

Ministry of Education

**Conseil scolaire de district catholique
Franco-Nord
Follow-up Report to the Operational
Review**

January 2011

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1. Introduction

The Ministry is in the process of conducting Operational Reviews of the 72 district school boards across the province. 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 best practices. By identifying opportunities for continual improvement, school board administration and operations will be aligned to support the government's highest priority: student achievement.

In accordance with the stated objectives of the Operational Reviews, the Ministry has also engaged school boards to participate in a status and implementation update as part of the Operational Review cycle. Occurring approximately 12 to 18 months after the issuance of the final operational review report, the purpose of the update is to discuss with each school board the progress made in implementing the recommendations contained in the final report. It will also provide school boards with an opportunity to communicate to the Ministry their thoughts on the process, benefits that have been derived, and areas where some adjustments to the process would be beneficial.

As the recommendations vary between school boards, both in terms of quantity and scope, the following criteria were developed to help focus the review team, and the school board, on specific recommendations:

- Is the recommendation linked to the 12 Areas of Opportunity identified in the 2008 Sector Summary Report (seven) and the 2009 Sector Summary Report (five)?
- Does the recommendation represent a move toward more Strategic Planning on the part of Boards?
 - The departments that are responsible for the business functions perform significant activities in support of Student Success. The update should profile whether or not the school board is establishing links between the academic and non-academic functions through its strategic goals and priorities.
- Does the recommendation represent an area of potential risk to the board?
 - As an example, financial systems that are antiquated and require staff with very specialized knowledge could potentially disrupt the operations of the school board should those business skills be lost.
- Is the recommendation deemed to have positive Return on Investment?

- For example, implementation of an attendance management system may have greater potential for savings to the school board than introducing an electronic funds transfer system.
- Does the recommendation reflect updates to the Leading Practices?

For each of the selected recommendations, the school board was asked to provide the following information to the Operational Review team:

- Description of action(s) taken/not taken by the board to address recommendation(s).
- Supporting documentation
- If implemented, describe benefits derived, if possible, and date of implementation.

Details of the prioritization of the recommendations can be found in Appendix A of this report.

The scope of the follow up review also includes high-level consideration of whether the school board demonstrates adoption of those leading practices that were added to the third edition of the Operational Review Guide, released to the sector in September 2009. These were not part of the original review process.

2. Status and Implementation Update

Introduction

The Conseil scolaire de district catholique Franco-Nord Operational Review follow-up took place on October 25, 2010, which was approximately 18 months after the release of the initial Operational Review report. The Deloitte Operational Review team conducted a teleconference with school board senior administration, specifically the SBO and Director of Education.

Summary of Recommendation Status

The school board has made progress in implementing the recommendations since the completion of its Operational Review in March 2009. Of particular note are the steps taken to implement annual department plans for each department including those that were not part of the operational review as well as incorporating all components of Bill 177 into their governance documents.

Following the release of the Operational Review report, management presented the report to the Board of Trustees (the Board). There were 15 recommendations made in the original report. The Operational Review team focused on 12 of the recommendations in the follow-up review. Five of the recommendations were from the 12 areas of opportunity identified across the sector in the 2008 and 2009 sector reports; four related to strategic planning; three were identified with having a positive return on investment; and three concerned specific areas of risks. The selected recommendations and the corresponding criteria are listed in Appendix A.

Overall, the school board's senior administration has either implemented or has made some progress on the majority of the recommendations chosen for follow-up.

The school board reported that the operational review process was a very positive experience. They spoke about the timing being ideal as it occurred before the development of the school board's strategic plan which allowed the senior team to incorporate the recommendations into the school board's operational and departmental plans. The Director noted that the operational review provided the school board with validation of the direction that the school board is taking in a number of areas. This in turn has provided some additional momentum for moving forward on a number of operational components. In addition, the Director commented that the review made her school board much more comfortable with the idea of collaborating and partnering with other boards in the implementation of certain recommendations including the school board's employee benefit plans.

3. Governance and School Board Administration

#1 Delineation of Roles and Responsibilities

Operational Review Recommendation	Implementation Update
To complement existing agreements, the Board should create an official document that clearly delineates the division of duties between the board of trustees, the Director of Education and the executive committee.	Implemented

#2 Annual Operational Plan

Operational Review Recommendation	Implementation Update
The school board should consider widening the scope of the annual operational plan to include human resources, financial management and facilities management. The annual operational plan should identify initiatives that contribute to achieving long-term objectives, and that ensure alignment with operational departments. This will enable the departments to track and report progress of their defined priorities and goals throughout the year.	In Progress

#3 Policy Review

Operational Review Recommendation	Implementation Update
The Board should consider establishing a formal policy to ensure periodic review of policies across all functional areas. This could include forming a policy review committee to consider policies for review or development.	Implemented

#1 Delineation of Roles and Responsibilities

Management reported that the Board has revised their policy “Internal Regulations” which includes the description of duties for the trustees, the Director of Education, the Chair, Vice-Chair and the executive committee. The Board has determined a new direction for governance which focuses on a policy governance model. The Board reported that they are being guided by Bill 177 in this regard.

The Board has also published a new policy on student achievement and Board governance which clearly defines the trustees’ and executive committee roles. This new policy also clearly stipulates the primary responsibility of the school board is student achievement.

#2 Annual Operational Plan

The school board has developed a strategic plan that is a combination of the board improvement plan and operational plan. The plan includes key initiatives from all departments within the board, including human resources, finance management and maintenance, health and safety and security management. The school board has also ensured that the goals from those departments not within scope for the operational review have been included in the school board's strategic plan.

The strategic plan is now the basis for the annual operating plan for the whole of the school board. The annual operating plan has key performance indicators assigned to each goal in order to measure progress. On a quarterly basis, each department is required to report to senior administration on the progress against their indicators.

Each department also uses the strategic and operating plans as the basis for their own departmental annual plan. This ensures each department is in line with the school board's vision and strategy.

The plan is used as a communication tool and is presented to the entire school board staff, trustees and external stakeholders to ensure transparency.

#3 Policy Review

The school board has implemented a formalized three-year policy review cycle as of September 2009. Management has created a policy review calendar which demonstrates which policy is slated for review. The Board's goal is to ensure that every policy will have been reviewed by 2012. The policy review cycle has allowed a structured approach to the review and update of the Board's policies.

4. Human Resource Management and School Staffing/Allocations

#1 Annual Departmental Plan

Operational Review Recommendation	Implementation Update
The HR department should consider developing an annual departmental plan that aligns with the overall strategic plan. This will enable the department to track and report the progress of its defined priorities and goals throughout the year.	In Progress

#2 Attendance Management

Operational Review Recommendation	Implementation Update
The department should develop a comprehensive attendance management program, including policies and procedures to address specific categories of absenteeism. This would provide management with a consistent and structured approach to improve attendance, including positive reinforcement for employees and standardized practices across all employee groups.	In Progress

#3 Management of School Board's Employee Benefit Plans

Operational Review Recommendation	Implementation Update
Management should conduct periodic audits of the insurance company that manages the school board's medical and dental claims (administrative services only) in order to ensure that the claims from the Board are processed in accordance with the plan's terms and conditions.	In Progress

#1 Annual Departmental Plans

Departmental plans are currently being developed in alignment with the strategic and operational plan. Each department uses the strategic and operational plans as a basis for their own departmental annual plan to ensure each department's activities are in line with the school board's strategic plan.

Management is encouraged to continue developing an HR departmental plan.

#2 Attendance Management

Management is working toward developing an attendance management program to help track attendance and disability management. They have enlisted the support of School Board Cooperative Inc. (SBCI) and have assigned the development of the program to

the Manager of HR. All staff members were advised that this was taking place through a memo from the Director and a meeting with all staff. The Director outlined the importance of positive and regular communication throughout this process. In addition, union representatives were invited to appoint a member to the consultative committee that the school board set up for the purposes of rolling out an attendance management program. The HR department is encouraged to periodically report to the Board and senior management on the effectiveness of its attendance management program once it is in place.

#3 Management of School Board's Employee Benefit Plans

The school board does not presently have a process to ensure the school board's medical and dental claims (administrative services only) are audited by a third party. However, management requested and received a report from the school board's insurance carrier of controls used at present and is in the process of determining if the current procedures in place by the board's insurance carrier are adequate. Pending this assessment, the school board will determine what direction they should take.

It was reported that the school board is currently in discussions with the 11 other French school boards to determine whether they should collectively consider hiring an external party to perform an audit of the insurance carrier.

5. Financial Management

#1 Annual Departmental Plan

Operational Review Recommendation	Implementation Update
<p>The finance department plan should prepare a more formalized annual plan that demonstrates alignment to the Board's strategic plan and improvement plan. A more specific plan will provide greater clarity to departmental and other Board staff on the annual priorities. This will enable the department to track and report progress of its defined priorities and goals throughout the year.</p>	In Progress

#2 Internal Audit Function

Operational Review Recommendation	Implementation Update
<p>Management and the Board should consider formalizing an internal audit function. This would include a broader audit of financial and management controls and adherence to board policies. Management could start by identifying options for the internal audit's mandate and scope, and the estimated annual cost of each option.</p>	In Progress

#3 Audit Committee

Operational Review Recommendation	Implementation Update
<p>Management and the board of trustees should consider including external advisors to contribute to the effectiveness of the finance committee whose mandate is to perform internal audits.</p>	In Progress

#1 Annual Departmental Plan

Departmental plans are currently being developed in alignment with the school board's strategic and operational plan. Each department uses the strategic plan as a basis for their own departmental annual plan to ensure each department's activities are in line with the school board's vision.

Management is encouraged to continue developing a Finance departmental plan.

#2 Internal Audit Function

Management is currently preparing to implement the recommendation to revise its current internal audit function capacities.

Management indicated that it is closely monitoring the Ministry's direction regarding the provision of internal audit services on a regional shared services basis in conjunction with several other district school boards. Management intends to modify the internal audit mandate of the school board to align with the new Audit Committee Regulation which came into effect in September 2010.

#3 Audit Committee

The Board currently has a finance committee that operates as an audit committee. Management indicated that it is closely monitoring the Ministry's direction regarding audit committees and will establish an audit committee with external members by January 31, 2011 in accordance with the new regulation.

The school board is currently in the process of recruiting external members to establish an audit committee. They reported that they do not foresee this to be a problem as the community is quite eager to get involved with the school board. The first meeting of the audit committee is slated for February 2011.

The school board should continue to become familiar with the new Audit Committee Regulation and the Ministry's internal audit initiative including the establishment of the Regional Internal Audit Teams and the development of a risk assessment to establish priority areas for internal audit activities.

6. School Operations and Facilities Management

#1 Automated Work Order System

Operational Review Recommendation	Implementation Update
The maintenance health, safety and security department should research the cost/benefit of a new automated work order system to streamline the management dispatch, tracking and reporting of facility renewal and general maintenance work orders.	In Progress

#2 Energy Management Plan

Operational Review Recommendation	Implementation Update
The Board should concentrate its energy management initiatives. It should develop a system-wide, multi-year energy management plan with appropriate consumption reduction targets. The Board should also ensure that it has tracking mechanisms in place to monitor consumption and energy costs for periodic reporting to individual schools, the executive committee and the board of trustees.	In Progress

#3 Consolidated Billing

Operational Review Recommendation	Implementation Update
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 in the accounts payable department.	In Progress

#1 Automated Work Order System

The department is currently reviewing various options for the implementation of an automated work order system and has assigned one of its employees to undertake a cost benefit analysis of implementing an automated work order system. In addition, this individual has also been tasked to speak to other French boards that are currently using an automated work order system to gauge their level of satisfaction with the system. Conversations with other departments are also taking place to see if this would be of benefit to them.

The current forecast for the completion of the cost/benefit analysis is scheduled for March 2011, at which time the department will have come to a decision. The department reported that they are looking at using the features available through the

current HRIS system that is shared by most of the French school boards. The department's goal is to include the cost of the new work order system as part of the budget for the following fiscal year, should they decide to move forward.

The school board is encouraged to continue with their software selection process with an ultimate aim of implementing an automated work order system that meets the long-term needs of the school board.

#2 Energy Management Plan

The department has enlisted the help of an external firm to conduct an energy audit of the school board. As part of this audit, the company will be looking at the use of energy in each school and identify a means to calculate and report on consumption.

In addition, the school board has also enlisted the help of PCL to provide them with a recommendation on the purchase of equipment that will reduce the use of energy in classrooms; the replacement of the HVAC system and windows with energy efficient products; and ensuring any further renovations are done using eco-efficient materials.

Management is encouraged to continue in their efforts to establish a multi-year energy management plan.

#3 Consolidated Billing

The school board has conducted research to determine the extent to which consolidated billing is feasible. The school board has expressed concern over the cost of such an endeavour and is considering working with other French school boards to determine a cost effective means of obtaining consolidated billing. The school board is encouraged to continue its work in this area and to implement consolidated billing.

7. School Board Adoption of New Leading Practices

The following leading practices were added to the Third Edition of the Operational Review Guide that was released to the sector in September 2009. Some of these leading practices are a result of the observations and learning's during Wave 1 & 2 reviews.

School boards that were reviewed prior to September 2009 were not assessed against the new leading practices identified below. During this follow-up review process, the Operational Review team asked those school boards to comment on the extent to which they demonstrate adoption of these practices.

Governance and School Board Administration

There were no additions to leading practices under this section.

HR Management and School Staffing/Allocation

New Leading Practice	Adopted?
The school board maintains appropriate process and systems to monitor staff attendance on a timely basis	In progress

The school board is in the process of implementing a new attendance management system that will help enhance monitoring and tracking of attendance trends.

Financial Management

New Leading Practice	Adopted?
Management ensures adequate controls are in place to safeguard non-grant revenue and coordinate the annual reporting of revenues and expenditures from all sources.	Yes
Approved procurement policies clearly outline circumstances under which the board will use competitive versus non- competitive procurement methods.	Yes

The school board records all non-grant revenues on a separate control list which are reviewed by the administrative assistant, the financial analyst and the controller.

The school board has implemented the Supply Chain Guideline recommendations by refreshing their procurement policy to include all mandatory elements such as a supply chain code of ethics and the criteria required to conduct non-competitive procurement.

Operations and Facilities Management

New Leading Practice	Adopted?
The school board has implemented a formal green clean program as part of its overarching Environmental Education Policy.	In progress
Develop, implement and monitor an occupational health and safety strategy and/or plan that reflect the school board's occupational health and safety policies and administrative procedures and ensure the school board is in compliance with associated occupational health and safety statutory requirements.	Yes
Develop, implement and monitor a security strategy and/or plan that reflects the board's security and student safety policies and administrative procedures and ensures the board is in compliance with statutory/policy security requirements.	Yes
Develop, implement and monitor a health strategy and/or plan that reflect the board's health policies and procedures and ensures the school board is in compliance with statutory health requirements.	Yes
In constructing, acquiring, operating and managing school facilities, the school board is guided by the principles outlined in the <i>Ontario Green Energy Act, 2009</i>	Yes
Management gives full consideration to the use of available school space in their local communities before proceeding to build, purchase or lease other spaces.	Yes

The school board reported that it is making progress on the leading practices under operations and facilities management.

For example, the school board has participated in a training session organized by the Ministry of Education in October. They will be launching a pilot project for a green clean program as part of the overarching Environmental Education policy similar to the Ministry's green clean pilot program.

The school board has an Occupational Health and Safety (OHS) program which has been in effect for over 20 years. The school board also has several OHS directives which align with an overarching school board OHS policy.

The school board has all the major components of a security strategy in place, through policies and directives which fall under a consolidated code of conduct. This code of conduct provides a central resource and provides guidance on risk management, student safety, snow removal and a weekly and annual inspection program for land and school playgrounds, etc.

The department has created a health strategy policy. It was reported that health and well-being is a significant component of the maintenance health, safety and security department. Each school has its own daily physical activities program and each school

is required to respect the directives on trans fat, food and beverages in the schools. The school board also has three social workers on staff as well as a drug abuse counsellor. All these efforts are aligned with the school board's vision to encourage good habits and offers support to students in need.

Management closely monitors the *Ontario Green Energy Act* and ensures its principles are used in the board's construction, acquisition, operation and management of school facilities.

Management reported they give full consideration to the use of available school space in their local communities before proceeding to build, purchase or lease other spaces. Management reported that this has always been part of their process and that the school board does consider operating classrooms in other sites.

Appendix A – Selection of Recommendations

- **SP** - Strategic Planning (SP)
- **AR** - Areas of Risk Categories
 - AR 1 - Undue reliance on specific human and / or non-human resources
 - AR 2 - Reputational risk in the community from not acting on the recommendation
 - AR 3 - Financial risk impacting school board's financial position
- **ROI** - Potential for material Return on Investment
- **TAO** - Twelve Areas of Opportunity from 2008 sector report (seven) and the 2009 sector report (five)
- **NLP** – New leading practices introduced in Wave 4 through the Third Edition of the Operational Review Guide.

Governance and School Board Administration

Ref.	Recommendation	Follow-up Yes/No	Criteria
1.	To complement existing agreements, the Board should create an official document that clearly delineates the division of duties between the board of trustees, the Director of Education and the executive committee.	Yes	SP / TAO
2.	The school board should consider widening the scope of the annual board improvement plan to include human resources, financial management and facilities management. The annual board improvement plan should identify initiatives that contribute to achieving long-term objectives, and that ensure alignment with operational departments. This will enable the departments to track and report progress of their defined priorities and goals throughout the year.	Yes	SP
3.	The Board should consider establishing a formal refresh policy to ensure periodic review of policies across all functional areas. This could include forming a policy committee to consider policies for review or development.	Yes	TAO

HR Management and School Staffing/Allocation

Ref.	Recommendation	Follow-up Yes/No	Criteria
4.	The HR department should consider developing an annual departmental plan that aligns with the overall strategic plan. This will enable the department to track and report the progress of its defined priorities and goals throughout the year.	Yes	SP
5.	The department should develop a comprehensive attendance management program, including policies and procedures to address specific categories of absenteeism. This would provide management with a consistent and structured approach to improve attendance, including positive reinforcement for employees and standardized practices across all employee groups.	Yes	ROI /TAO
6.	Management should conduct periodic audits of the insurance company that manages the school board's medical and dental claims (administrative services only) in order to ensure that the claims from the Board are processed in accordance with the plan's terms and conditions.	Yes	ROI
7.	Management should develop a formal plan for conducting periodic staff surveys. This would improve communication with staff and encourage input for professional development plans and HR policy.	No	

Financial Management

Ref.	Recommendation	Follow-up Yes/No	Criteria
8.	The finance department plan should prepare a more formalized annual plan that demonstrates alignment to the Board's strategic plan and improvement plan. A more specific plan will provide greater clarity to departmental and other Board staff on the annual priorities. This will enable the department to track and report progress of its defined priorities and goals throughout the year.	Yes	SP
9.	Management and the Board should consider formalizing an internal audit function. This would include a broader audit of financial and management controls and adherence to board policies. Management could start by identifying options for the internal audit's mandate and scope, and the estimated annual cost of each option.	Yes	AR3

Ref.	Recommendation	Follow-up Yes/No	Criteria
10.	Management and the board of trustees should consider including external advisors to contribute to the effectiveness of the finance committee whose mandate is to perform internal audits.	Yes	TAO
11.	The finance department should review and amend its purchasing policy to ensure that approval limit thresholds are aligned with the jobs and roles of managers. This would ensure that CSDCFN needs are in line with that of other school boards.	No	

School Operations and Facilities Management

Ref.	Recommendation	Follow-up Yes/No	Criteria
12.	Given that the Board has recently bought new cleaning equipment, it should consider developing procedures to track its inventory and maintain a database on the age, location and state of the equipment.	No	
13.	The maintenance health, safety and security department should research the cost/benefit of a new automated work order system to streamline the management dispatch, tracking and reporting of facility renewal and general maintenance work orders.	Yes	ROI
14.	The Board should concentrate its energy management initiatives. It should develop a system-wide, multi-year energy management plan with appropriate consumption reduction targets. The Board should also ensure that it has tracking mechanisms in place to monitor consumption and energy costs for periodic reporting to individual schools, the executive committee and the board of trustees.	Yes	ROI/ TOA / AR3
15.	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 in the accounts payable department.	Yes	AR1