

**Ministry of Education**

**Operational Review Report  
Peel District School Board**

**February 2010**

## Table of Contents

<b>Executive Summary .....</b>	<b>1</b>
Introduction .....	1
Governance and School Board Administration .....	1
Recommendation:.....	2
Human Resources Management and School Staffing/Allocation.....	2
Recommendations: .....	3
Financial Management .....	3
Recommendations: .....	4
School Operations and Facilities Management .....	4
Recommendations: .....	5
<b>1. Background and Overview .....</b>	<b>6</b>
1.1 School Board Profile and Structure.....	6
1.2 Key Priorities of the School Board .....	6
1.3 Student Achievement.....	7
1.4 Fiscal Overview.....	8
1.5 Key School Board Statistics .....	10
<b>2. Governance and School Board Administration – Findings and Recommendations .....</b>	<b>12</b>
Establishment of an Effective Governance Model .....	14
Development and Reporting of Annual Goals and Priorities .....	18
Decision-Making Process .....	20
Organizational Structure and Accountability .....	21
Succession and Talent Development .....	22
Stakeholder Engagement .....	22
Recommendation:.....	23
<b>3. Human Resource Management and School Staffing/Allocation – Findings and Recommendations .....</b>	<b>24</b>
3.1 Human Resources Organization .....	24
Development and Reporting of Annual Goals and Priorities .....	25
Organizational Structure and Accountability .....	26
Monitoring and Communication of Policies .....	26
3.2 Human Resource Management .....	27

	Staff Recruitment/Hiring .....	29
	Labour Relations.....	30
	Employee Performance Evaluation Processes .....	31
	Attendance Management Processes/Programs.....	33
	Management of HR and Payroll Data .....	34
	Management of School Board's Employee Benefit Plans .....	35
	Monitoring Staff Satisfaction .....	35
	Recommendations: .....	35
3.3	School Staffing/Allocation .....	36
	Processes for Annual Staff Planning and Allocation .....	37
	Monitoring and Reporting on Staff Allocation .....	40
<b>4.</b>	<b>Financial Management – Findings and Recommendations.....</b>	<b>41</b>
4.1	Finance Organization.....	41
	Development and Reporting of Annual Goals and Priorities .....	42
	Organizational Structure and Accountability .....	43
	Monitoring and Communication of Policies .....	43
	Recommendations: .....	44
4.2	Budget Planning and Development.....	44
	Annual Budget Development Process .....	45
	Risk Mitigation and Board Approval .....	47
4.3	Financial Reporting and Analysis.....	48
	Integrated System for Variance Analysis and Financial Reporting .....	49
	Interim and Annual Financial Reporting .....	49
	Audit.....	50
	Recommendation:.....	52
4.4	Treasury Management.....	52
	Cash and Investment Management .....	52
4.5	School-Based Funds and Non-Grant Revenue Management.....	54
	Management of School-Based Funds.....	55
	Management of Non-Grant Revenue .....	55
4.6	Supply Chain/Procurement .....	56
	Policies and Procedures .....	58
	Participation in Group Purchasing Initiatives.....	59

Purchasing Levels of Authority .....	59
Policies and Procedures for PCard and Corporate Card Use .....	61
Accounting for Completeness of Purchase/Payment Cycle .....	61
Use of Electronic Funds Transfer.....	62
<b>5. School Operations and Facilities Management – Findings and Recommendations .....</b>	<b>63</b>
5.1 Operations and Facilities Organization .....	63
Development and Reporting of Annual Goals and Priorities .....	64
Organizational Structure and Accountability .....	65
Monitoring and Communication of Policies .....	66
5.2 Custodial and Maintenance Operations .....	66
The Board's Staffing Model/Allocation Supports the Cleaning Standards and Maintenance Requirements .....	68
Development of Annual and Multi-Year Maintenance Plan .....	69
Training to Support Skills Development and Safety .....	70
Standardization of Cleaning and Maintenance Supplies .....	70
Project Management, Monitoring and Supporting Systems .....	70
5.3 Energy Management.....	71
Energy Management Plan .....	72
Tracking and Reporting Energy Conservation .....	73
5.4 Health, Safety and Security .....	73
Health, Safety and Security Management.....	74
5.5 Capital Plans, Policies and Procedures .....	76
Development of Annual and Multi-Year Capital Plans .....	77
Ongoing Monitoring and Maintenance of Data to Support Capital Planning .....	78
5.6 Construction Management.....	79
Cost-Effective Practices in the Design and Construction of Facilities .....	80
Monitoring and Reporting of Progress on Construction Projects .....	81
Maintaining Current Approved Professional Service Providers.....	81
<b>Appendices .....</b>	<b>82</b>
Appendix A: Overview of the Operational Review .....	82
Operational Review Objectives .....	82

Operational Review Summary Scope .....	82
Operational Review Summary Approach .....	83
The Operational Review Team .....	86
Limitations of this Review .....	86
Appendix B: Summary of Recommendations .....	87

## Executive Summary

This report details the findings and recommendations of the Operational Review of the Peel District School Board (the school board) conducted by the Operational Review Team composed of external consultants from Deloitte and Ministry of Education staff. The Operational Review was conducted over four days beginning December 7, 2009.

## Introduction

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

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

The review team found that the school board has implemented many leading practices. Noted strengths include the school board's leadership on their strategic plan, annual budget development process, and multi-year energy management plan. A summary of the findings and recommendations identified in each of the functional areas reviewed follows. Details can be found in subsequent sections of the report.

## Governance and School Board Administration

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

- A governance model that clearly delineates the division of duties and responsibilities between the board of trustees and the Director of Education, to support an effective working relationship.
- Developing and communicating a strategic plan for 2009-2013, through its *Report Card for Student Success*. The *Report Card for Student Success* also serves as the school board's annual operating plan, as each goal sets targets for

improvement and covers areas such as human resources, financial services and facilities.

- Providing a formal orientation session for new trustees that includes mentorship by experienced trustees, as well as a binder that provides an in-depth review of the major academic and operational functions of the school board.
- A formal stakeholder and communications plan that actively engages internal and external stakeholders on a regular basis.

Management recognizes the need to plan for pending retirements at the senior management level, with a particular focus in the areas of human resources, finance and school operations, and facilities. The review team notes that the school board would benefit from expanding its activities in succession planning. Although the school board has developed a formal succession plan for its teaching staff, it has not developed one for its non-teaching senior administration team.

#### **Recommendation:**

- The school board should expand its formal succession plan to include key management positions in business/support functions. Currently, the board has a leadership development program in place to support succession planning for academic staff, as outlined by the Ministry's *Ontario Leadership Strategy*.

### **Human Resources Management and School Staffing/Allocation**

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

- 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).
- An attendance management program is in place, and management periodically reports on the effectiveness of the attendance management processes/programs to senior management and the board.
- HR management periodically conducts independent compliance audits of the board's insurance carrier, to ensure adherence to the benefit plans terms and conditions.
- Confidential staff satisfaction surveys are performed periodically.

- Confidential exit interviews are performed for all staff.

The review team notes that the board would benefit from expanding its activities in two HR areas. While the school board currently has a comprehensive recruitment process, they would benefit from a formal recruitment policy that would enhance it and help plan for current and future challenges in recruitment. This policy would cover organizational objectives, personnel policies of the organization and its competitors, preferred sources of recruitment, needs of the organization, and recruitment costs and financial implications. Having a formal recruitment policy will also ensure that the school board meets its strategic goal of recruiting and retaining staff.

Management is also encouraged to look at developing a policy or procedure to govern and support the formal discipline and dismissal of teaching and non-teaching staff. The current system has components of progressive disciplinary procedures referenced in HR documentation and collective agreements, and informal steps are well-known to HR staff, who apply them regularly. A formal policy will ensure consistency and transparency in the process for both management and employees within and outside of the HR department.

### **Recommendations:**

- Management should develop a recruitment policy and ensure it is reviewed annually to align staff planning with student achievement.
- Management should consider developing a policy or procedure governing the formal discipline and dismissal of academic and non-academic staff, to ensure consistency and transparency.

### **Financial Management**

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

- The annual budget development process is transparent and clearly communicated, incorporating input from all key stakeholders, including staff, management, the board of trustees, and the community.
- The school board actively participates in purchasing consortia/cooperatives and group buying initiatives.
- The school board has an efficient cash management process to maximize interest income, using short-term investments where appropriate and ensuring that the board's debt service costs can be met to maturity.



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

Currently, the finance department does not have a stand-alone departmental plan. Instead, its activities are captured in the larger operational support services plan. To help link department priorities with performance measures and accountabilities, the department is encouraged to continue separating the finance-related activities in the operational support services plan, and developing a separate finance branch plan. This will also help create a clear definition of roles and enable collaboration among the team members.

The school board currently has an audit committee composed of three Board members and senior administration. There are no external members on the committee, and the school board is encouraged to add them to ensure effective functioning.

### **Recommendations:**

- Management is encouraged to continue separating the finance-related activities in the operational support services plan, and developing a separate finance branch plan, aligned with the operational plan and overall strategic plan. This will enable the department to track and report the progress of its defined priorities and goals throughout the year.
- Management and the board of trustees should consider including external advisors on the Board's audit committee to contribute to committee's effectiveness.

### **School Operations and Facilities Management**

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

- An automated (computerized) work-order system and process that records, monitors, and evaluates projects, ensuring the effective use of resources.
- 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.
- An effective management process monitors and controls construction projects and their costs. This includes periodic project status updates and post-construction project evaluation.

**Recommendations:**

- None

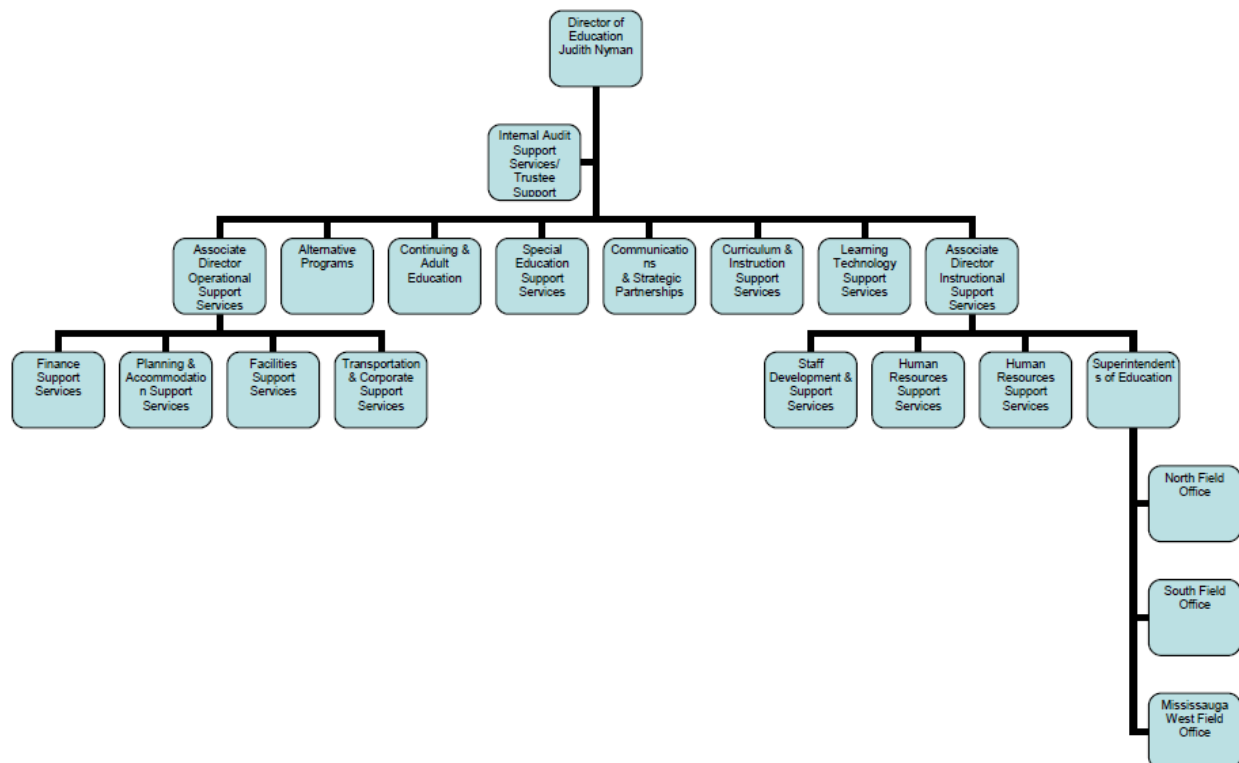
# 1. Background and Overview

## 1.1 School Board Profile and Structure

The Peel District School Board is committed to one goal: success for every student. This 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 over 139,000 students, the school board offers a diverse range of programs in its 241 schools.

While Peel District is a “growth school board”, management reports that the enrolment numbers are currently stabilizing.

The Senior Administration Team at the school board is composed of the Director of Education, two Associate Directors and 14 senior staff as follows:



## 1.2 Key Priorities of the School Board

The vision of the Peel District School Board is: “**Service-Leadership-Success**”. In support of this vision, the following mission statement has been developed for the school board: **Lifelong Learning: Striving to be the Best.**

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

1. Caring
2. Adaptability
3. Teamwork

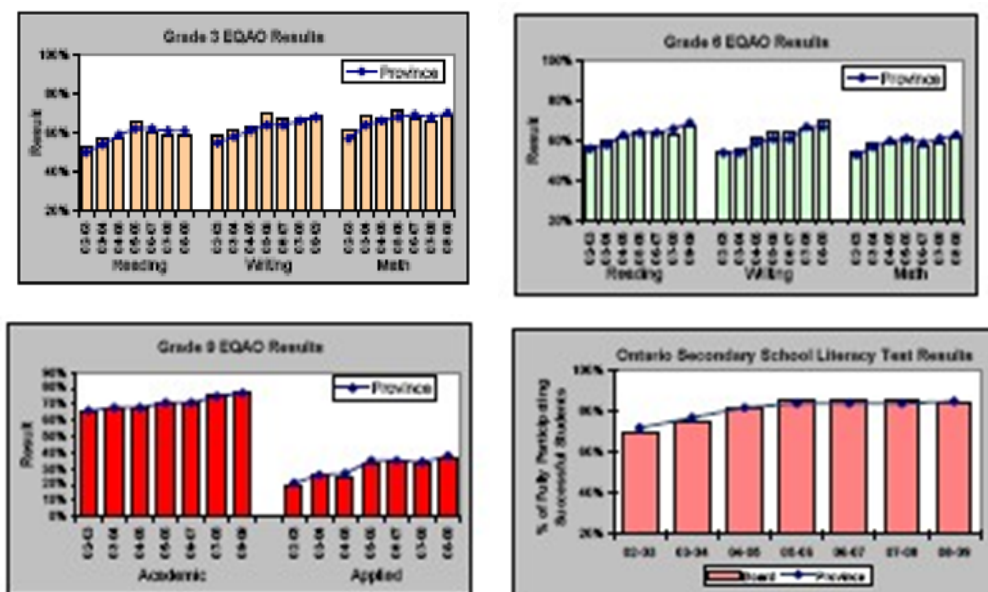
These goals and priorities are implemented through the School Success Planning process at the school level and aligned to goals and strategies in the *Report Card for Student Success*.

To support the implementation of its Strategic Plan, the school board has adopted a *Report Card for Student Success* and operating plan. These components form the basis of an effective strategic plan for the organization, as will be discussed in section 2 of this report.

### **1.3 Student Achievement**

The EQAO results for the school board show that students' math scores for both Grade 3 and 6 are at the provincial average. Grade 6 reading scores are at the provincial average, while the reading scores for Grade 3 are slightly below the provincial average for 2008-09. The school board is at or above the provincial averages for writing for Grade 3 and 6.

At the secondary level, Grade 9 EQAO results for academic students have been steadily improving since 2005-06. The following charts illustrate the school board's EQAO and OSSLT results over the last six years.



## 1.4 Fiscal Overview

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

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

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

### Summary Financial Data (Revenues)

Revenues	2007-08 Financial Statements	2008-09 Financial Statements	2009-10 Revised Estimates
Legislative Grants	\$731,476,237	\$782,518,564	\$824,160,403
Local taxation	\$483,091,692	\$503,487,875	\$513,206,781
Board Revenues	\$21,375,748	\$28,594,166	\$8,325,456
Other Operating & capital Grants	\$26,604,550	\$21,511,615	\$18,587,329
<b>Total Revenues (Schedule 9)</b>	<b>\$1,262,548,227</b>	<b>\$1,336,112,220</b>	<b>\$1,364,279,969</b>

## Summary Financial Data (Expenditure)

<b>Expenditures</b>	<b>2007-08 Financial Statements</b>	<b>2008-09 Financial Statements</b>	<b>2009-10 Revised Estimates</b>
Operating expenditures	\$1,124,705,004	\$1,191,399,792	\$1,266,086,449
Capital expenditures - Before transfers from reserves	\$91,506,846	\$85,500,722	\$69,008,363
Transfer to (from) Reserves	\$40,435,712	\$59,211,706	\$29,185,157
<b>Total Expenditures</b>	<b>\$1,256,647,562</b>	<b>\$1,336,112,220</b>	<b>\$1,364,279,969</b>
<b>In-year Surplus (Deficit)</b>	<b>\$5,900,665</b>	<b>\$0</b>	<b>\$0</b>

## School Board Reserves and Deferred Revenues

<b>School Board Reserve and Deferred Revenues</b>	<b>2007-08 Financial Statements</b>	<b>2008-09 Financial Statements</b>	<b>2009-10 Revised Estimates</b>
Retirement Gratuities	\$17,387,729	\$17,536,787	\$21,686,787
Reserve for Working Funds	\$6,517,627	\$24,237,651	\$17,754,600
Benefit Insurance Expense Reserve	\$1,891,928	\$1,891,928	\$1,891,928
Cafeteria Reserve	\$471,637	\$901,489	\$1,051,489
Coca Cola Reserve	\$1,296,162	\$1,913,842	\$966,281
Pupil Accomodation Debt Reserve	\$0	\$130,360,165	\$143,263,078
PAG Reserve	\$35,536,939	\$0	\$0
<b>Total Reserve Funds (Schedule 5)</b>	<b>\$63,102,022</b>	<b>\$176,841,862</b>	<b>\$186,614,163</b>
Energy Efficient Schools Operating	\$0	\$1,247,269	\$0
Energy Efficient Schools - Capital	\$0	\$1,720,408	\$0
Proceeds of Dispositions Reserve- Other	\$2,655,887	\$2,769,716	\$2,609,716
MECR/ BECR Reserve	\$410,847	\$410,847	\$410,847
<b>Total Deferred Revenues (Schedule 5.1)</b>	<b>\$3,066,734</b>	<b>\$6,148,240</b>	<b>\$3,020,563</b>
<b>Total Board Reserves and Deferred Revenues</b>	<b>\$66,168,756</b>	<b>\$182,990,102</b>	<b>\$189,634,726</b>

## 1.5 Key School Board Statistics

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

### Day School Enrolment

Day School Enrolment	2002-03 Actual	2009-10
Elementary Day School ADE	84,180	96,502
Secondary Day School ADE	38,536	43,766
<b>Total Day School Enrolment</b>	<b>122,716</b>	<b>140,268</b>

### Primary Class Size

Primary Class Size	2003-04	2009-10
% of Classes Less Than 20	11%	90%
% of Classes Less Than 23	45%	100%
Average Class Size - Jr/Inter	25.15	25.00
% of 3/4 Classes 23 & Under	28%	100%
% of Combined Classes	25%	30%

### Staffing

Staffing	2003-04	2009-10
School Based Teachers	6,855	8,955
Teacher Assistants	815	1,273
Other Student Support	348	580
School Administration	370	459
School Clerical	482	586
School Operations	877	1,242
Other Non-Classroom	327	377
<b>Total Staffing</b>	<b>10,073</b>	<b>13,472</b>
<b>Teacher - Pupil Ratio</b>	<b>1:18</b>	<b>1:16</b>
<b>FTE Staff per 1,000 Pupils (ADE)<sup>1</sup></b>	<b>82.1</b>	<b>96.2</b>

<sup>1</sup> Note: Impacted by Class Size and Special Education

<b>Staffing</b>	<b>2003-04</b>	<b>2009-10</b>
<b>Total Salary &amp; Benefits as % of Net Operating Expenditures</b>	<b>86.2%</b>	<b>90.7%</b>

## Special Education

<b>Special Education</b>	<b>2003-04</b>	<b>2009-10</b>
Special Education Incremental Expenditures	\$72,089,472	\$168,521,510
Special Education Allocation	\$80,407,235	\$136,987,814
<b>Spending above Allocation (Reserve)</b>	<b>-\$8,317,763</b>	<b>\$31,533,696</b>

## School Utilization

<b>School Utilization</b>	<b>2003-04</b>	<b>2009-10</b>
Number of schools	204	241
Total Enrolment (ADE)	122,716	140,268
School Capacity (Spaces)	104,912	141,431
<b>School Utilization</b>	<b>117.0%</b>	<b>99.2%</b>
<b>Board Area (Km²)</b>	<b>1,246</b>	<b>1,246</b>
<b>Number of Trustees</b>	<b>12</b>	<b>12</b>



## 2. Governance and School Board Administration – Findings and Recommendations

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

Governance and board administration processes are reviewed to:

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

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

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

## Establishment of an Effective Governance Model

Leading Practices – Governance and School Board Administration	Evidence of Adoption?
The school board's governance model clearly delineates the division of duties and responsibilities between the board of trustees and the director of education to support an effective working relationship.	Yes

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

Leading Practices – Governance and School Board Administration	Evidence of Adoption?
The board of trustees, using a consultative process, develops and communicates a multi-year strategic plan that provides a framework for annual planning.	Yes
The director of education and senior staff develop an annual operating plan of their goals/priorities, incorporating both academic and non-academic departments. The plan is aligned with the Board's multi-year strategic plan and has goals that are specific, measurable, achievable, relevant and timely.	Yes
The senior administration periodically/annually report to the board of trustees on the status and outcomes of the board strategic plan and annual operating plan.	Yes

## Decision-Making Processes

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

## Organizational Structure and Accountability

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

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 <i>Ontario Leadership Strategy</i> , the director of education, with support from HR, has established a formal Succession and Talent Development Plan to build and sustain leadership capacity.	No

## Stakeholder Engagement

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

## Establishment of an Effective Governance Model

The school board has adopted a governance structure that clearly delineates the roles and responsibilities of the board of trustees and senior administration. The governance structure is supported by a board of 12 experienced trustees, and two student trustees. The school board currently has a code of conduct for trustees, which is reflected in the by-laws. The Board has several long-serving trustees, with the experience ranging from three to 31 years. The Board meets on the second and fourth Tuesday of each month.

In addition to the Committee of the Whole, the school board has three standing committees, one legislated committee, and a number of ad hoc and community-based committees. The standing committees are: the Instructional Programs/Curriculum Committee; the Physical Planning and Building Committee; and the HR/Negotiations Advisory Committee. Six board members are appointed annually to the first two committees, and the latter is a committee of the whole, which meets at the call of the committee chair. The Special Education Advisory Committee is a legislated committee, which includes three trustees appointed annually, and 12 members representing various organizations and associations advocating for children with special needs.

There are currently 27 ad hoc and community-based committees as listed below:

1. Search Committee for Director of Education
2. Search Committee for Superintendents and Controllers
3. Principal Interviewing Committee - Elementary
4. Vice Principal Interviewing Committee - Elementary
5. Principal and Vice Principal Interviewing Committee - Secondary
6. Audit Committee
7. Brampton Safe City Association
8. City of Brampton Safety Council
9. Brampton Education Liaison Committee
10. Peel Youth Crime Prevention Association
11. Mississauga Traffic Safety Council
12. Grievance Committee
13. Ontario Public School Boards' Association (OPSBA) Regional Council
14. OPSBA Board of Directors
15. Trustee Review Committee
16. Creative Learning Choices Committee
17. Peel Student Presidents' Council
18. CIDA Project Committee
19. Discipline Committee of the Board
20. Parent Involvement Committee
21. Regional Programs Steering Committee
22. Britannia School Farm Committee
23. Accessibility Working Group

24. Historic Memorabilia Policy Development Committee

25. Conflict of Interest Policy Review Committee

26. Respectful Learning and Workplace Policy Committee

27. Student Transportation Consortium Committee

As part of its governance model, the school board has established policies to direct the governance approach of the Board, and guidelines that delineate the roles and responsibilities between administration and trustees. These are outlined in the by-laws Appendix C 'Duties and Responsibilities of Members of Peel District School Board' and as part of the 'Senior Staff – Administrative Responsibilities' policy document, which outlines the responsibilities of the Director of Education.

The by-laws stipulate that the board of trustees sets and maintains policy, while senior administration develops and implements operating plans and procedures, consistent with the school board's key goal of improving student achievement. The Chair of the Board reported that although the Board of Trustees does not formally monitor its performance, this occurs informally through feedback from senior administration and the community at large.

The Board provides a formal orientation session for new trustees that includes mentorship from more experienced members for new trustees, as they become familiarized with their roles and responsibilities. Experienced trustees are matched with new members, based on shared families of schools. In addition, senior administration has developed a trustee orientation binder (distributed to all new trustees) that includes an overview of the major academic and operational functions of the school board.

The relationship between the Director of Education and the Chair and Vice-Chair is collegial and collaborative. Similar relationships exist between the whole leadership team and the Board of Trustees. The school board has established policies and procedures that provide a framework for decision-making and guidelines for the effective operation of the board. School board trustees work with the senior administration through the committee structure, which provides an opportunity for debate and discussion and streamlines decision-making processes, including the policy review process and budget development process. These processes are available on the school board's website.

The Director of Education position is currently being filled on an acting basis during a formal recruitment process. The Director of Education is supported by a team of eight senior staff. This includes two Associate Directors, one who has responsibility for Operational Support Services and the other for Instructional Support Services. In addition, six other senior staff report to the Director. The Director also oversees the

work of Internal Audit Support Services and Trustee Services which coordinates procedures for Board, and committee meetings and related activities.

The planning and leadership meeting of the senior administration, referred to as the Leadership Council (LC), is held on the first and second Thursday morning of each month. The LC includes the Director, Associate Directors, and all superintendents and controllers who have responsibility for administration of the system. In addition to the LC, there are eight types of monthly staff committees:

1. Director's Office Meeting
2. Executive Committee
3. Powerful Conversations
4. Instructional Support Services
5. Operational Support Services
6. Director's Council
7. Advisory Committees:
  - Curriculum, Instruction and Special Education Support Services Advisory Committee
  - Staff Development & School Support Advisory Committee
  - Learning Technologies Advisory Committee
  - Human Resources Advisory Committee
  - Communications Advisory Committee
  - Facilities & Transportation Advisory Committee
  - Finance Advisory Committee
8. Secondary Superintendents of Education

The Board conducts a formal performance appraisal process of the Director of Education annually. The review is based on the Director's accomplishments in meeting the goals set out in the *Report Card for Student Success*. All trustees participate in the review. Once the appraisal is complete, the Chair and Director have a chance to review

it together before it is presented an in-camera Board meeting. The Director's Annual Report also outlines progress in these areas.

## **Development and Reporting of Annual Goals and Priorities**

Since 2002, the Peel District School Board has used a balanced scorecard approach to develop its multi-year strategic plan, entitled the *Report Card for Student Success*. Through the report card, the Board notes that it is able to demonstrate the cause and effect relationship between specific projects/actions and outcomes. Through a broad consultation process with internal and external stakeholders, the following eight goals were identified:

- Encourage positive board/staff and school/community relationships (across all areas)
- Maximize student achievement through school success planning (across all areas)
- Ensure students and staff have safe and appropriate places to learn and work
- Attract, develop and retain a diverse staff of committed, dedicated and caring people
- Use resources effectively
- Use technology effectively with students and staff
- Achieve equity for students and staff
- Maximize student achievement through School Success Planning

The board confirms these goals through a system check process every five years, to validate that the goals are still relevant and resonant with its stakeholder groups.

Each goal has an indicator of how success will be measured, a target, and specific projects and actions to maximize performance. Accountability for the eight goals set forth is achieved by assigning a champion who is a part of the Leadership Team. The champion is responsible for collecting, monitoring, reporting and interpreting the data for the indicator, as well as the underlying process measures. The champion monitors progress regularly and notifies the Leadership Team if the indicator is not trending in the right direction. The Board benchmarks itself externally as well as internally. This allows for changes in strategy as required.

Each goal has deliberately selected projects that have the greatest impact on the corresponding indicator. A project is defined as having a sunrise and a sunset, and each project has project leads assigned. These leads complete a project template that clearly describes the project, committee structures, budget requirements, timelines, and status. For each project, multidisciplinary teams are created with an emphasis on involving individuals at various levels in the organization for succession planning purposes. These templates also help the Leadership Team monitor the resources assigned to support the expected performance. Projects are reviewed two to three times a year to ensure that they are on track. Project leads can propose changes as required.

These projects were chosen through an extensive process beginning with the Leadership Team reviewing the previous report card results, and a review of departmental plans. There is subsequently a broad system consultation with staff and stakeholders (e.g. SEAC, faith leaders). The final scorecard is sent to each employee to promote individual accountability and an understanding of how they can contribute to improving student success in the Peel DSB. In addition, a website containing all aspects of the balanced scorecard is posted within the school board's website in an effort to help increase transparency within the school system, and ensure that each employee and community member has the same understanding of the Board goals, actions and progress.

The *Report Card for Student Success* also serves as the school board's annual operating plan and covers business areas such as human resources, financial services, and facilities services. Projects are deliberately designed to be as cross-functional as possible, to promote close collaboration between teaching and business functions. For example, one of the areas of focus is to "attract, develop and retain staff" which is aligned to HR but has associated projects that are supported by many different departments and staff groups. Tracking takes place through the project templates and data dashboard.

While these report cards cover projects that are operational in the system and are contained in departmental plans, the Board should consider reviewing the number and nature of those critical operational projects not included in the scorecard framework. This will help to determine whether the addition of a broader operational plan which includes those projects would be beneficial.

Senior administration reports annually to the board of trustees on the status and outcomes of the *Report Card for Student Success*. Project plans which form part of the strategic plan are reported on more frequently through the various committee structures. The Director also prepares an annual report to the community.



## Decision-Making Process

The board of trustees' primary responsibility is to set policy and the strategic direction for the school board. The senior administrative team develops and implements plans and procedures to ensure adherence to Board policies, and manages the day-to-day operations of the school board. These responsibilities are clearly outlined in the Board's by-laws, last updated in September 2007.

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

The Board has a standard process for agenda setting. The Executive Assistant, who as the Director's designate, drafts the agendas for Board meetings. The draft agenda is presented at the Executive Committee meeting and is finalized by the Director, Associate Directors, and the Chair and Vice-Chair of the Board. Draft agendas include regular items, such as minutes of board and committee meetings, any other business items from previous board meetings, reports from staff, and any items that come forward on a regular basis.

The board of trustees and senior administration have appropriate processes to establish and maintain policies and administrative procedures for the efficient and effective operation of the board. New policies are developed in response to trustee motions, staff recommendations, or Ministry directives. To begin the process, a trustee submits a Notice of Motion to the Board, recommending the establishment of a policy development committee. The motion includes the reason for the proposal, the recommended composition of the committee, possible timelines, and an indication that the terms of reference for the policy committee will be developed and brought back to the Board.

Senior staff also has the ability to propose policies and/or changes to policies to address system needs. These policies are vetted through various staff committees and then presented to the Board's Trustee Review Committee, before going to the Board for approval.

In the case of policies which are directed by the Ministry of Education, such as the Safe Schools Policy, a staff committee (with trustee representation) is established to develop the required policy. The draft policy goes through various staff committees and is then presented to the Board's Trustee Review Committee, before going onto the Board for approval.

Policies and board by-laws are refreshed every three years by the Trustee Review Committee. The review includes items such as title changes, a review of all staff recommendations for amendments and clarification, and amendments proposed by

trustees. Changes to the policy are then presented to the Committee of the Whole for approval and subsequently circulated throughout the system and posted on the Board's intranet and website.

Each policy posted on the website has a revision cycle which clearly outlines when the policy was last reviewed and approved. While most policies are quite current, there are some policies posted on the site that are due for revision, and may be currently under review as part of the board's established review cycle. The school board should review its processes to ensure that all current policies are posted on the website.

## **Organizational Structure and Accountability**

The governance structure is supported by a board of 12 experienced trustees. The board of trustees is responsible for approving the policies and by-laws governing the school board's operations, and ensures that the educational goals and needs of all students are met.

The organization, roles and responsibilities of the school board's senior administration team has been formally defined and documented in the Board by-laws. The Director of Education is supported by a team of eight senior staff. This includes two Associate Directors, one who has responsibility for Operational Support Services and the other for Instructional Support Services. The Associate Director, Operational Support Services has responsibility for four functions: finance support services; planning and accommodation support services; facilities support services; and transportation and corporate support services. The Associate Director, Instructional Support Services has responsibility for three functions: staff development and school support services; human resources support services; superintendents of education. There are 13 superintendents of education who are divided among three field offices.

There are also senior staff who report to the Director and lead the following areas: alternative programs; secondary school support; continuing and adult education; curriculum and instruction support services; special education; communications and strategic partnerships; learning technology support services. The Director also oversees the work of Internal Audit Support Services, and Trustee Services which coordinates procedures for Board and committee meetings and related activities.

The school board reported that the organizational structure was last refreshed seven years ago and the roles and responsibilities for each function are clearly documented and communicated. The organizational chart is available on the school board's website, which includes a directory of key staff.

## Succession and Talent Development

The school board has adopted succession planning and talent development processes to build and sustain leadership capacity. Significant effort in this area has resulted in a positive culture of support in the Board. The Board has developed ‘*Side by Side*’, a peer mentoring program for teaching staff and superintendents. The aim of the program is to accelerate the competence and confidence of individuals who have been promoted to positions of greater responsibility. In addition, there are a number of professional development activities available for staff, which can be accessed through a web-based application entitled ‘My Learning Plan’. This software allows staff to register for professional learning activities and to track their learning and growth. All employees can complete a personal learning plan electronically using ‘My Learning Plan’.

Individuals who show potential for senior-level positions are encouraged to seek additional qualifications to participate in various promotion/interview processes. The school board also offers an in-house Master of Education program, and Principal’s Qualification Program courses with two local universities. To accommodate staff schedules, the school board delivers the courses at a local school.

The school board is part of the Ontario Leadership Strategy, and an associated project is contained in the Board’s *Report Card for Student Success*. In relation to succession planning, the school board is currently collecting data to consolidate and coordinate existing leadership programs, and conducting gap analyses to identify new programs that are required.

In addition to job-specific training, the school board has a formal leadership plan for custodial, teaching assistants and business support staff, through the ‘Evergrowing’ and ‘On Board’ programs. The school board has not developed a formal succession plan for senior staff in nonteaching areas such as human resources, finance, and school operations and facilities. The school board is encouraged to expand on the ‘Evergrowing’ and ‘On Board’ programs, which would be a good first step towards ensuring business staff can benefit from formal leadership training. It should also develop a formal succession plan to include key management positions in all business functions.

## Stakeholder Engagement

The school board actively consults with stakeholders. A full-time Communications and Strategic Partnerships Director leads a staff team dedicated to supporting effective communications with all stakeholders. A key function of this office is to support principals and school staff with consistent messaging. There is also a community liaison coordinator responsible for making linkages with the Board’s diverse community. For example, as part of this portfolio, regular meetings are held with faith leaders, and the leadership team visits faith centres to learn and discuss important community issues. It

was reported that this has helped the Board build strong relationships and open lines of communication with various community leaders and groups in Peel.

The school board has also developed a strategic communications plan to help create a climate of trust and understanding among students, parents and guardians, staff, and administration. The document outlines key messages, and has an established communications protocol, where the Chair and Vice Chair of the Board work with trustees to develop messaging. Communications support is also offered to student trustees.

The school board uses its website to disseminate information on its policies, the Director's report, Board meeting agendas and minutes, the *Report Card for Student Success*, and information on schools, programs, departments and activities. There is also a dedicated page for the media with backgrounders, press releases and quick facts.

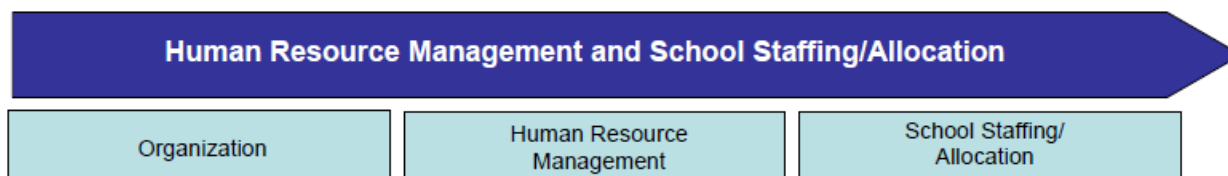
To meet the school board's goal of serving its diverse community, three newcomer information centres were established to provide services to new Canadian students and their families. The Board receives federal funding to operate these We Welcome the World Centres.

The school board's Leadership Team members are actively involved in various forums, such as the Council of School Business Officials (COSBO), Ontario Public School Boards' Association (OPSOA), Council of Directors of Education (CODE), and the Elementary Teachers' Federation of Ontario (ETFO). Senior staff are also involved in a number of community forums such as United Way, Success by Six, and the Peel Children and Youth Initiative. It was reported that the school board values staff participation in system committees, which ensures that the school board learns and shares effective practices from across the sector.

### **Recommendation:**

- The school board should expand its formal succession plan to include key management positions in business/support functions. Currently the board has a leadership development program in place to support succession planning for academic staff, as outlined by the Ministry's *Ontario Leadership Strategy*.

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



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

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

#### 3.1 Human Resources Organization

The review of the organization of the HR department assesses:

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

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

## Development and Reporting of Annual Goals and Priorities

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

## Organizational Structure and Accountability

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

## Monitoring and Communication of Policies

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

## Development and Reporting of Annual Goals and Priorities

The HR department develops an annual departmental plan (*Human Resources Support Services Work Plans*) that includes actions, timelines, success indicators, responsibilities, target audiences, implementation support resources and a column to track the status of the department's projects. Each project is aligned to the goals set out in the school board's strategic plan.

The goals and priorities are developed by staff and senior administration, and consider new Ministry initiatives and timelines. The department develops business cases for its projects. The prioritization of projects is set by senior administration and through reports to the Board and its committees. The department measures the performance of each goal through the project work plans. A yearly summary of departmental accomplishments is produced by the Director and Superintendent of HR.

## **Organizational Structure and Accountability**

The department performs several functions and is divided between two portfolios: Human Resource Support Services and Negotiation and Support Staff Services. The HR functions report to the Associate Director, Instructional Support Services. Human Resources Support Services is led by a Superintendent who is responsible for the following functions: recruitment and retention of staff, employee relations staff team (academic), human rights investigation team, and a health, wellness and safety team composed of 12 staff, with the majority holding professional designations. The Negotiations and Support Staff Services portfolio is led by the Director of Human Resources Support Services, and includes negotiations and labour relations, employee relations (support staff) and the staff information team.

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

Department staff are qualified through a combination of professional designations and work experience. The department provides staff with the opportunity to complete an HR certificate program over the summer months through a local university.

## **Monitoring and Communication of Policies**

HR has responsibility over a number of policies, which are posted on the school board website. They include policies on antiracism, ethno-cultural equity, benefits, discipline, human rights, and management of performance, among others. New school board policies are reviewed by the Trustee Review Committee and approved by the Board. Policies are communicated to staff through various means, including e-mails and through professional development sessions. New policies are also sent to all union presidents, for information. The employee relations branch in the HR department is responsible for communicating changes in HR policy to staff.

HR policy compliance is monitored through the department's active involvement in all board activities with an HR component, as well as through the reporting of exceptions. For example, HR is actively involved in the recruitment of all staff, which provides the department with a high degree of visibility where hiring policies are concerned.

The department builds staff understanding of HR policies and procedures through various means. There is an orientation, induction and mentoring process for new staff. In addition, there are training opportunities provided to teachers, principals/vice-principals and support staff through the school board's "On Board" training program for human resources programs. In some circumstances, this training is mandatory (e.g. health and safety, human rights). Professional Development for staff is the responsibility

of the School Services and Staff Development team. Staff development is made available and tracked through "My Learning Plan".

### 3.2 Human Resource Management

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

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

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

#### Staff Recruitment/Hiring

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

#### Labour Relations

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



## Employee Performance Evaluation Processes

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

## Attendance Management Processes/Programs

Leading Practices – Human Resource Management	Evidence of Adoption?
The school board maintains appropriate processes and systems to monitor staff attendance on a timely basis.	Yes
Attendance management processes/programs exist that include employee supportive policies and procedures to minimize the cost of absenteeism.	Yes
Management periodically reports on the effectiveness of the attendance management processes/programs to senior management and the board.	Yes

## Management of HR and Payroll Data

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

## Management of School Board's Employee Benefit Plans

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

## Monitoring Staff Satisfaction

Leading Practices – Human Resource Management	Evidence of Adoption?
Confidential staff satisfaction surveys are performed periodically.	Yes
Confidential exit interviews are performed for all staff who resign, take early retirement or transfer.	Yes

## Staff Recruitment/Hiring

The school board uses two manuals to formalize procedures to support the recruitment process: the *Academic Staff Hiring Manual – Equitable Recruitment and Employment Practices* and a *Business/Support Staff Hiring Manual – Equitable Recruitment and Employment Practices*. These documents are shared with principals/vice-principals and supervisors annually. The school board has also developed a number of tools to help attract and recruit employees for teaching, business, and support staff positions. For example, the school board has developed Virtually in Peel (VIP), a customized program for job applicants.

For teaching positions, the HR department participates in recruitment fairs at various faculties of education, conducts information sessions, and advertises in newspapers. To recruit business staff, it uses a combination of information sessions and advertisements in the local newspaper and ethnic media. From time to time, the school board will also use other job sites affiliated with job-specific associations.

Once the recruitment cycle is complete, the school board develops eligibility lists to fill positions as they become available. There is not a limit on the school board's occasional teacher list, which allows staffing flexibility. The school board advertises for occasional teachers as required. Principal interview teams are established to make recommendations for new hires to HR. Occasional teachers must work during the

current school year to remain on the list. The school board has a policy on equal opportunity.

The school board reports that it does not experience challenges in recruitment for the vast majority of positions. However, due to the school board's qualification standards, it is sometimes difficult to find sufficient numbers of qualified candidates for Teaching Assistant (TA) positions. There is a growing need for TAs in the school board.

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

The department's hiring manuals for teaching and business staff cover reference checks and criminal background checks, which are performed for all new employees. New hire policies and procedures are standardized in one package for use in all departments. HR staff must approve every hire recommended by departments. The school board does not have a policy or guideline that distinguishes between new and experienced teachers when making hiring decisions. The school board strives to hire the best candidate for the available position, whether they are a new or an experienced teacher.

Management organizes orientation sessions for teaching and business new hires. There is a formal orientation, induction and mentoring program for teaching staff and support staff (On Board) which provides information (e.g. organizational charts, contact information, board policies, the "My Learning Plan" program, and union and other information) online. In addition, supervisors receive an orientation checklist to help new employees navigate their first few days with the school board.

## **Labour Relations**

The school board maintains 10 different collective agreements with its employee groups, which include the following: elementary teachers; elementary occasional teachers; secondary teachers; secondary occasional teachers, office and clerical staff; custodial and maintenance staff; educational resource facilitators (teaching assistants); professional student services personnel (PSSP); media support specialists; Ontario Public Service Employees Union (adult English as a Second Language and Literacy and Basic Skills Instructors). These collective agreements are managed by HR staff. The Chief Negotiator is the Director of HR. The collective agreements are administered through labour-management committees, which are composed of members of the school board and union. Administration has indicated that it maintains collegial and

collaborative relationships with bargaining agents, and every effort is made to maintain these close relationships.

HR has established policies and procedures, which are outlined in the collective agreements, to minimize grievances. The department has demonstrated a focus on maintaining communication with the unions and non-union employee groups, and meets monthly with each union to discuss any concerns. There is an informal process in place to manage grievances. This involves a meeting with HR staff, the manager, the union, and the employee before the formal grievance process is initiated. This process is included in all collective agreements and has helped to mitigate formal grievances. Leadership Council and the Human Resources and Negotiations Advisory Committee (a standing committee of the Board) are kept abreast of grievances.

The department has created in-service procedures to help management deal with the formal grievance process to ensure consistency in the process. In addition, training and support on labour relations issues is available to all superintendents and principals. Providing training to principals, vice-principals, and managers in addressing conflict, with a focus on human rights and equity, is part of the school board's strategic plan.

### **Employee Performance Evaluation Processes**

The school board's structured evaluation system:

- encourages the building of successful relationships
- generates improved performance and efficiency
- generates ideas for positive change
- provides one of the criteria for promotion and transfer
- gains the commitment of staff
- encourages and assist in personal and professional growth
- provides recognition to the exceptional staff member
- provides staff with an opportunity to raise concerns and suggest possible changes

With these goals in mind, the school board has developed procedures for conducting employee performance appraisals, which are posted on the school board's intranet. This includes the performance management of probationary and permanent administrative staff, probationary and permanent business staff, and teaching

assistants. Employees are evaluated prior to their second anniversary with the school board, and every five years subsequently.

The school board notes that this does not preclude the supervisor from conducting ongoing discussions with staff. Each procedure outlines the process for conducting the review, as well as the frequency of the review. The process for unsatisfactory performance (which includes informing the Director of HR) is also covered in the document. Each supervisor must complete performance forms for all staff participating in reviews, and submit them to the HR department for processing.

In line with the Ministry of Education's 'Supporting Teaching Excellence' document, the school board evaluates its experienced teachers on a five-year cycle. New teachers are reviewed twice during the first year as part of the New Teacher Induction Program (NTIP). The Superintendent responsible for the appraisal process component of NTIP also ensures that notations are reported to the Ontario College of Teachers for new teachers who have completed the NTIP.

The Human Resources department has an Operating Procedure, HR 35, on Teacher Performance Appraisals. The teacher performance appraisal (TPA) is conducted by principals and channeled to the respective superintendent of education for sign-off, and forwarded to HR personnel for filing in the appropriate HR Permanent Employee Record as well as in the school board's online HR information system. The Superintendent of HR is involved in performance appraisals that are either DN (development needed) or U (Unsatisfactory).

Principals are responsible for conducting teacher performance appraisals, but may have a viceprincipal share in this responsibility if they are unable to conduct the assessment due to time constraints. In addition to the five-year cycle, a principal or superintendent may trigger a supplemental TPA. The school board has also developed a performance management form for Teaching Assistants (TAs). TAs are evaluated by March 30 of the given school year. The review is conducted by the evaluating principal.

Although the process for an unsatisfactory performance rating is included in the performance evaluation forms, the school board does not have a formal policy or process governing the formal discipline of staff. The department reports that this was a deliberate decision, as each disciplinary issue is unique and requires a customized approach. Assistance or expertise may be sought from the Employee Assistance Program, the Disability Management team, or the Human Rights team, depending on the nature of the issue.

Components of progressive disciplinary procedures are referenced in HR documentation and collective agreements. Informal steps are well-known to HR staff, who apply them regularly. Management should, however, consider developing a formal policy or process to govern and support the formal discipline and dismissal of teaching

and non-teaching staff. This will help to ensure consistency and transparency in the process for both management and employees within and outside of the HR department.

The school board provides extensive professional development for both teaching and nonacademic staff. The school board reported that professional development is a shared responsibility among the school board, staff, and employee groups, and is primarily based on inhouse training and professional development days. The school board plans for professional development (PD) by gathering input from all employee groups through the various committee structures. All staff have access to 'My Learning Plan', an electronic tool and database for coordination, consolidation, and alignment of program offerings. In addition, staff and management can track their learning with this tool. Employees can access courses directly through the web-log.

The school board reported that PD for instructional staff is based on 'the improvement of instructional skills that have the most significant impact on student achievement'. Business and support staff follow the skill set outlined in the school board's "Evergrowing" document, which identifies five main areas of development for professional staff. These are communication skills, interpersonal and teamwork skills, personal management, professional knowledge and skills, and student, staff, and community relations. In addition, both teaching and business staff have access to leadership training. Evaluations are completed at the end of each staff development activity.

In-depth supervisory training programs are offered to managers of administrative functions. This training includes conflict resolution, due diligence, health and safety, and leadership development.

Staff are eligible to attend conferences and workshops. The school board uses a variety of resources for staff training and development.

### **Attendance Management Processes/Programs**

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

The school board has an attendance support program that was launched in September 2008. This program is attached to the goal of positive relationships in the strategic plan. This program is managed under the Health, Wellness and Safety unit, with a dedicated position of attendance support officer. The goal of the program is to promote positive levels of employee performance and attendance, and to guide supervisors in addressing absenteeism. To help ensure the integrity of absence reporting, the

department has rationalized the number and type of absence codes available through their absence reporting and automated call-out system.

The school board has developed reports on attendance management statistics, and reports on the financial costs of replacement of staff and absentee rates for each group to Leadership Council and the Board.

Upon termination of employment, unused sick leave balances are not paid out. For teaching staff, unused sick leave balances may be used for the purpose of calculating retirement allowance, in accordance with the applicable teacher collective agreement. Board policy limits the number of vacation days that an employee can accumulate. It is expected that the employees take their vacation annually, and that vacation be taken prior to leaving the school board. Any vacation payout, however, would be in accordance with the Employment Standards Act.

### **Management of HR and Payroll Data**

The payroll function reports to the finance department, and HR manages all updates to related HR personnel files. Members of both the HR and the Finance departments involved in HR/Payroll have a unique login name and password for access to distinct areas of the HR/Pay system. This helps ensure a segregation of duties, and each department keeps its own employee records. Employees have access to an on-line portal to view their payroll information, and all staff are enrolled in direct payroll deposit.

The department is responsible for ensuring that employee records are current, including the formal tracking of teacher qualifications and experience. The department synchronizes teacher qualifications with the Ontario College of Teachers database every two weeks. New hire qualifications are confirmed using the Register of the Ontario College of Teachers, as part of the application documents teachers submit as part of the recruitment process.

The responsibility, steps and methodology of job classification is covered by most of the collective agreements. The current process is for an employee to complete a job fact sheet, which is then authorized by their supervisor and their superintendent. A job evaluation committee then makes recommendations to the Assessment Review Committee, comprising the Associate Director of Instructional Support Services, the Associate Director of Operational Support Services, and the Director of Human Resources Support Services. The Assessment Review Committee approves job classification changes. In December 2008, an external consulting company was used to review the assessment and market value of some specific business job classifications.

The school board has approved pay equity plans for all employee groups, which are reviewed and amended periodically. The school board does not have any outstanding pay equity issues or grievances.

## **Management of School Board's Employee Benefit Plans**

Compliance audits of the board's insurance carrier are conducted periodically by an external company, to ensure adherence to the benefit plans terms and conditions. The last one was conducted in 2007. Findings from the past report were positive. Benefits staff also review the plan information used by the insurance company against newly signed collective agreements, to ensure that all plan changes are properly communicated to the insurance company.

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

In addition to the audits, the school board has also developed procedures to ensure its benefit plans are managed appropriately, including negotiating transaction-based costing. The school board reported that it focuses on preventative measures and may refer employees for independent medical evaluations. The school board also has Return to Work and Disability Management policies.

Employee groups and retirees are covered under the school board's benefit plans, in accordance with the relevant collective agreement. There is annual reporting to the board of trustees on the cost of plans. Management has a cost per employee of its various benefit plans, and benchmarks its costs with other school boards.

A standard service agreement has been signed with their benefit provider. The school board checks the financial terms annually to ensure that rates, expenses, and fees are competitive. The plans are managed as an Administrative Service Only arrangement.

## **Monitoring Staff Satisfaction**

The school board conducts system-wide staff satisfaction surveys annually, based on standards set by the National Quality Institute. The importance of these surveys is underscored in the school board's strategic plan, which lists 'conducting and responding to an annual satisfaction survey for internal audiences' under the goal related to positive relationships.

The HR department currently conducts exit interviews. This is performed by the recruitment officer.

## **Recommendations:**

- Management should develop a recruitment policy and ensure it is reviewed annually to align staff planning with student achievement.



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

### 3.3 School Staffing/Allocation

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

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

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

#### Processes for Annual Staff Planning and Allocation

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

#### Monitoring and Reporting on Staff Allocation

Leading Practices – School Staffing/Allocation	Evidence of Adoption?
Systems are in place and accessible by both HR and Finance staff to establish and track an approved level of staff.	Yes
Management periodically reports on the actual allocation of staff, compared to the original approved allocation plan and budget (FTEs by function, department and program, actual versus budget).	Yes

Leading Practices – School Staffing/Allocation	Evidence of Adoption?
Procedures are in place to enable adjustment of staff allocations for school-based staff, if estimates for enrolment and funding change after budget approval.	Yes
Management's plan for providing student support services and staffing is based on student-needs analysis.	Yes

## Processes for Annual Staff Planning and Allocation

The school board's staff allocation is governed by the collective agreements and relevant provincial legislation. The process is based on enrolment projections, student need, class size maximums, preparation time, alignment to collective agreements, and resource and program needs, among others. The process for unionized staff references is driven by the various collective agreements. The transfer and surplus procedure 'Elementary Transfer and Surplus Calendar' and 'Elementary School Reorganization' pertains to elementary teachers and 'Secondary Transfer and Surplus Calendar' and 'Secondary School Reorganization' pertains to secondary teachers. The 'Voluntary Transfer and Administrative Placement of Teaching Assistants' procedure is circulated in the spring staffing process each year. The procedure 'School Secretarial/Clerical Staffing' outlines the process for office/clerical staffing.

Over the past 10 years, the school board has been facing increasing enrolment, which has placed a much greater emphasis on the need for collaboration between superintendents, HR staff, and the planning and accommodations group during the staff planning and allocation. In this regard, the members of Director's Council and Leadership Council work closely, with the HR department taking a leadership role in staffing. The HR and Finance departments closely monitor the funding provided by the Ministry to ensure appropriate levels of staffing.

The HR department has developed various procedures for the staffing of schools. The process for each is supported by documented procedural guidelines.

The processes begin in January, when enrolment projections are prepared by the Planning department. The Board takes into account planning and demographic information (such as birth rates) and consultations with principals at both the elementary and secondary level. This information is reviewed by the Superintendents of Education and approved by the Associate Directors of Instructional and Operational Support Services. Staffing plans for principals and vice-principals are taken to the Board for final approval. All staff is approved through the annual budget process. Departments that need to add staff during the year are required to submit a report to the Board for approval. Staffing of elementary and secondary teaching staff is overseen by Joint Staffing Committees composed of representatives of the federations and school board administration, in accordance with the collective agreements.

The school board uses customized software that calculates allocation against deployments for the staffing allocation of teaching staff and teaching assistants.

### Elementary Academic Staff

The annual staffing allocation for elementary teachers is based on various factors, including primary class size requirements, school board-wide averages, and funding for special education resource teachers.

The process begins in February/March of the academic year, with a review of funding. The school board uses customized software to generate class organizations (based on the projected enrolment for each school) and to address each of the primary class size parameters. This report is then circulated and refined, based on emerging needs or local circumstances by the Associate Directors of Operational and Instructional Support Services. Class organizations are then rolled out to the schools.

Enrolment is monitored weekly throughout the month of September to determine whether staffing adjustments are needed. Declaration of excess or surplus to staffing may be made in the fall if necessary, normally the third week of September.

### Secondary Academic Staff

As with elementary staffing, the process for secondary staffing starts in February/March with an analysis of funding available. The process begins with analysis of projected enrolments, contractual obligations with respect to class sizes, pupil credit loads at each school, and program and local needs. The staff complement is finalized by the Associate Directors of Instructional and Operational Support Services and aligned to grants. Allocations are then rolled out to principals, based on a simulated modeling for class organizations. Vice-principals then manage timetabling.

Enrolment is monitored weekly throughout September to determine whether staffing adjustments are needed. Adjustments to staffing may be made immediately or to be effective in the second semester, as required.

### Principal and Vice-Principal Staffing

Principal and vice-principal staffing is based on projected enrolments, current year allocations, and emerging needs. A report with the proposed complement is taken to committee by the Associate Director, Instructional Support Services and then to the Board for approval. This report includes the increase in numbers from the previous year, as well as the changes in principal/vice-principal allocations.

### Teaching Assistants (TAs)

The allocation of TAs is based on the current number of students registered and requiring special education support within the school board. The review of staffing allocation begins in February/March of each year. Allocations are made by the Teaching Assistant Allocation Review Committee, which is composed of special programs staff members, members from the elementary and secondary principals' association, the teaching assistants' association, and a field office special education resource teacher. Under the direction of Special Education Support Services, the total staff complement and placement is then recommended to the Associate Director, Instructional Support Services and the Director. It is ultimately submitted to the board of trustees for their approval. Allocations are subject to review and may change throughout the school year. New staffing must be approved by the Board.

Once the staffing allocations have been finalized, school and principals perform the actual allocation in the schools. Behavioral TAs are allocated to the Superintendents of Education for deployment.

### Secretarial Staffing

Like other groups, the allocation of support staff is based on projected enrolment numbers, contractual obligations, current year allocations, and emerging needs. Total staff complement and placement is recommended by Human Resources, and finalized by the Associate Director, Instructional Support Services.

### Custodial Staffing

The staffing allocation model for this group is based on workloads and driven by collective agreements. Workloads are periodically reviewed with the unions, according to the collective agreement. Total staff complement and placement is recommended by the Controller of Facilities Services to the Associate Director, Operational Support Services. Facilities staff can be moved in-year, and any change to the number of custodians must be approved by the Board as part of the annual budget approval process, and posted formally.

The school board compares the custodial staff allocation model with other school boards, and reports that it is below average compared to their coterminous board.

### Professional Staff

The school board is receiving additional Ministry funding for professional staff until 2012, through the Provincial Discussion Table Agreement PDT for PSSP staff. Once the annual funding envelope is received, the staffing allocation for professional staff is revisited to ensure the school board is within the envelope.

## **Monitoring and Reporting on Staff Allocation**

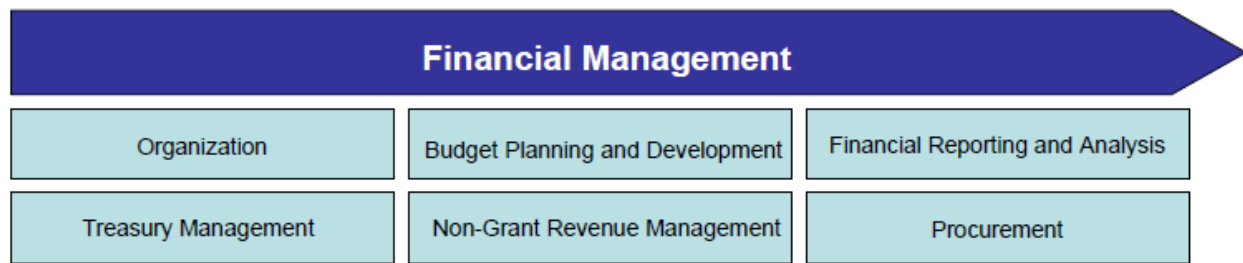
Staffing levels are consistently monitored by the school board's Joint Staffing Committees, which allows joint ownership of staffing. Allocation of staff is a central responsibility within HR.

The allocation of staff is monitored constantly throughout the year, and all additional staff requires HR approval before being submitted to the Board. The school board reported that adjustments to staff allocations for school-based staff are infrequent, as the needs for the entire school year are considered during the spring staffing process.

The staffing allocation model is approved by the Board. Management periodically reports on the annual allocation of staff, and provides periodic staffing reports to the board of trustees including current versus allocated numbers. These reports are generated from the internal programs that the department uses for staffing.

The Centre for Education and Training (CET) is administered separately from the school board, and has its own board of directors. It was reported that the CET board reviews all CET programs regularly to ensure that programs are financially viable before committing staff and other resources.

## 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

Although the finance department does not have its own department plan, its projects are captured in the larger operational support services plan. For example, under the supply chain management project, there is description of the project, along with a lead, timeline, and implementation update. The operational support services plan is strong, and captures the purpose, lead, timeline and status information for each project. The area is led by the Controller of Finance, who reports to the Associate Director of Operational Support Services, who has overall responsibility for the finance department. Accountability of the finance department ultimately lies with the Director's office and Leadership Council.

Management is encouraged to continue separating the finance-related activities in the operational support services plan, and developing a separate finance branch plan. Like the operational support services plan, the department's annual plan would include measurable targets, designated accountabilities and specific timelines that are aligned with the annual operating plan. The goals identified in the annual departmental plan should be consistent with the school board's strategic direction. This would help link department priorities with performance measures and accountabilities, facilitate clear definition of roles, enable collaboration among the team members, and provide a "roadmap" for the department.

### **Organizational Structure and Accountability**

The finance support service department reports to the Associate Director, Operational Support Services, who reports directly to the Board on finance matters. The Controller of Finance Support Services is responsible for the department, which includes three main branches: finance; budget and grants; benefit and payroll. The finance and budget and grant units are led by respective managers, and two supervisors oversee both benefits and payroll. The purchasing department reports to Corporate Support Services, under the Operational Support Services area.

The department has clearly-defined organizational units delineating roles and responsibilities. A current organization chart is posted on the website, alongside contact information for key finance staff. The department's job descriptions are accurate and current, except for some midmanagement positions. The department is in transition, and new job descriptions will be developed for mid-managers by the job evaluation officer.

Staff in the department have appropriate financial designations, including CA, CGA, CMA, MBA, and the Canadian payroll designation, along with the relevant experience to perform their duties.

### **Monitoring and Communication of Policies**

The Finance department is responsible for developing finance and administrative policies, including courses and conventions, conduct of business, donations, retirements, and budget allocation among others. All of the department's policies and administrative procedures are posted on the school board's public website. Each policy has a review deadline of four years. Changes to policy are initiated by the department, which is vetted by Leadership Council before going to the Trustee Policy Review Committee. The board approves all policies.

All policies are available to staff through the board's website and are posted on the intranet. There is also a dedicated webpage for the finance department on the intranet. In addition, the department has a helpline that staff can call for questions to the finance department.



The department builds staff capacity in understanding of finance policies and procedures through various means. Management provides scheduled finance policy and procedures training, including training on the Financial Information System (FIS), code of accounts and financial reporting requirements, effective finance practices, petty cash, banking, etc. The Board has created specific handbooks such as the 'Effective Practices - Managing School Finances' to reinforce procedures. .

### Recommendations:

- Management is encouraged to continue separating the finance-related activities in the operational support services plan, and developing a separate finance branch plan, aligned with the operational plan and overall strategic plan. This will enable the department to track and report the progress of its defined priorities and goals throughout the year.

## 4.2 Budget Planning and Development

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

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

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

### Annual Budget Development Process

Leading Practices – Budget Planning and Development	Evidence of Adoption?
The annual budget development process is transparent, clearly communicated and incorporates input from all key stakeholders including management (with principals), board of trustees and the community.	Yes
Management has adopted an integrated (at school board and school levels) approach to enrolment forecasting that drives the budget process.	Yes

Leading Practices – Budget Planning and Development	Evidence of Adoption?
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.	Yes
The annual budget presented for approval demonstrates that it is linked to the board-approved goals and priorities including student achievement targets. It provides useful and understandable information for all stakeholders.	Yes

## Annual Budget Development Process

The school board has developed an annual budget development process that is transparent, clearly communicated, and incorporates input from key stakeholders. The annual budget presented for approval demonstrates that it is linked to the strategic goals and priorities of the school board, including student achievement targets. The budget provides useful and understandable information, with notations regarding budget variances expressed in plain language. It provides relevant information for a wide audience of stakeholders.

The finance branch has established two documents that guide the annual budget planning process: the budget development summary schedule and the detailed planning and budget timetable. The summary schedule includes a list of what is to be done, who is spearheading it, and when it needs to be done.

The budget development process begins in January of each year, when enrolment projections (by school) are completed by the planning department. The projections consider data such as birth rates, historical information and incoming immigration numbers.

Finance develops a grant projection and multi-year expenditure projection, based on enrolment projections. These take into consideration staffing numbers for all staff, including benefit rate projections for all groups. The Budget department prepares budget worksheets for superintendents and controllers, who then update them. The

completed worksheets are vetted through various committees and Leadership Council, ensuring transparency of the process. The school board reports that expenditure planning is both competitive and cooperative among departments.

The budget process includes a requirement that business cases be developed to request additional funds for the budget year. This includes projects linked to the Board's strategic plan.

The relative strength of the business cases helps Leadership Council set priorities. The draft budget then goes to the Budget Priorities Committee, for input from employee groups and principals and vice-principals. There are anywhere between three to four meetings of the Budget Priorities Committee during the course of the budget preparation. These meetings are designed to allow for input during the planning process. At this point, any additional changes in the form of expenditures or revenues are incorporated. A draft budget book is prepared for senior administration and trustees by mid-May. Subsequent to the budget presentation to trustees, the budget is presented to employee groups and presented at a public board meeting. Once the budget is approved by the Board, it is then uploaded into the Financial Information System.

The budget development processes account for all required cost and revenue changes. Non-staffing components of the expenditure forecast consider factors such as benefit costs and potential new initiatives. For the 2009-10 Budget, the school board used a three-year expenditure history to set the initial operating base budget. Departments identified their required increases to the base budget through business cases.

Department superintendents receive monthly financial statements, which they sign and return to the finance department. As part of this process, management reviews current and past years' budget variances by key expenditure categories, and uses the analysis as input into the expenditure forecast.

The school board reports that it posts balanced budgets every year, and monitors the budget closely, given that the school board's growth rate has slowed down. This has also resulted in a system where restraint measures are implemented as required. The school board reported that transportation costs, supply teacher costs, and special education costs are the areas where they are facing the most pressures. As part of the budget process, staffing costs are compared with those of coterminous boards and Ontario Public School Boards' Association (OPSBA) information, to ensure efficient use of resources. The school board also compares salary information for mid-managers compiled by Ontario Association of School Business Officials (OASBO). The school board reported that this information was useful, particularly in guiding negotiation discussions.

Management has adopted an integrated approach to enrolment forecasting that drives the budget process. At the Peel DSB, enrolment forecasts are developed by the

Planning and Accommodations department. This procedure begins in January of each year and follows the schedule below:

- Enrolment projections are developed by planning staff, superintendents of education and principals. Projections are approved by the Associate Directors of Education in February and submitted to the Staffing Officer-Employee Relations (Academic). Planning staff reviews enrolment projections by comparing registrations from September. If required, the projections are revised. Projections are revised again in late September based on actual enrolment numbers. Revisions are approved by the Associate Directors. Revised numbers are provided to Finance department in November for the revised estimates.

In addition to these processes, Planning produces a five- to-10 year, long-term projection which is used in the Annual Planning Document. Lastly, in December the same department also provides finance support services with a three-to-five year elementary and secondary projection for submission to the Ministry of Education.

Since the school board remains conservative in its staffing forecasts, and adds to them as needed, it has posted margins of error less than 1 per cent.

### **Risk Mitigation and Board Approval**

One of the key risks faced by the school board is the potential variance between forecast and actual enrolment, and its impact on grant revenue. The department mitigates the risk of spending beyond authorized/budgeted levels by closely monitoring both the monthly financial statements and the responses from departments. In addition, budget controls are set up in the financial system to ensure spending does not exceed authorized levels in all areas, other than payroll. Risks are documented as part of the budget presentation to trustees in June. The school board also maintains a reserve for working funds as part of its mitigation strategy, and to address specific cost pressures, such as retirement gratuities.

The department has also developed procedures to mitigate the risk of spending beyond authorized/budgeted levels, as described below:

1. The finance department prepares monthly departmental reports that include budget to year-to-date actual spending. They also include notes on spending trends that could lead to budget over-spent or under-spent. These are sent to the superintendents or controllers of each department for approval. Once they are signed they are sent back to finance. Comments and or changes are also tracked through this process, which provides Finance with a measure of control.
2. Budget owners, which include the Principals, Controllers, Superintendents, the Associate Directors and the Director, can run detailed summary reports on

budget to actual spent on the Financial Information System (FIS) at any given time. This allows departments to review their actual spending and determine if changes are required.

3. Budget spending controls have been incorporated into FIS through a measure called budget checking. This automatically stops invoice entry or purchase order processing if there is not a sufficient budget to pay for the item. To enable processing, a budget transfer form must be completed and signed off by the Superintendent or Associate Director.
4. Finance prepares monthly statements and submits quarterly reports to the Board. The report includes the current budget to year-to-date actual spending, and includes comparative years' spending benchmarks. Spending trends that could lead to over or under spending are also flagged during this process.
5. The Associate Director of Operational Support Services or the Director can initiate a system-wide spending restraint, if there are concerns about significant over spending or that predicted revenue streams will not materialize.

The annual budget presented for approval demonstrates that it is linked to the school board's approved goals. Student success and achievement is central to the entire document. The board of trustees is informed of the financial status of the school board throughout the cycle through quarterly reporting, including notes that provide additional detail for variances from the Budget Plan

### **4.3 Financial Reporting and Analysis**

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

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

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

### **Integrated System for Variance Analysis and Financial Reporting**

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

## Interim and Annual Financial Reporting

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

## Audit

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

## Integrated System for Variance Analysis and Financial Reporting

The school board uses an integrated financial system, Financial Information System (FIS) to record, track, and report financial data. The system integrates general ledger, accounts payable, accounts receivable, budget and purchasing modules. The financial system also facilitates variance analysis and management reporting. Finance staff set up the chart of accounts in the financial system, maintain aliases, perform occasional journal entries and approve access rights to the system. Only budget control clerks can create new general ledger accounts, as required. Superintendents and principals have the ability to run their own system developed reports through FIS at any time.

## Interim and Annual Financial Reporting

A number of factors (including variances in actual enrolment versus projections, contract negotiations, macro-economic trends, and Ministry directives) can produce in-year percentage variances between budget estimates and actual costs. Interim financial reporting allows management to track such variances, and communicate them to the trustees and other key decision-makers.

The Finance department submits quarterly reports to the Board. Trustees receive the reports three working days before the Board meeting for review. Each report includes notes to explain variances in the current budget to year-to-date actual spending and comparative years spending benchmarks. This provides more accurate information on whether variances are in line with historical spending trends. Spending trends that could lead to over or under spending are also flagged during this process.

In addition to the interim financial reports provided to the board of trustees, departmental reports that include budget to year-to-date actual spending are also prepared. These reports also include notes on spending trends that could lead to budget over-spent or under-spent. These reports are sent to the heads of each department for approval. Once they are signed, they are sent back to Finance. Comments and or changes are also tracked through this process, providing Finance with a measure of control.

The school board has a detailed and documented monthly and year-end account closing procedure that details activities, timelines, roles and responsibilities. This process is communicated to staff via a memo and through the intranet.

The Director signs off on the Ministry Estimates, Revised Estimates and financial statements. The school board reported that it completes and files all financial reports to the Ministry in accordance with established timelines.

## **Audit**

The school board maintains an internal audit function that reports to the Director of Education, as stated in Board resolution 72-36. There are three staff members in this group. All reports are reviewed by senior management before being finalized and presented to the Board's Audit Committee.

The role of the internal audit is to conduct a school-based audit program including all financial and operational functions. The internal auditors provide consultation and assistance when required to implement corrective action and effective and efficient practices for issues uncovered during the audit process.

Internal audit plans are clearly documented and report recommendations are followed up by management. An annual plan that highlights which schools will have audits performed during the school year is prepared for the Director.

The school board provided copies of the external auditor's annual management letters, with management's response for the past three years. The external auditor's management letter, auditor's report and financial statements are presented annually to the Board's Audit

Committee. The audited financial statements are then approved by the Board. Each area of the organization is responsible for reviewing and responding to any direct findings in the external auditor's management letter. The Finance department consolidates responses, and then presents the management response letter back to the Director and the Audit Committee of the Board.

The mandate of the Audit committee is two-fold: to assist Board members to fulfill their oversight responsibilities as they relate to the financial reporting process and the internal structure, and to maintain, by way of regularly scheduled meetings, direct lines of communication between the Board members, financial management and the external and internal auditors. The committee is currently composed of three Board members: the Director of Education, the Associate Directors and the Controller of Finance. Internal audit staff and external auditors are invited to attend all meetings. The committee meets quarterly.

The school board reports that although they do not yet have external members on their audit committee, the Board is committed to following Ministry direction. In December 2009, the legislature passed the Student Achievement and School Board Governance Act which amends the *Education Act* to clarify what is expected from school boards, trustees, board chairs and directors of education to support improved student achievement. The amendments also promote good governance practices and sound financial management by establishing audit committees. Now that the legislation has passed, the ministry intends to bring forward a regulation on audit committees which will specify the composition and requirements of these committees.

The addition of external advisors to the Audit Committee would be beneficial, because along with significant changes in accounting in recent years, annual financial statements are becoming more complex. External members support audit committee members in understanding what constitutes sound internal accounting and operational control processes.

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



**Recommendation:**

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

**4.4 Treasury Management**

The purpose of reviewing treasury management processes is to assess:

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

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

**Cash and Investment Management**

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

**Cash and Investment Management**

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

department uses its financial system to monitor and report on cash flow. The advantage to the school board of knowing its cash position allows it to determine its investment capacity. The department then seeks investments with the best possible return, in accordance Ontario Regulation 471/97. In addition, the department accesses its on-line accounts daily. Bank reconciliation is performed by a separate function within Finance, and signed off by the accounting supervisor on a monthly basis. The school board reported that they have had no problems with cash management.

The school board reported that they issue very few manual cheques; the primary use of manual cheques is to pay for the school board's major construction contracts. All manual cheques are controlled and stored in the school board's vault. There is very limited access to the vault, and there are system controls on the use of the cheque stock.

Management reconciles the amount of school taxes allocated to the school board as required through the EFIS submission process.

Management has consolidated cash management activities for the school board and many of its schools with one financial institution. The school board is in the process of working with its bank to determine whether the remaining school accounts can be consolidated. The school board maintains all bank accounts, which include the payroll account, the general operating account, awards and trust accounts.

The board of trustees has established a borrowing by-law, which is approved annually. The school board currently has one sinking fund which will require refinancing or repayment at the end of the term. The school board reported that the funding for the refinancing is available based on their capital liquidity template. All investments are approved by senior management and follow the investment by-law. Management provides the board of trustees with investment information through the year-end financial statements.

The school board has not issued an RFP for general banking service in a number of years. The school board is encouraged to do so, to ensure it's getting the best rates possible. The school board continues to monitor its terms against other school boards. Further, for its borrowing and investments, the school board accesses competitive quotes from a number of banks, and selects the most favourable current rates. The agreements with these banks are reviewed annually. The school board periodically compares banking terms and conditions to those of similar school boards.

Management actively monitors financial risk related to cash/investment management, and has a plan to mitigate associated risks, in accordance with the limits set out in the *Education Act*. Reports are reviewed for unusual accounting transactions and other critical exceptions. To minimize these, the Board has authorization levels for wire

transfers, which can only be approved by the Manager of Finance or the Controller of Finance. Two signatures are required to authorize a transfer of bank account funds.

#### 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 nongrant revenue management, and identifies where evidence was found to indicate that the practice was adopted in full. Where the evidence was not present or the practice was not completely adopted at the time of the review, a “No” indicates that an improvement opportunity exists.

##### Management of School-Based Funds

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

##### Management of Non-Grant Revenue

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

## **Management of School-Based Funds**

Management ensures adequate controls are in place to safeguard school-based funds, and coordinates the annual reporting of revenues and expenditures from schools and school councils. Fundraising activities involving students are based on the guidelines provided in the Board's fundraising policy. This is supplemented by the school board's handbook 'Effective Practices - Managing School Finances', which provides a clear process for all school activity funds and the management of petty cash. The guide provides step-by-step instructions for managing the school's financial activities and transactions. Examples and explanations make the procedures easy to use, and links to intranet-based policies and procedures are also provided.

Central controls in the form of the internal audit team ensure the integrity of school-based funds, as each school is audited every five years. School secretaries at the elementary level and budget secretaries at the secondary level are responsible for collecting and depositing funds in the school's safe. For reimbursements, individuals must go to the school office. All travel and expense reimbursements forms must be signed off by a principal and processed through the central office. Oversight is performed by the finance department, which receives monthly bank statements from every school. Bank reconciliations are reviewed twice a year (May and August) by the finance department staff.

Some schools also have a lottery bank account, separate from the petty cash and school nonboard fund accounts. At the time of the Operational Review, the school board reports that it has had fundraising activities for play structures, but not for construction projects.

## **Management of Non-Grant Revenue**

The school board reports that non-grant revenue is received through continuing education, community use of facilities, and rentals. Procedures for governing non-grant revenue have been created, and there is a Board-approved policy on the fees for renting space.

Registration and payment for Continuing Education courses can be done online. Continuing Education is an area that is reviewed as part of the annual external audit. The Centre for Education & Training (CET) is a separate entity that reports to the Associate Director of Operational Support Services and to the Director of Education. Two school board trustees also serve on the board of CET which allows for sharing of knowledge. CET's operations are audited annually by the external auditors.

The school board has developed specific processes for monitoring EPO grants and management monitors activity and ensures compliance with terms and conditions. EPO grant approvals are received by the Director, and sent to the appropriate

superintendents and/or managers. A copy is also sent to the Finance department. The department staff member responsible for the grant meets with Finance to discuss the details of the project, including the types of accounts needed to allow the school board to meet reporting requirements. Finance sets up a special grant fund, against which expenditure reports can be run by either the project sponsor or finance department. Interim and financial expenditure reports are prepared with the combined efforts of the project sponsor and finance.

At the end of the fiscal year, all special grant projects are reviewed to ensure proper accounting. An overview of EPO grants received during the year is presented as part of the school board's quarterly financial reports.

## 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

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

### Participation in Group Purchasing Initiatives

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

### Purchasing Levels of Authority

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

### Policies and Procedures for PCard and Corporate Card Use

Leading Practices – Supply Chain	Evidence of Adoption?
Policies and procedures for the use of PCards and corporate credit cards are documented and communicated to users through regular training and monitoring.	Yes

## Accounting for Completeness of Purchase/Payment Cycle

Leading Practices – Supply Chain	Evidence of Adoption?
The school board's finance department performs three-way matching (purchase order, receipt/invoice and inspection) before invoices are paid.	Yes
Commitment accounting is in place to monitor budget utilization.	Yes
Management has implemented electronic supplier interface for ordering, processing and payment.	Yes

## Use of Electronic Funds Transfer

Leading Practices – Supply Chain	Evidence of Adoption?
Management maximizes its use of electronic funds transfer (EFT) for vendor payments.	Yes

## Policies and Procedures

The school board's Procurement Guidelines are aligned with the mandatory elements of the Supply Chain Secretariat's Supply Chain Guideline 1.0. The Board's guidelines cover a code of ethics, dollar thresholds, purchase orders, small purchase funds, and competitive purchasing. The code of ethics covers personal integrity and professionalism, accountability and transparency, compliance, and continuous improvement. The guidelines also include a section on green procurement aligned with the environmental policy.

Hospitality and travel expenses for all staff are covered in a separate policy, Policy #40 - Travelling Allowance for Board Employees and Trustees which is aligned with the Ministry directive and posted on the school board's website. These types of expenditures are also highlighted in a new Trustee policy, 'Policy #75 – Trustee Expenses', approved by the Board on January 26, 2010. These guidelines are available to all staff through the intranet, where there is a separate purchasing site.

The school board's current purchasing policy and procedures consider factors other than lowest price in vendor selection. The board is guided by 'total acquisition cost', which includes consideration of all costs, including acquisition, installation, removal, operating and disposal costs. In addition, it also considers the quality of product, service, company background, timely delivery, references, and past experience with the school board.

The guidelines outline circumstances under which the school board will use competitive versus non-competitive procurement methods. Sole source contracting occurs

infrequently, and only where there is a specific product that only one vendor provides for which there is no substitute. Managers must provide a written justification for sole sourcing. The school board uses a prequalification process, and purchases over \$100,000 require a Tender or Request for Proposal. The procurement regulations do not preclude the use of a prequalification process for maintenance contracts, and in some cases it has been used. In other cases, the required qualifications are stipulated in the tender itself. Given the school board's size, it primarily uses its own website to post notices. MERX and Biddingo are also used to advertise some tender notices. The school board reported that there is a movement towards posting all notices on recognized national electronic tendering systems. The school board also has many blanket purchase orders and VOR arrangements, many of which resulted from a competitive bid process. These include many of the board's maintenance contracts, for things like electrical repairs, asbestos removal, and snow plowing.

The Manager of Purchasing monitors purchasing activities for compliance with the board's procurement guidelines. Employees who attempt to make purchases exceeding policy limits (defined in purchasing level of Authorities below) receive a letter from the Manager of Purchasing, based on his evaluation of the invoice. Tendered items, regardless of their value, must also be made through the school board's buyers and online requisition system, FIS. Training sessions are provided to all school secretaries on FIS, and purchasing is also covered on professional development days.

### **Participation in Group Purchasing Initiatives**

Management has developed strategies to increase purchasing power and minimize the costs of goods and services procured. The school board actively participates in purchasing consortia which includes the Peel Co-operative (paper) the Catholic School Board Services Association (electricity and natural gas); a joint venture with the co-terminus board (fibre optics, waste management and fuel for vehicles), and the Ontario Electronic Collaborative Marketplace (lab supplies and equipment). The school board reports that its large size gives it an advantage in the marketplace. Management reports on savings to Leadership Council.

Schools are required to use the school board's supply contracts for all local purchases. Buyers in the purchasing department review and approve requisitions which have been submitted online by staff and approved by supervisors. Buyers then approve the requisitions online before they are converted into a purchase order. Purchase orders are produced by the system and dispatched via fax to suppliers. The majority of orders are shipped to schools.

### **Purchasing Levels of Authority**

There is a number of purchasing authorization levels (depending on the job position and function) which are monitored and controlled by the purchasing department and outlined



in the purchasing guidelines as follows. These levels apply to all departments except for maintenance services which has different thresholds:

- a) 0-\$200 - No purchase order is issued; items should be purchased using petty cash or PCard.
- b) \$200-\$2,500 - Place order; items should be purchased using petty cash, PCard or through an invoice to Accounts Payable.
- c) \$2,500-\$25,000 - Requisition to be submitted to purchasing department. Three informal verbal, fax or telephone quotations to be received with PO going to lowest acceptable bidder.
- d) \$25,000-\$100,000 - Requisition to be submitted to purchasing department. Three formal verbal, fax or telephone quotations to be received with PO going to lowest acceptable bidder. The Superintendent/Controller needs to sign off on all purchases made at this level.
- e) Over \$100,000 - Requisition to be submitted to purchasing department. A formal tender/RFP is prepared and posted on the board's website, MERX and Biddingo, and shall receive a minimum of three bids. The Superintendent/Controller and Associate Director signs off on all purchases made at this level.

Maintenance Services department:

- a) 0-\$500 - Place order; items should be purchased using petty cash, PCard, or through an invoice to accounts payable.
- b) \$500-\$5,000 - Place order; purchases should be made using petty cash, PCard, or through an invoice to accounts payable.
- c) \$5,000-\$25,000.00 - Where there is no bid award in place, three informal verbal, fax or telephone quotations to be received and sent to buyer.
- d) \$25,000-\$100,000 - Where there is no bid award in place, three formal verbal, fax or telephone quotations to be received and sent to buyer. The Department supervisor or Manager of Maintenance Services and the Controller of Facilities Services need to sign off on all purchases made at this level.
- e) Over \$100,000 - Where there is no bid award in place, a formal tender/RFP is prepared and posted on the board's website, MERX and Biddingo and shall receive a minimum of three bids. The department supervisor, Manager of Maintenance Services, Controller for Facilities Services and Associate Director of Operational Support services signs off on all purchases made at this level.

Changes to purchasing thresholds must be approved by Leadership Council. The policy does indicate, however, that the Manager of Purchasing shall be allowed discretion in making purchases that are urgently needed or particularly specified. This would entail approving an exception, while not changing the threshold.

The department has segregated the procurement roles, as identified in the Supply Chain guidelines. There is a travel and expense policy for staff and trustees.

### **Policies and Procedures for PCard and Corporate Card Use**

The school board has an approved administrative procedure on PCards (Purchasing/Credit Card Program) which is posted on the school board's intranet. The rationale for the procedure is to establish a more efficient, cost effective method of purchase and payment for small dollar transactions, up to \$2,500. The school board has over 7,000 PCards and prepares a spending analysis on usage. The school board's transactions on PCards are approximately \$13 million, broken down as follows: 60 per cent for school supplies, 20 per cent for cleaning supplies and 20 per cent as "other".

The PCard procedure has been in place as of November 1, 1999, and outlines a number of control processes. In addition, staff attend a training session on the use of PCards and the PCard procedures. As part of the school board's internal controls, supervisors sign off on invoices once a month. Statements for purchases made on PCards are issued by the bank and forwarded to the cardholder each month for review and attachment of receipts. Cardholders then submit the completed statement to their immediate supervisor for approval.

### **Accounting for Completeness of Purchase/Payment Cycle**

The school board's accounts payable staff currently performs three-way matching among purchase orders, vendor invoices, and packing receipts for items over \$2,500 only. Due to the volume of purchases at the school board, items under \$2,500 (i.e. those without a purchase order) are matched two-ways. Staff who receive the goods examine the invoice to ensure that it matches the receiving documentation (packing slip), sign off the invoice, and enter it into the system for payment. Approval for payments of these purchases is approved by a senior accounting clerk, who reviews all cheque requisitions to ensure compliance with school board procedures. For purchase orders, the site that receives the goods enters the receiving information into FIS against the purchase order. The invoices for these purchases are received in the Accounts Payable department where the clerk checks the information on the invoice with the receiving information online before entering it into the system for payment. The senior clerks approve all invoice entries completed by the AP clerks. Invoices received are paid based on negotiated terms once approved, unless notified by the receiver to hold payment. Before direct deposit notifications or bank transfers are sent out, the supplier information is checked for accuracy and corrections are made when necessary.

Commitment accounting is in place to monitor budget utilization and pre-commit funds through FIS. Management has also implemented electronic supplier interface for ordering, processing and payment. The school board's online supplier catalogue ensures that staff can incorporate the correct vendor information (such as IDs) directly into their online requisitions. Some vendors have built their own electronic interfaces specifically for ordering their products and invoicing the school board.

The board performs three-way matching all purchase orders. Items purchased without Purchase Orders (items under \$2,500) are matched at the schools and forwarded to Accounts Payable for vetting and approval before being processed.

### **Use of Electronic Funds Transfer**

The school board uses electronic funds transfer payments for 86 per cent of total vendor payments. Construction progress payments are paid using system-generated cheques, due to the timing and signoff requirements of the contracts.

## 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.	Yes

### Organizational Structure and Accountability

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

### Monitoring and Communication of Policies

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

### Development and Reporting of Annual Goals and Priorities

The department contributes to the annual departmental plan for all of operational support services. The plan is divided according to project, and captures purpose, lead,

timeline, and status information on each project. To supplement this plan, the department has its own goals and priorities, which are set by the specification for the ISO 9001 designation. The ISO plan includes multi-year goals and projects which are attached to the broad strategic plan goals, and are refreshed every year based on feedback from schools. Reporting is based on the annual internal and external audits of the department, which are part of the ISO certification process. Lastly, as part of the ISO designation, the department also performs user surveys to get feedback on levels of satisfaction.

The department reports on its progress to the Physical Planning and Building Committee (PP&B) at the Board level.

### **Organizational Structure and Accountability**

The department reports to the Associate Director of Operational Support Services through the Controller of Facilities and Maintenance Support Services. The department is organized by a division between maintenance and facility services, and is based on a regional model with offices in the north and the south boundaries of the school board. The school board reported that this model works well as it has decreased driving time for staff and allows for more timely service.

Facility Services is divided between two regional managers, one for the north office and the other for the south office. Under them are various managers aligned to families of schools, to meet the specific needs of schools and ensure alignment with SOs of Education.

Maintenance Services operates under three managers: Maintenance Services; Operations and Administration Services. Maintenance Field Staff are divided by function, and hold certification qualifications related to their functional area. The department has a full-time employee dedicated to quality and assurance training who is also responsible for monitoring the ISO designation.

The department's job descriptions are accurate and up-to-date, and include major duties and responsibilities, and the skills and knowledge required. The department has clearly defined organizational units delineating roles and responsibilities. A current organization chart is posted on the intranet, supplemented by contact information for all key staff.

Department staff are qualified through a combination of professional designations (including P.Eng.) and work experience. Professional designations are tracked through the school board's learning portal.

## Monitoring and Communication of Policies

The department has responsibility for a number of policies, including joint occupational health and safety, safe schools, emergencies-plant breakdown, and consolidation of school accommodation. All of the department's policies and administrative procedures are posted on the school board's website.

New policies and procedures are communicated to staff through various means, including a mandatory monthly staff meeting, which includes both maintenance and custodial staff, and emails to all departmental staff. The Controller is responsible for monitoring and communicating new legislation and regulation. Once he receives notice of a new policy or change, this is communicated to all managers, who are then responsible for communicating it to all employees. Training is flagged if required. The Controller also briefs Leadership Council and PP&B on any significant changes.

Policy compliance is driven in large part by the department's ISO 9001 designation, which requires the department to provide quality management in the following areas:

- customer's quality requirements
- applicable regulatory requirements
- enhance customer satisfaction
- achieve continual improvement of its performance in pursuit of these objectives

To maintain the standards the department has set, there is also mandatory training for all maintenance staff, and compulsory training for trades people that includes the maintenance and safe operation of vehicles, communication, safety, asbestos and WHMIS training, service quality, and emergency response.

## 5.2 Custodial and Maintenance Operations

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

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

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

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

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

Leading Practices – Custodial and Maintenance Operations	Evidence of Adoption?
The school board has adopted cleaning standards for schools and has developed a standard set of processes and tools to monitor, manage and report on results.	Yes
The school board has implemented a formal green clean program as part of its overarching Education Environmental Policy.	Yes
Management’s custodial/maintenance allocation model optimizes the use of staff and considers various factors (e.g. square footage, portables, gyms, etc).	Yes

### Development of Annual/Multi-Year Maintenance Plan

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

### Training to Support Skills Development and Safety

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



## Standardization of Cleaning and Maintenance Supplies

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

## Project Management, Monitoring and Support Systems

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

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

To maintain a consistent level of school cleanliness across the system, the department has developed cleaning procedures and standards for its custodians. These standards were first developed in 1989, and are updated regularly. To ensure standards are being met for cleanliness, the department has created daily facilities inspection checklists and logbooks, which are broken down according to area and time allotted for cleaning. These cleaning standards were agreed to by an operating committee with union and management representation.

The department uses these forms in addition to the ISO standards and audits to monitor, manage, and report on cleaning standard results. Daily and monthly inspection results are reported in the custodian log books, which are regularly reviewed by supervisors. Facility managers or designates are also responsible for reviewing these forms. School complaints are handled by the facility manager responsible for the family of schools, who works with the principal to resolve issues.

The school board has a custodial staffing allocation model which is based on functionality versus square footage. This entails looking at the functionality of each class and area of the school, and determining how long it takes to clean it. This is reviewed on a regular basis to ensure it remains fair to staff and schools. The unions have agreed to the staff allocation based on time allotments. The department reported that task-oriented timing allows the school board flexibility in staffing. The school board has 753

full-time custodial staff. The number of parttime/casual custodial staff is 360.4 full time employees.

Staffing is based on a split-shift schedule with day and afternoon shifts. All staffing is done inhouse. This method was selected after a business case study comparing outsourcing and inhouse cleaning found the latter to be more efficient and effective.

The school board reports that comparisons with other school boards show that its lower staff numbers have not affected the level of service provided. Staffing changes can be done in-year through completing a staffing change form. This is covered in the staffing protocol procedures, which have been developed to manage the allocation of staff.

The school board has implemented an environmental policy that includes a green cleaning program. The school board began testing green clean products four years ago. Two schools currently use all green clean products, and eight others are currently in a pilot stage. The goal is to have all schools using green clean products. The school board's business case found that it was possible to implement a green cleaning product program with only a marginal increase in cost, and no reduction in cleaning standards.

### **Development of Annual and Multi-Year Maintenance Plan**

Management develops a multi-year maintenance plan for major maintenance and renewal projects. The plan includes project details and funding, board contact, project status, percentage of project complete, student occupy date, budget amount, estimated amount, and actual amount. The plan is developed by management, which keeps a list of maintenance projects that is updated as new requests are made and projects are completed. The plan is linked to the strategic plan. Administration reports every two months on the status of the plan to the PP&B Committee, once the Board has received the final plan.

The annual plan is based on an analysis of: the department's work orders, of which there are approximately 50,000 per year; priority items developed by individual schools as submitted by the facilities managers; ReCAPP data; projects identified in the annual ISO plan as a result of the facility department's client feedback survey; and regulated mandatory inspections of aspects such as gym equipment. Once this information has been consolidated and analyzed by staff, management prioritizes the list, based on budget, Ministry funding and priorities, and what the board considers high and urgent needs. The latter is defined by taking into account the following: what will affect the operation of the school, health and safety, and what would cause damage if left unresolved (i.e. cost of avoidance).

## **Training to Support Skills Development and Safety**

The school board has an extensive training program for its custodial and maintenance workers, the importance of which is underlined in the strategic plan. Training is based on meeting the requirements of the school board and the facilities department, and ensuring that personnel are well-qualified.

The school board currently has 10 categories of training: quality system; general orientation; basic custodial; advanced technical; workplace hazardous materials information system; asbestos management review; facilities and maintenance professional development days; grounds keeping; ladders and scaffolds; fire department training. In addition, facilities services is training staff on the use of computers for programs such as the work order system and online health and safety reports. There are also two professional development days, where all maintenance and custodial staff are required to participate as part of the department's commitment to cross training. Training on these days is based on feedback from staff.

All training is tracked through the school board's "My Learning" portal and annual learning plans. This is also a requirement for the ISO standards. The department reported that custodial staff training is included in their collective agreements.

Vendors who bring in products are required to provide training on product use and any safety requirements.

## **Standardization of Cleaning and Maintenance Supplies**

The department uses an in-house inventory system to track and control major cleaning and maintenance equipment. This includes centrally located spreadsheets, and each manager also manages a spreadsheet for their area of responsibility. The school board maintains two inventories, for chemicals and machinery.

Management has defined common standards to ensure efficient procurement of supplies and equipment. All purchases must be approved by the manager of facilities. Vendor contracts are established for services and products through the board's public tendering process. Custodians submit their supply order request to the manager, who forwards it to the secretaries to input electronically on a dedicated on-line ordering system. Orders are usually submitted three times a year, with an additional annual ordering of recurrent items.

## **Project Management, Monitoring and Supporting Systems**

The school board uses a computerized program to track work orders by location and type of work performed. This also provides departmental staff with the ability to prioritize their work day, and provides management with a basis for monthly tracking of

completion times. Tracking of performance and client satisfaction is part of the board's ISO certification requirement, and results are reported at monthly staff meetings.

The school board's maintenance staff are employees of the school board. Since an assessment of effective and efficient delivery showed that having two offices would decrease turnaround and service delivery times, staff are divided between the north and south offices. Staff report to the office in the morning to receive their work orders from the supervisor to manage their daily tasks. Monthly attendance reports are run for all maintenance staff. Absenteeism and issues involving the duty to accommodate are handled in conjunction with HR.

The Manager of Maintenance has a team composed of a supervisor of system compliance and technology, an operations manager, and an administrative services manager. There are four supervisors responsible for specific functional areas: electrical, mechanical, structural and preventative maintenance. This unit includes 68 qualified trades. The maintenance staff carry their own minor equipment, and use school board vehicles.

The department has performed a cost/benefit analysis of outsourcing maintenance and trades functions versus keeping them in-house. As a result, the school board decided to maintain a core maintenance unit to address urgent/emergency repairs and outsource for planned repairs and projects. The department also developed a business case that demonstrated purchasing and maintaining its own fleet was more economical than leasing vehicles. All large tools or pieces of equipment are approved by the maintenance manager and are based on the needs of each trade. The school board reports that an inventory of tools and equipment is updated periodically.

### 5.3 Energy Management

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

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

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

## Energy Management Plan

Leading Practices – Energy Management	Evidence of Adoption?
In reference to the <i>Ontario Green Energy Act, 2009</i> , senior administration has established a multi-year energy management plan that incorporates measures to be implemented and the tools to monitor and manage the plan.	Yes
Procurement practices support the objectives and targets of the energy management plan.	Yes
Successful conservation initiatives are communicated across all schools and with other school boards.	Yes

## Tracking and Reporting Energy Conservation

Leading Practices – Energy Management	Evidence of Adoption?
Management provides formal annual reporting on the conservation savings achieved against the plan.	Yes
A comprehensive system exists to budget expenditures, track and regulate consumption, and identify opportunities for further savings.	Yes
Billing for all board facilities is consolidated from each utility.	Yes
The Board has established an overarching environmental policy that addresses both environmental education and responsible management practices.	Yes

## Energy Management Plan

The school board has established an environmental policy as of April 2009. Through approval of this policy, the board of trustees has committed to ‘delivering effective environmental education and modeling environmentally responsible practices by consistently considering the environmental impact of curriculum and operational decisions.’ As part of the plan, energy audits were performed on all schools, and a cost benefit analysis was presented to PP& B.

The school board’s energy management plan, based on partnership with two energy service companies, is well underway, having begun four years ago. The school board recently completed a project which did energy retrofits in 28 secondary schools. These measures included lighting upgrades, boiler replacements, ventilation system upgrades, and replacement of HVAC controls. The cost of the program is being recovered through energy consumption savings and incentives through Natural Resources Canada and local utilities. The department reported that their efforts are now being centered on the school board’s elementary schools.

An EcoSchool program has also been developed to involve students and schools and make them an integral part of the energy management process. Energy consumption data for schools and similar schools is provided to schools for comparison. Training sessions were provided to school staff and custodians to encourage conservation efforts at each location. The department is currently hiring an energy management coordinator to oversee and manage the plan.

The school board's procurement policy includes a formal clause requiring all new equipment to be energy efficient. The school board is part of the Catholic Board Services Association for electricity and natural gas procurement.

### **Tracking and Reporting Energy Conservation**

As part of the plan, the department reports to the Board annually on the progress and savings derived. As part of the reporting process, baseline and actual data was gathered, as well as projected and updated actual savings. This was compiled into a report that outlined total savings against the plan. PPB receives progress reports on a periodic basis.

The board reported that they are aware of the Ministry-sponsored Utilities Consumption Database, and are participating in the initiative. The school board has developed an Excelbased system to track and regulate consumption and identify further opportunities for savings. Billing for all board facilities is consolidated from each facility, and the schools board's utilities provide all consumption data in electronic format which is then uploaded to the spreadsheet. Greenhouse gas emissions are quantified as part of the consultant's report and are part of the energy management plan. The school board reported that they have centralized technology that automates energy regulation and conservation. The department's supervisor of mechanical systems can control this, and it is used whenever practical.

## **5.4 Health, Safety and Security**

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

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

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

### Health, Safety and Security Management

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

### Health, Safety and Security Management

The school board has an integrated Health, Wellness and Safety Team that reports to the Superintendent of Human Resources Support Services. The school board has an approved health and safety plan which is reviewed annually to ensure it is in accordance with applicable requirements legislated under the Occupational Health and Safety Act. The policy is posted on the school board’s website. A copy of the policy is also found at all work sites. There are also a number of procedures attached to environmental health and safety such as hazardous materials management program, electrical safety, and academic programming safety to satisfy the various acts and regulations. The school board also has a website dedicated to health, safety and wellness at <http://www.takeonestep.org>

The school board’s comprehensive Health & Safety Management Program is built on the foundation of accident injury prevention. The policy specifically states that the school board ‘will take every reasonable precaution to prevent injury or illness to students, employees, members and the public participating in Board activities or performing their duties. This shall be accomplished by providing and maintaining a safe, healthy working environment and by providing the education and required training to perform these activities or duties safely.’ The program contains specific guidelines for workplace safety, procedures, and processes, all designed to reduce and prevent

accidents and injuries. Environmental health and safety is included in the performance evaluation at all levels of supervision.

The Manager of Health, Wellness and Safety is responsible for this area. There are two occupational health and safety committees at the school board, for teaching staff and management and for business staff (CUPE) and management.

The school board has two protocols for reporting serious incidents, for critical injuries and incidents. Online reports for both can be created at the school level. The school board offers workplace training on the handling of hazardous and unsafe materials (e.g. asbestos management training). The school board reported that there has been a decrease in the number of incidents over the last few years. Employees are encouraged to report incidents so that the school board can provide assistance as well as track safety issues to understand trends and develop tailored training for areas of concern. Parents and community concerns are addressed through the principals and forwarded to Health, Wellness and Safety staff to handle.

The school board had a five-year security and student safety plan, which recently wrapped up in August 2009. The plan was approved by the board of trustees and received input from parents and the community through the parent councils. Policies and procedures such as those dealing with closed circuit television cameras and card access were developed to support the plan.

Management reports that another strategy will be developed for 2009-10 and subsequent years which will focus on risk management. The school board has an established emergency and crisis response plan which was developed in June 2009. The plan outlines how to deal with evacuations, lockdowns, break-ins, bomb threats, and alert codes. Custodial staff, principals and secretaries receive training on their responsibilities regarding these situations.

The school board has developed a local police and school board protocol and recently carried out threat simulations such as fire drills. Management reported that the local fire department performs audits on the schools for fire drill. The school board has developed reporting protocols for security incidents. Reports on all major incidents of theft, property damage and intrusion are sent to the Security Department and input into the database.

The school board has recently contracted a private security company to patrol certain schools with high numbers of security incidents. The school board reported that vandalism is not a big issue. Incidents are reported to the PP&B committee every month. The school board has a Safe Schools policy (Policy #48). It was revised recently to incorporate changes related to Bill 157. In the context of the School Success Planning Process, all schools have a safe school team which is named the Climate for Learning and Working Team.



The school board has a number of healthy schools initiatives in place, as outlined in the document entitled "Personal Safety in Schools". This booklet is distributed to all locations annually and is also online. In addition, weekly tips on healthy living are also posted on the [www.takeonestep.org](http://www.takeonestep.org) website. Changes in statutory health requirements which impact the school level are monitored by the Manager of Health, Wellness and Safety. The school board has also developed policies to comply with Sabrina's Law (anaphylaxis).

Each facility's drinking water is testing annually for lead. Air quality and other potential contaminants are evaluated as required to ensure the sites are conducive to learning. Water test results are posted on the health, safety and wellness intranet site and posted at the school level on the health, wellness and safety bulletin board.

The school board is encouraged to bring these pieces together into an overarching healthy schools policy that staff and the Board can use.

## 5.5 Capital Plans, Policies and Procedures

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

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

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

## Development of Annual and Multi-Year Capital Plans

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

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

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

## Development of Annual and Multi-Year Capital Plans

In compliance with Ministry requirements, the school board has completed its capital liquidity template, and is appropriately funded. The school board borrows through the Ontario Financing Authority and chartered banks. All debt commitments are managed well and payments are being made on time. The school board also develops an Annual Planning Document under the leadership of the Controller of Planning and Accommodation.

The Planning & Accommodations department prepares internal projections which are compared to projections done by external consultants for the Education Development Charges (EDC) bylaw. The Planning Department also prepares five-to-10 year long-term capital plans for school accommodation. Given the school board's trend as a growth board for the past 10 years, enrolment data includes housing starts, building permits, birth data, and new development applications. Input from the superintendents of education, the superintendent of special education support services, and the superintendent of curriculum and instructional support services is then sought. Schools with less than 60 per cent utilization are identified for potential consolidation review. The draft report is then taken to Leadership Council for input and review.

The Annual Planning Document (APD) provides an overview of accommodation issues, including schools currently under consolidation review, school and additions that are

proposed to be constructed in the present/upcoming year and new schools proposed over the next five to 10 years. Once the APD is approved by the Leadership Council, it proceeds to PP&B, and then to the board of trustees for approval. In addition, revised capital project lists go to the board of trustees if there are changes in the way of delivery delays or additions, during the year. Changes would be made based on administration's monitoring the Board's enrolment growth and decline against the capital plan for the delivery of new schools and additions. For example, last year the plan was reviewed due to a slight decline in enrolment. The school has received Good Places to Learn; renewal; prohibitive to repair; best start; primary class size; and NPP funding.

The school board is still growing, although at a reduced rate in comparison to the last five years. The Board recently completed two consolidation reviews and approved the closure of three elementary schools in south Mississauga. The school board reports that it faces challenges in identifying and securing available land in growth communities, especially given the municipal approval process. Board staff continue to work closely with senior municipal officials to improve the site plan approval and building permit process. The school board reported that this problem has been mitigated somewhat by using standard designs for the construction of new schools. Standard designs have also resulted in significant economies in the construction of new schools and additions.

The board of trustees has also approved the Pupil Accommodation Review Guideline.

### **Ongoing Monitoring and Maintenance of Data to Support Capital Planning**

To maintain the accuracy of capital needs, the school board keeps accurate and timely inventories of school capacity and utilization through SFIS and ReCAPP. There is a dedicated staff member as part of the facilities team responsible for maintaining the ReCAPP system, including Facility Condition Index (FCI), and maintenance staff have laptops where information can be input in real-time and on-site. Prohibitive to Repair (PTR) schools are identified based on Ministry guidelines and flagged through the ReCAPP and visual inspection process.

The management of community use of schools is through the school board's community liaison coordinator, who is focusing on ensuring different groups within the community get access to the facilities and are aware that they are available. School facilities are well-used and bookings can be made online. Community use of schools is taken into consideration in the building of new schools by trying to ensure that gymnasiums and libraries, two spaces that are the most used, are on the first floor.

## 5.6 Construction Management

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

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

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

### Cost Effective Practices in the Design and Construction of Facilities

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

### Monitoring and Reporting on Progress of Construction Projects

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

## Maintaining Current Approved Professional Service Providers

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

## Cost-Effective Practices in the Design and Construction of Facilities

Management gives full consideration to the use of available school space in their local communities before proceeding to build, purchase, or lease other spaces. The school board coowns a school with its coterminous board. Available school space is maintained through SFIS and the school board's Excel spreadsheets, which are updated regularly. The school board also updates their facility inventory records to reflect changes made to school facilities in the past year, and the inventory is signed off by the Controller of Planning & Accommodation. The school board has identified spaces available for community rental. However, the school board does not have much space to rent or lease, given its growth board status. A business case is completed before building, purchasing and leasing other spaces outside of the school board's property.

Staff and management minimize construction, future maintenance and operations costs with repeat designs, standard footprints, energy conservation, and economical construction practices. To control school renewal and construction project costs, management maintains as much standardization as possible. Standardization has the added benefit of reducing maintenance costs. The Design and Construction department manages the process based on design guidelines, material standards and standard footprints. A year after the construction of a new school, a review is conducted with the principal, architect, and facilities department to assess how well the design and footprint serve the needs of the students and staff. Suggestions for changes are incorporated into the construction of subsequent projects.

The school board is aware of the principles outlined in the *Ontario Green Energy Act*. The school board reports that it builds to the LEED equivalent, though it does not formally pursue the designation due to the additional cost involved. The school board is guided by the energy audits that have been completed. The school board has established energy and environmental standards that must be met for new construction. The construction of new schools includes energy efficient measures such as energy efficient windows, building envelope and insulation, heat recovery systems, and high efficiency lighting and boilers.

The school board benchmarks its costs primarily with its own experience, given that it has built 61 schools and 127 additions over the past 10 years. The school board has also benchmarked its costs against other boards, and reports that it is below average in

costs with those of other school boards. This is partly due to expertise of the school board's design and construction staff and the use of repeat designs.

Once the budget has been approved, responsibility for the construction lies with the design and construction department. Changes in cost above \$10,000 need to be approved by the appropriate Controller; to the Associate Director of Operational Support Services if over \$100,000; and back to the Board if they are above budget overall.

### **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 planning process begins with an extensive outreach to all staff and trustees for input. Before construction begins, administration also provides the school board with all costs, which are built into the approved budget. Once the budget has been approved, the responsibility for the construction lies with the project manager. Weekly status meetings between the manager of design and construction, architect, project manager and administration are scheduled in advance. The school board has also included a security holdback in all their contracts for a year after the construction of the school is complete as a warranty against poor construction quality.

### **Maintaining Current Approved Professional Service Providers**

The school board outsources all new construction. To control school renewal and construction costs, management works with its pre-qualified list of approved external engineers and architects. The school board employs a standard contract for construction projects, which includes documentation of due diligence such as proof of compliance with occupational health and safety legislation and workplace safety and insurance bonding status, and verification of required qualification for design and construction of electrical and mechanical systems.

The school board currently has pre-qualified 15 contractors for the construction of an elementary school and five secondary schools. The school board reports that their current process is efficient and effective.

## Appendices

### Appendix A: Overview of the Operational Review

#### Operational Review Objectives

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

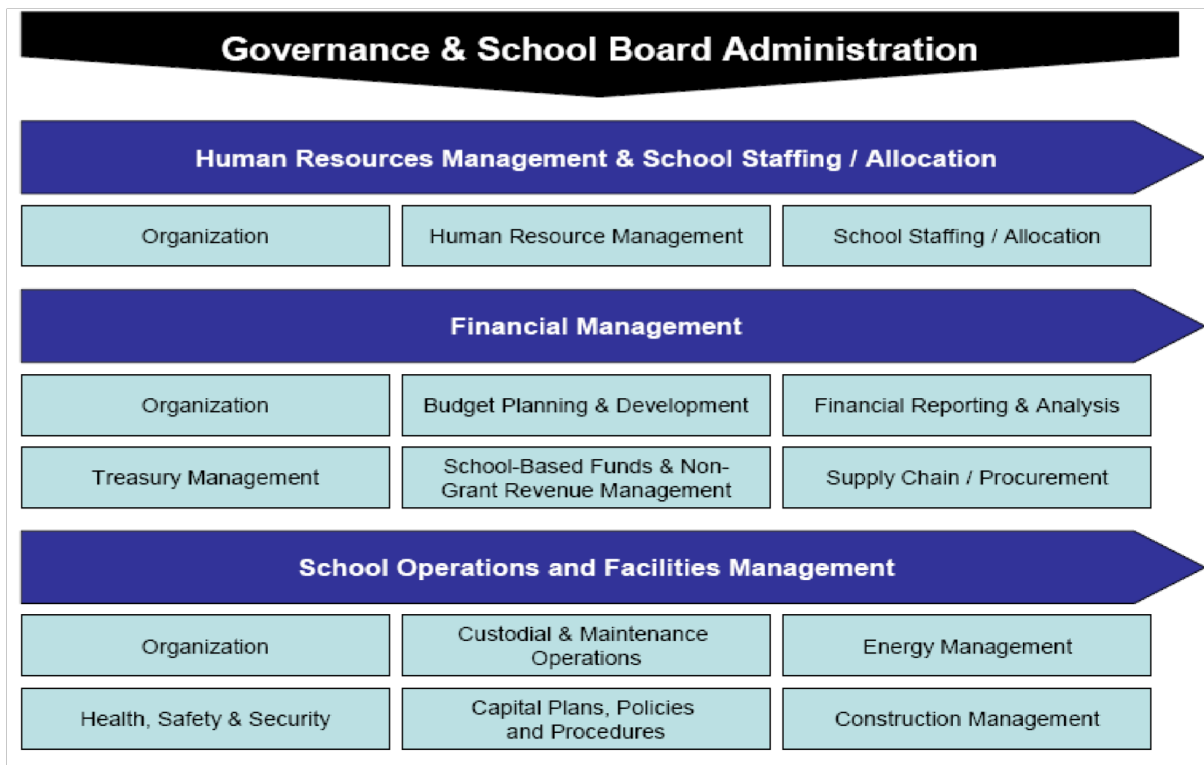
Recognizing the unique characteristics of each DSB, the specific purpose of the Operational Reviews is to:

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

#### Operational Review Summary Scope

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

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

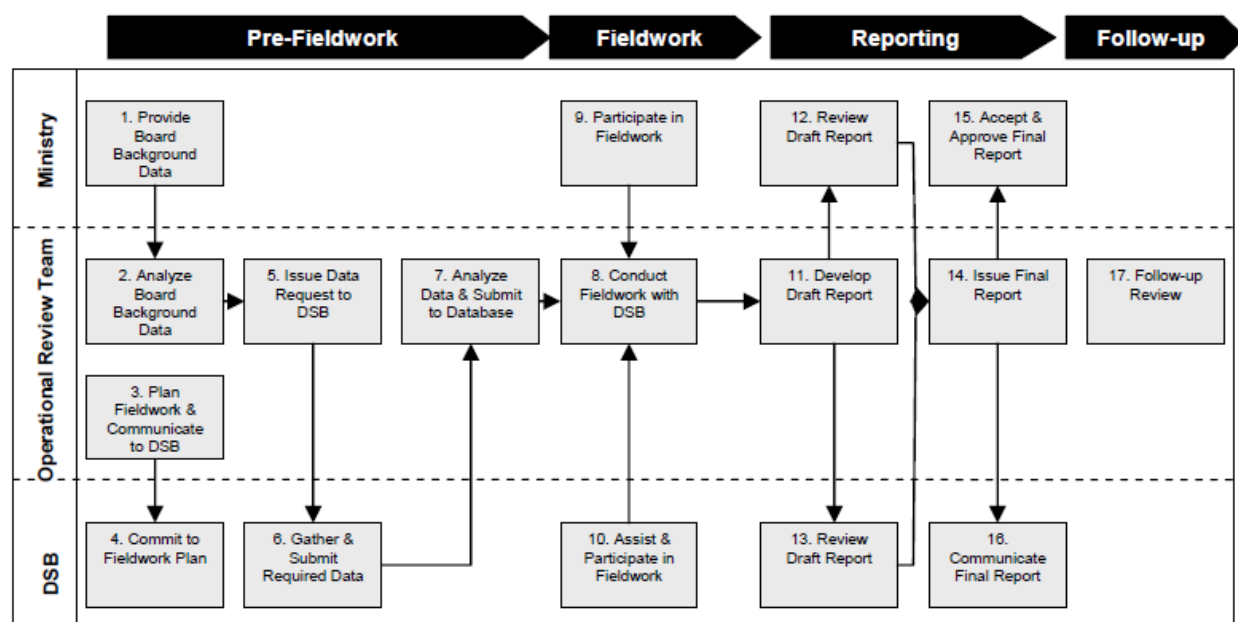


### Operational Review Summary Approach

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

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





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

### Phase: Pre-Fieldwork

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

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

## Phase: Fieldwork

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

## Phase: Reporting

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

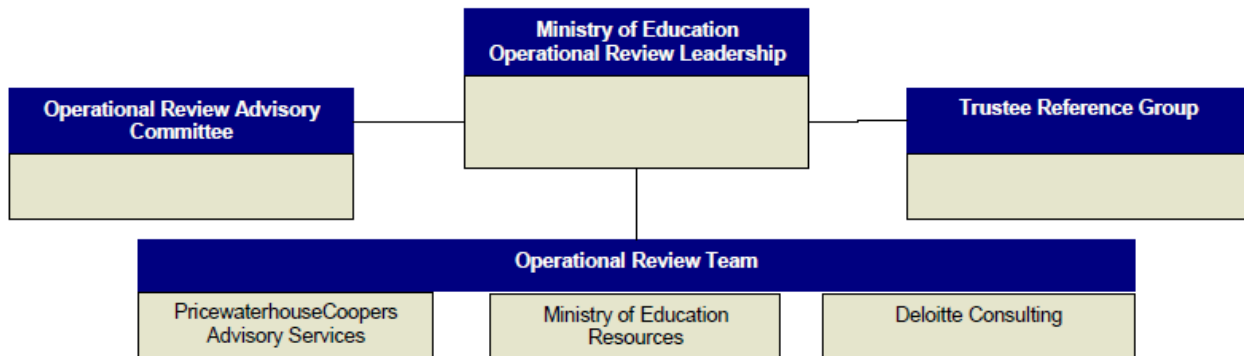
## Phase: Follow- up

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

## The Operational Review Team

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

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



## Limitations of this Review

The purpose of this Report is to document the results of the Operational Review of Peel 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 should expand its formal succession plan to include key management positions in non-academic functions. Currently the board has a leadership development program in place to support succession planning for academic staff, as outlined by the Ministry's Ontario Leadership Strategy.

### Human Resources Management and School Staffing/ Allocation

No.	Recommendation
2.	Management should develop a recruitment policy and ensure it is reviewed annually to align staff planning with student achievement.
3.	Management should consider developing a policy or procedure governing the formal discipline and dismissal of academic and non-academic staff, to ensure consistency and transparency.

### Financial Management

No.	Recommendation
4.	Management is encouraged to continue separating the finance-related activities in the operational support services plan, and developing a separate finance branch plan, aligned with the operational plan and overall strategic plan. This will enable the department to track and report the progress of its defined priorities and goals throughout the year.
5.	Management and the board of trustees should consider including external advisors on the Board's audit committee to contribute to committee's effectiveness.