

**Ministry of Education**

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

**July 2011**

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## **Executive Summary**

This report details the findings and recommendations of the Operational Review of Toronto Catholic District School Board (the school board) conducted by the Operational Review Team composed of external consultants from Deloitte Inc. and Ministry of Education staff. The Operational Review was conducted over five days beginning March 21, 2011.

## **Introduction**

The Ministry is in the final stages of performing 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 Board's highest priorities: promote student achievement and well-being; ensure effective stewardship of the school board's resources; and deliver effective and appropriate education programs to its pupils.

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.

In June 2008, the Ontario government appointed supervisors to oversee the financial management and administration of the TCDSB. The mandate of the supervisory team was to:

- Implement the recommendations of the report entitled "Enhancing Public Trust and Confidence" as it applied to the school board
- Develop and responsibly implement a balanced budget plan to return the school board to a balanced financial position, while protecting the best interests of students
- Develop communication measures to inform parents, board trustees, student trustees, and the public of actions taken by the supervisory team

A detailed review of school board operations was subsequently conducted by Deloitte Inc., identifying areas of improvement and opportunities for efficiencies. The report, delivered to the Ministry of Education in February 2009, included observations and recommendations in addressing four main areas of concern:

- Inefficient and/or ineffective processes
- A fragmented organizational structure
- Lack of focus on strategic activities
- Sub-optimal use of supporting IT systems

In January 2011, the Ontario government announced the end of provincial supervision of the TCDSB, returning full Board authority to the trustees elected in October 2010.

During this Operational Review conducted in March 2011, it was noted the school board and Board have made significant progress on a number of recommendations from the 2009 detailed review report. These include:

- A revised collaborative budget process that includes a public engagement strategy
- Procurement procedures in line with the Supply Chain Secretariat's Supply Chain Guideline (SCG) 1.0
- A strengthened and more consistent recruitment process
- Clear and transparent staffing allocation procedures
- An efficient restructuring of the HR department, permitting more efficient use of resources.

The scope of this report will follow the standard Operational Review approach. It was not conducted as a follow-up to the detailed review.

## **Governance and School Board Administration**

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

- The organizational structure has clearly defined organizational units that delineate roles and responsibilities, and support effective and efficient operation.

- Key senior staff are members and participants in sector committees of provincial associations and Ministry workgroups.

During supervision, the TCDSB embarked on a strategic renewal process to review its academic programs, management, and system procedures. The July 2010 report on this process: *The Road Ahead, Strategic Renewal 2009-2010*, detailed the progress during the first two years of supervision, and detailed an implementation plan for other initiatives. Presently, the school board does not have a formal multiyear strategic plan. On the recommendation of the supervisor's report, management has issued an RFP for an external resource to facilitate and support trustees and senior staff in a multi-year strategic planning exercise.

Once the multi-year strategic plan is developed, the school board is encouraged to develop a formal annual operating plan to cover all operations, including human resources, financial management, and facilities management. The school board's Board Improvement Plan (BIP), individual plans for student achievement, as well as planning documents for different families of schools, will provide a foundation for a school board wide operating plan. Once these plans have been developed, senior administration should report annually to the board of trustees on their status and outcomes.

Since the recent formation of the Board, there have been only a small number of Board meetings, and a standard process for agenda setting has not been established yet. There is, however, language in the Board by-laws that indicates agendas should be established by the Chair in consultation with the Director. The Director and the Chair should reference these guidelines to support decision-making at the Board level. The Board's Policy and Governance Standing Committee is in the final stages of approval and creation. This committee will help set processes and guidelines regarding policy development and maintenance.

The school board has adopted components of a succession and talent development plan, to build and sustain leadership capacity across multiple staff functions. Senior administration actively builds leadership capacity of junior staff. The school board should continue its succession and talent development activities, with the aim to build a formal plan for all academic and non-academic employee groups.

### **Recommendations:**

- The school board, using a consultative process, should develop and communicate a multi-year strategic plan that provides a framework for annual planning.
- Once this overarching strategic plan is developed, the school board should develop a formal annual operational plan aligned with the Board's multi-year strategic goals. This annual operating plan should cover all aspects of its non-



academic operations, including human resources, financial management, and facilities management. This will also enable all departments to track and report progress on their defined priorities and goals throughout the year.

- The Director of Education should report to the Board of Trustees annually on the status and outcomes of the school board's strategic plan and annual operating plan, once they are developed.
- The Board of Trustees and the Director of Education should establish and put in place appropriate processes for decision making.
- The school board should consider establishing a formal refresh cycle for its policies, to ensure periodic review of all policies across functional areas. This could include forming a policy committee to consider policies for review or development.
- The Director of Education should establish a formal succession plan to manage retirements and resignations of key managers and administrators. This should include senior staff in both academic and non-academic functions and would help build and sustain leadership capacity. The Board of Trustees should develop a succession plan to manage the retirement or replacement of the Director of Education.

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

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

- The HR department has recently redesigned its organizational structure as clearly-defined organizational units that delineate respective roles and responsibilities.
- Strong recruitment policies and administrative procedures are reviewed regularly, and are aligned with staff planning to support student achievement. As well, trustees do not sit on hiring panels, with the exception of hiring the Director. They do provide policies to govern staffing and recruitment.
- HR management has established policies and procedures to minimize grievances, and works to ensure strong labour relations.
- HR management has policies and electronic procedures/systems for employee performance evaluations.

- HR management has implemented an updated, approved pay equity plan.

The development of the overarching school board strategic plan is an ongoing process at the school board. As such, the HR department has worked in recent years to develop internal, mission, vision and annual plans. Once the strategic plan is developed, the department should expand on the departmental goals document, and consider developing an annual department plan, complete with measurable targets, designated accountabilities, and target timelines. A departmental plan would link department priorities with unit and individual performance measures and accountabilities, facilitate clear definition of roles, enable collaboration among team members, and provide a roadmap for the department.

An effective attendance management system combines policies/procedures, information systems to record and analyze trends in absenteeism, and dedicated resources to develop a cohesive and consistent strategy. These elements, combined with employee wellness programs and return-to-work initiatives, form the basis of a comprehensive attendance management program. Currently, elements of such a program are not succinctly summarized in a school board procedural document or program. The school board is encouraged to continue working with a third party to rectify inconsistencies in attendance support across and within departments.

Management should continue to expand its attendance management program plans, to include the formal documentation of processes and procedures. This will provide management and employee groups with a consistent and structured approach to improve attendance. A more formalized attendance management program will also ensure that HR can periodically report on the effectiveness of the attendance management process to senior management and the Board.

The school board ensures benefit plans are managed appropriately, completing third party annual insurer expenses reviews. All changes to benefits policies are also verified by the third party. Management has not yet conducted a full benefits audit of the third party. A full audit will ensure accuracy and validity of claims paid, and likely identify savings.

HR does not formally survey staff for feedback regarding the level of satisfaction with its services. The department has conducted a number of interviews to check on satisfaction of department service delivery, although this polling was not a formal process. The department should consider expanding exit interviews for all staff groups.

### **Recommendations:**

- The HR department should update their departmental plan annually and expand the plan to include measurable targets, designated accountabilities, and target timelines. The annual department plan should also be aligned with the school

board's operating plan and overall strategic direction. This will enable the department to track and report on the progress of its defined priorities and goals throughout the year.

- The school board should maintain appropriate processes and systems to monitor staff attendance on a timely basis.
- Management should continue to develop a comprehensive attendance management program, including policies and procedures to address specific categories of absenteeism. This will provide management with a consistent and structured approach to improve attendance across all employee groups.
- Management should periodically report to senior management on the effectiveness of the attendance support program. The Director of Education should also report periodically to the board of trustees on the attendance support program.
- Management should conduct a compliance audit of the school board's insurance carrier to ensure adherence to the benefit plan's terms and conditions. This will ensure accuracy and validity of claims paid.
- Management should consider developing staff satisfaction surveys, which would include all employee groups. This would improve communication with staff and provide input for professional development plans and HR policy.

## **Financial Management**

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

- The annual budget development process is documented, transparent, and clearly communicated, incorporating input from all key stakeholders and supporting the school board's strategic and operational plans.
- 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.
- The school board's integrated financial information system provides useful, timely and accurate information for management and stakeholders.
- The Board has an audit committee with external members.
- Existence of an efficient cash management process to maximize interest income.

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

The Business Services Department has independently developed a document outlining a strategic and operational plan for the 2010 & 2011 school year. Once the overarching Board strategic plan is developed, management should consider developing a more detailed annual department plan, complete with measurable targets, designated accountabilities, and target timelines. Similarly, the departmental plan should be aligned with the school board's annual operating plan.

The school board is actively participating in the Ministry's regional audit initiative. At the time of the review, the school board reported that it did not have an official internal audit function. The school board should continue to become familiar with the new Audit Committee Regulation and the Ministry's internal audit initiative, including the establishment of regional internal audit teams, and the development of a risk assessment to establish priority areas for internal audit activities. Annual internal audit plans should be clearly documented, and audit report recommendations should be followed up and acted upon by management.

### **Recommendations:**

- The department should consider developing an annual departmental plan aligned with the school board's annual operating plan and overall strategic direction. This action will enable the department to track and report the progress of its defined priorities and goals throughout the year.
- Management should continue working with the regional audit team on the development of a risk assessment to determine priority areas for internal audit activities.
- Management should work with the regional audit team to ensure annual audit plans are clearly documented. Audit report recommendations should be followed up and acted upon by management. Where management chooses not to implement an audit recommendation and to accept the risks associated with an audit finding, the justification should be clearly documented and agreed to by the audit committee.

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

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

- 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.
- An automated work-order process and system records, monitors, and evaluates projects, ensuring the effective use of resources.
- Management provides formal annual reporting on the conservation savings achieved against the plan.
- The school board has an approved annual and multi-year capital plan.
- Management uses cost-effective designs, standard footprints, energy conservation and economical construction practices to minimize construction and future maintenance and operation costs.
- A project manager is appointed to oversee all aspects of the project, including monitoring the budget and project timelines and ensuring management processes are in place for issues such as change orders and other internal approvals.

The department has in the past set high-level, annual goals but does not maintain a central document that incorporates measurable targets, specific timelines, and identified responsibility for each departmental priority. Once the Board's overarching strategic plan is established, management should develop an annual department plan.

The school board has made significant progress implementing green cleaning systems and using green clean products. There is, however, no formal green clean program that is in line with the Ministry's Green Clean Program Resource Guide. Management should continue with green clean practices and leverage the Green Clean Program Resource Guide to strengthen green clean efforts.

The school board has incorporated energy management elements into its facility plans, but it has not formally developed an energy management plan. Management ensures that procurement practices are aligned to City of Toronto green energy by-laws, but has yet to build formal green energy requirements into procurement practices. The school board should formalize its energy management plan and ensure alignment of purchasing policies.

The Board has yet to establish an overarching environmental policy that addresses both environmental education and responsible management practices. Although the school board does a great deal of work in relation to energy conservation, efforts should be consolidated and reported on officially. The school board recognizes this, and intends to continue to explore potential environmental processes and policy.

The school board has implemented a number of practices to ensure occupational health and safety requirements are met. There is, however, no comprehensive occupational health and safety plan in effect at the school board. The school board should go beyond its current practices and develop, implement, and monitor an occupational health and safety plan that reflects its policies and administrative procedures on health, safety and wellness. This will ensure that it complies with associated occupational health and safety statutory requirements.

The school board provides support for health strategies, including a broad approach to students and staff health awareness which includes physical, mental as well as spiritual health. Overall, however, there is no clearly articulated health strategy applied consistently across the system. The school board should continue to develop an overarching health strategy, reflecting its policies and procedures to promote overall health and wellness of both students and all employee groups.

### **Recommendations:**

- The plant department should consider developing an annual departmental plan aligned with the school board's operational plan and overall strategic directions. This will enable the department to track and report the progress of its defined priorities and goals throughout the year.
- The school board should review the Ministry's Green Clean Program Resource Guide and use it to develop a formal green clean program, as part of its overarching Education Environmental Policy.
- Using energy consumption data, the school board should establish a multiyear 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.
- The school board should enhance its procurement policy to support energy management goals.
- The school board is encouraged to develop an overarching environmental policy that addresses both environmental education and responsible management.
- The school board should develop an occupational health and safety plan, to ensure compliance with associated health and safety statutory requirements for both students and all employee groups.

- The school board should consider establishing an integrated health plan/strategy that would reflect the existing policies and procedures regarding the health of both students and employee groups and aim to promote health and wellness across the school board. Management should also consider coordinating the development, implementation and monitoring of the plan centrally.

# 1. Background and Overview

## 1.1 School Board Profile and Structure

The Toronto Catholic District School Board is committed to one common goal: success for every student. The collective goal of parents, teachers, support staff, administration, and trustees is to support, challenge, and inspire every student to achieve their full potential. Responsible for providing public education to 85,917 students, the school board offers a diverse range of programs in its 209 schools.

Since 2002-03, enrolment has declined by approximately 6,030 students or 6.56 per cent. The school board's enrolment continues to decline.

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



## 1.2 Key Priorities of the School Board

The Toronto Catholic District School Board has established the following mission and visions:

### **Our Mission:**

In a school community formed by Catholic beliefs and traditions, our mission is to educate students to their full potential by providing:

- leadership in the shared responsibility for education that exists among schools, students, families, parishes and the community



- a safe and welcoming learning environment that is an example of Christian community
- role models of Gospel values and Catholic doctrines, teachings and beliefs
- guidance in what students need to learn
- instruction in the learning process itself
- religious, academic and technological instruction
- integration of Catholic, Christian beliefs into the total learning experience
- feedback on students' proficiency and performance.

### **Vision of our students**

We envision students who:

- are formed in the Catholic faith
- apply Christian values to life's opportunities, challenges and choices
- pursue academic excellence
- demonstrate relevant knowledge and ability
- display self-esteem and self-respect
- strive to be the best they can be
- demonstrate skills for developing and maintaining personal and family wellness
- demonstrate global perspective and community responsibility.

### **Vision of TCDSB**

To provide students with the qualities they will require, our vision of TCDSB is a school system that:

- is Christ-centred
- is student focused
- demonstrates a clear sense of purpose

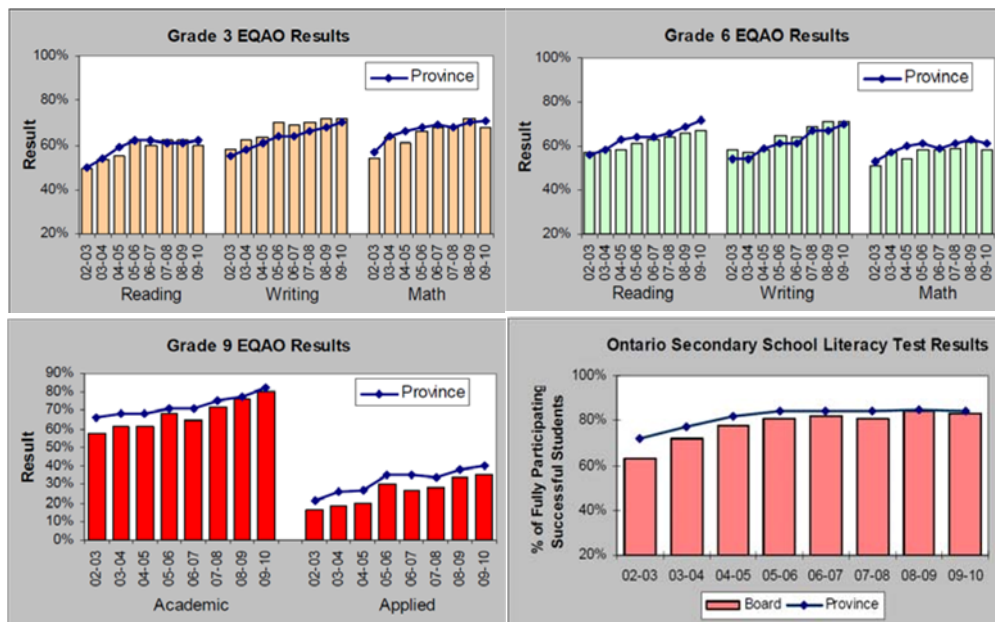
- is visibly and demonstrably Catholic
- reflects empowering leadership
- applies collaborative decision-making
- is innovative
- provides role models among all stakeholders for all these qualities.

### 1.3 Student Achievement

The EQAO results for the school board show that Grade 3 scores in Reading and Math are at or below the provincial average. In Writing they have consistently tracked above the provincial average. EQAO scores for Grade 6 Reading and Math are at or below the provincial average, while Math results are at or above the provincial average.

The school board's Grade 9 EQAO results in both Academic and Applied have trended below the provincial average. The school board Ontario Secondary School Literacy Results have been below the provincial average aside from 2008-09 when results were equal.

The following charts show the school board's student EQAO results over the last eight years:



## 1.4 Fiscal Overview

The accumulated deficit for compliance purposes (the basis by which the Ministry monitors the financial position of a school board) was eliminated in 2009-10. The school board now has an accumulated surplus which is the result of several years of consecutive in-year surpluses.

The 2009-10 Financial Statements included a One-Time Capital Debt Support Grant of \$262,903,112 as part of the Provincial Grants – GSN to recognize capital debt as at August 31, 2010 that was supported by existing capital programs. The school board now has a plan in place to finance its capital commitments, mainly through proceeds of disposition. The school board also follows Ministry approval processes regarding new capital commitments and is tracking its proceeds of disposition for use on new capital projects.

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

### Summary Financial Data (Revenues)

| Revenues                                       | 2008-09 Financial Statements | 2009-10 Financial Statements | 2010-11 Revised Estimates |
|--|------------------------------|------------------------------|---------------------------|
| Provincial Grants - GSN                        | \$467,382,114                | \$765,548,115                | \$515,141,952             |
| Provincial Grants - Other                      | \$12,829,841                 | \$18,592,092                 | \$24,429,763              |
| Local taxation                                 | \$411,088,345                | \$412,901,941                | \$407,949,288             |
| School Generated Funds                         | \$22,452,937                 | \$24,805,136                 | \$22,205,136              |
| Federal Grants and Fees                        |                              | \$5,714,054                  | \$5,919,508               |
| Investment Income                              | \$850,561                    | \$221,359                    | \$230,043                 |
| Other Revenues                                 |                              | \$92,324                     | \$93,903                  |
| Other Fees and Revenues                        | \$19,771,710                 | \$27,945,333                 | \$11,894,662              |
| Amortization of Deferred Capital Contributions |                              |                              | \$32,694,474              |
| <b>Total Revenues</b>                          | <b>\$934,375,508</b>         | <b>\$1,255,820,354</b>       | <b>\$1,020,558,729</b>    |

### Summary Financial Data (Expenditures)

| Expenditures   | 2008-09 Financial Statements | 2009-10 Financial Statements | 2010-11 Revised Estimates |
|----------------|------------------------------|------------------------------|---------------------------|
| Instruction    | \$721,586,656                | \$743,711,056                | \$788,808,572             |
| Administration | \$23,848,601                 | \$23,946,151                 | \$23,714,480              |
| Transportation | \$23,336,384                 | \$23,669,875                 | \$25,333,049              |

| <b>Expenditures</b>               | <b>2008-09 Financial Statements</b> | <b>2009-10 Financial Statements</b> | <b>2010-11 Revised Estimates</b> |
|-----------------------------------|-------------------------------------|-------------------------------------|----------------------------------|
| School Operations and Maintenance |                                     |                                     | \$84,668,101                     |
| Pupil Accomodation                | \$137,873,061                       | \$139,468,442                       | \$42,906,772                     |
| School Generated Funds            | \$22,943,095                        | \$24,411,875                        | \$22,205,136                     |
| Other                             | \$8,578,543                         | \$21,800,429                        | \$36,816,184                     |
| <b>Total Expenditures</b>         | <b>\$948,166,340</b>                | <b>\$977,007,828</b>                | <b>\$1,024,452,294</b>           |

### **Accumulated Surplus (Deficit)**

| <b>Accumulated Surplus (Deficit)</b>                 | <b>2008-09 Financial Statements</b> | <b>2009-10 Financial Statements</b> | <b>2010-11 Revised Estimates</b> |
|--|-------------------------------------|-------------------------------------|----------------------------------|
| Annual Surplus / (Deficit)                           | -\$13,790,832                       | \$278,812,526                       | -\$3,893,565                     |
| Accumulated Surplus / (Deficit) at beginning of year | \$447,665,215                       | \$433,874,383                       | \$724,486,021                    |
| Change in Accounting Policy - DCC                    |                                     |                                     | -\$876,034,283                   |
| <b>Accumulated Surplus / Deficit at end of year</b>  | <b>\$433,874,383</b>                | <b>\$712,686,909</b>                | <b>-\$155,441,827</b>            |

### **Details of Accumulated Surplus / (Deficit)**

| <b>Details of Accumulated Surplus / (Deficit)</b>             | <b>2008-09 Financial Statements</b> | <b>2009-10 Financial Statements</b> | <b>2010-11 Revised Estimates</b> |
|---|-------------------------------------|-------------------------------------|----------------------------------|
| Unappropriated Reserves Available for Compliance              | -\$9,207,309                        | \$2,043,407                         | \$2,131,403                      |
| Internally Appropriated Reserves Available for Compliance     | \$20,202,935                        | \$12,124,571                        | \$12,124,571                     |
| Externally Appropriated Reserves - Unavailable for Compliance | \$422,878,757                       | \$698,518,931                       | -\$169,697,801                   |
| <b>Total</b>  | <b>\$433,874,383</b>                | <b>\$712,686,909</b>                | <b>-\$155,441,827</b>            |

### **Deferred Revenues - Operating**

| <b>Deferred Revenues - Operating</b> | <b>2008-09 Financial Statements</b> | <b>2009-10 Financial Statements</b> | <b>2010-11 Revised Estimates</b> |
|--------------------------------------|-------------------------------------|-------------------------------------|----------------------------------|
| Legislative Grants                   |                                     | \$708,879                           |                                  |
| Other Ministry of Education Grants   | \$7,960,489                         | \$4,856,847                         |                                  |

| <b>Deferred Revenues - Operating</b> | <b>2008-09 Financial Statements</b> | <b>2009-10 Financial Statements</b> | <b>2010-11 Revised Estimates</b> |
|--------------------------------------|-------------------------------------|-------------------------------------|----------------------------------|
| Other Provincial Grants              | \$339,607                           | \$792,389                           |                                  |
| Third Party Grants                   | \$2,766,375                         | \$3,496,377                         |                                  |
| <b>Total</b>                         | <b>\$11,066,471</b>                 | <b>\$9,854,492</b>                  |                                  |

### Deferred Revenues - Capital

| <b>Deferred Revenues - Capital</b> | <b>2008-09 Financial Statements</b> | <b>2009-10 Financial Statements</b> | <b>2010-11 Revised Estimates</b> |
|------------------------------------|-------------------------------------|-------------------------------------|----------------------------------|
| Legislative Grants                 |                                     |                                     |                                  |
| Other Ministry of Education Grants | \$1,419,382                         | \$4,296,712                         | \$260,660                        |
| Other Provincial Grants            |                                     |                                     |                                  |
| Third Party Grants                 | \$9,610,888                         | \$27,423,936                        | \$45,728,936                     |
| <b>Total</b>                       | <b>\$11,030,270</b>                 | <b>\$31,720,648</b>                 | <b>\$45,989,596</b>              |
| <b>Total Deferred Revenues</b>     | <b>\$22,096,741</b>                 | <b>\$41,575,140</b>                 | <b>\$45,989,596</b>              |

## 1.5 Key School Board Statistics

The following table highlights key statistics for the school board. It illustrates (among other things) that the school board's enrolment has been declining since 2002-03.

### Day School Enrolment

| <b>Day School Enrolment</b>       | <b>2002-03 Actual</b> | <b>2010-11 Rev. Estimates</b> |
|-----------------------------------|-----------------------|-------------------------------|
| Elementary Day School ADE         | 62,242                | 55,558                        |
| Secondary Day School ADE          | 29,705                | 30,359                        |
| <b>Total Day School Enrolment</b> | <b>91,947</b>         | <b>85,917</b>                 |

### Primary Class Size

| <b>Primary Class Size</b>     | <b>2003-04</b> | <b>2010-11</b> |
|-------------------------------|----------------|----------------|
| % of Classes Less Than 20     | 42%            | 90%            |
| % of Classes Less Than 23     | 74%            | 100%           |
| Average Class Size - Jr/Inter | 27.01          | 24.87          |
| % of 3/4 Classes 23 & Under   | 17%            | 100%           |
| % of Combined Classes         | 24%            | 32%            |

## Staffing

| <b>Staffing</b>   | <b>2003-04</b> | <b>2010-11</b> |
|---|----------------|----------------|
| School Based Teachers   | 5,474          | 5,761          |
| Teacher Assistants  | 697            | 1,051          |
| Other Student Support   | 745            | 1,202          |
| School Administration   | 316            | 309            |
| School Clerical   | 344            | 370            |
| School Operations   | 709            | 741            |
| Other Non-Classroom   | 214            | 207            |
| <b>Total Staffing</b>   | <b>8,499</b>   | <b>9,641</b>   |
| <b>Teacher - Pupil Ratio</b>  | <b>1:17</b>    | <b>1:15</b>    |
| <b>FTE Staff per 1,000 Pupils (ADE)<sup>1</sup></b>                   | <b>92.4</b>    | <b>112.2</b>   |
| <b>Total Salary &amp; Benefits as % of Net Operating Expenditures</b> | <b>69.5%</b>   | <b>81.8%</b>   |

## Special Education

| <b>Special Education</b>                   | <b>2003-04</b>      | <b>2010-11</b>      |
|--|---------------------|---------------------|
| Special Education Incremental Expenditures | \$75,448,504        | \$126,569,822       |
| Special Education Allocation               | \$78,808,149        | \$110,437,159       |
| <b>Spending above Allocation (Reserve)</b> | <b>-\$3,359,645</b> | <b>\$16,132,663</b> |

## School Utilization

| <b>School Utilization</b>          | <b>2003-04</b> | <b>2010-11</b> |
|------------------------------------|----------------|----------------|
| Number of schools                  | 209            | 209            |
| Total Enrolment (ADE)              | 91,947         | 85,917         |
| School Capacity (Spaces)           | 91,342         | 88,989         |
| <b>School Utilization</b>          | <b>100.7%</b>  | <b>96.5%</b>   |
| <b>Board Area (Km<sup>2</sup>)</b> | <b>631</b>     | <b>634</b>     |
| <b>Number of Trustees</b>          | <b>12</b>      | <b>12</b>      |

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

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

A school board’s governance model and administrative organizational framework make a significant contribution in helping the Board of Trustees, director, senior administration and diverse community stakeholders support both student achievement strategies and effective 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 multi-year and annual plans (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; and
- 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. The governance model reflects the roles and responsibilities mandated by the <i>Student Achievement and School Board Governance Act</i> , Bill 177. | 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 includes both academic and operational priorities and provides a framework for annual planning.   | No                    |
| The director of education develops an annual operating plan of the goals/priorities, incorporating both academic and nonacademic departments. The plan is aligned with the Board's multi-year strategic plan and has goals that are specific, measurable, achievable, relevant and timely. Staff are assigned goals for which they are accountable. | No                    |
| The director of education periodically/annually reports to the board of trustees on the status and outcomes of the board strategic plan and annual operating plan.  | No                    |

## Decision-Making Processes

| Leading Practices – Governance and School Board Administration   | Evidence of Adoption? |
|--|-----------------------|
| The board of trustees and the director of education have appropriate processes in place for decision making.   | No                    |
| The board of trustees and the director of education have appropriate processes for the establishment and regular maintenance of policies and administrative procedures for the efficient and effective operation of the board. | No                    |

## Organizational Structure and Accountability

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



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

**Succession and Talent Development**

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

**Stakeholder Engagement**

| Leading Practices – Governance and School Board Administration   | Evidence of Adoption? |
|--|-----------------------|
| The board of trustees and the director of education proactively Education proactively engage diverse stakeholders (both internal and external) on a regular basis and through a variety of communication 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 Ministry workgroups.   | Yes                   |

**Establishment of an Effective Governance Model**

The governance structure of the Toronto Catholic District School Board (TCDSB) is supported by 12 elected trustees and one student trustee. In June 2008, the Ontario government appointed supervisors to oversee the financial management and administration of the TCDSB. The two members of the supervisory team, Norbert Hartmann and Norm Forma, had a mandate to:

- Implement the recommendations of the report entitled “Enhancing Public Trust and Confidence” as it applied to the school board
- Develop and responsibly implement a balanced budget plan to return the school board to a balanced financial position, while protecting the best interests of students
- Develop communication measures to inform parents, board trustees, student trustees and the public of actions take by the supervisory team.

In August 2009, the Ontario government appointed Dr. Richard Alway as the new supervisor for the TCDSB, to build on the accomplishments of the supervisory team and focus on establishing a new governance model for the school board.

The supervisors developed and implemented a balanced budget plan to return the school board to a balanced financial position, while protecting the best interests of students. In January 2011, the Ontario government announced the end of provincial supervision of the TCDSB, which meant the trustees elected in October 2010 had full authority as a Board. Some of the achievements that helped the school board meet the conditions set by the Ministry included:

- A revised budget process that includes a public engagement strategy
- A new trustee expense policy, and the recovery of outstanding expenses
- Four-year collective agreements signed with all employee groups
- Establishment of Community and Staff Advisory Liaison Committees, and the school board's Catholic Parent Involvement Committee
- The involvement of the school board's finance staff in the teacher staffing allocation process
- Improvements in the analysis and reporting of financial variances
- Work to align Board policies to *Student Achievement and School Board Governance Act*, Bill 177 (Bill 177), including a trustee code of conduct, and improvements to Board meeting procedures.

The Board By-law #175, *Relating Generally to the Conduct of its Affairs*, serves as a handbook for trustees, and outlines the following:

- Duties of the Board of Trustees and officers, including a code of conduct
- Guidelines for the inaugural meeting
- Requirements of regular meetings, including details such as seating arrangements, maximum length of meetings, as well as many other details
- Guidelines for committees, including detailed requirements or reporting from committee meetings
- Financial guidelines
- Rules of order

- Presiding Officer's responsibilities
- Guidelines for agendas and order papers
- Guidelines for motions
- Protocols for debate
- Guidelines for voting
- Details regarding the execution of documents
- Banking guidelines
- Amendments to by-laws
- Details regarding the repeal of prior by-laws

The school board's current by-laws and governance structure aim to separate accountability for policy from that of operations. The *Student Achievement and School Board Governance Act*, Bill 177 requires that there is a clear understanding of this, and that in practice the Director is responsible for school board operations and procedures, while the Board sets policies and strategic direction.

The school board's governance model, as outlined in the by-laws, clearly delineates the division of responsibilities between the Board of Trustees and the Director of Education, in accordance with Bill 177. In addition, through supervision, efforts were made to provide trustees with opportunities to improve the effectiveness of their working relationships. The new Board has attended Ministry training sessions on Bill 177, and has received introductory training, as well as an update on all functional areas of the school board. It will be important for the Board and management to ensure that the governance framework that has been put in place is respected and practiced henceforth, and that it informs the development of policies and processes at the school board. Senior administration is collaborating closely with the Board to rebuild and strengthen working relationships.

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

#### Statutory Committees

- Audit Committee
- Special Education Advisory Committee

- Catholic Parent involvement Committee
- Supervised Advisory Learning for Excused Pupils Committee
- Suspension and Expulsion Committee

#### Standing Committees

- Governance framework committee
- Excellence in Student Achievement and Well Being Committee

#### Ad Hoc Committee

- Succession Planning for Director

The school board also maintains clear direction regarding the function, structure and composition of these standing committees, as well as *ad hoc* committees. The new Board is currently reviewing the existing committee structure. The Board plans to establish a new Policy and Governance Committee.

### **Development of the Board's Strategic Directions/Plan**

The school board does not have a formal multi-year strategic plan. On the recommendation of the supervisor's report, management has issued an RFP for an external resource to facilitate and support trustees and senior staff in a multi-year strategic planning exercise. Management reports the strategic plan will include a refreshed school board mission and vision.

During the supervision period (and in the absence of a strategic plan), the TCDSB embarked on a strategic renewal process to review its academic programs, management and system procedures. A Strategic Renewal Steering Committee, chaired by the Director of Education, was established. A superintendent of education was designated as an internal champion to lead and coordinate the strategic renewal process. The process was complemented with a communications and engagement strategy, to ensure that all TCDSB community stakeholders and partners were invited to provide input into the process. The school board reported to the Ministry on the progress of its strategic improvements. These reports included: *The Road Ahead, Strategic Renewal 2009-2010*, delivered in July 2010, which detailed the progress and processes implemented during the first two years of supervision, as well as showing an implementation plan.

The school board has several initiatives that may feed into the current strategic planning process, among them the Board Improvement Plan (BIP) and other strategic initiatives

that have taken place since 2008. The Board is in the process of developing a draft plan and aims to submit it to the Board in June, for approval in August. Management is encouraged to continue to develop the multi-year strategic plan ensuring it incorporates both academic and non-academic goals, and provides a clear direction to all staff on long-term goals.

Once the multi-year strategic plan is developed, the school board is encouraged to develop a formal annual operating plan that demonstrates alignment to the Board's multi-year strategic plan. In the meantime, the school board's BIP, individual plans for student achievement, and planning documents for different families of schools can provide a foundation for the development of an operating plan.

The operating plan should cover all operations, including human resources, financial management, and facilities management. This will also enable the departments to track and report progress of their defined priorities and goals throughout the year. This board-wide annual operating plan should also assist departments in developing annual plans that can be refreshed regularly, without altering the overall strategic plan. Once these plans have been developed, senior administration should report annually to the board of trustees on their status and outcomes.

## **Decision-Making Process**

The agenda setting process to date has included members of the Director's Council, as well as the Chair. The Director's Council considers information from the last Board meeting and builds a draft agenda. The draft agenda is approved by Director's Council and then presented by the Director to the Chair. It is through this process that the Chair provides input from other trustees. The draft agenda is then finalized and sent to the Board one week prior to the Board meeting.

Although the Board by-laws indicate that agendas should be established by the Chair in consultation with the Director, there are several key steps currently being followed by the board (as described above) that are not mentioned in the by-law or any operating procedures. These include the review and approval of agenda items by the Director's and Education Councils and the collection of Trustee agenda items by the Chair. As the process for agenda setting is standard for each Board meeting, the Board is encouraged to either update the current by-law or create an operating procedure that reflects current practices.

The Board's Policy and Governance Standing Committee is in the final stages of establishment and approval. This committee will help set processes and guidelines regarding policy development and maintenance.

## **Organizational Structure and Accountability**

The school board's administrative functions are divided among four portfolios: the Associate Director of Business Services, CFO; the Associate Director of Academic Affairs; the Associate Director of Planning & Facilities; and the Executive Corporate Secretary & Senior Board Liaison Officer. Reporting to the Director of Education, each individual maintains separate and distinct portfolios. The school board has provided a publicly available directory of senior administration and a current organizational chart on the website.

Management regularly evaluates roles and structures within the organization for efficiencies and opportunities to better serve the needs of the school board. Most recently, restructuring has focused on helping the school board reach the supervision targets set by the Ministry. Other recent changes to management positions include realignment of superintendent positions to more closely support their specific families of schools. All newly-created positions or major changes to responsibilities must be approved by the Director's Council, and include a budget impact form. Job descriptions for all senior staff are up-to-date.

## **Succession and Talent Development**

The school board has adopted components of a succession and talent development plan to build and sustain leadership capacity across multiple staff functions. Senior administration actively builds the leadership capacity of junior staff, often requesting specific individuals to join committees and assume challenging roles. Mentoring programs take place through the Ontario Catholic Supervisory Officers' Association (OCSOA).

Individual meetings are held annually between superintendents and principals. The meetings include the completion of succession planning templates. The forms help clarify career goals and expectations of each principal, giving a broad overview of succession planning trends and requirements. The information feeds into the school board's short list process for principal and vice-principal positions.

The school board should continue its succession and talent development activities, to build a formal plan for all academic and non-academic employee groups. Current initiatives and future improvements should be consolidated and focused in a single succession and talent development plan. This will help build and sustain leadership capacity across the school board.

## **Stakeholder Engagement**

School board communication and stakeholder engagement takes place at both the senior administrative and Board levels. The school board has dedicated internal

communications resources. These resources have in the past been used principally for crisis communications. Management is working to move these roles away from crisis communication towards proactive outreach for example extensive consultation in the development of recent policies: Addressing Parent/Stakeholder Concerns, Equity and Inclusive Education, Multi-Year Strategic Plan process and Budget setting. These efforts are included in the work underway to formalize a school board communications policy, which is in development. The Board's policy committee will finalize the details of the draft policy prior to implementation.

In addition to the draft communications policy, there is a protocol included in the Trustee by-laws for trustee communications. This includes requirements that the Board speak with one voice through the Chair. Going forward, it will be important for the Board to monitor its adoption of this policy, to ensure consistent communications. The Board is also encouraged to post minutes of Board meetings on its website, in a timely manner as a part of its stakeholder and community outreach plans.

Members of the senior administrative team and the Board are actively involved in various provincial forums and groups, including membership in the Ontario Association of School Business Officials (OASBO), the Council of Ontario Directors of Education (CODE), OCSOA, and the Catholic Principals' Council of Ontario (CPCO) among others. The school board also works closely with other external community organizations and partners including the Ontario College of Teachers and York University. Continued staff involvement in community organizations, as well as local and provincial groups, is encouraged to foster knowledge sharing and learning.

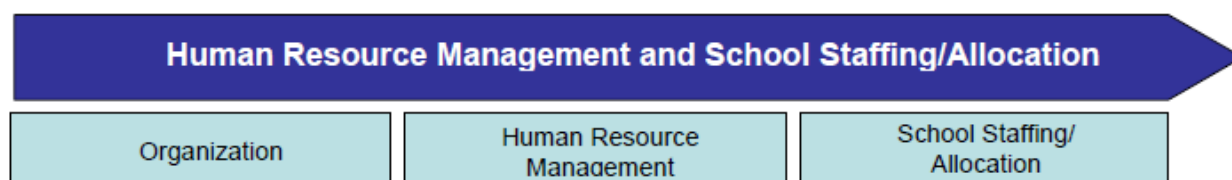
### **Recommendations:**

- The school board, using a consultative process, should develop and communicate a multi-year strategic plan that provides a framework for annual planning.
- Once this overarching strategic plan is developed, the school board should develop a formal annual operational plan aligned with the Board's multi-year strategic goals. This annual operating plan should cover all aspects of its non-academic operations, including human resources, financial management, and facilities management. This will also enable all departments to track and report progress on their defined priorities and goals throughout the year.
- The Director of Education should report to the Board of Trustees annually on the status and outcomes of the school board's strategic plan and annual operating plan, once they are developed.

- The Board of Trustees and the Director of Education should establish appropriate processes for the creation of Board meeting agendas in support of decision making.
- The school board should consider establishing a formal refresh cycle for its policies, to ensure periodic review of all policies across functional areas. This could include forming a policy committee to consider policies for review or development.
- The Director of Education should establish a formal succession plan to manage retirements and resignations of key managers and administrators. This should include senior staff in both academic and non-academic functions and would help build and sustain leadership capacity. The board of trustees should develop a succession plan to manage the retirement or replacement of the Director of Education.



### 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 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 board’s strategic directions has been established;
- Whether the roles and responsibilities of staff support the key functions, activities and practices of HR;
- Opportunities to support continual improvement in the effectiveness and efficiency of all processes.

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

### Development and Reporting of Annual Goals and Priorities

| Leading Practices – Human Resource Organization   | Evidence of Adoption? |
|---|-----------------------|
| The HR department’s goals and priorities are documented in an annual department plan. They are aligned to the annual board operating plan accessible by key stakeholders. The plan incorporates measurable targets, specific timelines and identified accountability. | No                    |

### Organizational Structure and Accountability

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

### Monitoring and Communication of Policies

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

### Development and Reporting of Annual Goals and Priorities

The development of the overarching school board strategic plan is an ongoing process. In recent years, the HR department has worked to develop an internal mission, a vision, and a departmental plan. The goals and objectives of the departmental plan include the following:

“In support of the Board’s system wide priorities, the Human Resources Department will complement and partner in the following areas...

*Improvement of Student Achievement in our Catholic Learning communities:*

- Align HR resources to appropriately and efficiently support the Board's goals and objectives
- Provide effective service to our schools and departments on a daily basis to better enable our administrators to effectively perform their duties and responsibilities in the operation of their schools and departments
- To support and encourage professional development related to Human Resources matters that continue to support learning communities

*Governance and Community Engagement:*

- Ensure transparency and accountability with all Human Resources related processes and activities
- Provide the system with effective reports and data that support senior staff decision making
- Support our system administrators by providing expert and accurate advice related to all Human Resources matters

*Excellence in Business Services:*

- Continue to strive for HR operational efficiencies to best serve our schools and departments
- Establish effective partnerships with other school boards and other industries on best practices in the area of Human Resources
- Ensure on-going compliance with Human Resources related legislation and related best practices"

The department has also developed the following strategic goals for the current period:

**HR Operating Plan, High Level Department Goals & Objectives for 2010-11:**

1. Realign and staff the Human Resources Department according to the approved restructuring plan and related activities, which include developing a clear definition of all roles and providing the system with clear and easy access to "Who's Who" in the department.
2. Establish and formalize policies and procedures in order to initiate strategic initiatives that include a school board wide Attendance Support Program,

championing the Board's Performance Management Program and their enforcement.

3. Review and realign the existing recruitment functions within HR Operations, to reduce turnaround time in filling internal vacancies and result in improved service delivery.
4. Collaboration, team building initiatives and events to improve departmental morale, with the goal of extending them to other central departments.

Within this plan, the department has also identified specific initiatives and goals for each of the following areas:

- recruitment services
- HR operational & support services
- academic services
- benefits & compensation
- employee relations
- health & safety

These goals and plans have and continue to provide focus for the department. However, the department is encouraged to update its departmental plan annually, and expand it to include measurable targets, designated accountabilities, and target timelines. An annual departmental plan would link department priorities with unit and individual performance measures and accountabilities, facilitate the clear definition of roles, enable collaboration among team members, and provide a roadmap for the department. This will enable the department to track and report on the progress of its defined priorities and goals throughout the year. The plan should also be aligned with the school board's strategic plan and the operating plan, once they are developed.

### **Organizational Structure and Accountability**

The Superintendent of Education, Human Resources, provides leadership to the HR department which consists of more than 40 staff and eight supervisors/managers.

There are six distinct areas reporting to the Superintendent of Education:

- Legal Counsel and Senior Coordinator of Employee Relations, managing occupational health and safety as well as employee relations

- Senior Coordinator of Benefits & Compensation, who also manages the school board's return-to-work efforts
- Senior Coordinator HR Operations & Support Services, provides supervision to the department's back office processes, including SAP systems
- Conflict Resolution Manager supervises all issues relating to conflict consultation, harassment/discrimination as well as mediation/facilitation
- Senior Coordinator Human Resources Academic Services and Senior Manager of Recruitment manage their respective groups.

During recent years, the HR department has restructured from a decentralized to a centralized model. Management has focused on building capacity within middle management to better support the new departmental structure, and to ensure the structure is well-communicated internally and externally. The job descriptions within the department are accurate and up-to-date. The HR department is responsible for all job descriptions, and there is currently a designated position responsible to manage and develop job descriptions collaboratively with other school board staff. Departmental staff are qualified through a combination of professional designations and certifications, including certificates in HR, as well as a mix of work experience.

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

The HR department is responsible for the monitoring and maintenance of policies, including:

#### Resources and Compensation

- H.C.01 Job Evaluation: Non-Union Administrative/Clerical Jobs
- H.C.02 Job Change: Non-Union Administrative/Clerical Jobs
- H.C.03 Job Evaluation Appeal: Non-Union Administrative/Clerical Jobs
- H.C.04 Department Reorganization: Non-Union Administrative/Clerical Jobs
- H.C.05 Probationary Period (Non-Union)
- H.C.06 Performance Appraisal: Director of Education

#### Miscellaneous

- H.M.01 Eastern Rite Employees' Holy Day

- H.M.02 Automobile Expenses
- H.M.03 Compassionate Leave (Non-Union)
- H.M.04 Sabbatical Leave for Post-Graduate Study
- H.M.05 Sabbatical Leave for Undergraduate or Non-Degree Study
- H.M.06 Sick Leave Plan (Non-Union)
- H.M.07 Continuing Education Instructors
- H.M.08 Catholicity and School Support
- H.M.09 Twenty-Five Year Club
- H.M.10 Retirement Ceremonies
- H.M.11 Employment Equity (Affirmative Action)
- H.M.12 Medical Examinations and Employment
- H.M.13 Employment Interview Expenses
- H.M.14 Harassment and Discrimination in the Workplace
- "The Respectful Workplace"
- H.M.15 Probationary and Permanent Appointments
- H.M.16 Loan of Personnel
- H.M.17 Occupational Health and Safety
- H.M.18 Work Creation Program
- H.M. 19 Conflict Resolution
- H.M.20 Subsidy of Individual Courses
- H.M.21 Principal/Vice-Principal Interviews
- H.M.22 Vacation for Non-Union Administrative/Clerical Employees
- H.M.23 Meal Allowances: Salaried Non-Union Employees

- H.M.24 Race and Ethnic Relations and Multiculturalism
- H.M.25 Involvement in Municipal, Provincial and Federal Elections
- H.M.26 Charter of Rights of the Family
- H.M.27 AIDS (Acquired Immune Deficiency Syndrome)
- H.M.28 Sexual Harassment
- H.M.29 Benefits for Non-Union Administrative/Clerical Employees
- H.M.30 Complaint Against a Staff Member
- H.M.31 Conflict of Interest: Employees
- H.M.32 Offering of Hospitality or Gifts
- H.M.33 Acceptance of Hospitality or Gifts
- H.M.34 Conventions Conferences and Professional Development
- H.M.35 Hiring and Placement--Family and Relations
- H.M.36 Accessibility Standards for Customer Service
- H.M.37 Workplace Violence

#### Support

- H.S.03 Caretaker Deployment
- H.S.06 Permit Supervisors
- H.S.07 Overtime for Non-Union Administrative/Clerical Employees
- H.S.08 Remuneration--Employment elsewhere during working hours
- H.S.09 Chaplaincy Program

#### Teaching

- H.T.01 Qualifications--Catholicity
- H.T.02 Employment of Former Priests and Religious

- H.T.03 Teacher Exchange
- H.T.04 Principals' Reassignment
- H.T.05 Qualifications--Religious Education Courses
- H.T.06 Religious Education--Board of Education Schools
- H.T.07 Sick Leave Credit Plan--Reciprocal Agreements
- H.T.09 Religious Education Course Requirement

#### Insurance

- I.01 Insurance for School Volunteers
- I.02 Group Life Insurance

The HR department also manages the Toronto Catholic District School Board Workplace Accommodation Policy and Procedures, approved by the Board in October 2010.

Management dedicates resources to recruitment efforts, which are an ongoing and year long effort at the school board. In addition, significant resources are dedicated to the review and refresh of older policies in relation to new government regulations and changes to best practices. School board staff receive training on HR policies through orientation sessions and ongoing training. To address changing policies, HR is working more closely with other departments to ensure training is rolled out to both new and existing staff.

#### **Recommendation:**

- The HR department should update their departmental plan annually and expand the plan to include measurable targets, designated accountabilities, and target timelines. The annual department plan should also be aligned with the school board's operating plan and overall strategic direction. This will enable the department to track and report on the progress of its defined priorities and goals throughout the year.

### **3.2 Human Resource Management**

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

- Planning and processes are in place for the recruitment and hiring of the appropriate number of qualified staff to support the board's goals;



- 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. Trustees do not sit on hiring panels (exception: hiring the director of education) but provide policies to govern staffing and recruitment.                       | Yes                   |
| Processes are in place to identify and remove discriminatory biases and systemic barriers in staff recruitment, selection, hiring, mentoring, promotion and succession planning processes. The school board conducts employment system reviews and works towards broadening the diversity of recruitment pools. | 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? |
|--|-----------------------|
| The director of education and the board of trustees have established labour/management committees.     | Yes                   |
| Trustees provide the school board’s policy and priority framework within which bargaining takes place. | 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 Support 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.   | No                    |
| The school board has an attendance support program that is documented and includes approved policies and procedures for minimizing the cost of absenteeism. | No                    |
| Management periodically reports on the effectiveness of attendance support 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 board's insurance carrier to ensure adherence to benefit plan's terms and conditions. | No                    |
| Employee data is automatically synchronized between the 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. | Yes                   |

## Staff Recruitment/Hiring

The school board maintains recruitment policies and administrative procedures that are reviewed annually, and are aligned with staff planning to support student achievement. HR manages or supports all recruitment and hiring of all staff in all areas of the school board. Recruitment processes are recorded and consistent across academic and non-academic staff groups. Trustees are not involved in the recruitment or hiring process.

Recruitment and hiring for teaching staff is managed by HR, through *Apply To Education*. The school board has hired a group of former principals who act as a standing interview panel for all teaching staff, providing consistency across the hiring process. The school board maintains processes to identify and remove discriminatory biases and systemic barriers in the recruitment, selection, hiring, mentoring, and promotion of staff. There are processes in place to help to ensure candidates who have not self-identified are given consideration, if appropriate.

The school board makes specific efforts to ensure that current staff are given opportunities to progress within the system through appropriate career advancement opportunities. Examples of these efforts include superintendents' recording of the career expectations of each principal, and working with them to achieve their goals. HR tracks teachers ages and hire dates, to predict when advancement or hiring opportunities may present themselves in the system. Much of the staff data is contained within Form 100

and Form 107. These forms permit management to gather a clear picture of staff demographics and other individual statistics.

## **Labour Relations**

HR management and Senior Administration have established a number of labour/management committees with terms of reference that meet regularly as outlined in collective agreements. The labour/management committees represent the collective bargaining units of the school board. They are:

### CUPE Local 1280 (Caretakers/Maintenance)

- Advisory Redeployment Committee
- Uniform Committee
- Union/Management Committee
- Course Reimbursement Committee
- Return to Work Committee
- Joint Occupational Health & Safety Committee
- Workplace Accommodation Committee

### CUPE Local 3155 (International Languages Instructors)

- Union/Management Committee
- Professional Development Committee

### Association of Professional Student Services Personnel (Special Services Staff)

- Employer/Employee Relations Committee
- Joint Occupational Health and Safety Committee
- Joint Related Experience Committee
- Joint Working Conditions Committee

### CUPE Local 1328 (Supervisors of Students)

- Joint Health and Safety Committee

CUPE Local 1328 (School-Based Educational Support Staff)

- Rehabilitative Employment Committee
- Joint Health and Safety Committee
- Labour/Management Committee
- Advisory Redeployment Committee

CUPE Local 1328 (Adult ESL Instructors)

- Rehabilitative Employment Committee
- Joint Health and Safety Committee
- Union/Management Committee
- Advisory Redeployment Committee

CUPE Local 1328 (Adult ESL Nursery Instructors)

- Rehabilitative Employment Committee
- Modified Work Committee
- Union/Management Committee
- Advisory Redeployment Committee

CUPE Local 1328 (Office, Clerical, Technical)

- Return to Work Committee
- Joint Health and Safety Committee
- Course Reimbursement Committee
- Technological Change Committee
- Advisory Deployment Committee

Toronto Secondary Unit – OECTA (Secondary Teachers)

- Related Work Experience Committee

- Secondary School Staff Allocation Committee
- Local School Staff Advisory Committee
- Benefits Review Committee
- Professional Development Committee
- General Medical/Physical Procedures Committee
- Joint Occupational Health and Safety Committee
- Performance Appraisal Committee

Toronto Elementary Catholic Teachers – OECTA (Elementary Teachers)

- Related Experience Committee
- Staff Allocation Committee
- Local School Staffing Advisory Committee
- Union/Management Committee
- Benefits Review Committee
- Professional Development Committee
- Return to Work Committee
- Medical/Physical Procedures Committee
- Occupational Health and Safety Committee
- Performance Appraisal Committee
- Special Education Joint Committee

Toronto Occasional Teachers Local (Occasional Teachers)

- Board/Association Committee
- Professional Development Committee
- Performance Review Committee

## All Employee Groups

- Workplace Accommodation/Accessibility Committee
- Joint Management Job Evaluation Committee
- Non-Union Association Liaison Committee
- Principals/VP's Association Liaison Committee
- Director's Liaison Committee

The HR department has processes and structures that specifically support labour relations. One example of this is the school board's in-house counsel, which helps to manage relationships with the unions and helps to address issues or grievances. Consultations with union groups is ongoing, and takes place formally and informally with school board staff. Formally, the Director's Associate Liaison meetings, held among the presidents of all unions, the Director and HR staff, takes place four times a year. Some meetings between HR and unions take place at union offices to help strengthen the relationship between the two groups. Informally, phone conversations between union representatives and HR staff take place on almost a daily basis. To help educate staff and avoid future grievances, in-servicing of broader staff groups have taken place regarding grievance issues. Staff have also been trained on details of the grievance process.

The school board's labour negotiation teams have not included trustees during the last two negotiations. Committees are primarily made up of labour representatives, HR and finance staff, as well as a principal who provides brings a rounded experience of the committee members. Other school board staff from both the finance and benefits departments do not personally attend negotiations, but actively support the negotiation process. Management aims to be transparent in the labour relations area, and shares data and clarifies roles where appropriate. The school board also has an internal process to manage individual grievances. Grievances are assigned to an individual staff member, so there is accountability to both the department and to the unions.

## **Employee Performance Evaluation Processes**

The school board manages the majority of its performance evaluations processes through an online system. The electronic system is modeled after Ministry guidelines, and provides access to all employee forms, including self assessment forms. Management has the ability to track performance evaluations through the online portal. The system has the ability to flag issues and send reminders. This system and process provides a strong base for performance evaluations in both academic and non-academic groups. It also sets a foundation for system expansion and career

development into the management level. The school board maintains a guidebook that informs user of the online system, and also provides in-servicing to staff on its use. Poor performance appraisals are managed by the appropriate principal and if required, the field superintendent and then HR may become involved if issues are not rectified. HR is working to automate all remaining paper performance evaluation processes.

The school board has established professional development (PD) programs for employee groups. Two distinct PD programs are available which are internally administered and externally funded. The department helps provide a comprehensive leadership program for identified and aspiring leaders within the school board. Programs are tailored to specific groups, principals and vice-principals or individual employees short-listed for principal or vice-principal positions. These “issues series” are delivered over four sessions and include up-to-date and timely PD for the staff enrolled. Staff who are not eligible for the internal programs offered by the department, have access to funds for external PD programs. Both unionized and non-unionized staff are eligible to apply for external PD, and the costs of which are reimbursed by the school board. The school board should continue to expand the programs it offers to address the specific PD needs of staff across all groups.

### **Attendance Support Processes/Programs**

An effective attendance management system combines policies/procedures, information systems to record and analyze trends in absenteeism, and dedicated resources to develop a cohesive and consistent strategy. These elements, combined with employee wellness programs and return-to-work initiatives, form the basis of a comprehensive attendance management program. Currently, elements of such a program are not succinctly summarized in a school board procedural document or program.

Management recognizes the benefits of a school board-wide, structured approach to attendance support. Efforts are underway to develop the school board’s attendance management programs, including holding focus groups with all employees groups to develop a clear picture of staff’s needs in attendance support. The school board does use some systems relating to attendance support. These include an automated call-in system for employee absences, as well as the integration of the electronic attendance management system which contains and tracks health and safety and Workers Safety and Insurance Board (WSIB) records.

The school board is working with a third party to determine approaches to the inconsistencies in attendance support across the departments. Rationalizing inconsistent processes will help minimize the cost of absenteeism. The current electronic system is being used by HR and principals to mine attendance data, and there is a desire on the part of the school board to expand the capabilities of the system.



Attendance figures are included in the Board budget deliberation documents. While the department does provide reporting through the budget process, these reports are not tied to targets or initiatives that are driven by a formal attendance support program or strategy. In this regard, the school board is encouraged to formalize the attendance management program, and report on employee attendance in comparison with set targets, and in relation to the effectiveness of key attendance support initiatives.

The school board should continue to expand its attendance management program plans, to include the formal documentation of processes and procedures. This will provide management and employee groups with a consistent and structured approach to improve attendance. A more formalized attendance management program will also ensure that HR can periodically report on the effectiveness of the attendance management process to senior management and the Board. The Board is encouraged to look at the *Report on Leading Practices in Attendance Support for Ontario School Boards* by the Efficiency and Effectiveness Committee of the Ontario Association of School Business Officials (OASBO).

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

The school board's payroll is entirely managed internally, aside from the printing of T4 tax forms. While payroll system is integrated with the finance department, security profiles and segregation of duties ensures appropriate management of information. The department is working with the system provider to develop a portal for employee self service, particularly for basic functions such as letters of employment and pay slips. Management suggests that this type of system would contribute to a significant decrease in time spent by department staff on some administrative functions. All school board staff are enrolled in direct deposit. Employee information in both the HR and finance data is kept up-to-date, as systems are reconciled monthly. Year-end validations of the school board's payroll data ensures systems are appropriately maintained.

HR management has implemented an approved pay equity plan. Adjustments have been made to the plan, although it has yet to be amended. The school board manages 13 different staff agreements. There are no outstanding grievances regarding pay equity.

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

The school board has appropriate procedures in place to manage its benefit plans, including annual insurer expenses reviews provided by a third party. Recently, all benefits documents were updated in conjunction with the collective agreements. All changes to benefits policies are reviewed by a third party. Management has given cost benefit consideration to pursuing a full benefits audit, management should continue to

consider conducting thorough third-party audits of the school board's insurance claims. This will ensure accuracy and validity of claims paid.

The school board uses the electronic management program, Continuing Management Benefit System (CBMS), to manage and track all benefits plans. Similarly, all WSIB claims are managed in-house. An online benefits portal has been considered for this function. The department is integrating the CBMS system into the school board's overarching project management software. The HR department ensures employee data is automatically synchronized among the school board, and the Ontario Teachers' Pension Plan (OTPP), and the Ontario Municipal Employees Retirement Systems (OMERS).

### **Monitoring Staff Satisfaction**

HR does not formally survey staff for feedback, or measurement of general attitudes, or regarding the level of satisfaction regarding the services of the HR department.

The department has conducted a number of informal interviews to check on satisfaction of department service delivery. Management does conduct exit interviews, and uses a standard script of questions for each interview. The department should consider conducting exit interviews for all staff groups. Practices such as staff surveys and exit interviews provide management with valuable input for PD and policies that impact future employee relations.

### **Recommendations:**

- The school board should maintain appropriate processes and systems to monitor staff attendance on a timely basis.
- Management should continue to develop a comprehensive attendance management program, including policies and procedures to address specific categories of absenteeism. This will provide management with a consistent and structured approach to improve attendance across all employee groups.
- Management should periodically report to senior management on the effectiveness of the attendance support program. The Director of Education should also report periodically to the board of trustees on the attendance support program.
- Management should conduct a compliance audit of the school board's insurance carrier to ensure adherence to the benefit plan's terms and conditions. This will ensure accuracy and validity of claims paid.

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

### 3.3 School Staffing/Allocation

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

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

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

#### Processes for Annual Staff Planning and Allocation

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

#### Monitoring and Reporting on Staff Allocation

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

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

**Processes for Annual Staff Planning and Allocation**

The school board's staff allocation model is driven by collective agreements and relevant Ministry guidelines and parameters. The process is based on a number of factors, including enrolment projections, student needs, class size caps, alignment with collective agreements, and resource and program needs. The school board has developed detailed forms, namely Form 107 and Form 100 for secondary and elementary staffing respectively. Initial enrollment projections are developed by business services, working from internally-developed 10 and 15 year demographic projections. Estimates are shared with principals for input and these numbers are reconciled with appropriate field superintendents. Once school numbers are collected, field superintendents reconcile numbers for all eight regions in the school board. That final number is submitted to management. Before the enrollment projections are used for budgeting purposes, the number must be approved by the Board.

Once approved, enrollment projections are inputted into Form 106. Form 106 feeds detailed estimates to Form 107 and Form 100 for both secondary and elementary schools. Form 107 and Form 100 allocate and give details of each teacher to their appropriate schools. Allocations are open and transparent as both Forms 107 and 100 are shared with unions. Allocations for other staff groups (e.g. clerk typists, school secretaries, library technicians) are consistent from year to year.

The school board uses different processes to customized staffing allocations by group. The following details staff allocation processes for specific staff groups:

Academic Staff

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

Principal and Vice-Principal Staffing

Principal and vice-principal staffing is based on school enrolment, demographic data, and operational needs. These allocations are reviewed annually.

### Educational Assistants (EAs)

Allocations are based on special education funding and identified student needs. Educational assistant allocations are reviewed by the Director, in consultation with the superintendent of special education, and superintendent of human resources.

### Secretarial Staffing

Secretarial staffing is based on Ministry funding, school enrolment, demographic data, and school needs.

### Custodial Staffing

The allocation of custodial staff is based on square footage, and is included in the collective agreement.

### Para-Professional Staff

Staffing allocation is based on the amount of available funding and the needs of each department or system.

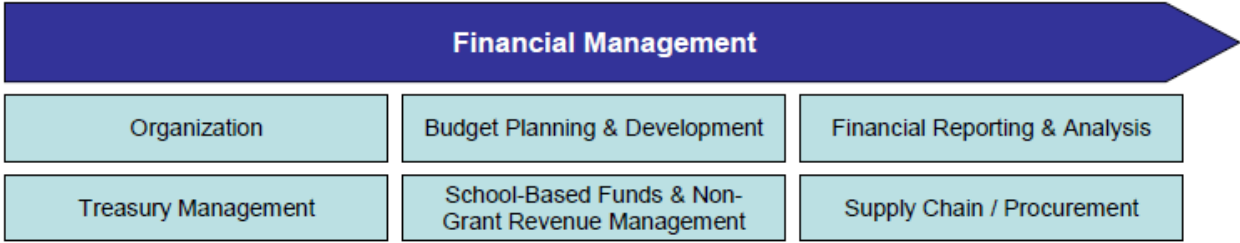
### Non-union Board Staff

Staffing allocation is based on available funding and the needs of each department.

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

Staffing levels are monitored closely at the school board, and processes are in place to ensure appropriate staffing allocations. The school board's Form 107 and Form 100 can provide up-to-date daily reports on staff attendance and allocation. Data within the forms can be mined at the micro school level or at the macro superintendant or school board-wide level. The school board has allocated staff that monitors position control for variances in allocations. In the event that allocations require adjustments, HR maintains two separate holdbacks for accommodations and anomalies in the enrolment prediction process. Separate processes are in place to manage allocations for special programs. For example, the Superintendent of Special Education ensures that special education estimates are aligned with historical trends, and consults with all schools to determine accurate estimates. A consistent approach is applied across the school board.

## 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 its support of the roles and responsibilities for key functions, activities and practices;
- Opportunities to support continual improvement in the effectiveness and efficiency of all processes.

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

### Development and Reporting of Annual Goals and Priorities

| Leading Practices – Finance Organization   | Evidence of Adoption? |
|--|-----------------------|
| The finance department’s goals and priorities are documented in an annual department plan that is aligned to the annual board operating plan accessible by key stakeholders. The plan incorporates measurable targets, specific timelines and identified accountability. | No                    |

### 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/or experience.   | Yes                   |

### Monitoring and Communication of Policies

| Leading Practices – Finance Organization   | Evidence of Adoption? |
|--|-----------------------|
| Finance management has processes in place to monitor finance policy compliance by all staff and management.      | Yes                   |
| Management provides scheduled finance policy and procedures awareness, training and skills development sessions. | Yes                   |

### Development and Reporting of Annual Goals and Priorities

The Business Services Department has developed a document outlining a strategic and operational plan for the 2010-11 school year. The document identifies three areas of focus along with associated goals and objectives for each. These areas of focus are:

- improving student achievement in our Catholic learning communities
- governance and community engagement

- excellence in corporate services

These goals were developed within the department and have been considered for the personal goals set for key departmental staff. Until this year, the department focused on efforts related to supervision, such as efforts formalizing the budget development process. Management noted that an updated departmental plan will be aligned to the strategic plan once it is developed.

Once the strategic plan is developed, management should consider developing a detailed annual department plan, complete with measurable targets, designated accountabilities, and target timelines. This plan should be aligned with the school board's annual operating plan, and guided by the overall strategic plan. This would help link departmental priorities with performance measures and accountabilities, facilitate clear definition of roles, enable collaboration among the team members, and provide a roadmap for the department.

### **Organizational Structure and Accountability**

The Associate Director of Business Services reports to the Director of Education and is supported directly by eight staff. Reporting to the Associate Director of Business Services are:

- Comptroller of Business Services & Finance
- Acting Coordinator Purchasing
- Acting Senior Coordinator Budget, Revenue and Ministry Reporting
- Senior Coordinator Finance
- Senior Coordinator Payroll Services
- Senior Coordinator Computer Services
- Senior Coordinator Technical Services
- Senior Manager Partnership Development

The structure of the department has changed in recent years to align with the highest need priorities of both the department and school board. Significant change took place in the mid 2000s. As the structure has changed, many positions within the department have evolved, job descriptions are up-to-date, and the department is working with HR to ensure all roles and responsibilities are equally in alignment.



The school board's website provides contact information for the department, as well as an organizational chart. Current staff maintain appropriate qualifications, including the following: Master in Business Administration (MBA), Certified General Accountant (CGA) designations, Chartered Accountant (CA) designation, Certified Management Accountant (CMA) designation, Certified Professional Purchaser (CPP), Canadian print production professionals, as well as other college and post secondary training.

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

The department is responsible for developing finance and administrative procedures including (but not limited to) the following:

- Employee expense policy
- Annual Budget and ongoing monitoring of actual versus budget
- Preparation of Financial Statements
- Broader Public Sector Expenses Directive
- Catholic School Advisory Councils Policy S.10
- Disbursements
- Fundraising in Schools
- Conventions and Conferences
- Hospitality
- Meal Allowance
- Automobile Expenses
- Purchasing Policy
- Cheque Register
- Signatures
- Signing Officers
- Donation Policy
- Sponsorship

- Short-Term Financing
- Bank Line of Credit
- Banks
- Purchase Cards

The department has a wide policy purview, and focuses attention across policy areas. Management noted that the department is focused on preparation of the annual budget, monitoring of actual expenditures to budget and procurement, along with other areas. Management reports that all policies and procedures are fully aligned with the Supply Chain Guideline, and that it is updating them to reflect the recent Broader Public Sector Procurement Directive. Overall, during the past several of years, the department has worked to clarify both policies and procedures, in particular ensuring that procedures are tied to policies. The department has provided in-service training for academic staff, secretarial staff and also for other operations staff on policies and procedures. New principals receive training at the end of August each year in advance of their new roles. Finance department staff play a central role in these sessions.

**Recommendation:**

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

**4.2 Budget Planning and Development**

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

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

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

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

### Annual Budget Development Process

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

### Risk Mitigation and Board Approval

| Leading Practices – Budget Planning and Development   | Evidence of Adoption? |
|---|-----------------------|
| Management identifies and documents all significant risks during the budget planning process and develops strategies to mitigate the risks of spending beyond authorized/budgeted levels.   | Yes                   |
| The annual budget presented for approval demonstrates that it is linked to the board-approved goals and priorities including student achievement targets. It provides useful and understandable information for all stakeholders. | Yes                   |

### Annual Budget Development Process

Business Services leads the annual budget development process. The process has recently been standardized from year to year, beginning in November with initial consultations. This process runs through June of the next year, once the budget is approved and passed by the Board and submitted to the Ministry. The department maintains detailed process maps that outline both internal and external steps to the budget development process. These process maps outline who is responsible for each step during the November to June timeline.

The budget development process seeks input from a vast array of stakeholders, including unions, all departments, the public, staff and others. The process is open and transparent, and includes budgets within the budget. Examples of these include school

operations and maintenance, and transportation budgets. The planning department and finance and administrative staff establish accurate enrollment forecasts (within one per cent) as a base for budget estimates. Forms 107 and 100 provide accurate staffing costs, which are regularly compared to data from the Ministry and other school boards.

Management reports the new standardized budget process has accelerated the budget planning process. Clarity in the approach to budget development has provided more time to consider issues, and has resulted in an overall improvement in the budget development. The process is managed through the school board's electronic financial management software. A custom built add-on permits staff to confirm staffing expenses directly from the school board's staffing systems. Since staffing accounts for such a large percentage of the budget, the accuracy of these estimates boosts the accuracy of the overall budget document.

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

The department maintains a detailed cost pressure document, and processes are in place to project cost savings and cost pressures (particularly in school operations). These pressures are examined regularly throughout the year. Reserve funds are set aside to deal with specific budget risks, and the financial system has the capacity to place holds and stop payment on accounts, if they are flagged as high risk.

The process of reporting on risk mitigation strategies varies significantly among school boards. TCDSB has processes to manage budget risks appropriately. As the school board moves forward and considers improvements to existing processes, management might consider an enhanced process which would include formal documentation of the following elements:

At the beginning of the budget cycle:

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

Throughout the budget cycle:

- Quarterly interim financial reports are submitted to the Board of Trustees which provides a status at the end of each quarter as well as an estimate to the end of the year as to material budget variances.

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

This is done either in the quarterly interim financial report or as a separate report to the Board. The level of detail of the budget risk mitigation plan would depend on the preferences of management and the Board. At a minimum, it should continue to provide a summary outlining the above elements in table format. The periodic documentation of such information would give reviewers a better understanding of the school board's budget risks.

The budget process takes into account priorities reflecting the school board's student achievement targets, as well as other school goals and priorities. At the time of the Operational Review, the Board was not fully engaged in the budget development process. It is the Ministry's expectation that management engage the new Board in the budget development process, as is common practice within the sector.

### 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 receive timely, accurate and complete financial information of all 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 year-to-date comparisons from previous years) for a clear understanding of the status of the current year’s budget and the outlook for the year. | Yes                   |
| Senior management is held accountable for the integrity of financial reporting through formal sign-off and approval procedures.  | Yes                   |
| Management completes and files all financial reports in accordance with established timelines.   | Yes                   |

## Audit

| Leading Practices – Financial Reporting and Analysis  | Evidence of Adoption? |
|---|-----------------------|
| Management maintains an independent internal audit function.  | No                    |
| Internal audit plans are clearly documented. Internal audit report recommendations are followed up and acted upon by management.                      | No                    |
| The Board has an audit committee with external members.   | Yes                   |
| 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’s integrated financial information system provides useful, timely, and accurate information. The department manages a financial management system to record, track, and report financial data. Accounting Services is responsible for new general ledger accounts, and the financial system is supported by in-house resources within the school board.

## Interim and Annual Financial Reporting

Management provides interim reports, following the detailed template set out in the Interim Financial Reporting Committee’s recommendations. Trustees are provided with the interim financial reports three days prior to Board meetings. The department’s financial system provides an efficient interim financial reporting process, where required forms and templates are populated automatically. Any departments found to be experiencing cost pressures identified within the interim reports are required to report to the Director’s Council. Departments are required to file reports to explain the cost pressure, as well as present plans to rectify the pressures. Senior staff are accountable for the integrity of financial reporting, and must sign off on every report. The school

board completes and files all financial reports with the Ministry in accordance with established timelines, and monitors financial reports on regularly.

## **Audit**

In line with Ministry directives, the school board maintains an audit committee with external members. In addition the school board provides other audit functions. For example, each year, 20 schools are audited on internal enrollment functions. The accounting manager also makes site visits to examine school-generated funds. It is not required that audits are conducted on the premises. The financial management system's functionality allows central monitoring of school accounts by department staff.

The school board is actively participating in the Ministry's regional audit initiative. At the time of the Operational Review, the school board reported that it did not have an official internal audit function. The school board should continue to become familiar with the new Audit Committee Regulation and the Ministry's internal audit initiative. This includes the establishment of regional internal audit teams, and the development of a risk assessment to establish priority areas for internal audit activities. Annual internal audit plans should be clearly documented, and audit report recommendations should be followed up and acted upon by management. Audit plans should also be approved by the audit committee.

## **Recommendations:**

- Management should continue working with the regional audit team on the development of a risk assessment to determine priority areas for internal audit activities.
- Management should work with the regional audit team to ensure annual audit plans are clearly documented. Audit report recommendations should be followed up and acted upon by management. Where management chooses not to implement an audit recommendation and to accept the risks associated with an audit finding, the justification should be clearly documented and agreed to by the audit committee.

## **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 are consolidated with a single financial institution where feasible.   | Yes                   |
| Management periodically reports to the board on the performance of the investment activity and any board-approved investment policy.  | Yes                   |
| 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

The school board’s cash management process is efficient. Management minimizes idle cash, monitors cash flows daily. During the summer of 2010, the department completed an external audit of its cash and investment procedures and processes. Bank requisition reconciliations are done monthly. Management is working to consolidate cash management activities for the school board and all schools within a single institution. Certain schools, many of the larger ones, have long-standing relationships with a financial institution. The audit recommended completion of this consolidation initiative. Management is now working to move school accounts to the school board’s banking provider.

A short-term investment policy governs how investments are made, all of which are between the five and 90 day return period. Investments are managed through a third party specializing in large institutional investors. Although investments were previously managed internally, this new arrangement provides more preferable returns. The school board through the third party investor, is in compliance with Ontario Regulation 41/10, s. 13 of the *Education Act* regarding eligible investments. As required by Regulation 41/10,



management will provide the first report on investments to the Board during the May Board meeting. Risks related to investment management are mitigated through the third party provider, as well as internal procedures such as requiring two management signatures for all major transactions with the bank. Banking terms and conditions are compared to those of other school boards and similar institutions regularly.

**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 for each EPO program. Management monitors expenditures to ensure compliance with terms and conditions.                              | Yes                   |

**Management of School-Based Funds**

Management has adopted the Ontario Association of School Board Officials (OASBO) handbook on school-based funds, and has set a standard fundraising and donation policy across the school board. Both the handbook and the new policy have been formally communicated to appropriate staff. Each school reconciles their own account within the school board’s electronic financial management system. Management has access provides oversight of these accounts. Through these efforts, management ensures adequate controls safeguard school-based funds, and coordinates the annual reporting of revenues and expenditures from schools. Principals are responsible and held accountable for school-based funds. Lock boxes are in place at most school sites. The school board encourages schools to keep a minimal amount of cash (or none) at schools.

**Management of Non-Grant Revenue**

The school board collects non-grant revenue from multiple sources. These sources include revenues from the federal government for the LINC (Language Instruction for New Comers) and ISAP (Immigrant Settlement and Adaptation Programs). The Ontario Ministry of Citizenship and Immigration provides funds for the school board’s ESL and Citizenship Programs. The school board also receives VISA students’ fees from individual students and recruitment agents in foreign countries. The community use of schools department collects permit revenues for the use of school board facilities outside normal school hours. Cafeteria revenues are received from cafeteria vendors who provide the school board with a percentage of their sales to upgrade and maintain cafeteria equipment. Funds from the school board’s Angel Foundation (a non-profit, arms-length organization that raises its own funds) are used to run the school board’s breakfast programs, which are offered in many school sites. All these and other revenues are accounted for in the school board’s electronic financial management system. Management reports that non-grant revenues have been included in the budget estimates and revised estimates.

In an effort to increase enrolment, the school board has embarked on a co-ordinated effort with several other school boards to attract students from foreign countries. The school board has funded overseas recruiting trips, with the aim to increase the numbers of international students attending the school board's undersubscribed schools.

The manager of the community use of schools department is leading efforts to integrate the community use of schools permit collection and reporting system with those of the city, coterminous school boards, and local colleges and universities. The school board at present has reciprocal agreements with the City of Toronto for use of facilities. Facilities can be booked and paid for online, by phone or in person.

The school board uses the electronic financial management system to organize, prioritize, and track EPO grants. All EPOs are forwarded from the Director's office to appropriate staff, and they are kept on an open shared drive. Staff that apply for funding receive the funds if allocated from the Ministry. Once contracts are signed and the grants are confirmed, budgets are set up within the financial management software. Quarterly reports to the Education Council ensure that funds are being spent on time. End dates are used to ensure funds are spent within the required timelines.

#### **4.6 Supply Chain/Procurement**

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

- Whether supply chain/procurement policies and practices comply with the Supply Chain Guideline (SCG) v.1.0 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 procurement policies and procedures are clearly communicated to staff with purchasing authority and are periodically reviewed and updated.                             | Yes                   |
| In line with the SCG, approved procurement policies clearly outline circumstances under which the school board will use competitive versus non-competitive 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, and the SCG.   | Yes                   |

## 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? |
|--|-----------------------|
| In line with the SCG, purchasing authorization levels are commensurate to job roles and responsibilities, and are monitored for compliance by a supervisor or department head. | Yes                   |

## Policies and Procedures for PCard/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, receipt/invoice and inspection) before invoices are paid. | Yes                   |
| Commitment accounting is in place to monitor budget utilization.   | Yes                   |
| Management has implemented electronic supplier interface for ordering, processing and payment.   | Yes                   |

## Use of Electronic Funds Transfer

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

## Policies and Procedures

The school board has developed procurement guidelines, including the Purchasing Management Association of Canada (PMAC) code of ethics. Policies are aligned with the mandatory elements of the Supply Chain Secretariat's Supply Chain Guideline (SCG) 1.0. The *Purchasing Procedures Manual* outlines all approved procurement policies and ensures that they are communicated and available to all staff and external stakeholders through the staff intranet site and the external tendering information site. The manual outlines the purchasing policies and all related procedures. Staff were trained when the manual was updated. In addition to the purchasing manual, the school board also has an "Acceptance of hospitality or gifts" policy in line with the *Broader Public Sector (BPS) Accountability Act, 2010*.

The *BPS Accountability Act, 2010* brings new rules and higher accountability standards for designated BPS organizations. The Act includes sections that provide authority to the Management Board of Cabinet to issue directives to designated BPS organizations in the areas of procurement and expenses. The BPS Procurement Directive and the BPS Expenses Directive are now available to school boards. The school board should review these documents, and note any differences from the Supply Chain Guideline to ensure compliance with both directives.

The school board's purchasing procedures, drawn from the purchasing policy, indicate circumstances where it will use non-competitive procurement. These include:

- a supply shortage due to market conditions or fluctuating market prices prevents price stability or protection

- continuity or compatibility to an existing product, service, is the overriding concern
- purchase by auction is used as a cost effective method for acquisition
- goods or materials are obtainable only from one known source of supply (sole source) due to patent, copyright or proprietary rights.

In line with the Procurement Directive and the AIT (Agreement for Internal Trade), the school board does not favour local providers. The purchasing manual does include purchasing limits and approval requirements for academic and facilities staff.

Tenders include details regarding contract award criteria, including an available scoring matrix. School board documents include a method for tie breaking, although it has not been used. The school board is working to establish a contracts database within existing systems and currently maintains a master database file. Policies are straight forward and explicit. Management reports there are rarely issues of noncompliance.

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

School board staff ensure ongoing evaluation of purchasing practices to ensure maximum purchasing power, including the use of consortia. PCards are used regularly and the school board is piloting a ghost card program working with online customized supplier portals where employees are able to order online and one PCard is kept for each individual account. If the test is successful, management intends to remove office supply purchases from day-to-day PCards.

Management is involved with the coterminous board in a number of joint bids. Where the school boards combine orders, it provides them the opportunity for greater economies of scale in purchasing. The school board is also directly involved with numerous consortia including: Peel Purchasing Co-op, Catholic School Boards Services Association (CSBSA), Educational Computing Network of Ontario (ECNO) and others, for purchases ranging from natural gas and electricity, to software and mailing machines.

### **Purchasing Levels of Authority**

Included in the school board purchasing manual, Section 3 – Approvals/acquisition process are details for four distinct purchasing groups:

- Schools and administrative departments
- Facilities department
  - Renewal and Capital

- Operations (SQS)
- Facilities Maintenance

Procurement ranges are the same for all groups: \$1-\$2,000; \$2,000.01-\$5,000; \$5,000.01-\$25,000; \$25,000.01-\$50,000; \$50,000.01-\$500,000; and over \$500,000.

The Board's purchasing manual outlines in detail the requirements regarding each level of purchasing for both groups (verbal quotations, written and formal quotations, sealed request for tenders, etc.). Procurement methods differ between the schools and administrative departments and the three facilities department groups.

Four distinct approvals and acquisition processes exist. Each process is distinguished by who is required to sign off on expenditures at each different expenditure amount. Within the school and administrative department group, approval must be sought from the principal or administrator and the department head for purchases under \$2,000. Purchases between \$5,000 and \$25,000 must be approved by the superintendent. For amounts between \$50,000.01 and \$500,000, purchases must be approved by the Director and the Director's Council. The Board must approve purchases above \$500,000. Within the three groups in the facilities department, there are similar approval ranges from supervisors to the Director or Board as purchases climb beyond \$500,000, the differentiation exists between the three different groups. Within each group supervisors, specific to those groups are required to approve different spending e.g.: the Senior Coordinator of Capital vs. the Senior Coordinator of Operations.

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

The school board has a PCard policy and procedure in place. Management reports that participation in the PCard program is low, and that the related policy and procedure require updating. The school board is working to educate employees of the benefits of PCards and encouraging their use for low volume purchases. Transaction limits for cards in elementary schools is \$1,000 up to 20 per cent of their block budget, while the transaction limit on cards used in secondary schools is \$3,000 with a limit of 10 per cent of their block budget. Corporate credit cards are only used by the Director and Associate Directors, and policies to govern their use are communicated and in place.

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

The school board performs three-way matching. The majority of purchases are made online from the schools' financial management system and are transmitted automatically to the vendor. Item numbers are available in catalogues. If items are not available, descriptions are sent to vendors and options are then presented. Once purchase orders (POs) are finalized, they are entered into the electronic system by the school secretary, where, if approved by the principal they are released. POs above \$5,000 require superintendent approval.

The budget line/general ledger code is encumbered when the PO is created. If there is available budget in the cost centre, the PO can be processed. If not enough funds are available, the PO is not saved. There is no return to the sender and all the details are lost. Only computers and furniture require paper POs, which are vetted through the central school board office.

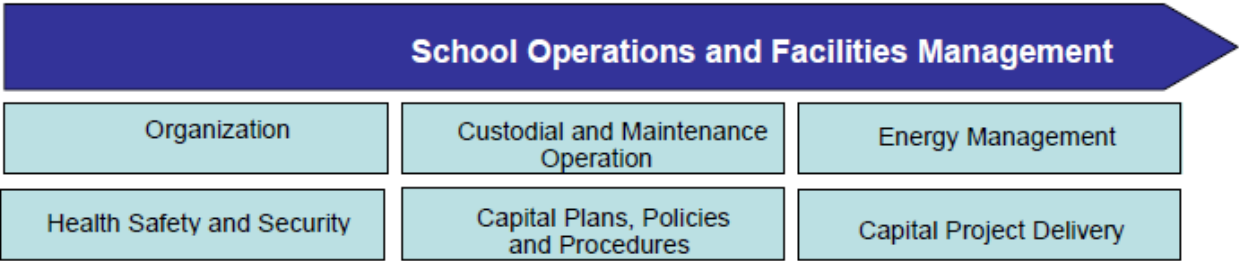
Vendors are instructed to send invoices to accounts payable, where they are entered into the system. Receiving is done at each school site by secretaries. Receiving information is entered electronically and matched with the PO. Paper receipts are received with orders and are kept on file for seven years. Shipments are tracked online and if orders are incomplete, the system permits the incomplete orders to be entered, paid and tracked. If invoices are entered into the system before receipts, the system will generate an e-mail to the ordering school inquiring as to its delivery. There are also controls in place that permits online tracking of orders and shipments. Once receipts and invoices are matched with POs, accounts payable pays the vendor. For the most part, this is done through EFTs.

### **Use of Electronic Funds Transfer for Greater Efficiency**

The school board currently makes use of Electronic Funds Transfers (EFT) for 70 per cent of payments to vendors. The school board is working to encourage further use of EFTs, rolling out 20 vendors at a time to increase efficiencies in the vendor payment process.



# 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 department plan. They are aligned to the annual board operating plan accessible by key stakeholders. The plan incorporates measurable targets, specific timelines, and identified accountability. | No                    |

### Organizational Structure and Accountability

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

### Monitoring and Communication of Policies

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

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

The plant department does not have a departmental plan for the current period. Although they have worked under specific goals in past years, these goals have not always been aligned to an overarching strategic plan.

The high level departmental goals for the 2009-10 year were:

1. Obtain Board and Ministry of Education approval for capital program
2. Reduce the number of portable classrooms used by the school board and improve the condition of the remaining inventory
3. Develop and get approval for 2010-11 capital priorities

The department uses a number of measures and processes in allocating resources annually. Ongoing construction projects are managed through detailed project plans and are tracked and monitored on the department's work order system. Systems and databases, including ReCAPP, are used to identify and plan areas of focus for the department. The department also closely follows the long-term accommodation plan to ensure that all efforts are aligned to appropriate areas of focus for the school board. The Associate Director of Planning and Facilities, who is responsible for the plant department, maintains a personal leadership and growth plan that outlines many major goals of the department for 2009 through to 2012. However, the department does not maintain a central annual document that incorporates measurable targets, specific timelines, and identified responsibilities for each departmental priority for any given year. Many of these could be drawn from the Associate Director's leadership and growth plan.

Management should consider developing an annual department plan, complete with measurable targets, designated accountabilities, and deadlines that are aligned with the board-wide annual operating plan. This would help link departmental priorities with performance measures and accountabilities, facilitate a clear definition of roles, enable collaboration among the team members, and provide a roadmap for the department. The plan should be aligned with the school board's strategic plan and the operating plan, once they are developed. The Associate Director of Planning and Facilities would then be held accountable for the department's goals through monthly reports to the Board.

## **Organizational Structure and Accountability**

The Associate Director of Planning & Facilities Services reports directly to the Director and has five staff that report directly to him. Recently the department was restructured to organize the Maintenance and Operations areas into two separate East and West zones. The Senior Coordinators of Operations & Maintenance East and West manage

each respective zone. The Senior Coordinator of Capital, the Senior Coordinator of Building Renewal and the Superintendent of Facilities Services also report to the Associate Director of Planning & Facilities Services.

Below the senior coordinator level, the department has also implemented other organizational changes. For example, management has assigned and aligned Site Quality Supervisors (SQS) with the geographic regions of the eight area superintendents. Shifts within the department are being restructured to provide better coverage of the school board's facilities, particularly during times when students are not in class. Other changes in the department structure have been triggered by changes/increases in departmental funding such as the addition of a Supervisor of Energy Management. As Ministry funding becomes available to the school board for various programs and initiatives, the required support and resources within the department changes as necessary to increase effectiveness and efficiencies.

Job descriptions exist for all positions within the department. Supervisors and staff are qualified through a mix of experience and training, and multiple staff hold a number of professional degrees and certifications.

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

The Facility Services department is responsible for procedures and policies including, but not limited to the following:

- Key Control
- Parking
- Smoke Free Spaces
- Vandalism
- Capital Expenditure Forecasts
- Signage
- Rental of Surplus School Space
- Child Care Centres
- Rental Properties
- Use of School Facilities in Emergency Situations
- Occupational Health and Safety

- Caretaker Deployment
- Demolition of Existing Buildings and Portables
- Site Acquisition
- School Site Expansion
- Disposal of Surplus Real Property
- School Accommodation Review
- Arson/Bomb Threats
- Capital construction (new schools and additions)
- Capital Planning

The department focuses on training during the March break, and uses a central database to record the training progress of all employees. Another noteworthy example of the monitoring and tracking of training and development takes place in the maintenance area of the department. Each maintenance staff is issued an individual training passport, which is used as a personalized record of all individual training completed. The passports are updated with stickers or stamps for every training session or program, including mandatory and qualification courses that are completed. The passport also shows what training is required for specific staff and positions.

Management communicates new policies and procedures through e-mails, system memos, and staff training. For example, e-mails are used to send updates or changes to departmental policies and procedures. The communications department sends out priority or urgent communications and alerts. Management is developing an online portal as a central access point for employee communication and notices.

**Recommendation:**

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

## 5.2 Custodial and Maintenance Operations

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

- Whether custodial and maintenance services are responding effectively and efficiently to maintain 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. The school board has developed a guideline/manual for custodial and maintenance services to support these cleaning standards. | Yes                   |
| The school board has implemented a formal green clean program as part of its overarching Education Environmental Policy. The green clean program incorporates principles from the Ministry’s Green Clean Program Resource Guide.   | 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, optimizes the use of available funding (Annual Renewal Grant and Good Places to Learn funding). The plan is approved by the Board and accessible by the public. | Yes                   |

## Training to Support Skills Development and Safety

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

## Standardization of Cleaning and Maintenance Supplies

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

## Project Management, Monitoring and Support Systems

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

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

Cleaning standards are set by the department for school facilities and are monitored regularly. Custodial logbooks are kept at all sites, and the Site Quality Supervisors (SQS) are responsible for cleanliness inspections. Inspections are completed using

cleanliness checklists, done at a minimum of three times per site per year, and may occur as frequently as once a month. Observations from inspections can result in specific developmental training for staff at individual sites, to help address identified gaps or issues.

Management uses some green cleaning supplies and actively reviews new products for consideration to be used at school facilities. The school board's cleaning supply vendor offers a full range of green cleaning supplies. Many cleaning systems and pieces of equipment have been changed over to use green cleaning products. The school board ensures that traditional supplies are depleted before switching products.

Although the school board has made significant progress in implementing green cleaning systems and products, it does not have a formal green clean program, in line with the Ministry's Green Clean Program Resource Guide. This Guide recommends a 10-step Green Clean Implementation Plan. In particular, management should consider the following:

- Development of tools to support implementation – a Green Clean Standard Operating Procedures (SOP) Manual should set out the school board's expectations for green clean operational procedures in schools.
- Communications strategy – a communications strategy will help educate stakeholders (building occupants, custodians, vendors) on the benefits of the program and their role in supporting the program.
- Measuring and monitoring progress – over the first year of implementation, a review of the initiative should be conducted every three to six months. After the first year, a review should be conducted annually.

The caretaker staffing allocation model is calculated using an electronic staffing system that uses defined staffing levels and factors, including square footage of facilities, building types, number of portables and other factors. The allocation process is open and transparent, as staffing data is shared with unions.

Different caretaker staffing models are used depending on time of day and school site. Staff that require different training for different systems in specific schools can be paid premiums based on the training completed. The caretaker allocation is very closely aligned to the level of funding designated by the Ministry. In addition, management ensures that caretaking costs are regularly compared with those of other school boards.

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

The department maintains and tracks both annual and multi-year maintenance and renewal plans. The prioritized list is developed from scheduled preventative



maintenance work, life cycle, maintenance or replacement, and school or principal requests. The department is proactive in communicating details regarding the project prioritization process, and delivers training modules to clarify the different levels (five in total) of project priority. Renewal projects are prioritized by their impact on student success. Health and safety concerns are given first priority. Anything that impacts the quality of service, building operation or functionality of program needs is assigned to the top of the list.

The school board's work order system is also used to aid in the development of the annual renewal plan. The electronic system flags projects related to life cycle renewal or required maintenance or replacement, as well as other systems with an abnormally high volume of work orders. Documented as the Multi-Year Renewal Planning Cycle, the School Renewal Program tracks the ongoing costs of renewal projects.

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

Training within the department is organized and coordinated by the two regional coordinators. Training for new staff is consistent, and ongoing professional development is tracked centrally. The training and development for departmental staff is tracked through the use of the training passports (for maintenance staff) and through a centrally monitored database via the Human Resources department (for caretaking staff). Training takes place throughout the school year, while the bulk of training is delivered over the March break. Sessions (such as lunch and learns) keep trained on new or updated systems or policies as they are introduced.

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

The school board uses an electronic project management module to track and inventory all major equipment. A system-wide initiative to assign and attach bar codes to all major equipment has been implemented. The electronic work order system permits monitoring for scheduled or required maintenance. It also flags repeat issues in specific equipment or systems. Maintenance and upkeep on systems and major equipment is entered and scheduled through the SAP project management system.

The department has established common procurement standards to ensure efficient purchasing of supplies to minimize costs. Although the school board has not implemented an official green clean program, efforts are made to promote energy and operating efficiency and environmental sustainability. Most recently the department has started to incorporate green requirements and criteria into the tendering and Request for Proposal (RFP) processes. Supervisors order supplies through online vendor interfaces. Each pre-qualified vendor has a specific school board order interface. Once orders are submitted, they are reviewed and approved by the appropriate SQS and then sent to the vendor. Vendors must deliver orders within a previously agreed upon timeline. Vendors use an open purchase order (PO) and invoices are submitted

monthly, which are then applied against the appropriate budget. Employees who cannot use the online order system have the option to call into a central purchasing call centre, where orders are taken and processed electronically.

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

The school board uses an electronic system to track work orders by location and type of work performed. Personal digital assistants (PDAs) have yet to be incorporated into the system. However within the department, managers and higher level positions have been issued smart phones such as Blackberries.

Management have yet to fully implement the department's work order system. It should consider its full implementation, in order to track completion times and other relevant work order details. Effectively managing this type of data will help the department better understand and evaluate the services it provides.

Senior administration regularly evaluates the overall effectiveness and efficiency of its maintenance and custodial service delivery model, through ongoing feedback from front line users, SQS, and supervisors of the custodial services. For example, the SQSs provide feedback at a school level from the school sites they monitor and supervise. Feedback is often considered when the department develops its professional development plans. The department also ensures the monitoring of absenteeism to ensure resources are being appropriately allocated, and to identify recurring patterns of absenteeism.

#### **Recommendation:**

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

### **5.3 Energy Management**

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

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

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

### Energy Management Plan

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

### Tracking and Reporting Energy Conservation

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

### Energy Management Plan

While the school board has incorporated elements of conservation and energy management into its facility plans, it has not formally developed a formal multi-year energy management plan. The school board monitors utility consumption through an internally controlled database, and a third party has been engaged to help identify areas of energy cost savings.

The school board has established an Environment Committee which contributes to its energy management initiatives. The EcoSchool waste diversion and recycling programs

are active in many schools, and the school board works with the Evergreen Foundation to promote green school grounds.

The school board communicates successes in energy management to students through the EcoSchool program, as well as to the broader public through the semiannual Director's report. The school board should continue with current initiatives and plans to establish a multi-year energy management plan in line with the *Ontario Green Energy Act, 2009*. The plan should incorporate targets and measures to be implemented and the tools to monitor and manage the plan.

The school board ensures that procurement practices are aligned to City of Toronto green energy by-laws. However, the school board has not yet built formal green energy requirements into procurement policies and practices. The school board should formalize its energy management plan, and ensure alignment of purchasing policies.

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

The school board provides formal annual reporting on the conservation savings to the Board, explaining all material changes in consumption. Management should work to tie these consumption goals and achievements to the overarching multi-year energy management plan, once developed. Consumption tracking is managed internally, and the school board uses the Ministry's Utility Consumption Database (UCD). In addition, tracking is done manually at the school board. The consolidated bills are entered into the internal tracking system by school board staff. Consumption data for individual schools is compared and mined to explore potential energy savings opportunities.

The Board has yet to establish an overarching environmental policy that addresses both environmental education and responsible management practices. At the local school level, the Board provides information and support to schools to become more environmentally responsible through the EcoSchools program. While the school board does a lot of work relating to energy conservation, efforts should be consolidated across the school board and formally reported. The school board recognizes this, and intends to hire a new resource to help manage the planning and reporting process.

### **Recommendations:**

- Using energy consumption data, the school board should establish a multiyear 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.

- The school board should enhance its procurement policy to support energy management goals.
- The school board is encouraged to develop an overarching environmental policy that addresses both environmental education and responsible management.

## 5.4 Health, Safety and Security

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

- Whether planning and communication exist to support the provision of a safe and healthy 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 an occupational health and safety strategy/plan that reflects the board’s occupational health and safety policies and administrative procedures and ensures the school board is in compliance with associated occupational health and safety statutory requirements. | No                    |
| Develop, implement and monitor 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 a health strategy/plan that reflects the board’s health policies, procedures and programs and ensures the school board is in compliance with statutory health requirements.  | No                    |

## **Health, Safety and Security Management**

Occupational Health and Safety (OH&S) is the responsibility of the Senior Manager, Department Head of the Occupational Health and Safety Department. The school board has a long standing record of safety and has a number of strong practices and procedures to ensure all OH&S requirements are met to the highest standard. There has not, however, been an overarching occupational health and safety plan established at the school board.

The Occupational Health and Safety Department manages OH&S training, with much of it completed over the March break. March break OH&S training focuses on the staff of the plant department. In addition, the OH&S department also trains other employee groups where OH&S issues are relevant or mandatory. The school board supports a broad group of occupational OH&S committees, where meeting agendas and minutes are recorded. All committees report to the Board annually. Supporting OH&S efforts is an online intranet staff safety manual that provides safety procedures for all different school and academic functions.

The school board should go beyond its current practices and develop, implement, and monitor an occupational health and safety strategy or plan, which would reflect all occupational health and safety policies and administrative procedures as they stand today. This will help better ensure compliance with associated and statutory occupational health and safety requirements, as well as ensure the ongoing health and safety protection of all its students and staff groups.

The school board currently maintains a security strategy, which includes a full school emergency response plan that is standard and applies to all school sites. The school board has a policy for security cameras and their maintenance. In the past, management reported to the Education Council on vandalism, break-ins, and graffiti, however, the school board has now adapted the use of more security cameras to provide a better report of the security situation at each school facility. Board-wide security is managed by a school board superintendent, who works closely with Toronto police, fire departments and the coterminous school board to develop common procedures.

The school emergency plans ensure all staff, including facilities staff are trained on how to manage and operate in different types of emergencies. Security monitoring of all sites is managed through a third party alarm provider, and a facilities representative is on call 24/7 to help respond to any security or alarm events.

The school board has a broad approach to student and staff health awareness and well-being, which includes physical, mental, and spiritual health. Staff and students are encouraged to take advantage of health programs and healthy meal options at cafeterias. The school board also provides in-house spiritual and counseling services.

While the school board provides overall support for health and wellness, there is no health strategy or plan applied consistently across the system. The school board should continue to develop an overarching health strategy or plan which reflects all of its health and wellness policies and procedures.

### **Recommendations:**

- The school board should develop an occupational health and safety plan, to ensure compliance with associated health and safety statutory requirements for both students and all employee groups.
- The school board should consider establishing an integrated health plan/strategy that would reflect the existing policies and procedures regarding the health of both students and employee groups and aim to promote health and wellness across the school board. Management should also consider coordinating the development, implementation and monitoring of the plan centrally.

## **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;
- 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 as reflected in the school board’s Capital Wrap-Up Template. | Yes                   |
| The school board has an approved pupil accommodation review policy.   | Yes                   |
| The school board has an approved facility partnership policy.   | Yes                   |

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

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

## Development of Annual and Multi-Year Capital Plans

The school board maintains a master capital planning tracking document that includes all capital upgrades. The capital plan indicates the project supervisor, project descriptions, related dates, costs and associated notes. The details provide a clear and complete picture of capital planning at the school board. Internal project managers are assigned to each project. There is ongoing work and two-way communication between maintenance and renewal staff to determine the best approach to manage the school board’s projects.

Planning for capital projects is done in collaboration with the school board’s facility revitalization plans. There is also consideration and input from the school board’s business functions and advice and approval from the Ministry.

The school board has been actively monitoring its ability to finance its capital commitments. The school board has completed its Capital Liquidity Template, in compliance with Ministry requirements, which tracks all existing capital debt. The school board also follows Ministry approval processes regarding new capital commitments, and is tracking its proceeds of disposition for use on new capital projects.



The school board has been tracking construction costs for more than 10 years, and is able to ensure accurate capital cost estimates on new and proposed projects. The school board has worked with its coterminous board on a number of projects, ranging from fully integrated sites, to sites with two different facilities co-located on them. The school board has an approved Facility Partnership Policy, and an approved Pupil Accommodation Review Policy.

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

The school board designates the management of the SFIS system to the Planning Department, while the ReCAPP database is managed jointly by the Planning and Facilities departments. Changes to the SFIS are approved by Director's Council or Superintendent, as appropriate. Facility records are also managed outside of these two programs, and tracked internally within the school board. Particular areas, such as portables, have dedicated staff assigned to ensure data is up-to-date. All requests for new spaces are investigated using the school board accurate tracking of capital data.

The school board uses the Ministry guidelines to identify Prohibitive to Repair (PTR) schools, using ReCAPP. Capital forecasts and related funding plans are assessed annually and adjusted to meet current needs and changes, with input from all stakeholders. The school board has incorporated Full-Day Early Learning Kindergarten into the enrolment and capital projections.

## **5.6 Capital Project Delivery**

The purpose of reviewing all related capital project delivery 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 capital project delivery, 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 – Capital Project Delivery   | Evidence of Adoption? |
|--|-----------------------|
| Management gives full consideration to the use of all 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. The school board is guided by the principles outlined in the manual prepared by the Expert Panel on Capital Construction: <i>From Concept to Classroom – Leading Practices Manual for School Construction in Ontario</i> . | 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 – Capital Project Delivery   | Evidence of Adoption? |
|--|-----------------------|
| A Project Manager is appointed to oversee all aspects of the project including monitoring the budget and project timelines and ensuring management processes are in place for issues such as change orders and other internal approvals. This includes periodic project status updates and post-construction project evaluation. | Yes                   |
| An independent Cost Consultant is retained by the school board to review the design, provide objective costing analysis and advice, and report to the school board on options to ensure that the proposed capital expenditure is within the approved budget, prior to tendering a project.                                       | Yes                   |

## Maintaining Current Approved Professional Service Providers

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

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

Management gives full consideration to the use of available school space in local communities before proceeding with the construction, purchase, or lease of other spaces. This consideration is also extended to facilities at coterminous school boards. Cost benefit and business cases are performed for all projects considered.

Enrolment projections and other long-term planning analyses are used to help the school board anticipate and predict school capacity and construction requirements and needs.

Although the school board uses cost-effective processes and designs, they do not make use of standardized designs, because sites sizes vary and many of the projects are additions to existing schools or must meet the building requirements of specific neighbourhoods or communities. However, many other building components are standardized by the department, and are used in both new construction or renovation projects. In some cases, if applicable, the school board will group similar projects together as a means of generating additional savings or to benefit from standard components, approaches and processes. An example of this is mechanical and electrical installations, or updates for additions to existing schools.

Management makes use of cost-effective designs and energy conservation principles, which also meet the City of Toronto's Green Development Standard. The school board has worked to meet this standard, and in doing so ensures construction practices are in line with the *Green Energy Act*. Green construction methods to date have included higher insulation values, retention and reuse of storm water on site for irrigation (grey water), and revised mechanical systems for better operational/user comfort. Additional green practices include improved electrical controls and sensors, provision of future solar power opportunities and reflective roofs, and building system automation controls. The costs of the school board's ongoing capital projects are benchmarked against those of coterminous boards (where information is provided), and meet industry and Ministry standards, including cost per square foot and cost per pupil.

## **Monitoring and Reporting of Progress on Construction Projects**

Management has an effective process in place to monitor and control construction project costs, in line with Ministry requirements. This begins through school community consultation, including the approval of proposed facility detailed drawings by the school principal or delegate. The school board manages all renewal and new construction projects internally. All renewal and capital projects use external contractors to ensure that the school board has obtained the appropriate professional consultant for design and contract administrative services. The school board's project supervisors use internally-hosted project management software and systems that provide planning and scheduling tools. Project supervisors and program coordinators share high level

schedules with senior administration, so that they are kept up-to-date on project timelines and progress. Contingencies are held for each project. A third party cost consultant has been engaged for all current projects, and trustees are kept informed of high-level costs of each project.

Change order protocols are managed by the architect and the project supervisors, and final change orders must be approved by senior staff prior to final payment to the contractors. Reports to senior management are required for each change order, prior to approval by the manager of construction and the superintendent.

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

The school board refreshes vendors of record approximately every two years and will be issuing a request for proposal for consultant services on the next capital program. The school board's Purchasing Materials Management and Evaluation Committee, (with input from consultants) provides the Director with a list of prequalified general, mechanical and electrical contractors for all capital projects. The school board uses a standard construction contract, with Board-approved supplementary conditions, and ensures contracts are aligned with the Canadian Construction Documents Committee (CCDC) contract for construction projects. This includes the contractor's documentation of due diligence, comprising proof of compliance with Occupational Health and Safety legislation and Workplace Safety and Insurance, bonding status, and verification of required qualification for the design and construction of electrical and mechanical systems.

## Appendices

### Appendix A: Overview of the Operational Review

#### Operational Review Objectives

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

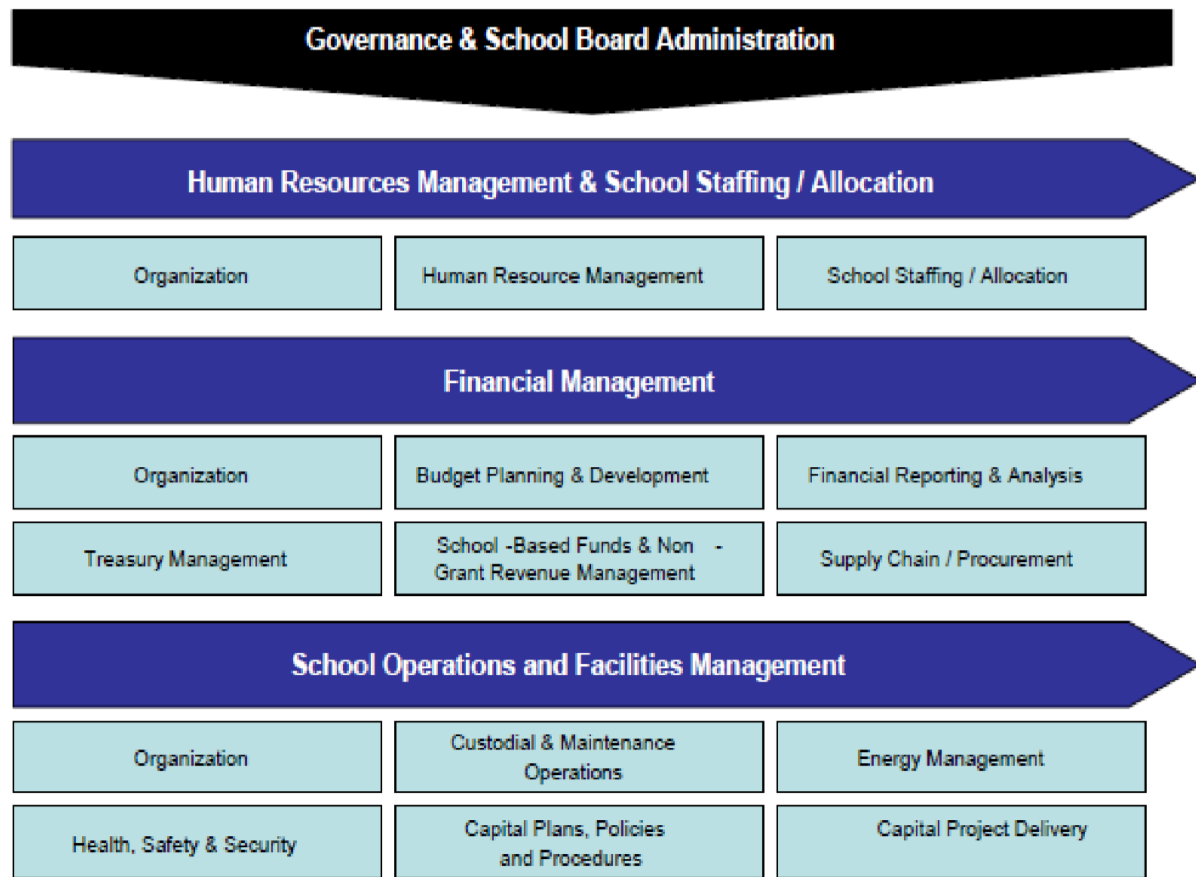
Recognizing the unique characteristics of each DSB, the specific purpose of the Operational Reviews is to:

- Strengthen management capacity in 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.

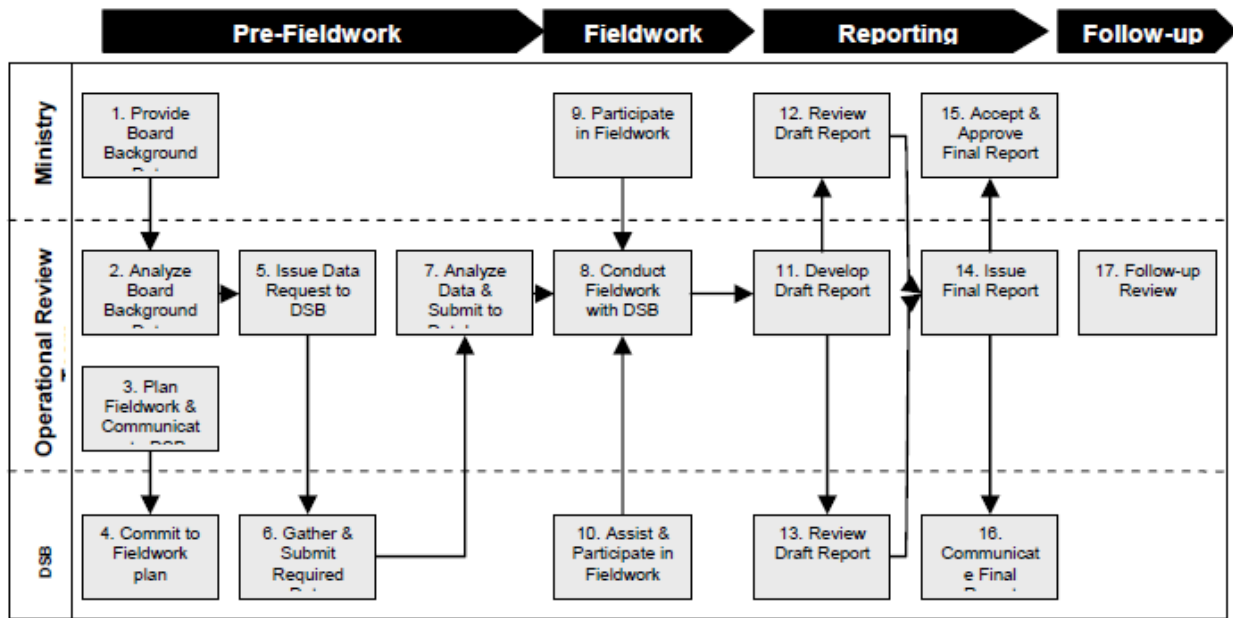
Each of the processes was examined based on its activities and its adoption of sector agreed leading practices, including alignment and support of student achievement strategies.



### 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: Per-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. |

| Key Activity                             | Description  |
|--|--|
| 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. |
| 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

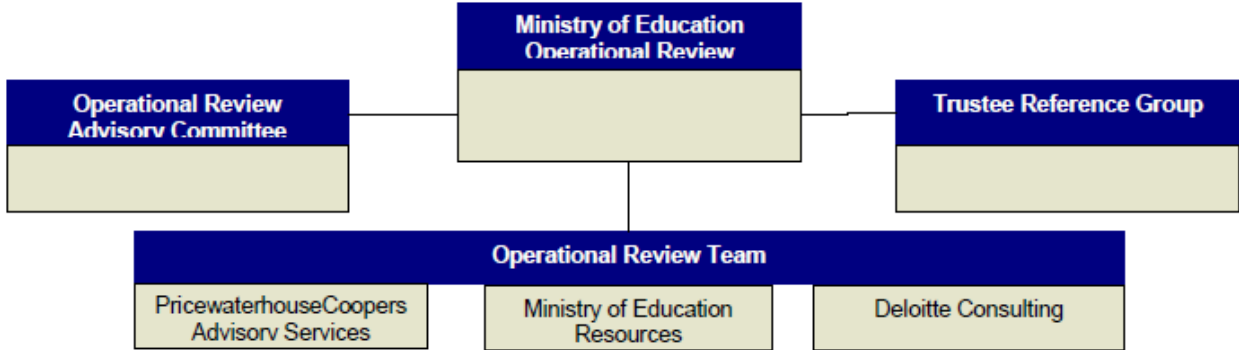


| Key Activity     | Description   |
|------------------|---|
| Follow-up Review | Eight to 12 months after the release of the final report, the review team conducts a follow-up review to determine the extent the board's adoption and implementation of the recommendations. |

**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 Toronto Catholic District School Board. The review has been conducted using the methodology as previously described. The review is not of the nature or scope that constitutes an audit made in accordance with generally accepted auditing standards.

## Appendix B: Summary of Recommendations

### Governance and School Board Administration

| No. | Recommendation  |
|-----|---|
| 1.  | The school board, using a consultative process, should develop and communicate a multi-year strategic plan that provides a framework for annual planning.   |
| 2.  | Once this overarching strategic plan is developed, the school board should develop a formal annual operational plan aligned with the Board's multi-year strategic goals. This annual operating plan should cover all aspects of its nonacademic operations, including human resources, financial management, and facilities management. This will also enable all departments to track and report progress on their defined priorities and goals throughout the year. |
| 3.  | The Director of Education should report to the Board of Trustees annually on the status and outcomes of the school board's strategic plan and annual operating plan, once they are developed.   |
| 4.  | The Board of Trustees and the Director of Education should establish and put in place appropriate processes for decision making.  |
| 5.  | The school board should consider establishing a formal refresh cycle for its policies, to ensure periodic review of all policies across functional areas. This could include forming a policy committee to consider policies for review or development.   |
| 6.  | The Director of Education should establish a formal succession plan to manage retirements and resignations of key managers and administrators. This should include senior staff in both academic and non-academic functions and would help build and sustain leadership capacity. The board of trustees should develop a succession plan to manage the retirement or replacement of the Director of Education.  |

### Human Resources Management and School Staffing/Allocation

| No. | Recommendation  |
|-----|---|
| 7.  | The HR department should update their departmental plan annually and expand the plan to include measurable targets, designated accountabilities, and target timelines. The annual department plan should also be aligned with the school board's operating plan and overall strategic direction. This will enable the department to track and report on the progress of its defined priorities and goals throughout the year. |
| 8.  | The school board should maintain appropriate processes and systems to monitor staff attendance on a timely basis.   |
| 9.  | Management should continue to develop a comprehensive attendance management program, including policies and procedures to address specific categories of absenteeism. This will provide management with a consistent and structured approach to improve attendance across all employee groups.  |
| 10. | Management should periodically report to senior management on the effectiveness of the attendance support program. The Director of Education should also report periodically to the board of trustees on the attendance support program.  |

| No. | Recommendation   |
|-----|--|
| 11. | Management should conduct a compliance audit of the school board's insurance carrier to ensure adherence to the benefit plan's terms and conditions. This will ensure accuracy and validity of claims paid.                |
| 12. | Management should consider developing staff satisfaction surveys, which would include all employee groups. This would improve communication with staff and provide input for professional development plans and HR policy. |

## Financial Management

| No. | Recommendation   |
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| 13. | The department should consider developing an annual departmental plan aligned with the school board's annual operating plan and overall strategic direction. This action will enable the department to track and report the progress of its defined priorities and goals throughout the year.  |
| 14. | Management should continue working with the regional audit team on the development of a risk assessment to determine priority areas for internal audit activities.   |
| 15. | Management should work with the regional audit team to ensure annual audit plans are clearly documented. Audit report recommendations should be followed up and acted upon by management. Where management chooses not to implement an audit recommendation and to accept the risks associated with an audit finding, the justification should be clearly documented and agreed to by the audit committee. |

## School Operations and Facilities Management

| No. | Recommendation   |
|-----|--|
| 16. | The plant department should consider developing an annual departmental plan aligned with the school board's operational plan and overall strategic directions. This will enable the department to track and report the progress of its defined priorities and goals throughout the year.   |
| 17. | The school board should review the Ministry's Green Clean Program Resource Guide and use it to develop a formal green clean program, as part of its overarching Education Environmental Policy.  |
| 18. | Using energy consumption data, 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. |
| 19. | The school board should enhance its procurement policy to support energy management goals.   |
| 20. | The school board is encouraged to develop an overarching environmental policy that addresses both environmental education and responsible management.  |

| No. | Recommendation  |
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| 21. | The school board should develop an occupational health and safety plan, to ensure compliance with associated health and safety statutory requirements for both students and all employee groups.  |
| 22. | The school board should consider establishing an integrated health plan/strategy that would reflect the existing policies and procedures regarding the health of both students and employee groups and aim to promote health and wellness across the school board. Management should also consider coordinating the development, implementation and monitoring of the plan centrally. |