Ministry of Education

Operational Review Report
Conseil scolaire de district catholique Centre-Sud

April 2010

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Executive Summary

This report details the findings and recommendations of the Operational Review of the Conseil scolaire de district du catholique du Centre-Sud (CSDCCS) conducted by the Operational Review Team composed of external consultants from Deloitte and Ministry of Education staff. The Operational Review was conducted over three days, beginning on October 19, 2009.

Introduction

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

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

The review found that the CSDCCS has implemented a number of exemplary practices. Other strengths identified in the school board include a clearly articulated strategy for student success and a solid administrative team composed of members united by the same spirit who communicate effectively and share a common vision. They follow the evolution of enrolment and monitor staffing levels, investing in measures to support students and implement effective fiscal policies. The following section summarizes the findings and recommendations for each of the functional areas examined. Other sections of the report contain detailed information on each area.

Governance and School Board Administration

The school board has adopted an appropriate governance structure, composed of a board of trustees (the Board) and an executive committee. There is a clear delineation between the respective roles and responsibilities of the trustees and the executive committee. The Board's main role is the establishment of policies, which guide the actions of the executive committee. The Board has appointed a chair and a vice-chair.

The three-year operational plan provides the baseline for the annual operational plans. Using the four strategic areas identified during the development of the three-year operational plan and evaluating the results of the previous year, the executive committee set targets for the year and streamlines the plan in order to increase its clarity.

The three-year operational plan and the annual strategic direction plan are then used for the development of plans by each of the school board's departments. They are also included in the Board's budget process.

The operational plan is evaluated twice over the course of the year. Follow-up reports are submitted to the Board containing qualitative and quantitative data on the outcomes and indicators of the annual operational plan for the first half of the year.

The school board's policies are kept in a policy binder maintained by the secretary of the board. The policy binder contains the board policies followed by its administrative guidelines and the appendices related to the policies. The policy binder is organized by topic or organizational area, such as school management, teaching, students and the school board. The secretary of the board is responsible for ensuring that the policies contained in the specifications are up-to-date.

Recommendations

- The board should consider establishing a timetable for policy review to ensure the periodic review of policy in all functional areas. This could include the establishment of a committee responsible for policy to determine which policies require review or which should be developed.

- The board should consider establishing a formal succession plan for all board senior management positions in order to strengthen the board's initiatives to date.

Human Resource Management and School Staffing/Allocation

It was found that the human resources (HR) department has a good level of operational efficiency. The department has implemented many of the leading practices:

- The HR department's strategic plan is developed based on the school board's three-year operational plan. The plan is in line with the board's strategic objectives.

- Each year, the organizational development consultant establishes a review plan for policies and administrative guidelines related to HR.

- The recruitment process is supervised by the HR department. To ensure compliance with policies, the HR department is present at all board hiring interviews.

- In line with the Ministry of Education's "Supporting Teaching Excellence" document, the school board evaluates its experienced teachers every five years.

- The business department manager, with the assistance of the Transport Services and Payroll Department manager, is responsible for the payroll preparation, instead of the HR department. The payroll function is responsible for updating personnel records for pay and benefit changes or other compensation adjustments. This ensures a segregation of duties between HR and the payroll function.

- During the three-year operational plan follow-up period, a satisfaction survey on the board's departments is sent to staff. From the survey results, the board is able to collect data on employee satisfaction. On average, the satisfaction rate of the board's staff is approximately 75%. The survey is distributed twice a year and is an integral part of the annual evaluation of the three-year operational plan.

- Exit interviews are conducted with all groups of departing personnel. Although these interviews remain confidential, the information collected is arranged in a table in order to identify problem areas and address them.

- The school board compares costs with other school boards, prepares a comparative analysis with the other 12 boards, and monitors efficiency indicators. It also compared the number of equivalent full-time board employees per one thousand pupils by category with other school boards to ensure efficient use of resources.

Recommendations

- Management should established policies and procedures to minimize the incidence of grievances.

- HR management should develop policies and procedures for an employee evaluation/performance system for all staff, including management.

- The board should develop a complete attendance management program to correct problems with certain kinds of absenteeism. This important initiative will provide the HR manager with a consistent and structured approach to improve attendance, by engaging in positive reinforcement with employees and adopting standardized practices across all employee groups.

- The school board should consider comparing rates of absenteeism with neighbouring school boards and other French-language school boards across the province.

- HR Management should implement an approved pay equity plan, to be reviewed periodically and amended as necessary.

- HR management should periodically conduct independent compliance audits of the board's insurance carrier (management services only), which manages the processing of medical and dental claims, to ensure adherence to the benefit plan's terms and conditions.

Financial Management

The finance department has demonstrated positive results through implementation of many of the leading practices:

- The business department's mission is to serve the schools and to respect the board's vision. The finance department's strategic plan is developed based on the board's threeyear operational plan. The plan is in line with the board's strategic directions, particularly in its focus on the health of the institution.

- The operational plan is evaluated twice over the course of the year. A follow-up report is submitted to the Board containing qualitative and quantitative data on the outcomes and indicators of the annual operational plan for the first half of the year.

- Policies are updated according to a timeline established by the department, which calls for them to be updated once every two years.

- The annual budget process at the school board is transparent, clearly communicated, and well documented, and incorporates input from all key stakeholders, including the local community to a limited extent.

- The school board uses an integrated financial system to record, track and report financial data. The system integrates general ledger, accounts payable, accounts receivable, budget, and purchasing modules. The financial system facilitates variance analysis and management reporting.

- The Board has set up an audit committee which includes an external member. The committee meets four times a year, and its mandate is set by the trustees. The committee participates in the review of financial statements, the auditing report, the auditor's recommendation letters and reports produced by

management throughout the year. The auditors meet with committee, once with and once without the presence of the administration.

- The school board participates in several consortia, such as the OECM, which allows the board a more advantageous economy of scale than a single consortium.

Recommendations

- The school board should consider formalizing an internal audit function. This would include a broader audit of financial and management controls. Management could start by identifying options for the mandate and scope of this function and the estimated cost for each option.

- Management should develop an investment policy in order to manage risks, as required by the Education Act.

- The finance department should consider using electronic payment systems for its nongrant revenues to gain greater efficiency and minimize the risk of payments being altered prior to clearing the bank.

- Management should implement an electronic supplier interface for ordering, processing and payment, including the use of supplier portals.

School Operations and Facilities Management

The facilities department has adopted several leading practices in its custodial and maintenance operations. The following significant practices are noted:

- Like all other departments, the facilities department is included in the board's annual planning. The department's strategic plan is developed based on the board's three-year plan. The plan is in line with the board's strategic direction. Specific targets are set for the department and include the required actions and deadlines for achieving these targets.

- The department reports to the departmental manager, who oversees the planning of capital repairs as well as custodial and maintenance operations. The department has a team of 13 people.

- The roles and responsibilities of department staff are formally documented, and the communication structure is reflected by the organization chart, which is regularly updated.

- The school board does not have standards for cleanliness and maintenance in the form of a standardized manual for all schools.

- The board has an agreement with a supplier of cleaning and maintenance products. Under the agreement, the supplier provides training on the use of cleaning and maintenance products used by the board.

  The management of custodial services and maintenance equipment is performed by the facilities manager and in some cases by school principals and custodians in emergency situations. An inventory for school maintenance equipment and a five-year equipment renewal plan are established.

- Management has a documented energy management plan. The plan includes energy consumption reduction targets of 10% in all schools over five years, or 2% for the end of the 2009-2010 fiscal year.

- The board has undertaken 11 major construction projects since its inception, and as such has considerable construction experience. The board has made an effort to reuse previous school templates whenever possible.

- A construction project debriefing is performed once construction is complete to learn from the experience and move toward the continuous improvement of construction projects. This exercise is conducted by the ad hoc committee overseen by the board's facilities committee and takes into account elements such as effectiveness, efficiency and standards.

- The board adopts a pre-qualification process for architectural firms, professionals, and contractors. The evaluation of their work allows the board to revise the list of prequalified suppliers.

Recommendations

- The school board should also prepare an annual report on the overall energy savings achieved relative to those envisioned by the plan.

- Management should ask utility companies to provide consolidated billing in an electronic format. This would support more efficient monitoring and forecasting of energy consumption and reduce the workload of the accounts payable department.

- The board should establish a basic template for future schools in order to minimize construction costs.

1. Background and Overview

1.1 School Board Profile and Structure

The CSDCCS was established on January 1, 1998 with the creation of French-language school boards. Based in Toronto, the board serves the municipalities of Dufferin, Peel, Halton, Durham,

Peterborough, Hamilton, Wentworth, Haldimand, Norfolk, Simcoe, Muskoka, Seguin, Toronto, Waterloo, Wellington, Brant, Welland, Lincoln-Niagara, Port-Colborne, and York. Due to its geographic location, the board has established satellite offices in Mississauga, Hamilton, Niagara and Whitby to assist with its operational functioning.

The CSDCSO includes forty-nine schools—41 elementary schools and 8 secondary schools—In an area of 40,000 km^2. The board office is located in Toronto, and the most distant school is about 360 km away. These distances pose special challenges for communication and face-toface meetings, especially during the winter. The CSDCCS currently serves 13,000 elementary and secondary students. Due to the distance between the school board offices and its schools, trustees, the executive committee and school principals must travel back and forth or to other French-language schools for board training sessions and conferences.

Table 1 shows the school board's organizational plan.
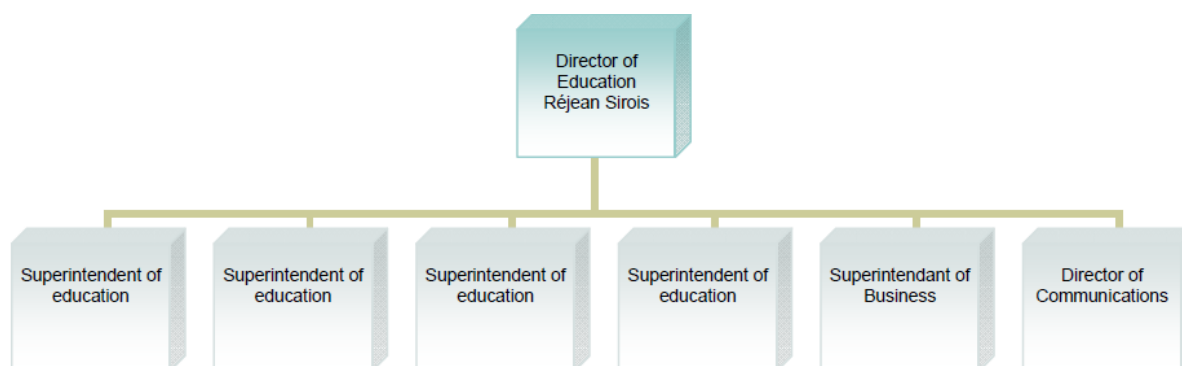
Table 1

1.2 Key Priorities of the School Board

The board's vision is as follows: "The French-speaking, Catholic student of the Conseil scolaire de district catholique Centre-Sud is a citizen of the community, capable of proudly affirming his or her faith, language and culture. He or she is able to meet the

many challenges of a diverse, competitive and global society with confidence and creativity." [1]

The school board's three-year strategic plan for 2008-2011 is comprised of the board's nine main objectives:

- strategic areas: faith, language and culture, teaching and learning, and institutional health;

- the 2008-2009 strategic directions: long-term impact;

- the immediate results: expected observable and measureable changes;

- key indicators: used to measure the degree to which results were achieved;

- the implementation framework: strong indicators to guide the development of departmental and school plans based on the board's overall strategies

- the Professional Learning Community

- updating of the educational project

- school enrolment: recruitment and retention

- implementation of the Accountability Framework

Each of these objectives is supported by annual indicators of success. The board's annual operational plan is based on the three-year operation plan. Each objective established by the plan is accompanied by implementation strategies, as well as timelines and indicators of success. The board's objectives and priorities for the upcoming school year are determined during the implementation of annual plan.

1.3   Student Achievement

In recent years, the board has performed slightly above average at the elementary level and slightly below average at the secondary level.

To improve student achievement, the board undertook the following support initiatives during the 2009-2010 school year:

- The board focused on increasing literacy and numeracy skills among elementary and secondary students.

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[1] Source: Conseil scolaire de district catholique Centre-Sud website. (French version only)

- The board has targeted a 9% increase in applied mathematics and an 8% increase in theoretical mathematics at the secondary level.

- At the secondary level, the board's target is to maintain the percentage of students who accumulate eight credits at the end of Grade 9 and 16 credits at the end of Grade 10.

- At the elementary level, the board's target is to maintain results in reading and math with a 1% to 3% increase by May 2011.

The following charts illustrate the school board's EQAO and OSSLT results over the last six years.
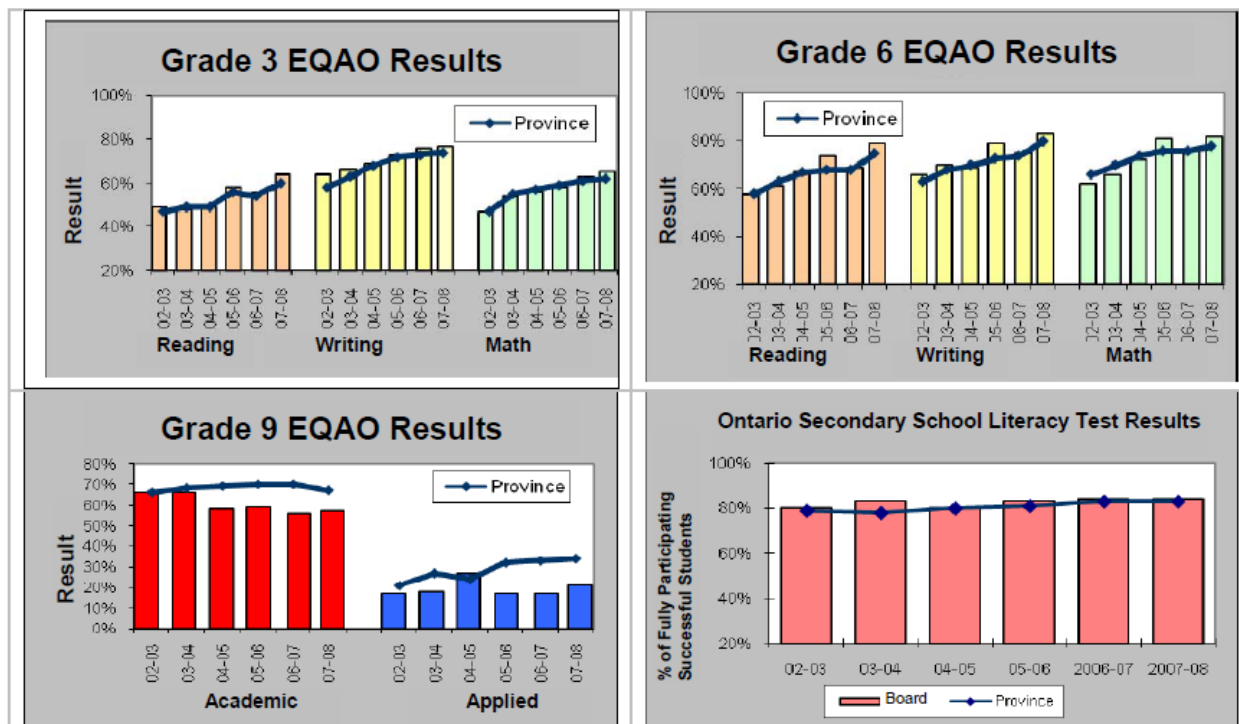
1.4   Fiscal Overview

The school board always presents balanced budgets to the Ministry. This has been accomplished in part by using some of the working funds reserve or increasing the reserve, depending on the year.

For 2008-2009, the school board approved a total budget with revenues of $104,390,286 and expenditures of $104,390,272. The budget confirms the commitment of CSDCCS to the academic success of students. Indeed, a breakdown of expenditures shows that 73% of the board's financial resources are dedicated to carrying out educational activities.

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

Summary of Financial Data (Revenues)

Revenues:	2006-07 Financial Statements	2007-08 Financial Statements	2009-09 Revised Estimates
Legislative Grants	$105,659,200	$116,053,939	$124,834,368
Local taxation	$27,647,623	$28,368,153	$28,619,626
Board Revenues	$5,645,631	$4,258,185	$510,000
Other Operating & capital Grants	$4,138,014	$3,691,684	$150,691
Total Revenues (Schedule 9)	**$143,090,468**	**$152,371,961**	**$154,114,685**

Summary of Financial Data (Revenues)

Expenditures:	2006-07 Financial Statements	2007-08 Financial Statements	2009-09 Revised Estimates
Operating expenditures	$128,731,113	$137,701,913	$146,165,287
Capital expenditures - Before transfers from reserves	$14,261,254	$13,680,183	$7,949,402
Transfer to (from) Reserves	$98,102	$989,865	$0
Total Expenditures	**$143,090,469**	**$152,371,961**	**$154,114,689**
In-year Surplus (Deficit)	**$0**	**$0**	**$0**

School Board Reserves and Deferred

Revenues:	2006-07 Financial Statements	2007-08 Financial Statements	2009-09 Revised Estimates
Retirement Gratuities	$2,293,679	$2,378,775	$2,450,138
Reserve for Working Funds	$691,208	$1,681,073	$1,681,073
School Activities	$0	$0	$0
WSIB	$1,215,616	$1,260,715	$1,298,536
Miscellaneous	$372,928	$386,764	$398,367
Pupil Accommodation Debt Reserve	$5,537,299	$2	$2
GPL Reserve	$2,302,727	$2,388,158	$2,459,803
Total Reserve Funds (Schedule 5)	**$12,413,457**	**$8,095,487**	**$8,287,919**

Revenues:	2006-07 Financial Statements	2007-08 Financial Statements	2009-09 Revised Estimates
Reserve for Classroom Expenditures	$2,742,628	$2,101,979	$2,165,038
Special Education Reserve	$0	$0	$0
Distant School Reserves	$0	$0	$0
Pupil Accommodation Allocation Reserve	$0	$0	$0
Program Improvement Reserve	$0	$0	$0
Improved Access for Special Education Reserve	$0	$0	$0
Other Operating Deferred Revenues	$0	$0	$0
Proceeds of Dispositions Reserve-School Buildings	$0	$0	$0
Proceeds of Dispositions Reserve-Other	$0	$0	$0
MECR/ BECR Reserve	$0	$0	$0
Education Development Charge Reserve	$0	$0	$0
Other Capital Deferred Revenues	$0	$0	$0
Total Deferred Revenues (Schedule5.1)	**$2,742,628**	**$2,101,979**	**$2,165,038**
Total Board Reserves and Deferred Revenues	**$15,156,085**	**$10,197,466**	**$10,452,957**

1.5 Key School Board Statistics

The following table highlights key statistics for the school board. Of note is the trend towards decreasing enrolment and school board size. These statistics illustrate a unique and challenging operating environment for the school board.

Day School Enrolment:

Day School Enrolment	2002-03 Actual	2009-10 Estimates
Elementary Day School ADE	8,987	9,353
Secondary Day School ADE	1,793	2,655
Total Day School Enrolment	**10,780**	**12,008**

Primary Class Size

Primary Class Size	2003-04	2009-10
% of Classes Less Than 20	29%	100%
% of Classes Less Than 23	61%	100%
Average Class Size - Jr/Inter	24.02	22.26
% of 3/4 Classes 23 & Under	44%	100%
% of Combined Classes	27%	27%

Staffing

Staffing	2003-04	2009-10
School Based Teachers	697	984
Teacher Assistants	98	114
Other Student Support	89	156
School Administration	50	59
School Clerical	51	68
School Operations	101	127
Other Non-Classroom	46	57
Teacher - Pupil Ratio	1:15	1:12
FTE Staff per 1,000 Pupils (ADE)[1]	104.9	130.3
Total Salary & Benefits as % of Net Operating Expenditures	75.10%	76.00%

Special Education

Special Education:	2003-04	2009-10
Special Education Incremental Expenditures	$9,748,588	$14,796,870
Special Education Allocation	$8,252,209	$13,923,819
Spending above Allocation (Reserve)	**$1,496,379**	**$873,051**

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

School Utilization

School Utilization	2003-04	2009-10
Number of schools	48	55
Total Enrolment (ADE)	10,780	12,008
School Capacity (Spaces)	13,898	14,661
School Utilization	**77.6%**	**81.9%**
Board Area (Km2)	**39,860**	**39,860**
Number of Trustees	**12**	**14**

2. Governance and School Board Administration – Findings and Recommendations

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

Governance and board administration processes are reviewed to:

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

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

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

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

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

This section provides a summary of the findings and recommendations of our assessment of the board's adoption of the leading practices relating to the governance and board administration. Our findings are a result of our review of the data provided by the board and our field work, which included interviews with the Chair, the Director and senior staff of the 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 BoardAdministration	Evidence of Adoption?
The school board's governance model clearly delineates the division of duties between the board of trustees and the Director of Education. The	Yes

Leading Practices - Governance and School BoardAdministration	Evidence of Adoption?
board has established clearly defined duties and responsibilities to support on effective working relationship.	

Development of the School Board's Strategic Direction and the Annual Board Improvement Plan

Leading Practices - Governance and School BoardAdministration	Evidence of Adoption?
The board of trustees develops and communicates a multi-year strategic plan that provides a framework for annual planning.	Yes
The Director of Education and senior management develop an annual board improvement plan of their goals/priorities, incorporating both academic and non-academic departments. The plan is aligned with the board's multi-year strategic plan and has goals that are specific, measurable, achievable, relevant and timely.	Yes
Senior management periodically/annually report to the board on the status and outcomes of the annual board improvement plan.	Yes

Decision Making Processes

Leading Practices - Governance and School BoardAdministration	Evidence of Adoption?
The board of trustees and management have established appropriate processes for decision making to address student achievement targets and operational performance.	Yes
The board of trustees and management have appropriate processes for the establishment and regular maintenance of policies for the efficient and effective operation of the board. Policies are posted on the board's web site.	No

Organizational Structure and Accountability

Leading Practices - Governance and School BoardAdministration	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
The director has established a formal succession plan to manage retirements and resignations of key managers/administrators.	No

Leading Practices - Governance and School BoardAdministration	Evidence of Adoption?
A departmental organization chart (supplemented with a directory of key staff contact information) is publicly available on the board's web site.	Yes

Stakeholder Engagement

Leading Practices - Governance and School BoardAdministration	Evidence of Adoption?
The board of trustees and management proactively engage internal and external stakeholders on a regular basis and through a variety of communication vehicles (e.g., websites, email, memos, town halls, etc).	Yes
Key senior staffs 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 has adopted an appropriate governance structure, comprised of the board of trustees and an executive committee. The management style of Board meetings was inspired by the Carver model. The roles and responsibilities of the trustees and members of the executive committee are clearly delineated and respected. The role of the board of trustees includes establishing the policies that guide the executive committee.

The Board designates a Board Chair and Vice-Chair. The Board is composed of 11 experienced trustees, and two student trustees. The trustees have the necessary experience to fulfil their function. There are also two student trustees. In addition, the school board has established a head office in Toronto, as well as satellite offices located in Mississauga, Hamilton, Niagara and Whitby.

The board of trustees uses committees to ensure proper compliance with school board policy. The Board has 5 permanent committees, as well as ad hoc committees established to deal with temporary needs, such as building a new school. Each trustee represents a board region and is a member of various board committees. The Board's standing committees are: the working committee (formerly the policy committee) the school facilities committee, the special education advisory committee, the suspension appeals committee, the Director of Education's performance appraisal committee, the financial audit committee, parent participation committee and the supervised alternative learning for excused pupils committee. The Director of Education or the departmental head of each committee acts as resource person for the committee and uses the committee as a first step in making decisions relating to his or her department. Each

standing committee has a detailed description of its mandate, responsibilities and representation, ensuring proper monitoring of the board's management model.

The executive committee is composed of the Director of Education, the four superintendents of education, the superintendent of business, and the director of communications. Department managers are invited to make presentations on subjects related to their departments during the decision-making process. They are also responsible for preparing reports to be presented at executive committee meetings. The executive committee develops and implements operating plans and procedures, consistent with the school board's key goal of "offering the student quality education in a Francophone and Catholic environment where respect, a sense of belonging in the Franco-Ontarian community, the promotion of excellence, and fairness are the visible core values of his or her personal development."

Training for trustees is provided by the Association franco-ontarienne des conseils scolaires (AFOCSC). The school board attends various retreats, training sessions for new board members during election years, information sessions according to the needs of board members and facilitates the participation of delegates from the board of trustees in meetings of provincial or national organizations in field. The board of trustees also pairs experienced trustees with new trustees to integrate the new member into the Board. Training is also offered to trustees on an annual basis according to their needs.

Development of the School Board's Strategic Direction and the Annual Board Improvement Plan

Members of the school board are determined to offer comprehensive programs and services to promote student achievement. The Board's main goal is student learning and achievement. With this goal in mind, the Board established a three-year strategic plan based on four guiding principles: faith, language and culture, teaching and learning, and institutional health.

The three-year operational plan is developed by the senior administration, with the executive committee and the trustees working in collaboration with an RMAF (results-based management accountability framework) committee and four RMAF sub-committees related to different areas that contribute to the development of the plan. The process begins with the consultation of trustees to establish the vision and strategic directions for each strategic area. Next, management organizes several consultation sessions with schools and the community in order to obtain their recommendations and general comments, which are then evaluated by management and the superintendents. A feedback session is held with members of the executive committee in order to evaluate the community's recommendations.

Taking these recommendations into consideration, the RMAF direction committee and the subcommittees hold several working sessions in order to establish strategic directions and the results and indicators for each area of the plan. These are subsequently revised and approved by the executive committee after feedback sessions are held by the direction committee, before being forwarded to the trustees, who revise their recommendations according to a preestablished timetable. Once the necessary revisions are complete, they are adopted by the Board.

The three-year operational plan is the main point of reference for the annual plans. Using the four strategic areas identified in the three-year operational plan and assessing the previous year's results, the committee sets targets for the year and streamlines the plan to make it clearer. The three-year operational plan is updated every year during the development of the annual plan, and undergoes a complete revision every three years. The plan is then presented to the executive committee and the board of trustees, which approves it. The three-year operational plan and the annual direction plan then become the basis for all departmental plans and are integrated into the budgetary process.

The operational plan is evaluated twice over the course of the year. The follow-up report submitted to the Board contains qualitative and quantitative data on the results and indicators of the year's operational plan for the first half of the year. The report provides details on the relationship between concrete results and the plan's indicators. A second follow-up report is presented to the Board and provides results for the second half of the year.

Decision Making Processes

The governance model is supported by a collegial, transparent, and cooperative relationship between the Director and the Board. This positive relationship promotes open communication, and contributes to an effective process for agenda setting and decision-making.

The school board's decision-making process is the same in the majority of cases. The board of trustees, a committee or the executive committee can request a decision or resolution of a particular topic. There is a decision-making mechanism that can be used before taking an issue before the Board. In collaboration with the strategic committee, a department can prepare a presentation for the executive committee prior to bringing the issue before the Board for a final decision at their monthly meeting. School principals and department managers are consulted on all decisions that will have a systemic impact.

The board of trustees schedules meetings every month during the school year. In addition, the trustees participate in the meetings of the committees of which they are members. To establish the agenda of Board meetings, a first draft prepared by the

committee involved is given to the Chair and Vice-Chair of the Board for consultation and review. Then the agenda is distributed to members of executive committee who prepare the documents relevant to the items to be discussed at the Board meeting.

The policy binder contains the board policies followed by its administrative guidelines and the appendices related to the policies. The policy binder is organized by topic or organizational area, such as school management, teaching, students and the school board. The secretary of the board is responsible for ensuring that the policies contained in the policy binder are up-todate.

The communications department is responsible for communicating policies to staff. Once a policy has been created or modified, the policy binder is updated. The communications department also ensures that all schools and departments receive a copy of the new policy and accompanying administrative guideline.

Policy changes are monitored closely by the trustees though their representative on the working committee (formerly the policy committee). Revisions are prepared by the strategic direction committee in the department where the policy originated, which asks the executive committee to present the policy to the Board for approval. Policies are reviewed periodically, but the date of revision is not changed if no revisions are required. If revisions are required, the date of the revision is indicated. Even though there is no strict timetable for policy review, the board revised all of its policies in 2007.

Organizational Structure and Accountability

The school board's organizational structure clearly delineates the responsibilities of the trustees, members of the executive committee and principals. The clearly stated mandates of each committee and the executive committee increase efficiency in organizing the administrative team and in school board operations.

All school board operations are managed by the following departments: the facilities department, the IT department, student services, the transport and payroll department, the early childhood to adulthood programming department, the finance department, the HR department, the communications department and the director's office.

Real or perceived conflicts of interest within the board can be a threat. The board is very proactive in this regard, and has implemented a policy that helps to avoid real or perceived conflicts of interest.

Although the Board does not have a formal succession plan, it currently has in place a succession plan that identifies people who would be well suited or interested in a given position. A trustee is responsible for finding a replacement if he or she must leave before the end of his or her term. There is also a mentoring and integration training program that enables board employees to access the available positions. The school

board is currently in discussions to establish a formal mentoring program for school principals.

One of the challenges facing the board is hiring for departmental management positions. With such a small talent pool in such a vast area, it is a challenge finding candidates willing to relocate to another region. For example, it is difficult to ensure that there are enough managers in the facilities and finance departments. To remedy this, the board strongly encourages a mentoring system.

The organizational chart is up to date but is not available on the board's web site. However, it is available on the board's intranet, along with the contact information of key staff members.

The Board annually prepares an information guide that is given to parents at the beginning of school year. This guide includes a message from the Board Chair and the Director of Education, an overview of the school board and general practical information about the board.

Stakeholder Engagement

The trustees recognize the importance of forming relationships with the community, other school boards, parents and students. The trustees participate in activities in their respective regions. These are mentioned in the information guide given to parents at the beginning of the school year so that parents are aware of them.

Overall, the trustees are very involved in their communities. They are members of Francophone associations and communities. The involvement of trustees, principals, and members of the executive committee in their communities is important.

The Board recognizes that communication is a critical component of its mission. That is why it communicates with citizens, community organizations, the students to whom it provides educational services and their parents. Various methods of communication, such as school newsletters, press releases, and web site posts and e-mails contribute to the participation of key stakeholders during the year.

The school board uses its public website to disseminate information regarding its policies, the director's report, and financial reports.

The school board's key management staff actively participate in various national and provincial forums, including the assets and facilities committee (CIEP), the steering committee of the provincial SAP centre of excellence, the Ontario Association of School Business Officials (OASBO), the Council of Senior Business Officials' (COSBO's) Effectiveness and Efficiency (E&E) Advisory Committee, the Comité de recherche en éducation franco-ontarienne (CRÉFO), the regional Best Start committees, the

Association franco-ontarienne des conseils scolaires catholiques (AFOCSC), the Office Provincial de l'Éducation de la foi Catholique de l'Ontario (OPECO), the Fédération nationale des conseils scolaires francophones (FNCSF), the Regroupement national des directions générales de l'éducation (RNDGÉ), the Conseil ontarien des directions de l'éducation en langue française (CODELF), the Council of Ontario Directors of Education (CODE), etc. Through this cooperation, the board finds out about best practices and shares them with its departments.

Recommendations

- The board should consider establishing a timetable for policy review to ensure the periodic review of policy in all functional areas. This could include the establishment of a committee responsible for policy to determine which policies require review or which should be developed.

- The school board should consider implementing a formal succession plan for senior management to reinforce the initiatives already taken by the Board.

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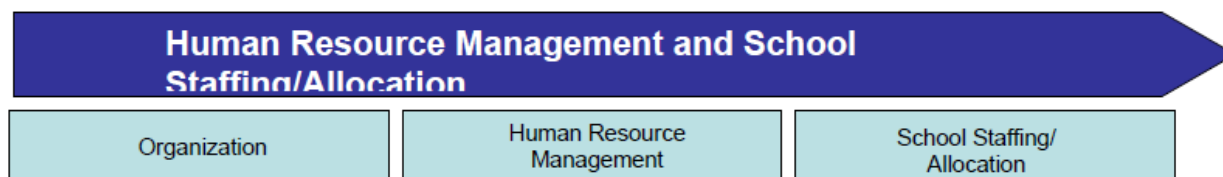
Effective management of human resources ensures an adequate number of qualified staff throughout the organization can perform their prescribed duties. Policies and procedures to develop staff are in place, through performance appraisals, professional development and support services. Staff allocations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

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

3.1   Human Resource Organization

The review of the organization of the HR department assesses:

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

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

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

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

The following table summarizes the leading practices defined for HR organizations, 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 improvement 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 organizational chart is available.	Yes
Senior HR staff has appropriate designations (e.g., Certified Human Resource Professional, etc.)	Yes

Monitoring and Communication of Policy

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

Development and Reporting of Annual Goals and Priorities

The HR department, like all other board departments, participates in the annual planning initiative led by the executive committee, and the department's strategic plan is developed based on the board's three-year plan. The plan reflects the board's strategic directions, and specific targets are set for the department with deadlines and activities to meet the targets. The executive committee reviews the objectives, which are modified as needed. Once every department has proposed its directions and targets, a series of meetings are held to promote links and sharing between departments. Once each department's annual plan including directions and targets is finalized, the overall annual plan is presented to the trustees for approval.

The operational plan is evaluated twice over the course of the year. The follow-up report submitted to the Board contains qualitative and quantitative data on the results and indicators of the year's operational plan for the first half of the year. The report provides details on the relationship between concrete results and the plan's indicators. A second follow-up report is presented to the Board and provides results for the second half of the year. The HR department meets on a regular basis to discuss subjects internally.

Organizational Structure and Accountability

The HR department employs 11 people, including an interim HR director, an administrative assistant, a professional relations manager, a substitute/Absentico administrator (on contract), a work health and safety and professional relations administrator, two staffing/allocation administrators, two management consultants, a secretarial trainer, and an organizational consultant. Job descriptions were developed and revised according to the HR department's function. The board's organizational chart includes the HR department and is updated regularly. Several tasks that normally fall within the purview of the HR department in most boards are performed by other departments such as finance.

The interim manager has the qualifications and experience necessary to fulfil her duties. She regularly attends conferences on human resources and sits on provincial committees whose members deal with issues relating to the management of human resources and labour relations.

Monitoring and Communication of Policy

The HR department is responsible for a list of around 25 policies, which include hiring and evaluating staff, disciplinary measures, health and safety, attendance and absenteeism, discrimination and harassment, complaint management, criminal background checks, staff leave and professional development.

Each year, the organizational development consultant develops a policy and administrative guideline review plan. When a policy is modified or a new one is created, the manager presents it to the executive committee for approval. The majority of policies have been revised at least once since their creation.

During their orientation, newly hired teachers are informed about policies relating to human resources. All policies are available to employees on the school board's website or in the policy binder in each school. When a new policy is implemented, a memo is immediately sent to all staff members. If the policy requires specific training, the training is organized by the HR department.

The board of trustees offers many training courses to its employees. Teachers receive all the training required by the Ministry. There is also a schedule of general training

sessions that are mandatory for all board employees and that are organized by the HR department. Staff members are not directly involved in the planning of training. However, they can submit recommendations that are evaluated by the Organization department and can be added to the professional development program.

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 of the appropriate number of qualified staff to support the student achievement targets;

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

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

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

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

Staff Recruitment

Leading Practices – Human Resource Management	Evidence of Adoption?
Recruiting policies and practices are reviewed annually, and are aligned with staff planning in support of student achievement.	Yes
New hire policies and procedures for the respective staff groups are harmonized.	Yes

Labour Relations

Leading Practices – Human Resource Management	Evidence of Adoption?
HR Management and the board of trustees have established labour/management committees.	Yes
HR Management has established policies and procedures to minimize grievances.	No

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

Attendance Management Processes/Programs

Leading Practices – Human Resource Management	Evidence of Adoption?
Attendance management process/programs exist that include employee supportive policies and procedures to minimize the cost of absenteeism.	No
Management periodically reports on the effectiveness of the attendance management process/programs to senior management and the Board.	No

Management of HR and Payroll Data

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

Management of the School Board's Benefit Plans

Leading Practices – Human Resource Management	Evidence of Adoption?
HR Management periodically conducts independent compliance audits of the school board's insurance carrier to ensure adherence to benefit plan's terms and conditions.	No
Employee data is automatically synchronized among the board and external carriers such as TPP, OMERS and the board's benefit provider(s).	Yes
Policies and procedures ensure the school 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.	Yes

Staff Recruitment

Staff hiring and recruitment are managed on an annual basis by the HR department. The board follows a detailed process for the recruitment and hiring of management, administrative, teaching and support staff, which defines the selection criteria, the process for advertising positions, the selection process and procedures, and some administrative procedures.

The HR department supervises the recruiting process. To ensure policies are followed, the HR department is present at each step of the board's hiring process. In general, the school board has difficulty in recruiting qualified staff, especially support staff.

School board positions are advertised in many ways: on the board's website, in board workplaces, in local newspapers, and on external websites such as Canada Jobs, Workopolis and the websites of teacher's associations. Each year, the HR team also maintains a presence at the job fairs of faculties of education from several universities across the province and elsewhere in Canada, such as the University of Regina in Saskatchewan and several universities in Quebec.

The same selection process is used for all staff positions. A selection committee is established for each position. The selection committee for teachers and educational support staff is composed of a member of the HR department and a representative of

the school principal. For other positions, the selection committee is composed of a representative of the HR department the immediate supervisor of the position.

The HR director maintains consistency in the staff recruitment and selection process through the establishment of official evaluation criteria, which are described in the administrative guideline on staffing and used by the selection committee. The references of candidates are verified and candidates must provide their personal information and criminal background checks. Candidates are selected based on their skills, experience and qualifications, and on the requirements of the position. Candidates must undergo a language assessment. The board provides a welcome kit to new staff members.

Labour Relations

The school board has negotiated different collective agreements with unions representing teachers and support staff. The Superintendant of Education responsible for human resources and the HR director are involved in all negotiations with unions.

The Superintendant of Education responsible for human resources maintains good relations with union representatives. The board has some grievances underway. To avoid various procedural grievances, the board ensures that all hiring and staffing processes are carried out in conformity with collective agreements and board guidelines. The school board's grievance procedure is described in the collective agreements. Joint committees are established for negotiating agreements and resolving grievances. The Superintendant of Education responsible for human resources, the facilities department management and other superintendants are involved in these committees. Executive committee members are adequately prepared for negotiations of collective agreements. The school board maintains good relations with the unions and minor problems are resolved quickly.

Employee Performance Evaluation Processes

The board has three policies that describe the personnel evaluation process:

- experienced teachers;

- new teachers;

- maintenance personnel.

The evaluation process is clear for all employees and the assessment policies in effect are available on the school board's website.

A different process is used for each of the school board staff groups. In line with the Ministry of Education's "Supporting Teaching Excellence" document, the school board evaluates its experienced teachers on a five-year cycle. New teachers are reviewed twice during their first 24 months teaching, in compliance with the New Teacher Induction Program. Teacher performance evaluation is executed by principals and assistant principals. Results are communicated to the board.

To correct and avoid wrongful conduct by staff members, the school board has adopted progressive discipline practices. The policy and guideline on disciplinary measures describe the progressive discipline process in place. The full progressive discipline progress is described in the policy on disciplinary measures. This process uses a step-by-step approach applied throughout the board for all staff. The steps are:

1. Oral warning

2. Written warning

3. Suspension without pay

4. Dismissal

Attendance Management Processes/Programs

The board has five policies that address absenteeism. These guidelines explain the various holidays available to staff in addition to leave related to workplace accidents.

The board uses "Absentico" software to manage absences. When an employee is absent, he or she must inform the immediate supervisor, who enters the absence into the system, which interfaces with the SAP. The board can use this information to generate reports and identify trends.

For prolonged absences, the board has two policies that describe what actions the employee must take. In the case of prolonged absences, the board promotes a progressive return to work or a modified work schedule. As several board employees were on extended medical leave during the operational review, the board should improve its follow-up process in order to help employees get back to work as soon as possible.

The board has a reward program for both unionized and non-unionized staff who accumulate 240 sick days.

The board does not compare its absenteeism rate with other school boards. The board has also noticed that its rate of absenteeism is higher for the custodial services staff group.

Currently, the board receives an absenteeism report from its insurance manager for personnel with long-term disability status.

Management of HR and Payroll Data

The payroll function reports to the finance department, not the HR department. The payroll function updates personnel records for pay and benefit changes or other compensation adjustments. This ensures segregation of duties between the HR and payroll functions. Updates to personnel records for pay and benefit changes or other compensation adjustments are performed by authorized staff only to ensure segregation of duties and efficient internal controls.

Each person hired by the school board is registered in the SAP system. Pay is directly deposited into staff members' bank accounts through electronic funds transfers (EFTs).

The HR manager has developed effective processes to ensure that staff qualifications and experience are formally tracked and updated. To update the classifications of teaching staff, the school board uses data from Qualifications Evaluation Council of Ontario (QECO) and downloads data from the Ontario College of Teachers on a regular basis. For unionized staff, the job classifications are updated in accordance with collective agreements.

For non-unionized personnel, the board ensures that the review of positions is an integral part of the budgetary process. The school board does not have any outstanding pay equity issues or grievances. The board is in the process of finalizing a pay equity plan for all staff. The final part of the plan—pay equity for FEESO-unionized employees—is being concluded.

Management of the School Board's Benefit Plans

The school board manages its employee benefit plan through a third party (Cowan Insurance Group) in consortia with the other 11 French-speaking school boards. For the annual renewal of services, the board attentively reviews benefits use by the different employee groups.

The board offers a benefits program to all staff members. Requests for reimbursement for medical and dental expenses are first sent to the Cowan Group to ensure the eligibility of the request. The applications are then forwarded to the insurance company for payment.

The Cowan Group writes an annual report for the board in which the use of benefit plans, demographic statistics by employee category, and medication use are described, as well as the costs related to the use of benefit policies. The report includes a comparative analysis of various insurers and a recommendation for a new insurer, if

needed. The HR director, working with payroll management, goes over the report in detail.

The board has established a program whereby employees on maternity leave or extended medical leave can buy back their contributions so they can keep up with their contributions to their pension plan during a prolonged absence. The Ontario Municipal Employees Retirement System (OMERS) produces an annual report, which is reconciled when the report is sent to the board. The payroll function also conducts regular reconciliations with the Ontario Teachers Pension Plan and the board's data.

A monthly reconciliation of pension programs is made between the system and data from the payroll function, significantly reducing the time spent on the annual reconciliation. A similar process is used for pension funds.

Monitoring Staff Satisfaction

During the follow-up period of the three-year operational plan, a satisfaction survey on board departments was sent to staff. The survey allowed the board to gather information on staff satisfaction. On average, the satisfaction rate among staff members was 75%. The Survey is distributed twice a year and is a part of the assessment of the annual and three-year operational plans.

The survey results allowed the HR department to establish departmental targets. The department obtained information from school principals and retiring managers about the challenges they faced, performed a follow-up and implemented measures to overcome these challenges.

Confidential exit interviews are performed for all staff who are leaving the board. The information gathered from these interviews is used to identify problems and address them.

Recommendations

- HR Management should establish policies and procedures to minimize grievances.

- HR management should develop policies and procedures for an employee evaluation/performance system for all staff, including executives.

- The board should develop a complete attendance management program to correct problems with certain kinds of absenteeism. This important initiative will provide the HR manager with a consistent and structured approach to improve attendance, by engaging in positive reinforcement with employees and adopting standardized practices across all employee groups.

- The board should compare rates of absenteeism with other French-language school boards around the province as well as those of nearby school boards.

- HR Management should implement an approved pay equity plan, which is reviewed periodically and amended as necessary.

- HR management should periodically conduct independent compliance audits of the board's insurance carrier (management services only), which manages the processing of medical and dental claims, to ensure adherence to the benefit plan's terms and conditions.

3.3 School Staffing/Allocation

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

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

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

- 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.

Planning and Processes for Annual Staffing and Allocation

Leading Practices – School Staffing/Allocation	Evidence of Adoption?
Policies and procedures govern the annual staff allocation process.	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

Leading Practices – School Staffing/Allocation	Evidence of Adoption?
Systems and processes monitor adherence to key Ministry and board policy parameters, such as: class size, prep time, collective agreement requirements and other board principals.	Yes
Management periodically reports on the actual allocation of staff, compared to the original approved allocation plan and budget (FTE's by function, department and program, actual versus budget).	Yes
Procedures are in place to enable adjustment of staff allocations for school based staff, if estimates for enrolment and funding change after budget approval.	Yes
Plans for student support services and staffing are based on a student-needs analysis.	Yes

Benchmarking Costs with Other Boards and Funding

Leading Practices – School Staffing/Allocation	Evidence of Adoption?
Staffing costs are compared with similar school boards and the funding model to ensure efficient use of resources.	Yes

Planning and Processes for Annual Staffing and Allocation

The board has implemented a detailed annual allocation process. Teacher allocation estimates are produced by the finance department, not the HR department. This process is supported by a formula that takes into account Ministry policies and Board guidelines that facilitates reasonable and equitable allocation. Staffing procedures are affected by the following factors: enrolment size and fluctuation, foundation grants, funding for specific projects, budgetary envelopes, Ministry requirements, distances, available space, the particular needs of each school, and community and preparation time. The staffing procedure for each employee group is part of the board's budgetary process.

The finance department carries out a complete audit of the staffing formula to ensure that it is effective, efficient and takes into account current enrolment before calculating the number of employees required. Results are then compared to actual needs. In January of each year, it is used in schools to calculate the allocation per school and a preliminary school allocation is established. The superintendents of various families of schools in collaboration with school principals and the HR department perform follow-ups and determine final school allocation. The process ensures that the terms of the PLC prescribed by the Ministry are adhered to.

The finance department validates the planned staffing levels by comparing them to the budget.

For support and maintenance staff, the board uses various formulas, which are grouped in a single file with the exception of custodial staff. The formula for custodial staff is based on school enrolment, the size of facilities, and the number of staff according to a weighted percentage. The facilities manager is responsible for allocation. The staff allocation formula for the special education departments allows the board to determine the allocation of special education staff for each school.

Enrolment is predicted is based on various factors such as recruitment and retention rates, demographic statistics, feedback from local principals related to any extraordinary circumstances in their regions (e.g., the closing of a firm in the sector, rapid growth due to the arrival of French-speaking immigrants). This information helps to accurately estimate enrolment and staffing levels.

Monitoring and Reporting on Staff Allocation

Staff allocation is based on enrolment and the current allocation formula. The Superintendents of Education know their schools and share their needs with the school board. The forecasted allocation for the budget adopted in June of each year is adjusted as needed in the revised budget. The finance department prepares a realistic scenario in which staffing levels and school organization are established in a preliminary fashion. The allocation of staff is an exercise that can be scaled to meet Ministry standards, and there is a minimum allocation that meets all statutory requirements. This maintains the flexibility to make changes in cases where there is a significant difference between the forecast and actual enrolment. The Board is normally quite accurate in its forecasts. For 2009-2010, the overall forecast was accurate to within 0.5%.

Required changes to teaching staff are carried out by October 31 at the latest. Adjustments to special education support staff take place throughout the school year. Each school has a special education representative who drafts requests for adjustments and makes recommendations to the school principal.

The board has implemented a monitoring process that contributes to the effective management of staff allocation. During the year, the HR department prepares monthly reports for the Board, so that trustees can monitor allocation levels and decisions taken during the year. The department performs an analysis of the relationship between forecast and actual staffing levels to explain the differences. Trustees receive reports on enrolment and staffing levels during the budget planning on a monthly basis in financial reports.

Benchmarking Costs with Other Boards and Funding

The board compares its costs with those of other school boards, preparing a comparative analysis with the twelve boards and following the evolution of efficiency indicators. It also compares the equivalent number of full-time staff per thousand pupils with other boards by job type to ensure the efficient use of resources. It has also completed a comparison with similar boards of average staff wages by category and salary level. These comparisons are documented.

The labour relations service also helps in the analysis of working conditions in the 12 school boards, allowing a comparison to help boards establish thresholds comparable to other boards.

4. Financial Management - Findings and Recommendations

The financial management of the school board contributes to the efficient and effective use of fiscal resources. Financial management ensures that the annual budget is developed within the Ministry's allocation and is aligned with student achievement targets, and that appropriate financial policies and procedures are in place to manage resources.

The financial and related business processes contribute to an appropriate level of transparency in the allocation and use of the budget by the various departments. They also ensure that the reporting of results to the board of trustees and other school board stakeholders reflects the approved goals/priorities relating to student achievement.

The following is a summary of our assessment of the school board's adoption of the leading practices under the processes identified above. All findings are a result of a review of the data provided by the school board and on-site 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;

- Financial services branch support of the overall goals/priorities and accountability measures established by the school board;

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

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

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

Development and Reporting of Annual Goals and Priorities

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

Organizational Structure and Accountability

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

Monitoring and Communication of Policy

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

Development and Reporting of Annual Goals and Priorities

The business department's mission is to serve the schools and to respect the board's vision. The finance department's strategic plan is based on the board's three-year operational plan. The plan is in line with the board's strategic directions, particularly in the field of institutional health. Specific targets are set for the department with activities and deadlines for achieving the targets. The executive committee reviews the

objectives, which are modified as needed. Once every department has proposed its directions and targets, a series of meetings are held to promote links and sharing between the departments. Once the annual plan for all departments are finalized with directions and targets, the overall annual board plan is presented to the trustees for approval.

The operational plan is evaluated twice over the course of the year. A monitoring report is submitted to the Board including qualitative and quantitative data on outcomes and indicators for the first part of the year. The report provides details on actual results compared to the plan's indicators and also allows a comparison with the forecast final results. A second monitoring report is presented to the Board providing results for the last part of the year. The finance department organizes regular monthly meetings that increase in frequency during the audit period.

Organizational Structure and Accountability

The finance department has ten employees: the director, the department secretary, the coordinator of accounting and budgeting operations, the coordinator of budgeting operations and purchasing, two accounting officers, the accounting administrator, two accounting technicians and an accounting clerk. The detailed organization plan is available online. To facilitate the rapid and efficient communication with the public, telephone numbers for each department are available on the board's website. The roles and responsibilities of each department are clearly defined. The department's organizational structure ensures a clear segregation of tasks between staff members in regards to preparing reports and authorizing expenses. To ensure succession, the department has a cross-training plan that ensures uninterrupted operation in the case of turnover or prolonged absence.

Department management and the superintendent of business are members of various provincial committees as they contribute to the advancement of the department in the field of business through provincial initiatives. The staff members have appropriate designations and relevant experience to perform their roles.

Monitoring and Communication of Policy

The finance unit is responsible for several policies and administrative guidelines on financial management, including purchasing and tender calls, budgetary processes, donations and travel costs. The policies are updated on a schedule determined by the department requiring each policy to be updated every two years.

The department carries out many actions to ensure that all staff members understand its policies.

A training session is organized when important changes are made. The sessions are typically organized for the beginning of the year and are customized for each group of staff. For training on the SAP system, school principals will receive highlights of the new policies while school secretaries will receive more detailed training on the changes. A user guide and reference manuals are also made available to users to allow easy execution of tasks. New employees in the department receive a binder that precisely details their position. Each new employee is accompanied by an employee in a similar or superior position who provides practical training in the workplace. The finance department is responsible for monitoring compliance with policies in the department. Processes and controls are put in place to ensure compliance with policies.

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;

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

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

Annual Budget Development Process

Leading Practices – Budget Planning and Development	Evidence of Adoption?
The annual budget development process is transparent, clearly communicated, and incorporates input from all key stakeholders including management (with principals), board of trustees and the community.	Yes
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

Leading Practices – Budget Planning and Development	Evidence of Adoption?
Budget planning processes account for all required cost and revenue changes.	Yes

Enrolment Forecasting Linked to Budget Development

Leading Practices – Budget Planning and Development	Evidence of Adoption?
Management has adopted an integrated (at school board and school levels) approach to enrolment forecasting. This supports development of the staffing plan and the annual budget.	Yes

Identification of Risks and Mitigation Strategies

Leading Practices – Budget Planning and Development	Evidence of Adoption?
Management identifies all significant risks during budget planning, and develops strategies to mitigate the risk of spending beyond authorized/budgeted levels.	Yes

Annual Budget Development Process

The annual budget process at the school board is transparent, clearly communicated, and well documented, and incorporates input from all key stakeholders, including the local community in a limited role.

The budget process begins in January and ends in June. At the beginning of the process, the business department establishes a detailed timeline that includes all duties required for the establishment of the annual budget. The timeline includes specific dates, and the key individuals and stakeholders for different steps are clearly identified.

The process begins in December with an enrolment projection for the school year. Between January and March, the finance department organizes several consultation sessions with the budget committee to discuss the board's operational plan. The committee takes special projects into account and consults with the Board to determine priorities and targets for the year. Then the Parent School Council and the community are consulted for their views on priorities related to the board's operational plan. All elements connected to the Ministry's requirements in different areas are incorporated into the budgetary process to ensure compliance.

The department, in collaboration with the HR department, establishes the staffing levels for teachers according to PLC requirements, the subsidies offered by the Ministry, and the risks attached to some estimates. Staffing levels for support staff, administrative staff and management positions are based on a formula pre-established by the board that takes into account enrolment, available subsidies, and Ministry requirements.

Once the estimates of staffing needs are completed, the department compiles financial results and presents a first draft budget to the board in April.

The first phase of the budget is based on elements that are recurring and essential for the functioning of the board, such as staffing, salaries (nearly 75% of total budget), and recurring projects. The calculation of the grant is based on forecast enrolment and once staffing and recurrent projects are incorporated in the budget, the remaining amount is set aside for the variety of projects that emerged from the departmental priorities outlined at various consultations.

The board then receives the priorities and initiates a second process in which each department presents its projects. The executive committee team works together to prioritize applications according to needs. The finance and business departments incorporate elements prioritized by the executive committee after consultations and presentations from various departments. A contingency is budgeted for unforeseen circumstances and/or anticipated risks in the development of the budget to facilitate the effective management of the board.

A second version of the budget is then presented to the board of trustees at a special meeting. The Board is involved in the review of the executive committee's budget to avoid any surprises or last minute changes. Feedback and discussions are documented and returned to the executive committee so that recent changes can be incorporated as needed. At the end of June, the final budget is reviewed and approved by the Board and sent to the Ministry of Education.

During the budgeting process, the executive committee ensures that the Board's annual priorities are taken into account, in particular those related to student achievement.

If there are changes made to the budget throughout the year, they are submitted to the Board for approval. They are usually the result of changes in the special needs identified during the monitoring process of the operational plan or in the funding announced by the Ministry. Special grants are incorporated into the budget and are allocated according to Ministry guidelines.

Enrolment Forecasting Linked to Budget Development

Enrolment forecasts are prepared by the finance department and the director of planning in collaboration with the superintendants of education and school principals.

Estimates of enrolment are made every year, covering several years and relying on data from Statistics Canada, demographics studies, the recruitment and retention rate by school and grade level and changes in the areas of attendance. The Board supervises the staff throughout the year until September and ensures respect for collective agreements in staffing matters.

Staffing is an integral part of the annual budget. The directions of the finance, human resources and education departments work with school principals to establish the board's staffing levels for years to come by following the steps outlined in the budget process.

4.3   Financial Reporting and Analysis

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

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

- Opportunities to support continual improvement in the effectiveness and efficiency 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 Principles – 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 Principles – Financial Reporting and Analysis	Evidence of Adoption?
Interim financial reports provide sufficient detail (including a comparison of actual to budget and to appropriate benchmarks and with appropriate variance explanations) for a clear understanding of the status of the current year's budget and the outlook for the year.	Yes

Leading Principles – Financial Reporting and Analysis	Evidence of Adoption?
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

Auditing

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

Identification of Risks and Mitigation Strategies

The board has an effective forecasting mechanism that takes probable risks into account. Predicting board enrolment is accurate to within 0.5%, and a reasonable contingency is an integral part of budget development. The board has never had a deficit and has always delivered all of its programs efficiently and effectively. The board's expenditures are guided by the amount of funding it receives from the Ministry and the budget is always balanced and does not use up reserves. Reserves are used strictly for non-recurrent projects, with a resolution and the approval of the board. Staff turnover also helps to minimize the risks related to staffing surpluses. As its financial statements have demonstrated, the board has mechanisms to control risk and has maintained a financial statement that can be audited in three paragraphs.

The budget is monitored by the budget holders and centrally by the finance department. The risk of spending beyond authorized levels is mitigated through the purchasing controls of the SAP system. When spending reaches a certain level, the finance department notifies the budget holders in order to prevent the department or the school from running out of funds at the end of the year or being over budget.

Integrated System for Variance Analysis and Financial Reporting

The school board uses an integrated financial system to record, track and report financial data. The SAP is used by 11 out of 12 French-language school boards and it is supported by the SAP centre of excellence in Ottawa. The system integrates general

ledger, accounts payable, accounts receivable, budget, and purchasing modules. The financial system facilitates variance analysis and management reporting.

The manager of budgetary operations and purchasing is tasked with establishing charts of accounts in the financial system and keeping them updated. The department manager control system access rights and the budget holders can print their own budget monitoring reports.

Interim and Annual Financial Reporting

Financial reports are prepared and presented to the executive committee and the board of trustees on a monthly basis to help management and the Board track variances. The report shows variances between the planned budget and actual expenses. At Board meetings, the superintendant of business explains reports and variances in detail in order to help the trustees to understand variances. Financial reports are presented with a cover page indicating that the reports are prepared by the superintendent of business and submitted by the director of education.

A timeline establishing monthly financial reporting deadlines is developed at the beginning of each school year. The school board respects the deadlines for financial reporting to the Ministry.

Auditing

The Board has an audit committee with an external member. The committee meets two to four times a year. The committee participates in the review of financial statements, the auditing report and reports produced by management throughout the year. The auditors meet with committee, once with and once without the presence of the administration.

The primary function of the internal auditor is to ensure that the internal controls established by management are operating effectively and in compliance with board policies and procedures. Currently, the school board does not have an internal auditor, and is waiting for further direction from the Ministry. However, audits of school accounts, school enrolment and other audits of internal controls are performed annually on a sampling basis in order to ensure the integrity of data.

Developing a mandate for the internal audit function would assist the executive committee and the trustees in their overall governance roles. The internal audit function can also help develop performance measures and indicators for programs and services. The function should report to the audit committee. The annual audit plans would be presented and approved by the committee, and all reports would be presented to the committee.

Recommendations

- The school board should consider formalizing an internal audit function. This would include a broader audit of financial and management controls. Management could start by identifying options for the mandate and scope of this function and the estimated cost for each option.

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 boards;

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

Management of School-Based Funds

Leading Practices - Treasury Management	Evidence of Adoption?
Management ensures adequate controls are in place to safeguard non-school board funds and coordinate the annual reporting of revenues and expenditures from schools and school councils.	Yes

Cash and Investment Management

The school board has an agreement with the Caisse Populaire Desjardins, which was negotiated within the framework of a purchasing consortium composed of the 11 Frenchlanguage school boards. This consortium launches a call for tenders every three years. The Board keeps a line of credit and has negotiated a yearly interest rate that corresponds to a prime rate of 1.75% on the average balance of the bank account. The school board benefits from a prime rate on the average monthly cash balance.

The finance department receives monthly reports on working funds to ensure the monitoring of cash assets. Bank reconciliations are performed by the budget and procurement manager and are approved by the director of the finance department on a monthly basis. The department maintains a good distribution of tasks by ensuring that the accounting technician who is responsible for preparing the "check run" has no access to checks or electronic fund transfers. There is also an accounting officer who audits all changes made to vendor files once a week before the checks are prepared.

Given the prime rate received at the Caisse and as the funds are available upon request, without penalty, reports on investment activities are presented annually to the Broad. Short-term investments are accessible at any time without penalty. The board has no investment policy to manage risks and ensure that the board adheres to the Education Act. The ratio of annual cash flow is updated monthly to ensure proper treasury management. The business department maintains the financial analysis file on facilities.

The required documents relating to agreements and contracts with financial institutions are filed systematically in a safe and electronic versions are backed up to avoid losing the information.

The school board maintains reserve funds to attend to unforeseen circumstances. The administration must obtain the board of trustees' approval to use operating or appropriate reserve funds.

Management of School-Based Funds

Throughout the school year, schools organize several fundraising activities. The board has prepared a detailed guide outlining controls for fundraising in schools. The fundraising in schools guide describes the process to ensure that funds are efficiently managed and that risks of loss are minimized. All funds are reconciled monthly.

Each school has petty cash for specific or pressing purchases up to $600. This money is necessary given the board's geographic location.

Recommendations

- Management should consider developing an investment policy in order to manage risks and ensure that the board adheres to the Education Act.

4.5   Non-Grant Revenue Management

The purpose of reviewing 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 non-grant revenue;

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

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

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

The following table summarizes the leading practices defined for 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.

Policies and Procedures and Planning to Support Non-Grant Revenues

Leading Practices – Non-Grant Revenue Management	Evidence of Adoption?
The board has established policies and/or procedures for the application of its fee structures.	Yes

Procedures for all Non-Grant Revenues

Leading Practices – Non-Grant Revenue Management	Evidence of Adoption?
Electronic registration and payment systems are used where appropriate (e.g., ConEd, permitting of facilities, leasing, etc)	No
Staff monitor all sources of revenue to ensure completeness and compliance with policies. Action plans and processes maximize collections including obtaining credit/risk assessments.	Yes
School board budget identifies revenue and expenditure for each EPO program. Management monitors activity to ensure compliance with terms and conditions.	Yes

Policies and Procedures and Planning to Support Non Grant Revenues

The school board has the following sources of non-grant revenues:

- interest revenue;

- community use of the schools, gym leasing;

- donations;

- use of child care services.

On the whole, these revenues are minimal and the board recovers only its costs. In the case of child care, part of the cost is subsidized by the board. The aim of these initiatives is to finance activities in schools to ensure institutional vitality.

The department includes a financial estimate of these revenues in the board's overall budget during the annual budget development.

The Board has guidelines regarding the collection and recovery of such income:

- donation guidelines;

- guideline on the leasing of child care operations;

- guideline on fees for the use of facilities by the community.

Procedures for all Non-Grant Revenues

The school board does not use an automated system to collect other revenues. However, amounts are minimal and the collection of amounts owing does not currently pose a problem. Amounts owed are collected by cheque or EFT.

The board is implementing a web-based electronic registration system that would enable third parties to electronically make requests for use of the school board's facilities. The system put in place makes an electronic payment system possible on the board's website, but given the low frequency and small amounts of transactions, the value added by this system is minimal. A pilot project in five schools is now in place and being evaluated to determine when the system will be launched for the whole board.

Special EPO grants received by the school board are deposited electronically into the board's account. Each budget holder responsible for these projects handles project management in line with the prescribed requirements. For each grant allotted, the finance department creates a new project account in SAP to enable the separate recording of all revenues and expenditures. Projects are monitored and project leads are informed when costs may exceed the amount allocated. SAP automatically blocks expenditure in the system once the allowed amount is reached.

Recommendations

- The finance department should consider implementing an electronic payment system to gain greater efficiency and minimize the risk of payments being altered prior to clearing the bank.

4.6   Purchasing

The purpose of reviewing procurement processes is to assess:

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

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

- Whether school board processes ensure the receipt of 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 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.

Procurement Policies and Procedures

Leading Practices	Evidence of Adoption?
Approved procurement policies and practices are clearly communicated to staff with purchasing authority, and are periodically reviewed and updated.	Yes
Vendor selection criteria include elements other than lowest cost, such as total cost of ownership, value, and quality and competitive procurement (including the use of public advertising for RFPs and tenders over a defined level)).	Yes
Purchasing managers monitor and ensure compliance with the Board's procurement policies and procedures.	Yes

Participation in Buying Consortia

Leading Practices	Evidence of Adoption?
The procurement strategy includes the participation in consortia/cooperatives for cost savings.	Yes
Management evaluates and develops strategies to increase purchasing power and minimize the cost of goods and services procured.	Yes

Purchasing Levels of Authority

Leading Practices	Evidence of Adoption?
Purchasing authorization levels are commensurate to job title/role, and are monitored for compliance by a supervisor or department head.	Yes

Policies and Procedures for PCard/Corporate Card Use

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

Use of Electronic Funds Transfer for Greater Efficiency

Leading Practices	Evidence of Adoption?
Management maximizes use of electronic funds transfers (EFT) for payments.	Yes

Procurement Policies and Procedures

The school board has an administrative guideline on approved purchases for the acquisition of quality goods and services. The guideline is applicable to all schools and departments, and is available on the school board's website. It was last updated in 2009. In compliance with the policy, the board uses a comprehensive selection process that includes criteria such as the quality, the efficiency or ease of delivery of the product and/or service, and payment conditions.

The communications department is responsible for notifying stakeholders of policy changes with a memo and updating the policy binder and the website. The finance department informs new managers of the policies that are the most relevant to their positions, such as administrative guidelines on purchasing, expense claims, use of credit cards and reimbursement for travel costs. Annual training sessions are available to inform stakeholders. The finance department is responsible for monitoring and ensuring compliance with department policy. The board ensures its policies are

respected through a process described in the policy on purchasing and automatic controls in SAP. All purchases are made using purchase orders that require various approval processes as prescribed by administrative guidelines. Reception of goods and services is managed electronically in the SAP program, and receipts are saved. Inspection is then carried out before the invoice is paid.

The SAP allows all commitments to be entered into the system so that budget and expenditure monitoring information is made easily accessible for analysis and control.

The SAP system enables the automatic transmission of orders to a vendor without requiring paper transfers. The entire procurement process maximizes the use of an electronic system.

The school board has approved policies in accordance with the direction given by the Ministry in the spring of 2007. The following policies were adopted and then published on the school board's website:

- ADM 21.1 – Purchasing of goods and services (2009) (French only)

- CSL.10.1 – Reimbursement of travel costs for trustees (2009) (French only)

- PER.2.2 – Travel costs (2009) (French only)

Participation in Buying Consortia

The board participates in several consortia:

- School Board Co-Operative Inc. (SBCI)

- Catholic School Board Services Association (CSBSA)

- Labour Relations Council (12 French-language school boards)

- Shell-Integris for acquiring natural gas

- SAP centre of excellence

- Videoconferencing system

- Ontario Education Collaborative Marketplace (OECM)

- Transport consortium with several other French-language and neighbouring school boards

For the purchase of school supplies, such as paper or cleaning supplies, the board organizes bulk purchases to minimize costs. The board conducts tenders according to administrative guidelines concerning the purchase of goods and services in partnership with the various consortia to which it belongs. All submissions are reviewed and evaluated to ensure the selection of suitable suppliers according to price and quality. Membership in consortia allows the board to achieve economies of scale. With the recent establishment of the OECM, the board can now take advantage of larger economies of scale than those possible in consortia.

Purchasing Levels of Authority

The purchasing policy prescribes the following limits and requirements for procurement:

- Purchase from $1 to $10,000: Budget holders can purchase goods and services from a supplier of their choice. Purchases require a SAP purchase order.

- Purchase from $10,001 to $25,000: Budget holders must get written price offers as described in section 6.5 of this guideline. Once a supplier is chosen, a purchase order must be created and a copy of the written price offer must be sent to the finance department.

- Purchase over $25,001: Budget holders must launch a formal public tender according to the process outlined in section 6.6 of this guideline. Once a supplier is chosen a purchase order must be created and a copy of the written price offer must be sent to the finance department.

Managers at the finance department ensure compliance with the administrative guideline.

Policies and Procedures for PCard/Corporate Card Use

The school board has clearly communicated its administrative guideline on the use of credit cards, which is part of its policy on the purchase of goods and services revised in 2009. The board uses approximately sixty credit cards ("procurement" and "business" Visa cards) for managerial staff, school principals and department directors. Credit cards are controlled to the utmost extent due to the process in place:

- Card holders sign a document that informs them of the privileges related to using the card and the consequences of abusing the card.

- Card holders receive their monthly statement at their workplace, fill out a statement of account for the card used, and send their statements with original receipts to their supervisors, who sign the documents and submit them to the finance department.

- The accounts payable technician reviews and analyzes statements of accounts and compares them to the employee statements of account, receipts and the Visa reports submitted to the board.

Accounting for Completeness of Purchase/Payment Cycle

The Board predominantly relies on the procurement module of its finance system to process its purchase-to-payment cycle. The person authorized to create purchase orders for departments and schools creates an electronic purchase order in the SAP system. The creation of an electronic purchase order in the system creates an obligation in the account. Once the purchase order is approved and submitted online, the funds are automatically frozen. The system generates a warning if the order exceeds the budget.

Goods are sent directly to the institution, unless bulk purchases are made by the school board's central administration. Upon receipt of goods, two-way automatic matching is performed using the packing slip and the purchase order. The supplier provides the invoice to the school administration, which it compares with the purchase order. These invoices are entered into the system, and they are left open until the school confirms the purchases.

To complete the purchasing and payment cycle, the accounting technician follows up on open purchase orders, which are deleted after six months. For large purchase orders (such as those for construction, repairs and maintenance), the technician asks the holder of the purchase order about the state of the order before deleting it from the system. Automatic matching is assured for the matching of the purchase order, receipt and inspection, and the invoice. The system automatically detects differences between these three elements and automatically blocks the payment of invoices in the case of discrepancies. A follow-up is performed by the accounts payable clerk prior to payment.

The accounting technician creates a list of invoices and their purchase order numbers. Schools and departments electronically confirm receipt of satisfactory goods in the SAP system. After the head of accounting operations reviews the final list of invoices, a direct deposit is made to suppliers. Invoices without purchase orders are sent directly to departments/schools and must be evaluated and approved by the budget manager. These invoices are then forwarded to finance department, which checks documentation, authorizations and budget codes before making the payment.

Use of Electronic Funds Transfer

The school board currently uses EFT as often as possible to carry out transactions with its suppliers, while other payments—primarily transactions with cities—are made with cheques. New suppliers are added as they begin doing business with the school board. They must provide a voided cheque to set up their EFT account and receive payment.

This maximal use of EFT represents an enormous contribution to transaction efficiency and risk minimization. The board continues to encourage municipalities and cities to use EFT.

Recommendation:

- Management should implement an electronic supplier interface for ordering, processing and payment, including the use of supplier portals

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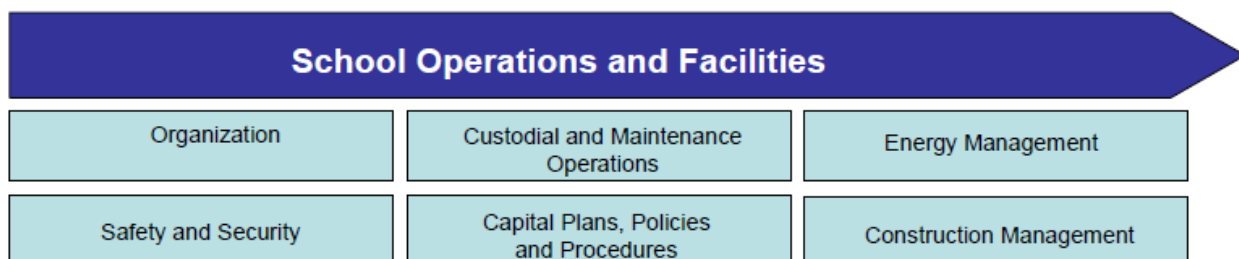
Efficient and effective management of the board's facilities (particularly schools) is an important factor in student achievement. Along with providing a positive learning environment for students, this function sets and meets standards of cleanliness and maintenance, examines opportunities to increase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

The following is a summary of our assessment of the school board's adoption of the leading practices under the processes identified above. All findings are a result of the review of data provided by the school board and on-site field work, 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 operations and facilities department's goals and priorities are documented in an annual department plan that is aligned to the annual board improvement plan and is 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 operations and facilities department has clearly defined organizational units and delineates respective roles and responsibilities. A current organizational chart is available.	Yes
Senior operations and facilities staff have appropriate designations (e.g., P.Eng.) and relevant field experience.	Yes

Monitoring and Communication of Policy

Leading Practices - Operations and Facilities Organization	Evidence of Adoption?
Management has processes in place to monitor departmental policy compliance.	Yes
Processes exist to monitor new legislation and regulations and implement necessary changes.	Yes
Management provides scheduled policy and procedure awareness, and training to address ongoing skill development and emerging regulatory issues.	Yes

Development and Reporting of Annual Goals and Priorities

The facilities department, like all other board departments, is included in the annual planning process led by the executive committee. The facilities department's strategic plan is developed based on the board's three-year operational plan. The plan is in line with the board's strategic objectives. Specific targets are set for the department with activities and deadlines for achieving these targets. The executive committee reviews the objectives, which are modified as needed. Once every department has proposed their directions and targets, a series of meetings are held to promote links and sharing between departments. Once each department's annual plan including directions and targets is finalized, the overall annual plan is presented to the trustees for approval.

The operational plan is evaluated twice over the course of the year. The follow-up report submitted to the Board contains qualitative and quantitative data on the results and indicators of the year's operational plan for the first half of the year. The report provides details on the relationship between concrete results and the plan's indicators and allows the Board to position itself relative to expected final results. A second follow-up report is presented to the Board and provides results for the second half of the year. The facilities department has also established an internal monitoring process that calls for department staff to hold meetings every two weeks.

Organizational Structure and Accountability

The department reports to its director, who supervises the planning, renewal, capital, and maintenance and custodial services functions. The facilities department has a team of 13 people: the director, the administrative assistant, the facilities manager, the capital manager, the head of planning, the planning consultant, the database administrator (OnSIS), the facilities department administrator (community use of facilities and energy management), a technician, four project leads, and a clerk. To facilitate fast and effective communication with the general population, the phone numbers for each department and service are published on the board's website.

The school board has 109.75 head custodians, custodians and cleaning staff employed at its schools.

The duties and responsibilities for these positions are clearly defined and formally documented in job descriptions. The organizational chart shows the communication structure and is updated regularly and is available on the board's website. Key department staff members have appropriate professional designations and related field experience, and are involved in various provincial committees to keep abreast with best practices and new directives.

Monitoring and Communication of Policy

The school board has various policies and procedures to manage its facilities and operations. These policies cover the review of school facilities, advertising in schools, building safety, use of facilities by community groups, child care, the use of private property, health and safety, and intervention in crisis situations.

To ensure compliance with administrative guidelines, the department ensures that staff can access them on the board's website. The department organizes several training sessions throughout the year to inform maintenance staff of updates to administrative guidelines and policies. All schools are periodically inspected by maintenance monitors for cleanliness, health, security and maintenance needs.

The department uses Exilor software for facilities management, which was obtained from the Toronto Catholic School Board. This software will allow schools to take reservations for the rental of school facilities and confirm the rental. The software can manage all stages of facilities rental including the receipt of payment. The software is still in the pilot project stage and the department is in the process of determining the availability of schools who can install the software.

There is no formalized plan for systematic policy updates. However, they are reviewed periodically. If no revisions are required, the date of the revision is not indicated. The board revised all of its policies in 2007.

5.2   Maintenance Operations

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

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

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

- Whether appropriate internal controls exist to 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 the Board's Cleaning Standards and Maintenance Requirements.

Leading Practices - Custodial and Maintenance Operations	Evidence of Adoption?
The board has adopted cleaning standards and has developed a standard set of processes and tools to monitor, manage, and report on results.	Yes
Management's custodial/maintenance allocation model optimizes use of staff.	Yes

Development of Annual/Multi-Year Maintenance Plan

Leading Practices - Custodial and Maintenance Operations	Evidence of Adoption?
Using stakeholder input, management develops an annual and multi-year (three to five years) maintenance plan that addresses preventative and deferred maintenance priorities. Outcomes improve the learning environment for students. The plan addresses the board's preventative and deferred maintenance priorities and optimizes the use of available funding (Annual Renewal Grant and Good Places to Learn funding). The plan is approved by the Board and accessible by the public.	Yes

Training to Support Skills Development and Safety

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

Standardization of Cleaning and Maintenance Supplies

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

Project Management, Monitoring and Support Systems

Leading Practices - Custodial and Maintenance Operations	Evidence of Adoption?
A work-order system and process records, monitors and evaluates projects ensuring the effective use of resources.	Yes
Management regularly evaluates the overall effectiveness and efficiency of its maintenance and custodial service practices.	Yes

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

The school board has standards for cleanliness and maintenance in the form of a standardized manual for all schools. However, its application is discretionary as each school has different needs. School principals are responsible prioritizing tasks according to school needs with the help of the manual.

The HR department (health and safety) and the facilities department carry out annual health and safety inspections. The Ontario School Boards' Insurance Exchange (OSBIE) inspects eight schools a year. Maintenance complaints are sent to the project leads by the school principal or the head custodian depending on the nature of the complaint. Maintenance issues are also discussed with the school principal during the inspection visits. The project leads ensure a good relationship with custodians and principals. Staff complaints are dealt with by school principals and the HR department as needed. The facilities department implements monitoring until the complaint is resolved. The level of the complaint determines whether it will be recorded or not.

The board has developed a custodial allocation model for the optimum use of resources to implement the school board's cleaning standards and practices. Custodial allocation is based on the size of the facilities, the presence of portables, the number of students and the number of classroom teachers. This formula is optimized using split shifts and the sharing of custodians in some schools.

Development of Annual/Multi-Year Maintenance Plan

The preparation of the annual plan has three components: a 5-year capital plan, a maintenance plan and a renewal plan. For the capital plan, the department examines the growth of communities and areas which are not served by the board. The maintenance plan has two components: preventative maintenance and critical maintenance. Plans for maintenance and renewal are developed based on the department's research on priorities for the coming years. Activities are reviewed an annual basis. Projects within the "Good Places to Learn" initiative are also part of the existing data on the state of facilities, as are the findings of project leads during routine

visits. The projects are listed and prioritized and then presented to the Board before the plan is established. The plan also fits within the budget planning framework for the optimal use of resources and effective short and long term planning in order to promote a work environment that is beneficial for both employees and student learning.

The plan is designed to respond to the board's strategic objective of providing students with safe and clean schools.

The board develops the annual renewal and maintenance plan based on information collected by the department, information in the ReCAPP database, and local needs. Projects are prioritized in order to address urgent problems with facilities as early as possible. The following criteria help to prioritize renewal projects:

- the age of buildings;

- health and safety;

- urgent local problems.

One of the department's priorities is to ensure that renewal and maintenance are well planned so as to minimize the risk of future problems. These processes ensure the development of an annual maintenance plan that prioritizes urgent and longer-term needs of board facilities.

Training to Support Skills Development and Safety

The department director places a great deal of importance on the professional development of maintenance department staff. The facilities department organizes a formal annual training schedule based on a five-year training plan. Training sessions provided by the facilities department are mandatory.

OSBIE conducts annual inspections of schools and when the results are good, OSBIE reduces insurance premiums by 5%. Following three years of perfect inspections, OSBIE does not perform an inspection in the fourth year, a sign that the department's maintenance work is properly conceived and undertaken.

The board also has an agreement with Flexo, a provider of cleaning and maintenance products. Under the agreement, Flexo offers training on the use of the cleaning and maintenance products used by the board.

Standardization of Cleaning and Maintenance Supplies

The facilities manager usually manages custodial supplies and maintenance equipment; occasionally school principals fulfil this role, as do custodians when dealing with an urgent case. Schools have an inventory of maintenance equipment, and there is a five-

year equipment renewal plan based on the type of equipment. Flexo, the board's main supplier, has a preventative maintenance plan and inspects equipment every three months. This contributes to a significant reduction in the rate of equipment breakage.

In addition to being the board's main supplier of maintenance equipment, Flexo also acts as a consultant. Flexo and the board have an excellent working relationship. The board makes bulk purchases. It has implemented a centralized purchasing system to promote common standards and to standardize the products purchased, with the goal of achieving an economy of scale and minimizing transportation costs. With the help of Flexo, the department has created a list of available products, including information on their price and effectiveness. This practice is adapted to the board's geographic situation because it allows local sourcing of products for a disparate group of schools.

Project Management, Monitoring and Supporting Systems

The board has established processes for monitoring renewal and maintenance projects. Custodians and school principals identify new needs that arise during the year and submit requests to the department via fax or email. The board receives the requests and prioritizes them based on the urgency of the work required. Each work or service order is analyzed and reviewed by the facilities manager. A purchase order is then created in the electronic accounting system so that progress can be monitored. The work or service orders are converted into a purchase order and automatically forwarded to contractors by the system.

Reports are presented to the board, allowing it to track the progress of work and compare real costs to estimated/budgeted costs.

The facilities department is exploring the possibility of buying the "Suite Alpha" facilities management software, to determine whether the purchase would benefit the board. The department is part of the Comité d'Immobilisations et d'Entretien (CIEP), and is attempting to bring together several French-language school boards in order to share the benefits and costs of the project in the event that the boards decide to explore this avenue.

Acts of vandalism are rare in the school board and do not constitute a significant expense.

Head custodians are onsite at the schools during the day; custodians and cleaners are onsite at night. To ensure that work is satisfactory, school principals, and the facilities manager as needed, follow up with the custodial team.

Several custodial positions are shared between schools. The board ensures that each shared position has a separate time sheet. The board meets the requirements of the

duty to accommodate (modified work) and takes steps to reduce workplace accidents and improve work conditions by purchasing ergonomic equipment.

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;

- 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?
Management has established a multi-year energy management plan that incorporates measures to be implemented and the tools to monitor and manage the plan.	Yes
Purchasing practices support energy conservation objectives (e.g., Energy Star products, leveraging consortia membership).	Yes
Successful conservation initiatives are shared 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

Leading Practices Energy Management	Evidence of Adoption?
A comprehensive system exists to budget expenditures, track consumption and identify opportunities for further savings.	Yes
Billing for all board facilities is consolidated from each utility.	No
Centralized technology that automates energy regulation and conservation (e.g. light control, desktop power) is used wherever practical.	Yes

Energy Management Plan

The facilities department has a written energy management plan. The plan includes targets such as a 10% reduction in energy consumption in each school over five years, or 2% for the end of the 2009-2010 fiscal year. In addition, during maintenance or renewal projects, there is an emphasis on replacing aging building components (more efficient lights, a sensitive system for classrooms and gyms, vending machines on timers, more efficient dryers) to optimize energy savings. Moreover, during the construction of its new schools, the board ensures that they include all possible energy efficiency measures, including a design that ensures the maximum amount of natural light.

The school board has also integrated energy management into its curriculum and most school board establishments participate in a recycling program. The board is also investigating new ways to return a portion of energy savings to schools in order to motive them to actively participate in these initiatives.

The school board's purchasing policy promotes the purchase of products that promote energy savings, and the board often purchases energy saving products such as "Energy Star" products. In addition, the board is a member of the Catholic School Board Services Association (CSBSA), an electricity purchasing consortium. The board is under contract with Shell Energy North America (formerly Integris Energy Inc.) for the purchasing of natural gas in the area served by Enbridge, which allows direct purchasing and without the need for subcontractors.

The board shares its initiatives with its schools and other boards through presentations on best practices to principals and superintendants. The board also prepares a list of initiatives undertaken the board's schools, which it shares. The board also discusses its initiatives with other boards during meetings of OASBO and the CIEP, which bring together superintendants and facilities department managers.

Tracking and Reporting Energy Conservation

The board recognizes the need to have efficient energy conservation systems. The department manager and the facilities department administrator handle the energy management portfolio. The board has established cost reporting for each facility (schools and points of service), including the cost of electricity, heating and water, as well as the cost per square foot. The analysis of energy conservation shows that the board has achieved positive results. A report on renewal projects related to energy consumption is presented t the board annually.

In 2004, the board implemented a centralized and computerized control system that allows distance monitoring of energy regulation and conservation in all board buildings. This control system allows the collection of information that is used in the energy efficiency analysis of the board's facilities. Energy management efficiency measures have been integrated into all renewal projects and new school construction since 2004.

The school board does not have consolidated utility billing for all of its schools. Given the geographic diversity of the school board, schools do business with different utilities providers depending on their area. As such, it is unlikely that the board will consolidate utilities billing for all schools. However, we would encourage the facilities department director to continue exploring opportunities to further consolidate utilities billing.

Recommendations

- The school board should also prepare an annual report on the actual conservation savings achieved compared to those called for in the plan.

- Management should ask utility companies to provide consolidated billing in an electronic format and support more efficient monitoring and forecasting of energy consumption.

5.4   Health, Safety and Security

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

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

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

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

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

Development, Monitoring, and Tracking of Policies and Plans for Health, Safety and Security

Leading Practices - Health, Safety and Security	Evidence of Adoption?
The maintenance of health, safety and security policies and the development of appropriate plans ensure compliance with statutory health, safety and security requirements.	Yes
The security code policy includes alert codes that reflect the situation and threat level, and identify departmental responsibilities.	Yes
Security incidents are tracked by type of incident (e.g., property damage, intrusion, etc).	Yes
Operations management follows Ministry guidelines, policy and legislation on healthy schools.	Yes
Safe school teams responsible for school safety (e.g., PPM 144) are implemented in every school.	Yes
Water and air quality standards are monitored and issues are reported for corrective action.	Yes

Development, Monitoring, and Tracking of Policies and Plans for Health, Safety and Security

The HR and facilities management departments are responsible for health and safety. The school board has a health and safety policy, which was updated in 2009. The board also has policies on emergency measures dating from 1998. The board of trustees has established a joint occupational safety and health committee (JOSHC) to promote health and safety and to prevent illness and workplace accidents. The committee is composed of: the facilities department manager, two school principals, two representatives from each union and two members of the HR department.

The JOSHC has adopted health and safety plans and strategies in schools. For example, the JOSHC has established a fire safety plan and schools are responsible for their own evacuation plans. The head custodian is responsible for monitoring the plan. These plans are reviewed as needed. Principals are responsible for ensuring safety in

schools. The emergency plan is updated annually by schools. The school facilities guide includes a section on health and safety and operating instructions for the management of crises such as fires, bomb threats and building security. The guide is not exhaustive, but the board also has an emergency and crisis management guide for staff.

All new department employees receive the training required for their duties under the legislation on workplace health and safety. The board oversees the organization of health and safety training sessions within the five-year training plan. The board ensures that water and air quality standards for students are met. The facilities department prepares analyses water quality in line with provincial regulations and reports on air quality as needed.

The superintendant is responsible for managing school security. A report is presented to the executive committee.

In the case of an emergency, the board has a policy and a specific communication protocol for communicating information on potential emergencies to the community or parents. The board's website contains a chart detailing the process of the communication protocol for fires occurring in schools. Further instructions are found in the emergency management and crisis guide.

5.5   Capital Plans, Policies and Procedures

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

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

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

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

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

- 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 program that includes the related funding plan.	Yes
The school board has an approved pupil accommodation review policy.	Yes

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

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

Development of Annual and Multi-Year Capital Plans

The school board has implemented capital planning plans. A ten-year plan was prepared according to the Ministry's requirements. The department involves the trustees, members of the executive committee and all facilities department staff. The board uses this plan to prepare a short-term plan with provisions for the next five years, which is revised annually. The capital plan includes the list of projects prioritized by school for the upcoming five years. The five-year capital plan is reviewed and approved by the board of trustees each year. The department obtains data from sources such as Statistics Canada reports, SFIS reports, school history, the ReCAPP database and expert research.

The board regularly hires expert advisers to analyze the board's capital needs. Accessibility in schools is a priority, and it is a part of the department's renewal plan.

The board ensures that all modifications and new facilities are accessible and that they meet student needs.

In terms of capital repairs, the board relies on ReCAPP data, school inspections and the needs communicated by principals.

The school board is expanding, necessitating the use of mobile classrooms. The policy on school facilities and the opening and closing of schools prescribes the use of these classrooms in such a way as to ensure that they are temporary solutions.

The school board has a pupil accommodation review process. Each year, the school board carries out a comprehensive review to identify renewal needs for the upcoming year. Needs are incorporated into a biannual plan which is reviewed annually. The board also receives a monitoring report on the progress of projects and on the actual costs compared to estimates.

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

The board keeps an accurate inventory of school capacity, including the number of pupils and the number of schools, using the Ministry's school facilities inventory system. The planning officer is responsible for the monitoring and updating of data in the system. Communities use school facilities on a fairly regular basis, and funds received from their use go towards covering any additional costs incurred.

A review of capital needs is performed annually and is integrated into the board's five-year plan, which is approved each year. The analysis of these needs incorporates several factors such as demographics, areas which are not served by the board, the current capacity of schools, enrolment forecasts and the state of buildings.

The department has a process for updating the ReCAPP database. Information is entered in ReCAPP on an annual basis and each project is divided into several components. The information is entered in order to assist succession planning and to promote the easy and effective monitoring of the board's building inventory. Project managers carry out annual inspections. All this data is used to determine which projects will be necessary in the coming years.

The board uses grants for the following facility requirements: creating positive learning environments, adjusting transitional facilities, covering closing costs for prohibitive-to-repair facilities, supporting schools in regions experiencing growth, and providing a stronger start and smaller class sizes at the primary level. These programs—as well as the grants for schools classified as remote schools—are required to keep the board's schools operational.

5.6   Construction Management

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

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

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

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

Cost Effective Practices in the Design and Construction of Facilities

Leading Practices - Construction Management	Evidence of Adoption?
Management uses cost-effective designs, standard footprints, energy conservation, and economical construction practices to minimize construction and future maintenance and operation costs.	No
Management maintains standard policy and procedures to rationalize construction projects, including benchmarking against other school board construction costs and design standards (including coterminous boards).	Yes

Monitoring and Reporting on Progress of Construction Projects

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

Maintaining Current Approved Professional Service Providers

Leading Practices - Construction Management	Evidence of Adoption?
Management evaluates and updates the approved list of contractors, architects and related professionals periodically, ideally in five-year cycles.	Yes

Cost Effective Practices in the Design and Construction of Facilities

The board has undertaken 11 major construction projects since its inception and as such it has good construction experience. Whenever possible, the board reuses the templates of previous schools, depending on the size and layout of the land. Construction of new schools follows a competitive tender call process. The board also uses a pre-qualification process for architecture, professional and construction entrepreneur companies. The board reviews its list of prequalified suppliers based on the quality of work.

Once the board has approved the building of a new school, it hires an architect and consultants to carry out studies of the potential site. The department creates a report on the building construction process, and a cost consultant revises estimates based on market realities and the plan's different options. The board communicates frequently with other French-language and neighbouring school boards to get an idea of normal construction standards and costs. These precautions enable the board to ensure that schools are built on time and within budget. For all board construction projects, cost variances have never exceeded 1.7% of the budgeted amount.

The community is kept informed of the entire construction process, from the selection of land to the selection of its name and inauguration. The board carries out public consultations in the neighbourhood of the new school and the website publishes detailed updates on construction projects.

The board compares its construction costs with the other French-language school boards and other school boards bordering its region, taking into consideration the demographic differences between Ontario's regions. The board also compares its costs per square foot between schools. This analysis is used to explain costs variances from one board to another, and ensures that the board receives the Ministry grants it requires to purchase land. The board has exemplary design processes, which could be further supported by the implementation of policies such as a site acquisition policy.

After a construction project is completed, a post mortem is performed to learn lessons and move towards the continuous improvement of construction projects. This exercise is conducted by the ad hoc committee under the direction of the board's facilities committee, and takes into account several factors such as effectiveness, efficiency and standards.

Monitoring and Reporting on Progress of Construction Projects

The board has detailed processes for monitoring the budget of its construction projects. An MS Project plan is produced to monitor deadlines. Contractors provide detailed monthly reports on project costs, detailing discrepancies in the budget and the progress of the project and billing the board monthly. Project costs are monitored using SAP

accounting software. The software ensures budget transparency by category, purchase orders, commitments and actual expenditures. This allows accurate monitoring of incurred costs and remaining costs based on the stage of the project. Each project lead is responsible for 5 or 6 projects and participates in site meetings every two weeks to ensure that the projects are running smoothly.

In order to ensure proper budget control for projects, the facilities department ensures that the documentation for each project is very clear. The facilities committee meets on a monthly basis to discuss current projects and to ensure the proper monitoring of project progress and costs.

The board has negotiated a preferential rate with National Bank for obtaining short-term loans. Desjardins offers the same rate. The Ministry has also established a financing vehicle for longterm guidance through the OFA (Ontario Financing Authority) to ensure competitive rates for loans. Short-term financing is necessary for the board because it cannot secure long-term financing before 95% of the project is completed. Both the short- and long-term vehicles to which the board has access ensure that the board's cost of debt remains low.

The facilities department maintains a summary schedule of each capital project, containing all capital projects since the board's inception. This document includes the project budget, total expenditures, variances between actual costs and the planned budget, and the completion date. This report is presented to the board of trustees, and the summaries are updated on a regular basis. A list of renewal projects is presented to the school facilities committees with the status of the renewal plan and variances between actual costs and estimates.

Maintaining Current Approved Professional Service Providers

The board maintains a list of pre-qualified suppliers, contractors and professionals. When the board issues invitations to tender for a professional services provider, the board tries to keep the same services provider for several projects whenever possible. Often the geographic size of the school board is a problem. In this case, the board follows its purchasing policy to identify which steps to take for tender calls and which procedures to follow.

The board's purchasing policy includes a formal supplier approval process, described in the purchasing policy. When the board launches a tender call, a list of criteria is used to select the best supplier. The list of prequalified contractors, suppliers and professionals is regularly updated to ensure the availability of an accurate list at all times.

Recommendations

- The board should establish a basic template for future schools in order to minimize construction costs.

Appendices

Appendix A: Overview of the Operational Review

Operational Review Objectives

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

Recognizing the unique characteristics of each DSB, the specific purpose of the Operational Reviews is to:
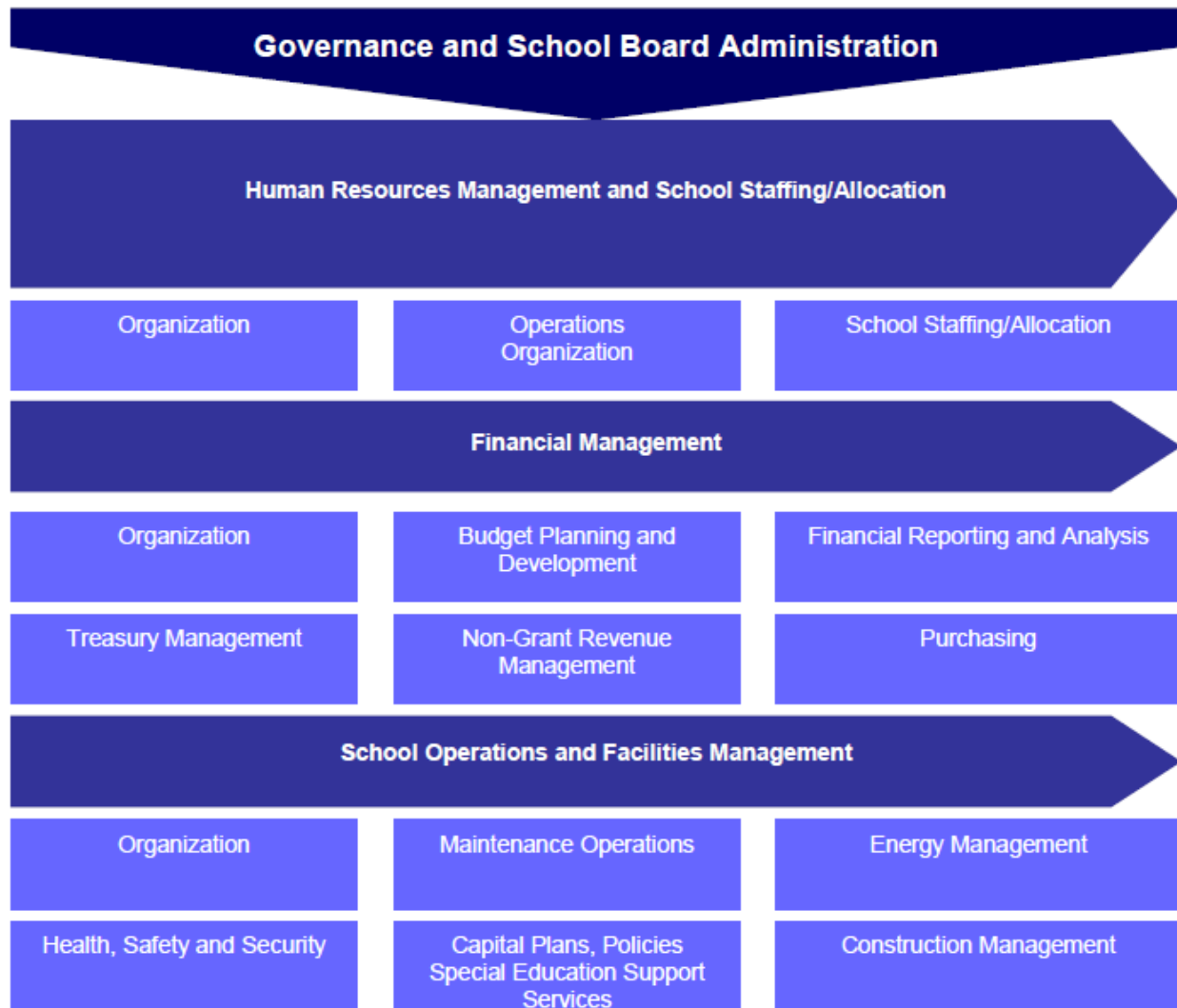
- Strengthen management capacity in school boards by developing recommendations that support improvement in non-academic operations;

- Highlight existing successful business practices used by school boards, to the sector and to school board communities;

- Leverage "Best Practices" across the education sector;

- Provide support and assistance to ensure that school boards are financially healthy, well managed, and positioned to direct optimum levels of resources to support student achievement;

- Provide the Ministry with important input on DSB capacity/capabilities for consideration in the ongoing development of policy and funding mechanisms.

Operational Review Summary Scope

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

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

Governance and School Board Administration

Human Resources Management and School Staffing/Allocation

Organization	Operations Organization	School Staffing/Allocation

Financial Management

Organization	Budget Planning and Development	Financial Reporting and Analysis
Treasury Management	Non-Grant Revenue Management	Purchasing

School Operations and Facilities Management

Organization	Maintenance Operations	Energy Management
Health, Safety and Security	Capital Plans, Policies Special Education Support Services	Construction Management

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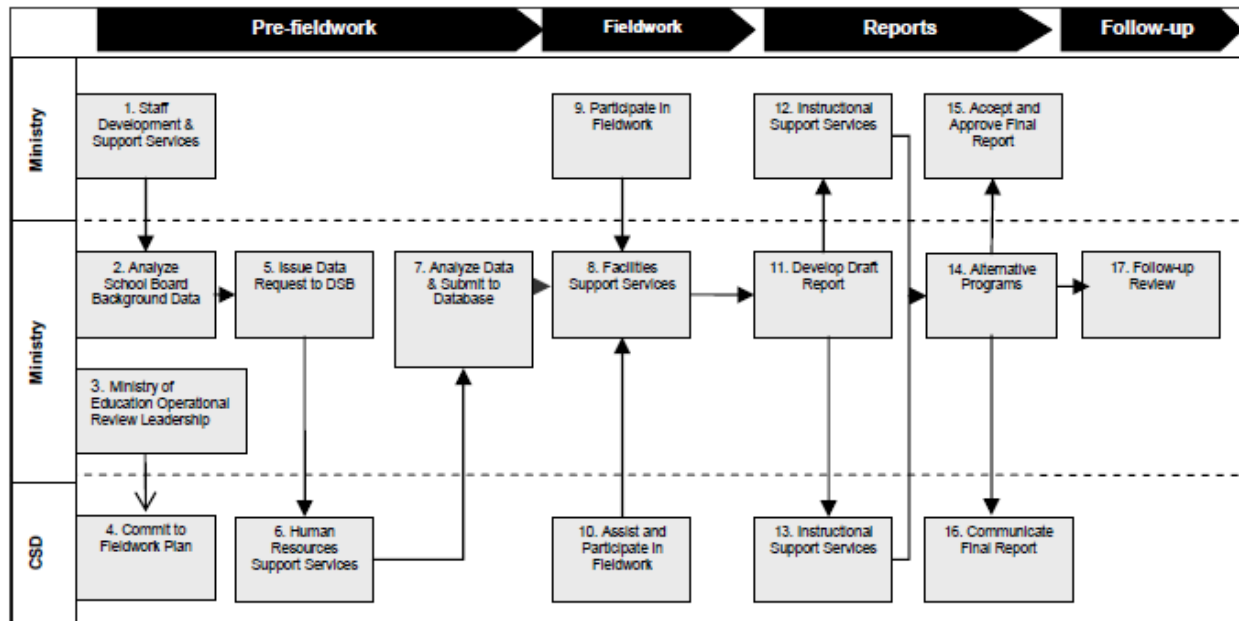
The table below defines the key phases and activities which comprise the Operational review Methodology.

Phase: Pre-Fieldwork

Key Activity	Description
Provide School Board Background Data	The Ministry collects and maintains significant quantities of board data. The Operational Review team has developed a standardized data request from the Ministry to provide background data for each board.
Analyze School 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 school 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 board before the start of field work.
Gather and Submit Required Documentation	Upon receipt of the request for supporting documentation, each school board compiles the requested data. School boards have at least three weeks to complete this process prior to the start of the fieldwork.

Key Activity	Description
Analyze Data & 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 School Board	The fieldwork is conducted for each school 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	School board staff participate in the fieldwork. The number of participants involved will vary depending on the size of the board.

Phase: Reports

| 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
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 school 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.
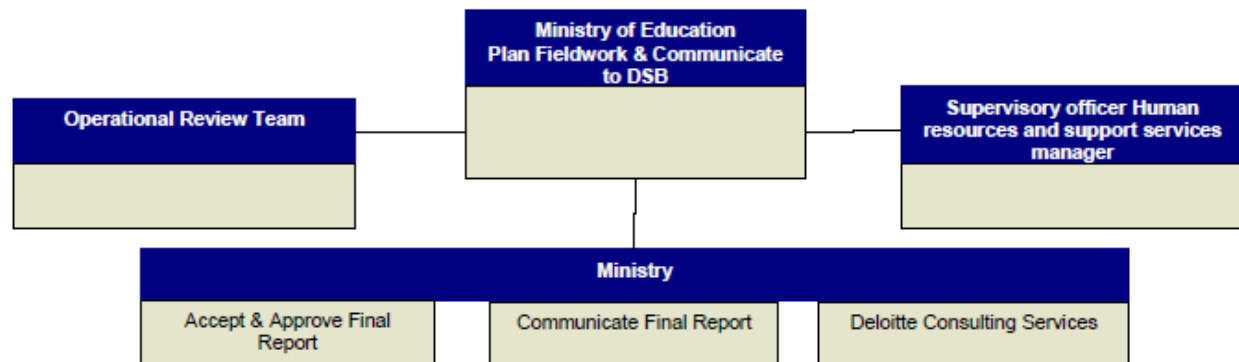
Limitations of this Review

The purpose of this report is to document the results of the Operational Review of the Conseil scolaire de district catholique du Centre-Sud. 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.	Recommendations
1.	The board should consider establishing a timetable for policy review to ensure the periodic review of policy in all functional areas. This could include the establishment of a committee responsible for policy to determine which policies require review or which should be developed.
2.	The board should consider establishing a formal succession plan for all board senior management positions in order to strengthen the board's initiatives to date.

Human Resource Management and School Staffing/Allocation

No.	Recommendations
3.	Management should established policies and procedures to minimize the incidence of grievances.
4.	HR management should develop policies and procedures for an employee evaluation/performance system for all staff, including executives.
5.	The board should develop a complete attendance management program to correct problems with certain kinds of absenteeism. This important initiative will provide the HR manager with a consistent and structured approach to improve attendance, by engaging in positive reinforcement with employees and adopting standardized practices across all employee groups.
6.	The school board should consider comparing rates of absenteeism with neighbouring school boards other French-language school boards across the province.
7.	HR Management should implement an approved pay equity plan, to be reviewed periodically and amended as necessary.
8.	HR management should periodically conduct independent compliance audits of the board's insurance carrier (management services only), which manages the processing of medical and dental claims, to ensure adherence to the benefit plan's terms and conditions.

Financial Management

No.	Recommendations
9.	The school board should consider formalizing an internal audit function. This would include a broader audit of financial and management controls. Management could start by identifying options for the mandate and scope of this function and the estimated cost for each option.

No.	Recommendations
10.	Management should develop an investment policy in order to manage risks, as required by the Education Act.
11.	The finance department should consider using electronic payment systems for its non-grant revenues to gain greater efficiency and minimize the risk of payments being altered prior to clearing the bank.
12.	Management should implement an electronic supplier interface for ordering, processing and payment, including the use of supplier portals.

School Operations and Facilities Management

No.	Recommendations
13.	The school board should also prepare an annual report on the overall conservation savings achieved relative to those envisioned by the plan.
14.	Management should ask utility companies to provide consolidated billing in an electronic format. This would support more efficient monitoring and forecasting of energy consumption and reduce the workload of the accounts payable department.
15.	The board should establish a basic template for future schools in order to minimize construction costs.