

Ministry of Education

Operational Review Report York Region DSB

July 2011

Table of Contents

Executive Summary	1
Introduction	1
Governance and School Board Administration	1
Recommendations:	3
Human Resource Management and School Staffing/Allocation	3
Recommendations:	4
Financial Management	5
Recommendations:	6
School Operations and Facilities Management	7
Recommendations:	8
1. Background and Overview	10
1.1 School Board Profile and Structure.....	10
1.2 Key Priorities of the School Board	10
1.3 Student Achievement.....	11
1.4 Fiscal Overview.....	12
1.5 Key Statistics: York Region District School Board	15
2. Governance and School Board Administration – Findings and Recommendations	17
Establishment of an Effective Governance Model	19
Development of the Board’s Strategic Directions/Plan	21
Decision-Making Process	22
Organizational Structure and Accountability	23
Succession and Talent Development	24
Stakeholder Engagement	25
Recommendations:.....	25
3. Human Resource Management and School Staffing/Allocation – Findings and Recommendations	27
3.1 Human Resource Organization.....	27
Development and Reporting of Annual Goals and Priorities	28
Organizational Structure and Accountability	29
Monitoring and Communication of Policies	29
3.2 Human Resource Management	30

	Staff Recruitment/Hiring	33
	Labour Relations.....	34
	Employee Performance Evaluation Processes	35
	Attendance Support Processes/Programs	36
	Management of HR and Payroll Data	37
	Management of the School Board's Benefit Plans	37
	Monitoring Staff Satisfaction	38
	Recommendations:	38
3.3	School Staffing/Allocation	39
	Processes for Annual Staff Planning and Allocation	40
	Monitoring and Reporting on Staff Allocation	41
	Recommendation:.....	41
4.	Financial Management – Findings and Recommendations.....	42
4.1	Finance Organization.....	42
	Development and Reporting of Annual Goals and Priorities	43
	Organizational Structure and Accountability	44
	Monitoring and Communication of Policies	45
4.2	Budget Planning and Development.....	45
	Annual Budget Development Process	46
	Risk Mitigation and Board Approval	48
	Recommendations:	49
4.3	Financial Reporting and Analysis.....	49
	Integrated System for Variance Analysis and Financial Reporting	50
	Interim and Annual Financial Reporting	51
	Audit.....	52
	Recommendation:.....	52
4.4	Treasury Management.....	53
	Cash and Investment Management	53
	Recommendation:.....	54
4.5	School-Based Funds and Non-Grant Revenue Management.....	55
	Management of School-Based Funds.....	56
	Management of Non-Grant Revenue	56
4.6	Supply Chain/Procurement	57

Policies and Procedures	59
Participation in Group Purchasing Initiatives.....	61
Purchasing Levels of Authority	61
Policies and Procedures for PCard/Corporate Card Use	62
Accounting for Completeness of Purchase/Payment Cycle	62
Use of Electronic Funds Transfer for Greater Efficiency	62
Recommendations:	63

5. School Operations and Facilities Management – Findings and Recommendations	64
5.1 Operations and Facilities Organization	64
Development and Reporting of Annual Goals and Priorities	65
Organizational Structure and Accountability	66
Monitoring and Communication of Policies	67
5.2 Custodial and Maintenance Operations	68
The Board's Staffing Model Supports the Board's Cleaning Standards and Maintenance Requirements	70
Development of Annual and Multi-Year Maintenance Plans	72
Training to Support Skills Development and Safety	73
Standardization of Cleaning and Maintenance Supplies	73
Project Management, Monitoring and Supporting Systems	74
Recommendations:	75
5.3 Energy Management.....	75
Energy Management Plan	76
Tracking and Reporting Energy Conservation and Waste Management ..	77
Recommendations:	78
5.4 Health, Safety and Security	78
Health, Safety and Security Management.....	79
5.5 Capital Plans, Policies and Procedures	82
Development of Annual and Multi-Year Capital Plans	83
Ongoing Monitoring and Maintenance of Data to Support Capital Planning	84
Recommendations:	84
5.6 Capital Project Delivery.....	84

Monitoring and Reporting of Progress on Construction Projects	85
Maintaining Current Approved Professional Service Providers.....	86
Appendices	87
Appendix A: Overview of the Operational Review	87
Operational Review Objectives.....	87
Operational Review Summary Scope	87
Operational Review Summary Approach	88
The Operational Review Team	91
Limitations of this Review	91
Appendix B: Summary of Recommendations	92

Executive Summary

This report details the findings and recommendations of the Operational Review of York Region DSB (the school board or YRDSB) conducted by the Operational Review Team composed of external consultants from PricewaterhouseCoopers LLP and Ministry of Education staff. The Operational Review was conducted over four days beginning January 31, 2011.

Introduction

The Ministry is in the final stages of performing Operational Reviews of the 72 district school boards across the province. The initiative supports Ministry goals and will increase confidence in public education. The Ministry's goal is to enhance management capacity within school boards by encouraging good stewardship of public resources and by the leveraging and sharing of leading practices. By identifying opportunities for continual improvement, school board administration and operations will be aligned to support the 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 EQAO results have shown improvement since 2002-03 and remain above the provincial average in most areas assessed. From an operations perspective, the review team found that the school board has adopted a number of the operational leading practices. Some of the noted strengths include: the process for the establishment of a multi-year strategic plan; the annual staff planning and allocation process; a documented, transparent and clearly communicated budget development process; well-managed maintenance and custodial processes. The Operational Review Team notes the school board's progress in establishing a Healthy Schools Framework, which fosters an integrated approach to healthy behaviours.

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

Governance and School Board Administration

The school board has adopted a number of leading practices in governance and school board administration, including:

- Adoption of formal governance policies that delineate the division of duties and responsibilities between the board of trustees and the Director of Education.
- Development of the Multi-Year Plan for 2010-2014.
- Establishment of a four-year schedule for policy review.
- Formal mechanisms for communication and stakeholder engagement.

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

In September 2010 the Board adopted a four-year plan (2010-2014) which incorporates broadly defined objectives for student achievement and well-being, delivery of effective and appropriate educational programs and stewardship of resources. The school board has an extensive history of developing operating plans with measurable objectives for both academic and non-academic areas. In the past the school board established an Annual Board Plan for Continuous Improvement. The latest Board Plan for Continuous Improvement was established for 2009-10 school year. The school board has been implementing changes in its planning processes. The Board Plan for Continuous Improvement was not developed for 2010-11 and has been replaced by the Board Improvement Work Plan for Student Achievement and Well-Being (BIP), which focuses on the academic priorities of the school board and does not include the non-academic priorities of the school board. The new annual operating planning for the school board will be guided by the strategic priorities outlined in the 2010-2014 Multi-Year Plan. At the time of the operational review, the Director of Education was working to develop the Director's Annual Plan, which would incorporate the business and academic priorities of the school board and serve as an annual operating plan for the system.

The school board has an up-to-date organization chart for its administration. The chart is not posted on the school board's website.

The school board has a dedicated Leadership Development department that reports to the Coordinating Superintendent of Leadership and Student Achievement. The school board has established a leadership development plan, leadership development framework, a learning management system and self-assessment tools to assist schools and departments in developing leaders. While the school board has developed and sustained excellent leadership development practices across multiple staff functions, the school board has not formally developed a succession plan for key management positions in all academic and non-academic areas.

Recommendations:

- Building on its experience in the development of annual operating plans, the school board should continue to finalize its annual operating plan. The annual operating plan should be aligned with the school board's multi-year plan and incorporate both academic and non-academic departments.
- The school board should post its organizational chart on the school board's website.
- The school board should develop and communicate a formal succession plan for key management positions to ensure business continuity.

Human Resource Management and School Staffing/Allocation

The HR department has implemented a number of leading practices:

- The HR department's goals and priorities are documented in an annual department plan.
- The school board has established a policy on the promotion and recruitment of staff.
- The school board has established positive relationships with the local union groups to facilitate the effective resolution of labour issues.
- The school board has implemented the Employee Attendance Support program to reduce the impact of innocent absenteeism.
- The school board also conducts independent compliance audits of benefit plans periodically, focusing on extended health care benefit plans.
- Management periodically conducts staff surveys to gauge general levels of satisfaction and inform planning and various initiatives.
- Management established formal documentation to guide the annual staff allocation process.

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

In the hiring of superintendents, three trustees take part in the panel and help develop a list of candidates. The Director uses the pre-approved list to select candidates to fill vacancies. Board approval is required for transfers of principals and vice-principals between schools. The Director of Education should review its existing recruitment and

hiring processes, including the composition of hiring and selection panels, to clarify the roles of trustees and school board staff in the recruitment and hiring process. In line with the *Student Achievement and School Board Governance Act, Bill 177*, trustees should provide strategic policies to govern staffing and recruitment. They should not sit on hiring panels, with the exception of hiring the Director of Education.

The school board has established formal performance appraisal procedures for new and experienced teachers, principals/vice-principals, education assistants, managers, and support staff. The school board is currently developing a performance appraisal process for superintendents. There is no performance appraisal process for occasional teachers.

Management reported that the school board's Employee Attendance Support Program resulted in reduced absenteeism among CUPE staff. Management has provided reports on the program to the Coordinating Council of Superintendents (CCS). However, there are no periodic formal reports on the program to the Board.

Management bi-annually conducts staff, student and parent surveys to gauge general levels of satisfaction and inform planning and various initiatives. Some exit interviews were conducted in the past. The HR department does not consistently conduct exit interviews, due to the low rate of staff turnover at the school board.

Management reports to the Board and senior administration on staff allocation in November, once all the required adjustments have been made in September.

All staffing allocation is reviewed monthly by Business Services, to ensure that allocations are not exceeded. Any discrepancies with approved allocations are brought to the attention of senior administration. There is no formal periodic reporting on actual staff allocation to the senior administration and the Board.

Recommendations:

- The Director of Education should review hiring policies and procedures to clarify the role of trustees and school board staff in hiring of superintendents. In line with Bill 177, trustees should provide strategic policies to govern staffing and recruitment and should not sit on hiring or selection panels, with the exception of hiring the Director of Education.
- HR management should continue developing formal employee evaluation/performance policies and procedures for all staff groups.
- Management should report on the effectiveness of the attendance support process/programs periodically to the Board.

- Management should conduct exit interviews with all staff leaving the school board to obtain input for HR policy, as well as process and program improvement. Management should consider establishing formal procedures for conducting exit interviews.
- Management should periodically report on the actual allocation of staff, compared to the original approved allocation plan and budget including reports on FTEs by function, department and program, and actual versus budget. Management should consider the format for reporting on actual staff allocation recommended by the Interim Financial Reporting Committee (IFRC).

Financial Management

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

- Finance Services department establishes an annual department plan, which consists of operational, strategic and continuous improvement goals and priorities.
- The Finance Services department has implemented a number of centralized processes, which enable finance staff to monitor compliance with the existing policies and procedures.
- The annual budget development process is documented, transparent, and clearly communicated. It incorporates input from all key stakeholders, including management (with principals), board of trustees and the community, and supports the school board's strategic and operating plans.
- The school board has made significant progress in implementing the regional internal audit model.
- In keeping with the new Audit Committee regulation, the school board has established an Audit Committee with three board members and two external members.
- The school board has established a policy and procedures for school fundraising and administration of school-generated funds.
- The school board established purchasing procedure and code of ethics in line with the Supply Chain Guideline (SCG).
- The school board uses EFTs for most payments.

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

Management incorporates all identified risks in the budget estimates. The initial budget report provided to the Board in March each year identifies key budget challenges faced by the school board in the upcoming year. Throughout the year, management discusses specific risks with trustees as part of interim financial reporting. Management does not document risk assessment as part of the budget development process and throughout the year.

Management provides two interim financial reports to the Board: in March and at the end of the year. The expenditure reports show the budget for each high-level category, and the expenditure, also expressed as percentage. The reports also contain same data for the previous year and notes on some variances. The financial reports to the Board include updates on enrolment. The reports do not contain staffing information. Staffing information is provided to the Board as part of HR reporting. Management reviewed the format of interim financial reports recommended by the IFRC, and concluded that, based on past experience, the current format of financial reports better meets the needs of trustees.

The school board complies with the Education Act and regulations pertaining to investment activity. Each year, management obtains Board approval for borrowing facilities, if borrowing is required. As part of the formal request for approval, management reports to the Board on short-term investment activity. The school board has not established a formal policy on investment activity. There is no periodic reporting on investment activity to the Board.

In early 2010, the school board established a new purchasing procedure and code of ethics, in line with the Supply Chain Guideline (SCG). The purchasing procedure references various documents including the SCG, Code of Ethics, forms, catalogues, user guides for the school board's financial and requisition system and has embedded links to these documents and resources. The procedure does not provide criteria for Request for Proposal (RFP) evaluation, detailed thresholds for competitive purchasing and conditions for sole and single source purchasing.

Catalogues for most system contracts are available to staff on the Purchasing Services department's intranet. These catalogues are not interfaced with the purchasing module of the financial system.

Recommendations:

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

would include strategies to mitigate the risks of spending beyond budgeted levels.

- Management should take into account the recommendations made by the Interim Financial Reporting Committee (IFRC) on the format and frequency of interim financial reporting to the Board. Management should discuss with trustees how the existing format of interim financial reports can be enhanced to align with IFRC recommendations.
- The school board should establish a formal investment policy and procedures. Management should periodically report to the Board on the performance of the investment activity in accordance with the investment policy.
- In order to align the school board's purchasing policy and procedures with the Supply Chain Guideline and BPS Procurement Directive, management should include a statement outlining circumstances under which the school board will use competitive versus non-competitive procurement methods and should include detailed thresholds for competitive purchasing in the revised policy and procedures.
- Management should continue identifying opportunities for implementation of the electronic supplier interface for ordering, processing and payment.

School Operations and Facilities Management

The Plant Services department has implemented a number of leading practices:

- The Plant Services department establishes a two-year Continuous Improvement Plan.
- The school board has established formal cleaning standards, which are set out in the Caretaking Guidebook.
- The school board established an environmental policy which is periodically updated.
- For each area of renewal projects, management establishes a multi-year plan and conducts annual prioritization based on various sources of information.
- The Plant Services department uses standardized cleaning products across all schools.
- The school board has established a Healthy Schools Framework which fosters an integrated approach to healthy behaviours.

- The school board has established the Capital Strategy for 2010-2014.
- The school board has established the process for pre-qualification of architects, general contractors and other trade-specific contractors.

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

The school board has made progress in testing and implementing green cleaning products. At the time of the operational review, the school board was in a five-year contract for the purchasing of cleaning products. Management intends to issue a tender for cleaning products once the contract expires. The request for proposals will be based on the Green Clean Program Resource Guide provided by the Ministry of Education. Although the school board has made significant progress in implementing green cleaning, there are several aspects of the initiative that are yet to be formalized in line with the Ministry's Green Clean Program Resource Guide.

The school board has implemented a number of projects in the area of energy management and energy conservation over the past several years. The school board has not established a formal comprehensive energy management plan with measurable goals and targets. However, the school board's energy management initiatives provide management with the necessary tools to develop a formal plan.

At the time of the operational review, the school board was working to establish a Facility Partnership Policy, with expected approval in the spring of 2011.

Recommendations:

- The school board should formalize the green clean initiatives in a formal green clean program aligned with the components identified in the Ministry's Green Clean Program Resource Guide.
- 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, the energy management plan should include the Plant Services department's relevant policies, guidelines, goals (conservation targets), and priorities for energy management and resource conservation. The plan should include short-term and long-term opportunities, with department's 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.

- Once a formal energy management plan is in place, management should provide formal annual reporting on the conservation savings achieved against the multi-year energy management plan.
- The school board should finalize the establishment of the Facility Partnership Policy.

1. Background and Overview

1.1 School Board Profile and Structure

York Region DSB is the third largest school board in Ontario with over 116,000 students. School communities in York Region include suburban, small town and rural neighbourhoods. The board has 165 elementary schools and 31 secondary schools.

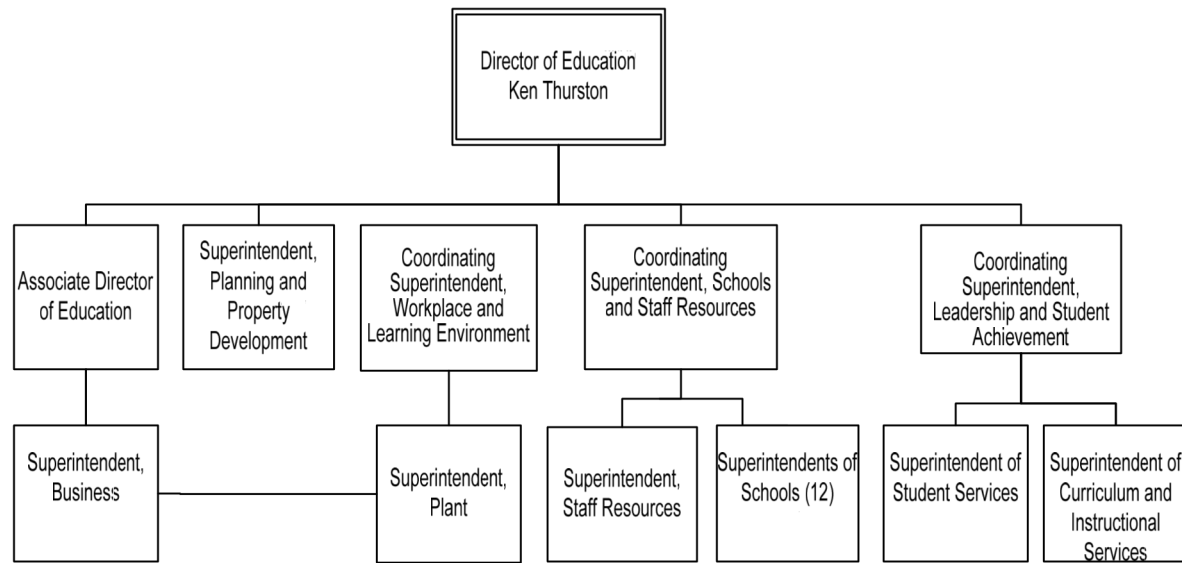


Figure 1 York Region District School Board Senior Administration

1.2 Key Priorities of the School Board

The school board's website outlines the vision and mission for the school board as the following:

Mission

We unite in our purpose to inspire and prepare learners for life in our changing world community.

Vision

- We are the faces of public education.
- We understand our gifts and challenges.
- We are motivated by our dreams and act towards their fulfillment.
- We respect and celebrate our differences.

- We invite and value the spirit of community, creativity, and personal growth.
- We support each other.
- We have joy in who we are and who we are becoming.

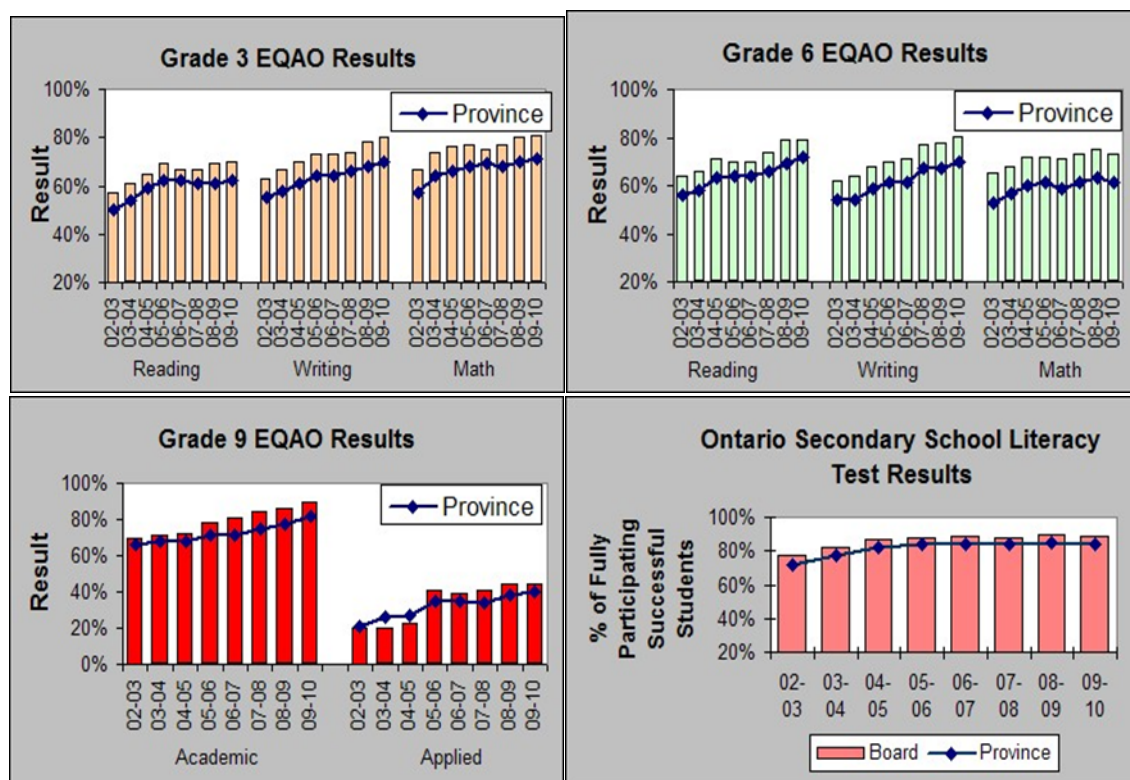
Values

- We recognize and celebrate excellence, and the heart-felt efforts and contributions of our community.
- We strive for equity, inclusiveness, and diversity in all our programs, practices, facilities, and people.
- We value dedication and commitment.
- We value and will respond in an appropriate manner to the voices, ideas, and understanding of all our community members.
- We believe it is the right and responsibility of everyone to ensure a safe nurturing community.
- We embrace the spirit of innovation that acts to realize opportunities to transform our vision into reality.
- We are all responsible for our words and actions.

1.3 Student Achievement

Since 2006-07, the school board's Grade 3 and Grade 6 EQAO results have been improving steadily in most areas assessed. Since 2002-03, the school board's Grade 3 and 6 results have been above the provincial average in all areas.

The Grade 9 academic results have been consistently improving since 2002-03, and are above the provincial average. The results for Grade 9 applied students declined slightly in 2007-08, and are slightly above the provincial average. The results for the Ontario Secondary School Literacy Test declined slightly in 2009-10, and remains slightly above the provincial average.



1.4 Fiscal Overview

The school boards' financial statements indicate surplus in 2008-09 and 2009-10. The school board's 2010-11 revised estimates indicate a deficit due to changes in the accounting policy.

Summary Financial Data (Revenues)

Revenues	2008-09 Financial Statements	2009-10 Financial Statements	2010-11 Revised Estimates
Provincial Grants - GSN	545,347,247	1,348,451,452	602,302,229
Provincial Grants - Other	11,991,282	14,785,956	11,887,391
Local taxation	459,596,282	477,564,673	475,983,730
School Generated Funds	34,229,804	37,159,501	31,114,280
Federal Grants and Fees	382,343	397,204	249,394
Investment Income	3,480,542	5,139,425	3,859,409
Other Revenues	-	-	-
Other Fees and Revenues	23,694,062	30,657,232	14,020,000
Amortization of Deferred Capital Contributions	-	-	45,880,913

	2008-09 Financial Statements	2009-10 Financial Statements	2010-11 Revised Estimates
Revenues			
Total Revenues	\$1,078,721,562	\$1,914,155,443	1,185,297,346

Summary Financial Data (Revenues)

	2008-09 Financial Statements	2009-10 Financial Statements	2010-11 Revised Estimates
Expenditures			
Instruction	800,532,990	836,581,756	896,759,959
Administration	27,208,212	27,275,000	29,479,024
Transportation	31,442,105	32,138,276	32,335,143
School Operations and Maintenance	-	-	103,738,902
Pupil Accommodation	181,914,520	195,716,642	97,447,361
School Generated Funds	34,593,679	36,109,995	30,802,554
Other	3,590,362	3,489,351	3,483,453
Total Expenditures	1,079,281,868	1,131,311,020	1,194,046,396

Accumulated Surplus (Deficit)

	2008-09 Financial Statements	2009-10 Financial Statements	2010-11 Revised Estimates
Accumulated Surplus (Deficit)			
Annual Surplus / (Deficit)	-560,306	782,844,423	-8,749,050
Accumulated Surplus / (Deficit) at beginning of year	629,226,278	628,665,972	1,411,510,394
Change in Accounting Policy - DCC	-	-	-1,484,899,730
Accumulated Surplus / Deficit at end of year	628,665,972	1,411,510,395	-82,138,386

School Board Accumulated Surplus / (Deficit) and Deferred Revenues

Details of Accumulated Surplus / (Deficit)

	2008-09 Financial Statements	2009-10 Financial Statements	2010-11 Revised Estimates
Details of Accumulated Surplus / (Deficit)			
Unappropriated Reserves Available for Compliance	29,694,175	30,259,043	30,259,043

Details of Accumulated Surplus / (Deficit)	2008-09 Financial Statements	2009-10 Financial Statements	2010-11 Revised Estimates
Internally Appropriated Reserves Available for Compliance ,898,078 21	21,577,073	27,057,347	27,057,347
Externally Appropriated Reserves - Unavailable for Compliance	577,073,719	1,354,194,005	-139,454,776
Total	628,665,972	1,411,510,395	-82,138,386

Deferred Revenues - Operating

Deferred Revenues - Operating	2008-09 Financial Statements	2009-10 Financial Statements	2010-11 Revised Estimates
Legislative Grants	-	-	-
Other Ministry of Education Grants	28,573	-	700,975
Other Provincial Grants	-	-	-
Third Party Grants	-	-	-
Total	28,573	-	700,975

Deferred Revenues - Capital

Deferred Revenues - Capital	2008-09 Financial Statements	2009-10 Financial Statements	2010-11 Revised Estimates
Legislative Grants	-	-	-
Other Ministry of Education Grants	1,279,432	2,712,629	109
Other Provincial Grants	-	-	-
Third Party Grants	29,984,282	30,239,122	30,239,122
Total	31,263,714	32,951,751	30,239,231
Total Deferred Revenues	31,292,287	32,951,751	30,940,206

1.5 Key Statistics: York Region District School Board

Day School Enrolment

Day School Enrolment	2002-03 Actual	2010-11 Revised Est.
Elementary Day School ADE	60,291	70,394
Secondary Day School ADE	34,343	38,868
Total Day School Enrolment	94,634	109,262

Primary Class Size

Primary Class Size	2003-04	2010-11
% of Classes Less Than 20	23%	93%
% of Classes Less Than 23	56%	100%
Average Class Size - Jr/Inter	26.28	25.5
% of 3/4 Classes 23 & Under	21%	100%
% of Combined Classes	28%	48%

Staffing

Staffing	2003-04	2010-11
School Based Teachers	5,286.00	6,986.00
Teacher Assistants	476	1,088.00
Other Student Support	243	526
School Administration	292	364
School Clerical	362	592
School Operations	844	1,122.00
Other Non-Classroom	233	257
Total Staffing	7,736	10,935
Teacher - Pupil Ratio	1:18	1:16
FTE Staff per 1,000 Pupils (ADE)¹	81.7	100.1
Total Salary & Benefits as % of Net Operating Expenditures	72.40%	80.70%

¹ Note: Impacted by Class Size and Special Education

Special Education

Special Education	2003-04	2010-11
Special Education Incremental Expenditures	\$64,070,105	\$136,866,864
Special Education Allocation	\$64,275,045	\$122,968,092
Spending above Allocation (Reserve)	(\$204,940)	\$13,898,772

School Utilization

School Utilization	2003-04	2010-11
Number of schools	155	194
Total Enrolment (ADE)	94,634	109,262
School Capacity (Spaces)	86,986	112,094
School Utilization	108.8%	97.5%
Board Area (Km²)	1,787	1,774
Number of Trustees	12	12

2. Governance and School Board Administration – Findings and Recommendations

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

Governance and school board administration processes are reviewed to:

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

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

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

Establishment of an Effective Governance Model

Leading Practices – Governance and School Board Administration	Evidence of Adoption?
The school board's governance model clearly delineates the division of duties and responsibilities between the board of trustees and the director of education to support an effective working relationship. The governance model reflects the roles and responsibilities mandated by the <i>Student Achievement and School Board Governance Act</i> , Bill 177.	Yes

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

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

Decision-Making Processes

Leading Practices – Governance and School Board Administration	Evidence of Adoption?
The board of trustees and the director of education have appropriate processes in place for decision making.	Yes
The board of trustees and the director of education have appropriate processes for the establishment and regular maintenance of policies and administrative procedures for the efficient and effective operation of the board.	Yes

Organizational Structure and Accountability

Leading Practices – Governance and School Board Administration	Evidence of Adoption?
The organizational structure has clearly defined organizational units that delineate roles and responsibilities, minimize administrative costs and ensure effective and efficient operation.	Yes
A departmental organization chart (supplemented with a directory of key staff contact information) is publicly available on the board's website.	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 the director of education proactively engage diverse stakeholders (both internal and external) on a regular basis and through a variety of communication vehicles (e.g., websites, e-mail, memos, town halls, etc.).	Yes
Key senior staff from all functional areas are members and participants in sector committees of provincial associations and Ministry workgroups.	Yes

Establishment of an Effective Governance Model

The school board adheres to the principles of a policy governance model. The Board has established a policy on Trustees' Services which outlines the roles and responsibilities of trustees, the Associate Director of Education, and the Board and Trustee Services function. It is stated in the policy that trustees entrust the day-to-day management of the school board to staff, through the Director of Education. The policy does not set out the role and responsibilities of the Director of Education. However, the formal job description for the Director of Education provides a detailed description of responsibilities, and indicates that the Director of Education provides advice to the Board of Trustees and recommends actions to address current issues and trends.

The Director and the Chair of the Board noted that while the school board does not adhere to a specific governance model, it has implemented many elements of the

Carver model. While there is shared understanding of the delineation of roles and responsibilities between the Director and the Board, it is not rigidly defined, and is evolving through ongoing discussions and relationship-building. This model allows for informed decision-making by the Board of Trustees with the support of senior administration.

As part of its governance model, the Board has established several committees which consider various aspects of the school board's operations. Senior administration actively aims to provide the Board with sufficient information and opportunities to discuss issues before making a decision. Overall, there is a positive working relationship between the Director and the Board of Trustees, supported by shared understanding of roles and responsibilities.

The Board currently is composed of 12 elected trustees and two student trustees. At the time of the operational review, four of the current trustees were new to the Board. Eight trustees had over four years of experience on the Board.

The Board has explored the area of strategic planning prior to the implementation of Bill 177. The Director and the Board have reviewed the provisions of Bill 177, and observed that overall the school board's governance model is consistent with them. The trustees have welcomed the new legislation which sets out the direction for multi-year strategic planning. Immediately following passage of Bill 177, the school board and trustees began working together on the Multi-Year Plan, which was approved in September 2010. After the passage of Bill 177, trustees received training provided by the Ontario Public School Boards' Association (OPSBA) and the Ministry of Education.

The school board's Board and Trustee Services department supports the work of trustees and provide training and orientation. After the elections in 2010, the Director and the Senior Manager, Board and Trustee Services provided orientation sessions for the new trustees, as well as a handbook with information and protocols pertaining to Board operations. The new trustees have also attended orientation sessions organized by the Ministry of Education. The school board has hired an external facilitator to speak to trustees and the senior management team on Bill 177 and governance. The Director, supported by the Senior Manager, Board and Trustee Services, provides ongoing mentoring and coaching to new and existing trustees. The Board has not established a formal mechanism to monitor its own performance and take action to continually improve its governance process. The Board will continue to develop such a mechanism through the annual review of its multi-year plan. The Chair and the Director noted that the development of formal code of conduct for the Board, which is planned for 2011, will provide a mechanism to hold individual trustees accountable.

The Board conducted a performance evaluation of the new Director of Education six months after the appointment using the criteria established as part of the Director's

search. Future appraisals will be connected to the Board's multi-year goals as well as the Board's Annual Plan and other Director's professional goals, as per the Board By-law.

Development of the Board's Strategic Directions/Plan

The school board has completely realigned its planning processes in accordance with Bill 177 and the Student Achievement Division requirements. The Board has established formal statements on mission, vision and values. In early 2010, after the publication of Bill 177, the Board reviewed the provisions of the Bill with regards to the multi-year planning. Between April and September 2010, the school board conducted data gathering and consultations to inform the development of the first multi-year plan. The four-year plan (2010-2014) was adopted in September 2010, and incorporates broadly defined objectives for student achievement and well being, delivery of effective and appropriate educational programs and stewardship of resources. The plan will be reviewed annually by the Board.

The school board has an extensive history of developing operating plans with measurable objectives for both academic and non-academic areas. In the past, the school board established an Annual Board Plan for Continuous Improvement. This plan built on the template for the Board Improvement Plan established by the Ministry, and has been modified to meet the needs of the school board. The Annual Board Plan for Continuous Improvement focused on academic priorities, and also incorporated non-academic, operational goals and priorities. The latest Board Plan for Continuous Improvement was established for 2009-2010. The plan provided a framework for departmental planning, and all departments reviewed as part of the operational process continued to build their annual plans in 2010-2011 using the continuous improvement framework.

The school board has been implementing changes in its annual operating planning processes. The Board Plan for Continuous Improvement for 2010-11 has been replaced by the Board Improvement Work Plan for Student Achievement and WellBeing (BIP). It is intended that the new annual operating planning for the school board will be guided by the strategic priorities outlined in the 2010-14 Multi-Year Plan. At the time of the operational review, the Director of Education was working to develop the Director's Annual Plan which would incorporate the business and academic priorities of the school board and serve as an annual operating plan for the system. The Director will present the Annual Plan in April 2011. To inform the development of the Annual Plan, the Director obtains stakeholders' feedback using the same mechanisms as were put in place for the establishment of a Multi-Year Plan, including consultations with school councils, senior staff, advisory committees, managers, and union groups. The Director's Plan will be used as the basis for the formal annual Director's performance appraisal.

The Director will report to the Board on progress in implementing annual goals throughout the year.

The school board prepares a Board Improvement Work Plan as mandated by the Ministry of Education to set out measurable goals, implementation strategies and indicators for student achievement.

The Director of Education publishes an annual report that outlines the progress and achievements made during the previous year, in accordance with Ministry requirements. The director's report is primarily focused on academic achievement, but also includes some updates on major initiatives conducted by the non-academic departments of the school board. In addition, the Director of Education reports annually to the Board on progress towards attainment of system goals as part of the Director's annual performance appraisal. Once the school board finalizes the development of the new annual operating plan, management should periodically report to the board of trustees on the status and outcome of the plan.

Decision-Making Process

The Board has established a number of committees to support decision-making in key areas of school board's operations. The standing committees of the Board include the Board Standing Committee, Budget Committee, Chair's Committee, Joint Board Consortium Committee, Negotiations Advisory Committee, Parent, Family and Community Engagement Advisory Committee (PIC), Policy and By-Law Committee, Property Management Committee, Race Relations Advisory Committee, Special Education Advisory Committee, Student Discipline Committee, Supervised Alternative Learning for Excused Pupils (S.A.L.E.P.). The Board has approved the creation of an Audit Committee which will be formed by January 31, 2011 as required by the new Audit Committee Regulation. The Board reviews its committee structure regularly and By-laws include the committees' mandates.

The Board has also established by-laws outlining Board processes including processes for decision-making. Items to be scheduled at a future Board Meeting are identified by senior staff members or trustees. Staff members prepare a report for review and dialogue regarding system implications at the Coordinating Council of Superintendents meeting. The by-laws stipulate the role of the Chair's Committee in setting the agenda for Board meetings. The Chair's Committee is composed of the Immediate Past Chair, the current Chair, the Director, Senior Manager, Board and Trustee Services and two trustees elected at the Annual Inaugural Meeting. A draft Board Meeting Agenda is scheduled for approval on the monthly Chair's Committee Meeting. Board and Trustee Services Staff compile the Board Meeting agenda which includes all staff and Board Committee reports.

The Board by-laws outline the role of the Policy and By-Law Committee in reviewing, revising and recommending policies to the Board for approval. The Committee membership requires at least three trustees and includes two principals. The majority of trustees participate as active members of this Committee. The Board has established policy on setting policies and procedures. The Board and Trustee Services Department has documented flowcharts for the policy development and revision process. The policy on Board Policies and Procedures outlines the roles and responsibilities of the Board, the Policy and By-law Committee, the Director, superintendents, staff and students. Policy drafting is coordinated by superintendents with support from the Board and Trustee Services Department. Draft policies or amendments to existing policies are presented to trustees for comment, followed by input from senior management, school councils and all staff. Policies are also posted on the school board's website for public consultation.

The school board has established a four-year schedule for policy review, which identifies responsible superintendents. Trustees and staff may request at any time that a policy be reviewed.

Administrative procedures are developed by senior management in tandem with policy changes. Administrative procedures are shared as information items with the Board and are also posted on the school board's public website.

Organizational Structure and Accountability

The Coordinating Council of Superintendents (CCS) is composed of the Director of Education, the Associate Director of Education, Coordinating Superintendents, the Superintendent of Curriculum and Instructional Services, the Superintendent of Student Services, the Superintendent of Plant, two rotating Superintendents of Schools, and the Senior Manager of Board and Trustee Services.

The school board's senior team is composed of all Superintendents, the members of the CCS, the Manager, Public Affairs and Communications Services, Assistant Manager, Public Affairs and Communication Services and Special Assistant to the Director of Education – Principal on Assignment.

The York Region Managers' Group provides structured opportunities for managers to support school board plans by being involved in identifying and sharing best practices, supporting system initiatives and student learning, and fine-tuning crossdepartmental implementation. The school board has also established a Managers' Council, which meets regularly to identify potential cross-departmental issues and problems, identify strategies to support system initiatives and student learning, provide feedback regarding system implementations and other identified issues to senior management, and consult broadly on identified issues.

The school board has an up-to-date organization chart for its administration staff. However, the chart is not posted on the school board's website. At the time of the operational review, the Director of Education was working with senior management to realign the organizational structure to better support schools and establish appropriate accountabilities and responsibilities. The associate director of education is responsible for business services, labour relations, information technology, and quality assurance. The superintendent of property planning and development reports to the Director of Education and the Superintendent of Plant reports to the Associate Director of Education and the coordinating superintendent responsible for workplace and learning environment. The Director's portfolio also includes communications, equity and inclusively, Board and trustee services, and parent, family and community engagement.

Succession and Talent Development

The school board has a dedicated Leadership Development department that reports to the Coordinating Superintendent of Leadership and Student Achievement. The unit is composed of 12 staff including four principals (seconded from schools) and two managers. The Leadership Development unit works closely with the HR department to plan and deliver the various leadership development and training initiatives. The Leadership Development unit has led and implemented many elements of the Ontario Leadership Strategy (Leadership Succession Planning and Talent Development Ministry Expectations and Implementation Continuum).

The Leadership Development unit established a Leadership Development Plan for 2009-11, which sets out the overall objectives for all staff to routinely participate in leadership, learning and training opportunities to acquire the knowledge and skills necessary for their current roles or prospective future roles. The plan outlines specific targets, measurement tools, strategies or actions to achieve targets and assigns responsibility to individuals for monitoring progress.

The Leadership Development unit has established a Learning and Training Framework. The framework outlines the continuum of leadership learning and development opportunities offered by the school board to various staff groups (e.g., support staff, managers, principals/vice-principles, and teachers) based on leadership competencies identified for each staff group.

In addition, the Leadership Development unit is utilizing many tools and initiatives to assist schools and departments in developing leaders. The school board has a webbased learning management system, which allows employees to register for training opportunities and track their individual learning plans. The school board also collects data to determine staff progress in learning and development. Some additional initiatives include the utilization of the Succession Planning and Talent Development Self-Assessment Tool, Principal Performance Appraisals, coaching resources,

leadership competency lists for managers and supervisory officers, an on-going coaching and mentoring program, an internship program and other various formal networking and learning initiatives.

However, while the school board has developed and sustained excellent leadership development tools and practices across multiple staff functions, the school board has not formally developed a succession plan for key management positions in all academic and non-academic areas. The school board is encouraged to develop a formal succession plan for key management positions, separate from the Learning and Training Framework and Leadership Development Plan, which would identify potential candidates for key leadership positions and help to ensure business continuity.

Stakeholder Engagement

The school board uses a variety of mechanisms to communicate with stakeholder groups. The school board conducted extensive consultations with internal and external stakeholders as part of the development of the multi-year plan. The school board also engages with external stakeholders through several advisory committees, such as SEAC, Race Relations, and the Parent Involvement Committee. There is also a strong link to School Councils forged with the Director's Office and Communications Services. A regular newsletter is published, and professional development sessions are offered to newly-elected School Council members on a regular basis.

The school board hosts a School Council Forum twice annually, which trustees attend. The forums are organized by families of schools in the school board's four community education centres.

The Director issues a weekly report to all staff which provides information on system initiatives, school and student matters, Ministry directives and other pertinent issues in education. Trustees provide inserts for school newsletters twice annually.

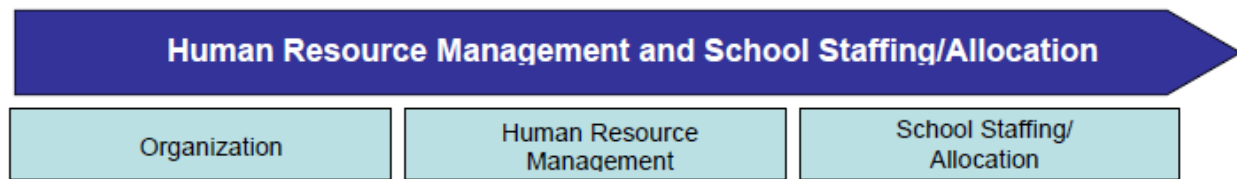
The school board's senior administration and management staff take part on numerous sector committees, provincial working groups, task forces and *ad hoc* committees, such as those groups affiliated with the Ministry of Education, the Ontario Public School Boards' Association, the Ontario Association of School Business Officials, and others.

Recommendations:

- Building on its experience in the development of annual operating plans, the school board should continue to finalize its annual operating plan. The annual operating plan should be aligned with the school board's multi-year plan and incorporate both academic and non-academic departments.

- The school board should post its organizational chart on the school board's website.
- The school board should develop and communicate a formal succession plan for key management positions to ensure business continuity.

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



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

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

3.1 Human Resource Organization

The review of the organization of the HR department assesses:

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

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

Development and Reporting of Annual Goals and Priorities

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

Monitoring and Communication of Policies

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

Development and Reporting of Annual Goals and Priorities

The Human Resources department established goals and priorities for 2009-2011 in alignment with the school board's Plan for Continuous Improvement. Future departmental operating plans will be aligned with the recently developed 2010-2014 Trustees' Multi-Year Plan and, upon completion, the Director's Annual Plan.

The 2009-2011 plan of the Human Resources department establishes goals and objectives for all areas of operations, including recruitment and retention, labour relations, compensation and benefits, and health and safety. For each project or

initiative, the plan identifies goals, measures, staff responsible for monitoring and strategies for implementation.

The Human Resources department holds bi-weekly meetings to discuss progress in implementing the plan. The Coordinating Superintendent responsible for HR ensures that the HR department's goals and projects are aligned with other areas of school board operations.

The HR department has collected feedback and input from school board staff to inform the development of department plans and specific initiatives using a variety of mechanisms, such as surveys, focus groups, discussions with Labour Management committees, and area meetings with principals.

Each year the HR department reports to the Board and School Planning for Continuous Improvement Review Committee on various aspects of the departmental plan.

Organizational Structure and Accountability

The Coordinating Superintendent of Education, School and Staff Resources oversees the HR department of the school board. The Coordinating Superintendent is supported by the Principal on Assignment. The department is led by the Senior Manager, Human Resources Services. The department is composed of five key functions: recruitment and retention, employee/labour relations, compensation and benefits, and employee programs, which includes health and safety, disability management and attendance management. Three managers and one officer report directly to the Senior Manager, and three key staff within the HRIS function report directly to the Senior Manager. The roles and responsibilities of HR staff are clearly defined and documented in role profiles. The organizational chart for the HR department is provided on the school board's intranet.

All managers within the HR department hold certified human resources professional (CHRP) designations, as required by their job descriptions.

Monitoring and Communication of Policies

The HR department is responsible for ensuring compliance with Board policies and procedures related to staff hiring, conflict of interest, respectful workplaces, performance appraisal, leaves, and health and safety. In addition to Board policies, the collective agreements for unionized staff guide many HR processes related to hiring, staffing, and employee relations.

All Board policies and some accompanying procedures are posted on the school board's public website. A number of HR procedures which do not have an associated policy are posted on the school board's internal portal. The HR department ensures

compliance with policies by centralizing and standardizing processes, such as hiring, and taking corrective action when issues arise.

Significant changes in HR-related policies or new policies are communicated to the system by the Communications department along with other new policies. The HR department provides key policies to all new staff during orientation. Each September principals are provided with a toolkit, which contains information to be communicated to staff at the school level on health and safety policies and procedures. Sometimes, after substantial changes in policies or statutory requirements, the HR department provides formal training to staff through superintendents of schools and at area principals' meetings. Occasionally, significant changes in policies are posted on websites and in newsletters of the unions. The school board's internal portal is also frequently used to communicate changes in policies and new initiatives.

3.2 Human Resource Management

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

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

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

Staff Recruitment/Hiring

Leading Practices – Human Resource Management	Evidence of Adoption?
Recruitment policies and administrative procedures are reviewed annually, and are aligned with staff planning to support student achievement. Trustees do not sit on	No

Leading Practices – Human Resource Management	Evidence of Adoption?
hiring panels (exception: hiring the director of education) but provide policies to govern staffing and recruitment.	
Processes are in place to identify and remove discriminatory biases and systemic barriers in staff recruitment, selection, hiring, mentoring, promotion and succession planning processes. The school board conducts employment system reviews and works towards broadening the diversity of recruitment pools.	Yes
The hiring policies and procedures for the respective staff groups are harmonized and shared with managers throughout the school board.	Yes

Labour Relations

Leading Practices – Human Resource Management	Evidence of Adoption?
The director of education and the board of trustees have established labour/management committees.	Yes
Trustees provide the school board's policy and priority framework within which bargaining takes place.	Yes
HR management has established policies and procedures to minimize grievances.	Yes

Employee Performance Evaluation Processes

Leading Practices – Human Resource Management	Evidence of Adoption?
HR management has policies and procedures for an employee evaluation/performance system for all staff.	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 Support Processes/Programs

Leading Practices – Human Resource Management	Evidence of Adoption?
The school board maintains appropriate processes and systems to monitor staff attendance on a timely basis.	Yes

Leading Practices – Human Resource Management	Evidence of Adoption?
The school board has an attendance support program that is documented and includes approved policies and procedures for minimizing the cost of absenteeism.	Yes
Management periodically reports on the effectiveness of attendance support processes/programs to senior management and the board.	No

Management of HR and Payroll Data

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

Management of School Board's Benefit Plans

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

Monitoring Staff Satisfaction

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

Staff Recruitment/Hiring

The school board generally receives a large number of applicants for teaching positions. As a result, the HR department focuses recruitment efforts on the specific needs of the school board, such as French language teachers. The HR department reviews where previous hires were recruited and participates in job fairs at these universities. For principal and vice-principal positions, the school board recruits internally and externally and provides opportunities to aspiring candidates within the school board. Management noted that there are very low rates of turnover among non-teaching staff at the school boards.

Management ensures that there is equitable access to employment at the school board by enabling applicants to provide self-identification in the school board's job application system and providing training to all principals. The HR department reviews employee diversity statistics. The school board has not yet conducted formal employment system reviews.

The school board has established a policy on promotion and recruitment of staff. All positions are first posted on the school board's intranet. The school board uses specialized software to support online application process. Applications for specific positions are stored in the database. The database enables screening of applications using various parameters. Principals who have direct access to the system use the screening feature to establish a short list of applicants to be interviewed.

The HR department provides hiring principals with toolkits and other support as required. Principals conduct interviews, check references and provide recommendations to the relevant superintendent, who approves the recommendation to hire. The HR department provides formal training to principals and managers on the hiring process. The recruitment team assists principals and vice principals by providing searches in the application database, on-line assistance and support in applying for Letters of Permission and Temporary Letters of Approval. The HR department may also provide direct interview support in hiring of non-teaching staff.

For occasional teachers the school board posts open positions based on specific needs during the summer. HR may also receive referrals for occasional teachers from principals. In the hiring of occasional teachers the HR department requests volunteer principals to participate in central interview panels. Management noted that retired teachers are not automatically added to the occasional teachers list.

In the hiring of superintendents, three trustees take part in the panel and help develop a list of candidates. The Director uses the pre-approved list to select candidates to fill vacancies. Board approval is required for transfers of principals and vice-principals between schools. The Director of Education should review existing recruitment and hiring processes, including the composition of hiring and selection panels, to clarify the

roles of trustees and school board staff in the recruitment and hiring process. In line with the *Student Achievement and School Board Governance Act, Bill 177*, trustees should provide strategic policies to govern staffing and recruitment. They should not sit on hiring panels, with the exception of hiring the Director of Education.

Each year the school board advertises for applications to the pool of principals and vice-principals. The HR department maintains a short-list of candidates from which superintendents can select principals and vice-principals to fill the positions.

Labour Relations

The school board has established positive relationships with the local union groups for effective resolution of labour issues. The school board has 17 labour management committees to cover various issues with each bargaining group.

Labour management committee meetings are generally held monthly. The Secondary School Union Management Committee meets bi-weekly. Other committees, (e.g. Job Evaluation/Pay Equity) are scheduled as required.

The HR department maintains open and informal communication with unions. This enables the school board to alert the unions about emerging labour issues and receive early informal communication about potential grievances. The HR department works closely with union representatives to resolve potential grievances before they are formally submitted.

The HR department provides support to principals in resolving and managing formal grievances. The HR department also provides managers with formal training when new collective agreements are set. Labour relations are also included as a topic in the school board's leadership programs.

The school board has a Negotiations Advisory Committee composed of trustees and senior staff. The committee has the mandate of setting the direction for negotiations and reporting to the Board on various aspects of the negotiations process. Trustees do not take part in negotiations but provide input through the Negotiations Advisory Committee.

Negotiations are led by coordinating superintendents of education. The associate director, principals and senior staff provide direct support as required during negotiations with various employee groups.

There is a formal process for managing grievances. Management indicated that most grievances are resolved informally and don't require arbitration.

Employee Performance Evaluation Processes

The school board has established formal performance appraisal procedures for new and experienced teachers, principals/vice-principals, education assistants, managers and support staff. The school board is currently developing a performance appraisal process for superintendents. There is no performance appraisal process for occasional teachers.

The school board follows the experienced teacher performance appraisal (TPA) and new teacher induction program set by the Ministry. The TPA process is managed through an electronic system. The HR department sends out a list of teachers who are due for a performance appraisal in September. The completed performance appraisals are signed off by school principals and superintendents. Superintendents monitor the completion of performance appraisals, and provide support to principals to ensure that appraisals are completed on schedule. There are many resources available on the school board's internal portal on conducting teachers' performance appraisals. The HR department notifies the Ontario College of Teachers (OCT) when new teachers successfully complete the NTIP.

The existing information system for performance appraisals is used for teachers, principals, and education assistants. The HR department is working to expand the use of the system for performance appraisals of support staff and managers.

The school board has formal disciplinary policy and procedures for professional misconduct and progressive discipline, which were established over five years ago. The procedures are based on a structured progressive discipline approach. The HR department provides support and training materials to staff in supervisory roles on the progressive discipline process.

The Leadership Development Unit has a central coordinating role to support the development of leadership capacity within the school board. The work of the unit is informed by research, aligned with the Board's vision, and is focused on building knowledge, skills and attitudes. The unit works in close cooperation with other departments, in particular, the HR department. The unit is composed of a coordinating superintendent who provides direction and assures alignment and coherence with the Board's vision and improvement strategy, four principals (on assignment), and one teacher (on assignment). In addition, the unit includes one vice principal at half time, two managers, a learning management specialist and a complement of three and a half support staff. Each member of the department is trained in facilitation skills and coaching. In planning and developing professional development activities the unit uses the information collected through surveys and other sources of data, such as the Board Improvement Plan, and works with the HR department to obtain input provided through labour management committees. The unit also collects direct feedback and requests from supervisory groups with regards to training on specific skills. Most of the training is

provided in-house and external trainers or facilitators are engaged as required. The unit is also examining options for enhancing self-directed and blended training at the school board. The unit works with various departments to organize professional development or training days for various staff groups. The principals within the unit work with all supervisory officers to implement the School Effectiveness Framework, and with schools to develop and provide training for a revised school planning process.

The school board has developed a learning information management system, which supports electronic tracking, registration and reporting on all formal and informal learning and conferences. The information in the database is used to develop learning plans and provide compliance reporting. Staff are requested to provide electronic feedback and evaluations at the end of each training event.

Attendance Support Processes/Programs

The school board has an electronic absence reporting and call-out service, which allows school board staff to register their absences directly in the system. The system is mostly used for teachers, and was recently enhanced to cover absence tracking for education assistants and school secretaries. Other staff groups use timesheets. All absences are entered in the system under specific codes. A number of codes require additional approval and verification. The HR department also generates bi-weekly absence reports from the database.

The school board hired external consultants to conduct a study of sick leave usage.

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

The school board has implemented the Employee Attendance Support program (EASP) to reduce the impact of innocent absenteeism. The program was implemented for CUPE staff in 2007 and 2009. For non-union staff and managers, the program began in 2008 and for teachers in September 2010. Management noted that it had conducted consultations with the unions prior to implementing the attendance support program.

HR conducts manual analysis of absence data to identify staff who exceed the established threshold. Using this information, the HR staff have discussions with staff or issue letters. There is a toolkit as well as a training module, sample letters, checklists and scripts for EASP meetings available on the school board's intranet to support managers and principals. The intranet also contains information for all staff including an information video, program details, standard medical certificate and frequently asked questions.

The school board has implemented a formal disability management program, which is supported by two case managers who assist staff in returning to work or staying at work. The disability management program is viewed as part of the comprehensive attendance support program.

Management reported that the EASP program resulted in reduced absenteeism among CUPE staff. Management has provided reports on the program to the CCS. However, there are no periodic formal reports on the program to the Board.

Management of HR and Payroll Data

The payroll function within the school board reports to the Superintendent of Business. There is an integrated HR and payroll system, and the responsibility and access to payroll data and employee data are adequately segregated between payroll and HR. HR staff notify payroll of changes to employee files that affect payroll by providing a paper form to payroll outlining the changes. The HR department is working to implement electronic forms to enable electronic notifications and exchange of information. The Payroll department has also established controls for changes such as periodic change reports and reconciliation and verification of pay data.

HR is responsible for updating personnel files and teacher classifications. HR synchronizes employee qualifications with the Ontario College of Teachers (OCT) several times a year. Teachers are responsible for submitting QECO ratings to the HR department to update qualifications and process resulting changes in classifications. Each summer, the HR department completes a full update of the qualifications information.

The school board has approved pay equity plans for all employee groups. Equity plans were last reviewed in 2002, and are continually evaluated.

Management of the School Board's Benefit Plans

The school board uses external benefits consultants to assist in managing and renewing benefits plans. The school board also conducts independent compliance audits of benefit plans periodically, focusing on extended health care (e.g. dental benefits plans).

The school board has participated in many discussions within the sector regarding costs of benefits and ways to reduce costs, such as pooling costs, establishing maximum levels of payment for claims, and administrative fees. The school board is also continually examining ways to control and reduce costs of its benefit plans, through consultations with the unions. For sample, management discussed the wellness program with the unions with the view to reducing pharmaceutical drug costs. Management has implemented a number of strategies to control costs of benefit plans,

such as establishing a maximum payment on dispensing fees and introducing co-payment for some types of treatment.

Management noted that it has established good relationships with the carriers. The school board last went to market for its benefit plans carrier over 10 years ago.

The school board ensures that eligible employees are properly enrolled in benefits plans by regularly synchronizing employee data with the insurance carrier, Ontario Municipal Employees Retirement System (OMERS) and Ontario Teachers' Pension Plan (OTTP). Employee data is electronically synchronized with OTTP and OMERS.

Monitoring Staff Satisfaction

Management bi-annually conducts staff, student and parent surveys to gauge general levels of satisfaction and inform planning and various initiatives. The types of surveys conducted by the school board include a system-wide school climate survey, various employee group learning and training needs assessment surveys, positional requirements survey, self-assessments, workplace team assessment surveys, learning and training methodology surveys, and orientation review surveys.

While the HR department does not consistently conduct exit interviews, some were conducted in the past. The HR department also tracks reasons indicated by teachers and administrators leaving the school board. Overall, management noted that the rate of staff turnover is very low at the school board.

Recommendations:

- The Director of Education should review hiring policies and procedures to clarify the role of trustees and school board staff in hiring of superintendents. In line with Bill 177, trustees should provide strategic policies to govern staffing and recruitment and should not sit on hiring or selection panels, with the exception of hiring the Director of Education.
- HR management should continue developing formal employee evaluation/performance policies and procedures for all staff groups.
- Management should report on the effectiveness of the attendance support process/programs periodically to the Board.
- Management should conduct exit interviews with all staff leaving the school board to obtain input for HR policy, as well as process and program improvement. Management should consider establishing formal procedures for conducting exit interviews.

3.3 School Staffing/Allocation

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

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

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

Processes for Annual Staff Planning and Allocation

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

Monitoring and Reporting on Staff Allocation

Leading Practices – School Staffing/Allocation	Evidence of Adoption?
Systems are in place and accessible by both HR and Finance staff to establish and track an approved level of staff.	Yes
Management periodically reports on the actual allocation of staff, compared to the original approved allocation plan and budget (FTEs by function, department and program, actual versus budget).	No
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

Leading Practices – School Staffing/Allocation	Evidence of Adoption?
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 allocation process for school-based staff (teachers, secretaries, principals and vice-principals) is conducted by the System Staffing Team led by the Superintendent of Education, Staff Resources and composed of staff from the Planning and Finance departments. The school board follows a standard process each year for staff planning and allocation. Management established formal documentation guiding the staff allocation process, including annual timelines, memos regarding parameters and key steps in the process and manuals to assist school administrators in their use of allocated staff. The school board has established two Regional Staffing Advisory Committees – elementary and secondary – which are composed of superintendents, administrative assistants, teams of principals and vice-principals, staff from the Planning, Special Education and HR departments. The regional staffing advisory committees meet every six weeks. Each Community Education Centre has four local staffing teams, composed of the Superintendent of Education responsible for the region, the administrative assistant to the Superintendent, and representatives from principals and vice-principals. The local teams make decisions on allocations at the level of individual schools, and conduct regular meetings during the peak times in the allocation process.

The staff allocation process begins in November with the development of enrolment projections. For allocation of elementary teachers, the system staffing team receives the teacher staff allocation total from the Finance department, and works with the regional staffing teams to plan staffing for each region. In February, staff positions are assigned and any surplus is identified. In September, when the actual enrolment is known, management reviews compliance with primary class size parameters and may hire additional staff, if required, by end of September. Overall, management aims to minimize the amount of reorganization in schools. The unions are kept informed of all steps in the allocation process and any required re-allocation in September.

The school board uses a database for the allocation of secondary teachers. Overall, the allocation is within the staffing complement established by the Finance department.

Allocation of principals and vice-principals is based on the previous year's allocation and enrolment projections. The needs of individual schools are also taken into account. Superintendents of Education have the authority to make decisions regarding allocation for individual schools. However, the base allocation formula provides one principal and

two vice-principals for secondary schools. At elementary schools, vice-principals may be shared between schools.

Allocation of special education staff is led by the Student Services department, in cooperation with the HR department based on the staff complement established by Finance. There are eight student services coordinators at the school level who play a key role in allocation of education assistants. The Superintendent of Education responsible for student services works with student services coordinators to identify needs at the school level. After the identification of needs, there are meetings at the regional level to identify priorities based on critical needs and ensure consistency in allocation of special education staff across all regions.

Monitoring and Reporting on Staff Allocation

Management reports to the Board and senior administration on staff allocation in November, once all the required adjustments have been made in September. Management noted that adjustments in staff allocation are sometimes required during the year when there are changes in enrolment and needs at the school level. At the secondary level, adjustments in staffing are made in September and January. Management noted that there is usually a hold-back allocation that can be used for adjustments.

All staffing allocation is reviewed monthly by Business Services to ensure that allocations are not exceeded. Any discrepancies with approved allocations are brought to the attention of senior administration.

Recommendation:

- Management should periodically report on the actual allocation of staff, compared to the original approved allocation plan and budget including reports on FTEs by function, department and program, and actual versus budget. Management should consider the format for reporting on actual staff allocation recommended by the IFRC.

4. Financial Management – Findings and Recommendations



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

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

4.1 Finance Organization

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

- The establishment of policies and procedures to support the key finance functions, activities and required business priorities and their alignment with student achievement targets;
- Finance department support of the overall goals, priorities and accountability measures established by the school board;
- The efficiency and effectiveness of the departmental structure and its support of the roles and responsibilities for key functions, activities and practices;
- Opportunities to support continual improvement in the effectiveness and efficiency of all processes.

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

Development and Reporting of Annual Goals and Priorities

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

Organization Structure and Accountability

Leading Practices – Finance Organization	Evidence of Adoption?
The finance department has clearly defined organizational units and delineates the respective roles and responsibilities. A current organization chart is available.	Yes
Finance department staff have the appropriate finance/accounting designations and/or experience.	Yes

Monitoring and Communication of Policies

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

Development and Reporting of Annual Goals and Priorities

The Finance Services department is part of the Business Services division of the school board. The Business Services division also includes the quality assurance, information technology, accounting, payroll and purchasing functions.

The Business Services division establishes a strategic plan for two to three years. In 2010, the Business Services Division conducted a survey of its staff on workplace engagement as an input in its strategic planning process.

Finance Services, along with other departments of the school board, establish its annual department plan. The current Finance and Quality Assurance department plan, which was established in May 2010, consists of operational, strategic and continuous improvement goals and priorities.

Until the 2010-2011 planning period, each department plan was aligned with the goals and intent of the York Region District School Board's Plan for Continuous Improvement. At the time of the operational review management was reviewing the school board's annual planning process. The school board has established the Trustees' 2010-2014 Multi-Year Plan and the 2010-2011 Board Improvement Work Plan for Student Achievement and Well-Being. At the time of the operational review, the school board was working on the development of the Director's Annual Plan, which would incorporate the business and academic priorities of the school board, and serve as an annual operating plan for the system. Upon completion of the Director's Annual Plan, each department will continue to articulate and further refine alignment of their department plans with the Director's Plan, and other guiding documents.

The departmental plans and progress in implementing of plans have been discussed at senior management meetings. There are also periodic and *ad hoc* reports on various aspects of financial operations to the Board of Trustees, in addition to budget reports, interim financial reports, and reports on expenditures over \$15,000.

Organizational Structure and Accountability

The Finance Services department reports to the Superintendent of Business who reports to the Associate Director of Education. The Finance Services department is composed of the manager capital and financial reporting, manager finance services, and manager budget and accounting services. The Purchasing Services department also reports directly to the Superintendent of Business. Management noted that a year ago the organizational structure of the Business Services division was modified to introduce the role of the Superintendent of Business Services. Prior to that, the responsibility for various aspects of financial services was led by two managers who reported directly to the Senior Manager of Finance Services. The Senior Manager reported directly to the Associate Director.

Formal job descriptions have been established for all staff within the school board administration. All management and supervisory staff within the Finance Services department have formal accounting designations.

Monitoring and Communication of Policies

The Finance Services department is responsible for implementing Board policies on purchasing, reimbursement of expenses, fundraising, school-based funds, and PCards. All policies are posted on the school board's website. For many policies, management has established supporting administrative procedures. The Finance Services department has also developed reference guides and memos for staff.

The Finance Services department has implemented a number of centralized processes to monitor compliance with the existing policies and procedures. Quality Assurance supports schools by undertaking internal reviews of school-based funds, and providing training.

The Finance Services department builds staff awareness and understanding of finance-related policies and procedures in various ways. New policies and procedures and changes in the existing policies and procedures are communicated to the system by the Communications department.

Quality Assurance provides training to school secretaries. Regular regional meetings of school principals are used as a forum for sharing information and building awareness of new policies and procedures.

4.2 Budget Planning and Development

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

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

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

Annual Budget Development Process

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

Risk Mitigation and Board Approval

Leading Practices – Budget Planning and Development	Evidence of Adoption?
Management identifies and documents all significant risks during the budget planning process and develops strategies to mitigate the risks of spending beyond authorized/budgeted levels.	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 Finance Services department manages the budget development process, which is overseen by the Associate Director of Education and the Superintendent of Business. The Board's Budget Committee provides input throughout the budget development process. Each year, management establishes a budget schedule, with key meeting dates of the Budget Committee.

Management has adopted a zero-based approach to budgeting. For the 2010-2011 budget development cycle, Business Services issued a memo to the departments indicating the challenging economic context, and requesting a frugal approach to preparing departmental budget submissions.

The budget development cycle starts in February, with the preparation of enrolment projections. The school board's Planning department is responsible for preparing enrolment projections centrally, with input from Education Services, Finance Services, and other stakeholders noted below. Overall, management noted that the school board has adopted a conservative approach to enrolment forecasting, which usually results in projections slightly under actual enrolment and a small margin of error. The Planning

department uses information from historical trends, community profiles, building permits, and residential sales as the basis for annual enrolment projections. For multi-year enrolment forecasts, the Planning department works closely with municipal planning departments to identify areas proposed for new development. The Planning department has built strong relationships with municipal planning departments. For the elementary panel, the Planning department reviews birth data, historical data for the past 3-5 years for each community and similar communities. For the secondary panel, key factors include Grade 8 to 9 retention rates.

The Planning department is using specialized software to support modelling for enrolment projections. Principals provide input in enrolment projections as part of discussions to prepare staffing models.

Throughout February to May, enrolment projections are used, along with other parameters such as class size, preparation time and school board priorities, to develop staffing requirements and related expenditure estimates. The Finance Services department uses a salary and benefits budgeting program to prepare estimates related to the staffing components of the budget. The allocation process of teaching staff is based on staffing allocations prepared by the Finance Services department, and is overseen by the Superintendent of Staff Resources who reports to the Coordinating Superintendent. The first staff salaries forecast is prepared in February/March. Staffing projections are reviewed and adjusted several times before May.

After the first salary forecast, the Finance Services department prepares non-salary budget forecasts, in partnership with all other stakeholder departments. The Finance Services department uses spreadsheets to collect budget submissions from departments.

Management noted that in the past, budget information was presented to trustees in parts to provide sufficient time for understanding and feedback. However, based on feedback from trustees, management is now presenting the entire budget to the Budget Committee throughout the budget development process. Management noted that the previous budget was reviewed and approved over three meetings of the Budget Committee: the first discussion focused on budget priorities and pressures; during the second meeting management presented a report on revenues; during the third meeting a balanced budget was presented to the Budget Committee prior to submission to the Board for approval. At the outset of the budget development process, management scheduled additional meetings for potential specific discussions and clarifications, however, such meetings were not required.

The school board does not hold public meetings for budget input and consultations. Input is obtained from several advisory committees of the school board. Budget Committee meetings are held in public session.

Management undertakes informal comparisons with other school boards on staffing and costs through OPSBA, OASBO and COSBO.

Risk Mitigation and Board Approval

Management incorporates all identified risks in the budget estimates. The initial budget report provided to the Board in March identifies key budget challenges faced by the school board in the upcoming year. Throughout the year, management discusses specific risks with trustees as part of interim financial reporting.

Management does not document risk assessment as part of the budget development process or throughout the year.

Management has identified a number of contingent liabilities of the school board, such as pay equity, and has established reserve funds as a risk mitigation approach. In addition, management's prudent approach to developing budget estimates is underpinned by conservative enrolment projections.

Management has many mechanisms in place to manage budget expenditures, including controls in the purchasing process, close monitoring of enrolment projections, and periodic financial reports for the management team and the Board of Trustees.

The school board has several types of reserve funds. The use of reserve funds is approved by the Board as part of the budget approval.

The process of reporting on risk mitigation strategies varies significantly among school boards. The school board's managers should consider implementing an enhanced process which would include formal documentation of the following elements.

At the beginning of the budget cycle:

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

Throughout the budget cycle:

- Periodic reporting of material budget variances that may negatively impact the financial outcome of the board - this may be communicated through the interim financial reports.
- An update on the probability of occurrence, quantification and impact of each of budget risk identified formally at the beginning of the budget cycle.
- Any new budget risks not previously identified.

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

Recommendations:

- Management should consider enhancing the process of reporting on the school board's budget risks using the format suggested in section 4.2 of this report. A formal risk management plan/report, which is reviewed and updated periodically, would include strategies to mitigate the risks of spending beyond 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 receive timely, accurate and complete financial information of all board activities;
- Identify opportunities to support continual improvement in the effectiveness and efficiencies of all processes.

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

Integrated System for Variance Analysis and Financial Reporting

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

Interim and Annual Financial Reporting

Leading Practices – Financial Reporting and Analysis	Evidence of Adoption?
Interim financial reports provide sufficient detail (including a comparison of actual to budget and year-to-date comparisons from previous years) for a clear understanding of the status of the current year's budget and the outlook for the year.	No
Senior management is held accountable for the integrity of financial reporting through formal sign-off and approval procedures.	Yes
Management completes and files all financial reports in accordance with established timelines.	Yes

Audit

Leading Practices – Financial Reporting and Analysis	Evidence of Adoption?
Management maintains an independent internal audit function.	Yes
Internal audit plans are clearly documented. Internal audit report recommendations are followed up and acted upon by management.	Yes
The Board has an audit committee with external members.	Yes
The external auditor's planning and annual reports are presented to the Board's audit committee and any recommendations are acted upon by management.	Yes

Integrated System for Variance Analysis and Financial Reporting

The school board recently implemented a new integrated financial system that provides adequate, timely, and accurate information to management, school staff, and the board of trustees. The school board uses the capital assets, purchasing, accounts payable, and the General Ledger (GL) modules of the system. There is also a financial system that supports school funds accounting. The Quality Assurance department provided training to staff (in particular, school secretaries) on using the financial system. The

school board is actively working with the vendor and other Ontario school boards, which use the same system, to enhance the functionality that best supports its needs.

The Associate Manager of Accounting Services is responsible for setting up new GL codes.

Interim and Annual Financial Reporting

Management provides two interim financial reports (expenditure reports) to the Board: in March and at the end of the year. Management noted that in the past interim financial reports were provided quarterly. However, the Board decided that two reports a year would provide the trustees with sufficient information on the school board's financial position. The current format of interim financial reports was developed in consultation with trustees and meets the trustees' requirements for financial reporting. Management also provides trustees with information when there are specific requests. In addition to the interim financial reports, management provides monthly reports on all invoices over \$15,000 in keeping with Board policies. These reports have historically been provided to the Board.

The expenditure reports show the budget for each high-level category and expenditure, and are also expressed as a percentage. The reports also contain same data for the previous year and notes on some variances. The financial reports to the Board include notes on updates on enrolment. The reports do not contain staffing information. Staffing information is provided to the Board as part of HR reporting. All interim financial reports are reviewed and vetted by the Director of Education, the Associate Director of Education, and the Superintendent of Business prior to being presented to the Board. The reports are also first presented to the Coordinating Council of Superintendents.

Management has reviewed the format of interim financial reports recommended by the Interim Financial Reporting Committee (IFRC) and concluded that, based on past experience, the current format of financial reports better meets the needs of trustees.

The IFRC provided recommended guidelines for the timing, format, and content of school board interim financial reporting. These guidelines are intended to serve as a consistent reporting format, to provide meaningful financial updates and forecasts in a concise, understandable document for trustees. Management should further consider the development of the interim reporting format recommend by IFRC, and discuss the benefits of the recommended template with trustees.

In addition to the interim financial reports to the Board, the Associate Director and the Superintendent of Business review the GL by budget line to identify any issues. Until recently, the Finance Services department prepared reports for budget owners who also have access to live information in the financial system. Management noted that the

Finance Services department is working to implement some changes in the cost centre reporting.

Management noted that the school board has been able to meet the Ministry timelines for financial reporting.

Audit

The school board is taking part in the regional internal audit model. The school board's Finance Services department has already had meetings with the Regional Audit Team, and the risk assessments are scheduled to take place early in 2011. Quality Assurance department conducts periodic internal reviews of school-based funds.

In keeping with the new Audit Committee regulation, the school board has established an Audit Committee with three board members and two external members. Training for members was scheduled for February 2011. It was anticipated that the first meeting would take place before March, 31 2011. The first Audit Committee meeting will focus on setting the mandate and terms of reference in line with the Ministry mandate.

The school board has a long-standing relationship with its external auditors. The school board formally reviews the contract every five years, using comparisons with other school boards. The external auditors meet with the Audit Committee two times per year. During the first meeting, the auditors present the audit plan and there is an opportunity for trustees to indicate areas of focus for the audit. During the second meeting, the auditors present financial statements, audit report and the management letter. Management provides formal response to all items identified in the management letter. The Audit Committee provides the financial statement and audit report to the Board. Management noted that trustees have an opportunity to meet with external auditors *in-camera*. Management noted that the school board's external auditors have not requested such meetings.

Recommendation:

- Management should take into account the recommendations made by the Interim Financial Reporting Committee (IFRC) on the format and frequency of interim financial reporting to the Board. Management should discuss with trustees how the existing format of interim financial reports can be enhanced to align with IFRC recommendations.

4.4 Treasury Management

The purpose of reviewing treasury management processes is to assess:

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

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

Cash and Investment Management

Leading Practices – Treasury Management	Evidence of Adoption?
Existence of an efficient cash management process to maximize interest income, using short-term investments where appropriate and to ensure that the board’s debt service costs can be met to maturity.	Yes
Cash management activities are consolidated with a single financial institution where feasible.	Yes
Management periodically reports to the board on the performance of the investment activity and any board-approved investment policy.	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

The Finance Services department tracks cash flow daily in an Excel spreadsheet. Each day any excess cash is rolled over to an overnight investment account. When it is anticipated that idle cash will be available for a longer period of time, the Finance Services department obtains three quotes and makes short-term investments, generally, GICs. Investment decisions are discussed with the Associate Director and Superintendent of Business, and require their approval.

The school board complies with the Education Act and regulations pertaining to investment activity. The school board has not established a formal policy on investment activity. There is no periodic reporting on investment activity to the Board. Each year management obtains Board approval for borrowing facilities if borrowing is required. As part of the formal request for approval, management reports to the Board on short-term investment activity.

There is segregation of duties in preparing bank reconciliations. Within the Accounting department there is clear delineation between staff responsible for the operating account and capital account. Staff responsible for the operating account prepare reconciliations for the capital account, while staff responsible for the capital account perform reconciliations for the operating account. Bank reconciliations are prepared monthly. Finance staff conduct daily downloads from the bank to identify any fraudulent activity.

The school board mostly uses electronic cheques. A small number of manual cheques are used for payroll. All cheques over \$15,000 require the signatures of two signing officers.

The school board uses the services of two financial institutions for its capital account and other accounts, including operating, overnight investment account, US account and payroll account. The school board has a joint account with the coterminous school board for Education Development Charges. Although the school board has had a long-standing relationship with its banking services providers, management intends to competitively bid these services, in compliance with the requirements of the Broader Public Sector Accountability (BPS) Directive.

Management has undertaken annual reviews of the school board's banking arrangements. Most of the schools use a credit union for banking services, as the credit union provides additional services.

Recommendation:

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

4.5 School-Based Funds and Non-Grant Revenue Management

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

- Assess whether procedures are in place to ensure the timely, complete and accurate recording of the different types of school-based funds and non-grant revenue;
- Assess whether internal controls exist to support appropriate cash handling and cash management;
- Identify opportunities to support continual improvement in the effectiveness and efficiency of all processes.

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

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

Management of School-Based Funds

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

Management of Non-Grant Revenue

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

Management of School-Based Funds

The school board has established a policy and procedures for school fundraising and administration of school-generated funds. The policy outlines the purposes for which the schools may raise funds, and the key responsibilities of school principals, school and student councils. The school board has also implemented specialized software to support administration of school-based funds. Quality Assurance provides training and support to schools in using the software.

Quality Assurance requires that bank reconciliations are performed monthly using the software system. Reconciliations are performed by school secretaries, and principals are required to sign off. Quality Assurance monitors centrally that reconciliations are conducted timely. There is central access to the school cash management system, which is also used to provide remote support to school secretaries. The school board is currently preparing a request for proposal for cashless school software, which may be implemented with other school boards.

It is indicated in the procedure that each school has one school-generated fund account, through which all school-generated funds flow. This account's activity must be summarized and submitted to Business Services annually for the year ending August 31. Management noted that some school councils have separate accounts. However, school councils are required to comply with policies and procedures established for school-generated funds.

Quality Assurance conducts periodic reviews of schools-based funds randomly and on request. After the review, the department prepares reports on findings and recommendations, which are sent to the respective Superintendent, principals and the Associate Director. A year later, a follow-up report is prepared to identify how audit recommendations were implemented.

Management noted that some fundraising activities are dedicated to capital projects such as playground equipment. All proposed capital projects funded through schoolbased fundraising activities must comply with procedures for management of nongrant revenue, as outlined in the school board's purchasing procedures.

The school board has implemented a cost-sharing program for the purchase of school computers, where the school board matches funds raised by schools. This helps ensure equity among schools.

Management of Non-Grant Revenue

The main sources of non-grant revenue are tuition fees, recoverable salaries (secondments of the school board's staff), interest revenue, funding for ESL programs, and the continuing education program. The school board also has revenue from day

school agreements with First Nations, cafeterias, and a joint use agreement with one municipality for a swimming pool. Management noted that costs associated with the community use of schools are mostly covered by the community use of schools grant. The community use also generates some revenue for the school board.

The school board has established formal procedures for community use of schools and continuing education. The policies and procedures for community use of schools include a schedule of fees, which is reviewed by management regularly.

The Finance Services department forecasts non-grant revenue as part of the budget development process and monitors any arrears closely, particularly in the area of community use. Overall, management noted that the school board does not have any issues in collecting fees and payments. The forecasting of revenues is performed on a historical basis.

Management noted that there is growing demand for community use in some areas of the school board. Two staff members are assigned part-time to community use and community outreach roles, funded through the Ministry community use grant. There are also community liaisons across all regions of the school board who support community outreach. The school board uses an online system for booking and payment for the use of facilities. Management is considering implementing a new system for other sources of non-grant revenue, including continuing education.

The school board has implemented centralized processes for administration of EPO grants. All EPO funding announcements are directed to the Director's Office and processed by the Finance Services department. The Finance Services department tracks the receipt of grants and tracks reporting due dates. There is a tracking spreadsheet for all current EPO grants. All reports require approval from the Finance Services department and the Director of Education prior to submission to the Ministry. Management uses "sign-off" sheets for professional development events funded through EPOs, to ensure that occasional teachers' costs are accurately tracked.

4.6 Supply Chain/Procurement

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

- Whether supply chain/procurement policies and practices comply with the Supply Chain Guideline v.1.0 to ensure that the school board acquires goods and services through an open, fair and transparent process;
- Whether appropriate internal controls support the procurement and related payment process;

- Whether school board processes ensure value for money from all acquired goods and services;
- Opportunities to support continual improvement in the effectiveness and efficiency of all processes.

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

Policies and Procedures

Leading Practices – Supply Chain/Procurement	Evidence of Adoption?
Approved procurement policies and procedures are clearly communicated to staff with purchasing authority and are periodically reviewed and updated.	Yes
In line with the SCG, approved procurement policies clearly outline circumstances under which the school board will use competitive versus non-competitive procurement methods.	No
Contract award criteria include elements other than the lowest cost, such as total cost of ownership, value, quality, vendor performance, etc.	Yes
Purchasing managers monitor purchasing activities for compliance with the Board’s procurement policies and procedures, and the SCG.	Yes

Participation in Group Purchasing Initiatives

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

Purchasing Levels of Authority

Leading Practices – Supply Chain/Procurement	Evidence of Adoption?
In line with the SCG, purchasing authorization levels are commensurate to job roles and responsibilities, and are monitored for compliance by a supervisor or department head.	Yes

Policies and Procedures for PCard/Corporate Card Use

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

Accounting for Completeness of Purchase/Payment Cycle

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

Use of Electronic Funds Transfer

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

Policies and Procedures

In early 2010, the school board established a new purchasing procedure and code of ethics, in line with the Supply Chain Guideline (SCG). Management noted that the previous purchasing procedure only required a few changes to comply with the SCG. In particular, the tendering process has become more formal, including open posting and formal evaluation handbooks. The Purchasing Services department led the revision of purchasing policies and procedures, and discussed key changes with departments undertaking most of the purchases at the school board.

The school board has also established a hospitality and travel policy and procedures, and a mileage policy for trustees and all staff.

The Purchasing Services department is composed of the Purchasing Manager, Assistant Manager, four Senior Buyers and three buyers. As part of the revision of the purchasing policies and procedures, the Purchasing Services department has also established the mandate for the department. The department has a central coordinating and oversight role in all aspects of purchasing, and works closely with other departments which have significant purchasing activity. The department has a designated area on the school board's website that provides information on policies and procedures, including the Code of Ethics, vendor registration, and open bid opportunities. Management noted that overall, school board staff comply with the requirement to use system contracts when appropriate. Buyers have ongoing dialogue with staff regarding commodities. Overall, management noted that the Purchasing Services department is viewed as a value-added department rather than a function responsible for oversight of transactions and document processing.

The revised purchasing procedure provides key definitions, and stipulates roles and responsibilities of Purchasing Services, Accounting Services, superintendents of education, principals/managers and other staff purchasing goods or services.

The purchasing procedure references various documents, including the SCG, Code of Ethics, forms, catalogues, user guides for the school board's financial and requisition system and has embedded links to these documents and resources. The procedure does not provide criteria for Request for Proposal (RFP) evaluation, and conditions for sole and single source purchasing. It is indicated in the procedure that the Purchasing Services department will obtain formal/informal competitive bids (a minimum of three where possible) for any individual purchase or purchases that exceed \$5,000. The procedure does not provide detailed thresholds and requirements for formal or informal quotes for each threshold. The school board uses standard templates and documents for tenders and RFPs. The evaluation criteria are stated in the RFP document. The Purchasing Services department uses the single/sole source form which is required when such type of purchasing takes place.

Management noted that the use of POs is encouraged for all purchases over \$100. However, this requirement is not clearly stated in the purchasing procedure.

Competitive tenders in excess of \$100,000 are posted on Biddingo and the school board's website. Management is continually monitoring the Ontario Education Collaborative Marketplace (OECM) opportunities and is currently using one OECM contract. The school board also uses a Vendor of Record (VOR) arrangement of the Ministry of Government Services.

The *BPS Accountability Act, 2010* brings new rules and higher accountability standards for designated broader public sector (BPS) organizations. The Act includes sections that provide authority to the Management Board of Cabinet to issue directives to designated BPS organizations in the areas of procurement and expenses. In anticipation of the April 1, 2011 proclamation of these sections of the *BPS Accountability Act*, the BPS Procurement Directive and the BPS Expenses Directive are now available to school boards. The school board should become familiar with these documents, note any differences from the Supply Chain Guideline and begin planning for compliance with both directives by the proclamation date.

Participation in Group Purchasing Initiatives

The school board's current purchasing procedure indicates that the school board encourages co-operative purchasing with other school boards and public sector agencies. The school board currently participates in over 30 co-operative purchasing groups. In particular, the school board has established numerous co-operative purchasing arrangements with the coterminous school board for various commodities. The school board is also purchasing a number of commodities and services through the York Region Co-op, which is composed of the Regional Municipality of York, its nine municipalities, two school boards, the York Region Police, and the Central Community Care Access Centre (CCCAC).

The school board is proactively collaborating with other school boards to share leading practices, discuss issues of common concern, and identify potential solutions. Management noted that the OASBO purchasing group is a valuable forum for participating school boards.

Purchasing Levels of Authority

The school board's current purchasing procedure does not indicate approval levels for purchasing. The school board has established a linked document on signing levels of authority which is referenced in the purchasing procedure. The levels of authority are reviewed and approved by the Coordinating Council of Superintendents. The levels of authority are built into the financial system.

Management should consider clearly indicating purchasing authorization levels in the school board's purchasing procedures, in line with the Supply Chain Guideline and the BPS Procurement Directive.

All expenses submitted for reimbursement must be approved by immediate supervisors.

Policies and Procedures for PCard/Corporate Card Use

The school board has approximately 1,650 PCards in use, with the annual spend volume of around \$5 million. PCards are mostly used for low value purchases and occasionally for the purchase of caretaking supplies.

The school board has established policy and procedures for the use of PCards. The procedure outlines the responsibilities of cardholders, accounting services staff, superintendents, and principals/managers.

PCards have various controls, including merchant categories and spending limits. Quality Assurance conducts periodic random reviews of statements and receipts. Management conducts periodic analysis of PCard use, to identify high-spend vendors with which the school board does not have contracts.

Accounting for Completeness of Purchase/Payment Cycle

There are several ways in which purchases can be made at the school board: purchasing requisition using the school board's financial system, contract release forms for system contract purchases, PCards, petty cash, and cheque requisitions. When purchases are made using the financial system, the receipt information is entered by recipients and accounting clerks match the PO information with receipt and the invoice. Contract release forms are manually completed by requisitioners (e.g. teachers), signed by principals, and sent to vendors. There is a manual matching process for such purchases. Accounting clerks match the information on the invoice with the copy of the contract release form which should indicate the receipt of goods.

There are catalogues available to staff on the Purchasing Services department's internal website for most system contracts. These catalogues are not interfaced with the purchasing module of the financial system. Management noted that catalogues for textbooks are built into the system.

The school board's financial system supports commitment accounting. Encumbrances are created when POs are issued. For purchases without a PO, the commitment is reflected in the budget when the invoice is paid. The system automatically requires an approval when there is overspending of a particular budget line.

Use of Electronic Funds Transfer for Greater Efficiency

The school board uses EFTs for most payments. A small number of cheques are also used for payment in some cases, in particular payments to infrequent vendors.

Recommendations:

- In order to align the school board's purchasing policy and procedures with the Supply Chain Guideline and BPS Procurement Directive, management should include a statement outlining circumstances under which the school board will use competitive versus non-competitive procurement methods and should include detailed thresholds for competitive purchasing in the revised policy and procedures.
- Management should continue identifying opportunities for implementation of the electronic supplier interface for ordering, processing and payment.

5. School Operations and Facilities Management – Findings and Recommendations



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

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

5.1 Operations and Facilities Organization

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

- Whether the board of trustees and management have established policies and procedures that support the key departmental functions and activities, strong internal controls and financial management;
- Whether the department supports the overall goals, priorities, and accountability established by the school board in support of student achievement targets and strategies;
- The efficiency and effectiveness of the departmental structure and whether roles and responsibilities support the key functions/activities and the required business practices;
- Opportunities to support continual improvement in the effectiveness and efficiency of all processes.

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

Development and Reporting of Annual Goals and Priorities

Leading Practices – Operations and Facilities Organization	Evidence of Adoption?
The School Operations and Facilities Management department’s goals and priorities are documented in an annual department plan. They are aligned to the annual board operating plan accessible by key stakeholders. The plan incorporates measurable targets, specific timelines, and identified accountability.	Yes

Organizational Structure and Accountability

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

Monitoring and Communication of Policies

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

Development and Reporting of Annual Goals and Priorities

The Plant Services department has a direct reporting relationship to the Education and Community Services department of the school board. In the past, the Plant Services

department (along with other departments) established a two-year Continuous Improvement Plan. The latest Continuous Improvement Plan for the department was developed in 2009. The departmental Continuous Improvement Plan has been aligned with the school board's Plan for Continuous Improvement. The current departmental Continuous Improvement Plan indicates the link to the school board's Plan for Continuous Improvement, goals, timelines, responsible staff and implementation strategies.

The new departmental continuous improvement or operating plans will be aligned with the Director's Improvement Plan, (once it is established) and the Trustee's MultiYear Plan. Management noted that the current departmental continuous improvement plan is a living document which is reviewed every six months to ensure that the objectives are relevant and aligned with other plans and objectives. The department intends to conduct a detailed workflow review after the operational review which would help inform the development of the new departmental operating plan.

The Plant Services department has used various inputs and sources of information to develop the departmental Continuous Improvement Plan, such as results of staff surveys, school safety surveys, and feedback provided by school councils and community members. In 2008, the department held a retreat to provide an opportunity for staff to reflect on the department's activities and improvement opportunities. During the retreat, the department also established a commitment statement and discussed the planning approach, including ways to set specific and measurable objectives.

The department monitors progress in implementing the plan informally during biweekly team meetings. The department's initiatives and projects are also discussed at monthly managers' meetings. Every six months, the department's managers provide formal reports to the Superintendent of Plant Services. The department has also provided annual reports to the School Planning for Continuous Improvement Review Committee on various aspects of the departmental plan. The department has also provided reports to the board of trustees on specific departmental initiatives. As part of the system-wide initiative to establish business continuity plans, in 2010 the Plant Services department assessed risks and established a business continuity plan.

Organizational Structure and Accountability

The Plant Services department has a current organization chart outlining the positions within the department.

The current Superintendent of Plant Services was appointed in August 2010, and has an academic background. The Superintendent of Plant Service reports directly to the Coordinating Superintendent of Education, Workplace and Learning Environment. The Superintendent of Plant Service also reports indirectly to the Associate Director of Education. The Superintendent of Plant is supported by the Senior Manager. The

Manager of Facilities Services, Manager of New Construction, Manager of Good Places to Learn Programs and the Plant Systems Analyst report directly to the Senior Manager. The Manager of Facilities Services oversees the caretaking services team, quality standards team, energy and environmental services team, and maintenance services team. Within facilities services, there are three managers who report directly to the Manager of Facilities Services. The Manager of New Construction oversees the new construction team.

Management noted that several years ago the department changed its maintenance services organization, which was previously aligned with specific engineering disciplines. Within the current structure, assistant managers of maintenance are now generalists responsible for families of schools, but still have responsibility for specific engineering disciplines, and act as subject expert resources to each other. Within the Maintenance Centre, trades are assigned based on regional requirements. Management noted that this approach has proven to be effective.

Since schools operate outside of traditional day-school hours and calendars, management established two management positions - Assistants, Community Access and Caretaking in late 2010 to provide weekday, evening, and weekend support. Concurrently, management established the position of the Assistant, Facility Services to provide support in specific business areas such as the Employee Attendance Support Program, equipment purchasing, inventory, and repairs.

Administrative positions within the Plant Services department have various requirements for professional qualifications and experience. The Senior Manager of Plant Services, Manager of Construction, Manager of Facilities Services, Manager of Maintenance, and Manager of Environmental Services hold a Professional Engineer designation. The Manager of Caretaking Services holds a Masters of Education degree. Other management staff also have an engineering or related degree. All management staff within the Plant Services department have a combination of relevant education and professional experience. There are formal job descriptions for all staff within the Plant Services department.

Monitoring and Communication of Policies

The Plant Services department is directly and indirectly responsible for policies and procedures related to school facilities, security, community use of schools, and occupational health and safety. All formal policies pertaining to Plant Services are posted on the school board's website. The Plant Services department has various ways to ensure compliance with Board policies and procedures and statutory requirements, including formal monitoring and inspections. For many procedures, the department has developed guidelines, standard operating practices, and standard forms and templates.

The Plant Services department maintains a department service page on the school board's internal portal/website. There is a list of topics available on the portal website with links to relevant policies, procedures, forms and templates, and standard operating practices. There are weekly emails with updates sent out to all maintenance and caretaking staff. Monthly updates are provided to all school administrators. The department also issues periodic memos to various staff groups on specific issues. In addition, regular staff meetings are used to communicate changes in policies, procedures and statutory requirements. Management noted that occasionally communication is issued jointly through the unions. The Plant Services department works closely with the HR department and in particular, Health and Safety unit to plan and provide occupational health and safety and compliancebased training to plant staff.

Managers responsible for various functions within the Plant Service department monitor and identify changes in regulations and legislation which require changes in the school board's policies and procedures. Information on changes in laws and regulations is communicated during the managers' meetings. In addition, managers within the Plant Services department subscribe to various professional publications, and many changes are communicated through the Ministry of Education, Ministry of Labour, Ministry of Environment, and other legislative/regulatory bodies.

5.2 Custodial and Maintenance Operations

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

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

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

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

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

Development of Annual/Multi-Year Maintenance Plan

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

Training to Support Skills Development and Safety

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

Standardization of Cleaning and Maintenance Supplies

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

Project Management, Monitoring and Support Systems

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

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

The caretaking services team is composed of the Manager of Caretaking Services, six assistant managers, a business assistant, two community assistants, three clerical support staff, facility supervisors, and caretaking staff.

The school board has established formal cleaning standards, which are set out in the Caretaking Guidebook. The Caretaking Guidebook also summarizes frequently-used procedures, memos and training modules in one resource. The Guidebook is available on the Plant Services department service page on the school board's intranet.

The Plant Services department has established formal guidelines for conducting school checks. There is also a school check process map available for reference by relevant staff. There is a standard monthly check sheet, which is manually completed by staff conducting the inspection. Facility supervisors are responsible for conducting monthly school inspections. Management also uses feedback from principals to monitor compliance with the established cleaning standards. After the inspection, an electronic form is completed and submitted to the relevant family of schools assistant manager. A hard copy of the checklist is provided to the school.

The standard checklist contains areas for evaluation and comments on administrative matters, maintenance of life and safety binder components, health and safety documentation, mechanical systems monitoring and maintenance, discussions with caretakers, comments on school equipment problems, fire code compliance, administrative concerns and comments. The checklist does not specifically cover cleaning standards. Assistant managers review the checklists that are submitted electronically to identify trends among schools. Any issues identified as result of inspections are usually resolved at the school level in collaboration with the relevant facility supervisor, assistant manager, and the principal.

The Plant Services department provides one day of training prior to job start, and five days of training to all new caretaking staff. Prior to job start training encompasses WHMIS and other immediately-required health and safety knowledge. New caretaker training includes cleaning standards, use of technology in the workplace, relationships

with other school staff, students, and community members, and other skills. All caretaking staff receive regular training on similar topics. New maintenance staff is also included in any relevant health and safety training.

Management noted that square footage and the number of students (student loading, FTE) are the key factors in the allocation model for caretaking staff. Student loading is established using forecasted numbers provided by Planning Services each spring, with the intent of having all staff in place for the beginning of the school year. The Finance department determines the caretaking complement ensuring adequate service for the schools. There are no split shifts used in the allocation model. Secondary schools have a higher allocation of caretaking staff to provide coverage for any absences. Each elementary and secondary school has a lead caretaker who has additional assignments and responsibilities. Management informs the union about the allocation of caretaking staff.

Management recently revised the approach to caretaking shifts, and most of the cleaning is currently done during the day. Management reported that this approach helped increase visibility of caretaking staff at schools, enhance team work at the school level, and heighten the involvement of caretaking staff in the school community.

The school board has made progress in testing and implementing green cleaning products. Since 2007, green products have been tested at several sites. The new products are given to caretakers with past experience to evaluate and test the replacement product. Caretakers are then asked to complete the New Product or Equipment Testing and Evaluation Form. Management noted that the objective of product testing is to find a green product that will replace existing products, with the same performance (based on user feedback).

Along with testing of new green products the school board has been gradually eliminating all harsh chemicals from caretaking operations. The school board has established a positive relationship with the vendor of green cleaning products, and continues to work with the vendor in identifying and testing green products. At the time of the operational review, the school board was in a five-year contract for purchasing of cleaning products. Management intends to issue a tender for cleaning products once the contract expires. The request for proposals will be based on the Green Cleaning Guide provided by the Ministry of Education. At the time of the operational review, management was preparing a request for proposal, in collaboration with the York Region Buyers' Consortium, for cleaning products with the view to purchasing green cleaning products. Management noted that the green cleaning initiative receives considerable support from caretaking staff, who are involved in Eco teams as part of the Ontario EcoSchools program.

Although the school board has made significant progress in implementing green cleaning, there are several aspects of the initiative that are yet to be formalized in line with the Ministry's Green Clean Program Resource Guide. The Guide recommends a 10-step Green Clean Implementation Plan. In particular, management should consider the following:

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

The school board first established an environmental policy over 10 years ago. The policy has been revised several times and was approved in January 2011. It reflects the emerging focus on taking a sustainable approach and shared responsibility, including the green cleaning program. The environmental policy sets out, at a high level, the role and responsibilities of various stakeholders in promoting environmental education and environmentally responsible practices.

Development of Annual and Multi-Year Maintenance Plans

The school board's renewal budget is allocated to several categories of projects, such as renewal of facilities, renewal of portables, energy efficiency projects, and accessibility projects. For each area of renewal projects, management establishes a multi-year plan, and conducts annual prioritization based on reports generated from the school board's information systems (ReCAPP, work order system) and feedback provided by consultants, administrators and senior administration. Superintendents of Education are consulted annually, and asked to provide a list of requests. Assistant Managers within the Maintenance Services team play a key role in prioritizing projects based on knowledge of schools. Management noted that while prioritizing renewal projects, it is ensured that projects are planned and carried out across all areas of renewal. As part of maintenance and renewal planning, the Plant Services department earmarks funds for specific projects such as asbestos removal or aesthetic upgrades at individual schools.

The database of planned maintenance and renewal projects is maintained by the Plant Services department, and is available to all principals on the school board's internal portal/website.

In planning maintenance and renewal projects for the year, the Plant Services department takes into account opportunities to coordinate projects and combine projects. The goal is to ensure efficiency and minimize disruption for school operations and community use of schools.

Management has established formal criteria for prioritizing maintenance projects. *Priority Scoring Descriptions* include considerations of health and safety, protection of assets, the learning environment, cost recovery, appearance, and Board priorities.

Training to Support Skills Development and Safety

The Quality Standards (QS) team within the Plant Services department coordinates training activities for caretaking and maintenance staff and Plant Services administrative staff. The QS team develops a formal training plan for caretaking and maintenance staff. The QS team is working closely with the Health and Safety unit within the HR department to ensure that training provided to Plant Services staff is consistent with health and safety training provided to all staff of the school board. Training needs and activities are identified through working with the unions. In addition to technical skills training for caretaking and maintenance staff, the Plant Services department provides opportunities for training on soft skills, such as effective communication and dispute resolution. The Quality Standards team works closely with the Leadership Development unit to develop and coordinate delivery of the training.

Attendance of mandatory training is tracked in a database, and periodic reports are generated. Reports are provided to Plant Services managers and the Superintendent. The training history of any employee can be easily retrieved from the database.

Although classroom learning has been the key method of training delivery, management is examining options for providing on-line and self-directed learning opportunities. Training is provided in-house as well as by external facilitators. There are opportunities for caretaking staff to obtain apprenticeship positions within the maintenance department to acquire new skills. Term position opportunities allow employees to experience the role and responsibilities of other positions, and contribute to ongoing succession initiatives within the department. The Plant Services department also provides training to school administrators on legislative responsibilities related to operating facilities. The school board requires vendors to provide product use training as part of the requirements in requests for proposals.

Standardization of Cleaning and Maintenance Supplies

Major maintenance and caretaking equipment is tracked centrally, with the inventory of equipment maintained in the Plant Services database. Entries and updates in the database are made centrally. The inventory of custodial equipment is updated based on information provided by caretaking staff at the school level. The Plant Services

department staff conduct periodic blitz reviews at schools to check the condition of major pieces of caretaking equipment.

The school board has established a policy on the use of school board equipment. The school board's fleet is composed of 80 vehicles which have been tracked in a spreadsheet. Management started implementing a GPS program for fleet management that includes software for tracking the maintenance of vehicles.

The Plant Services department has standardized cleaning products across all schools, and uses an online ordering system established with the vendor for ordering of caretaking supplies. Facility supervisors receive budget guidelines for each school and order supplies. PCards are sometimes used for emergency purchases. Management noted that the ordering system allows timely delivery directly to the site, without the need for warehousing. Vendors provide monthly reports with order data to the school board. The Manager of Facility Services reviews the data and conducts various analyses of data, including comparisons between schools. The Plant Services department monitors caretaking supplies budgets for each school centrally.

Project Management, Monitoring and Supporting Systems

The school board has implemented a computerized work order system. All schools have access to the system via the school board's intranet. Caretaking staff and school principals submit work orders. Work orders contain detailed descriptive information, the type of the trade required, and priority rating.

Each morning the Maintenance Services Forepersons review new work order requests centrally and assign them to relevant tradespeople in a prioritized order. Some work, such as graffiti removal and roof repairs, is contracted out. Upon completion, work orders are returned to the central office and clerks manually enter the information in the work order system.

The Maintenance Services team prepares periodic reports on outstanding work orders. Maintenance services staff in the central office also conduct periodic analysis of work orders by trade and type of work completed. In addition to using the analysis for the development of maintenance and renewal plans, workload analysis is used for staff allocation and to verify service delivery.

Management has been evaluating the effectiveness and efficiency of its maintenance and caretaking service delivery model. The service delivery model for caretaking services is based on a family of schools model, whereby a supervisor of facility services, based at each secondary school, supports that school and a number of local elementary schools. Six assistant managers of caretaking and six assistant managers of maintenance provide support to the geographic grouping of families of schools.

The Manager of Caretaking provides regional support, as does the Manager of Maintenance Services. Management indicated that the geographical groupings provide efficiencies in travel and consistency of service. The service delivery model also includes a 24/7 on-call team composed of supervisors of facility services and forepersons, and alternate contacts, whereby supervisors of one school support another family in cases of emergency and/or holidays or other absences. Each of the six geographical areas is also supported by a two-person service team that facilitates cleaning projects, especially in under-resourced schools.

The service delivery model for caretaking services is based on the same six geographic regions to support collaboration between assistant managers of maintenance and assistant managers of caretaking at the regional level.

In the past, management analyzed maintenance services to determine those that can be efficiently and effectively provided in-house, versus contracted out. Management worked with the union to discuss the identified options.

Recommendations:

- The school board should formalize the green clean initiatives in a formal green clean program aligned with the components identified in the Ministry's Green Clean Program Resource Guide.

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.	Yes

Tracking and Reporting Energy Conservation

Leading Practices – Energy Management	Evidence of Adoption?
Management provides formal annual reporting on the conservation savings achieved against the plan.	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.	Yes
The Board has established an overarching environmental policy that addresses both environmental education and responsible management practices.	Yes

Energy Management Plan

The school board has implemented a number of projects in energy management and energy conservation over the past several years. It has not yet established a formal comprehensive energy management plan, with measurable goals and targets. However, the school board's energy management initiatives provide management with the necessary tools for the development of a formal plan.

The Plant Services department has a dedicated Energy and Environment Services team which leads and oversees all energy management initiatives. Management noted that a two percent reduction in energy use was achieved in the Plant Services department. The overall focus of energy management initiatives has been on implementing projects that would contribute to energy savings. Management is continually identifying opportunities for new energy efficiency initiatives, by working with the school board's external consultants and consulting with the school board's community.

The school board has implemented building automation systems based on analysis of existing systems and replacement needs. The school board has also implemented lighting retrofits. The school board benefited from renewable energy and green schools funding provided by the Ministry of Education, and has implemented several innovative energy projects, including photovoltaic and solar power generation. Energy efficiency funding is earmarked for energy conservation projects. Management is working with utilities to identify opportunities for rebates.

The school board implemented a system for real-time monitoring of consumption information. The initiative started eight years ago and by September 2011, 90 percent of electricity consumption and 20 percent of natural gas consumption will be tracked in real time. The real-time monitoring was initially used for diagnostics and tracking design and operational improvements. Plant Services then utilized the information and developed an interface so that the data could be shared with students and staff through a display in the school. Plant Services have been working with the academic departments in developing a website that provides a school's historic and present day real time energy usage. As part of the development Plant Services has conducted a number of focus groups with staff and students to expand the website to incorporate additional information and links relevant to curriculum materials and energy conservation.

Over 100 schools of the school board have the Ontario EcoSchools certification. In 2011, there are over 135 schools applying for this certification. Information on Ontario EcoSchools programs and projects is shared through monthly theme posters in schools and on the Environment page of school board's internal portal/website. The EcoTeam initiative is led by the Superintendent of Plant Services, with guidance from a committee composed of staff from various departments, schools, trustee representatives and students.

The Energy and Environmental Services team provides annual presentations and written reports to the Board on progress in implementing various ongoing energy initiatives and planned initiatives and publishes an annual report for the system and public to view.

The school board has participated in the Catholic School Board Services Association (CSBSA) electricity buying consortium for a number of years. There is a cooperative purchasing arrangement with two other school boards supported by external consultants for purchasing of natural gas.

Tracking and Reporting Energy Conservation and Waste Management

The Energy and Environment Services team is tracking energy consumption data at many schools using real-time meters. All billings are provided to the Finance department. Plant Services works in conjunction with the Finance department for budget forecasting. The Energy and Environment Services team conduct periodic analysis of

cost per square foot to identify schools with higher costs and potential energy conservation opportunities.

The school board participated in the first phase of the Ministry's Utilities Consumption Database project.

The school board obtains consolidated bills from utility suppliers, where possible. Information from bills is uploaded in the Plant Services database and is also accessible to schools and the Plant Services department

To enhance the school board's regular waste and recycling programs, the Board has partnered with the Region of York to share awareness programs and provide consistent messaging to both schools and communities. Plant Services developed a waste tracking database, so schools can track the volume of waste and recycling matter generated at their school. The school board has an e-waste program and is piloting an organic waste program.

Recommendations:

- 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, the energy management plan should include the Plant Services department's relevant policies, guidelines, goals (conservation targets), and priorities for energy management and resource conservation. The plan should include short-term and long-term opportunities, with the department's 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.
- Once a formal energy management plan is in place, management should provide formal annual reporting on the conservation savings achieved against the multi-year energy management plan.

5.4 Health, Safety and Security

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

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

- Whether school board structure and processes are in place to implement safety precautions;
- Opportunities to support continual improvement in the effectiveness and efficiency of all processes.

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

Health, Safety and Security Management

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

Health, Safety and Security Management

The Occupational Health and Safety team within the HR department identifies annual priorities based on the statutory requirements and analysis of accident data, and incorporates these priorities in the overall annual plan of the HR department. There are two Joint OH&S committees at the school board – one for support staff (CUPE) and one for teachers. The committees include representatives from the unions, school board management, and principals.

The Plant Services QS department leads the coordination of training to support compliance with OH&S requirements and legislation for Plant Services staff. The QS department works closely with the H&S team to identify training needs. Plant Services staff also participates in both the Joint Occupational Health and Safety Committees. The Occupational Health and Safety team within the HR department works with system partners on the development of training, and coordinates H&S training for school staff and non-Plant staff.

There is an annual schedule for conducting workplace inspections, which include union representatives. Reports on inspections are provided to principals/department managers for action. The Occupational Health and Safety Committee may also make formal recommendations to senior management.

The school board has established a committee for emergency preparedness. The mandate of the committee includes review of relevant policies and procedures, implementation of lock-down training, and communication. Individual schools implement school specific emergency and fire plans, using templates. The Health and Safety team takes part in the emergency planning committee.

In 2006-07, 40 schools from YRDSB continued or started to explore working towards a Healthy Schools approach. Three of these elementary schools participated via the OPHEA Living School initiative. Focus areas selected included health topics such as healthy eating, physical activity, bullying prevention, and self-esteem. As part of the initiative, a public health nurse supported each school.

In 2009 the school board has established a Healthy School and Workplace policy. The policy is based on the following premises:

- A healthy school/workplace climate has a positive impact on student achievement and success.
- A healthy school/workplace climate contributes to employee health, wellbeing and service delivery and is essential for students and employees to reach their full potential.

The school board has established a Healthy Schools Framework which fosters an integrated approach to healthy behaviours. This comprehensive framework supports students and staff by providing opportunities to observe, learn, and sustain positive health habits. The framework is supported by the structure composed of the Healthy Schools and Workplaces Advisory Committee, Healthy Schools Network Planning Committee, Healthy Schools and Workplaces Policy Implementation Team, and Healthy Schools and Workplaces Network.

The Healthy Schools and Workplaces Advisory Committee is an advisory group which provides expertise and advice regarding the Healthy School/Workplace initiatives. The committee consists of key stakeholders from the York Region community to support strategic planning and coordination at the regional level.

The Healthy Schools Network Planning Committee includes stakeholders from York Region District School Board, York Region Community and Health Services, Recreation Providers, and school community members. The team is responsible for the planning and implementation of the Healthy Schools Network sessions.

Healthy Schools and Workplaces Policy Implementation Team is composed of stakeholders from the York Region community: York Region District School Board, York Region Community and Health Services, Heart and Stroke, Recreation Providers, OPHEA and school community members. The team is responsible for the planning and implementation of the Healthy Schools and Workplaces Policy. The Healthy Schools and Workplaces Policy Implementation Team is developing SMART goals for policy implementation and will provide strategic planning for policy implementation in all schools/ workplaces. At the time of the operational review, the Implementation team has established a draft communication plan and program evaluation plan.

The Healthy Schools and Workplaces Network provides school community members with the framework, resources and opportunities to implement a Healthy School/Workplace approach, and create a climate that promotes social, emotional and physical well-being. A team of representatives from each school community (staff, students, parents and community members) gathers information and ideas for the following purposes:

- Ensure that all members of the school community are involved in bringing the Healthy Schools and Workplaces Policy to life.
- Build partnership support and provide learning opportunities that will benefit the school/workplace community.
- Provide time and support for the development and implementation of an action plan.
- Be responsive to needs identified across the system in relation to the Board and School Improvement Plans, and in accordance with the ministries of Education and Health Promotion.

In 2010, the school board's healthy schools and workplaces initiative was featured in an article by OPHEA, a not-for-profit organization that works in partnership with school boards, public health, government, non-government organizations, and private sector organizations to develop programs and services that support healthy active schools and communities.²

² Sharing a Vision, Building on Success: York Region District School Board's Board-Wide Journey toward Healthy Schools

5.5 Capital Plans, Policies and Procedures

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

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

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

Development of Annual and Multi-Year Capital Plans

Leading Practices – Capital Plans, Policies and Procedures	Evidence of Adoption?
The school board has an approved annual and multi-year capital plan that includes the related funding plan as reflected in the school board’s Capital Wrap-Up Template.	Yes
The school board has an approved pupil accommodation review policy.	Yes
The school board has an approved facility partnership policy.	No

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

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

Development of Annual and Multi-Year Capital Plans

The school board has established the Capital Strategy for 2010-2014, a five-year capital plan, which provides a list of capital projects for new and replacement schools, as well as additions to existing schools. Management noted that the plan is revised annually, with the release typically planned in the spring of each year. Multiyear capital plans have been a key part in developing project lists which require New Pupil Places funding.

To support the multi-year plan, planning staff prepare enrolment projections for each school, based on new development growth and changes to in-school enrolment. There is an increasing number of projects funded through other sources, such as prohibitive to repair and full-day kindergarten funding. Management noted that capital projects planned for 2012 aim to address over-enrolment in some schools. Consideration is also given to changes in growth trends in various geographic areas of the school board, as some areas have started to mature. Where appropriate, management attempts to balance school enrolments by considering boundary changes and program locations.

The Planning department leads the development of the Capital Strategy and works with the Program Planning Committee and the Property Management Committee of the Board on all matters pertaining to new pupil place requirements, changes to boundaries and program locations. To develop the new five-year capital plan, the Planning department will establish a list of identified projects and provide the list to the senior team for review, supported by enrolment projections on a planning area basis. The list will also be shared with Plant Services staff to obtain input on any particular issues related to school site development and project timing. The plan will be presented to the Property Management Committee for their review and recommendation to the Board for approval.

Management noted that the approach to capital planning has changed along with the Ministry funding model and Ministry requirements for reporting. The school board has approval for a number of new school projects as part of the Ministry's Capital WrapUp template.

Management noted that all long-term debt of the school board is guaranteed through the provincial funding arrangement. The school board has one sinking fund that is monitored closely, and has been funded through interest.

The school board has an approved pupil accommodation review policy. The school board completed one accommodation review in 2008. The accommodation review process resulted in the recommendation for school closure.

At the time of the operational review the school board was working to establish a Facility Partnership Policy with expected approval in the spring of 2011.

Ongoing Monitoring and Maintenance of Data to Support Capital Planning

The Finance department and the Planning department work closely to update data in SFIS. The Finance department updates the financial data and the planning department enters the capacity information in the system. Data in SFIS is updated in February and August.

The Plant Services department uses the information in ReCAPP as an input into the multi-year maintenance plan. ReCAPP data is updated twice a year. Plant Services is responsible for updating ReCAPP. Management noted that data in ReCAPP has been validated every five years by external consultants.

Recommendations:

- The school board should finalize the establishment of the Facility Partnership Policy.

5.6 Capital Project Delivery

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 – Capital Project Delivery	Evidence of Adoption?
Management gives full consideration to the use of all available school space in their local communities before proceeding to build, purchase or lease other spaces.	Yes
Management uses cost-effective designs, standard footprints, energy conservation and economical construction practices to minimize construction and future maintenance and operation costs. The school board is guided by the principles outlined in the manual prepared by the Expert Panel on Capital Construction: From Concept to Classroom – Leading Practices Manual for School Construction in Ontario.	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 – Capital Project Delivery	Evidence of Adoption?
A Project Manager is appointed to oversee all aspects of the project including monitoring the budget and project timelines and ensuring management processes are in place for issues such as change orders and other internal approvals. This includes periodic project status updates and post-construction project evaluation.	Yes
An independent Cost Consultant is retained by the school board to review the design, provide objective costing analysis and advice, and report to the school board on options to ensure that the proposed capital expenditure is within the approved budget, prior to tendering a project.	Yes

Maintaining Current Approved Professional Service Providers

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

Monitoring and Reporting of Progress on Construction Projects

For construction projects, the school board contracts architects to develop the designs and tender and manage general contractors. The school board sets a fixed fee for architectural services, regardless of construction costs. There are two assistant

managers of construction and one contracted assistant manager for Good Places to Learn projects.

The assistant manager assigned to each project attends bi-weekly site meetings and weekly site meetings, which are conducted close to completion of the project. Assistant managers present and review information on project progress with the department team. The Superintendent of Plant provides monthly reports to the Property Management Committee, with updates on progress of all ongoing projects.

The assistant manager also conducts monthly meetings with the general contractor and architect to develop a progress report. Progress reports are approved by the Manager of New Construction. There is a project tracking module within the Plant Services database which supports tracking of projects and change orders.

Change orders are priced by general contractors and reviewed and issued by architects. Change orders are reviewed and approved by the Plant department. The school board includes a contingency in construction project budgets. If there are requested changes that may impact the project schedule or price, these changes are directed to the Superintendent of Plant Services and the Associate Director of Education for review and further decisions. The New Construction team has established formal process maps for change orders and change order forms.

The school board uses cost consultants for projects with unique or different designs. However, cost consultants are not engaged for projects carried out based on the prototypes.

Maintaining Current Approved Professional Service Providers

The school board has established the process for pre-qualification of architects, general contractors and other trade-specific contractors. Every three years, the school board advertises for expression of interest for architectural services for new schools in three categories: construction of new schools, renovations and additions (\$3 million and less), and small projects (less than \$500,000). There are formal evaluation criteria for the development of a short-list of architects. There is a formal bidding process for construction and renewal project tenders. The New Construction and Maintenance Services teams work closely with the Purchasing department to establish the evaluation criteria for pre-qualification. There is a formal policy on prequalification of architects.

The school board has an approved list of general contractors. Once the architects are selected, they review the list, and invitations are sent to contractors to bid. A formal tender process is followed for selecting the general contractor for each project.

Appendices

Appendix A: Overview of the Operational Review

Operational Review Objectives

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

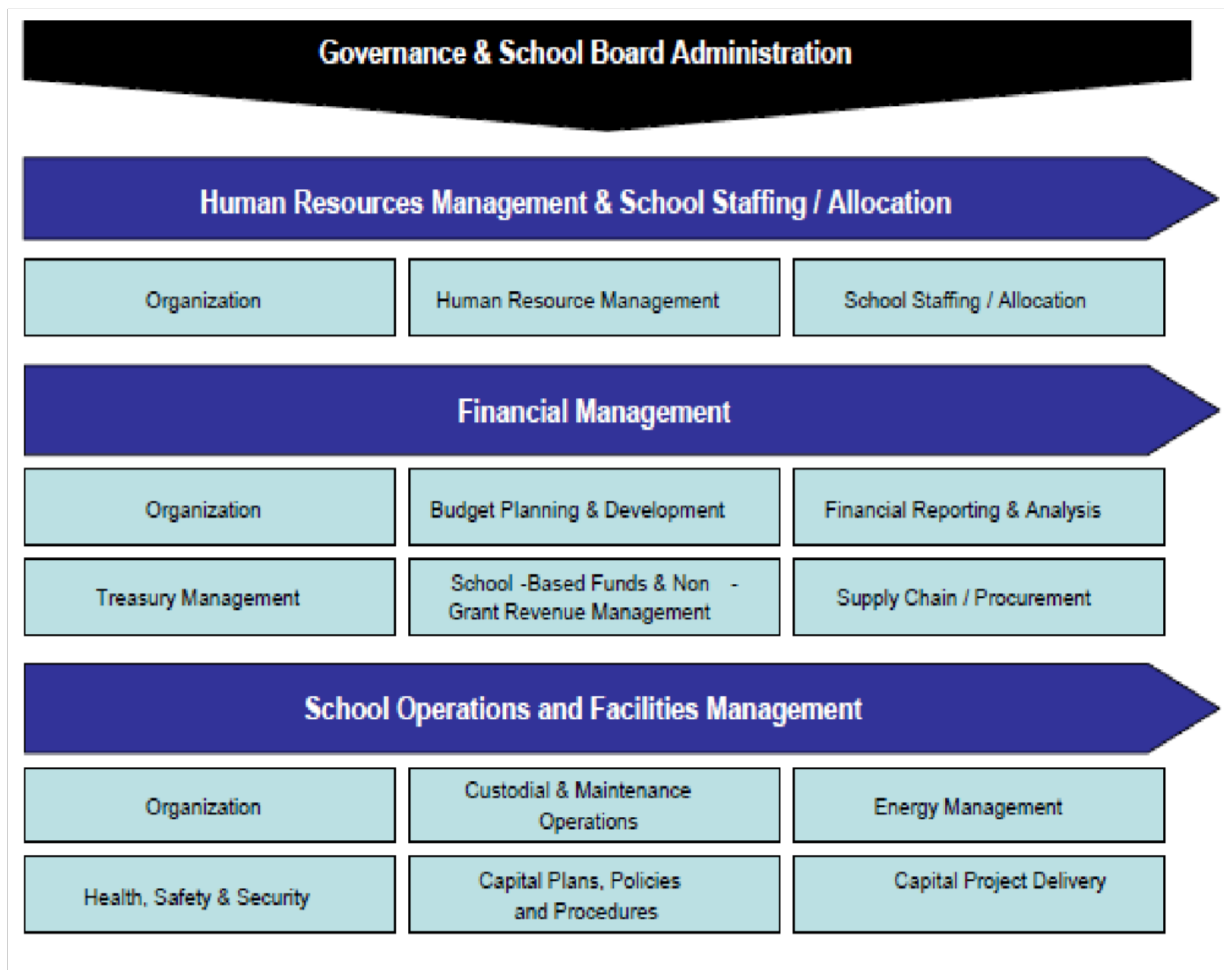
Recognizing the unique characteristics of each DSB, the specific purpose of the Operational Reviews is to:

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

Operational Review Summary Scope

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

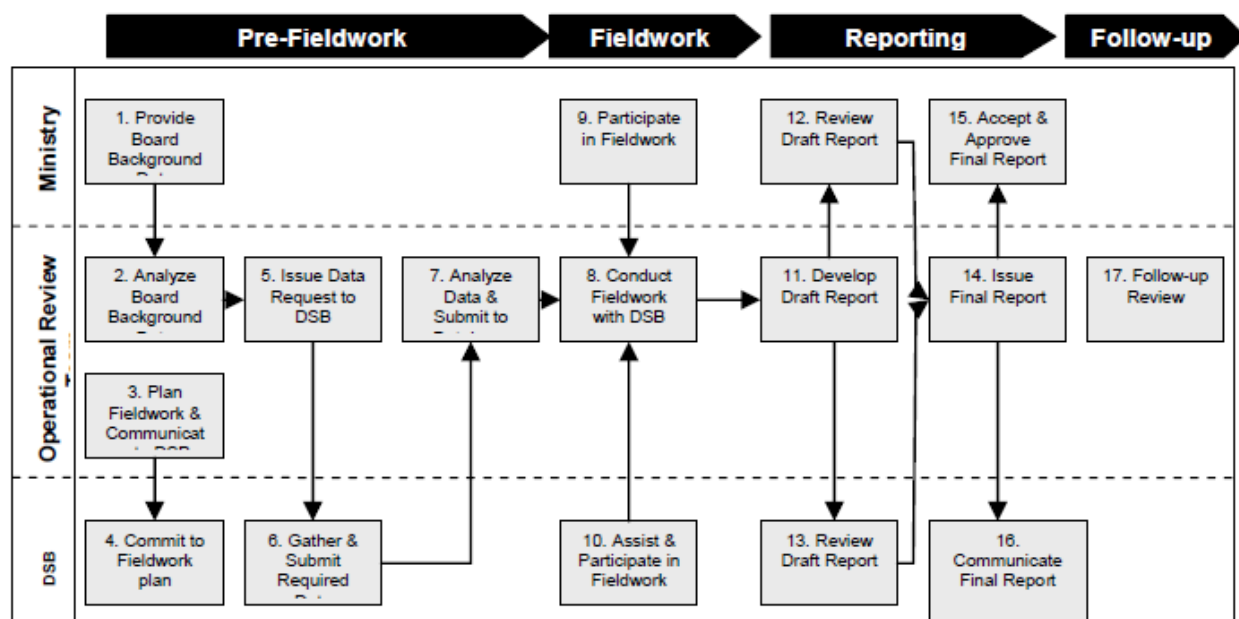
Each of the processes was examined based on its activities and its adoption of sector agreed leading practices, including alignment and support of student achievement strategies.



Operational Review Summary Approach

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

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



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

Phase: Pre-Fieldwork

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

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

Phase: Fieldwork

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

Phase: Reporting

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

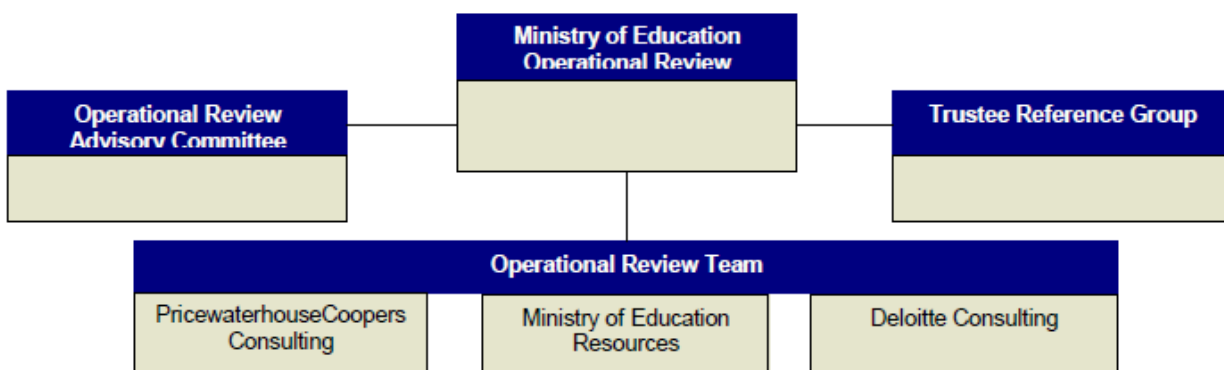
Phase: Follow-Up

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

The Operational Review Team

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

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



Limitations of this Review

The purpose of this report is to document the results of the Operational Review of the York Region 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.	Building on its experience in the development of annual operating plans, the school board should continue to finalize its annual operating plan. The annual operating plan should be aligned with the school board's multi-year plan and incorporate both academic and non-academic departments.
2.	The school board should post its organizational chart on the school board's website.
3.	The school board should develop and communicate a formal succession plan for key management positions to ensure business continuity.

Human Resources Management and School Staffing/Allocation

No.	Recommendation
4.	The Director of Education should review hiring policies and procedures to clarify the role of trustees and school board staff in hiring of superintendents. In line with Bill 177, trustees should provide strategic policies to govern staffing and recruitment and should not sit on hiring or selection panels, with the exception of hiring the Director of Education.
5.	HR management should continue developing formal employee evaluation/performance policies and procedures for all staff groups.
6.	Management should report on the effectiveness of the attendance support process/programs periodically to the Board.
7.	Management should conduct exit interviews with all staff leaving the school board to obtain input for HR policy, as well as process and program improvement. Management should consider establishing formal procedures for conducting exit interviews.
8.	Management should periodically report on the actual allocation of staff, compared to the original approved allocation plan and budget including reports on FTEs by function, department and program, and actual versus budget. Management should consider the format for reporting on actual staff allocation recommended by the Interim Financial Reporting Committee (IFRC).

Financial Management

No.	Recommendation
9.	Management should consider enhancing the process of reporting on the school board's budget risks using the format suggested in section 4.2 of this report. A formal risk management plan/report, which is reviewed and updated periodically, would include strategies to mitigate the risks of spending beyond budgeted levels.
10.	Management should take into account the recommendations made by the Interim Financial Reporting Committee (IFRC) on the format and frequency of interim financial reporting to the

No.	Recommendation
	Board. Management should discuss with trustees how the existing format of interim financial reports can be enhanced to align with IFRC recommendations.
11.	The school board should establish a formal investment policy and procedures. Management should periodically report to the Board on the performance of the investment activity in accordance with the investment policy.
12.	In order to align the school board's purchasing policy and procedures with the Supply Chain Guideline and BPS Procurement Directive, management should include a statement outlining circumstances under which the school board will use competitive versus non-competitive procurement methods and should include detailed thresholds for competitive purchasing in the revised policy and procedures.
13.	Management should continue identifying opportunities for implementation of the electronic supplier interface for ordering, processing and payment.

School Operations and Facilities Management

No.	Recommendation
14.	The school board should formalize the green clean initiatives in a formal green clean program aligned with the components identified in the Ministry's Green Clean Program Resource Guide.
15.	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, the energy management plan should include the Plant Services department's relevant policies, guidelines, goals (conservation targets), and priorities for energy management and resource conservation. The plan should include short-term and long-term opportunities, with the department's milestones, roles, responsibilities and budgets with a process for ensuring community support.
16.	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.
17.	Once a formal energy management plan is in place, management should provide formal annual reporting on the conservation savings achieved against the multi-year energy management plan.
18.	The school board should finalize the establishment of the Facility Partnership Policy.