Ministry of Education

Operational Review Report
Wellington Catholic District School Board

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Executive Summary

This report details the findings and recommendations of the Operational Review of Wellington Catholic District School Board (the school board) conducted by the Operational Review Team composed of external consultants from PricewaterhouseCoopers LLP and Ministry of Education staff. The Operational Review was conducted over three days beginning October 26, 2009.

Introduction

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

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

The school board's student achievement results at the secondary and elementary levels demonstrate improvement in most areas since 2002-03. In Grade 6 EQAO testing, the school board's results have been consistently above the provincial average, and improved in 2008-09. Grade 3 results have improved since 2007-08, and are above the provincial average in math. At the secondary level, the scores declined slightly in 2008-09. The school board's continued focus on student achievement will allow it to further improve these results.

The review team found that the school board has implemented many leading practices. Noted strengths include an effective working relationship between the Board and school board administration, progress in implementation of a formal attendance support program, new purchasing policies and procedures consistent with the Supply Chain Guideline, and a focus on sufficient and timely maintenance of school board facilities.

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

Governance and School Board Administration

The school board's governance model clearly delineates the roles and responsibilities of the board of trustees (the Board) and the senior administration. The trustees are responsible for setting broad polices that reflect the school board's values, vision and strategic direction, while senior administration implements the Board's policies and manages the operations of the school board. The trustees have a solid understanding of the roles and responsibilities of the Board and the senior administration.

The Board should consider establishing formal policies for the governance model of the school board, including a clear description of the roles and responsibilities of the Board, the Director of Education, and senior administration.

There is a positive relationship among the senior administration, the director and the board of trustees. New trustees receive orientation training before assuming their roles, to enhance their understanding of the governance model and their roles and responsibilities. The Board has established a policy on the code of ethics for trustees.

Each summer, the Director meets the Board to provide an informal update on the annual goals, priorities and achievements of the past year.

Although the board's four strategic priorities provide a foundation for strategic alignment, the Board does not develop a multi-year strategic plan. Senior administration does, however, develop an operating plan each year, identifying progress under each strategic priority and projected results for the coming school year. The annual operating plan, *Strategic Planning*, does not include specific measurable, achievable, relevant and timely goals.

The school board develops an annual Board Improvement Plan to ensure alignment with the Ministry of Education goals of student achievement, equity, and public confidence.

The Director of Education's annual report to the Board highlights progress of the school board in the implementation of the four strategic priorities. The director also provides stakeholders with regular updates on the implementation of the Board's four strategic priorities, through a publication called *The Director's Notes.*

The school board has established a policy on policy development and implementation, which states that Board policies will be reviewed, developed and implemented systematically. The Program and Policy Standing Committee of the Board is currently reviewing and updating at least one policy per month. The Board acknowledges that a review of all policies that have not been updated over the past five years may take some time. The HR Consulting Executive Manager is responsible for identifying policies for review and establishing a review cycle.

The school board's administrative leadership is represented by the Executive Council and Administrative Council. The Executive Council is composed of the Director of Education, Superintendent of Corporate Services, Superintendent of Education, Superintendent of Program, Assistant Superintendent of Corporate Services and Executive Manager – Human Resources. The Executive Council meets weekly to discuss strategic directions and operational and management issues. The Administrative Council is composed of the members of the Executive Council, several supervisors and representatives of the principals'/vice-principals' council. The Administrative Council meets biweekly to discuss operational issues.

Over the past several years, the senior administration has changed its organizational structure to clarify some roles and responsibilities. The organizational chart is being finalized and will be posted on the school board's website.

There is no formal succession plan for senior management of the school board. However, as part of succession planning, the school board has established the position of the Assistant Superintendent of Corporate Services within the Corporate Service Department. For academic positions, one Superintendent of Education is responsible for developing a succession plan for the school board. The school board recently established a mentoring program for new principals.

The school board consistently administers its responsibilities (both directly and through its committees) in an open and transparent manner. The school board administration and trustees frequently communicate with school councils and community partners. Senior administration take part in numerous sector and regional committees and initiatives.

Recommendations:

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

- The school board's annual operating plan should be enhanced with goals that are specific, measurable, achievable, relevant and timely. This would enable management to track and report the progress of its defined priorities and goals throughout the year. Once the Board has established its multi-year strategic plan, management should ensure that the annual operating plan of the school board is aligned with the multi-year strategic plan.

- The Board should ensure compliance with its policy development and review process by continuing reviews of all policies. Management should also finalize a new schedule for the review of Board policies.

- Once the organization chart of the school board is finalized, it should be posted on the school board's website.

- The school board should continue aligning its leadership development programs and activities with the Ministry leadership initiatives. The board should develop a formal Succession and Talent Development Plan in line with the Leadership Succession Planning and Talent Development Ministry Expectations and Implementation Continuum. As a first step in the development of a formal Succession and Talent Development Plan, the school board should undertake data collection, identification of skills and competencies, and professional learning needs.

Human Resources Management and School Staffing/Allocation

The HR department has implemented many of the leading practices:

- Each year, all HR staff develop individual annual plans which identify at least three goals. These staff annual plans, which include goals, alignment with the school board's strategic priority (pillar), implementation activities, timelines and indications of success, build the overall operating plan of the HR department.

- The department's structure and lines of reporting are provided in the department organizational chart, which was recently finalized.

- During the restructuring process, the HR department established formal job descriptions for all HR staff. The department publishes the *HR Broadcaster* to provide all school board staff with an overview of HR staff, roles, and responsibilities.

- The HR department provides in-service for school board staff when new policies and procedures are adopted. New policies are communicated to school councils.

- The HR department has established policies and procedures for hiring of all staff groups. There is also a broad policy statement for hiring of teaching staff and procedures for hiring of occasional teachers.

- The school board's open communication with the unions is the result of both formal and informal practices. To address collective bargaining issues, the school board has established labour management committees for all bargaining units.

- The school board maintains a timely and effective approach in response to issues. HR staff provide advice and support to school principals in addressing potential grievances.

- The department actively supports the professional development of HR staff and other staff groups, when appropriate. In-service for school administrators is provided during monthly principals'/vice-principals' meetings.

- The school board has developed a formal attendance support program, which will be fully implemented in 2010. The school board uses a computerized attendance tracking system, and absences are reported daily. The Board has approved a new attendance support policy and procedures, including procedures for confidentiality of medical records, disability management, and absence reporting.

- The finance department works closely with the HR department in managing payroll and personnel data. Management maintains appropriate control mechanisms to ensure the segregation and integrity of personnel and payroll data.

- Data transfer among benefits, payroll and OMERS is automated and synchronized through "e-access". The Ontario Teachers' Pension Plan (OTPP) information is submitted via payroll-based electronic reporting.

- During the review and restructuring of the HR department, HR management conducted exit interviews with staff who were leaving the school board.

- The staff allocation process monitors adherence to key Ministry and board policy parameters, such as: class size, prep time, collective agreement requirements, and other board directions.

- Management periodically reports on the actual allocation of staff, compared to the original approved allocation plan and budget.

- Management's plan for providing student support services and staffing is based on student-needs analysis, using the Tiered Response Model.

Since the time of organizational restructuring, the HR department has established formal processes for performance appraisals for some employee groups, including superintendents, non-union staff, long-term occasional teachers, education assistants, and Professional Student Service Personnel. The implementation of performance appraisal of these staff groups is at different stages.

There is no formal policy and procedure for the performance appraisal of office/clerical staff. In line with the Ministry's Supporting Teaching Excellence document, the school board evaluates its experienced teachers on a five-year cycle. New teachers are reviewed during the first and second year as part of the New Teacher Induction Program (NTIP).

The school board has developed a formal attendance support program, which will be fully implemented in 2010. The HR department is currently implementing attendance and absence tracking software, which will help establish benchmarks and measurable goals for further analysis of trends and costs associated with absenteeism. The Board has approved the new attendance support policy and procedures, including procedures for confidentiality of medical records, disability management, and absence reporting.

The Board has established a job evaluation committee to develop a job evaluation tool to update pay equity plans for all staff groups. The last pay equity plan was finalized in 2002 for support staff.

The school board does not undertake independent compliance audits of benefit plans. The school board's benefit consultants provide management with periodic trend analysis of claim payments and comparisons with other school boards.

During the review and restructuring of the department, HR management conducted exit interviews with staff leaving the school board. Management has not conducted confidential staff satisfaction surveys to obtain feedback on the priorities of the school board or general attitudes/impressions.

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. However, the school board does not have formal policies and procedures in place for staff planning and allocation.

Recommendations:

- The HR department should continue developing formal procedures for the performance appraisal of all staff groups at the school board.

- Management should finalize its attendance management program, and develop a mechanism to assess and report on the effectiveness of the attendance management process/programs to senior administration and the Board.

- Management should continue updating the pay equity plan for all employee groups of the school board.

- Management should conduct independent compliance audits of the school board's insurance carrier, to ensure adherence to the benefit plan's terms and conditions.

- Management should conduct periodic and confidential staff surveys, to improve communication with staff and provide input for professional development plans

and HR policies. Management should also continue to conduct exit interviews to obtain feedback on HR policies, as well as process and program improvements.

- Management should develop formal policies and procedures to govern the development of an annual staffing plan and allocation process.

Financial Management

The finance department has implemented many of the leading practices:

- The Corporate Services department has a clearly defined organizational structure for the finance function, and delineates the respective roles and responsibilities.

- The finance department builds staff capacity in understanding of finance policies and procedures, by providing formal sessions and informal training to school board staff, and by providing a complete Operational Manual of Board policies and procedures to school administration.

- Management ensures the transparency of the budget development process by establishing timelines and reporting to the Board on the annual budget development plan. The finance department uses a standard budget request template, which provides historical data for comparison, and requires departments to annotate their specific funding requests.

- The school board has an integrated financial system that provides adequate, timely, and accurate information to trustees, management and school staff.

- Management prepares several interim financial reports. For academic programs, the finance department prepares monthly reports that indicate the allocated funds, expenditures to date, and variance. These reports are used to review budget status at monthly meetings with program staff. The finance department also prepares a monthly financial report for trustees. This report provides budget variances by department and explanations of major variances.

- The Financial Analyst conducts internal audits of schools focused on schoolbased funds. The finance department establishes an annual plan for these internal audits. Following the audit of schools, the Financial Analysis re-visits the schools the following year, to confirm how the initial recommendations have been implemented.

- The Board conducts meetings with the external auditors and reviews auditor's reports. The auditors prepare a management letter outlining their findings and

recommendations. Management provides a formal response to the management letter.

- Management has established many controls for cash/investment management activities. The school board's cash management activities are consolidated with one financial institution.

- The Board has established a policy for managing school-based funds. The finance department has developed a number of procedures and standard forms and templates to assist schools in the management of school-based funds.

- Management ensures adequate controls are in place to safeguard non-grant revenue, and co-ordinates the annual reporting of revenues and expenditures from all sources. The school board has established policies and procedures for the community use of schools and prepares an annual report on usage of school board facilities for the board of trustees.

- The school board has recently established a new policy and procedures on purchasing which are consistent with key requirements of the Supply Chain Guideline.

- The school board actively participates in a number of group buying initiatives and purchasing consortia.

- The school board's purchasing policy and guidelines include provisions for the use of purchasing card (PCards), with a standard cardholder agreement.

The school board uses electronic cheques and EFTs for all payments. Financial reports provided to the Board include the volume of EFT payments. The finance department does not have a formal annual operating plan that outlines specific actions, timelines, responsibilities and indicators of success. However, the finance department establishes annual priorities (strategic goals) aligned to each of the four strategic pillars of the school board.

The school board maintains reserves for working funds to deal with specific or unanticipated budget pressures. The school board does not develop a formal risk management plan as part of the budget development process.

The Board is in the process of establishing an audit committee. The committee will consist of three trustees and two external members. The senior administration is facilitating its establishment, and has drafted the audit committee guidelines. Currently, all audit-related issues are addressed by the Committee of the Whole.

The school board has developed a draft investment policy and procedures, which cover the investment goals of the school board, eligible and ineligible investments, and reporting to the Board.

Management has not implemented an electronic supplier interface for ordering, processing, and payment.

Recommendations:

- The Finance department's annual planning should be enhanced by establishing a distinct finance department annual operating plan. This plan should be aligned with the board's annual operating plan. The department plan should establish specific and measurable targets and indicators, and assign responsibilities for key activities. This would enable management to track and report on the progress of its defined priorities and goals throughout the year.

- During the budget development process, management should document all significant risks and strategies to mitigate the risks of spending beyond authorized/budgeted levels.

- The school board should establish approval procedures for interim financial statements and implement a formal sign-off process for these statements by senior management.

- Management and the board of trustees should continue formalizing an audit committee which includes external members.

- Management should finalize the investment policy and continue providing periodic reports to the Board on the performance of the investment activity in accordance with the investment policy.

- Management should implement an electronic supplier interface for ordering, processing, and payment.

School Operations and Facilities Management

The Plant and Operations department has implemented a number of leading practices:

- The Plant and Operations department supports staff capacity in understanding policies and procedures, and regulatory requirements through training and providing checklists to staff.

- The Plant and Operations department facilitates training for custodial and maintenance staff to support ongoing skills development, build awareness of

regulatory changes, and ensure work place safety. New staff are provided with formal training as well as job shadowing.

- The Plant and Operations department maintains an up-to-date inventory of floor cleaning equipment and major supplies kept at the schools.

- An electronic work order system is in place. Plant and Operations staff use this system to create and manage work order requests.

- The school board has established polices and procedures that apply to both staff and student health and safety. The school board has established an emergency response plan and a pandemic response plan. The school board has a dedicated Environment, Health and Safety officer responsible for this area.

- The school board has implemented a number of Safe School initiatives. The school board has a safe schools policy and guidance binder, which outlines specific procedures for school administrators. The school board has developed a long-term accommodation strategy report that was submitted to the Ministry as the school board's five-year capital plan.

- In the development of its capital plan, management considers low utilization of some school board facilities. Management is continually identifying ways to use all school board facilities by promoting community use, and early childhood development and continuing education programs.

- Management gives full consideration to the use of existing facilities in their communities, and is proactively collaborating with the coterminous school board and is developing community partnerships.

- The Board's purchasing policy and procedures provide guidance on competitive bidding for construction projects, the role of architects in preparing construction specifications and tender documents, and procedures for change orders.

Management and supervisory staff in the Plant and Operations department develop a personal list of goals for the year. These plans include identified goals, the alignment with the school board's strategic priority, the required implementation activities, timelines for implementation, and indicators of success.

The Plant and Operations department does not develop a formal annual or multi-year maintenance plan. The ReCAPP system is currently used as the primary source of information for determining annual and multi-year maintenance priorities. The Plant and Operations department provides an overview of planned maintenance work to the senior administration and the Planning and Operations Committee of the Board.

Last year, the school board implemented green-certified products for hand soaps and custodial cleaning chemicals. The school board has not implemented an overarching Green Policy or Education Environment Policy.

The Plant and Operations department has developed a document which outlines the existing and planned energy management initiatives and the energy conservation targets for the school board. The plan was presented to the Planning and Operations Committee of the Board, and will form the basis for the development of the school board's energy management plan. The school board is completing energy efficiency audits of all schools with support from the Ministry of Education Energy Efficient Schools funding.

The Plant and Operations department tracks energy consumption for the school board monthly and conducts comparisons with data for previous years. The school board does not receive consolidated utility bills from providers.

Recommendations:

- The Plant and Operations management should consider enhancing its annual departmental planning by establishing a distinct department annual operating plan, which would be aligned with the board's annual operating plan. The department plan should establish specific and measurable targets and indicators, and assign responsibilities for key activities. This would enable management to track and report the progress of its defined priorities and goals throughout the year.

- Management should establish a multi-year maintenance and renewal plan that includes the funding available to support it. This would provide the senior administration, the Board, and its stakeholders with a clear forecast of the school board's critical needs over the next several years.

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

- Once the formal energy management plan is established, the school board should ensure that its procurement policies and practices support the objectives and targets of the plan. Management should also consider documenting the

energy efficiency requirements in purchasing policies and procedures and/or the environmental policy.

- Management should consider obtaining consolidated billing for all school board facilities from each utility.

- The school board should develop an environmental policy that would provide framework for the school board's activities in the area of environmental management and education and increase the communication opportunities.

1. Background and Overview

1.1 School Board Profile and Structure

Wellington Catholic District School Board provides educational services to approximately 8,000 students in 16 elementary and three secondary schools.

The school board's enrolment has increased since 2002-03, but peaked in 2008-09 and decreased in the 2009-10 year. Overall from 2002-03 to the 2009-10 fiscal year, enrolment increased by 126 students, or about 1.6 per cent. This trend is expected to continue over the next several years.

The school board's Executive Council is as follows:
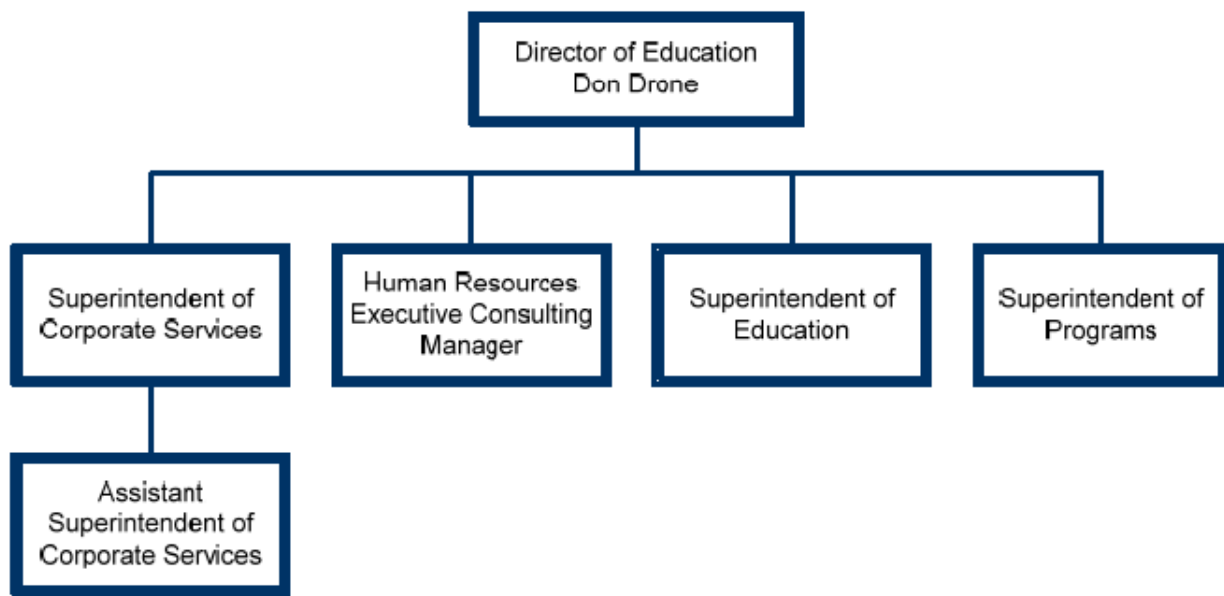
Figure 1: Wellington Catholic District School Board Executive Council

The school board also has an Administrative Council which includes the managers and supervisors in each department and the chair of the Principal/Vice-Principal council.

1.2 Key Priorities of the School Board

The school board's mission statement is:

 "To continue to build a vibrant Catholic community committed to the celebration of each individual by fostering a love of learning, through quality educational experiences, enabling all to respond in a Christian way to the challenges of life."

The school board has established four strategic priority areas. The annual goals are aligned with the following Board priorities:

- Student Achievement

- School and Site Improvement

- Quality Programs and Services

- Catholicity

1.3   Student Achievement

Since 2002-03, the school board has shown improvement in most of the areas assessed through the EQAO process. Grade 3 EQAO results in reading, writing and math have improved since 2007-08, with results in math above the provincial average. Grade 6 results in reading, writing and math have been steadily improving since 2006-07, and remain above the provincial average. Grade 9 academic results have declined since 2007-08, and are at provincial average. Grade 9 applied results have also declined in 2008-09, and remain above the provincial average.

The following charts demonstrate the school board's EQAO results over the last five years.
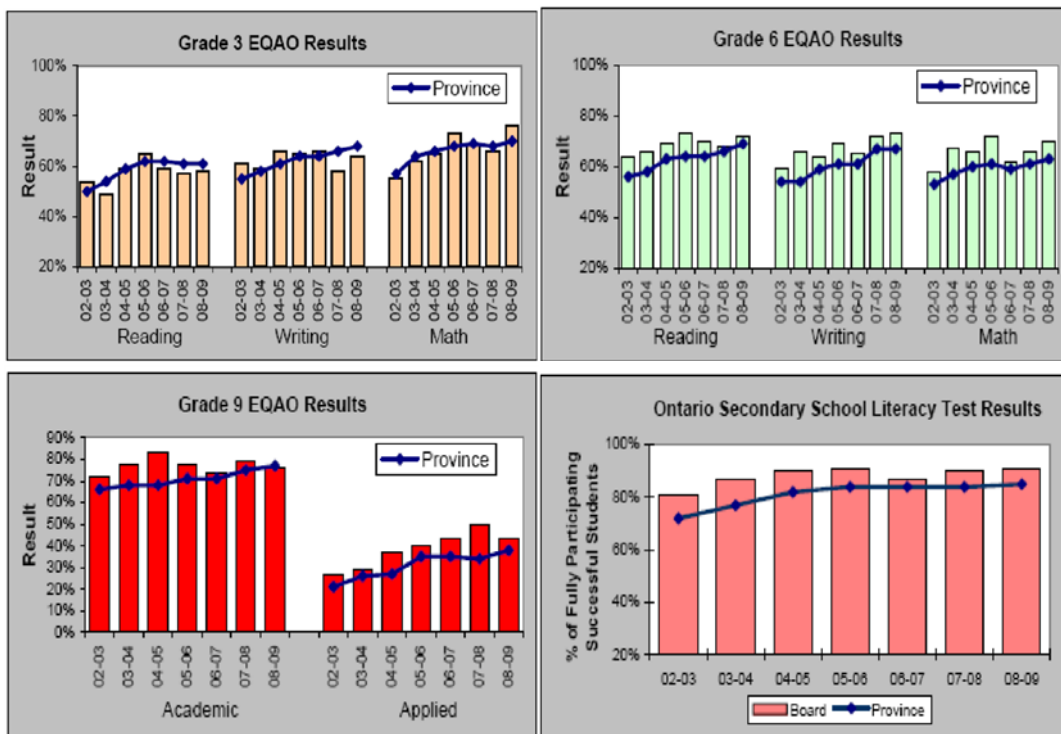
1.4   Fiscal Overview

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

Summary Financial Data (Revenues)

Revenues	2006-07 Financial Statements	2007-08 Financial Statements	2008-09 Revised Estimates
Legislative Grants	$55,212,175	$58,760,901	$62,587,824
Local taxation	$17,579,154	$18,174,862	$18,010,835
Board Revenues	$1,515,145	$1,715,573	$781,915
Other Operating & capital Grants	$1,403,183	$1,393,127	$875,623
Total Revenues (Schedule 9)	**$75,709,657**	**$80,044,463**	**$82,256,197**

Summary Financial Data (Expenditure)

Expenditures	2006-07 Financial Statements	2007-08 Financial Statements	2008-09 Revised Estimates
Operating expenditures	$67,584,853	$70,966,232	$75,174,970
Capital expenditures - Before transfers from reserves	$7,613,714	$5,930,085	$7,813,043
Transfer to (from) Reserves	$511,090	$3,148,146	($731,817)
Total Expenditures	**$75,709,657**	**$80,044,463**	**$82,256,196**
In-year Surplus (Deficit)	**$0**	**$0**	**$0**

School Board Reserves and Deferred Revenues

School Board Reserve and Deferred Revenues	2006-07 Financial Statements	2007-08 Financial Statements	2008-09 Revised Estimates
Reserve for Working Funds	$1,113,984	$3,076,420	$3,076,420
School Activities	$50,758	$28,454	$0
WSIB	$0	$303,363	$0
Technology	$76,530	$20,000	$0
Other/Vacation Account	$39,414	$370,595	$370,595
Plant and Operations/Admin	$250,000	$200,000	$0
Admin	$0	$500,000	$500,000
Total Reserve Funds (Schedule 5)	**$1,530,686**	**$4,678,832**	**$3,947,015**

School Board Reserve and Deferred Revenues	2006-07 Financial Statements	2007-08 Financial Statements	2008-09 Revised Estimates
Special Education Reserve	$149,814	$0	$0
Other Operating Deferred Revenues	$316,115	$116,560	$0
Total Deferred Revenues (Schedule5.1)	**$465,929**	**$116,560**	**$0**
Total Board Reserves and Deferred Revenues	**$1,996,615**	**$4,795,392**	**$3,947,015**

1.5   Key Statistics: Wellington Catholic District School Board

The following table highlights key statistics for the school board.

Day School Enrolment

Day School Enrolment	2002-03 Actual	2008-09 Revised Est.
Elementary Day School ADE	5,436	5,565
Secondary Day School ADE	2,352	2,580
Total Day School Enrolment	**7,788**	**8,145**

Primary Class Size

Primary Class Size	2003-04	2008-09
% of Classes Less Than 20	24%	91%
% of Classes Less Than 23	50%	100%
Average Class Size - Jr/Inter	25.06	24.9
% of 3/4 Classes 23 & Under	33%	100%
% of Combined Classes	14%	15%

Staffing

Staffing	2003-04	2008-09
School Based Teachers	448	503
Teacher Assistants	91	111
Other Student Support	47	25
School Administration	25	30
School Clerical	32	34
School Operations	77	56

Staffing	2003-04	2008-09
Other Non-Classroom	27	30
Total Staffing	**747**	**788**
Teacher - Pupil Ratio	**1:17**	**1:16**
FTE Staff per 1,000 Pupils (ADE)[1]	**95.9**	**96.7**
Total Salary & Benefits as % of Net Operating Expenditures	**79.10%**	**83.30%**

Special Education

Special Education	2003-04	2008-09
Special Education Incremental Expenditures	$5,460,978	$8,257,542
Special Education Allocation	$4,831,264	$7,829,018
Spending above Allocation (Reserve)	**$629,714**	**$428,524**

School Utilization

School Utilization	2003-04	2008-09
Number of schools	21	19
Total Enrolment (ADE)	7,788	8,145
School Capacity (Spaces)	7,217	8,240
School Utilization	**107.9%**	**98.8%**
Board Area (Km^2)	**2,691**	**2,691**
Number of Trustees	**6**	**6**

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

2.   Governance and School Board Administration – Findings and Recommendations

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

Governance and school board administration processes are reviewed to:

- Understand how the governance model supports operational effectiveness and delineates the division of duties between the board of trustees and the administration;

- Assess the development of the annual plan (including the goals/priorities) and actions to engage and communicate with key stakeholders and the related reporting against the plan;

- Assess how policies and related procedures are generated and maintained;

- Determine whether staffing levels and organization structures provide for clarity of roles and accountability sufficient to carry out the school board's objectives;

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

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

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

Establishment of an Effective Governance Model

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

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

Leading Practices – Governance and School Board Administration	Evidence of Adoption?
The board of trustees, using a consultative process, develops and communicates a multi-year strategic plan that provides a framework for annual planning.	No
The director of education and senior administration develop an annual operating plan of their goals/priorities, incorporating both academic and non-academic departments. The plan is aligned with the Board's multi-year strategic plan and has goals that are specific, measurable, achievable, relevant and timely.	Yes
The senior administration periodically/annually report to the board of trustees on the status and outcomes of the board strategic plan and annual operating plan.	Yes

Decision Making Processes

Leading Practices – Governance and School Board Administration	Evidence of Adoption?
The board of trustees and senior administration have appropriate processes for decision making to address student achievement targets and operational performance.	Yes
The board of trustees and senior administration have appropriate processes for the establishment and regular maintenance of policies and administrative procedures for the efficient and effective operation of the board.	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
A departmental organization chart (supplemented with a directory of key staff contact information) is publicly available on the board's website.	No

Succession and Talent Development

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

Stakeholder Engagement

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

Establishment of an Effective Governance Model

The Board's governance model clearly delineates the roles and responsibilities of the board of trustees and the senior administration. The Board's six trustees are responsible for setting broad polices that reflect the school board's values, vision and strategic direction, and senior administration is responsible for implementing the Board's policies and managing the operations of the school board. The current governance model was adopted by the Board over a decade ago. The trustees have a solid understanding of the roles and responsibilities of the Board and the senior administration. The Board should consider establishing formal policies for the governance model of the school board, including a clear description of the roles and responsibilities of the Board, the Director of Education, and senior administration.

The Board's commitment to policy governance and its effort to continuously monitor its practices results in an effective governance structure. There are positive relationships among the director, senior administration, and the board of trustees.

The Board comprises experienced trustees who are continually enhancing their knowledge of their own roles and the roles and functions of board administration through informal discussions. New trustees receive orientation training before assuming their roles, to enhance their understanding of the governance model and their roles and responsibilities. The Board has established a policy on the code of ethics for trustees.

There is no formal performance appraisal process for the Director of Education. Each summer, the director meets the Board to provide an update on the annual goals, priorities and achievements in the past year. During the meeting, trustees and the director discuss school board operations and progress against the strategic priorities.

The board of trustees has several standing committees, including the Policy and Program Committee, Planning and Operations Committee, and Special Education Advisory Committee (SEAC). The mandate of the Policy and Program Committee is to conduct a review of all policies and curricula. The committee meets every month and is composed of all trustees of the Board. The Planning and Operations Committee is responsible for review of all areas of corporate services including finance, planning, operations and information technology. The committee meets every month and is composed of all trustees. At the time of the Operational Review, the Board was finalizing the structure and mandate of the Audit Committee.

Trustees may express their interest in specific committees. Committee meetings are open to any trustee who is interested in attending.

Development of the Board's Strategic Directions/Plan

The Board has established four strategic priorities: Catholicity, student achievement, quality, and site improvement. The Board does not develop a multi-year strategic plan. Each year, senior administration develops an operating plan, *Strategic Planning,* which identifies progress under each strategic priority and projected results for the next school year.

The school board has a process for the development of annual goals and priorities. Each summer, the Director of Education conducts a planning workshop with the school board senior administration to review of actions and achievements in the previous year and identify strategic directions for the next school year. In the past, management worked with an external facilitator to develop the operating plan, *Strategic Planning*. During the annual planning meeting, senior staff present reports for their areas of responsibility, and agree on priorities and actions for the upcoming year. The school board has recently established five strategic planning groups: Catholicity, staffing,

information technology, accommodation and boundaries, and broad-based technology. The strategic planning groups have been established to implement strategic directions and address issues within their respective areas.

The school board develops an annual Board Improvement Plan to ensure alignment with the Ministry of Education goals of student achievement, equity, and public confidence. The plan includes specific and measurable goals which are developed based on a comprehensive needs assessment. Each specific goal established by the plan is accompanied by implementation strategies, indicators of success, timelines, responsibility, and a schedule for monitoring of current status.

The Director prepares the Director's Notes on a regular basis to provide stakeholders with updates on the implementation of the Board's four strategic priorities. The Director's Notes are posted on the school board's website. During regular school visits, the Director presents the school board's progress on all strategic areas and shares the report, *Prospectus*, which highlights the school board's accomplishments. The 2009-2010 Board's annual strategic plan, *Focus on 2009-2010*, will be posted on the school board's website. The Director of Education provides an annual report to the Board which highlights the school board's progress in the implementation of the four strategic priorities. The Director's annual report is posted on the school board's website.

Decision-Making Process

The Board has established procedural by-laws which outline its decision-making process, including rules for the establishment of committees, meetings of the Board, Board motions, and voting procedures. The procedural by-laws do not identify a formal process for agenda setting. The Chair and the Director review the draft agenda established by the senior administration. The Chair gives a final approval to the agenda. The by-laws include a process for delegations and submissions and a structure/template of the Board agenda. A standard agenda includes reports from student trustees, committee meetings, and superintendents, delegations, follow-up items from previous board meetings, and an open session to discuss any additional items raised by trustees. Agendas for Standing Committees are prepared by appropriate superintendents, and approved by the trustee Chair of the respective committee.

The school board has established a policy on policy development and implementation. The policy states that Board policies will be reviewed, developed, and implemented in a systematic manner. The policy also requires that new and updated policies and procedures are communicated within the system. Each school and department has a copy of the Policy Book.

The need for a new policy and procedures can be identified by staff members or trustees and reported to the Policy and Planning Committee of the Board. The Committee makes the decision on who should be involved in the development of the policy. A draft new policy is presented to the Administrative Council, followed by presentation to the Policy Committee and the Board for comment. A final draft is presented to the Policy Committee and approved by the Board.

In the development and update of policies, senior administration may consult with school principals and school councils to obtain input on issues which have direct impact on the school community. All Board policies are posted on the school board's website.

Senior management reviews policies on an annual or semi-annual basis, and identifies policies that need to be updated or established. Policies posted on the school board's website indicate the date when they were established and reviewed. Many policies have not been updated over the past five years. The Program and Policy Standing Committee of the Board is currently reviewing and updating at least one policy per month. The Board acknowledges that a review of all policies may take some time. The HR Consulting Executive Manager is currently responsible for identifying policies which require a review and establishing a review cycle. In the development of new policies, similar policies developed by other school boards are considered. The school board participates in a consortium with other school boards for legal services, and uses legal advice provided to the consortium in relation to new policies.

Procedures are updated along with policies and included in the submission to the Board for approval.

Organizational Structure and Accountability

The school board's administrative leadership is represented by the Executive Council and Administrative Council. The Executive Council is composed of the Director of Education, Superintendent of Corporate Services, Superintendent of Education,

Superintendent of Program, Assistant Superintendent of Corporate Services and Executive Manager – Human Resources. The Executive Council meets weekly to discuss strategic directions and operational and management issues.

The Administrative Council is composed of the Director of Education, Superintendent of Corporate Services, Superintendent of Education, Superintendent of Program, Assistant Superintendent of Corporate Services, Executive Manager – Human Resources, Supervisor of Student Achievement, Principal of Alternative Education, a representative of principals'/vice-principals' council, and Supervisor of Information Technology. The Administrative Council meets biweekly to discuss operational issues. The mandate of the Administrative Council also includes an annual review of the four strategic priorities.

Over the past several years, the school board administration has implemented changes in its organization structure, and clarified roles and responsibilities. As part of succession planning, the school board has established a position of the Assistant Superintendent of Corporate Services. The HR department has undergone significant changes in its structure and lines of reporting. The Consulting Executive Manager of Human Resources reports to the Director of Education. The Manager of Human Resources reports to the Consulting Executive Manager of Human Resources, and is responsible for day-to-day functions of the HR department. These include labour relations and negotiations, compliance with collective agreements and employment legislations, grievances, and adjudication of all short-term leave requests.

Using recommendations from the external review of the IT department, the school board has identified the need to establish a Chief Information Officer (CIO) position. The CIO will report directly to the Superintendent of Corporate Services, and will be responsible for both the academic and operational aspects of IT services.

The organizational chart is currently being finalized and will be posted on the school board's website, which also provides contact information for key staff.

Succession and Talent Development

The school board recognizes the need to plan for pending retirements at the senior administration level over the medium and long term. Within the department of Corporate Services, the position of the Assistant Superintendent of Corporate Services has been established as part of succession planning. To address academic leadership, one Superintendent of Education is responsible for the development of a formal succession plan for the school board. The senior administration is informally identifying teachers who have appropriate skills sets and interest in school administration positions. The school board has recently established a mentoring program for new principals.

Stakeholder Engagement

The school board has demonstrated that it consistently administers its responsibilities (both directly and through its committees) in an open and transparent manner. The school board administration and trustees proactively engage with school councils and community partners. Management provides trustees and school principals with media training. Management noted that the director and Chair of the Board act as the Board's official media spokespersons.

The senior administration actively participates in various committees, both across the sector and locally. The school board's senior administration team is also extensively involved in community initiatives and partnerships. For example, the Director of Education is the vice chair of the English Catholic Council of Directors of Education (ECCODE) and an executive member of the Council of Directors of Education (CODE).

The director also sits on the City of Guelph Mayor's Strategic Committee on Economy. The Superintendent of Corporate Services is the advisory committee member for the Ontario Education Collaborative Marketplace (OECM), operational review advisory committee member for the Councils of Senior Business Officials (COSBO) and an advisory committee member for the City of Guelph Transit Strategy Study. The Assistant Superintendent of Corporate Services and the Consulting Executive Manager Human Resources are members of the Ontario Catholic School Business Officials Association (OCSBOA).

Recommendations:

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

- The school board's annual operating plan should be enhanced with goals that are specific, measurable, achievable, relevant, and timely. This would enable management to track and report the progress of its defined priorities and goals throughout the year. Once the Board has established its multi-year strategic plan, management should ensure that the annual operating plan of the school board is aligned with the multi-year strategic plan.

- The Board should ensure compliance with its policy development and review process by continuing reviews of all policies. Management should also finalize a new schedule for the review of Board policies.

- Once the organization chart of the school board is finalized, it should be posted on the school board's website.

- The school board should continue aligning its leadership development programs and activities with the Ministry leadership initiatives. The board should develop a formal Succession and Talent Development Plan in line with the Leadership Succession Planning and Talent Development Ministry Expectations and Implementation Continuum. As a first step in the development of a formal Succession and Talent Development Plan, the school board should undertake data collection, identification of skills and competencies, and professional learning needs.

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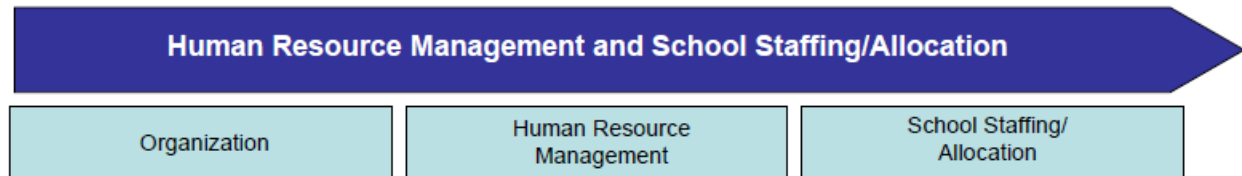
Effective management of human resources ensures an adequate number of qualified staff throughout the organization can perform their prescribed duties. Policies and procedures to develop staff are in place, through performance appraisals, professional development and support services. Staff allocations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

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

3.1 Human Resource Organization

The review of the organization of the HR department assesses:

- Whether appropriate policies and procedures have been established and maintained to support the HR functions and required priorities, and whether they are aligned with the school board's directions;

- Whether an annual departmental plan setting out the goals and priorities and their alignment to the school board's strategic directions has been established;

- Whether the roles and responsibilities of staff support the key functions, activities and practices of HR;

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

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

Development and Reporting of Annual Goals and Priorities

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

Organizational Structure and Accountability

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

Monitoring and Communication of Policies

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

Development and Reporting of Annual Goals and Priorities

Management identified key issues and gaps in the HR processes after an internal review of the HR department several years ago,. Management used these findings to inform strategic priorities of the HR department. Following the review, all HR staff started to develop individual annual plans which identify at least three goals. The Executive Consulting Manager of HR and Manager of HR support and facilitate this planning process. The annual plans of HR staff build the overall operating plan of the HR department. The plans include goals, alignment with the school board's strategic priority, implementation activities, timeline, and indications of success. The HR department should align its annual department plan with the annual operating goals of the school board.

Organizational Structure and Accountability

The Executive Consulting Manager of HR reports to the Director of Education, and provides direct managerial and leadership support to all HR functions and staff. The Manager of HR reports to the Executive Consulting Manager of HR, and is responsible for the day-to-day activities of the HR department. The department also includes two HR officers responsible for teaching and non-teaching staff, the Disability and Wellness Coordinator, an Environment, Health and Safety Officer, Supply Teacher Dispatch and HR Clerk, Administrative Assistant, and Receptionist.

Following the departmental review, the reporting structure of the HR department was modified to reflect new priorities. The restructuring of the HR department was informed by feedback collected from stakeholders and staff, including school administrators, unions, superintendents, and other partners of the school board. As result of the restructuring, the payroll function became part of the finance department.

The department's structure and lines of reporting are provided in the department organizational chart. The organization chart was recently finalized. Management should post the organization chart on the school board's website, and update the directory of key school board staff.

During the restructuring process, the HR department established formal job descriptions for all HR staff. The HR department has been publishing the *HR Broadcaster* to provide all school board staff with an overview of HR staff, roles and responsibilities. HR staff members are qualified as per job specifications, based on their experience and qualifications.

Monitoring and Communication of Policies

The HR department is responsible for implementing Board policies pertaining to hiring and recruitment, attendance and leaves, and the health and safety of employees. The Executive Consulting Manager of HR is currently responsible for the development of a review cycle for all Board policies and procedures.

Management noted that compliance with collective agreements and terms and conditions for non-union employee groups is one of the key priorities for the HR department. HR senior staff provide input in the development of new policies related to HR management. The HR department provides in-service for school board staff when new policies and procedures are adopted. For example, in-service on new policies is provided as part of monthly principal meetings. All HR policies are posted on the school board's website. New policies are communicated to school councils. Management should continue increasing staff capacity in understanding of HR policies and administrative procedures, by providing regularly scheduled policy awareness, training and education sessions.

3.2   Human Resource Management

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

- Planning and processes are in place for the recruitment and hiring of the appropriate number of qualified staff to support the student achievement targets;

- Appropriate processes are in place to promote the personal and professional growth of all staff;

- Adequate systems and procedures are in place to manage employee compensation plans, labour relations, employee performance and attendance, and other support services to foster employee satisfaction;

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

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

Staff Recruitment/Hiring

Leading Practices – Human Resource Management	Evidence of Adoption?
Recruitment policies and administrative procedures are reviewed annually, and are aligned with staff planning to support student achievement.	Yes
The hiring policies and procedures for the respective staff groups are harmonized and shared with managers throughout the school board.	Yes

Labour Relations

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

Employee Performance Evaluation Processes

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

Attendance Management Processes/Programs

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

Management of HR and Payroll Data

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

Management of School Board's Benefit Plans

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

Monitoring Staff Satisfaction

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

Staff Recruitment/Hiring

The HR department uses the Jobs in Education, Apply to Education, and Workopolis websites for recruitment of teaching and non-teaching staff. The school board also attends job fairs and advertises open positions through OCSBOA, OASBO, in newspapers, and on websites of professional organizations, such as the Ontario Association of Social Workers. Management noted that, using the existing recruitment strategies, the school board attracts a sufficient number of qualified candidates for most positions.

The HR department has established policies and procedures for hiring of all staff groups. There is also a broad policy statement for hiring of teaching staff and procedures for hiring of occasional teachers. The school board has established a policy on pre-employment screening practices of the school board.

The HR department is using a number of central controls in the hiring process, including reference checks and criminal background checks. Interviews for teaching positions are usually conducted at the school level, and the HR representatives attend most of the interviews. To make hiring of occasional teachers more efficient when there is a need for a significant number of occasional teachers, teams of principals and teachers conduct interviews.

The HR department has developed standard hiring packages for all employee groups. The hiring packages contain standard forms and information for new hires.

Labour Relations

The school board has open communication with the unions, as a result of both formal and informal practices. To address collective bargaining issues, the school board has established labour management committees for all bargaining units. The Ontario English Catholic Teachers' Association (OECTA) labour management committee meets every six to eight weeks, and the Executive Consulting Manager of HR meets with the bargaining unit representatives every four weeks. The Executive Consulting Manager of HR also chairs the strategic staffing committee, which includes the Assistant Superintendent of Corporate Services, representatives of the principals' committee, and executives of OECTA. The Manager of HR takes part in committees with the non-teaching unions: Ontario Secondary School Teachers' Federation (OSSTF) and CUPE.

The Executive Consulting Manager of HR is the chief negotiator in labour negotiations, joined by the Manager of HR and the Superintendent of Corporate Services. Trustees are not involved in negotiations.

The school board also maintains a timely and effective approach in response to labour issues. HR staff provide advice and support to school principals in addressing potential grievances. There are only a few outstanding grievances at the school board.

Employee Performance Evaluation Processes

Since the time of organizational restructuring, the HR department has established formal processes for performance appraisals for some employee groups. Over the past two years, the school board has been implementing a formal performance appraisal process for superintendents. Management has recently approved a performance appraisal process for non-union staff, with the appraisal cycle starting in 2009-2010. Management has also recently approved a performance appraisal process for long-term occasional teachers, which will be conducted by school principals.

In line with the Ministry's Supporting Teaching Excellence document, the school board evaluates its experienced teachers on a five-year cycle. New teachers are reviewed during the first and second year as part of the New Teacher Induction Program (NTIP). HR tracks teacher performance appraisals, and notifies principals on appraisals due to be completed at the beginning of each year.

The HR department has established a draft process guideline for performance appraisal of education assistants. The draft guideline has been presented to school principals for input and feedback. At the time of the Operational Review, management was finalizing draft guidelines for performance appraisal of education assistants and Professional

Student Service Personnel (PSSP), which will be further presented to the relevant labour management committee. There are no formal performance appraisal procedures for office/clerical and CUPE staff.

Management noted that performance appraisal procedures and supporting documents for unionized staff groups are developed in consultation with bargaining units.

HR staff identify teachers who are due to be evaluated at the beginning of each year. The list of teachers is provided to OECTA and principals. Principals are responsible for conducting timely appraisals. The HR department uses an electronic system for tracking performance appraisal of teachers. Management intends to enhance the system to track performance appraisal of other employee groups, once formal procedures are finalized.

Management notes that there is a clear distinction between performance reviews and performance counselling, which takes place when there are performance issues. The HR department has also developed formal, written disciplinary procedures which are included in the Principal/Vice Principal and Supervisor HR Reference Guidelines. The guidelines document contains the description of the performance counselling process, and the principal's guide to workplace discipline. The guide on workplace discipline contains procedures for administering disciplinary action. Management has provided in-service for school principals on discipline procedures. The HR department provides support to principals in addressing discipline issues. The Manager of HR is always present during disciplinary meetings.

The HR department actively supports the professional development of HR staff and other staff groups, when appropriate. In-service for school administrators is provided during monthly principals'/vice-principals' meetings. Management encourages HR staff to participate in professional conferences and networks. HR staff attend bimonthly OCSBOA sharing sessions to network with HR staff from other school boards. HR staff are also cross-trained within the department and at other school boards. The HR department supports mandatory training provided to all employee groups such as WHMIS, violence in the workplace, accessibility legislation, equity, and inclusivity. Management noted that provisions of some collective agreements limit the scope of the department's involvement in planning and implementing of professional development activities for unionized employee groups.

Attendance Management Processes/Programs

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

The school board has developed a formal attendance support program which will be fully implemented in 2010. The school board uses a computerized attendance tracking system, and absences are reported daily. The Disability and Wellness Coordinator is responsible for monitoring the attendance data and taking follow up action. Each year, the HR department provides in-service on absence codes for principals and vice-principals to ensure accuracy in tracking and reporting of absences. The HR department is currently implementing attendance and absence tracking software to help establish benchmarks and measurable goals, identify trends, and report on the cost of impact associated with disability.

The attendance support program has three components: disability management, attendance management, and wellness programs. The disability management and wellness components have been implemented. The disability management process identifies and supports employees with absences of greater than five consecutive days, in a fair and consistent manner. The school board has established a formal procedure for the transitional/modified return to work program. Management has established Wellness Committee with participation from all employee groups. The school board is currently moving to the implementation of the attendance management component of the attendance support program. The Board has approved the new attendance support policy and procedures, including procedures for the confidentiality of medical records, disability management, and absence reporting.

Management is working to develop a communications strategy to train and update staff on new policies and procedures, and their roles and responsibilities. Principals and vice-principals have received training on the disability management program. It is expected that the comprehensive attendance support program will be implemented in 2010.

Management of HR and Payroll Data

As result of the restructuring of the HR department, the finance department assumed responsibility for the internal payroll function. The finance department continues working closely with the HR department in managing of HR and payroll data. Management maintains appropriate control mechanisms to ensure the segregation and integrity of personnel and payroll data. When HR staff enter new data in the system, an automated message is sent to the payroll area. Finance staff run a weekly audit listing to review changes made during that period. The Compensation and Benefits Supervisor is responsible for position reclassification, using the Qualifications Evaluation Council of Ontario (QECO) ratings for teaching staff. For non-teaching staff, external consultants conduct reviews to indentify appropriate classifications in relation to other internal positions, and based on comparisons with other school boards. Teachers' qualifications are synchronized with the Ontario College of Teachers (OCT) three times a year. The HR Officer (teaching) is responsible for synchronizing qualifications data with the OCT.

The school board has established a job evaluation committee to develop a job evaluation tool. The job evaluation tool will be used to update pay equity plans for all staff groups. The last pay equity plan was established in 2002, for support staff.

Management of the School Board's Benefit Plans

The finance department is responsible for managing the school board's benefits plan. The school board contracts external benefits consultants to regularly review the existing benefit plan and negotiate new plans. The school board tendered its group plan and changed its carrier in 2005.

The school board does not undertake independent compliance audits of benefit plans. However, the school board's benefit consultants provide management, with periodic trend analysis of claim payments and comparisons with other school boards. Finance staff also conduct periodic reconciliations between membership of eligible staff and dependents and actual claim payments. Management noted that current group benefit plans provide basic coverage and the long-term disability plan is fully funded by employees.

The school board involves bargaining units in making decisions on any changes to the benefit plans.

Data transfer among benefits, payroll and OMERS is automated and synchronized through using "e-access". The Ontario Teachers' Pension Plan (OTPP) information is submitted via payroll-based electronic reporting. After each payroll process, pension data is generated in the financial system and a data file is created. The file is then submitted to OTPP via their secure website.

Monitoring Staff Satisfaction

Management has not conducted confidential staff satisfaction surveys to obtain feedback on the priorities of the school board or general attitudes. During the review and restructuring of the HR department, exit interviews were conducted with staff who were leaving the school board. However, there is no formal procedure for exit interviews.

Recommendations:

- The HR department should continue developing formal procedures for performance appraisal of all staff groups at the school board.

- Management should finalize establishing a comprehensive attendance management program, and develop a mechanism to assess and report on the

effectiveness of the attendance management process/programs to senior administration and the Board.

- Management should continue updating the pay equity plan for all employee groups of the school board.

- Management should conduct independent compliance audits of the school board's insurance carrier to ensure adherence to the benefit plan's terms and conditions.

- Management should conduct periodic and confidential staff surveys, to improve communication with staff and provide input for professional development plans and HR policy. Management should also continue to conduct exit interviews to obtain input for HR policy, as well as process and program improvement.

3.3 School Staffing/Allocation

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

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

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

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

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

Processes for Annual Staff Planning and Allocation

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

Monitoring and Reporting on Staff Allocation

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

Processes for Annual Staff Planning and Allocation

The school board does not have formal policies and procedures for staff planning and allocation. The Superintendent of Corporate Services leads the staff planning and allocation process. The Superintendent of Corporate Services builds class structure for each school, and sends the models to principals for input.

The allocation model for elementary teachers is based on the following information: provisions of collective bargaining agreements, primary class size requirements, enrolment projections, historical enrolment trends, and school class organization charts.

The allocation model for secondary teachers is driven by the following factors: provisions of collective bargaining agreements, enrolment projections, historical enrolment trends, and course option selections.

Allocation of other teaching school staff is based on formulas which incorporate various factors, including grant regulations, size of school, and student needs.

The school board has established the Tiered Response Model for a needs-based allocation of special education staff. In addition to the needs-based approach, the allocation of special education staff is determined by provisions of collective bargaining agreements and grant regulations.

The allocation model for non-teaching school staff is based on grant regulations. CUPE staff are allocated according to provisions of the collective bargaining agreement.

Management uses Excel spreadsheets to establish staff allocation models for school teaching and non-teaching staff.

The Superintendent of Corporate Services presents the draft staff allocation (which reflects draft budget projections) to the Executive Council. The Executive Council approved staffing model is included in draft budgets. The models are communicated to trustees as part of the budget development process. Following the budget process, the Executive Council reviews refinements to the staffing allocation models due to enrolment or funding changes. Reports on staff allocation are presented to the first Board meeting in October.

Monitoring and Reporting on Staff Allocation

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

School administrators inform the Superintendent of Corporate Services of adjustments in enrolment projections from July to September. The Superintendent of Corporate Services reviews the changes and makes adjustments to allocation of teaching staff. Any changes are communicated to the HR department and school administrators. In September, management develops a comparison of actual staffing to staffing per the funding model and reports to the Board.

To respond to changing needs during the school year, management hires temporary education assistants for up to six months. Each year, student needs at all schools are reviewed. The program department of the school board leads the review and identifies staffing requirements.

Recommendation:

- Management should develop formal policies and procedures to govern the development of an annual staffing plan and allocation process.

4. Financial Management – Findings and Recommendations

Financial Management		
Organization	Budget Planning & Development	Financial Reporting & Analysis
Treasury Management	School-Based Funds & Non-Grant Revenue Management	Supply Chain / Procurement

The financial management of the school board ensures the efficient and effective use of fiscal resources. Financial management ensures that the annual budget is developed within the Ministry's allocation and aligned with student achievement targets. It also ensures that appropriate financial policies and procedures are in place to manage resources. Financial and related business processes contribute to an appropriate level of transparency in the allocation and use of the budget to the various departments. They also ensure that the reporting of results to the board of trustees and other school board stakeholders reflects the approved goals and priorities for student achievement.

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

4.1 Finance Organization

The purpose of reviewing the organization of the finance department is to assess:

- The establishment of policies and procedures to support the key finance functions, activities and required business priorities and their alignment with student achievement targets;

- Finance department support of the overall goals/priorities and accountability measures established by the school board;

- The efficiency and effectiveness of the departmental structure and support of the roles and responsibilities for the key functions, activities and practices;

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

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

Development and Reporting of Annual Goals and Priorities

Leading Practices – Finance Organization	Evidence of Adoption?
The finance department's goals and priorities are documented in an annual departmental operating plan that is aligned to the annual board operating plan accessible by key stakeholders. The plan incorporates measurable targets, specific timelines and identified accountability.	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 experience.	Yes

Monitoring and Communication of Policies

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

Development and Reporting of Annual Goals and Priorities

The finance department does not have a formal annual department operating plan indicating specific actions, timelines, responsibilities and indicators of success. However, the finance department establishes annual priorities (strategic goals) under each of the four strategic pillars of the school board. The current priorities of the finance department include:

- Completion of the internal audit cycle for all schools

- Establishment of the audit committee

- Implementation of an inventory system for tangible capital assets

- Update of the long-range capital plan

- Enhancement of the monthly reporting package for school sites

- Delivery of in-service to staff on finance-related topics

- Enhancement of reporting to senior administration and trustees

- Review of the financial management software

- Implementation of benefit carrier reconciliation process

- Establishment of new policies and procedures regarding budget, purchasing and capital assets.

Finance management has started implementing a more formal approach to annual planning. As a first step in the development of an annual operating plan for the department, finance staff identified individual annual goals, activities to support these goals, timelines, and indicators of success.

Organizational Structure and Accountability

The Corporate Services department is responsible for the finance function of the school board. The Assistant Superintendent of Corporate Services manages the dayto-day operations of the finance department, and reports directly to the Superintendent of Corporate Services. The finance department is also composed of the Financial Analyst, Accounting Assistant, Supervisor of Payroll, Procurement and Budget Officer, Supervisor of Compensation and Benefits and Payroll Clerk.

The Corporate Services department has recently updated its organization chart and the respective organization charts for the following functions: finance, plant and operations and technical support services. The school board's website provides contact information for key staff in the Corporate Services department.

There are formal job descriptions for all finance staff. Finance staff have appropriate professional designations and experience.

The finance department reports to the Planning and Operations Committee of the Board which is comprised of all trustees.

Monitoring and Communication of Policies

The finance department has established formal policies pertaining to fiscal management, including purchasing, staff expenses, authorization levels, schoolbased funds, and community use of schools. These policies are posted on the school board's website. The finance department has developed procedures related to financial management, which are available to all staff of the school board in the Operational Manual. Each school has a copy of the manual. Management noted that the manual will be updated based on recent changes in some policies and procedures. As part of the school board's effort to review all policies and procedures, the finance department has recently updated a number of new policies. Following this extensive review, the finance department is planning to conduct a full-day session for principals, vice-principals and school office administrators on new policies and procedures.

The finance department provides formal training sessions on financial policies and procedures for school principals and vice-principals during monthly meetings. Finance staff also provides informal training and advice to school administrators and other school board staff.

Finance staff conduct periodic internal audits of school-based funds. These internal audits provide an opportunity for school administrators to learn more about finance policies and procedures.

All updated policies are published on the school board's website. Management has set up conferences within the school board e-mail system to provide staff with access to all finance-related documents.

Recommendation:

- The Finance department's annual planning should be enhanced by establishing a distinct finance department annual operating plan. This plan should be aligned with the board's annual operating plan. The department plan should establish specific and measurable targets and indicators and assign responsibilities for key activities. This would enable management to track and report on the progress of its defined priorities and goals throughout the year.

4.2   Budget Planning and Development

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

- Understand the linkages between the board of trustees' goals and priorities and the operational budgeting process;

- Assess whether sufficient transparency and controls exist in the budget planning and development process;

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

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

Annual Budget Development Process

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

Risk Mitigation and Board Approval

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

Annual Budget Development Process

The school board has not established a formal budget development process. Management establishes budget timelines and reports to the Board on the annual budget development plan.

The budget development process starts in February, with the initiation of the school enrolment projections. Using the enrolment projections and staff allocations, the Superintendent of Corporate Services and Assistant Superintendent of Corporate Services lead the development of the payroll budget. The enrolment projection and staff

allocation process continues through April, when projections and staffing allocations are reviewed by the senior administration. Management noted that enrolment forecasting has proven to be accurate and reliable.

As part of the budget development process, the finance department estimates grant revenue, *ad hoc* revenues and non-grant revenues based on lease agreements, historical dividend information and cash-flow analysis. Finance staff also conduct analysis and make projections regarding ongoing school board costs such as phone services, photocopying, courier services, rentals, utilities, lease payments, and contractual services.

In March, the finance department provides budget request templates to departments. The budget request templates include historical data for comparison, and require departments to annotate their specific requests. The department budget requests are included in the first draft budget document presented to the Board. The use of the standard budget development template ensures a high degree of transparency in the budget development process, as every proposed change is recorded and annotated.

The first draft budget is presented to the Board's Planning and Operations Committee in April. The second draft is presented to the Committee in May and clearly indicates changes from the first draft. Management provides a budget presentation document (budget book) to the Board which highlights changes in funding, operating budget, capital budget, and enrollment and staffing levels. The budget is submitted to the board of trustees for approval in June.

Finance department staff engage the school board's parent community in the budget process by working with school councils. The Assistant Superintendent of Corporate Services attends school council and parent council meetings regularly. These meetings generally focus on management of school-based funds and school budgets.

The school board has established positive working relationships with other school boards, and obtains comparative data and information on policy development, construction costs and practices, and energy costs. The Assistant Superintendent of Corporate Services also receives high-level comparative information through the OASBO finance committee.

Risk Mitigation and Board Approval

To ensure that the budget meets the system strategic priorities, the finance department has set up budget request templates for program departments to reflect the board's strategic pillars and the Ministry student achievements pillars: literacy, numeracy, program pathways and community, culture, and caring.

The school board maintains a reserve for working funds to deal with future budget pressures. Reserve funds are earmarked for specific purposes, and their use requires Board approval. The school board builds a contingency for snow removal and utilities. There is also a contingency built in the benefits budget. The school board does not develop a formal risk management plan as part of the budget development process.

Recommendation:

- During the budget development process, management should document all significant risks and strategies to mitigate the risks of spending beyond authorized/budgeted levels.

4.3   Financial Reporting and Analysis

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

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

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

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

Integrated System for Variance Analysis and Financial Reporting

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

Interim and Annual Financial Reporting

Leading Practices – Financial Reporting and Analysis	Evidence of Adoption?
Interim financial reports provide sufficient detail (including a comparison of actual to budget and to appropriate benchmarks and with appropriate variance explanations)	Yes

Leading Practices – Financial Reporting and Analysis	Evidence of Adoption?
for a clear understanding of the status of the current year's budget and the outlook for the year.	
Senior management is held accountable for the integrity of financial reporting through formal sign-off and approval procedures.	No
Management completes and files all financial reports in accordance with established timelines.	Yes

Audit

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

Integrated System for Variance Analysis and Financial Reporting

The school board has an integrated financial system that provides adequate, timely and accurate information to management, school staff and the board of trustees. However, management noted that the existing system is not user-friendly, and some analysis and reporting features are cumbersome. The financial system includes the following modules: general ledger (GL), cash management, accounts payable, HR/payroll, absence tracking and capital assets.

The school board takes part in the user group which was set up with other school boards using the same financial system. The group conducts periodic meetings with vendors to provide feedback and discuss emerging issues. Management has started identifying opportunities for implementation of a new financial system, which would be shared between several school boards through an alternative delivery of service model.

The Assistant Superintendent of Corporate Services authorizes set up of new GL accounts. The system generates GL audit reports that allow the Superintendent of Corporate Services review new accounts that have been created over a period of time.

Interim and Annual Financial Reporting

Management prepares several types of interim financial reporting. For academic programs, the finance department prepares a monthly report on Ministry-funded

initiatives, which include EPO grants and other special funding, such as the Ontario Education Service Corporation funding for anti-bullying programs. These reports indicate the allocated funds, expenditures to date and variance. The finance department also prepares a monthly summary report for special education, which indicates budget versus expenditure. These reports are used to facilitate monthly meetings with program staff to review budget status.

The finance department prepares a monthly financial report for trustees. The report provides budget variances by department, and contains explanation of major variances. Management noted that the finance department has started reviewing the recommendations of the Interim Financial Reporting Committee (IFRC) and identifying improvements in the existing format of interim financial reporting to the Board.

Management should consider a number of recommendations provided by the IFRC regarding the frequency and format of interim financial reporting. Key recommendations of the committee include:

- Establish a reporting cycle at the beginning of the year and share the proposed cycle with trustees in September

- Provide a minimum of three in-year reports in a consistent format, with each report containing the same performance indicators. The frequency of in-year reports should be aligned with the reporting dates of existing Ministry reports

- Include non-financial performance indicators in the report (e.g. enrolment and staffing)

- Explain key variances and form a conclusion.

Management should also consider using the standard templates provided in the IFRC report.

The Financial Analyst prepares a summary review of one school per month. This report is provided to the school and the Board. Management noted that trustees see these reports as a useful addition to the interim financial reports. In addition, each month management identifies one department for an in-depth budget status analysis and discussion with trustees.

There is no formal sign-off of interim financial reports by the Superintendent of Corporate Services and the Director of Education. However, trustees formally receive reports through a motion. The reports are reviewed by the Superintendent of Corporate Services and the Executive Council, prior to presentation to the Board.

Audit

Currently, the Board does not have an audit committee and all audit issues are addressed by the Committee of the Whole. The Board is in the process of establishing an audit committee. The committee will consist of three trustees and two external members. The senior administration is facilitating the establishment of an audit committee and has drafted the audit committee guidelines. It is stated in the guidelines that the mandate of the audit committee is to provide independent advice to the Board of Trustees in the areas of financial reporting, external audit process and risk management and internal controls and ensuring compliance with the *Education Act* and Regulations. Management has advertised to recruit external members of the committee. At the time of the Operational Review, the school board had received one expression of interest in this opportunity.

The external auditors present their audit plan to the Board one month prior to the start of the audit. Following the external audit, the Board conducts *in-camera* meetings with the external auditors and reviews auditor's reports. Auditors prepare a management letter with audit findings and recommendations. Management provides formal response to the management letter. The school board has been using the services of the current external auditor for over 25 years. Management is planning to tender external audit services in 2010, and is currently finalizing a request for proposals.

The Financial Analyst conducts internal audits of schools focused on school-based funds. The finance department establishes an annual plan for internal audits. Following the audit of schools, the Financial Analyst re-visits the schools the following year, to confirm how the recommendations from the initial audit have been implemented. The finance department also provides verbal updates to the board of trustees regarding internal audits of schools and key findings.

Recommendations:

- The school board should establish approval procedures for interim financial statements, and implement a formal sign-off process of these statements by senior management.

- Management and the board of trustees should continue formalizing an audit committee which includes external members.

4.4   Treasury Management

The purpose of reviewing treasury management processes is to assess:

- Whether processes are in place to ensure the optimal use of cash, investments and borrowings within school board;

- Whether sufficient internal controls exist to support cash management, investments and borrowings;

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

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

Cash and Investment Management

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

Cash and Investment Management

As a first step in establishing formal cash management processes, the finance department has set up a cash flow template to be used for cash flow forecasting. Currently, cash flow forecasting is based on the review of cheque runs, payroll, and accounts payable information.

The Financial Analyst conducts monthly bank reconciliations and the Assistant Superintendent of Corporate Services signs off on the statements. There is segregation of duties between the Financial Analyst who performs bank reconciliations and staff who are responsible for bank deposits.

Management noted that the school board has had an interest-generating account for idle cash. However, due to significant changes in the prime rate, the account has not been generating any significant interest. The school board has set up a second account with a different rate model. Management noted that over the past several years, the

school board has not had significant idle cash, due to the use of cash for funding of new construction projects.

The school board has developed a draft investment policy and procedures, which state the investment goals of the school board, eligible and ineligible investments, and reporting requirement to the Board. Currently, interim financial reports provided to the board of trustees indicate current account and demand loan interest rates, as well as the monthly bank balance. In 2007, management provided a report to the Board on cash flow management including an analysis of interest revenue. Management noted that over the past several years the school board has had limited cash resources for investment. However, each year management provides a verbal update to the Board on investment activity.

Management has established many controls in cash/investment management activities. There is limited, controlled access to the financial system. The school board sometimes uses wire transfers. All wire transfers require a written authorization by the Superintendent of Corporate Services or the Assistant Superintendent of Corporate Services. The finance department has also established a formal process for the addition of new vendors. Vendors are required to complete a vendor verification form, which is reviewed by the Procurement and Budget Officer and then sent to accounts payable.

The school board uses Electronic Funds Transfers (EFTs) as much as possible, and reports to the Board on EFT payments in the interim financial reports. EFTs are used for expenses and pay for all employees of the school board. Management continues to work with vendors to enhance the use of EFTs.

The school board's cash management activities are consolidated with one financial institution. The school board has one general account and one U.S. dollar account. There are two treasury accounts for idle cash and a deferred leave account and an account for educational development charges received from municipalities. The school board has been using services of one financial institution for over 50 years. Management noted that the school board will tender its banking services in the near future. The school board has conducted comparisons of financial terms with other school boards. Overall, the existing financial terms are consistent with banking arrangements of other school boards. As result of analysis and comparison, management has identified an opportunity to improve the terms for the PCard program.

Management has required all schools of the school board to maintain a single account. Individual school accounts may be set up with different banks, due to limited choice of financial institutions in many areas of the school board. Management has negotiated favourable rates for schools with various financial institutions on behalf of the school board.

The school board maintains a sinking fund for repayment of debt in 1999-2002, when 12 new schools were built. Using the analysis of historical interest rates and projections, the school board has identified a potential shortfall in sinking funds at the time of debt maturity. All sinking fund debt instruments were issued to finance approved debt for new pupil place schools.

Recommendation:

- Management should finalize its investment policy and continue providing periodic reports to the Board on the performance of the investment activity in accordance with the investment policy.

4.5   School-Based Funds and Non-Grant Revenue Management

The purpose of reviewing school-based funds and non-grant revenue management processes is to:

- Assess whether procedures are in place to ensure the timely, complete and accurate recording of the different types of school-based funds and non-grant revenue;

- Assess whether internal controls exist to support appropriate cash handling and cash management;

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

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

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

Management of School-Based Funds

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

Management of Non-Grant Revenue

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

Management of School-Based Funds

The Board has established a policy on managing school-based funds, and the finance department has developed a number of procedures and standard forms and templates related to the management of school-based funds. The policy states that the school principal is responsible for the management and control of school-based funds. School principals are directly accountable to the board, through the Superintendent of Corporate Services, for ensuring that the purposes of fundraising undertaken on behalf of the school and the ultimate expenditure of funds are in compliance with current school board policies. School principals are also responsible for ensuring the school community is consulted on the use of the funds.

Bank reconciliations for school-based funds are conducted monthly, and monthly reports are submitted to the finance department. The Financial Analyst signs off all school-based funds reports.

The school board has implemented software to manage cash in schools. The finance department has central access to school-level information and data on the system. The finance department undertakes periodic planned audits of school-based funds.

The finance department has provided training to all school secretaries on the use of the school cash software. The Financial Analyst provides ongoing support to school secretaries. The finance department includes reminders about timelines for reporting requirements in the periodic financial reports for individual schools.

Management of Non-Grant Revenue

The key sources of the school board's non-grant revenue include tuition fees for nonresident students, cafeteria, the lease of facilities (community use and long-term lease), and interest revenue.

The school board has established policies and procedures for the community use of schools. The finance department of the school board is responsible for managing the community use of facilities.

The school board is actively promoting the community use of facilities, by working with its partners. The school board has established reciprocal agreements with municipalities and other community organizations regarding the use of some facilities, for example soccer fields. The agreement includes some cost-sharing provisions.

The school board has also established a fee structure to operate the rental of facilities on a cost-recovery basis. Applications for community use are submitted to school secretaries and approved by principals. Management intends to purchase and implement a web-based system for registration and payment. Management prepares an annual report on community use of schools for the board of trustees. The report indicates the total hours of community use, description of use by broad categories, fees waived and paid, and number of participants.

Management has established procedures to record and track the various EPO grants received. Once a signed contract is received, the finance area sets up a separate code for each program in the financial system. The finance department prepares periodic reports for program staff who are responsible for EPO grants. At the end of the year, management reviews each EPO grant to identify how funds have been spent.

4.6   Supply Chain/Procurement

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

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

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

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

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

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

Policies and Procedures

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

Accounting for Completeness of Purchase/Payment Cycle

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

Use of Electronic Funds Transfer

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

Policies and Procedures

The school board has recently established a new policy and procedures on purchasing which is consistent with key requirements of the Supply Chain Guidelines. The school board has established a procurement code of ethics which states that the procurement of goods and services by the board will be guided by the Code of Ethics of the Purchasing Management Association of Canada (PMAC) and the National Institute of Governmental Purchasing (NIGP).

Management consulted with other school boards for the development of the new purchasing policy and procedures. The new policy has been approved by the Board and presented to school principals and vice principals. Management noted that policy and procedures will be posted on the school board's website. The board also plans to conduct formal training for principals and vice principals in the summer.

The school board has established policies on hospitality and travel expenditure. The finance department has established several controls to ensure compliance of staff with policies. The Assistant Superintendent of Corporate Services undertakes periodic reviews of a sample of expense claims.

The purchasing policy clearly outlines circumstances under which the school board may use non-competitive procurement methods. The school board may use emergency purchasing when circumstances have the potential of affecting the health, life or safety of students or personnel, or result in undue financial losses. For purchases between $50,000 – $100,000, the school board may purchase goods and services by negotiation in certain circumstances, which are clearly described in the policy. For example,

purchasing by negotiation may take place if, due to market conditions, goods or services are in limited or short supply, or two or more identical low bids have been received. It is stated in the purchasing policy that in a competitive procurement process, the school board will base its procurement decisions based on the most favourable price consistent with reliability, delivery and service requirements.

The purchasing guidelines outline purchasing authorization levels, methods of purchasing, competitive bidding thresholds, purchasing for construction/capital projects, competitive bid process, conflict of interest, dispute resolution, and disposal of surplus goods and equipment.

It is stated in the policy that the school board advertises its competitive tenders by posting the bid publicly on Biddingo.com and/or on the school board's website.

Participation in Group Purchasing Initiatives

The purchasing policy states that the school board should encourage co-operative purchasing with other school boards or public sector agencies, and from time to time may utilize a provincial Vendor of Record (VOR) agreements for good and services that match the school board's requirements. Currently, the school board participates in an established VOR for library books, phones, and cell phones.

The school board participates in group buying initiatives and purchasing consortia: Guelph Co-op Purchasing Group (GCPG), Dufferin Peel Buying Consortia and the Cooperative Purchasing Group for Waterloo Region.

The Superintendent of Corporate Services sits on the advisory committee of the Ontario Education Collaborative Marketplace (OECM). Management noted that the school board awaits a purchasing contract for photocopiers to be finalized by OECM to consider potential participation.

The school board is continually looking for opportunities to increase purchasing power and minimize the cost of goods and services, in particular for those which may be cost prohibitive (for example, new information systems). The school board is currently working with other school boards to develop a partnership to tender for a new financial system.

Purchasing Levels of Authority

The purchasing policy sets out approval authority level for purchasing as follows:

- Procurement Officer - $0 - $100,000;

- Assistant Superintendent of Corporate Services - $100,001 - $500,000;

- Superintendent of Corporate Services and Treasurer over $500,001 - $1,000,000;

- Board of Trustees – over $1,000,000.

The school board has established the following competitive bidding thresholds:

- $100 and under – competitive quotes are not required. Purchases are made with petty cash or, for authorized staff, through PCards

- $100 – 4,000 – formal competitive quotes are not required. Prices may be obtained verbally form a vendor which has proven in a competitive situation to offer the most favourable price consistent with reliability, delivery and service requirement

- $5,000 – 10,000 – three oral quotes are obtained and kept on file with the Purchase Order

- $10,000 – 50,000 – a competitive process is used and at least three written quotes are obtained form vendors registered in the school board's preferred vendor file or by any other vendor known to provide the required goods and services

- $50,000 – 100,000 – the Procurement Officer in conjunction with the originator of the request considers the following procurement methods

- Request for Tender, Request for Proposal, Request for Quotes, Negotiation;

- Over $100,000 – the Procurement Officer in conjunction with the originator of the request considers a Request for Tender or Request for Proposal.

Policies and Procedures for PCard/Corporate Card Use

The school board's purchasing policy and guidelines contain provisions regarding the use of purchasing card (PCards). The school board has a procedure for PCards which includes a standard cardholder agreement. PCards have transaction limits and total expenditures monthly expenditure limit. Most PCards have a monthly transaction limit of $1000. Superintendents and the Director have PCards with a transaction limit of $5000. All cardholders are required to submit an expense form with appropriate documentation.

Accounting for Completeness of Purchase/Payment Cycle

The purchasing policy and procedures set out the general requisitioning procedures. Requisitions can be made by requestors at schools and departments using the financial system. Requisitions are submitted electronically to the Procurement Officer who

approves requisitions up to $100,000 and generates a Purchase Order (PO). Requisitions over $100,000 are approved by the Superintendent of Corporate Services or Assistant Superintendent of Corporate Services. POs generated by the system are sent through an automated fax service to the vendor. The finance department has established a general rule that all purchases over $200 should be made through a PO.

All goods are shipped to the requesting site location, and school office administrators enter the receipt information into the financial system, indicating partial or complete shipment. Accounts payable reviews the receipt information, and once POs are received in full, they are matched with invoices. Accounts payable issues payment only when all items are received as per the PO and invoices are received.

Using the financial system, the Assistant Superintendent of Corporate Services runs periodic reports which indicate POs that have been invoiced but not received in full. Reports on outstanding goods are sent to every site for follow-up. The finance department also generates year-end reports to review incomplete POs.

The school board has commitment accounting. Expenditures are encumbered when a PO is processed. The financial system provides an automated alert when there is a budget overrun.

The school board has not implemented an electronic supplier interface for ordering, purchasing and payment. The school board uses online ordering for an office stationery vendor. The purchasing policy contains provisions on online purchasing. The school board makes purchases from two vendors using their e-catalogues. The requisitioner places their order on-line and it goes to the Procurement and Budget Officer for approval.

Use of Electronic Funds Transfer for Greater Efficiency

The school board uses electronic cheques and EFTs for all payments. The periodic financial report provided to the Board indicate the volume of EFT payments. The school board should continue expanding the use of EFTs for payments.

Recommendation:

- Management should implement the electronic supplier interface for ordering, processing, and payment.

5. School Operations and Facilities Management – Findings and Recommendations

Efficient and effective management of the school board's facilities (particularly schools) is an important factor in student achievement. Along with providing a positive learning environment for students, this function sets and meets standards of cleanliness and maintenance, examines opportunities to increase energy efficiency, and addresses the health, safety and security requirements of the school board. Management use cost efficient and effective processes in the design and construction of new facilities.

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

5.1 Operations and Facilities Organization

The purpose of reviewing the organization of operations and facilities is to assess:

- Whether the board of trustees and management have established policies and procedures that support the key departmental functions and activities, strong internal controls and financial management;

- Whether the department supports the overall goals, priorities and accountability established by the school board in support of student achievement targets and strategies;

- The efficiency and effectiveness of the departmental structure and whether roles and responsibilities support the key functions/activities and the required business practices;

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

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

Development and Reporting of Annual Goals and Priorities

Leading Practices – Operations and Facilities Organization	Evidence of Adoption?
The School Operations and Facilities Management department's goals and priorities are documented in an annual departmental operating plan. They are aligned to the annual board operating plan, accessible by key stakeholders. The plan incorporates measurable targets, specific timelines and identified responsibility.	No

Organizational Structure and Accountability

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

Monitoring and Communication of Policies

Leading Practices – Operations and Facilities Organization	Evidence of Adoption?
Management has processes in place to monitor school operations and facilities management policy compliance by all staff and management.	Yes
Management builds staff capacity in understating 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 and Operations department is responsible for maintenance, custodial services, school operations, school and building grounds, and construction projects within the school board.

As a first step in the development of an annual operating plan, management/supervisory staff in the Plant and Operations department write a personal list of goals for the year. The plans include identified goals, the alignment with the school board's strategic priority (pillar), the required implementation activities, the timelines for implementation, and indicators of success.

Organizational Structure and Accountability

The Plant and Operations department is part of the Corporate Services department of the school board. The Manager of Plant and Operations reports directly to the Superintendent of Corporate Services. The Manager of Plant and Operations oversees a Supervisor of Maintenance Services and a Supervisor of Custodial Services. The Supervisor of Custodial Services supervises 50 custodians. The Supervisor of Maintenance Services manages four maintenance staff. All additional maintenance services are outsourced to external contractors.

The Plant and Operations organizational chart indicates the structure of the department and lines of reporting. The areas of responsibilities for the Manager and Supervisors of the department are outlined in the job descriptions. The Manager of Plant and Operations and the Supervisors of Maintenance and Custodial Services are qualified as per job specifications, and have relevant professional experience.

Monitoring and Communication of Policies

The Plant and Operations department has established procedures related to security and key distribution, indoor air quality investigations and prevention, and assessment and remediation of potential mould in school facilities. The Plant and Operations department has worked with the Environmental Health and Safety Officer to develop checklists for conducting Health and Safety inspections specific for each type of space in schools.

Updates on changes to relevant policies, procedures and regulatory requirements are provided to principals during the monthly principals' meetings. The Supervisor of Custodial Services is responsible for communicating updates to custodial staff.

Recommendation:

- The Plant and Operations management should consider enhancing its annual departmental planning by establishing a distinct department annual operating plan which would be aligned with the annual operating plan of the school board. The department plan should establish specific and measurable targets and indicators and assign responsibilities for key activities. This would enable management to track and report the progress of its defined priorities and goals throughout the year.

5.2 Custodial and Maintenance Operations

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

- Whether custodial and maintenance services are responding effectively and efficiently to maintaining an optimized learning environment;

- Whether the department has the appropriate organizational structure to effectively manage service delivery;

- Whether internal controls effectively manage custodial and maintenance operations and expenditures;

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

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

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

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

Development of Annual/Multi-Year Maintenance Plan

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

Training to Support Skills Development and Safety

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

Standardization of Cleaning and Maintenance Supplies

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

Project Management, Monitoring and Support Systems

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

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

The Plant and Operations department has developed a custodial manual which identifies cleaning standards and the method and frequency for conducting cleaning activities by type of room. Formal annual inspections are conducted by the department to assess health, safety and cleanliness of all facilities. The department has formal inspection checklists for recording inspections conducted by internal staff. Management uses feedback from principals and maintenance and custodial staff to monitor school cleanliness and identify maintenance requirements. Supervisors of maintenance and custodial services visit the schools frequently to monitor the cleanliness and maintenance requirements.

Last year, the school board started using green certified products for hand soaps and custodial cleaning chemicals. Currently, all cleaning products are EcoLogo or GreenSeal certified, with the exception of only one product. The school board has also

instituted a recycling program for custodial services. The school board has not implemented an overarching Green Policy or Education Environment Policy.

The custodial allocation model is based on the area of the facility, including portable classrooms. A few custodians are staffed to split shifts between two schools to increase efficiencies. For specific schools, particularly in rural communities, the school board has private contracts with individual custodians. These custodians operate in the same manner as those in schools with unionized custodians. This arrangement alleviated challenges in staffing custodians in schools in rural communities. The school board should consider conducting a comparison of its staff allocation model with other school boards to determine if other variables could be factored into their allocation formula.

Development of Annual and Multi-Year Maintenance plan

The Plant and Operations department does not develop a formal annual or multi-year maintenance plan. The ReCAPP system is currently used as the primary source of information for determining annual and multi-year maintenance priorities. The Manager of Plant and Operations and the Supervisors of Maintenance and Custodial Services consider the items that are high or medium priority in ReCAPP over a three year time span. In developing annual maintenance priorities, management also obtains input from staff regarding regular maintenance needs, and identifies maintenance needs through maintenance inspections.

The school board is currently completing energy efficiency audits of all schools. Management intends to include upgrades recommended by the audits in future annual maintenance plans. The Plant and Operations department provides an overview of planned maintenance items to the senior administration and the planning and operations committee of the Board.

Training to Support Skills Development and Safety

The Plant and Operations department facilitates training for custodial and maintenance staff to support ongoing skills development, build awareness of regulatory changes, and ensure work safety. Management identifies training needs of custodial and maintenance staff such as training on regulatory requirements including Workplace Hazardous Material Information System (WHIMIS), training on the custodial manual, training on the H1N1 pandemic program, or specific ergonomics training. This training is provided either internally by the Plant and Operation department with input from EHS officer, or through contracting an external trainer. The department maintains a training checklist to track frequency of training and required refresh training for maintenance and custodial staff.

New maintenance and custodial staff are provided with training on the custodian's manual and participate in job shadowing. Custodial staff participate in inspections of the

facilities, including inspections of fire extinguishers, sprinkler systems, lights, portables, and roofs.

Standardization of Cleaning and Maintenance Supplies

The Plant and Operations department maintains an up-to-date inventory of floor cleaning equipment and major supplies kept at the schools. This list specifies for each school an inventory by type of cleaning equipment and tools and the general condition of each item. The school board does not have major maintenance equipment. There are six school board vehicles: three maintenance vans, two vehicles for grounds, and one for custodial services. The Supervisor of Maintenance Services works with maintenance staff to schedule the servicing of maintenance vehicles.

The Plant and Operations department purchases custodial supplies centrally through the purchasing department. The Supervisor of Custodial Services provides a catalogue twice annually to head custodians to submit orders. All orders are reviewed by the Supervisor of Custodial Services before processing. Orders are shipped to individual schools. The school board maintains a warehouse that can be used to store additional supplies.

The school board has recently introduced dispensers for cleaning chemicals in all schools. Management has not recently conducted an assessment of the cost of custodial supplies per square foot.

Project Management, Monitoring and Supporting Systems

Custodians use an electronic work order system to generate work order requests. Work orders may be completed by either the maintenance staff assigned to the school, or by contracted maintenance service providers. Management intends to enhance the use of the electronic work order system to schedule and track maintenance inspections. The Plant and Operations department use the information from the electronic work order system to develop an annual maintenance plan.

Recommendations:

- Management should establish a multi-year maintenance and renewal plan that includes the funding available to support it. This would provide the senior administration, the Board and its stakeholders with a clear forecast of the school board's critical needs over the next several years.

5.3 Energy Management

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

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

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

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

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

Energy Management Plan

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

Tracking and Reporting Energy Conservation

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

Energy Management Plan

The Plant and Operations department has developed a document which outlines the existing and planned energy management initiatives, and the energy conservation targets for the school board. The plan was presented to the Planning and Operations committee of the board, and will form the basis for the development of the school board's energy management plan.

The school board has implemented a number of energy management initiatives. Currently, the school board is completing energy efficiency audits of all schools with support from the Ministry of Education Energy Efficient Schools funding. Using the information from energy audits, management plans to develop a more formal energy management plan that establishes measurable conservation targets and initiatives to meet these targets. The school board is submitting proposals to the Ministry of Education through the Green Schools Pilot to fund pilot projects for innovative green technologies.

Management ensures that all new equipment purchased by the school complies with energy efficiency standards. However, there is no provision in the Board's procurement policy requiring that new equipment must be energy efficient.

Management recognizes the importance of expanding energy management initiatives, to involve schools and increase awareness of energy management among principals, custodians, and students. The school board has recently published information regarding green pilot projects, energy audits, and the new school construction project in the local newspaper. Management has started identifying opportunities for incorporating energy conservation in the curricula.

Tracking and Reporting Energy Conservation

The Plant and Operations department tracks energy consumption for the school board monthly, and conducts comparisons with data for previous years. The department has been tracking energy consumption data over the past five years. The energy consumption data is reported to the Board annually. The school board has identified a specific consumption reduction target of two per cent per year, over five years. Management should continue tracking energy consumption/expenditure data at the facility level. This data should be used for the development of the energy management plan and formal annual reporting on the conservation savings.

Building automation systems have been installed at all schools. The school board has plans to install lighting controls in the near future.

The school board does not receive consolidated utility bills from providers. Management recognizes the potential benefits of the Ministry-sponsored Utilities Consumption Database, and has committed to provide the required data.

Recommendations:

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

- Once the formal energy management plan is established, the school board should ensure that its procurement policies and practices support the objectives and targets of the plan. Management should also consider documenting the energy efficiency requirements in procurement policies and procedures and/or the environmental policy.

- Management should consider obtaining consolidated billing for all school board facilities from each utility.

- The school board should develop an environmental policy that would provide framework for the school board's activities in the area of environmental management and education and increase the communication opportunities.

5.4   Health, Safety and Security

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

- Whether adequate planning and communication exist to support the provision of a safe teaching and learning environment;

- Whether school board structure and processes are in place to implement safety precautions;

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

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

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

Health, Safety and Security Management

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

Health, Safety and Security Management

Human Resources department and the EHS officer are responsible for the school board's environment, health and safety policies and procedures. The school board has established a joint health and safety committee (with representatives from each union) which meets five times per year. Informal updates are provided regularly to the Executive Council, and to the Board as required. Management has also established a formal policy, protocols, and forms for accident reporting and investigation.

All staff are required to participate in WHMIS training. Additional training is provided at the school level where there are students who suffer from anaphylaxis allergic reactions.

The school board maintains a positive relationship with the Ministry of Labour and the Guelph Health and Safety inspectors. Management has worked in conjunction with the Ministry of Labour to establish a violence in the workplace policy and training program, which has been approved by the health and safety committee and the Board.

The school board has established polices and procedures that apply to both staff and student health and safety. The school board has established an emergency response plan and a pandemic response plan. The emergency response plan is a comprehensive plan that identifies the procedures to undertake in the event of an emergency or during a hold or lock-down. The school board has established a contact at the local police department to maintain and coordinate lock-down procedures.

The pandemic response plan covers the response activities and communication strategies during a pandemic. In the development of the pandemic plan, the school board has been working closely with the local public health unit. A tracking template has been implemented to track and report absence rates during a pandemic.

The school board has implemented a number of Safe School initiatives. The school board has a safe schools policy and guidance binder, which outlines specific procedures to the followed by school principals including suspension and bullying prevention. The Safe Schools program includes the suspension and expulsion programs. It also includes specialized programs such as *Roots,* which supports students with identified mental health concerns, and *Alternative Care* for younger students (Grade 7-10). The school board has also worked with the Ministry of Children and Youth Services to deliver the *Pass* program, which provides additional support for students in Grades 11 and 12. The Safe Schools program staff conduct regular meetings with mental health and children's services community agencies.

Each school is required to set up a bullying prevention program, with support from a safe schools team. The school board has established a protocol for Aggressive Behaviour. Behaviour Management Systems (BMS) practices have been implemented as part of the Safe Schools program. All educational assistants and social workers have received training on BMS practices.

To promote school safety, the school board has an onsite liaison officer at each high school.

The school board has implemented a number of initiatives related to student health. In conjunction with the City of Guelph, it has started a program to promote walking children to school. Each school is allocated with funding for the Healthy Schools program to provide daily physical activity, and promote a healthy lifestyle among students, including healthy choice messaging, healthy snacks in the kindergarten classrooms, and sports programs. The school board is working closely with one of its physical education teachers, who has been seconded to the Ministry of Education to promote participation in intramurals and physical activity in the region, through the *Raise the Bar* program.

Each high school has a cafeteria with services provided by a third party provider. The school board has worked with the provider to offer healthy food choices to students. In 2008, the Board approved a five-year contract with a third party provider to implement a nutrition program which exceeds minimum regulatory requirements by limiting or eliminating foods of low nutritional value.

The EHS officer is responsible for tracking air and water quality testing. The tests are performed by custodians. Testing is conducted to determine the flushing requirements for each facility. There is a formal procedure for indoor air quality testing and investigations.

5.5   Capital Plans, Policies and Procedures

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

- Assess whether school capital assets are being utilized effectively and efficiently;

- Assess how well management is planning for future capital requirements, based on enrolment forecasts and the capacity/maintenance issues of the existing asset base, relative to the funding available from the Ministry (i.e. NPP funding);

- Assess whether management is appropriately prioritizing the maintenance and renewal expenditures in light of the available Ministry funding and multiyear capital programs;

- Identify appropriate controls and transparency within the current planning process;

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

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

Development of Annual and Multi-Year Capital Plans

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

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

Leading Practices – Capital Plans, Policies and Procedures	Evidence of Adoption?
The school board maintains accurate and up-to-date inventories of school capacity and inventories using SFIS.	Yes
An accurate and current assessment of facility conditions is maintained, based on industry standards (using RECAPP methodology).	Yes

Leading Practices – Capital Plans, Policies and Procedures	Evidence of Adoption?
Capital forecasts and related funding plans are assessed annually and adjusted to meet current needs and changes to original assumptions such as enrolment projections and capital grants.	Yes

Development of Annual and Multi-Year Capital Plans

The school board's long-term accommodation strategy report was submitted to the Ministry as the school board's five-year capital plan, through the Ministry's SFIS web site. This report was prepared by an external consultant. As part of the development of the plan, the school board considered a range of factors, including enrolment forecasts and utilization of school board facilities. The Superintendent of Corporate Services conducts internal analysis to validate projected enrolments. This is based on reports from the external planning consultant regarding growth projections in the area and demographic statistics.

There is declining enrolment in most areas of the school board. The school board is actively looking at opportunities to better use under-utilized schools, especially in the urban areas where utilization is lower. In making decisions regarding potential closure of under-utilized schools, management considers the physical condition of the schools and the impact on the community. The school board has established a policy on school closure. There have not been recent accommodation reviews at the school board, due to construction of many new schools from 1999 to 2003.

In the development of its capital plan, management considers low utilization of some school board facilities. Management is continually improving ways to use all school board facilities, by promoting community use and early childhood development and continuing education programs. The school board partners with its coterminous board to provide continuing education and summer school programs. The two school boards have a long-standing joint arrangement to alternate the administration and hosting of summer school classes each year. The school board offers language programs, and the coterminous board provides all continuing education courses for both school boards.

Ongoing Monitoring and Maintenance of Data to Support Capital Planning

The Superintendent of Corporate Services is responsible for updating SFIS. The database is updated when there are changes in school board facilities and is used to develop capital plans. The Manager of Plant and Operations is responsible for keeping ReCAPP updated. The ReCAPP data is used to identify prohibitive–to-repair schools. Management periodically assesses future maintenance and repair costs for each school, where the enrolment is expected to be sustained. Using this information, management estimates what investments would be required to maintain the school in

the standard condition. Schools where identified repair costs are substantial are reviewed further, and management commissions a study to identify the expected actual costs of repairs, compared to the estimate of the cost of building a new school. Management ensures that school board facilities are appropriately maintained, and allocates sufficient funding for ongoing maintenance and repair needs. Recently, the school board has identified only one school as prohibitive-to- repair.

The school board is currently building a new school in a growth area. The construction will include the use of green technologies. The Manager of Plant and Operations is examining options for obtaining LEED (Leadership in Energy and Environmental Design) certification for the new school.

Management noted that formula-based funding for capital projects has been sufficient to meet the capital needs of the school board. Management gives high priority to ongoing maintenance of schools. The school board used Primary Class Size funding for the construction of two additions to schools. The school board has started construction of a new school funded as a Growth School. Management estimates that the Good Places to Learn (Phase 4) funding will be used by the end of the current year. The school board has completed a capital liquidity template.

5.6 Construction Management

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

- Whether processes are in place to ensure that school boards complete construction projects on-time, on-budget and with due regard to economy;

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

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

Cost Effective Practices in the Design and Construction of Facilities

Leading Practices – Construction Management	Evidence of Adoption?
Management gives full consideration to the use of available school space in their local communities before proceeding to build, purchase or lease other spaces.	Yes

Leading Practices – Construction Management	Evidence of Adoption?
Management uses cost-effective designs, standard footprints, energy conservation, and economical construction practices to minimize construction and future maintenance and operation costs.	Yes
In constructing, acquiring, operating and managing school facilities, the school board is guided by the principles outlined in the *Ontario Green Energy Act, 2009*.	Yes
Senior administration maintains standard policy and/or procedures to rationalize construction projects, including benchmarking against other school board construction costs and design standards (including coterminous boards).	Yes

Monitoring and Reporting on Progress of Construction Projects

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

Maintaining Current Approved Professional Service Providers

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

Cost-Effective Practices in the Design and Construction of Facilities

Management gives full consideration to the use of existing facilities in the school board's communities, and is proactively developing community partnerships and collaborating with the coterminous school board. The Board has approved a management report for a joint school proposal with the coterminous school board in a smaller rural community. The school board is currently in initial discussions with the coterminous board.

The school board has established partnerships for shared use of facilities and reciprocal agreements with some municipalities. The Board uses the County of Wellington Council Chambers for Board meetings, as part of the arrangement established through the public sector consortium.

For each new construction project, the school board tenders an architect, and follows a process to develop the design, based on the number of pupil places and standards set

by the school board. The board of trustees, teachers and principals are consulted on aspects of the proposed design.

For recent construction projects which include energy efficient designs, the school board has requested quotes that provide separate pricing for additional energy efficient features. Using these detailed costs, the school board decides what additional features can be added in the construction, while maintaining the project within the available funding.

In the past, the school board conducted benchmarking with other school boards comparing costs per square foot. Management also contracted a cost consultant to assess construction costs.

Monitoring and Reporting of Progress on Construction Projects

The architects commissioned by the school board are responsible for managing all contractors. The Manager of Plant and Operations is responsible for oversight of construction projects. Progress payments are arranged by the architect and approved by the Manager of Plant and Operations.

During construction projects, general contractors provide a schedule for tracking the project progression of tasks and sub-tasks to ensure the project is completed on time. General contractors also provide a contract values breakdown for each major portion of work, which is used to track project progression. The architect contracted by the school board certifies the contractors' request for payment against work completed and the schedule of contract values.

Reporting on progress of construction projects is provided as informal updates to the bi-weekly administration committee. Management provides the Board with informal updates. For current construction projects, the Manager of Plant and Operations noted that the construction is not sufficiently complete to warrant more detailed reports to the board of trustees. However, management intends to provide more formal detailed progress reports and updates further into construction.

The school board has established a change order process to negotiate changes or deviations and any associated costs. The Manager of Plant and Operations is responsible for approving change orders on behalf of the school board.

Maintaining Current Approved Professional Service Providers

The Board has established a broad policy statement on pre-qualification of contractors for construction projects. The Board's new purchasing policy and procedures contain guidance on competitive bidding for construction projects, the role of architects in

preparing construction specifications and tender documents, and procedures for change orders.

For each new project, the school board issues a tender for architects' services. There are four to five architects in the area that the school board usually contracts for construction projects. The selected architect recommends general contractors to the school board to assess and pre-qualify for the job, based on past history and knowledge.

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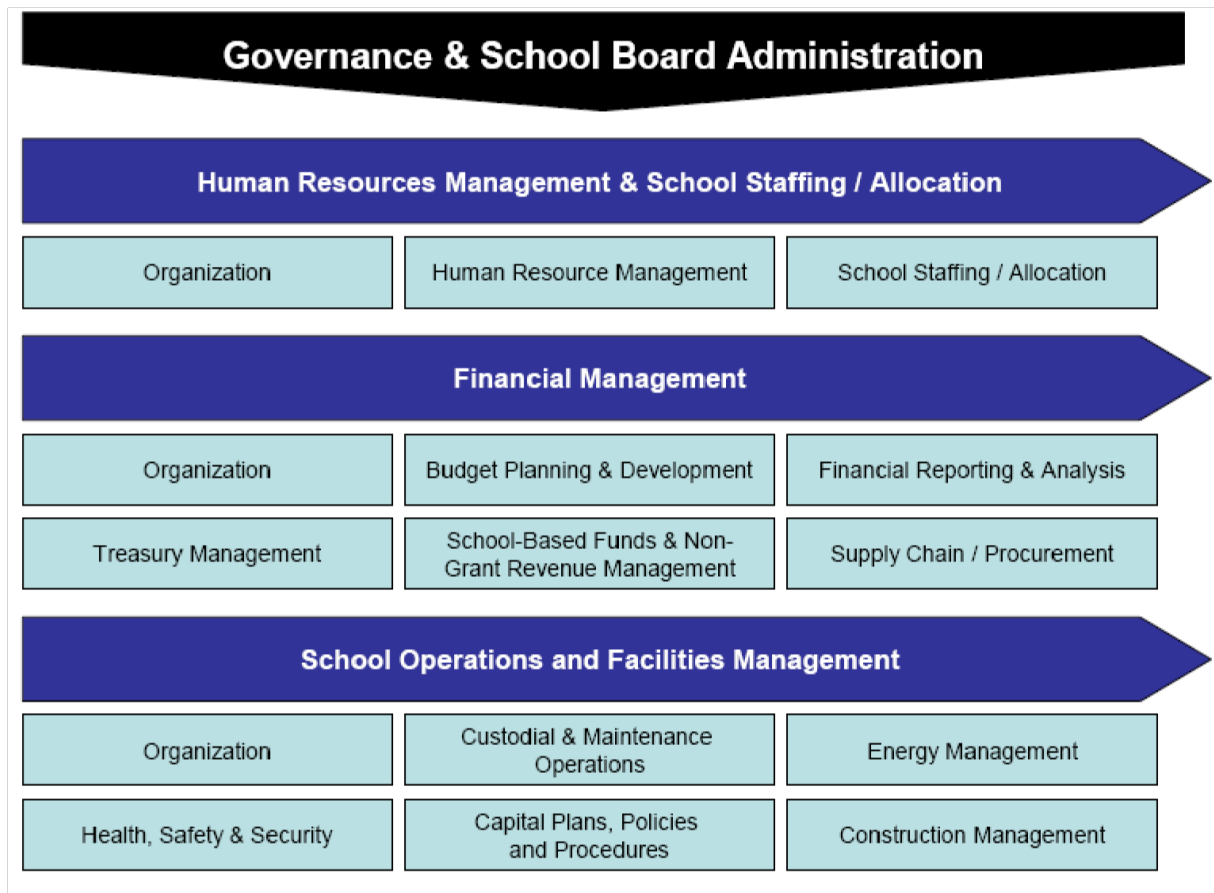
Recognizing the unique characteristics of each DSB, the specific purpose of the Operational Reviews is to:

- 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.

Governance & School Board Administration

Human Resources Management & School Staffing / Allocation

Organization	Human Resource Management	School Staffing / Allocation

Financial Management

Organization	Budget Planning & Development	Financial Reporting & Analysis
Treasury Management	School-Based Funds & Non-Grant Revenue Management	Supply Chain / Procurement

School Operations and Facilities Management

Organization	Custodial & Maintenance Operations	Energy Management
Health, Safety & Security	Capital Plans, Policies and Procedures	Construction Management

Operational Review Summary Approach

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

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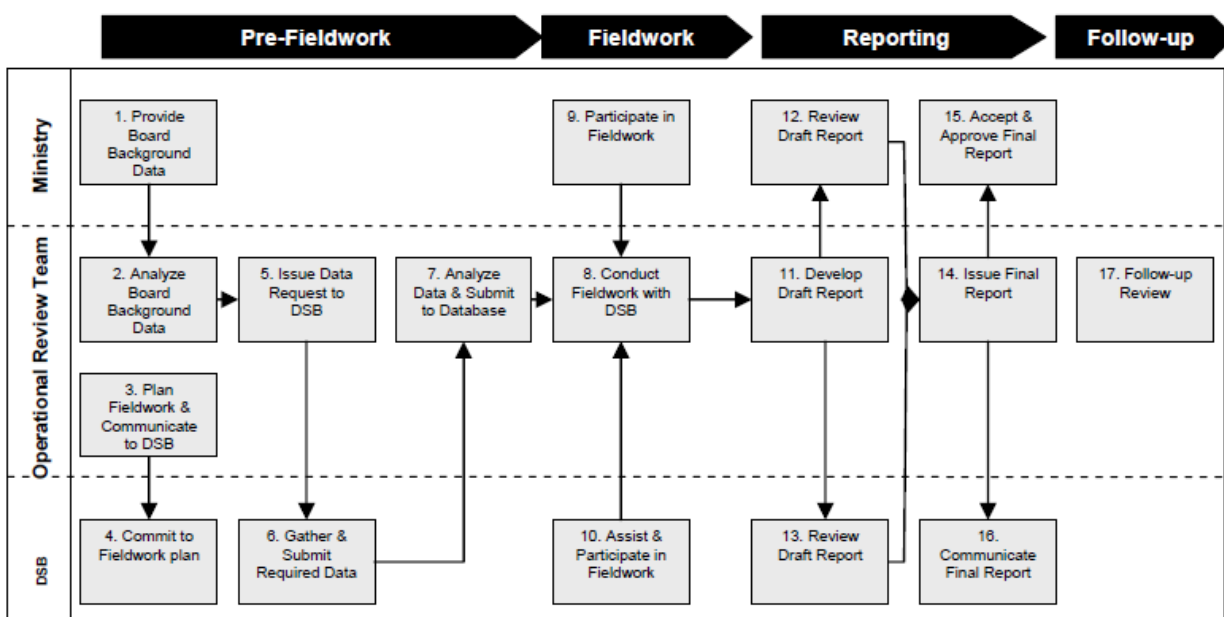
The Table below defines the key phases and activities which comprise the Operational review Methodology.

Phase: Pre-Fieldwork

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

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

Phase: Fieldwork

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

Phase: Reporting

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

Phase: Follow-Up

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

The Operational Review Team

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

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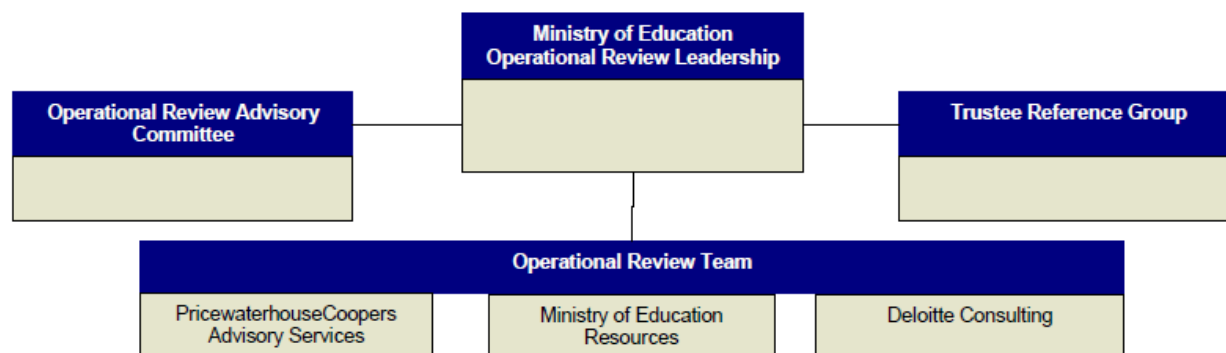
Limitations of this Review

The purpose of this report is to document the results of the Operational Review of Wellington 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 Board, using a consultative process, should develop and communicate a multi-year strategic plan that provides a framework for annual planning.
2.	The school board's annual operating plan should be enhanced with goals that are specific, measurable, achievable, relevant and timely. This would enable management to track and report the progress of its defined priorities and goals throughout the year. Once the Board has established its multi-year strategic plan, management should ensure that the annual operating plan of the school board is aligned with the multi-year strategic plan.
3.	The Board should ensure compliance with its policy development and review process by continuing reviews of all policies. Management should also finalize a new schedule for the review of Board policies.
4.	Once the organization chart of the school board is finalized, it should be posted on the school board's website.
5.	The school board should continue aligning its leadership development programs and activities with the Ministry leadership initiatives. The board should develop a formal Succession and Talent Development Plan in line with the Leadership Succession Planning and Talent Development Ministry Expectations and Implementation Continuum. As a first step in the development of a formal Succession and Talent Development Plan, the school board should undertake data collection, identification of skills and competencies, and professional learning needs.

Human Resources Management and School Staffing/Allocation

No.	Recommendation
6.	The HR department should continue developing formal procedures for the performance appraisal of all staff groups at the school board.
7.	Management should finalize its attendance management program, and develop a mechanism to assess and report on the effectiveness of the attendance management process/programs to senior administration and the Board.
8.	Management should continue updating the pay equity plan for all employee groups of the school board.
9.	Management should conduct independent compliance audits of the school board's insurance carrier to ensure adherence to the benefit plan's terms and conditions.
10.	Management should conduct periodic and confidential staff surveys, to improve communication with staff and provide input for professional development plans and HR policies. Management should also continue to conduct exit interviews to obtain feedback on HR policies, as well as process and program improvements.
11.	Management should develop formal policies and procedures to govern the development of an annual staffing plan and allocation process.

Financial Management

No.	Recommendation
12.	The Finance department's annual planning should be enhanced by establishing a distinct finance department annual operating plan. This plan should be aligned with the board's annual operating plan. The department plan should establish specific and measurable targets and indicators and assign responsibilities for key activities. This would enable management to track and report on the progress of its defined priorities and goals throughout the year.
13.	During the budget development process management should document all significant risks and strategies to mitigate the risks of spending beyond authorized/budgeted levels.
14.	The school board should establish approval procedures for interim financial statements, and implement a formal sign-off process for these statements by senior management.
15.	Management and the board of trustees should continue formalizing an audit committee which includes external members.
16.	Management should finalize the investment policy and continue providing periodic reports to the Board on the performance of the investment activity in accordance with the investment policy.
17.	Management should implement an electronic supplier interface for ordering, processing, and payment.

School Operations and Facilities Management

No.	Recommendation
18.	The Plant and Operations management should consider enhancing its annual departmental planning by establishing a distinct department annual operating plan, which would be aligned with the board's annual operating plan. The department plan should establish specific and measurable targets and indicators and assign responsibilities for key activities. This would enable management to track and report the progress of its defined priorities and goals throughout the year.
19.	Management should establish a multi-year maintenance and renewal plan that includes the funding available to support it. This would provide the senior administration, the Board and its stakeholders with a clear forecast of the school board's critical needs over the next several years.
20.	Using the results of the energy audits, the school board should establish a multi-year energy management plan that incorporates quantifiable measures and the tools to monitor and manage the plan. In line with the Green Energy Act, 2009, energy management planning should include the development of policies, guidelines, goals (conservation targets), and priorities for energy management and resource conservation. The plan should include short-term and long-term opportunities with milestones, roles, responsibilities and budgets with a process for ensuring community support.
21.	Once the formal energy management plan is established, the school board should ensure that its procurement policies and practices support the objectives and targets of the plan. Management should also consider documenting the energy efficiency requirements in purchasing policies and procedures and/or the environmental policy.
22.	Management should consider obtaining consolidated billing for all school board facilities from each utility.

No.	Recommendation
23.	The school board should develop an environmental policy that would provide framework for the school board's activities in the area of environmental management and education and increase the communication opportunities.