

Ministry of Education

**Avon Maitland District School Board
Follow-up Report to the Operational
Review**

August 2009

Table of Contents

1. Introduction	1
2. Status and Implementation Update	3
Introduction	3
Summary of Recommendation Status	3
3. Governance and School Board Administration.....	4
#1 Policy Review Requirement.....	4
#2 Strategic Planning.....	4
4. Human Resource Management and School Staffing/Allocations	6
#1 Development and Reporting of Annual Goals and Priorities.....	6
#2 Attendance Management.....	6
5. Financial Management.....	8
#1 Internal Audit Function.....	8
School Audits, in concert with release of AP513 on School Generated Funds.....	8
Expanded reporting for Special Grants	9
Finance Training for Trustees	9
#2 Joint Purchasing Opportunities.....	9
6. School Operations and Facilities Management.....	11
#1 Strategic Planning.....	11
#2 Multi-Year Maintenance and Renewal Plan.....	12
#3 Energy Management Plan	13
7. School Board Adoption of New Leading Practices.....	14
Governance and School Board Administration	14
HR Management and School Staffing/Allocation	14
Financial Management	15
Operations and Facilities Management	15
Appendix A – Selection of Recommendations	16

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 8 to 12 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 7 Areas of Opportunity identified in the August 2007 Sector Summary Report?
- 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 second edition of the Operational Review Guide, released to the sector in September 2008. These were not part of the original review process.

2. Status and Implementation Update

Introduction

The Avon Maitland District School Board Operational Review follow-up review took place on July 10th, 2009, which was approximately twelve months after the release of the Operational Review report. The Operational Review team conducted a teleconference with the Superintendent of Business and Treasurer of the Board.

The Avon Maitland District School Board has experienced a few changes at the senior administration level with the appointment of a new Director of Education and Superintendant of Human Resources.

Summary of Recommendation Status

The school board has been very proactive in adopting the recommendations of the operational review report in virtually all areas. For example, the school board has created a new position for an Attendance Support Officer as part of its plan to implement a comprehensive and formal attendance management program. The finance department has pursued various joint purchasing opportunities with its co-terminus school board and with OntarioBuys. The school operations and facilities management department has implemented an annual departmental planning process and a multi-year maintenance and renewal planning process.

The Board of Trustees have had an opportunity to review the report and senior administration has kept the Board updated on the progress of all recommendations on a periodic basis.

There were 16 recommendations made in the original report. The Operational Review Team focused on 9 of the recommendations in the follow-up review. Five of the recommendations were from the seven areas of opportunity identified in the 2007-08 Summary Report, three are in the area of strategic planning, and one relates to areas of potential risk. The selected recommendations and the corresponding criteria are listed in Appendix A.

Overall, senior administration has either implemented or has made significant progress in all of the recommendations chosen for follow-up. There were no recommendations where senior administration has chosen not to accept and implement.

3. Governance and School Board Administration

#1 Policy Review Requirement

Operational Review Recommendation	Implementation Update
The Board should consider improving compliance with its annual policy review requirement, to ensure that all policies remain current. The Board may also consider changing the existing review cycle, based on the limited number of policies and the nature of each policy. The Board should also specify the last review/revised date for all policies, to demonstrate compliance. Management should consider extending these practices to its procedures.	In Progress

#2 Strategic Planning

Operational Review Recommendation	Implementation Update
Management should continue to develop and finalize the balanced scorecard approach to strategic planning and performance measurement. All departments should develop and implement balanced scorecards linked to the system-level scorecard.	Implemented

#1 Policy Review Requirement

The school board representative indicated that all policies of the school board will be reviewed in 2009-10 on an ongoing basis. The Board's policies (10) and administrative procedures are strategically linked, so a review of both policies and administrative procedures is being organized.

The supporting administrative procedures (AP) will be organized in batches for review, starting with the curriculum and assessment procedures. These procedures will be reviewed with an eye to align with current Ministry of Education direction. The Board currently has close to 300 APs. Starting in 2009, and extending to 2011, all APs will be reviewed with the purpose of ensuring current alignment with Ministry expectations. Where possible, consolidation of these APs will take place. The ultimate goal will be to create procedures that are concise and current.

#2 Strategic Planning

A Trustee and Senior Staff workshop session was held on October 25, 2008 to confirm board goals and collaboratively set the strategic direction for the Board for 2009 through 2012. The *Strategic Directions* document, with accompanying performance indicators, were finalized over subsequent months and brought to the Board for acceptance in April

2009. A key change from previous years was the embedding of the performance indicators tied directly to the individual Board goals. These metrics will provide the benchmarks for evaluating the school board's progress. The overarching theme is continuous improvement in support of student success, with guiding principles of 'character', 'sustainability' and 'service leadership' identified as to how all staff will operate. There is a sharp focus, with implementation supported by regular monitoring, assessment and employee empowerment.

The Annual Action Plan has been aligned with the draft Strategic Directions and shared with the board in December 2008. The implementation, in support of overall student success, focuses on professional learning teams at the principal level and teacher level. Professional networking between schools was also encouraged. An integral component was the receiving of regular feedback from principals and teachers on the effectiveness of support they're receiving from Senior Staff. This core work was regular reported on to Senior Staff and to Trustees of the Board.

Going forward, there will be a deliberate intent to ensure alignment of the Strategic Directions, Annual Action Plan, School Improvement Plan and Service Department Improvement Plan.

4. Human Resource Management and School Staffing/Allocations

#1 Development and Reporting of Annual Goals and Priorities

Operational Review Recommendation	Implementation Update
The department should consider adopting a balanced scorecard approach to planning and performance tracking. This will ensure consistency with other departments and establish a more formal process for annual goals development and reporting.	Implemented

#2 Attendance Management

Operational Review Recommendation	Implementation Update
The department should proceed with its plans to develop and implement a formal attendance management program, based on the needs assessment. HR should improve the accuracy and integrity of its attendance data, to facilitate formal trend analysis and assessment in the future.	In Progress

#1 Development and Reporting of Annual Goals and Priorities

As stated above, Trustees and Senior Staff worked through a collaborative process of strategic planning that has set direction for the Board through 2012. This process helped define short and long term targets for the Human Resources department.

Specifically, the department will be gathering data and setting targets related to:

- staff reaction to professional development opportunities
- employee satisfaction related to decision making processes and equity and equality practices
- retention of new staff
- health and wellness of the workplace
- attendance management

#2 Attendance Management

The school board representative indicated that a wellness committee was implemented in April 2009 with representation from all employee groups. It held an initial meeting to explain the purpose of the committee. The school board is in the process of making

amendments to current procedures regarding attendance and early and safe return to work as recommended by the school board's outside advisor.

Senior administration has implemented formal Return to Work plans for employees who have been off due to occupational and non-occupational illness. HR staff has also held attendance meetings with several employees who are at a zero balance in their sick leave account. Concerns were discussed and in some cases the employee was requested provide medical evidence to support the absences.

In addition, HR has started a wellness initiative that includes fitness sessions and yoga after work for interested employees beginning September 2009. Management is also exploring the possibility of implementing a 'weight watchers at work' program for the fall.

The Board also added a new position for an Attendance Support Officer. The Attendance Support officer began duties on January 7, 2009. Since then several Return to Work meetings have been held with employees who were on both occupational and non-occupational related sick leave. Formal Return to Work plans have been implemented for people needing accommodations or modifications to their work space or schedule for both occupational and non-occupational roles. In many cases employees have returned earlier than they may normally have, knowing that these types of accommodations are available to them.

In terms of benefits, the school board reported that a reduction in the use of random sick days has been noted for some of the individuals where an attendance meeting was held. The Attendance Support Officer continues to monitor attendance for employees with particular interest in individuals who are very close to a zero balance in their sick leave account. Meetings have been held with individuals where we have tried to get to the 'root' of the attendance problem and in some cases have had to make some adjustment to schedule or assignment to help to alleviate the attendance concern, for example an EA who is assigned to a particularly aggressive student may need to switch off more frequently with a colleague in order to reduce work related stress, the result will hopefully be an improvement in the employees attendance pattern.

5. Financial Management

#1 Internal Audit Function

Operational Review Recommendation	Implementation Update
Management and the Board should consider establishing an internal audit function. Management could start by identifying options for its mandate and scope and the estimated annual cost for each option. Management's proactive assessment of need and cost would be a useful first step.	In Progress

#2 Joint Purchasing Opportunities

Operational Review Recommendation	Implementation Update
Management should continually examine and pursue joint purchasing opportunities with other boards, municipalities and other local agencies.	In Progress

#1 Internal Audit Function

The school board agrees that it would be beneficial to have an internal audit function; however, when this was first raised during the Operational Review, the Finance staff raised the issue of cost and the Board's lack of funding to pay for such a function. In the meantime, with the release of the 2009-10 Grant for Student Needs (GSN) the Ministry announced initial funding to support a 'shared' internal audit function amongst boards. The Ministry has indicated that there will be discussion with boards in the fall, and the management fully intends to be part of that discussion.

The school board has always maintained a stand-alone Audit Committee with external members, and has advertised for external volunteers to sit on the audit committee. Senior administration has shared with all boards which have expressed an interest, the advertisement used in this regard.

In the interim, the school board has been expanding the accountability-type work performed by Finance Department Staff, as indicated below. The ability to access funds to help support or expand these initiatives would be most helpful.

School Audits, in concert with release of AP513 on School Generated Funds

Management has conducted 11 school audits over the course of 2008-09 plus two follow-up visits to the original school audits. Staff have worked with schools to standardize practices for handling cash and increased the training/support to schools in the finance area. This has resulted in more consistent practices across the system,

greater comfort over the cash handling in the schools, increased awareness of school administrators over the potential risks.

Expanded reporting for Special Grants

Management has provided responsible departments with monthly financial reports and required follow-up on the spending/status of the grant spending. A database was finalized for tracking accountability and reporting requirements for special grants. In order to increase transparency amongst departments, a complete listing of grants, grant revenues, responsible departments and expected outcomes was created for senior staff and shared with Trustees. This has resulted in meaningful discussion between departments and has helped break-down the protectionism over grant dollars. Senior staff is planning regular (bi-annual) reviews of special grant initiatives and spending, in order to ensure cross-departmental collaboration (and transparency) on the implementation of these initiatives.

Finance Training for Trustees

In order to increase the Trustees' understanding of financial items/issues, management conducted Trustee Finance Professional Development Sessions to discuss issues pertinent to trustee decision making such as; revenue calculations, special grants, budget timelines, Capital Asset tracking and budget flexibility. The sessions will continue into 09/10 and items to be addressed can be requested by Trustees and/or Finance staff. As a result, trustees have the resources they need to make more informed decisions. The discussion (at Finance Committee, for example) has moved away from the method of calculation or why the board is required to report in a certain way, to discussion on how to better align our spending to board goals

#2 Joint Purchasing Opportunities

Staff has started to identify sector-wide initiatives relating to joint purchasing. Management has been working through the Ministry of Finance's Broader Public Sector Supply Chain Secretariat (Ontario Buys) to assist with the implementation of BPS Purchasing Guidelines, as well as allowing for an opportunity to network with like-sectors (Hospitals, Municipalities, Post-Secondary, other boards etc) on purchasing practices.

Staff has attended information sessions regarding OntarioBuys initiatives with various entities including the Cooperative Purchasing Group of Waterloo and OASBO.

School board administration has been attending the sessions provided by the Ontario Education Collaborative Marketplace (OECM). Staff have been in contact with OECM on the group purchasing pilots underway, to ascertain whether the school board could take part. Staff have provided information to OECM to help with the facilitation of a

School Furniture group purchasing event. Staff requested information regarding the Photocopier purchasing event and after numerous unsuccessful attempts have been in contact with Ontario Buys staff for assistance, as this is a support offered by Ontario Buys.

Staff has attended information sessions regarding OECM with various initiatives including OEBA, OASBO and OntarioBuys itself.

Joint purchasing has been a difficult initiative for a small board such as Avon Maitland DSB to undertake without working through an organization such as Ontario Buys, to help create the network, and OECM, to act as facilitator. Due to the school board's reliance on these organizations, management is working within the timelines of OECM.

In the meantime, senior administration have been in contact with the school board's co-terminus board to discuss the possibility of a joint tender of school supplies for 2009/10 bulk purchase.

6. School Operations and Facilities Management

#1 Strategic Planning

Operational Review Recommendation	Implementation Update
The facilities department should continue its efforts to align its structure and operations with the Board's strategic direction and improve its effectiveness and efficiency.	Implemented

#2 Multi-Year Maintenance and Renewal Plan

Operational Review Recommendation	Implementation Update
Management should consider expanding its annual maintenance and renewal plan to a multi-year format, including the funding available to support the plan. This would provide a clear forecast of the Board's critical needs over the next several years.	Implemented

#3 Energy Management Plan

Operational Review Recommendation	Implementation Update
Management should consider establishing a formal multi-year energy management plan that incorporates quantifiable measures and is aligned with the strategic direction of the Board. Management should carefully consider the adequacy of the staff resources to support both the plan and the on-going requirements of its initiatives. As part of the plan, the Board should consider implementing a centralized technology to automate energy efficient practices.	In Progress

#1 Strategic Planning

The Facilities Management Department has continued their strategic alignment by maintaining activities such as:

- Continued Strategic Team meetings with the industry specialist facilitator over the course of 2008-09;
- Documented all key business processes;
- Developed an operational integrated asset management model; (currently under review)

- Conducted a software needs analysis, software package reviews and prepared a recommendation report;
- Conducted final review of short listed products;
- Identified a pilot project for both data collection and software preliminary implementation; (full implementation is under development)

#2 Multi-Year Maintenance and Renewal Plan

Staff has created a revised long-term maintenance and renewal plan (known as the “Strategic Plan” within the Facilities department). Data used to inform the process included the most current enrolment projections, the updated priority list developed from the Formal Facilities (building condition) Review undertaken in 2007-08 (the second one since amalgamation), ReCAPP data, accommodation review information and grant information. Buildings were analyzed for building condition, projected utilization in five years’ time, strategic location, and proximity of other schools.

An effort was made to include all departments (Special Education, Curriculum, HR, IT) in these meetings as management wanted to ensure awareness of plans, help constituents to think longer term (especially as potential changes could have implications for their departments), build awareness and capacity, avoid duplication of effort, and develop synergies where possible (for example between Facilities and IT).

This year’s process looked at the items of highest concern and dealt with them in year one (of a five year planning horizon) regardless of the status of the school (i.e. potential closure), then adjusted for financial constraints.

As the Strategic Plan is updated each year, this process will be followed, looking at the most urgent needs of all schools and only different items with priorities falling into subsequent years. In fact the planning for what was year two (2009-10) – now year one - has already commenced, as of the meeting Friday July 3, 2009). Thus the Strategic Planning process has become a multi year rolling tool for planning purposes.

Senior administration indicated that as a result of implementing this recommendation, sharing between departments has generated meaningful discussion between departments and built greater awareness of the system needs. This has helped to foster a system perspective in decision making, for example, helping break-down some of the protectionism around department budgets. Senior administration is developing more focus on longer term planning and helping people to think more strategically.

#3 Energy Management Plan

Senior administration have been working with the Dearness Foundation to establish benchmark energy consumption data in each of our schools.

Facilities staff is using the firm AgViro to conduct energy audits in a number of our schools and now the school board is hiring a replacement person to maintain SFIS, ReCAPP, provide data for the accommodation reviews and including energy management in that portfolio.

Management's plan is to first ensure clean baseline data exists for all schools before using this data to populate the utility consumption database which will help management monitor energy usage and savings, and which is also required by the Ministry. Management will then begin, with the Facilities staff and consultants to develop the multi-year energy management plan (remaining cognizant of connections with the board's Facilities Strategic Plan and the B5 memo funding).

7. School Board Adoption of New Leading Practices

The following leading practices were added to the Second Edition of the Operational Review Guide for District School Boards that was released to the sector in September 2008. Some of these leading practices are a result of the observations and learning's during Wave 1 & 2 operational reviews.

School boards that were reviewed prior to September 2008 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

New Leading Practice	Adopted?
The school board's governance model clearly delineates the division of duties between the board of trustees and the director of education. The board has established clearly defined duties and responsibilities to support an effective working relationship.	Yes
The board of trustees develops and communicates a multi-year strategic plan that provides a framework for annual planning.	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.	Yes
The director has established a formal succession plan to manage retirements and resignations of key managers/ administrators.	No

Management indicated that the school board has already adopted many of these leading practices. For example, the Board has had a long practice in delineating the roles and responsibilities between the board of Trustees and the Director of Education. Management has produced has a multi-year strategic plan. As well, the board of trustees and management has appropriate processes for policy management.

Although there is no formal succession plan in place, the board has focused on building leadership capacity within academic operations.

HR Management and School Staffing/Allocation

New Leading Practice	Adopted?
Management periodically reports on the effectiveness of the attendance management process/ programs to senior management and the board.	In progress
Management has established policies and procedures for staff/professional development and monitors staff take-up, budget, and outcomes.	Yes

New Leading Practice	Adopted?
Systems are in place and accessible by both HR and Finance staff to establish and track an approved level of staff.	Yes

As mentioned earlier in the report, the school board has continued to implement its planned attendance management program. An outside advisor has been contracted to further implement the attendance management program this fall.

As originally reported in the operational review, the school board has appropriate systems in place to track an approved level of staff by HR and Finance.

Financial Management

New Leading Practice	Adopted?
Management completes and files all financial reports in accordance with established timelines.	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 any recommendations are acted upon by management.	Yes
Management performs regular cash/funding forecasting to ensure the board's debt service can be met to maturity.	Yes
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
Purchasing Managers monitor and ensure compliance with the board's procurement policies and procedures.	Yes

The school board reported that it has already adopted many of these leading practices. Management completes and files all financial reports in accordance to established timelines. The board has an audit committee with external members as advisors for more than five years.

Operations and Facilities Management

New Leading Practice	Adopted?
Process exists to monitor new legislation and regulations and implement necessary changes.	Yes
Operations management follows Ministry guidelines, policy and legislation on healthy schools.	Yes

The school board reported that it has already adopted these leading practices.

Appendix A – Selection of Recommendations

- **SP** - Strategic Planning
- **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
- **SAO** - Seven Areas of Opportunity from 2008 sector report
- **NLP** – New leading practices introduced in Wave 3 through the Second Edition of the Operational Review Guide.

Governance and School Board Administration

Ref.	Recommendation	Follow-up Yes/No	Criteria
1.	The Board should consider improving compliance with its annual policy review requirement, to ensure that all policies remain current. The Board may also consider changing the existing review cycle, based on the limited number of policies and the nature of each policy. The Board should also specify the last review/revised date for all policies, to demonstrate compliance. Management should consider extending these practices to its procedures.	Y	AR2
2.	Management should continue to develop and finalize the balanced scorecard approach to strategic planning and performance measurement. All departments should develop and implement balanced scorecards linked to the system-level scorecard.	Y	SP

HR Management and School Staffing/Allocation

Ref.	Recommendation	Follow-up Yes/No	Criteria
3.	The department should consider adopting a balanced scorecard approach to planning and performance tracking. This will ensure	Y	SP

Ref.	Recommendation	Follow-up Yes/No	Criteria
	consistency with other departments and establish a more formal process for annual goals development and reporting.		
4.	The department should proceed with its plans to develop and implement a formal attendance management program, based on the needs assessment. HR should improve the accuracy and integrity of its attendance data, to facilitate formal trend analysis and assessment in the future.	Y	SAO
5.	The department should continue to conduct regular board-wide staff satisfaction surveys, and should consider conducting exit interviews.	N	

Financial Management

Ref.	Recommendation	Follow-up Yes/No	Criteria
6.	Management and the Board should consider establishing an internal audit function. Management could start by identifying options for its mandate and scope and the estimated annual cost for each option. Management's proactive assessment of need and cost would be a useful first step.	Y	SAO
7.	Management should consider implementing an electronic payment system for its continuing education, e-learning and community use of facilities programs. In doing so, management should review the existing electronic solutions in place at several other school boards.	N	
8.	Management should implement a procedure for the public advertising of tenders over \$25,000 on an appropriate electronic bulletin board. The Board's existing purchasing procedures should be revised and updated accordingly.	N	
9.	Management should continually examine and pursue joint purchasing opportunities with other boards, municipalities and other local agencies.	Y	SAO

School Operations and Facilities Management

Ref.	Recommendation	Follow-up Yes/No	Criteria
10.	The facilities department should continue its efforts to align its structure and operations with the Board's strategic direction and improve its effectiveness and efficiency.	Y	SP
11.	Management should complete their plan to establish consistent maintenance standards (particularly for major equipment and assets) for all facilities within the Board. Once the standards are established,	N	

Ref.	Recommendation	Follow-up Yes/No	Criteria
	management should ensure that results are monitored, measured, and reported annually.		
12.	Management should dedicate resources to continually update the data contained in the ReCAPP database, to ensure effective use of the data for maintenance and renewal planning.	N	
13.	Management should consider expanding its annual maintenance and renewal plan to a multi-year format, including the funding available to support the plan. This would provide a clear forecast of the Board's critical needs over the next several years.	Y	SAO
14.	Management should consider undertaking a review of the costs and benefits of implementing an automated system for work orders.	N	
15.	Management should consider establishing a formal multi-year energy management plan that incorporates quantifiable measures and is aligned with the strategic direction of the Board. Management should carefully consider the adequacy of the staff resources to support both the plan and the on-going requirements of its initiatives. As part of the plan, the Board should consider implementing a centralized technology to automate energy efficient practices.	Y	SAO
16.	Management should use the utilities consumption data that is currently tracked at a school level to better monitor and analyze consumption patterns by facility, independent of pricing influences. This would enable the facilities management department to set benchmarks for utilities consumption and related cost savings from the Dearness Conservation Initiative, the Eco Schools program and other conservation initiatives.	N	