendation:

- The HR department should consider developing an annual department 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.	Yes
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.	Yes
Management periodically reports on the effectiveness of the attendance management processes/programs to senior management and the board.	No

Management of HR and Payroll Data

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

Management of School Board's Employee Benefit Plans

Leading Practices – Human Resource Management	Evidence of Adoption?
HR management periodically conducts independent compliance audits of the board's insurance carrier to ensure adherence to the benefit plans terms and conditions.	No
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.	No
Confidential exit interviews are performed for all staff who resign, take early retirement or transfer.	No

Staff Recruitment/Hiring

The school board's recruiting practices generate an adequate supply of qualified candidates for academic and non-academic staff.

Academic recruitment is done for the most part through the bridging of associate teachers, and through the Nipissing University Faculty of Education career fair. Generally, positions are only advertised in the newspaper when available staff do not possess specific required qualifications. Most often, new teachers are hired as occasional staff, prior to being considered for full-time, permanent status. Non-academic staffing is largely an internal process. However, as required, positions are posted on the school board public website. The school board does receive regular applications for both teaching and non-teaching positions from external applicants.

Employee interview processes have been standardized for academic staff and nonacademic staff, and are clearly documented through an employee hiring checklist. Academic staff applications are screened by the Superintendents of Education who create a pool of interview candidates. Interview panels are composed of a minimum of three principals who further screen the candidates from this predetermined pool. Standardized lists of questions are used in each interview. The panel makes a recommendation to the Superintendent of Education who proposes the new hire to the Director for approval.

Processes for non-academic hiring are similar to academic processes. The HR department screens applicants creating a pool for interview panels. A member of the senior administrative team will sit in on interviews for special funding positions, whereas other interview panels are composed of principals and HR staff. Similar to academic processes, the interview panels use predetermined interview questions and make recommendations to the Superintendent of Business (SBO), who then reviews and forwards the proposals to the Director for approval.

Labour Relations

HR management and senior administration have established a number of labour-management committees that meet regularly as outlined by collective agreements. These committees are composed of members including, but not limited to, HR department employees, the manager of plant, senior administrative team members, and union representatives. The labour-management committees represent the collective bargaining units of the school board. They are:

Ontario English Catholic Teachers Association (OECTA)

- Joint Professional Development Committee

- Elementary (Nipissing Elementary Unit) – Liaison Committee

- Elementary - Elementary Staffing Advisory Committee

- Secondary – (Nipissing Secondary Unit) Advisory Staffing Committee

- Occasional (Nipissing Occasional Teachers Local) - Liaison Committee

Canadian Office & Professional Employees Union (COPE)

- Liaison Committee

Canadian Union of Public Employees (CUPE)

- Labour Management Committee

The school board's collective agreements lay out processes to be followed for grievances, and HR management has established procedures to help minimize grievances. In addition, the department has developed grievance procedures for nonunionized staff.

The HR manager is a designated party to all labour negotiations. The school board's legal counsel is present at both elementary and secondary teacher negotiations, and the Superintendent of Business is present at all negotiations with the exception of the occasional teacher negotiations. Senior administration and principals are in-serviced on pressing labour relations and collective agreement issues at a Fall PD retreat. In collaboration with senior administration, HR takes a proactive role to help principals trouble shoot labour relations issues, avoid grievances, and maintain an open dialogue with unions.

Employee Performance Evaluation Processes

The school board maintains employee performance and evaluation procedures for all employee groups. Evaluations are managed centrally by the HR department. Department staff run reports in its electronic Human Resources management software, track and assess the need for evaluations regularly. Reports are approved by the Superintendent of Education and passed on to principals. Principals are responsible to distribute letters to staff who require performance appraisals in each given year. Issues of poor performance are addressed by principals with support from the Superintendent of Education and HR staff.

New academic staff are evaluated using the New Teacher Induction Program (NTIP), and principals are provided with training on the program. The evaluations are signed by both the evaluating principal and the evaluated teacher. NTIP evaluations are submitted to the Superintendent of Education and downloaded to the Ontario College of Teachers annually in July. The school board uses progressive discipline processes for all employees and the Board is informed if an employee is terminated and the reasoning for the termination.

PD development and delivery is not centralized in one department, but is managed by a number of departments and cross-departmental teams. PD for all employee groups is connected to school board priorities. PD for teachers is driven by the school board's Board Improvement Plan and the Curriculum Team develops an annual plan to address teacher PD needs. The HR department provides all staff PD on HR issues such as privacy and information monitoring, violence and harassment in the workplace and payroll procedures and requirements. PD for educational assistants (EAs) includes one full day session and is organized with input from EAs.

The annual plan for non-teaching staff PD is organized by HR and the Superintendent of Business. The plan is further modified as issues arise throughout the year. PD for all custodial staff takes place at the end of each academic year, and is based on the results of needs assessment surveys administered to the custodial staff.

Staff are involved in planning PD activities and take part in offering PD to fellow staff. Management has worked with unions through the joint labour relations committees to survey staff PD needs. Surveys are also used to gather employee feedback after PD activities, and the information is used to inform subsequent PD sessions. The feedback process allows employees to make suggestions on what PD or follow up PD should be offered. Input into PD priorities is also collected through monthly principal meetings and school improvement team meetings.

Attendance Management Processes/Programs

The school board discourages absenteeism by recognizing staff with strong attendance records (e.g. perfect attendance is rewarded with the provision of two extra vacation days). All award letters recognizing strong attendance records are signed by the Director, with a copy to the principals/supervisors and kept as part of employee records.

The school board maintains a system, revised in 2001, to monitor staff attendance on a timely basis. Employees must personally call their principal when sick, the principal records the absence and faxes a request for a replacement teacher to a third-party provider, which manages all replacement call-outs. Once positions are filled, the thirdparty provider faxes the replacement confirmation to the school secretary, who reconciles it with the school records. The school board is considering further automation of its attendance callout systems.

When employees return to work, they record their absence through the school board's electronic absence reporting system called E-Payroll. Principals review and sign off on all submitted absences and monthly absence reconciliation reports. The school board's attendance support system allows management to produce a variety of absenteeism reports for, individual employees, employee groups, specific days or groups of days.

While the department reports on attendance trends, these reports are not tied to targets or initiatives driven by a formal attendance support program or strategy. In this regard, the school board should formalize the program, and report on employee attendance trends against set targets. It is also recommended that the school board explore efficiencies in its attendance support systems, which could include an automated call-out process.

Management of HR and Payroll Data

The school board's payroll function reports to the HR department. All changes to employee personnel or payroll files require the completion of an internal processing form signed by the appropriate superintendent. This ensures proper segregation of duties. All payroll functions are provided in-house, and all staff, full and part-time, are enrolled in direct payroll deposit.

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

The school board maintains a pay equity committee that is updating the school board's pay equity plan for all staff. Training regarding pay equity has recently taken place and

the school board is working closely with the unions through the process. There are presently no outstanding grievances.

Management of School Board's Employee Benefit Plans

The practice of hiring an external auditor to examine employee benefit plans has been suggested by school board management as an option in the future. The school board recently hired a third party to review its pharmaceutical drug benefits plan and make recommendations for savings. The school board receives a monthly report from its benefit plan provider that is reconciled internally by the HR department. The HR system transmits employee and employer contributions to the Ontario Teachers' Pension Plan (OTPP) and the Ontario Municipal Employees Retirement Systems (OMERS), ensuring accurate and timely enrolment of all eligible employees.

The school board has also developed procedures to ensure its benefit plans are managed appropriately. This includes managing the plans as an administrative services only arrangement, and a proactive disability management plan that informs staff of return to work opportunities when incident reports are filled.

Much of the school board's benefit plan details are driven by collective agreements, and as such, are reported to the Board when agreements are reached. The Board is informed as to the school board's assumptions regarding benefits during the budget process. The school board does not take measures to provide cost containment of benefit plans, but does receive benchmarked industry average benefit plan prices from their provider. The school board checks its financial terms annually to ensure that rates, expenses, and fees are competitive, and has used external consultant reports to measure costs against other school boards. However, the school board last went to market for its carrier in 2000.

Management should consider conducting compliance audits of the school board's insurance carrier to ensure adherence to the benefit plans terms and conditions. This will ensure accuracy and validity of claims paid.

Monitoring Staff Satisfaction

HR does not formally survey staff for feedback, or measure general attitudes regarding the level of satisfaction with the services of the HR department. The department has used informal staff surveys to measure satisfaction levels, as well as strengths and weaknesses of the department. Wellness surveys have also be administered to many of the staff groups in the past. Management has formally conducted exit interviews for nonteaching staff. While the school board has a low turnover rate, practices such as staff surveys and exit interviews can provide management with valuable input for PD and policies that impact future employee relations.

Recommendations:

- Management should periodically report to the Board and senior management on the effectiveness of its attendance support program.

- Management should consider conducting compliance audits of the school board's insurance carrier, to ensure adherence to the benefit plans terms and conditions. This will ensure accuracy and validity of claims paid.

- Management should consider developing staff satisfaction surveys, which should include all employee groups. This would improve communication with staff, and provide input for professional development plans and HR policy.

- Management should consider developing a formal plan for conducting exit interviews. These interviews would provide input for HR policy as well as process and program improvement.

3.3   School Staffing/Allocation

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

- Assess whether accurate and efficient processes are in place to forecast and plan for staffing needs to support student achievement target strategies;

- Ensure that staff optimization allocation processes are in place, supported by an effective attendance support system;

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

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

Processes for Annual Staff Planning and Allocation

Leading Practices – School Staffing/Allocation	Evidence of Adoption?
The school board's policies and procedures govern the development of an annual staffing plan and allocation process that reflects the priorities of the Board and Ministry initiatives.	Yes

Leading Practices – School Staffing/Allocation	Evidence of Adoption?
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 staffing allocation model for teachers is strictly dictated by student enrolment, Ministry requirements and collective agreement parameters. The school board begins its staffing allocation process with enrolment projections from principals which are submitted to the Superintendent of Education and shared with the Superintendent of Business, who compares them against the finance department's macro projections for the entire school system.

The academic staffing process begins in February for the upcoming year, and is based on enrolment projections and current student numbers. Projections are prepared by the Superintendent of Education and the Director, and are examined for possible efficiencies, such as combining classes. Special needs enrolment projections are made and then added to the overall projections. During March and April, the Superintendent of Education consults with school principals individually, and collectively reviewing and adjusting staffing submissions. Final staffing allocations are released in early June. In the case of redundancies, input is sought from union presidents. Before final teacher allocations are confirmed, system needs are addressed at separate full-day staffing meetings with principals for Regular English and French Immersion programs respectively. Allocations are revisited in September, once school numbers are confirmed.

The Superintendent of Education approves the final allocation of educational assistants, from recommendations made by the special education coordinator. HR closely monitors

the allocation process for non-academic staff, which is managed internally by specific departments. The following details staffing allocation processes for the school board's different staff groups.

Academic Staff

Classroom teacher requirements are forecast based on enrolment projections, primary class size measures, and collective agreement parameters (e.g. prep time).

Educational Support Staff

Educational Assistants (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 schools accordingly.

Professional Student Services Personnel

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

Secretarial and Clerical Staff

Secretarial and clerical staff are allocated centrally based on the directions in the collective agreements and need.

Custodial Staff

Custodial staff are allocated centrally by the plant department. Calculations are based on a model that considers the number of rooms in a school, the number of teachers, the number of students, the schools square footage and its yard size.

Monitoring and Reporting on Staff Allocation

Staffing levels are consistently monitored by the school board, and processes are in place to ensure appropriate allocations. In order for an employee to receive payment from the school board, a profile is created in the IPPS.net program, using a letter reviewed by the Superintendent of Business or Superintendent of Education and signed by the Director. Any changes to staffing allocations are made through this process. Changes to staffing allocation might be triggered through changes in enrollment projections. Updates to enrolment occur monthly as school secretaries submit monthly school enrollment actual and estimates. The school board uses student needs' analyses as well as stakeholder input to identify the number of students requiring special education resources.

Monthly reports to the Board provide highlights of staff hires or dismissals. The senior administration reports on differences in projected to actual staffing allocation levels in October, once staffing levels have been finalized. In-year staffing changes result in personnel reports to the Board at monthly meetings. The school board should periodically report on the actual allocation of staff, compared to the original approved allocation plan and budget.

4. Financial Management – Findings and Recommendations
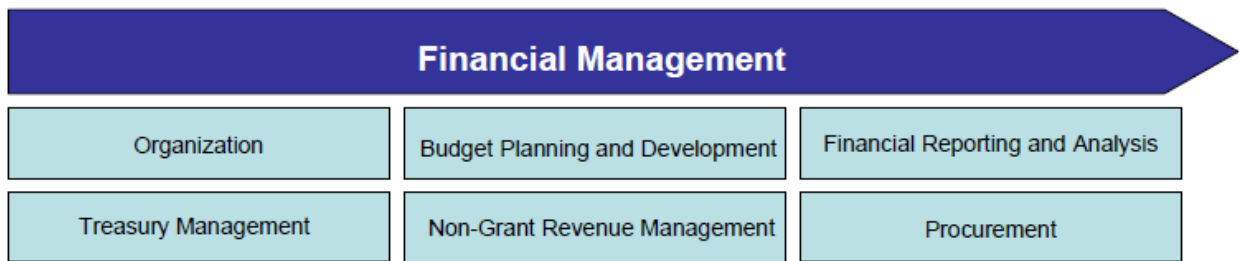
The financial management of the school board ensures the efficient and effective use of fiscal resources. Financial management ensures that the annual budget is developed within the Ministry's allocation and is aligned with student achievement targets. It also ensures that appropriate financial policies 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 draws its priorities and plan directly from the school board's annual budgeting process and annual budget priorities. Budget priorities are identified by the executive council, ensuring alignment with Ministry timelines. The department creates a list of duties from the budget priorities document, and delegates responsibility and reporting requirements for each.

Although the department extracts direction directly from the budget, management should consider developing an annual department plan, complete with measurable targets, designated accountabilities, and target timelines. This plan should be aligned

with the school board's annual operating plan, and in turn be guided by its 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 department reports to the SBO. The department has clearly defined job roles and responsibilities, including required qualifications and lists of required job duties. The SBO is identified on the school board's website, though no direct contact information for the department is indicated. The school board should consider posting such departmental contact information. Department staff have the appropriate education and experience to perform their duties, including professional accounting designations and Supervisory Officer qualifications.

Monitoring and Communication of Policies

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

- Accounting for school funds

- Budget preparation and review

- Purchasing cards

- Tuition fees for in-province pupils

- Use of vehicles for school board business

- Advertising

Department staff train new employees (such as school secretaries and principals) on financial systems and policies at the time of hire. The department builds an understanding of finance policies and procedures through this initial training and ongoing employee communication and engagement. The department has created a policy monitoring schedule, using its electronic finance management system that includes checklists and associated reminders regarding necessary staff oversight.

The department monitors compliance of policies and procedures with the help of principals. It also actively engages them regarding new finance policy updates though the principal's annual retreat. Monthly meetings are used to update them on new financial policies. The department maintains a password protected portal for all financial information, which is only accessible to departmental staff.

Recommendation:

- The finance department should consider developing an annual department plan aligned with the school board's annual 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.

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 and the community.	No
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 an annual budget development process that incorporates input from all key stakeholders, including management, the Board, and the community. As part of the process, sessions with senior administration and meetings with principals take place in February to discuss budget priorities. However, the budget development process has not been formally documented. The school board should take the opportunity to document the budget development process to ensure transparency to the Board, and clarify roles and responsibilities of school board staff.

The budget development process begins in February with consultations and the collection of budget spreadsheets from each department. Finance distributes a spreadsheet file to be completed by each department, indicating budget estimates and assumptions. Files are consolidated by finance staff into a master budget sheet. The departments comment on the budget throughout its development process, giving feedback on revised estimates. Expenditure planning between departments is collegial, and all new funding requests must also be accompanied by funding proposals. The school board does not work directly with coterminous boards regarding budget development, though they communicate on budget issues during the year.

Management has adopted an integrated approach to enrollment forecasting that incorporates historical school board trends and current data. The Superintendent of Business builds enrollment forecasts based on historical trends, and incorporates school specific forecasts developed by the Superintendent of Education. The school board aims to keep final enrollment forecasts within a two percent margin of accuracy. The school board does not expect the same level of accuracy in its annual ten year enrollment forecasts.

The budget development process ensures all costs and revenue pressures are incorporated in the budget. The department compares budget estimates against previous year's actuals (and variances), and ensures integration of all budget information and requests collected during the year. Major expenditure components,

such as benefits, are calculated with payroll costs to ensure consistency. Finance works with the plant department to ensure accurate estimates regarding non-academic staffing costs. The school board maintains an annual reduction in budget spending of five percent. Teacher numbers do not vary substantially from year to year preliminary and therefore financial forecasts are not organized early to guide teacher staffing.

The school board uses the Education Finance Information System (EFIS) to prepare average staffing costs for different staff groups. These costs are compared with similar school boards through information provided by the Ontario Catholic Schools Teachers Association (OCSTA). Management reports its costs are similar to those of other school boards of comparable size.

Risk Mitigation and Board Approval

As part of the budget development process, the department is aware of some key risks faced by the school board. Foremost, these include staffing cost changes due to enrolment fluctuation. While these risks are noted orally during the budget process, the department neither documents the risks associated with budget planning nor develops formal strategies to mitigate these risks. The key opportunities for risk identification and mitigation occur throughout the year at periodic reporting stages, when senior administration and trustees review any variances on accounts. The school board does build contingencies into its budget and requires Board approval for the use of reserves.

The department's financial analyst works to avoid the use of both contingencies and reserves by regularly monitoring accounts and spending.

Board members consider student performance levels as a central driver of the budget process, and are well-informed on the budget during the development cycle. The final stage of the budget development process is the presentation of the budget to the Board, which includes a line-by-line review by trustees. The school board's electronic budget management system permits budget holders to monitor up to date information on budget lines during the school year.

Although there are a number of processes to mitigate budgetary risks, they are not formalized in a risk management policy or document. The department should consider consolidating key risks and mitigation strategies in a formal risk plan. This risk plan would be documented, and presented to senior management and the Board as part of the budget development process.

Suggested enhancements to the budget risks reporting process:

The process of reporting on risk mitigation strategies varies significantly among school boards. An enhanced process would include formal documentation of the following elements:

At the beginning of the budget cycle:

- Identification of significant expenditures not explicitly included in the budget, but which may arise due to unforeseen circumstances.

- Assessment of the probability of occurrence for each budget risk, as well as a quantification of the impact to the budget, should the risk materialize.

- Proposed mitigation strategies to minimize the probability of occurrence for each risk, as well as contingency measures should the risk materialize.

Throughout the budget cycle:

- Periodic reporting of material budget variances that may negatively impact the financial outcome of the board (this may be communicated through the interim financial reports).

- An update on the probability of occurrence, quantification, and impact of each budget risk, identified formally at the beginning of the budget cycle.

- Any new budget risks.

The level of detail of the budget risk mitigation plan would depend on the preferences of management and the Board. At a minimum, it should include a summary outlining the above elements in table format. The periodic documentation of such information would give reviewers a better understanding of the school board's budget risks.

Recommendation:

- Management should document the annual budget development process to enhance transparency for participating superintendents/managers, and encourage internal discussion between departments in the development of the annual budget.

- Management should consider enhancing the process of reporting on the school board's budget risks using the suggested steps outlined in section 4.2 of this report. The development of a single risk plan/report would identify and document all significant risks periodically and include strategies to mitigate the risks of spending beyond authorized and budgeted levels.

4.3   Financial Reporting and Analysis

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

- Assess whether procedures are in place to ensure that management, the board of trustees and the Ministry receives timely, accurate and complete financial information of all school board activities;

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

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

Integrated System for Variance Analysis and Financial Reporting

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

Interim and Annual Financial Reporting

Leading Practices – Financial Reporting and Analysis	Evidence of Adoption?
Interim financial reports provide sufficient detail (including a comparison of actual to budget and to appropriate benchmarks and with appropriate variance explanations) for a clear understanding of the status of the current year's budget and the outlook for the year.	No
Senior management is held accountable for the integrity of financial reporting through formal sign-off and approval procedures.	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

Leading Practices – Financial Reporting and Analysis	Evidence of Adoption?
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. General ledger, procurement, accounts payable and payroll functions are part of an overall financial management system that is managed and serviced internally. New accounts in the system are managed by the department's financial analyst.

Interim and Annual Financial Reporting

The finance department prepares quarterly financial reports for management, detailing account variances. Similar reports are prepared for the Board quarterly. The Board has undergone training to enable stronger monitoring of financial records. The financial reports do not include calendarized year-over-year comparisons.

The department should expand existing report templates to incorporate the recommendations made by the Committee on Interim Financial Reporting for School Boards, which were released September 2009. Enhancements should include calendarized reporting, with historical expenditures as a benchmark. This will also provide more accurate information on whether variances are in line with historical spending trends.

Senior management is held accountable for the integrity of financial reporting through formal authorization of quarterly reports. End-of-year reports are achieved as staff are made aware of Ministry deadlines for accounts payable, along with related closing procedures. All financial reports are completed and filed in accordance with established Ministry timelines.

Audit

The school board does not have an internal auditor, nor does it maintain the capacity to delegate such responsibilities. An auditor would provide added assurance that the internal controls established by management are operating effectively, and comply with policies and procedures. Developing a mandate for the internal audit function would assist the leadership team and the Board in their overall governance and accountability roles. The internal audit function could also help develop performance measures and

indicators for programs and services. The proposed auditor should report to the Board's audit committee. Annual audit plans should be clearly documented, and audit report recommendations should be implemented by management. Audit plans should also be approved by the audit committee.

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

The school board does not have an audit committee. The establishment of an audit committee with external advisors should be considered. Along with significant changes in accounting in recent years, annual financial statements are becoming more complex. External members support audit committee members in understanding what constitutes sound internal accounting and operational control processes.

The external advisors 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 third-party 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 Board, addressing issues with the Board directly.

Recommendations:

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

- Management should consider establishing an internal audit function giving consideration to the emerging Ministry direction on internal audit across the school board sector.

- When the school board establishes an internal audit function, it should ensure any internal audit plans are clearly documented and that internal audit report recommendations are followed up and acted upon by management.

- Management and the Board of Trustees should consider establishing an audit committee that includes external advisors in accordance with emerging Ministry direction.

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 *Education Act*.	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 through using a consolidated interest bearing account. The department's cash is managed through one general/consolidated account and is monitored regularly, using online banking. The department previously had two accounts (an interest-bearing savings account and a general cash account). Currently, the school board earns the same interest rate on its consolidated account as was previously collected on the savings account.

The school board's accounts receivable clerk completes all bank reconciliations, which are approved monthly by the accounting supervisor. The Superintendent of Business is ultimately responsible to the Director for bank reconciliations, and also reviews bank reconciliations regularly. The school board uses manual cheques, and reports no cash management problems. Cheque stock is kept in a central, locked location, along with the magnetic toner required to print the cheques. Some schools use manual cheques, which the school board is encouraging to be used and not be replaced. The department reconciles municipal taxes twice a year from the school board's 25 townships.

The school board's central banking is done with one financial institution. The school board has not, however, consolidated cash management activities for all schools with this financial institution. Schools are not required to change their banking relationships, but are encouraged to use the school board's bank where practical. Management ensures an annual review of banking terms and conditions comparing with information provided by the Ontario Association of School Business Officials (OASBO). However, since the school board's banking relationship was last put to an RFP more than 10 years ago, it should consider tendering its banking services to ensure competitive rates.

There is no process in place for management to report to the Board on investment activity. There is little investment activity at the school board, aside from the central bank account. Changes in any investments are captured in quarterly reports and reporting took place more frequently when the school board had short-term investments.

Risk related to cash management is mitigated in a number of ways, principally that only the accounting supervisor has access to online banking systems. The school board also uses no wire transfers, weekly and monthly cheque requisitions and both electronic and paper copies of all agreements and contracts with financial institution are kept. The board has not formalized these processes, and has not included them in an investement risk management plan.

Recommendations:

- The school board should consolidate cash management activities with a single institution, where feasible.

- Management should periodically report to the Board on the performance of the school board's investment activity and develop an 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.

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.	No
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. Principals are accountable for petty cash, school activity funds, and fundraising funds at their schools. The school board has used OSABO guidelines to develop procedures regarding the oversight of school bank accounts, and maintains a web-based system to access and monitor up-to-date account information of each school.

Schools receive reminders of outstanding banking commitments identified through the monthly check. Supporting this monthly review is an annual internal audit of schoolbased funds for the secondary school and five randomly selected elementary schools.

Individual schools submit reconciliation forms along with corresponding receipts, approved by the principal for petty cash transactions. Departmental staff approve expenses and reimburse the amount claimed. All school-based funds are kept in safes or lock boxes.

Management of Non-Grant Revenue

The school board has not documented/formalized controls to safeguard non-grant revenue, or to coordinate the annual reporting of revenues and expenditures from all sources. The school board reported that non-grant revenue is received through tuition fees, leasing revenues, municipality reimbursements, cafeteria revenues, and reimbursements for secondments.

The school board reports that since the timing of these revenues is regular and predictable, no forecasting of non-grant revenues is prepared. Management should develop processes or policies that ensure controls are in place to safeguard non-grant revenue and coordinate the annual reporting of revenues and expenditures from all sources.

EPO grant information is received by the Superintendent of Business and the Director, who delegates responsibility for the funds. The funds are first passed onto the accounting supervisor, who creates a general ledger account and opens both an electronic and paper file relating to the funds.

Recommendation:

- Management should ensure adequate controls are in place to safeguard nongrant revenue and coordinate the annual reporting of revenues and expenditures from all sources.

4.6   Supply Chain/Procurement

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

- Whether supply chain/procurement policies and practices are in place to ensure that the school board acquires goods and services through an open, fair and transparent process;

- Whether appropriate internal controls support the procurement and related payment process;

- Whether school board processes ensure value for money from all acquired goods and services;

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

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

Policies and Procedures

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

Participation in Group Purchasing Initiatives

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

Purchasing Levels of Authority

Leading Practices – Supply Chain	Evidence of Adoption?
Purchasing authorization levels are commensurate to job roles and responsibilities and are monitored for compliance by a supervisor or department head.	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
Commitment accounting is in place to monitor budget utilization.	Yes
Management has implemented electronic supplier interface for ordering, processing and payment.	No

Use of Electronic Funds Transfer

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

Policies and Procedures

The school board has developed procurement guidelines aligned with the mandatory elements of the Supply Chain Secretariat's Supply Chain Guideline 1.0. The guidelines cover dollar thresholds, purchase orders, small purchase funds, and competitive purchasing. These processes are clearly communicated to staff and periodically reviewed, with the most recent review in 2005. The school board should consider the benefit of a structured procurement policy review cycle. Changes to the policy are approved by the Administrative Council.

There are approved procurement policies in place, and the school board only sole-sources in emergency situations and when only one provider exists (e.g. technology contracts). The school board uses a Vendor of Record arrangement for office supplies though the Ontario Education Collaborative Marketplace (OECM). Thresholds for quotation, tender calls, and public tenders are documented. However, the school board does not regularly use recognized electronic tendering systems.

The school board has clear guidelines for awarding contracts where the lowest bids are identical. In such a case, preference is first given to school supporters (Catholic ratepayers), followed by local suppliers and suppliers of Canadian goods.

Purchasing activities are closely monitored through budget controls, oversight of the school board's purchasing agent, and by control of PCard purchases. In the case where irregularities require further investigation, the purchasing agent escalates the matter to the Superintendent of Business. Staff are trained on the appropriate use of PCards.

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 including the OECM, the Catholic School Boards Services Association (CSBSA), and the Northern Ontario Catholic Ontario Curriculum Cooperative (NOCCC).

The school board minimizes cost of goods and services by initially comparing estimated product or service costs prior to tender, and ensuring timing of tenders will result in the availability of lower cost services. The school board encourages grouping and joint shipping of purchases, as seen in its custodial supplies purchasing processes.

Purchasing Levels of Authority

The school board has not developed purchasing levels of authority, where controls are placed on the spending authority of staff by title or position. Instead, the school board delegates spending authority through the budgeting process. Staff members with budget approved spending responsibilities have the right to spend any amount within the constraints of the designated funds.

The school board's policy also does not indicate the workflow of purchasing approval, nor does it specifically reference purchasing by dollar threshold or role. To supplement its budget controls within the financial system and guidelines for purchasing managers, the school board should formalize a policy that includes approval levels commensurate with appropriate job titles/roles.

Policies and Procedures for PCard and Corporate Card Use

PCards are used at all schools and in all departments, with roughly 55 in use at the school board. All requests for additional PCards must be approved by the Director. PCards may only be used to a maximum of $500 per single transaction with a monthly limit of $1,500. PCard transactions are examined monthly by the purchasing agent and reviewed by the school board's financial analyst. The school board should consider performing a transaction/spend analysis of PCard and purchase order (PO) purchases, to identify optimum purchasing threshold limits to maintain budgetary control while efficiently managing PCard and PO use.

Accounting for Completeness of Purchase/Payment Cycle

The school board uses an electronic financial system to initiate its PO process, while three-way matching is performed by the finance department through manual checks. Requisitions are first approved by school principals and sent electronically to the financial analyst for budget control. Requisitions are forwarded to the Superintendent of Business for investigation and approval if they risk causing an over budget situation. Once approved, the requisition is sent to the purchasing agent. The purchasing agent ensures that the purchasing policy has been followed and creates a PO which encumbers the appropriate budget line. The purchasing agent prints then mails or faxes the PO to the vendor as well as printing a hard copy PO for an accounts payable record. The school board is working on automating this step of the PO process, and should continue to do so.

Once purchases are received, the packing slip is sent to the school board's accounts payable clerk, who performs three-way matching, matching the packing slip to the invoice and to the PO. Any discrepancies are sent back to the purchaser for confirmation. Once three-way matching is complete, cheques are created by accounts payable, including two electronic signatures and sent to a secure directory, accessible only by designated IT staff who release the file for printing. The accounting supervisor must release cheque stock and toner for cheques to be printed.

Management should implement an electronic supplier interface for ordering, processing and payment. The school board has begun considering systems such as the OECM, and should continue to do so. This is an opportunity for the school board that can result in increased process efficiencies.

Use of Electronic Funds Transfer

The school board does not currently use EFT for payments, though has begun to consider their application and potential benefit with the intention of implementing an EFT program in the short term. Management recognizes that additional EFT opportunities should be explored to maximize efficiency within the Finance department.

Recommendations:

- Management should 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 implement an electronic supplier interface for ordering, processing, and payment. This is an opportunity for increased process efficiencies.

- 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 plant department has developed a mandate to achieve "excellence in operations, maintenance and construction services" and states that "Through effective communication, planning and use of resources we are responsible for ensuring a clean, safe and healthy environment for our students and staff". The department is responsible for operations, maintenance, building systems, construction and health and safety. Department activities are planned using capital planning and maintenance schedules. These schedules are revisited and updated at bi-weekly departmental meetings. However, the schedules used do not include measurable targets, assignment of responsibilities or timelines, and as such the department does not document goals and priorities in an annual departmental plan.

Management should consider developing an annual department plan, complete with measurable targets, designated accountabilities, and deadlines that are aligned with the annual operating plan. This in turn would roll up to the overall school board strategic plan, once these documents are developed. This would help link department priorities with performance measures and accountabilities, and provide a roadmap for the department.

Organizational Structure and Accountability

The manager of plant is supported by the maintenance supervisor, the health and safety officer and the secretary of plant services. Maintenance staff report to the manager of plant through the maintenance supervisor. Custodial staff report to the school principals from September to June, and to the manager of plant in July and August. The department's roles and responsibilities are documented, and include main responsibilities and employment requirements. Department staff are qualified through a combination of professional designations (manager of plant is a P.Eng.) and work experience. The department's organizational chart is up to date. Full-time custodial staff are assigned to individual schools, and the department maintains a small number of maintenance staff who cover all schools.

Monitoring and Communication of Policies

The department is responsible for a number of policies, including damage to property, disposal of obsolete or surplus assets, purchasing, and video surveillance policy. Log books are used to record and track compliance of some policies. The school board also monitors department policies through site inspections by principals and the maintenance supervisor. The department ensures staff understanding of plant policies and procedures through communication with principals, as well as ongoing and new-hire training within the department for custodial and maintenance staff. The manager receives all Ministry and OASBO memos regarding newly legislated requirements and procedures directly and disseminates the information to staff as required.

Recommendation:

- The plant department should consider developing an annual department 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.	No
The school board has implemented a formal green clean program as part of its overarching Education Environmental Policy.	No
Management's custodial/maintenance allocation model optimizes the use of staff and considers various factors (e.g. square footage, portables, gyms, etc).	Yes

Development of Annual/Multi-Year Maintenance Plan

Leading Practices – Custodial and Maintenance Operations	Evidence of Adoption?
Using a consultative process, senior administration develops and communicates a multi-year (three to five years) plan for major maintenance and renewal projects. The plan addresses the board's preventative and deferred maintenance priorities and optimizes the use of available funding (Annual Renewal Grant and Good Places to Learn funding) The plan is approved by the Board and accessible by the public.	No

Training to Support Skills Development and Safety

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

Standardization of Cleaning and Maintenance Supplies

Leading Practices – Custodial and Maintenance Operations	Evidence of Adoption?
Management uses an inventory system to track and control major cleaning and maintenance equipment.	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

Principals serve as onsite custodial and maintenance supervisors, and are responsible for ensuring schools are maintained at an acceptable level of cleanliness day-to-day. In addition, the maintenance supervisor inspects sites on an *ad-hoc* basis. All complaints

relating to school facilities are dealt with by principals, and if required, forwarded to the manager of plant.

The department does not currently have a formalized and approved cleaning standard. However, plant management is in the process of developing a custodial handbook, which will outline cleaning standards and clarify common practices across the school board. The department should continue to develop its custodial handbook and to develop and enforce cleaning standards for sites across the school board. Measureable standards will also allow the school board to monitor, manage and report on results that would support custodial performance evaluation.

The school board has not implemented a formal green clean program. However, it has piloted green product usage to evaluate their effectiveness. The pilot included the testing of environmentally-friendly cleaners and finishes. At the end of the pilot, the school board concluded that green cleaning products are cost prohibitive, and do not perform to the desired level. The department continues ongoing testing of green products, focusing on high volume use products such as garbage bags. The school board should use the Ministry's tool Green Clean Program Resource Guide to help develop its green clean program.

The school board's custodial staffing allocation model was previously based on square footage alone. Currently, the allocation model use five measures and it has consistently meets allocation needs. The department calculates custodial allocation, using a model that considers the number of rooms in a school, the number of teachers, the number of students, the schools square footage and its yard size.

The department has developed a newly revised model, which was applied to the new school boards central office. The department plans to apply the newly revised model to school facilities in order to test it against the current model. The department's staffing allocation model is not included in the collective agreement, though it is an item included in a letter of understanding regarding the labour management committee.

Development of Annual and Multi-Year Maintenance Plan

The school board does not formally develop a multi-year maintenance and renewal plan. Rather, the department uses an internal spreadsheet to track facility maintenance requirements and major equipment maintenance requirements. The spreadsheet is used to remind maintenance staff of required maintenance for both equipment and facilities. The department uses the ReCAPP system to help prioritize maintenance projects and also uses a work order system to inform departmental maintenance priorities. Through the work order system, the department is able to identify persistent problems (e.g. a leaky roof) and address them accordingly. Maintenance projects and schedules are not disclosed publicly in advance, so as to manage the expectations of school communities.

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

Training to Support Skills Development and Safety

The department administers training for all custodial and maintenance staff. Initial training takes place at time of hire, and custodians are brought on as temporary staff prior to working full time as per the collective agreement. Training programs are crafted to meet yearly legislated requirements for example, annual Workplace Hazardous Materials Information System (WHMIS) reviews plus full refresher training every three years. In addition to mandated training, the department tracks training needs identified through staff and principal feedback using surveys and informal means. The department will organize mandatory PD days as training is required, to ensure consistent training across all departmental staff. Vendors are often included in PD days to provide product specific training.

Cross-training takes place in the plant department, as maintenance staff take vacation they are replaced by custodians. The school board uses this practice to mentor custodial staff who might be considered for advancement to full-time maintenance roles.

Standardization of Cleaning and Maintenance Supplies

All major cleaning and maintenance equipment, such as snow blowers, floor scrubbers and maintenance vehicles, are tracked using a spreadsheet. The spreadsheet is also used to track required and completed maintenance of each item. The department uses the spreadsheet to issue work orders reminding them of maintenance requirements of individual equipment pieces. Smaller items, such as hammers and screw-drivers, are not tracked. Separate records of purchases at each school are kept so that requests for new items can be cross-referenced against them.

The school board intends to implement an asset management tagging system for major custodial and maintenance equipment as well as building plant systems (HVAC, pumps, motors etc.). The asset management tagging system will consist of the tagging of each piece of equipment and major system component with an individual identification number. The asset management system will integrate with the school board's work order system to allow automated tracking of equipment repair needs and costs.

Management has defined common standards to ensure efficient procurement of supplies and equipment, as the majority of custodial supplies are ordered in bulk annually. The school board's purchasing officer creates a standard order form from

which individual schools place orders. The purchasing officer consolidates all school orders and puts them to tender. The annual bulk tendering of custodial supply allows for the school board to capitalize on the best market prices. The school board does not maintain a warehouse, and all orders are drop-shipped to schools in the month of May.

Project Management, Monitoring and Supporting Systems

The department tracks and records its work orders using its automated work order system. The system can generate reports on any number of fields, including vendors, location, equipment type, etc. As work orders are created, a start time for the work is allocated to the responsible maintenance staff or contractor. Work orders are closed once the invoice has been approved and signed by the manager of plant. Payment takes place after closing the work order.

If maintenance work orders are beyond the scope of maintenance duties, external contractors are engaged to provide the maintenance service. Management has assessed the effectiveness and efficiency of their service delivery of the costs involved. Management's communication with custodial staff is done through school principals or directly though the maintenance supervisor.

Recommendations:

- The school board should implement cleaning standards for schools and develop a standard process to monitor, manage and report on results. Once this in place, management should also report to senior administration on the results of the compliance reviews.

- The school board should review the Ministry's Green Clean Program Resource Guide and use it to develop a formal green clean program as part of its overarching Education Environmental Policy.

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

5.3   Energy Management

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

- Whether adequate planning and communication exist to support the reduction of energy consumption;

- Whether school board structure and processes are in place to ensure that energy is procured for the lowest cost;

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

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

Energy Management Plan

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

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

The school board is developing a draft environment policy for school level implementation. The school board does not currently have an overarching energy management plan. Energy management has been a principal concern for years, as the school board has been tracking energy consumption since 2003, and energy audits

have been completed at all school sites. Energy efficiency is considered a top priority as major plant components, such as boilers and lighting are upgraded. The school board does not publicize its energy conservation successes. Communication of conservation initiatives, such as facility upgrades, is informal and internal to the school board.

Senior administration is aware of all projects involving energy management or saving components. There is no measurement of board wide energy management savings, nor are they reported to the Board. Outreach with community members, and their feedback regarding energy management issues was considered when planning the school board's new school.

Although disparate components of an energy management policy are in place, the school board should expand its energy conservation procedures and related procurement practices. The department should combine the various pieces, while establishing a multi-year energy management plan that incorporates the measures to be implemented. The plan should identify tools to monitor and manage plan results. Included in the multi-year plan should be a procurement policy that incorporates references to energy efficient products, such as (where feasible) a requirement that all new equipment have an appropriate energy efficiency rating. Once a formal plan is in place, the school board should communicate successful conservation initiatives across all schools and with other school boards.

Tracking and Reporting Energy Conservation

The school board has no formal energy conservation plan, and as such has no annual reporting of conservation measures. There is currently no comprehensive system in place to budget expenditures, regulate consumption, or identify opportunities for future savings. The school board does, however, track energy consumption, and uses these figures for future energy assumptions. This tracking is facilitated as vendor billing is consolidated from all utility providers. The school board should develop, track and report energy conservation goals.

The school board does not have an overarching environmental policy that encourages the protection of the school environment. However, a number of initiatives that are environmentally conscious are in place, including *ad-hoc* recycling and energy conservation programs at school sites and energy efficient capital upgrades. The school board should continue with its rollout of the school-based environmental plans in September, and should build on this to develop an overarching environmental policy on both environmental education and responsible management.

Recommendations:

- The school board should 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 promote the procurement of energy efficient products and services where feasible and support energy management goals.

- Successful conservation techniques currently used by the school board should be communicated across all schools and with other school boards, to enhance recognition of energy management across the system.

- Management should provide formal annual reporting to the Board on the energy 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 school board should develop an overarching environmental policy that addresses both environmental education and responsible management.

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
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.	No

Health, Safety and Security Management

Occupational health and safety (OHS) is the shared responsibility of the Superintendent of Education and the Superintendent of Business. 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. In addition, the school board has a joint health and safety committee, composed of the health and safety officer, non-union representatives, union representatives, the manager of plant and the Superintendent of Education.

The school board has a communications protocol for reporting serious incidents and produces a serious incident flow chart, directing staff through the protocol. Health and safety training for custodial and maintenance staff takes shape of mandatory WHMIS and fall arrest training. Training is also included for principals and EA's. This training is ongoing and reflective of the system needs. All incidents are tracked and records show the number of severe incidents to be decreasing. The Board is updated on severe incidents and is provided with an annual report on trends. Though these systems and practices are in place, the school board should develop, implement, and monitor an occupational health and safety plan that reflects its occupational health and safety policies and administrative procedures. This will also ensures the school board is in compliance with associated occupational health and safety statutory requirements.

The school board's safe schools plan reflects its security and student safety policies and administrative procedures ensuring it is in compliance with statutory security requirements. The plan was developed with input from the school board's parent involvement committees (PICs), principals and senior administrative staff. The plan has also been communicated to the Board. School board staff and principals have all been trained on the new (2008 and 2010) safe schools plan. Threat simulations are carried out regularly at all school board sites.

School communities are engaged in school safety awareness. School councils play a role in the safe schools plan and in administering surveys on bullying and safe schools. School agendas include student and parent security responsibilities. The safe schools plan was also posted to the school board's website for public feedback prior to approval. As with health and safety incidents, severe security incidents are be reported to the Board through the Director.

The school board maintains health policy statements, and includes healthy eating education as part of staff professional development. It is developing an overarching health strategy. Health-related legislation (e.g. anaphylaxis, water flushing) and other health requirements are built into the plant department's procedures. The school board should continue to develop an overarching health strategy reflecting school board's health policies and procedures.

Recommendations:

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

- The school board should develop, implement and monitor a health strategy that reflects the school board's health policies and procedures and ensures the school board is in compliance with statutory health 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.	No
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.	No

Development of Annual and Multi-Year Capital Plans

In compliance with Ministry requirements, the school board has completed its capital liquidity template, which is appropriately funded. The school board uses school inspections and ReCAPP to plan capital projects. It does not have a multi-year capital plan or capital planning committee. Capital planning is done by the Superintendent of Business and the manager of plant who report to the Executive Committee. Capital plans are developed and approved in the school board's budget. The school board has used a debenture from the Ontario Financing Authority (OFA) to help finance such projects in the past.

Due to declining enrollment, the school board does not need to increase facility capacity in the near future. Due to the school board's full-time junior kindergarten program, some schools are at or near full capacity. Two school sites which are above-capacity use portables, which will be removed as enrolment declines. Trustees receive annual

accommodation reports, which show current utilization and predict utilization 10 years ahead.

The Board has approved the Pupil Accommodation Review Guideline and associated school board policy. Accommodation improvements to schools are ongoing, with multiple projects planned for the summer of 2010.

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. The manager of plant is responsible for monitoring the SFIS and ReCAPP systems. Capital forecasts and funding plans are assessed on an ad-hoc basis. The school board should consider assessing its capital plans annually, to ensure its needs are being met and appropriate changes are made to original assumptions. The school board has signed an agreement with the City of North Bay to allow the use of it facilities for community activities. The school board also recently purchased software that will allow the public to book school facilities online.

Recommendations:

- The school board should develop an approved annual and multi-year capital plan that includes the related funding plan.

- Management should complete the planned update of its current capital commitments and future requirements. This would include an assessment of the funding to support the existing debt service costs, and a projection of funding sources to support the Board's future capital and facility renewal requirements.

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 *Ontario Green Energy Act, 2009.*	Yes
Senior administration maintains standard policy and/or procedures to rationalize construction projects, including benchmarking against other school board construction costs and design standards (including coterminous boards).	Yes

Monitoring and Reporting on Progress of Construction Projects

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

Maintaining Current Approved Professional Service Providers

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

Cost-Effective Practices in the Design and Construction of Facilities

Management gives full consideration to the use of available school space in local communities before proceeding with the construction, purchase, or lease of other spaces. The manager of plant maintains and uses SFIS data to keep an accurate inventory of available school space. The manager also uses an internal spreadsheet and SFIS to help manage school space inventory. The Superintendent of Education in consultation with the manager of plant complete an accommodation report each

September. This summary of all available space inventory is confirmed and approved by the Director.

The school board leases one continuing education location. Senior administration chose to lease the offsite property as an informed decision to best serve the needs of the program. Surplus space that is not used at school sites is locked and secured to reduce ongoing maintenance or upkeep costs. Other underused space is leased out to outside organizations or groups, with one school site renting 20-25% of its space.

When updating facilities, the school board uses energy conservation and economical construction practices. Architects use ministry guidelines when determining the size of new schools, ensuring constructions are based on school needs. Committees are established to determine the needs of a school community using a step-by-step "functional program" provided by the architecture firm. The committee is composed of the Director, Superintendents, senior administration, school principal and program coordinators. This "functional program" allows the committee to determine exact spacing needs for school programs and student. These needs are filtered through the committee to the project architect. Details of building and site designs are considered and changes are made through the committee. Redesigns of school facilities or new construction incorporate input from students, staff and parents. Final building plans are shared with the committee and the board as information.

New construction projects have included renewable energy sources and the use of green building supplies. For example, newly constructed schools include lighting motion sensors, geothermal heating and cooling, and rainwater collection.

To minimize costs, the architect also ensures construction costs are comparable to similar projects. Nonetheless, the school board builds a contingency of 10% in each project. Furthermore, all change orders are reviewed by the architect and the manager of plant and are signed off by the Superintendent or Business for approval. Bi-weekly onsite meetings help ensure the manager of plant is kept fully informed and up-to-date on construction progress. Any issues arising during the course of a project are brought to senior administration.

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 school board uses its architect as a project manager to oversee major construction projects. The architect keeps a detailed schedule and timelines of each project phase using project specific spreadsheets.

Each project phase has prescribed budgets which are furthermore broken down by individual phase items and costs. The architect approves all requests for payment and provides detailed reports with photographic evidence of completion to the school board.

All requests for payment approved by the architect are subsequently reviewed and approved by the manager of plant and the Superintendent of Business prior to payment.

Maintaining Current Approved Professional Service Providers

The school board outsources construction through an advertised process, using local and regional media. It also tenders architectural services as required. Lists of approved contractors are updated as required by project.

The school board employs a standard CCDC2 stipulated price contract - Canadian Construction Documents Committee for construction projects. This 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.
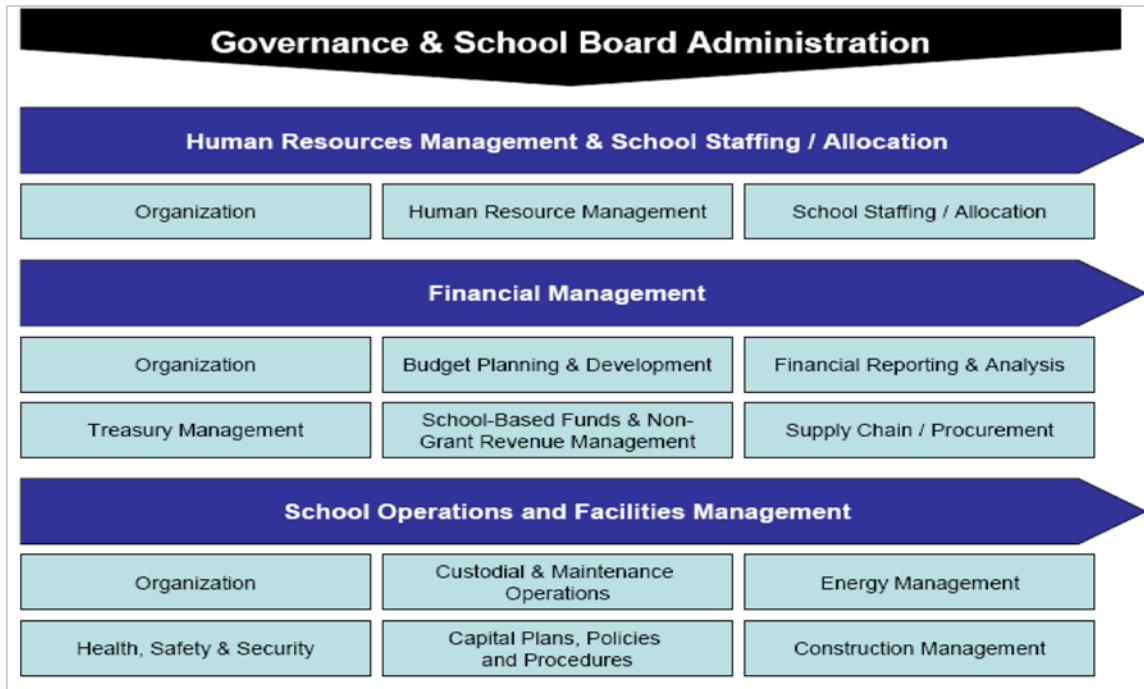
Operational Review Summary Approach

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

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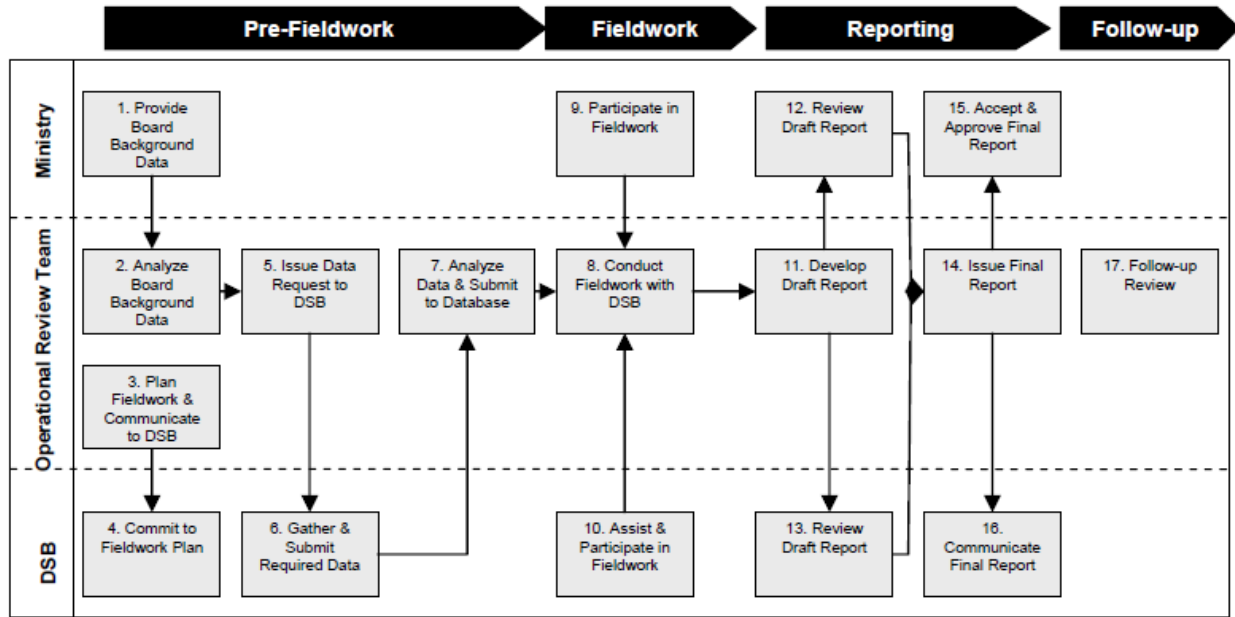
The Table below defines the key phases and activities which comprise the Operational review Methodology.

Phase: Pre-Fieldwork

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

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

Phase: Fieldwork

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

Phase: Reporting

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

Phase: Follow-Up

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

The Operational Review Team

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

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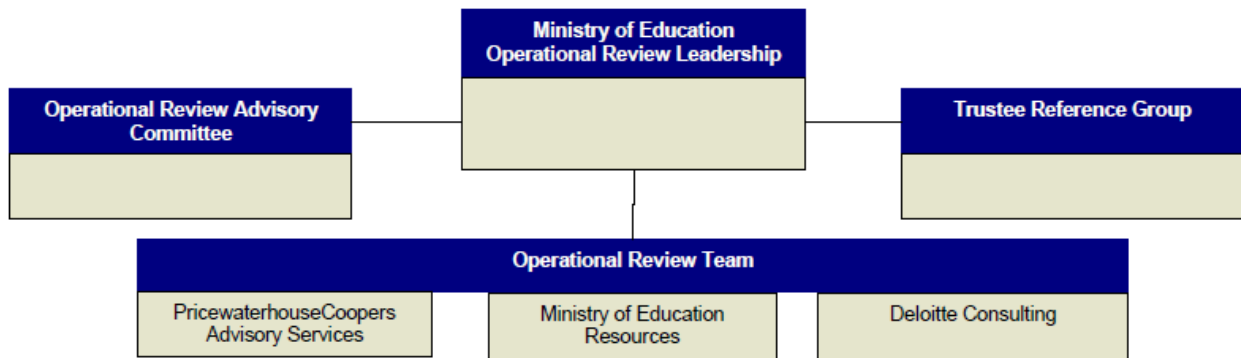
Limitations of this Review

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

Appendix B: Summary of Recommendations

Governance and School Board Administration

No.	Recommendation
1.	The school board, using a consultative process, should develop and communicate a multi-year strategic plan that provides a framework for annual planning.
2.	Once this overarching strategic plan is developed, the school board should develop a formal annual operational plan aligned with the Board's multi-year strategic goals. This annual operating plan should cover all aspects of its nonacademic operations, including human resources, financial management, and facilities management. This will also enable all departments to track and report progress on their defined priorities and goals throughout the year.
3.	Senior administration should report to the Board of Trustees annually on the status and outcomes of the board strategic plan and annual operating plan, once they are developed.
4.	The school board should establish a formal succession plan to manage retirements and resignations of key managers and administrators. This should include senior staff in both academic and non-academic functions and would help build and sustain leadership capacity.

Human Resources Management and School Staffing/ Allocation

No.	Recommendation
5.	The HR department should consider developing an annual department 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.
6.	Management should periodically report to the Board and senior management on the effectiveness of its attendance support program.
7.	Management should consider conducting compliance audits of the school board's insurance carrier, to ensure adherence to the benefit plans terms and conditions. This will ensure accuracy and validity of claims paid.
8.	Management should consider developing staff satisfaction surveys, which should include all employee groups. This would improve communication with staff, and provide input for professional development plans and HR policy.
9.	Management should consider developing a formal plan for conducting exit interviews. These interviews would provide input for HR policy as well as process and program improvement.

Financial Management

No.	Recommendation
10.	The finance department should consider developing an annual department plan aligned with the school board's annual 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.

No.	Recommendation
11.	Management should document the annual budget development process to enhance transparency for participating superintendents/managers, and encourage internal discussion between departments in the development of the annual budget.
12.	Management should consider enhancing the process of reporting on the school board's budget risks using the suggested steps outlined in section 4.2 of this report. The development of a single risk plan/report would identify and document all significant risks periodically and include strategies to mitigate the risks of spending beyond authorized and budgeted levels.
13.	The department should develop calendarized reporting that uses historical expenditures as a benchmark. This will provide more accurate information on whether variances are in line with historical spending trends.
14.	Management should consider establishing an internal audit function giving consideration to the emerging Ministry direction to establish regional models for internal audit across the school board sector.
15.	When the school board establishes an internal audit function, it should ensure any internal audit plans are clearly documented and that internal audit report recommendations are followed up and acted upon by management.
16.	Management and the Board of Trustees should consider establishing an audit committee that includes external advisors in accordance with emerging Ministry direction.
17.	The school board should consolidate cash management activities with a single institution, where feasible.
18.	Management should periodically report to the Board on the performance of the school board's investment activity and develop an investment policy in accordance with the Education Act.
19.	Management should monitor financial risks related to cash/investment management and develop a plan to mitigate associated risks.
20.	Management should ensure adequate controls are in place to safeguard nongrant revenue and coordinate the annual reporting of revenues and expenditures from all sources.
21.	Management should 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.
22.	Management should implement an electronic supplier interface for ordering, processing, and payment. This is an opportunity for increased process efficiencies.
23.	Management should continue to explore additional Electronic Fund Transfers (EFT) opportunities to maximize efficiencies.

School Operations and Facilities Management

No.	Recommendation
24.	The plant department should consider developing an annual department 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.
25.	The school board should implement cleaning standards for schools and develop a standard process to monitor, manage and report on results. Once this in place, management should also report to senior administration on the results of the compliance reviews.

No.	Recommendation
26.	The school board should review the Ministry's Green Clean Program Resource Guide and use it to develop a formal green clean program as part of its overarching Education Environmental Policy..
27.	In consultation with the board and stakeholders, senior administration should develop and communicate a multi-year maintenance plan. This plan would identify priorities over a three to five year period, and commit timelines and funding sources to the project.
28.	The school board should establish a multi-year energy management plan that incorporates measures to be implemented and the tools to monitor and manage the plan.
29.	The school board should enhance its procurement policy to promote the procurement of energy efficient products and services where feasible and support energy management goals.
30.	Successful conservation techniques currently used by the school board should be communicated across all schools and with other school boards, to enhance recognition of energy management across the system.
31.	Management should provide formal annual reporting to the Board on the energy conservation savings achieved against the plan once it has been developed.
32.	The school board should develop a system to track consumption, budget expenditures, and identify opportunities for further energy management savings.
33.	The school board should develop an overarching environmental policy that addresses both environmental education and responsible management.
34.	The school board should develop an occupational health and safety plan, to ensure compliance with associated health and safety statutory requirements.
35.	The school board should develop, implement and monitor a health strategy that reflects the school board's health policies and procedures and ensures the school board is in compliance with statutory health requirements.
36.	The school board should develop an approved annual and multi-year capital plan that includes the related funding plan.
37.	Management should complete the planned update of its current capital commitments and future requirements. This would include an assessment of the funding to support the existing debt service costs, and a projection of funding sources to support the school board's future capital and facility renewal requirements.