

Ministry of Education

**Operational Review Report
St Clair Catholic District School
Board**

July 2010

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Executive Summary

This report details the findings and recommendations of the Operational Review of St.Clair Catholic District School Board (the school board or SCCDSB) conducted by the Operational Review Team composed of external consultants from PricewaterhouseCoopers LLP and Ministry of Education staff. The Operational Review was conducted over three days beginning February 23, 2010.

Introduction

The Ministry plans to perform Operational Reviews of the 72 district school boards across the province. The initiative supports Ministry goals and will increase confidence in public education. The Ministry's goal is to enhance management capacity within school boards by encouraging good stewardship of public resources and by the leveraging and sharing of leading 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 reviewed the school board's operations in four functional areas: Governance and School Board Administration; Human Resource Management and School Staffing/Allocation; Financial Management and School Operations and Facilities Management. The purpose of this was to assess 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 school board's student achievement results at the secondary and elementary levels demonstrate improvement in many areas since 2002-03. From an operations perspective, the review team found that the school board has adopted many of the leading practices. Noted strengths include an effective working relationship between the Board and school board administration, a well-defined budget development process, efficient interim financial reporting, and a focus on timely maintenance of school board facilities.

A summary of the findings and recommendations for each of the functional areas reviewed follows. Details can be found in subsequent sections of the report.

Governance and School Board Administration

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

- The Board has established policies: *Board Governing Style* and *Board Role Description*, which document its governance model and outline the role and responsibilities of the Board and the Director of Education.
- The Board has established four strategic areas of effort and a multi-year implementation plan.
- The Director reports to the Board on progress against the strategic areas of effort through the Director's Annual report.
- The school board proactively engages system stakeholders using various mechanisms. The Director and supervisory and executive officers actively participate in many regional and province-wide sector committees, and associations and in a number of Ministry workgroups.

The review team notes that the school board would benefit from expanding or enhancing its activities in several areas.

The Strategic Plan Implementation Program sets out strategic priorities for three to five years, under each area of effort. The Implementation Program indicates specific actions for each strategic priority; however, there is no indication of timelines, responsibilities and indicators of success. The Implementation Program is reviewed and updated annually and serves as a framework for the annual departmental plans.

Management noted that most of the strategic priorities identified in the Implementation Program are related to student achievement. Therefore, the alignment between the Implementation Plan and annual plans of some departments is less clear.

The school board has implemented several initiatives to support succession and talent development. The existing succession planning and leadership initiatives are mainly focused on academic leadership at the school board. Within the school board administration, there is informal mentoring and support to staff who have interest in pursuing supervisory officer qualifications. However, the school board has not established a formal succession and talent development plan. The school board would benefit from the establishment of a formal succession plan for key management positions, for both academic and non-academic positions.

Recommendations:

- Using its multi-year Implementation Program as a framework, the school board should develop an annual board-wide operating plan. The annual operating plan should be aligned with the school board's strategic plan, incorporate both academic and non-academic departments, and contain goals that are specific, measurable, achievable, relevant, and timely.

- The school board should continue to align its leadership development programs and activities with the Ministry leadership initiatives. It should develop a formal Succession and Talent Development Plan, in line with the Leadership Succession Planning and Talent Development Ministry Expectations and Implementation Continuum.

Human Resources Management and School Staffing/Allocation

The HR department has implemented a number of the leading practices:

- The HR department's structure and lines of reporting are provided in an up-to-date department organization chart.
- The HR department provides informal training for school principals on specific topics related to the HR policies and procedures. The HR department has also implemented many centralized processes which enable HR staff to monitor compliance with the existing policies and procedures.
- The school board's open communication with the unions is the result of both formal and informal practices. To address collective bargaining issues, the school board has established labour management committees for all bargaining units.
- The department actively supports the professional development of HR staff and other staff groups, when appropriate.
- The HR department has established a staffing and recruitment protocol, which has been communicated to all principals, vice-principals, managers, supervisors and coordinators. The purpose of the protocol has been to ensure consistent approaches to hiring.
- The school board has established a performance appraisal process for all non-teaching staff. In line with the Ministry's Supporting Teaching Excellence document, the school board evaluates its experienced teachers on a five-year cycle. New teachers are reviewed during the first and second year as part of the New Teacher Induction Program (NTIP).
- 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.
- Management periodically reports on the actual allocation of staff, compared to the original approved allocation plan and budget.

The review team notes that the school board would benefit from expanding and enhancing its activities in several areas.

The current annual department plan indicates broadly-stated goals, and some actions included in the action plan have timelines for implementation. The plan includes annual cyclical requirements, as well as new initiatives. The HR department should enhance its annual planning by establishing specific, measurable targets and indicators, and assign responsibilities and timelines for key goals identified in the current annual plan. This would enable management to track and report on the progress of its defined priorities and goals throughout the year.

The school board has identified the development of an attendance support program as a current priority for human resources management. Currently, the school board uses specialized software for the tracking of absences, and has modified return-to-work and accommodation programs available to all employees. The school board has board-level and province-wide data collected and documented by an external consultant, with respect to paid sick leave utilization, accident prevention, and WSIB claims management. The school board recognized the need to work with the unions in order to implement a formal attendance support program.

Management noted that several years ago the school board requested the benefit carrier to conduct an audit of specific types of claims. However, the school board has not conducted independent compliance audits of its insurance carrier.

Management has not conducted confidential staff satisfaction surveys to obtain feedback on the priorities of the school board or general attitudes. The HR department conducts informal interviews with some staff leaving the school board.

Each year, the school board follows standard practices for staff planning and allocation. However, the school board does not have a formal written policy and procedures for staff planning and allocation.

Recommendations:

- Management should continue establishing a comprehensive attendance support program.
- Management should develop a way to assess and report on the effectiveness of the attendance support process/programs to senior administration and the Board.
- Management should conduct independent compliance audits of the school board's insurance carrier to ensure adherence to the benefit plan's terms and conditions.

- Management should conduct periodic and confidential staff surveys, to improve communication with staff and provide input for professional development plans and HR policy.
- Management should also continue conducting exit interviews with all staff leaving the school board to obtain input for HR policy, as well as process and program improvement. Management should consider developing formal policies and/or procedures for conducting exit interviews.
- Management should document policies and procedures which govern the development of an annual staffing plan and allocation process.

Financial Management

The Financial Services department has implemented many of the leading practices:

- The Financial Services department has established the Budget Procedures Manual, which is updated each year at the beginning of the budget development process and presented to the Board of Trustees.
- The Financial Services department has implemented a new interim financial reporting template using the recommendations of the Interim Financial Reporting Committee (IFRC). The 2009-10 first quarter report was presented to the Board using the new format.
- Following the external audit, auditors prepare a management letter with audit findings and recommendations. Management provides formal response to the management letter.
- The school board has established a policy and procedures on school- managed funds, which is currently under review. The school board has introduced software to manage cash in schools.
- The Financial Services department has established formal procedures for accounting for non-grant revenues which outline the process for setting up accounts, monitoring of spending, and reporting on various sources of nongrant revenue.
- The school board has established a purchasing policy and procedures. Management noted that it intends to review and update the policy and procedures to ensure consistency with key requirements of the Supply Chain Guideline.

The review team notes that the school board would benefit from expanding or enhancing its activities in several areas.

The annual plan of the Financial Services department is focused on activities related to periodic financial reporting and other cyclical requirements. The plan also includes several specific initiatives. It identifies key goals for the department; however, there are no specific, measurable targets, timelines and responsibilities indicated in the plan. The Financial Services department should enhance its annual planning by establishing specific and measurable targets and indicators and assign responsibilities and timelines for key goals identified in the current annual plan. This would enable management to track and report on the progress of its defined priorities and goals throughout the year.

At the beginning of the budget development process, management highlights key budget challenges in the Budget Procedures Manual, and communicates the challenges to trustees during the first budget meeting. However, management does not formally document budget risks and mitigation strategies in a report that summarizes the nature, probability of occurrence, potential impact, and proposed mitigation strategies for the risks.

The Associate Director reviews the financial reports and presents them to the Director's Advisory Committee for information, prior to submitting the reports to the Board. There is no formal sign-off of interim financial reports by the Associate Director/Treasurer and the Director of Education.

The Board does not have an audit committee. All audit issues are addressed by the Committee of the Whole. The school board is awaiting progress in the implementation of the Ministry initiative on regional internal audit services and new regulation on audit committees.

The school board does not have significant investment activity. The school board's financial statements indicate results of investment activity. The Financial Services department has not established an investment policy, but intends to develop one in the near future.

Management noted that since there is no dedicated purchasing function at the school board, all managers/budget holders are responsible for purchasing. The Financial Services department is responsible for monitoring of compliance with some aspects of the purchasing policy and procedures.

The purchasing policy and procedures refer to the Budgetary Authority policy and procedures and states that budgetary responsibility will be assigned to the Director, Associate Director, superintendents, managers and principals. The Director, Associate Director, superintendent, manager or principal may delegate authority for purchasing. The Director, Associate Director, superintendent, manager or principal with budgetary

responsibility remains accountable for delegated authority. However, purchasing procedures do not establish dollar threshold of approvals for each level of the organization as indicated in the Supply Chain Guidelines.

The school board has not implemented an electronic supplier interface for ordering, processing and payment.

Recommendations:

- Management should consider enhancing the process of reporting on the school board's budget risks using the format suggested in section 4.2 of this report. A formal risk management plan/report, which is reviewed and updated periodically, would give reviewers a better understanding of the school board's budget risks.
- The school board should establish approval procedures for interim financial statements, and implement a formal sign-off process of these statements by senior management.
- Management should proceed with its intention to establish an independent internal audit function as part of the Ministry's regional shared service model.
- Once the independent internal audit function is established, the internal auditor should document internal audit plans and prepare audit reports for presentation to the Audit Committee and management.
- In accordance with the Ministry's internal audit and audit committee strategy, the Board should consider establishing an audit committee that includes external advisors.
- The school board should establish an investment policy. Management should periodically report to the Board on the performance of the investment activity in accordance with the investment policy.
- The school board should continue to improve its monitoring of purchasing activities to ensure compliance with the Board's procurement policies and procedures. Management could consider exploring opportunities with its partners, such as the coterminous school board, municipalities or colleges, to establish a shared purchasing function as part of a cooperative arrangement.
- As part of the revision of the school board's purchasing policy and procedures to align with the Supply Chain Guideline, management should clearly indicate the purchasing levels of authority. These levels of authority should be commensurate to job roles and responsibilities and purchases should be monitored for compliance with the established authorization levels.

- Management should continue identifying opportunities for implementation of the electronic supplier interface for ordering, processing, and payment.

School Operations and Facilities Management

The Facility Services department has implemented many of the leading practices:

- The Facility Services organizational chart indicates the structure of the department and lines of reporting.
- The Facility Services department has established formal cleaning standards. There are also guidelines for conducting inspections to monitor compliance with the cleaning standards.
- The custodial allocation model is based on the area of the facility, and takes into account other factors, including stairs and additional cleaning requirements due to the presence of allergies among students and staff, types of classrooms, and gyms.
- The Facility Services department establishes an annual and multi-year renewal plan for the school board. The multi-year plan is a rolling plan, and spans five years.
- The Facility Services department facilitates training for custodial and maintenance staff to support ongoing skills development, build awareness of regulatory changes, and ensure work safety.
- The Facility Services department maintains an up-to-date inventory of major custodial and maintenance equipment.
- The school board has an approved pupil accommodation review policy.
- An accurate and current assessment of facility conditions is maintained, based on industry standards (using RECAPP methodology).
- Management has established a standard process for monitoring and reporting on progress of construction projects.

The review team has noted that the school board would benefit from expanding its activities in several areas.

The Manager of Facility Services identifies annual priorities for the Facility Services department, and provides them to the Associate Director and Treasurer. The Associate Director's annual June report to the Director's Advisory Committee lists the

accomplishments of all corporate services departments in the previous year, and the priorities for the upcoming year. The annual priorities are not documented in an annual department operating plan.

The school board has implemented green-certified cleaning products across 70 to 80 per cent of the products used. The school board has not established a formal green clean program.

The school board has not established a formal energy management plan. Management intends to use the results of the energy audits to develop an energy management plan. Management noted that the school board does not currently track the utility consumption data, due to a lack of dedicated resources within the Facility Services department.

The Board's policy on environmental stewardship provides a broad statement of the school board's commitment to the care of the environment. The school board should consider enhancing its environmental policy to provide a framework for its activities in the area of environmental management and education, and increase communication opportunities.

The school board has established policies and procedures pertaining to employee health and safety. There is an Occupational Health and Safety Committee. The Safety and Disability Coordinator Administrator, who is part of the Human Resource Services department, is responsible for obtaining, coordinating and tracking all the health and safety needs of the school board employees. The Facility Services department is responsible for some aspects of occupational health and safety pertaining to facility services employees, such as job-specific health and safety training. The department is also responsible for system level health and safety matters related to the school board's facilities, including environmental and air quality policy and, asbestos management. The school board does not have an integrated health plan/strategy that would reflect the existing policies and procedures regarding health and safety of school board employees and students.

Recommendations:

- The Facility Services department should establish an annual operating plan that would contain specific and measurable targets and indicators and assign responsibilities and timelines for key tasks. This would enable management to track and report on the progress of its defined priorities and goals throughout the year.
- The school board should review the Ministry's Green Clean Program Resource Guide and use the guide to develop a formal green clean program as part of its overarching environmental stewardship policy.

- Using the results of the energy audits, the school board should establish a multi-year energy management plan that incorporates quantifiable measures and the tools to monitor and manage the plan. The board's energy management planning should include the development of policies, guidelines, goals (conservation targets), and priorities for energy management and resource conservation. The plan should include short-term and long-term opportunities with milestones, roles, responsibilities and budgets with a process for ensuring community support.
- Once the formal energy management plan is established, the school board should ensure that its procurement policies and practices support the objectives and targets of the plan. Management should also consider documenting the energy efficiency requirements in procurement policies and procedures and/or the environmental policy.
- Successful energy conservation initiatives currently implemented by the school board should be communicated across all schools and with other school boards, to enhance recognition of energy management across the system.
- Management should provide formal annual reporting on the conservation savings achieved against the plan.
- As part of the energy management planning the school board should establish a comprehensive system to budget expenditures, track and regulate consumption, and identify opportunities for further savings.
- The school board should continue identifying opportunities for consolidated billing from utilities.
- The school board should consider establishing an integrated health plan/strategy that would reflect the existing policies and procedures regarding health and safety of school board employees and students. Management should also consider establishing a central coordinating role for the development, implementation and monitoring of the plan.

1. Background and Overview

1.1 School Board Profile and Structure

The St Clair Catholic District School Board provides educational services to approximately 9,364 students in 29 elementary and three secondary schools.

The school board's enrolment has decreased (from 2002-03 to 2009-10) by 2,511 students, or by about 21.1 per cent. This trend is expected to continue over the next several years.

The school board's Director's Advisory Committee is as follows:

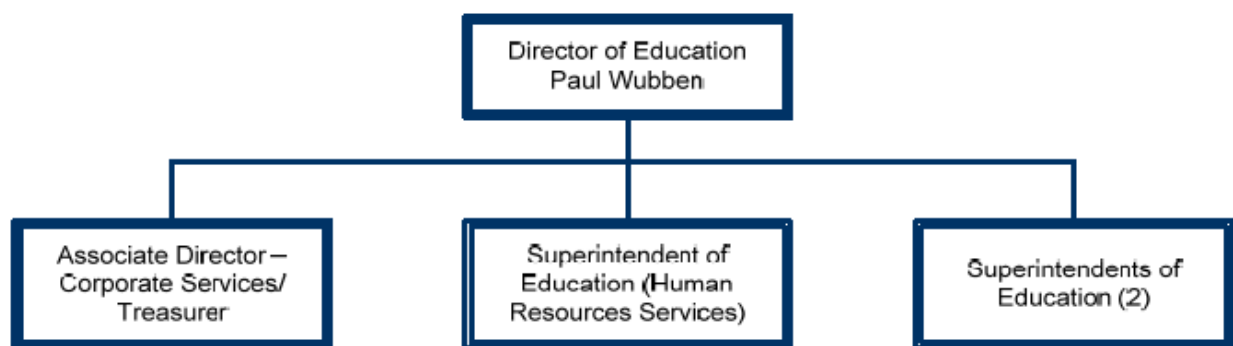


Figure 1: St Clair Catholic District School Board Director's Advisory Committee

1.2 Key Priorities of the School Board

The school board's mission statement is:

"Walking together in Christ's light with parish and family, we are called to build an inclusive Catholic learning community and to serve as partners in the formation of life-long learners by:

- Living our faith
- Promoting educational achievement and innovation
- Fostering stewardship, leadership and social justice.

The school board has established four strategic areas of effort:

- To develop a vision for, and to pursue a comprehensive initiative to build an inclusive Catholic learning community

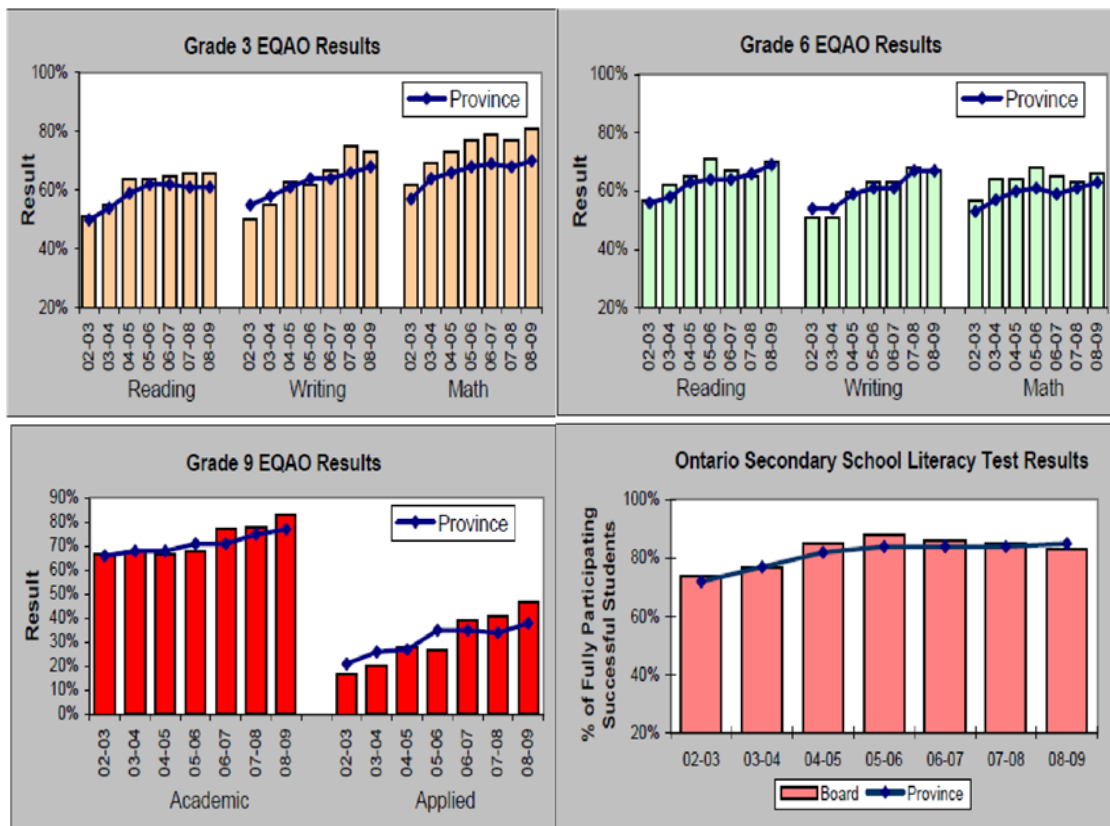
- To actively pursue key initiatives that contribute significantly to growing the academic standards and excellence of the Board
- To research and develop implementation strategies for a series of change management initiatives that are vital to the Board's longer-term success and sustainability
- To continually invest in and develop strategies that foster leadership capacities and contribute to a vibrant, faith-based organizational culture.

1.3 Student Achievement

Since 2002-03, the school board has shown improvement in many areas assessed through the EQAO process. Grade 3 EQAO results in writing and math have been steadily improving since 2002-03, and are above the provincial average. Grade 3 results in reading have been also increasing (since a significant improvement in 2004-05) and are above the provincial average. Grade 6 results in writing have improved significantly since 2003-04, and are at the provincial average. Grade 6 results in reading have been increasing with notable improvements over the last two years. Grade 6 results in math have improved in 2008-09 and are above the provincial average.

Grade 9 academic results have been steadily improving since 2002-03, and are above the provincial average. Grade 9 applied results have improved in recent years and remain above the provincial average.

The following charts demonstrate the school board's EQAO results over the last six years.



1.4 Fiscal Overview

In the 2007-2008 fiscal year, the school board had a small in-year deficit and the financial statements for 2008-2009 demonstrated an in-year surplus of over \$36,000. The 2009-2010 revised estimates show a small in-year deficit. In the context of declining enrolment, the school board has implemented further reductions, as part of the budget planning process for 2009-2010. The school board's enrolment has decreased (from 2002-03 to 2009-10) by 2,511 students, or about 21.1 per cent. The declining enrolment continues to present the key fiscal challenge for the school board.

The following table highlights key financial data for the school board.

Summary Financial Data (Revenues)

Revenues	2007-08 Financial Statements	2008-09 Financial Statements	2009-10 Revised Estimates
Legislative Grants	\$73,905,876	\$76,821,742	\$77,297,996
Local taxation	\$22,056,793	\$21,365,454	\$21,215,351
Board Revenues	\$1,260,394	\$1,290,876	\$1,164,153

Revenues	2007-08 Financial Statements	2008-09 Financial Statements	2009-10 Revised Estimates
Other Operating & capital Grants	\$2,144,827	\$1,734,882	\$2,908,391
Total Revenues (Schedule 9)	\$99,367,890	\$101,212,954	\$102,585,891

Summary Financial Data (Expenditure)

Expenditures:	2007-08 Financial Statements	2008-09 Financial Statements	2009-10 Revised Estimates
Operating expenditures	\$93,804,177	\$96,319,939	\$96,776,168
Capital expenditures - Before transfers from reserves	\$4,737,532	\$5,046,862	\$6,796,691
Transfer to (from) Reserves	\$841,309	-\$190,556.00	-\$972,500
Total Expenditures	\$99,383,018	\$101,176,245	\$102,600,359
In-year Surplus (Deficit)	-\$15,128.00	\$36,709	-\$14,468.00

School Board Reserves and Deferred Revenues

School Board Reserve and Deferred Revenues:	2007-08 Financial Statements	2008-09 Financial Statements	2009-10 Revised Estimates
Reserve for Working Funds	\$5,631,157	\$5,464,916	\$4,949,794
Student Success	\$90,195	\$65,880	\$65,880
Pupil Accomodation Debt Reserve	\$4,010,032	\$537,264	\$86,602
GPL Reserve	\$0	\$2,500,000	\$2,531,250
Total Reserve Funds (Schedule 5)	\$9,731,384	\$8,568,060	\$7,633,526
Pupil Accomodation Allocation Reserve	\$0	\$475,542	\$695,755
Proceeds of Dispositions Reserve- School Buildings	\$1,890,031	\$11,766	\$11,913
Proceeds of Dispositions Reserve- Other	\$979,634	\$990,900	\$1,003,286
Other Capital Deferred Revenues	\$0	\$1,900,000	\$972,129
Energy Efficient School - Operating	\$0	\$129,460	\$0
Energy Efficient School - Capital	\$0	\$248,519	\$0

School Board Reserve and Deferred Revenues:	2007-08 Financial Statements	2008-09 Financial Statements	2009-10 Revised Estimates
Total Deferred Revenues (Schedule 5.1)	\$2,869,665	\$3,756,187	\$2,683,083
Total Board Reserves and Deferred Revenues	\$12,601,049	\$12,324,247	\$10,316,609

1.5 Key Statistics: St. Clair Catholic District School Board

The following table highlights key statistics for the school board.

Day School Enrolment

Day School Enrolment	2002-03 Actual	2009-10 Rev. Estimates
Elementary Day School ADE	8,271	6,336
Secondary Day School ADE	3,604	3,029
Total Day School Enrolment	11,875	9,365

Primary Class Size

Primary Class Size	2003-04	2009-10
% of Classes Less Than 20	33%	91%
% of Classes Less Than 23	59%	99%
Average Class Size - Jr/Inter	25.53	25.5
% of 3/4 Classes 23 & Under	21%	100%
% of Combined Classes	39%	57%

Staffing

Staffing	2003-04	2009-10
School Based Teachers	639	569
Teacher Assistants	130	146
Other Student Support	69	68
School Administration	42	40
School Clerical	46	48
School Operations	94	91
Other Non-Classroom	34	33

Staffing	2003-04	2009-10
Total Staffing	1,054	995
Teacher - Pupil Ratio	1:19	1:16
FTE Staff per 1,000 Pupils (ADE)¹	88.8	106.3
Total Salary & Benefits as % of Net Operating Expenditures	68.5%	79.5%

Special Education

Special Education	2003-04	2009-10
Special Education Incremental Expenditures	\$9,407,780	\$11,733,438
Special Education Allocation	\$9,847,175	\$10,919,746
Spending above Allocation (Reserve)	-\$439,395	\$813,692

School Utilization

School Utilization	2003-04	2009-10
Number of schools	35	32
Total Enrolment (ADE)	11,875	9,364
School Capacity (Spaces)	13,088	11,505
School Utilization	90.7%	81.4%
Board Area (Km²)	5,505	5,505
Number of Trustees	7	8

¹ Note: Impacted by Class Size and Special Education

2. Governance and School Board Administration – Findings and Recommendations

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

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

Decision-Making Processes

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

Organizational Structure and Accountability

Leading Practices – Governance and School Board Administration	Evidence of Adoption?
The organizational structure has clearly defined organizational units that delineate roles and responsibilities, minimize administrative costs and ensure effective and efficient operation.	Yes
A departmental organization chart (supplemented with a directory of key staff contact information) is publicly available on the board's 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 model that reflects *Robert's Rules of Order*, and documented its governance model in policies. The *Board Governing Style* policy provides principles to guide the Board's approach to governance. The *Board Role Description* policy outlines its accountability, relative to that of the Director of Education. The Board of Trustees is responsible for the governance process, the relationship with the Director of Education, providing executive limitations through policies and budget approval, and approving the strategic directions and the annual system goals of the school board.

The Board reviewed the April 2009 report of the Governance Review Committee and a formal response was provided to the Ministry by the Ontario Catholic School Trustees Association (OCSTA), with input from Ontario Catholic school boards. The Board is

aware of the new *Student Achievement and School Board Governance Act*. It is anticipated that the new legislation will not require any significant changes to the Board's current governance model.

The Board is composed of seven trustees. The current trustees' experience varies considerably: four trustees are in their first term, while three have been trustees for 10 or more years. The Director of Education and members of the senior administration team often seek advice from the long-serving trustees, in relation to the school board's past decisions, activities and outcomes.

The school board has also established policies for the *Chief Executive Role* and the *Director of Education Role and Accountability*. These policies state that the Director is accountable for the school board's operational performance of the school board, which includes accomplishments against the strategic plan, and organizational operations within the boundaries of prudence and ethics established by the Board's policies. It is also clearly indicated in these policies that the Director of Education is the sole employee of the Board, and all direction from the trustees to the school board administration is through the Director of Education.

There is open communication between the senior administration and the Board. The senior administration ensures that trustees have sufficient understanding of various issues to make informed decisions. The Board often achieves consensus on issues.

The role of the Chair of the Board is clearly outlined in a policy. The Chair and Vice-Chair of the Board have an open, trusting relationship with the Director of Education. The Director and the Chair have been in their respective positions for four years. When there is uncertainty as to whether an item is within the purview of the Director or the Board, the Chair and Director meet to clarify the issue. The Vice-Chair of the Board noted that the trustees have confidence in the performance of the Director, and his ability to effectively resolve operational issues of the school board.

The Board has a Trustee Code of Conduct policy in place, which includes principles related to conflict of interest, individual authority, and corporate authority. New trustees are provided with orientation training on the roles and responsibilities of a trustee and a binder which contains guidance documents and policies. The Director of Education meets with new trustees to provide an overview of the governance model and how the senior administration is working with the Board. In addition, new trustees receive training provided by the Ontario Catholic School Trustees Association (OCSTA).

Each year, the Board conducts a formal performance appraisal of the Director. The Director meets with the Trustees in August to review the Director's performance relative to the strategic plan. During this meeting, the Director presents goals for the coming year, achievements from the previous year and next steps. Subsequent to the meeting, the Director prepares a report which is presented to the Board. The Director's annual

goals are based on the school board's strategic plan. Over the past several years, the Director has begun enhancing the Director's goals with leadership responsibilities, such as community building and stakeholder communication.

Development of the Board's Strategic Directions/Plan

The school board developed a strategic plan with the assistance of an external consultant in 2006. The development of the strategic plan incorporated a broadbased stakeholder consultation, involving 23 focus groups, multiple interviews and a survey of Deanery members. A full-day strategic planning workshop, with participants from a range of stakeholder groups, helped synthesize the strategic priorities and formulate the strategic plan.

The vision and mission of the school board were updated as part of this strategic planning process. The plan also identified the core principles and values for the school board. The school board's mission is:

"Walking together in Christ's light with parish and family, we are called to build an inclusive Catholic learning community and to serve as partners in the formation of life-long learners by:

- Living our faith
- Promoting educational achievement and innovation
- Fostering stewardship, leadership and social justice.

The strategic plan identified four key areas of effort with concrete initiatives linked to each area. These areas of effort include:

- To develop a vision for, and to pursue, a comprehensive initiative to build an inclusive Catholic learning community
- To actively pursue key initiatives that contribute significantly to growing the academic standards and excellence of the Board
- To research and develop implementation strategies for a series of change management initiatives that are vital to the Board's longer term success and sustainability
- To continually invest in and develop strategies that foster leadership capacities and contribute to a vibrant, faith-based organizational culture.

The Director, in consultation with senior management, developed the Strategic Plan Implementation Program, which sets out strategic priorities for three to five years under

each area of effort. The Implementation Program indicates specific actions for each strategic priority; however, there is no indication of timelines, responsibilities and indicators of success in this plan. The Implementation Program is reviewed and updated annually and serves as a framework for the annual departmental plans. The Director aligns his annual performance reports (to the Board) to the strategic priorities. Management noted that most of the strategic priorities identified in the Implementation Program are related to student achievement. Therefore, the alignment between the Plan and annual plans of some corporate departments is less clear.

Senior management engaged an external consultant to refresh some aspects of the strategic plan approximately two years ago. However, the Director indicated that a new strategic planning process needs to take place in the near future. The current strategic plan is publicly available on the school board's website.

The Director holds a planning retreat each summer for the senior management team. This session provides an opportunity for each department to present its departmental initiatives, including the achievements over the past year, and the priorities and plans for the coming year. The senior management team provides feedback, identifies synergies and ensures that there is a consistent approach to the operations of the school board. The departmental plans are finalized based on feedback from this planning session.

Each department is allocated some time during regular Board meetings throughout the year to make presentations on its function, priorities, and activities, to help keep the Board informed. Each department also reports to the principals on the progress against their annual plans, at the administrators' meetings that take place four times a year.

The school board also develops an annual Board Improvement Plan, aligned with the Ministry's school effectiveness framework. The plan includes specific targets for student achievement. The Director reports on progress against these targets in the Director's annual report, which is publicly available on the school board's website. In addition, at each Board meeting a school principal is provided with the opportunity to present their school improvement plan.

Decision-Making Process

The Board's policy on procedural by-laws outlines the protocols for Board operations including meetings of the Board, rules of order, motions, voting procedures, committees of the Board, management and administration, finance and public relations.

Each summer, the senior administration sets a schedule of Board meetings, which identifies when key reports and other presentations will be made to the Board. All departments are allocated time in the schedule to provide presentations to the Board on departmental activities. In addition, the schedule includes School Improvement Plan

presentations by principals and student presentations. The pre-defined schedule has simplified the operations of the Board, and sets clear expectations around the timing of various reports provided by the senior administration to trustees.

The procedural by-laws outline the standard sections of the agenda for Board meetings. Prior to each Board meeting, the Director meets with the Director's Advisory Committee to review the Board meeting agenda, and to ensure that scheduled reports and any additional agenda items are prepared. The Chair and Vice-Chair of the Board then meet with the Director to finalize the agenda, so that meeting materials can be distributed in advance of the Board meeting. The Director, Chair and Vice-Chair also identify items that need to be discussed during the *incamera* portion of the meeting. The by-laws identify the categories of items that must be discussed *in-camera*. Generally, the Director and the Board have a clear understanding of items that are presented to the Board for discussion and approval versus for information purposes.

The Committee of the Whole receives presentations, discusses issues and plans Board direction. The Board has also established some additional standing committees, such as the Board Advisory Council, Special Education Advisory Committee, Catholic Faith Advisory Committee and Joint Health and Safety Committee. The Board can strike *ad hoc* committees as necessary.

The Policy Development Guidelines policy outlines the process and responsibilities for preparing draft policies for review by the Board. In 2006, the Director established a schedule for reviewing and updating all policies over a three year period. While the schedule only covers one refresh cycle, management intends to establish a new review cycle in 2011, following the election of the trustees. As part of the policy review initiative, the trustees reviewed and modified the structure and layout of the policy template. The new policy template more clearly delineates policy statements from operating procedures. The procedures are developed by the school board administration and presented to trustees for information.

The school board also issues Director's Memos responding to specific incidents within or outside of the school board, to mitigate the risk of similar incidents occurring in the future. The Director's Memos are communicated to the system, and some memos may be considered for incorporation into Board policies.

Organizational Structure and Accountability

The school board's administration includes Corporate Services and Learning Services, which both report to the Director of Education. Corporate Services includes financial services, facility services, information services, transportation services, planning services, and payroll and benefits. Human Resources Services is part of Learning Services.

The senior administration team is represented by the Director's Advisory Committee, which is composed of the Associate Director – Corporate Services and Treasurer, and the three Superintendents of Education.

The school board has an up-to-date organizational chart which is posted on its website. The school board's website also provides a directory of staff in each department including their contact information.

Succession and Talent Development

The school board has implemented several initiatives to support succession and talent development. The Superintendent of Education responsible for Human Resources Services leads a Catholic leadership discernment program that is held over four evenings each year to raise awareness and identify interest among potential candidates in vice principal or principal roles. The school board has considered establishing a follow-up program to help interested candidates enhance the skills required for administrative roles.

Over the past several years, the school board has also been providing the principal qualification program. Due to its large geographic area, the school board does not maintain a pool of eligible principals.

Within the school board administration, there is informal mentoring and support to staff interested pursuing supervisory officer qualifications. However, the school board has not established a formal succession and talent development plan. The school board would benefit from the establishment of a formal succession plan for key management positions, for both academic and non-academic positions.

Stakeholder Engagement

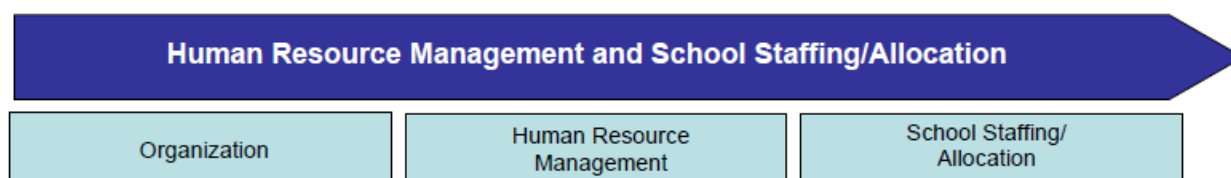
The school board has a variety of formal mechanisms for communication and stakeholder engagement. A Communications and Community Relations Supervisor is responsible for supporting the Director in stakeholder and media relations. The Director has a regular column in school newsletters to provide guidance and suggestions regarding student learning. The school board issues a staff newsletter each month and produces a newspaper, *The Beacon*, twice annually. The Communications and Community Relations Supervisor periodically compiles media digests for the trustees and management.

The school board has a Board Advisory Committee that is a system-wide parent involvement committee. This committee provides a forum to share information with the parent community and receive input and feedback on school board operations and initiatives.

Recommendations:

- Using its multi-year Implementation Program as a framework, the school board should develop an annual board-wide operating plan. The annual operating plan should be aligned with the school board's strategic plan, incorporate both academic and non-academic departments, and contain goals that are specific, measurable, achievable, relevant and timely.
- The school board should continue to align its leadership development programs and activities with the Ministry leadership initiatives. It should develop a formal Succession and Talent Development Plan in line with the Leadership Succession Planning and Talent Development Ministry Expectations and Implementation Continuum.

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 Resource 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 departmental operating 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 organization chart is available to the public.	Yes
Senior HR staff have 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

Each year in August, the Human Resource Services (HR) department prepares a report for the senior administration, which identifies goals and an action plan for each goal. The goals are broadly stated, and some actions included in the action plan have timelines for implementation. The plan includes annual cyclical requirements, as well as new initiatives. Department priorities for the upcoming year are discussed with the senior administration team during a retreat which is organized each July. The 2009-10 department plan includes the following key goals:

- Coordinate the Board's participation in various grievances and arbitrations
- Joint liaison committee meetings

- CUPE professional development – planning for the use of professional development funds allocated under the PDT agreement
- Conduct health and safety training in compliance with legislation
- Complete job evaluation process for ASG staff
- Update job description for CUPE, APSSP, and ASG
- Provide an orientation program for new school administrators
- Performance appraisal – implementation and monitoring of NTIP, TPA for teachers and appraisal for non-teaching staff
- Develop attendance support policy and establish a process for proactive management of individuals with excessive and periodic absenteeism
- *Accessibility for Ontarians with Disabilities Act* – develop draft policy and procedures and implement training
- Review and update the school emergency response program and prepare a comprehensive plan for community emergency response
- Catholic Leadership Discernment – develop a professional development program.

The HR department reports quarterly to the senior administration on the achievements against the plan. The quarterly reports contain the annual goals and action plans, and a description of progress in implementing planned actions. Within the department, the Superintendent of HR conducts monthly meetings with department staff to discuss progress against the plan.

The annual schedule for Board meetings allocates time once a year for a presentation by the HR department. During the latest presentation to the Board, the Superintendent of HR provided an overview of the function, roles and responsibilities of the HR department.

The HR department should enhance its annual planning by establishing specific and measurable targets and indicators, and assign responsibilities and timelines for key goals identified in the current annual plan. This would enable management to track and report on the progress of its defined priorities and goals throughout the year.

Organizational Structure and Accountability

The Superintendent of Education – Human Resource Services (who reports to the Director of Education) is a member of the Learning Services group of the school board. The Superintendent's responsibilities also include elementary Catholic curriculum and the school effectiveness framework. This reporting relationship is a reflection of the key role of the HR department in providing services to the academic staff of the school board. The Superintendent is supported by the Assistant to the Superintendent, who is mainly responsible for school staffing. The Coordinator – Human Resources Services (who reports directly to the Superintendent) is responsible for the day-to-day operation of the Human Resource Services and Occupational Health and Safety departments, and for meeting the departmental goals and priorities. The Coordinator – Human Resource Services supports the Superintendent of HR on labour relations matters, and shares the responsibility for collective bargaining.

The HR department has an up-to-date organizational chart. The HR department is currently undertaking a full job evaluation of all non-union administrative staff, and has drafted updated job descriptions. Contact details for key HR staff are provided on the school board's website.

HR staff members are qualified as per job specifications, based on their experience and qualifications. The Coordinator - Human Resource Services holds the Certificate in Human Resources Management (CHRM) certification and a Master of Industrial Relations degree.

Monitoring and Communication of Policies

The HR department is responsible for implementing Board policies pertaining to hiring and recruitment, occupational health and safety, performance appraisal, and various support programs available to staff. All policies are posted on the school board's website.

The HR department provides informal training for school principals on specific topics related to HR policies and procedures. The department is allocated time during regular principals' meetings to present policy and procedure updates. In addition, before the beginning of each academic year, the department provides school principals with specific information that principals must share with their staff at the first staff meeting. The HR department provides similar update presentations during regular cluster meetings of vice-principals, which take place four to five times a year. The HR department regularly updates its binder for school principals and administrators, which contains policies, procedures, and guidance, and is a resource on various HR matters.

The HR department has implemented many centralized processes which enable HR staff to monitor compliance with the existing policies and procedures.

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 to support student achievement.	Yes
The hiring policies and procedures for the respective staff groups are harmonized and shared with managers throughout the school board.	Yes

Labour Relations

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

Employee Performance Evaluation Processes

Leading Practices – Human Resource Management	Evidence of Adoption?
HR management has policies and procedures for an employee evaluation/performance system for all staff.	Yes
HR management maintains and communicates formal disciplinary policies and procedures for all staff.	Yes
The HR department actively supports the professional development activities of the school board.	Yes

Attendance Management Processes/Programs

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

Management of HR and Payroll Data

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

Management of School Board's Benefit Plans

Leading Practices – Human Resource Management	Evidence of Adoption?
HR management periodically conducts independent compliance audits of the school board's insurance carrier to ensure adherence to benefit plan's terms and conditions.	No
Employee data is automatically synchronized between the school board and external carriers (i.e. OTPP, OMERS and the board's benefit provider(s)).	Yes
Policies and procedures ensure the board's benefit plans are managed appropriately.	Yes

Monitoring Staff Satisfaction

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

Staff Recruitment/Hiring

Management of the HR department noted that the school board pro-actively recruits for permanent teachers, occasional teachers, and teachers for French language positions. However, permanent teachers are usually hired from the occasional teacher list. The school board generally receives applications from a sufficient number of qualified candidates when positions become available. As a result, the school board has reduced its recruitment activities over the past several years. However, for specific recruitment needs, such as French language teachers, the school board attends university fairs at local universities – University of Western Ontario and University of Windsor. The school board also uses the Apply to Education website to advertise academic job openings and advertises in the newspapers and on the school board's website.

The HR department has established a staffing and recruitment protocol, which has been communicated to all principals, vice principals, managers, supervisors and coordinators. The purpose of the protocol has been to ensure consistent approaches to staffing. The protocol contains clear criteria for the composition of interview committees, the process for job postings, the process for recruitment, and the minimum entry requirements for various categories of employees. The HR department has also established a *Recruitment Process Checklist* to assist the interview team in the recruitment of new staff, and ensure that all requirements are met.

The HR department has established three staffing lists for job classifications subject to frequent recruitment:

- *Casual list* – staff approved for casual assignments
- *Preferred Hire List* – employees who have met all pre-approval requirements established for each job classification
- *Permanent list* – all full-time and part-time permanent employees.

There is an occasional teachers list which is available in the software program used by the school board for staff attendance tracking. Other lists are maintained and updated regularly, and posted on the Internal Administrator Resources website.

When a position becomes available, the appropriate supervisor, coordinator, manager, principal or superintendent signs a Request to Post form, and forwards it to the HR department to initiate the hiring process for new temporary and permanent positions. The Coordinator – Human Resource Services or the Assistant to the Superintendent responsible for HR approves the posting. The Superintendent of HR approves the posting for positions which are newly created or above the existing staff complement. All new positions are approved by the Director's Advisory Committee.

The school board has established a policy on Equal Opportunity, and policies related to criminal background checks and offence declarations. The requirements for criminal background and reference checks are included in the protocol.

HR department staff are involved in all hiring interviews, except for those for hiring of senior administration staff. The trustees are not involved in the hiring process. Following the interviews for temporary, occasional teaching, and long-term teaching positions, one of the members of the interview team makes an offer of employment and submits a completed *Recommendation to Hire* to the appropriate staffing officer, either the Officer – Human Resource Services for non-academic staff or Officer – Planning Services for academic staff. For all permanent teaching positions, the Superintendent of HR approves the hiring. For all other permanent positions, the superintendent responsible for the position approves the hiring. In hiring union staff, the HR department follows provisions of the collective agreements.

Labour Relations

In general, the school board has open communication with the unions, as a result of both formal and informal practices. The school board has established joint liaison committees for all bargaining units. The committees address matters of mutual concern, share information, promote positive union/management relations, and attempt to resolve

matters in dispute before they become grievances. The committees may also discuss contract interpretation issues.

The school board has recently established joint liaison committees with the Ontario English Catholic Teachers Association (OECTA) elementary, secondary and occasional teachers. Management noted that the school board continues to strengthen the relationship with OECTA.

Management noted that it has established a positive working relationship with CUPE and addresses most potential grievances informally. As a result, CUPE has a minimal number of grievances. There is also a respectful, positive relationship with the Association of Professional Student Services Personnel (APSSP) union.

The school board also maintains a timely and effective approach in response to labour issues. HR staff provide advice and support to school principals, administrators, and senior management in contract interpretation and in addressing potential grievances.

Employee Performance Evaluation Processes

The school board has established a performance appraisal process for all nonteaching staff including education assistants, custodial, maintenance, and all central office and facility services administrative staff. There is a formal policy and procedures on staff supervision and performance appraisal, which contains guidance for supervisors on how to conduct a performance appraisal. It is stated in the policy that the performance appraisal of non-teaching staff will be conducted on a five-year cycle. The HR department informs supervisors by the end of October each year on performance appraisals which are due. The HR department also follows up with supervisors regarding any appraisals that have not been completed as scheduled.

For new hires, the procedure states that two performance appraisals are conducted within the first six months of employment. The first probationary appraisal takes place within 12 weeks of employment. The second appraisal is conducted at 24 weeks of employment. A supervisor may also initiate a performance appraisal as necessary, and conduct more frequent performance appraisals if required. In some cases, employees may also request a performance appraisal. The administrative procedures outline the steps of the performance appraisal process, as well as the process following an unsatisfactory outcome of the performance appraisal. The HR department has established standard forms and templates for performance appraisal of non-teaching staff, which are included as part of the policy and procedures document.

In line with the Ministry's Supporting Teaching Excellence document, the school board evaluates its experienced teachers on a five-year cycle. New teachers are reviewed during the first and second year as part of the New Teacher Induction Program (NTIP). Management noted that there are a few NTIP appraisals completed annually, and the

department tracks the appraisal and provides timely updates to the Ontario College of Teachers (OCT) at the end of each year.

Management provides support to principals in conducting performance appraisal of teachers, including formal in-service training. The HR department has also provided principals with training on the performance appraisal of non-teaching staff and provided them with guidance documents which include role-specific evaluation criteria for education assistants, secretaries and custodians. The performance appraisal process for these non-teaching staff positions is a shared responsibility, with the department responsible for the assignment of these staff to the school and for providing staff development opportunities. The following department leaders are responsible for providing input in the performance appraisal process:

- Principal – Special Education for the educational assistants
- Coordinator – Planning Services for the school secretaries
- Supervisor – Facility Operations for the custodians.

The school board has been implementing the appraisal process for school principals and vice principals for several years. The school board has established the *Professional Growth Model for Catholic School Administrators*, which provides standard tools for self-assessment and evaluation by a supervisor. Currently, the performance appraisal process for school administrators is being reviewed, with the view to aligning with the leadership framework. Management is awaiting the outcomes of framework implementation by the pilot school boards, to identify key changes in the existing process.

The HR department tracks the completion of performance appraisals and prepares lists of scheduled performance reviews for the administrators' meeting in August. The completed performance appraisals are submitted to the HR department and tracked in the school board's human resources management software. The HR department continues to monitor the completion of performance appraisal during the year, and notifies principals about incomplete appraisals. Completed performance appraisals for non-teaching staff are submitted to the HR department and filed in the employee file. The completion date is recorded into the employee's electronic record. The HR department reports on outstanding performance appraisals and follows up to ensure completion.

Management applies progressive discipline procedures in addressing disciplinary issues among staff. The HR department has established a formal guidance document on disciplinary procedures, which has been discussed with administrators. The guidance document is consistent with the requirements in the collective agreements around

discipline and dismissal. Senior administration informs the trustees of dismissals. Dismissals do not require Board approval.

The HR department supports the professional development of HR staff and other staff groups, when appropriate. HR is involved in providing staff training for specific HR-related topics, such as accessibility, health and safety. The HR department is working with the unions to identify professional development priorities for union staff. Unions provide input on PD through joint liaison committees and the HR department communicates to the necessary individuals responsible for that employee group.

Attendance Management Processes/Programs

An effective attendance management system combines policies, procedures and information systems to record and analyze trends in absenteeism, and dedicates 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 identified the development of an attendance support program as a current priority for human resources management. Currently, the school board uses specialized software for the tracking of absences. Employees enter their absences directly in the system. The entries are approved by supervisors, who are also responsible for monitoring of absences. The HR department has not established any specific thresholds for the number of absences which requires a follow-up action.

However, the supervisor identifies employees with a relatively high number of absences. The supervisor may then notify the HR department, request a report showing the absenteeism trend for this employee and/or request the involvement of the Coordinator – Human Resource Services in meeting, reviewing and discussing absenteeism with the employee. Supervisors also have direct access to the attendance tracking system and can view the absence information. Management noted that the performance appraisal forms for the non-teaching staff have an area which indicates the number of absences. The supervisor may review this record and initiate a discussion as part of the performance appraisal process or as required.

The school board has the modified return-to-work and accommodation programs available to all employees. There is a formal policy and administrative procedures which outline the roles and responsibilities of the principal/manager, the HR department, and employees. The procedures also outline the reporting requirements, procedure for accommodation and standard forms. When employees are absent for an extended period of time, they are required to report to the Safety and Disability Administrator, who examines the employee's credits for sick days, vacation, and long-term disability. The Administrator then collects the medical information, establishes a return-to-work plan

and assists the employee in applying for LTD coverage and reporting to WSIB where appropriate.

The school board has board-level and province-wide data collected and documented by an external consultant, with respect to paid sick leave utilization, accident prevention and WSIB claims management. Currently, the HR department is working to establish a formal policy and procedures for an attendance support program, which will use the data on paid sick leave to establish thresholds to trigger an intervention by the department. However, management recognizes it needs to continue working with the unions to establish and implement a formal attendance support program. It is envisaged that once the program is established, the Safety and Disability Administrator will be responsible for the program.

Management of HR and Payroll Data

The payroll function is part of the Payroll and Benefits department. The Payroll and Benefits department works closely with the HR department in the managing of HR and payroll data.

Management maintains appropriate control mechanisms to ensure the segregation and integrity of personnel and payroll data. Changes to personnel files generated in the Human Resource Services department are documented and systematically submitted to the Payroll department electronically. The Payroll department validates this information relative to the payroll data and makes changes accordingly. The operator of the absence tracking software confers with the HR/Planning Officers to ascertain which employees could potentially exhaust their sick leave bank as a payroll control, and ensures that unpaid time is properly considered. Each pay period, the HR/Planning Officers prepare bi-weekly reconciliation reports comparing HR and payroll information. These reconciliations are reviewed by the Officers, and the explanations for the variances are documented in the reports. Once completed, the Officers sign off the reports and forward them for a second review and sign off by a senior Financial Services staff member, who does not have the ability to process payroll transactions. Currently, this function is being performed by the Senior Accountant, who reviews the report and compares it to other data and reports for validity and completeness. Any unexplained or unsupported changes are identified and investigated.

The operator of the absence tracking software also performs monthly compliance audits of particular timesheet entries processed through the system, in accordance with articles in the collective agreements. Issues that are identified are communicated to the Payroll department to act on as required.

When there is a position reclassification, the staffing officers are responsible for updating personnel files for academic staff and non-academic staff respectively. Once

changes are made in the personnel file, the system sends an automated notification to the Payroll department to make the necessary pay adjustments.

The Officer – Planning Services also ensures that the Qualification Evaluation Council of Ontario (QECO) data has been submitted before processing any changes in the position reclassification. Synchronization of data with the Ontario College of Teachers (OCT) is usually completed several times a year. The OCT data is checked for each new hire and each June to validate all staff are in good standing with the college.

The collective agreements with OECTA and APSSP contain articles that state that the relevant pay structures meet pay equity requirements. The CUPE collective agreement establishes a standing committee to review and maintain pay equity, as conditions change and re-evaluation may be necessary. The requirements for pay equity for non-union staff has been previously established, and is updated through the joint job evaluation process.

Management of the School Board's Benefit Plans

The Payroll and Benefits department is responsible for managing benefit plans. The school board contracts external benefits consultants to regularly review the performance of the existing benefit plan and assist with the negotiation of renewal rates.

Management conducts regular meetings with the consultants to discuss issues, review and analyze trends and group by group data.

Management noted that several years ago the school board requested the benefit carrier to conduct an audit of specific types of claims. The school board has also considered full compliance audits, but the cost of such services was deemed to be excessive.

The Payroll and Benefits department synchronizes data between the school board and external carriers such as OTPP and OMERS electronically. For OTPP, the school board provides an electronic file monthly. Data transfer among benefits, payroll and OMERS is automated and synchronized through using “e-access”. Management obtains input from the unions and associations about benefit decisions. A benefits committee composed of representatives from each bargaining union and management was established several years ago. The school board's external benefits consultant provided an overview of the school board's benefits plans in general and more specifically for each employee group. The consultants also presented various options for changes. Management noted that there have not been any substantial changes in the benefit plans recently, for all but one of the benefits groups. In an effort to reduce costs associated with benefits, the school board has implemented a more flexible modernized core plan that includes a Health Care Spending Account. The new plan has been provided to the Director, Associate Director, Superintendents, Managers, Administrative Services Group, and the employees of the CLASS consortium.

Monitoring Staff Satisfaction

Management has not conducted confidential staff satisfaction surveys to obtain feedback on the priorities of the school board or general attitudes. The HR department conducts informal interviews with some staff leaving the school board. However, there are no formal policies and procedures for exit interviews.

Recommendations:

- Management should continue establishing a comprehensive attendance support program.
- Management should develop a way to assess and report on the effectiveness of the attendance support process/programs to senior administration and the Board.
- Management should conduct independent compliance audits of the school board's insurance carrier to ensure adherence to the benefit plan's terms and conditions.
- Management should conduct periodic and confidential staff surveys, to improve communication with staff and provide input for professional development plans and HR policy.
- Management should also continue conducting exit interviews with all staff leaving the school board to obtain input for HR policy, as well as process and program improvement. Management should consider developing formal policies and/or procedures for conducting exit interviews.

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 policies and procedures govern the development of an annual staffing plan and allocation process that reflects the priorities of the Board and Ministry initiatives.	No
The staff allocation process monitors adherence to key Ministry and board policy parameters, such as: class size, prep time, collective agreement requirements and other board directions.	Yes

Monitoring and Reporting on Staff Allocation

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

Processes for Annual Staff Planning and Allocation

Each year, the school board follows standard practices for staff planning and allocation. However, the school board does not have a formal written policy and procedures for staff planning and allocation. The Coordinator – Planning Services is responsible for enrolment projections, recommending staff allocations for elementary and secondary schools, and recommending class organizations for elementary schools. Staffing allocations are determined by the Director’s Advisory Council. Using this information, the Planning Officer identifies specific employees that are surplus or redundant and any vacancies by school. This information is forwarded to the HR department, which is responsible for completing the necessary transfer, layoff, or hiring process, as determined by the relevant collective agreement.

The allocation model for elementary teachers is based on the following information: provisions of collective bargaining agreements, primary class size requirements, preparation time requirements and enrolment projections. The school board uses a software system to support staff allocations at the elementary level. Information on the organization of schools is provided to each school in April and principals may submit requested changes to the Coordinator – Planning Services and the respective school Superintendent for review. Special education staffing allocations are based on needs identified by the special education department.

Management keeps the trustees informed about the staff allocation process. It provides information on enrolment projections, allocation models, and how the school board is meeting the guidelines for primary and junior class sizes.

The allocation of other staff groups is determined centrally using formulas which are reviewed and updated each year. Allocation of school principals follows a historical formula that assigns one principal to each school. Allocation of vice-principals is based on a number of factors including the enrolment of the school, the specific needs/challenges of the school, and mentorship opportunities with the school principal.

The allocation model for non-teaching school staff is based on grant regulations and provisions of collective bargaining agreements with the exception of educational assistants and custodians. Educational assistant allocations are based on needs identified by the special education department. The custodial allocations are based on a complex formula, primarily driven by the square footage of the facility.

Monitoring and Reporting on Staff Allocation

As part of the staff allocation process, management ensures compliance with key Ministry and school board policy directives, such as class size, prep time, collective agreement requirements, and other board parameters. The board of trustees is not directly involved in the development or monitoring of staff allocations.

Management has implemented an efficient process for changes in elementary class organizations during the first week of the school year. The Coordinator – Planning Services meets with the Director's Advisory Committee on the first Thursday of the school year to review staffing and recommend changes to classes or staffing. Parents of affected students are notified on the Friday, and student classroom changes are effective on the following Monday. Management noted that a few teaching positions are unassigned until September to address enrolment variations.

Secondary schools are staffed for Semester 1 based on the average number of sections for the year calculated using the funding formula. Secondary staffing allocations are reviewed in mid-September, and again near the end of Semester 1 to verify and adjust staffing levels for Semester 2 if necessary, based on actual enrolment.

Management periodically reports on the actual allocation of staff, compared to the original approved allocation plan and budget. On October 31, under the direction of the Superintendent of HR, the staffing officers compile a comprehensive staffing report by location. This report is reviewed by the Coordinator – Payroll & Benefits and compared to the approved staffing budget for variances, completeness and accuracy. The report is then presented to the trustees at a Board meeting by the Superintendent of HR. The Coordinator – Payroll & Benefits highlights any changes in staffing costs for both teaching and non-teaching staff from the approved budget, and makes the necessary adjustments when completing the Ministry's Revised Estimates package.

During the year, the Coordinator – Payroll & Benefits compares budget to actual for all salary and benefits accounts on a quarterly basis, and investigates the reasons for any variance. At year end, the Coordinator – Payroll & Benefits provides an analysis and detailed explanations of the variances between actual and budgeted costs. This document is also provided to the external auditors of the school board as part of the annual audit review process.

Recommendation:

- Management should document policies and procedures which govern the development of an annual staffing plan and allocation process.

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 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 to 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 and priorities for 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 field work, 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;
- Finance department support of the overall goals/priorities and accountability measures established by the school board;
- The efficiency and effectiveness of the departmental 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 departmental operating plan that is aligned to the annual board operating plan accessible by key stakeholders. The plan incorporates measurable targets, specific timelines and identified accountability.	Yes

Organization 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 educational sessions.	Yes

Development and Reporting of Annual Goals and Priorities

In June each year, the Associate Director and Treasurer provides an annual report to the Director's Advisory Committee. The report summarizes the accomplishments of Corporate Services for the year and provides key priorities for the upcoming year. The priorities of Corporate Services for the coming year are further discussed with the senior administration team during a retreat, which is organized each July. The Associate Director communicates the broad priorities of Corporate Services to departmental managers and each department establishes an annual departmental plan.

The annual plan of the Financial Services department is focused on activities related to periodic financial reporting and other cyclical requirements. The plan also includes several specific initiatives. Although the plan identifies key goals for the department, there is no indication of timelines, responsibilities, and indicators of success.

The 2009-10 plan for the finance department includes the following priorities:

- Successful completion of financial statements, budget estimates, revised estimates, March 31 reporting
- Compliance with new financial statements requirements, restatement of prior year financial statements, new budgeting forms
- New front-end interface for Purchasing Card management, training and documentation
- Capital assets reporting and software implementation
- Automated expense reporting
- Automated vendor uploads
- Documentation of processes to be completed over the course of the year;
- Pursue cashless schools initiative

The Manager – Financial Services holds monthly meetings with staff, to review progress on these priorities.

The Financial Services department should enhance its annual planning, by establishing specific and measurable targets and indicators, and assigning responsibilities and timelines for key goals identified in the current annual plan. This would enable management to track and report on the progress of its defined priorities and goals throughout the year.

Organizational Structure and Accountability

The Financial Services department is responsible for the finance function of the school board. The Manager – Financial Services manages the day-to-day operations of the Financial Services department, and reports directly to the Associate Director/Treasurer. The Financial Services department also includes the Senior

Accountant, Financial Analyst, three finance officers, and two accounting clerks. The Payroll and Benefits department reports directly to the Associate Director and is led by the Coordinator of Payroll and Benefits.

The school board has an organization chart for Corporate Services and its various business departments. The school board's website provides contact information for key staff in Corporate Services.

The Financial Services department has been using job postings as formal documents describing roles and responsibilities of finance staff. The HR department is currently working to standardize job descriptions across all business functions of the school board. Finance staff have appropriate professional designations and experience.

Monitoring and Communication of Policies

The Financial Services department is responsible for implementation of policies pertaining to fiscal management, including purchasing, budgetary authority, staff expenses, and school-managed funds. The policies are available on the school board's website. Over the past several years, the Financial Services department has been working to establish operating procedures for all key aspects of the department's functions. This initiative is ongoing and aims to ensure that standard practices and processes are clearly understood by all staff. This approach also supports cross-training of finance staff. The operating procedures are posted in the Financial Services shared network directory.

The Financial Services department provides information on financial policies and procedures for school principals and vice-principals four times a year, during administrators meetings or during school visits. Business departments conduct a professional development day in May for school secretaries. All schools are provided with a school administrator binder which contains procedures and various templates.

There is a school support officer who visits schools regularly and provides one-on-one support and training to school secretaries. Each administrative department of the school board is assigned a finance staff member who acts as a point of contact to answer questions and provide support.

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 level) approach to enrolment forecasting that drives the budget process.	Yes
Budget planning processes account for all required cost and revenue changes.	Yes
Staffing costs are compared with similar school boards and the funding model to ensure efficient use of resources.	Yes

Risk Mitigation and Board Approval

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

Annual Budget Development Process

The Financial Services department has established the Budget Procedures Manual, which is updated each year at the beginning of the budget development process and presented to the Board of Trustees. The Manual contains a set of guidelines for budget development, identifies roles and responsibilities of senior administration and the Board of Trustees, and discusses key challenges for the school board in the budget development process.

The Manual provides budget preparation timelines. The 2009-10 Manual indicates that the budget development process starts in December when the enrolment projections are submitted to the Ministry. In February, the trustees are provided with an overview of the budget development process. In March, the Associate Director presents the updated

Budget Procedures Manual to senior administration and the Board. In March, the Director's Advisory Committee reviews enrolment and revenue projections, preliminary staffing levels and salary and benefits projections. In April, there are presentations of the departmental operating budgets to the Director's Advisory Committee. In mid-April, the Board reviews the grants for student needs, enrolment projections and revenue projections. Management provides an update to school principals and vice principals on budget development during the administrators' meeting. At the end of April, the Board is provided with presentations on proposed staffing levels, salary and benefit projections and department operating budgets. Management has established a workshop format to present information to trustees during the budget development process. The trustees provided positive feedback on this approach and commented that presenting the budget in smaller sections allows the Board to focus on specific budget issues and have informed discussions.

In early May, management provides a budget overview and conducts consultations with the Board Advisory Council (BAC) and Special Education Advisory Committee (SEAC). In mid-May, management provides the third presentation on departmental operating budgets, and presents the capital budget to the Board. At the end of May, management submits a balanced budget to the Board and in early June, the Board discusses and debates the budget. During the third week of June, the budget is approved by the Board and submitted to the Ministry by June 30.

The Financial Services department in conjunction with the Information Services department has developed and implemented an application to support the budget planning process. The budget development tool allows departments to review historical budget information and submit their budget proposals. The Financial Services department has the ability to lock the departmental budget proposal to be taken to the Director's Advisory Council's budget development meeting for discussion and amendments. The financial services department provides support to departments in planning departmental budgets. For any requests for new initiatives, departments are required to submit formal requests with justification and explanation of alignment with the school board's strategic plan. Management noted that in the past the Director's Advisory Committee established cost reduction targets to implement across all departments.

The school board obtains comparative information and updates on current challenges faced by the sector for budget development, through meetings of various OASBO committees.

The Planning Services department of the school board is responsible for preparing annual and multi-year enrolment projections. The long-term projections are based on the demographic data and birth rates. The Planning Services department uses Excel spreadsheets to prepare enrolment projections for each school. The Coordinator -

Planning Services and the Planning Analyst have access to the enrolment projections spreadsheets. Management noted that over the past several years the enrolment projections prepared by the Planning Services department have been accurate.

Risk Mitigation and Board Approval

Management is aware of key areas of fiscal risks for the school board, such as salary and benefits costs. Throughout the budget development process, specific budget pressures are identified by management and incorporated into the budget. At the beginning of the budget development process, management highlights key budget challenges in the Budget Procedures Manual and communicates the challenges to trustees during the first budget meeting. However, management does not formally document budget risks and mitigation strategies in a report that summarizes the nature, probability of occurrence, potential impact and proposed mitigation strategies for the risks.

The school board's reserve funds are earmarked for specific purposes, and their use requires Board approval. Management noted that the school board has a very prudent approach to the use of reserve funds.

The process of reporting on risk mitigation strategies varies significantly among boards. Management should consider enhancing the process of reporting on the board's budget risks. An enhanced process would include formal documentation of the following elements:

At the beginning of the budget cycle:

- Identification of significant expenditures not explicitly included in the budget, but may arise due to unforeseen circumstances.
- Assessment of the probability of occurrence for each budget risk, as well as a quantification of the impact to the budget should the risk materialize.
- Proposed mitigation strategies to minimize the probability of occurrence for each risk, as well as contingency measures that management will undertake should the risk materialize.

Throughout the budget cycle:

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

- An update on the probability of occurrence, quantification and impact of each of budget risk identified formally at the beginning of the budget cycle.
- Any new budget risks not previously identified.

The level of detail of the budget risk mitigation plan will depend on the preferences of management and the Board. At the minimum, it should include a summary outlining the above elements in table format.

Recommendation:

- Management should consider enhancing the process of reporting on the school board's budget risks using the format suggested in section 4.2 of this report. A formal risk management plan/report, which is reviewed and updated periodically, would give reviewers a better understanding of the school board's budget risks.

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.	No
Management completes and files all financial reports in accordance with established timelines.	Yes

Audit

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

Integrated System for Variance Analysis and Financial Reporting

The school board has an integrated financial system that provides adequate, timely and accurate information to management, school staff and the board of trustees. The financial system includes the following modules: financial reporting, general ledger, accounts payable, accounts receivable, purchasing, payroll, and human resources.

All budget holders have access to their cost centres. For the establishment of a new GL code, a special form is completed. The form is approved by the Manager – Financial Services.

Interim and Annual Financial Reporting

The Financial Services department has recently implemented a new interim financial reporting template using the recommendations of the Interim Financial Reporting Committee (IFRC). The 2009-10 first quarter report was presented to the Board using the new format.

The report provides a summary of financial results including variances expressed in dollar amounts and percentage. The report provides an explanation of variances and

highlights any emerging risks and recommendations. The report also provides a summary of enrolment and staffing which highlights budget versus forecast and provides a graphic summary of changes with relevant explanations. The risk assessment section of the report provides a comparison of the current and prior year's year-to-date spending, versus the forecast to identify forecast pressures or savings.

Management will provide three interim financial reports to the Board for the months ended November, March and June. Management noted that trustees have provided positive feedback on the format of the interim financial reporting including the level of detail and usefulness of the information.

The interim financial report is generated using database software. The Financial Services department has established a formal operating procedure for the preparation of interim financial reports.

All budget holders are accountable for operating within the established budget. The Financial Services department staff are assigned as liaisons to individual departments to assist in the monitoring of departmental expenditures. The Senior Accountant performs monthly general ledger reviews, which are documented.

There is no formal sign-off of interim financial reports by the Associate Director. However, the Associate Director reviews the financial reports and presents them to the Directors' Advisory Committee for information prior to submitting them to the Board.

Audit

Currently, the Board does not have an audit committee. All audit issues are addressed by the Committee of the Whole. The external auditors report to the Board. The Board does not conduct *in-camera* meetings with external auditors to review the auditor's reports.

Following the external audit, auditors prepare a management letter with audit findings and recommendations. Management provides a formal response to the management letter. External audit services were last tendered for the 2004-2005 school year, and will be re-tendered in 2010 for the 2011-2012 school year.

Financial Services staff conduct periodic internal audits of schools focused on school-based funds. However, there is no internal audit function at the school board. Management noted that the school board is awaiting progress in the implementation of the Ministry initiative on regional internal audit services.

In December 2009, the Ontario legislature passed the *Student Achievement and School Board Governance Act*. These amendments to the *Education Act* clarify what is expected from school boards, trustees, board chairs, and directors of education to

support improved student achievement. The amendments also promote good governance practices and sound financial management, by establishing audit committees. Now that the legislation has passed, the ministry intends to bring forward a regulation on audit committees specifying the composition and requirements of these committees.

Recommendations:

- The school board should establish approval procedures for interim financial statements, and implement a formal sign-off process of these statements by senior management.
- Management should proceed with its intention to establish an independent internal audit function as part of the Ministry's regional shared service model.
- Once the independent internal audit function is established, the internal auditor should document internal audit plans and prepare audit reports for presentation to the Audit Committee and management.
- In accordance with the Ministry's internal audit and audit committee strategy, the Board should consider establishing an audit committee that includes external advisors.

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 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 consolidated with a single financial 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> .	No
Management periodically compares the school 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

Management noted that the school board does not have a significant amount of idle cash. The Financial Services department uses the online banking feature to monitor the school board's accounts.

The Finance Officer conducts monthly bank reconciliations and the Senior Accountant reviews and approves the statements. Incoming funds are received by the Administrative Assistant – Corporate Services who records the amounts in a spreadsheet. These funds are then passed on to the Financial Analyst – Budget who records the receipts and makes the bank deposit. The spreadsheet is forwarded to the Finance Officer, who completes the bank reconciliation to ensure all funds received have been deposited. The Financial Services department uses electronic cheques, which are cleared daily.

The school board's cash management activities are consolidated with one financial institution. The school board has one operating account, one sinking fund account, five trust fund accounts, 12 deferred salary accounts and two bank accounts for the transportation consortium. Management encourages but does not require schools to use the school board's financial institution. Management recognizes that some schools may not have convenient access to this financial institution, due to their locations.

The school board has negotiated favourable interest rates on the current account, and is not currently undertaking short-term investments due to the favourable rates. The school board monitors the investment rates daily through online access to bank accounts. The school board has developed a long-standing relationship with the existing banker. The school board participates in a joint banking arrangement with its public

sector partners (municipalities, hospitals, colleges and other school boards) through the Chatham-Kent Lambton Administrators Group (CKLAG). The group has operated an offsetting banking plan that provides an opportunity to benefit through higher interest earned, lower borrowing costs and lower banking service fees. The current agreement is for a term of five years and expires on December 31, 2010. The agreement includes an option to renew for a further five years upon satisfactory performance. Management noted that the current banking arrangement is unique in the province and provides significant benefits to all members of CKLAG.

The school board has conducted comparisons of financial terms with other school boards through the OASBO Finance Committee, which conducts surveys to compare terms and conditions. Overall, the existing financial terms are consistent with banking arrangements of other school boards. Based on analysis and comparison of banking terms and conditions, management does not intend to tender its banking services. However, the school board is continually negotiating with its current financial institution to ensure that services are competitive.

The Financial Services department has not established an investment policy and intends to develop one. Management noted that the school board does not have significant investment activity. The school board's financial statements indicate results of investment activity.

The school board has established a sinking fund to ensure that debt can be met at maturity. The Coordinator - Capital Planning and Reporting has established a template for the forecasting of annual payments. These debt servicing amounts are included in the annual budget.

The Financial Services department has established authorization requirements for wire transfers. Wire transfers can be approved by the Manager – Financial Services, Associate Director or Director of Education.

To ensure business continuity over the past four to five years, the Financial Services department has been transferring all contracts to laser fiche and maintaining backups on an off-site server.

Recommendation:

- The school board should establish an investment policy. Management should periodically report to the Board on the performance of the investment activity in accordance with the investment policy.

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.

Non-grant revenue management is a smaller functional area for the school board. The school board receives Education Programs – Other (EPO) funding from the Ministry for specific initiatives, which requires it to focus on the non-grant revenue line.

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

Management of School-Based Funds

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

Management of Non-Grant Revenue

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

Management of School-Based Funds

The school board has established a policy and procedures on school managed funds. Management noted that the policy and procedures are under review. The policy and procedures document, which is available on the school board's website, provides definitions of school-based funds, key procedures for banking, receipts and expenditures, documentation procedures, and regular reporting requirements.

The school board has introduced software to manage cash in schools. The Financial Services department provided comprehensive training to school secretaries when the software program was first introduced several years ago. On-going training is provided during school visits. The Financial Services department recently provided one-day refresh training for school secretaries.

The policy and procedures require that each school maintains a minimum of one bank account for each of the following: program specific, general funds, and bingo accounts.

The policy and procedures establish reporting requirements for school-based funds. Bank reconciliations are prepared by school administrators each month, and are signed off by the school principal. The Finance Officer reviews reconciliations and works with the principals as appropriate to ensure that bank reconciliations are signed off correctly. The Finance Officer also provides support to principals in understanding bank reconciliations. The school cash accounting software allows school administrators and the Financial Services department to generate reports as required. The Financial Services department has central access to all information maintained in the school cash accounting software. The Financial Services department prepares a consolidated report for all schools at year end.

The Finance Officer reviews the general ledger of school accounts, and the Financial Services department undertakes a detailed review of each school's finance once every three years. These results are reviewed with the school principal and treasurer. The principal is required to provide a written follow-up letter.

Management of Non-Grant Revenue

The key sources of the school board's non-grant revenue include long-term leases (daycare), continuing education and tuition fees. However, the amount of these revenues is not significant for the school board.

The Financial Services department has established formal procedures for accounting for non-grant revenues. The procedures clearly identify the sources of non-grant revenue for the school board including EPO grants. The procedures outline the process for setting up accounts, monitoring spending and reporting on various sources of non-grant revenue.

The costs related to the community use of facilities are covered by the community use grant. The community use of facilities is managed jointly with the coterminous school board, and there is a shared role of the coordinator of community use. The school board has a consortium arrangement with the coterminous board, for both community use of schools and transportation. The school boards have implemented a software program to support the community use of facilities. The school board has implemented the online application module of the software. The system also provides an electronic payment option which is planned to be implemented in the near future. Subsequent to the establishment of a consortium agreement for the community use of facilities, the school board drafted a policy, administrative procedures and rules and regulations for the community use. The policy and procedures document clearly describes the rental process, indicates a fee schedule and activities eligible for subsidy application under the community use of schools grant. Management should finalize the policy and procedures for the community use of schools.

In line with the established Financial Services procedure for accounting of non-grant revenue, management closely monitors each project funded with EPO grants including reporting requirements. The Financial Analyst – Budget is responsible for tracking the EPO grants. There is a tracking template for each EPO grant, which indicates responsibilities and reporting requirements.

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/Procurement	Evidence of Adoption?
Approved supply chain/procurement policies and practices are clearly communicated to staff with purchasing authority and are periodically reviewed and updated.	Yes
Approved procurement policies clearly outline circumstances under which the board will use competitive versus noncompetitive procurement methods.	Yes
Contract award criteria include elements other than the lowest cost, such as total cost of ownership, value, quality, vendor performance, etc.	Yes
Purchasing managers monitor purchasing activities for compliance with the Board's procurement policies and procedures.	No

Participation in Group Purchasing Initiatives

Leading Practices – Supply Chain/Procurement	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/Procurement	Evidence of Adoption?
Purchasing authorization levels are commensurate to job roles and responsibilities, and are monitored for compliance by a supervisor or department head.	No

Policies and Procedures for PCard/Corporate Card Use

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

Use of Electronic Funds Transfer

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

Policies and Procedures

The school board has established a purchasing policy and procedures. Management noted that it intends to review and update the policy and procedures, to ensure consistency with key requirements of the Supply Chain Guideline. Management also noted that since there is no dedicated purchasing function at the school board, all managers/budget holders are responsible for purchasing.

The Financial Services department is responsible for the monitoring of compliance with some aspects of the purchasing policy and procedures. The finance staff assigned to the various departments of the school board assist in ensuring compliance with policies and procedures by reviewing procurement activities.

The school board has established policies and procedures for hospitality and travel and expense reimbursement. The procedures apply to all school board staff. There are also policy and procedures on conference and meeting expenses for trustees. All expense forms are reviewed and signed by the appropriate supervisor prior to their submission to the Financial Services department. Expense forms for the Director of Education are reviewed and signed by the Chair of the Board. All hospitality claims go to the Associate Director and Treasurer for approval.

The current purchasing policy and procedures, which are posted on the school board's website, clearly outline circumstances under which the school board may use non-competitive procurement. It is stated in the procedures that goods or services may be purchased in emergency situations without following the competitive process with the approval of the individual's immediate supervisor. It is required in such cases that

documentation is to be attached to the copy of the purchase order, forwarded to Accounts Payable outlining the reason for the emergency and signed by the immediate supervisor authorizing the emergency work. Emergency work in excess of \$10,000 requires the approval of the Director of Education or the Associate Director and Treasurer. It is also stated in the policy and procedures that noncompetitive purchases can be made when competitive pricing is not available, such as textbooks and library books.

The existing procedures clearly state the evaluation criteria for goods, services or vendors including:

- Quality, durability and specified requirements not just lowest price
- All related costs including acquisition, transportation, maintenance, operating, financing and disposal
- Ability and demonstrated record of the vendors to supply the goods and services as prescribed in a timely manner
- Demonstrated ability of the vendors to make long-term commitments to service and maintain the goods and services.

It is stated in the policy and procedures that the Director and the Associate Director may permit tenders or proposals for goods and services for two or three year periods where it is effective and efficient.

The policy requires a prequalification process for professional services at least once every five years by those acquiring the professional services.

It is clearly stated in the purchasing policy and procedures that school raised/managed funds are also subject to the purchasing policy and procedures where the individual with responsibility is an employee of the Board.

Currently, the school board does not use any electronic systems for advertising tenders.

Participation in Group Purchasing Initiatives

The purchasing procedures state that the Director of Education and the Associate Director and Treasurer are authorized to acquire goods and services through an approved joint venture with Chatham-Kent Lambton Administrators Group (CKLAG) and Chatham-Kent Lambton Administrative School Services (CLASS).

The policy requires that procedures followed by CKLAG and CLASS are fair and open to all Ontario vendors, and are in keeping with the Board's policy and procedures on purchasing.

The policy also states that the school board may purchase goods and services through a Provincial Standing Agreement.

The school board is continually looking for opportunities to increase purchasing power and minimize the cost of goods and services. The school board is also closely monitoring OEMC activities and is taking advantage of the contracts already available. The school board has recently signed an OEMC agreement for office supplies.

Purchasing Levels of Authority

The purchasing policy and procedures refer to the Budgetary Authority policy and procedures and states that budgetary responsibility will be assigned to the Director, Associate Director, superintendents, managers and principals. The Director, Associate Director, superintendent, manager or principal may delegate authority for purchasing. The Director, Associate Director, superintendent, manager or principal with budgetary responsibility remains accountable for delegated authority. However, purchasing procedures do not establish dollar threshold of approvals for each level of the organization as indicated in the Supply Chain Guidelines.

The purchasing procedures set out the Price Quote Requirement Matrix for purchases as follows:

- An expenditure(s) with an individual value of less than \$2,500 or a collection of similar expenditures with a combined value of less than \$5,000 may be purchased without quotations at the discretion of the individual with budgetary authority;
- An expenditure(s) with an individual value greater than \$2,500 but less than or equal to \$15,000 or a collection of similar expenditures with a combined value of greater than \$5,000 but less than or equal to \$15,000 may be purchased by the individual with budgetary authority after receiving three fax or written quotes.
- Formal tenders or proposals are obtained for individual or combined items with an estimated value in excess of \$15,000.

Management noted that purchase orders (POs) created in the school board's financial system for purchases over \$2,500 are reviewed by finance staff. Any unusual POs are discussed with the Associate Director. All purchases over \$250,000 require Board approval.

Policies and Procedures for PCard/Corporate Card Use

The Financial Services department has established procedures for PCard statement authorization and review. The procedure outlines process and review responsibilities within the Financial Services department.

There are 140 cardholders at the school board, including senior management, administrative assistants, principals, school secretaries, managers, department administrative staff, information services staff, and maintenance staff. Every month, each cardholder must submit the PCard expense report and receipts to the financial services department. Finance staff monitors the appropriate use of card.

There are some restrictions on the use of the PCards, including transaction limits. There is a limit of \$1,000 per transaction and a \$3,000 monthly limit on most cards.

Management noted that the use of PCards has reduced the workload of accounts payable by reducing the number of low dollar value POs being managed by accounts payable.

The Financial Services department provides updates on purchasing and PCards policies and procedures during the four annual administrators' meetings.

School board staff are required to use system contracts whenever possible. However, management noted that school board employees can make purchases of goods using PCards even when such goods are included in the system contracts. Finance staff make every effort to follow up with cardholders who make such purchases. However, there are no controls in place to ensure that system contracts are consistently used.

Accounting for Completeness of Purchase/Payment Cycle

The school board's financial system has a purchasing module. The commodity catalogues that provide information on goods included in system contracts, such as office supplies and paper, are uploaded in the purchasing system.

POs are created in the system and authorized by budget holders. Accounts Payable staff review if the PO is generally within the established budget, and send a copy of the PO to the issuing budget holder when it is processed. All goods are delivered directly to schools, and school office staff enter the receipt information into the purchasing system. Accounts Payable matches the receipt information with the invoice and PO. Since the purchasing policies and procedures do not establish a threshold for the use of POs and do not clearly require the use of system contracts, staff often use PCards for purchases.

It is recognized that without a dedicated purchasing function, it is difficult to monitor compliance with policies and procedures and ensure that system contracts are consistently used. In general, if a purchase is made within the budget, it is usually

processed. Budget holders are responsible for monitoring the expenditure of their budgets.

The school board has commitment accounting. Expenditures are encumbered when a PO is processed. The system has the capacity to provide a warning to the individual submitting the PO that the purchase will create an over budget situation. However, it does not prevent the creation of a PO.

The school board has not implemented electronic supplier interface for ordering, processing and payment.

Use of Electronic Funds Transfer for Greater Efficiency

The school board uses EFTs for the majority of its vendors, and ensures that all new vendors establish an EFT arrangement with the school board. All large vendors are paid through EFT. The school board continues to expand the use of EFTs for payments.

Recommendations:

- The school board should continue to improve its monitoring of purchasing activities to ensure compliance with the Board's procurement policies and procedures. Management could consider exploring opportunities with its partners, such as the coterminous school board, municipalities or colleges, to establish a shared purchasing function as part of a cooperative arrangement.
- As part of the revision of the school board's purchasing policy and procedures to align with the Supply Chain Guideline, management should clearly indicate the purchasing levels of authority. These levels of authority should be commensurate to job roles and responsibilities and purchases should be monitored for compliance with the established authorization levels.
- Management should continue identifying opportunities for implementation of the electronic supplier interface for ordering, processing, and payment.

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 use cost efficient and effective processes in the design and construction of new facilities.

The following is a summary of the assessment of the school board's adoption of 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 departmental operating plan. They are aligned to the annual board operating plan, accessible by key stakeholders. The plan incorporates measurable targets, specific timelines and identified responsibility.	No

Organizational Structure and Accountability

Leading Practices – Operations and Facilities Organization	Evidence of Adoption?
The School Operations and Facilities department has clearly defined organizational units and delineates 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 Facility Services department is responsible for maintenance, custodial services, school operations, school and building grounds, and construction projects within the school board.

The department mission statement is:

“To provide quality service to our Catholic school community that will enhance the learning environment by maintaining the cleanliness, integrity and safety of our facilities.”

The Manager - Facility Services identifies annual priorities for the Facility Services department and provides these priorities to the Associate Director. The Associate Director's annual June report to the Director's Advisory Committee indicates the accomplishments of all corporate departments in the previous year and priorities for the upcoming year. The 2009-10 priorities of the Facility Services department include:

- Supervise construction of two new elementary schools in South Sarnia
- Conduct energy audits of all school board facilities
- Planning for 2010 school renewal, energy management program and GPL projects
- Planning for design of secondary school addition at St. Christopher site;
- Development of multi-year plan for capital and school renewal projects.

The annual goals of the department are reviewed each year to identify achievements against the previous year's goals. The annual priorities of the Facility Services department are not documented in an annual department operating plan.

There are meetings of the facility staff every two weeks to discuss departmental activities, discuss progress on initiatives, and review policies and procedures.

Facilities department staff attend the administrators meetings held four times per year to collect input on the quality of services provided by the department.

The Facility Services department maintains open communication with principals. Supervisors receive direct feedback from school principals on various issues.

Each year, the Facility Services department is allocated time in the Board's meeting schedule to provide a presentation on the activities and initiatives of the Facility Services department.

Organizational Structure and Accountability

The Facility Services department is part of Corporate Services of the school board. The Manager - Facility Services reports directly to the Associate Director – Corporate Services. The Manager - Facility Services oversees the Supervisor - Maintenance,

Supervisor – Facility Operations, Coordinator - Capital Planning and Reporting and two coordinators – facility services. The Supervisor – Facility Operations supervises two custodial supervisors who oversee over 70 custodial staff. The Supervisor - Maintenance supervises 13 maintenance staff.

The Facility Services organizational chart indicates the structure of the department and lines of reporting. The HR department is currently working to standardize job descriptions across all corporate functions of the school board. There are job descriptions for all administrative positions in the Facility Services department.

The management staff of the Facility Services department are qualified as per job specifications, and have relevant professional experience.

Monitoring and Communication of Policies

The Facility Services department is responsible for implementation of two Board policies: disposal of assets and playground equipment. The Facility Services department has established a number of procedural guidelines related to general administration, construction and renovation, custodial services, health and safety and maintenance.

The Manager - Facility Services is responsible for monitoring changes in policy and regulations. This information is generally communicated through various professional and industry associations that the school board takes part in and the Operations, Maintenance and Construction Committee of OASBO.

The Facility Service department maintains a shared network directory that contains up-to-date information including procedural guidelines, regulations, and legislative requirements. The school administrators have secured website access to relevant procedural guidelines. The Facility Services department monitors compliance with policies and regulations by conducting various inspections, establishing routine procedures, and maintaining log books.

Recommendation:

- The Facility Services department should establish an annual operating plan that would contain specific and measurable targets and indicators and assign responsibilities and timelines for key tasks. This would enable management to track and report on the progress of its defined priorities and goals throughout the year.

5.2 Custodial and Maintenance Operations

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

- Whether custodial and maintenance services are responding effectively and efficiently to maintaining an optimized learning environment;
- Whether the department has the appropriate organizational structure to effectively manage service delivery;
- Whether internal controls effectively manage custodial and maintenance operations and expenditures;
- Opportunities to support continual improvement in the effectiveness and efficiency of all processes.

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

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

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

Development of Annual/Multi-Year Maintenance Plan

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

Leading Practices – Custodial and Maintenance Operations	Evidence of Adoption?
Places to Learn funding). The plan is approved by the Board and accessible by the public.	

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 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 Supports the Board's Cleaning Standards and Maintenance Requirements

The Facility Services department has established formal cleaning standards. There are also formal guidelines for conducting inspections to monitor compliance with the cleaning standards. Management recognizes that the cleaning program does not always meet the established standards, and continues to improve the monitoring process.

Custodial supervisors conduct a bi-annual review of cleanliness conditions across schools. The high-level procedural guideline for facility cleaning inspections specifies that in February-March each year, a building inspection is conducted to assess the current condition of schools against the established cleaning standards and to plan for

summer work projects required to maintain the standard. In September, a visual review is conducted to determine if summer projects were completed, and ensure that all facilities are in the best condition possible for the start of the new school year. Any issues noted during the reviews are addressed with custodial staff. The department has recently established a standard inspection template to support monitoring of cleanliness standards and subsequent analysis and reporting. It is anticipated that the form will be used starting in spring 2010.

Any concerns that are raised by principals between scheduled inspections are directed to the Supervisor – Facility Operations. The Manager - Facility Services is also notified of any complaints or concerns. Supervisory staff follow up with custodians on steps taken to address the issues.

The school board has implemented green-certified cleaning products across 70 to 80 per cent of products. Management noted that the school board is not currently using green-certified stripping products and waxes. The Facility Services department has provided presentations to the Occupational Health and Safety Committee on the implementation of green-certified products.

The custodial allocation model is based on the area of the facility, and takes into account stairs, additional cleaning requirements due to the presence of allergies, type of classrooms, and gyms. Management noted the collective agreement does not contain rigid parameters for the staff allocation model. This provides the school board with more flexibility in meeting the specific cleaning needs of individual schools.

The school board's maintenance services are provided by its own maintenance staff and contract maintenance services in specialized areas. The school board has two electricians, one plumber and other generalized trades. The school board has contracted out some outdoor services, such as snow removal and grass cutting. Management noted that it is continually re-evaluating the maintenance services delivery model to ensure the efficient use of resources.

Development of Annual and Multi-Year Maintenance Plan

The Facility Services department establishes an annual and multi-year renewal plan for the school board. The multi-year plan is a rolling plan and spans over five years. Each year, the facility services management team undertakes consultation with the senior administration team to identify maintenance priorities. The school board's custodial and maintenance staff and school principals also have an opportunity to provide input in the development of the maintenance plan, by identifying critical maintenance needs. Management uses ReCAPP data to identify Good Places to Learn (GPL) funded projects. The school board's work order system provides information for planning of some preventative maintenance projects. Each year, the Facility Services department earmarks a part of the maintenance budget for cosmetic and minor school improvement

projects. Each year, management informs school administrators on projects planned for schools.

The Coordinator - Capital Planning is responsible for identifying and tracking the available funding for capital and renewal projects.

Management provides regular reports to the Board on implementation of renewal plans. Projects over \$250K require Board approval.

Training to Support Skills Development and Safety

The Facility Services department facilitates training for custodial and maintenance staff to support ongoing skills development, build awareness of regulatory changes, and ensure work safety. The department has established the Custodial Training Manual, which is used to provide formal orientation training to new employees. However, management noted that the turnaround of custodial staff is low. There are standard log books and a copy of the manual at each school, which are used by custodians as a reference when needed. New employees receive informal training through mentoring by experienced staff.

The Facility Services department identifies the training needs of custodial and maintenance staff using information on changes in legislation, mandatory training requirements, including health and safety issues. The HR department of the school board obtains input from the labour unions with regards to training. The Health and Safety department of the school board is responsible for board-wide training on health and safety issues, including WHMIS, WSIB, workplace inspection, and first aid. The Facility Services department is responsible for job-specific health and safety training for custodial and maintenance staff. The Facility Services department works closely with the Health and Safety department in planning and delivering training pertaining to health and safety.

The Facility Services department often requires vendors to provide training on the use of new equipment to custodial and maintenance staff. The Manager - Facility Services also provides one-on-one training on the use of specific pieces of equipment as required.

Standardization of Cleaning and Maintenance Supplies

The Facility Services department maintains an up-to-date inventory of major custodial and maintenance equipment. The inventory list specifies for each school an inventory by type of cleaning equipment and tools and the date of purchase, vendor, and warranty period. The list was created as part of the preparation for the Tangible Capital Assets opening balances and is regularly updated. The school board is currently working to implement a fixed asset software program to track and report on capital assets.

Each day custodian is allocated with a small budget for the year to purchase supplies as needed. Management noted that this approach has helped to improve the accountability of custodial operations at the school level. Generally, the Facility Services department makes four bulk orders of custodial supplies each year. Custodians submit their orders to the Supervisor - Facility Operations using a catalogue of supplies. The supplies are delivered directly to schools. Upon receipt of orders, custodians itemize goods received and forward approved packing slips to the Supervisor – Facility Operations, who matches the packing slips to the appropriate invoices prior to approval of payment. There are also storage closets at two locations, with small inventories of essential supplies.

Day custodians track their allocated budgets using the information from the packing slips for supplies ordered and delivered to schools. The Supervisor – Facility Operations prepares periodic reports on the status of custodial budgets.

Project Management, Monitoring and Supporting Systems

The school board has implemented an electronic work order system. Management noted that the analysis and reporting functionality of the system is not currently used. One member of facility services staff is currently receiving training on the use of reporting features of the system.

Work orders are submitted to supervisors, who assign them to appropriate maintenance staff to complete. Management noted that it intends to enhance the use of the work order system to include preventative maintenance planning and tracking of the amount of labour for each work order. Currently, maintenance staff manually complete timesheets for work orders.

Recommendation:

- The school board should review the Ministry's Green Clean Program Resource Guide and use the guide to develop a formal green clean program as part of its overarching environmental stewardship policy.

5.3 Energy Management

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

- Whether adequate planning and communication exist to support the reduction of energy consumption;
- Whether school board structure and processes are in place to ensure that energy is procured for the lowest cost;

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

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

Energy Management Plan

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

Tracking and Reporting Energy Conservation

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

Energy Management Plan

The school board has implemented a number of energy management initiatives, and recently hired an external consultant to conduct energy audits of all facilities. Overall, the consultants reported that the majority of schools are performing better than the 2001 average for schools in Ontario.¹ Management intends to assess the findings from the

¹ Chorley & Bisset Ltd indicated the 2001 average was 258 ekWh / m2

audit report and identify priority energy efficiency projects. As part of this prioritization, management will consider energy efficiency projects that can be implemented along with major renewal projects. The school board has also implemented shut-down/reduction of heating and ventilation systems during breaks.

Tracking and Reporting Energy Conservation

The school board has fully implemented building management systems (BMS) in 10 schools, and partially implemented in several other schools. Management continues to implement building management systems with centralized controls across schools.

Management noted that the school board does not currently track the utility consumption data, due to the lack of dedicated resources within the Facility Services department. Custodians read meters regularly and send the information to the school board office. Management reviews information in the general ledger quarterly to identify any significant discrepancies in utility costs. Management noted that when the next vacancy occurs through attrition, it will hire a facility services staff member who will also be responsible for various aspects of energy management, including data tracking. The school board has provided the requested data for the Utilities Consumption Database, and awaits its implementation to further improve monitoring and analysis of consumption data.

The school board's utility providers do not provide consolidated bills.

The Board has established a policy statement on environmental stewardship, which states that the school board in all of its operations and programs will give assiduous attention to the care of the environment. The school board should consider enhancing its environmental policy to provide a framework for the school board's activities in the area of environmental management and education, and increase the communication opportunities.

Recommendations:

- Using the results of the energy audits, the school board should establish a multi-year energy management plan that incorporates quantifiable measures and the tools to monitor and manage the plan. In line with the *Green Energy Act, 2009*, energy management planning should include the development of policies, guidelines, goals (conservation targets), and priorities for energy management and resource conservation. The plan should include short-term and long-term opportunities with milestones, roles, responsibilities and budgets with a process for ensuring community support.
- Once the formal energy management plan is established, the school board should ensure that its procurement policies and practices support the objectives

and targets of the plan. Management should also consider documenting the energy efficiency requirements in procurement policies and procedures and/or the environmental policy.

- Successful energy conservation initiatives currently implemented by the school board should be communicated across all schools and with other school boards, to enhance recognition of energy management across the system.
- Management should provide formal annual reporting on the conservation savings achieved against the plan.
- As part of the energy management planning, the school board should establish a comprehensive system to budget expenditures, track and regulate consumption, and identify opportunities for further savings.
- The school board should continue identifying opportunities for consolidated billing from utilities.

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	Yes

Leading Practices – Health, Safety and Security	Evidence of Adoption?
procedures and ensures that the school board is in compliance with associated occupational health and safety statutory requirements.	
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
Develop, implement and monitor of a health strategy/plan that reflects the board's health policies and procedures and ensures the board is in compliance with statutory health requirements.	No

Health, Safety and Security Management

The Safety and Disability Administrator, who is part of the Human Resource Services department, is responsible for obtaining, coordinating and tracking all the health and safety needs of the school board employees. The Safety and Disability Administrator is also responsible for board-wide health and safety training, the emergency response program, fire and emergency response compliance, attendance support programs, and LTD and WSIB case management.

The Facility Services department is responsible for some aspects of occupational health and safety pertaining to facility services employees, such as job-specific health and safety training. The department is also responsible for system level health and safety matters related to the school board's facilities including environmental and air quality policy and asbestos management.

There is an Occupational Health and Safety Committee which comprises 11 management staff, one trustee and 11 union staff. The Safety and Disability Administrator supports the work of the committee by providing periodic reports on incidents, site inspections, and other initiatives, such as violence in the workplace.

The school board has established an emergency response program. There is an emergency procedures manual, which includes general guidelines, guidelines for the development of a school plan, procedures to be followed by principals, support staff, and teachers. The school board has contracted call centre services to respond to after hour issues and notify relevant facility services staff.

Recommendation:

- The school board should consider establishing an integrated health plan/strategy that would reflect the existing policies and procedures regarding health and safety of school board employees and students. Management should also consider establishing a central coordinating role for the development, implementation and monitoring of the plan.

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 multiyear 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

Leading Practices – Capital Plans, Policies and Procedures	Evidence of Adoption?
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

The multi-year renewal plan described in Section 5.2 of the report is the current capital plan of the school board. The capital plan spans 10 years, and identifies for various projects, including major and minor renovations, roofing, HVAC replacements, and other renewal projects, for each school. The 10-year plan also contains high-level comments regarding future considerations which may impact the capital planning of the school board, including an indication of schools where there may be program and enrolment implications, and potential accommodation reviews.

Management also prepares a five-year capital/renewal plan, which clearly identifies projects at each school and sources of funding. The Associate Director – Corporate Services provides an annual report to the Board on completed capital/renewal projects.

The Associate Director – Corporate Services provides an overview of the multi-year capital plan to the trustees as part of the annual budget development process. Management provides periodic reports to the Board on enrolment and capacity at each school, to build awareness of utilization pressures at specific schools.

The Associate Director – Corporate Services and the Coordinator - Capital Planning and Reporting are responsible for the development, monitoring and updates of the capital plan. The Associate Director has overall responsibility for the capital plan. The school board has completed the capital liquidity template, and management is tracking the school board's debt service payments.

The Board has established an accommodation review policy. The school board conducted several accommodation reviews led by the Director of Education. Management noted that in the past, the accommodation review process has been effective. The Board has recently approved an updated accommodation review policy.

Ongoing Monitoring and Maintenance of Data to Support Capital Planning

The SFIS database is updated at least once a year, usually in September. The ReCAPP database is updated as projects are completed, or at least annually. ReCAPP data is used for the development of the school board's renewal plan.

The Coordinator – Capital Planning and Reporting within the Facility Services department is responsible for ReCAPP and SFIS updates. The school board has

contracted external consultants to conduct facility reviews and provide information for ReCAPP updates.

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 also 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

The school board is currently undertaking two construction projects, following accommodation reviews which resulted in school consolidations. During the accommodation review process, the Facility Services department organized visits of the ARC committee members to several schools of a large school board, to identify desirable features for new school buildings. Using input from the ARC committees and senior administration, the architect developed a preliminary design, which was used for the pre-qualification process and the tender of contractor services. The final design was presented to the senior administration and the trustees for input and approval. The school board used the same design for both construction projects.

In developing the design for the two new school construction projects, management requested the architects to take into account environmental sustainability, including energy efficiency features. The Manager - Facility Services has conducted informal comparisons of costs per square foot with other school boards. Management noted that the school board's costs were comparable to the construction costs of other school boards.

Monitoring and Reporting of Progress on Construction Projects

Management has established a standard process for monitoring and reporting on the progress of construction projects. A documentation file is created for each project, and a separate code is set up in the general ledger. The Coordinator – Capital Planning and Reporting is responsible for budget tracking of construction projects.

Progress reports are first reviewed by architects and then submitted to the Facility Services department. Project coordinators, who are responsible for day-to-day oversight of construction projects, are responsible for approving progress payments before

submitting them to the Coordinator – Capital Planning and Reporting for financial review. The Manager – Facility Services is responsible for the final approval of the progress payments, prior to submission to accounts payable for processing.

The Manager - Facility Services is responsible for approving change orders. For large projects, the Manager - Facility Services works with architects to obtain additional quotes to ensure that the change order request is appropriate. The Associate Director reviews significant change orders. If a change order affects the overall project budget, it is reported to the Board.

During the initial stages of the current construction projects, the Manager - Facility Services attended site meetings two times a month. As the construction projects progress, the Manager - Facility Services will attend site meetings weekly. The Director attends site visits periodically, and provides updates to the Board.

Maintaining Current Approved Professional Service Providers

The school board issues a request for proposal for architectural services every five years. The architects manage the school board's construction projects. The facility services staff, project coordinators, and the Manager - Facility Services closely oversee construction projects.

The Facility Services department works with the architects to conduct a prequalification process for general contractors for major construction projects.

For smaller projects, the school board tenders projects directly to specialist contractors. The Facility Services department maintains a list of prequalified contractors for all trades, which was established jointly with the coterminous school board.

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.

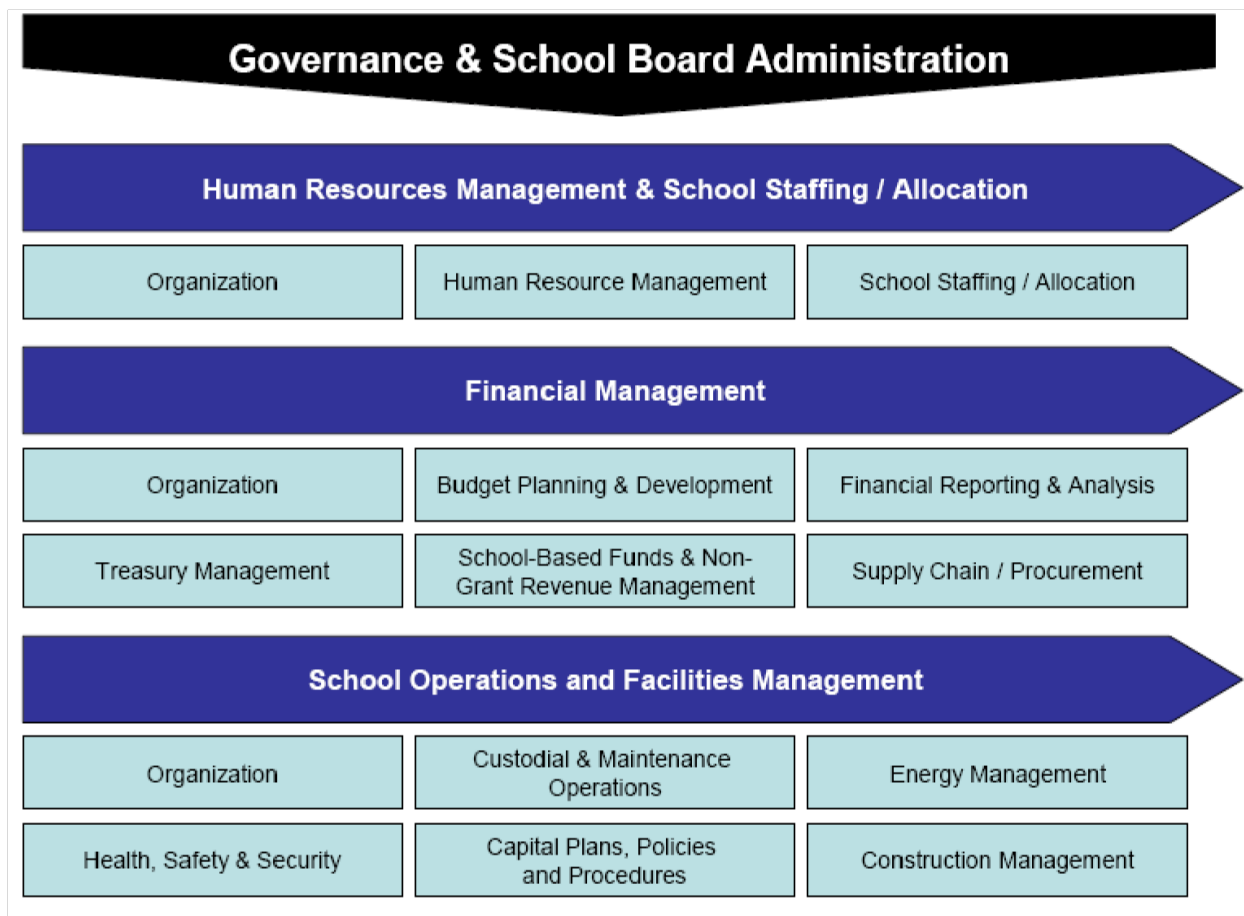
Recognizing the unique characteristics of each DSB, the specific purpose of the Operational Reviews is to:

- Strengthen management capacity in boards, with recommendations that support improvement in non-academic operations;
- Highlight existing successful business practices used by boards, to the sector and to school board communities;
- Leverage “best practices” across the education sector;
- Provide support and assistance to ensure that boards are financially healthy, well managed, and positioned to direct optimum levels of resources to support student success;
- Provide the Ministry with important input on board capacity and capabilities for 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 boards under each functional area.

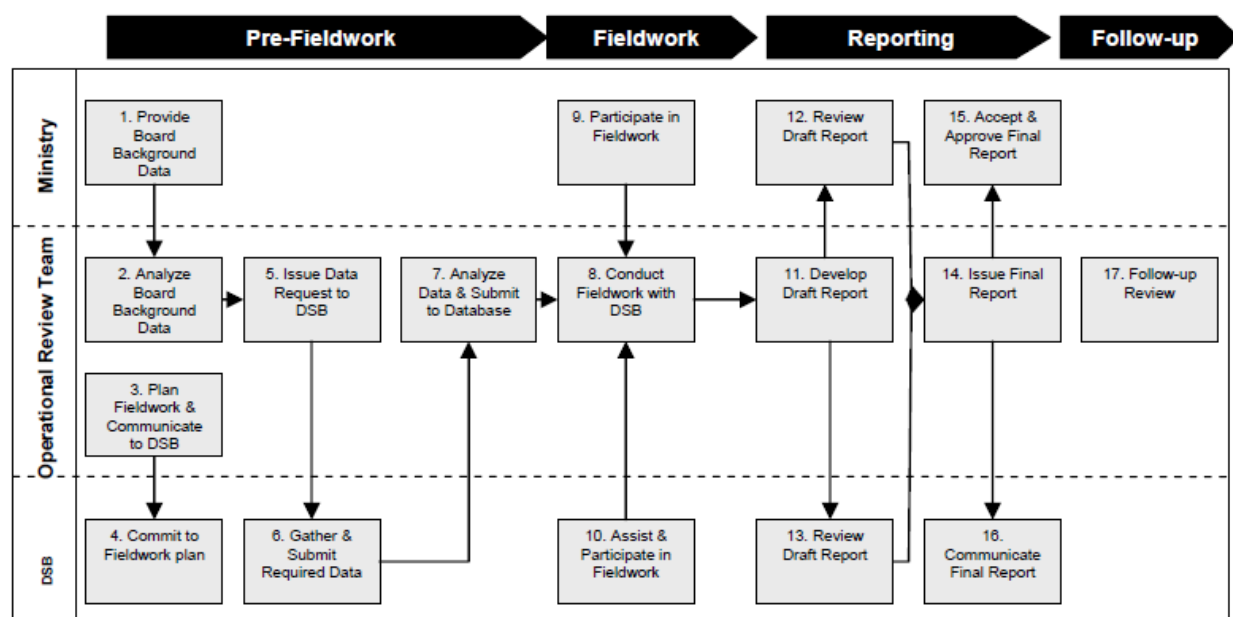
Each of the processes was examined based on its activities and its adoption of sector agreed leading practices, including alignment and support of student achievement strategies.



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 of 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 School 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 school 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. 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 school 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	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 (school 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.

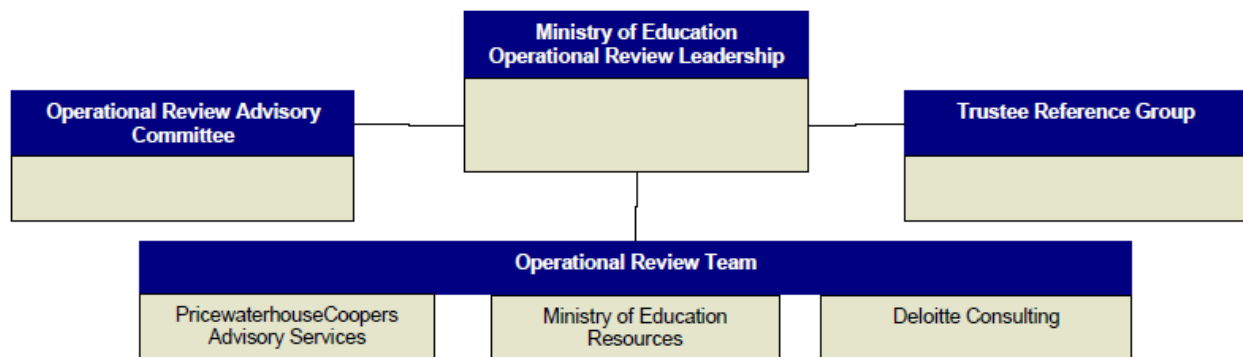
Phase: Follow-up

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 the board's adoption and implementation of the recommendations.

The Operational Review Team

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

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



Limitations of this Review

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

Appendix B: Summary of Recommendations

Governance and School Board Administration

No.	Recommendation
1.	Using its multi-year Implementation Program as a framework, the school board should develop an annual board-wide operating plan. The annual operating plan should be aligned with the school board's strategic plan, incorporate both academic and non-academic departments, and contain goals that are specific, measurable, achievable, relevant and timely.
2.	The school board should continue to align its leadership development programs and activities with the Ministry leadership initiatives. It should develop a formal Succession and Talent Development Plan in line with the Leadership Succession Planning and Talent Development Ministry Expectations and Implementation Continuum.

Human Resources Management and School Staffing/Allocation

No.	Recommendation
3.	Management should continue establishing a comprehensive attendance support program.
4.	Management should develop a way to assess and report on the effectiveness of the attendance support process/programs to senior administration and the Board.
5.	Management should conduct independent compliance audits of the school board's insurance carrier to ensure adherence to the benefit plan's terms and conditions.
6.	Management should conduct periodic and confidential staff surveys, to improve communication with staff and provide input for professional development plans and HR policy.
7.	Management should also continue conducting exit interviews with all staff leaving the school board to obtain input for HR policy, as well as process and program improvement. Management should consider developing formal policies and/or procedures for conducting exit interviews.
8.	Management should document policies and procedures which govern the development of an annual staffing plan and allocation process.

Financial Management

No.	Recommendation
9.	Management should consider enhancing the process of reporting on the school board's budget risks using the format suggested in section 4.2 of this report. A formal risk management plan/report, which is reviewed and updated periodically, would give reviewers a better understanding of the school board's budget risks.
10.	The school board should establish approval procedures for interim financial statements, and implement a formal sign-off process of these statements by senior management.
11.	Management should proceed with its intention to establish an independent internal audit function as part of the Ministry's regional shared service model.

No.	Recommendation
12.	Once the independent internal audit function is established, the internal auditor should document internal audit plans and prepare audit reports for presentation to the Audit Committee and management.
13.	In accordance with the Ministry's internal audit and audit committee strategy, the Board should consider establishing an audit committee that includes external advisors.
14.	The school board should establish an investment policy. Management should periodically report to the Board on the performance of the investment activity in accordance with the investment policy.
15.	The school board should continue to improve its monitoring of purchasing activities to ensure compliance with the Board's procurement policies and procedures. Management could consider exploring opportunities with its partners, such as the coterminous school board, municipalities or colleges, to establish a shared purchasing function as part of a cooperative arrangement.
16.	As part of the revision of the school board's purchasing policy and procedures to align with the Supply Chain Guideline, management should clearly indicate the purchasing levels of authority. These levels of authority should be commensurate to job roles and responsibilities and purchases should be monitored for compliance with the established authorization levels.
17.	Management should continue identifying opportunities for implementation of the electronic supplier interface for ordering, processing, and payment.

School Operations and Facilities Management

No.	Recommendation
18.	The Facility Services department should establish an annual operating plan that would contain specific and measurable targets and indicators and assign responsibilities and timelines for key tasks. This would enable management to track and report on the progress of its defined priorities and goals throughout the year.
19.	The school board should review the Ministry's Green Clean Program Resource Guide and use the guide to develop a formal green clean program as part of its overarching environmental stewardship policy.
20.	Using the results of the energy audits, the school board should establish a multi-year energy management plan that incorporates quantifiable measures and the tools to monitor and manage the plan. In line with the Green Energy Act, 2009, energy management planning should include the development of policies, guidelines, goals (conservation targets), and priorities for energy management and resource conservation. The plan should include short-term and long-term opportunities with milestones, roles, responsibilities and budgets with a process for ensuring community support.
21.	Once the formal energy management plan is established, the school board should ensure that its procurement policies and practices support the objectives and targets of the plan. Management should also consider documenting the energy efficiency requirements in procurement policies and procedures and/or the environmental policy.
22.	Successful energy conservation initiatives currently implemented by the school board should be communicated across all schools and with other school boards, to enhance recognition of energy management across the system.

No.	Recommendation
23.	Management should provide formal annual reporting on the conservation savings achieved against the plan.
24.	As part of the energy management planning the school board should establish a comprehensive system to budget expenditures, track and regulate consumption, and identify opportunities for further savings.
25.	The school board should continue identifying opportunities for consolidated billing from utilities.
26.	The school board should consider establishing an integrated health plan/strategy that would reflect the existing policies and procedures regarding health and safety of school board employees and students. Management should also consider establishing a central coordinating role for the development, implementation and monitoring of the plan.