

Ministry of Education

**Ottawa-Carlton District School Board
Follow-up Report to the Operational
Review**

July 2010

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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 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 Ottawa-Carleton District School Board Operational Review follow-up took place on June 17, 2010, which was approximately 12 months after the release of the original Operational Review report. The Deloitte Operational Review team conducted a teleconference with school board senior administration.

Summary of Recommendation Status

The school board has made progress in implementing the recommendations since the completion of its Operational Review in May 2009. Of particular note are the steps taken to move towards a comprehensive attendance management program and a school board P-Card program.

Following the Operational Review report, management presented the report to the Board of Trustees (the Board). There were 24 recommendations made in the original report.

The Operational Review team focused on 11 of the recommendations in the follow-up review. Nine 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, senior administration has either implemented or has made some progress on the majority of the recommendations chosen for follow-up.

3. Governance and School Board Administration

#1 Delineation of roles and responsibilities

Operational Review Recommendation	Implementation Update
To further support the effective and positive relationship between the trustees and senior administration, the Board should develop a document clearly defining the delineation of the roles and responsibilities between the board of trustees and senior school board staff.	In Progress

#2 Policy Review

Operational Review Recommendation	Implementation Update
The Board should develop a policy review cycle to ensure that all policies are up-to-date. Management should consider extending this practice to include administrative procedures.	Not Implemented

#3 Succession Planning

Operational Review Recommendation	Implementation Update
The Board should establish a formal succession plan to manage the retirements and resignations of key managers/administrators.	In Progress

#1 Delineation of roles and responsibilities

Management reported that the Board is working internally to determine and define the Board's role. The Board has struck a task force to examine the issue in detail and plans to report to the Committee of the Whole in the fall of 2010. Once the report is delivered and the Board has clarified its duties, roles and responsibilities, management will begin to more clearly define and delineate roles between senior administration and the Board.

The timing of the task force report is important. Management has suggested that if the report should be tabled and conclusions made prior to the Board election in the fall of 2010. It is possible that this issue may be put on hold till after the trustee elections in the fall. The school board is encouraged to continue to clearly define the delineation of the roles and responsibilities between the Board and senior school board staff.

#2 Policy Review

The school board has not formalized a policy review cycle. Management is in agreement that this is a sector best practice and aims to encourage the Board to implement a policy review cycle. The policy review cycle will allow a structured approach to the review and update of the school board's policies. The school board is encouraged to work on this leading practice to ensure its implementation.

#3 Succession Planning

The school board has yet to formalize an overarching succession plan, and does not have formalized recruitment policies and practices. Succession planning is a pressing concern as the school board is presently replacing four of 12 superintendents. The recruiting pool for academic superintendents is currently facing shrinkage as there are not enough internal applicants coming forward for SO positions despite the school board encouraging principals to get their SO papers. As a result, they have begun to recruit externally. A comprehensive succession plan for both academic and non-academic staff, will help anticipate future succession management challenges and outline steps to prepare for them. Management should continue to formalize a succession plan leveraging current recruiting practices.

4. Human Resource Management and School Staffing/Allocations

#1 Attendance Management

Operational Review Recommendation	Implementation Update
The school board should ensure that its attendance management program is utilized by all its functional areas.	In Progress

#2 Attendance Management Reporting

Operational Review Recommendation	Implementation Update
Management should periodically report to Board and senior management on the effectiveness of its attendance management program	In Progress

#1 Attendance Management

Management is working to fully implement the its attendance management module to help track attendance and disability management and intends to have it implemented for all staff by October 2010. Training on disability management has begun with the principal group and training on attendance management programs will begin in September for the principal group. At present, there is an ongoing dialogue with unions regarding the roll-out of the attendance management program. The department is encouraged to continue developing a comprehensive attendance management program, including policies and procedures to address specific categories of absenteeism. This will provide management with a consistent and structured approach to improve attendance, including positive reinforcement for employees and standardized practices across all employee groups.

#2 Attendance Management Reporting

The school board presently does not have the capacity to report to the Board on attendance management. Management hopes that the attendance management system, once implemented, will provide data for reporting. The school board 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. Financial Management

#1 Audit Committee

Operational Review Recommendation	Implementation Update
Management and the Board should include at least two external members on the Board's audit committee to advise and contribute to the committee's overall effectiveness.	Not Implemented

#2 P-Cards

Operational Review Recommendation	Implementation Update
Management should review its current practices with regard to P-Card usage, to ensure its P-Card program effectively meets school board objectives with the least amount of risk.	In Progress

#3 Accounting for Completeness of Purchase/Payment Cycle

Operational Review Recommendation	Implementation Update
Management should investigate opportunities to use on-line receipting in its financial system.	Not Implemented

#1 Audit Committee

The school board is currently waiting on the Ministry to release details regarding the responsibilities of external audit committee members. Management suggests they are prepared to move forward with the recommendation but note the Ministry is not planning to provide external audit committee member training until January 2011. Management also raised the concern that with four school boards in the Ottawa area there may be challenges recruiting qualified volunteers to become members of the committee. The school board is encouraged to move forward with their plans to include members in a timely manner once further direction from the Ministry is received.

#2 P-Cards

The school board currently uses P-Cards with its maintenance staff and is implementing a full P-Cards program in the fall. The next staff group to receive them will be office administrators. There is wide-spread support of the implementation of the program from unions, the Board's Audit Committee and the Director's Council. P-Cards will not be

distributed based on job title or position, but rather, based on need. All decisions regarding P-Card allocation will be approved through the Director's office. Management will periodically review receipts to ensure compliance with P-Card usage policies.

The school board is encouraged to continue in their progress regarding this recommendation. In doing so, the school board will aim to reduce the volume of supplier invoices processed by accounting and decrease reliance on corporate credit cards. This would identify optimum threshold limits to maintain budgetary controls and manage the volume of invoices.

#3 Accounting for Completeness of Purchase/Payment Cycle

Online receipting has been a priority for the school board, although it has yet to be implemented. Management has experienced resistance from administrators on the implementation of online receipting because of concerns regarding increased workload. Management intends to focus first on implementing P-Cards, which may reduce the volume of manual transactions, potentially decreasing the need for an online receipting system. The school board is encouraged to continue with the implementation of its P-Card program and to continue evaluating the applicability of an online receipting system.

6. School Operations and Facilities Management

#1 Annual Departmental Plan

Operational Review Recommendation	Implementation Update
The department should develop an annual departmental work plan that aligns with the objectives in the Board's annual district goals and multi-year strategic plan. The departmental work plan should set targets, timelines and assigned responsibilities for key activities.	In Progress

#2 Multi-Year Maintenance and Renewal Plan

Operational Review Recommendation	Implementation Update
Management should consider establishing a multi-year maintenance and renewal plan, including the funding available to support the plan.	In Progress

#3 Energy Management Plan

Operational Review Recommendation	Implementation Update
Management should establish a multi-year energy management plan that incorporates measures to be implemented and the tools to monitor and manage the plan.	In Progress

#1 Annual Departmental Plan

The department has developed an annual goals document and is now in the process of developing an annual departmental plan for the 2010-11 school year. Departmental management will ensure annual plans follow the format of the overall school board strategic plan. The format includes topic or project, the lead staff member responsible, and an associated timeline.

#2 Multi-Year Maintenance and Renewal Plan

The department is formalizing its maintenance and renewal plan and intends to present this two-year plan to the Board in the fall of 2010. Once the 2010-11 plan has been completed, the department intends to develop a long-term maintenance and renewal plan, in the next 15-18 months.

Management is encouraged to continue in their efforts to establish a multi-year maintenance and renewal plan, including the funding available to support the plan. This

would provide the school board and its stakeholders with a clear forecast of critical needs over the next several years.

#3 Energy Management Plan

The school board has made significant progress in developing an Energy Management Plan, having consolidated key staff into one distinct energy management team, functioning within the facilities department. As a result, the energy management team has enabled the school board to report \$1 million in savings. Its focus and awareness on and of energy management issues has permitted the school board to better organize and leverage direct funding of energy management initiatives. The school board has set goals for usage reductions and communicating the resulting energy savings. The department plans to finalize the multi-year plan with the Board in early 2011, prior to the budget process. Energy management reports are now regularly made to the Board, whereas previous to this year all reports were only reported internally within the department and senior administration. The school board is encouraged to continue its work in this area and to implement an official energy management plan.

7. School Board Adoption of New Leading Practices

The following leading practices were added to the Second Edition of the Operational Review Guide 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 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

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 has process and systems in place to record staff attendance and there is ongoing work, including use of the new attendance management systems that will help enhance monitoring and track 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 reported that it has adopted the leading practice and has reported on non-grant revenues in its annual and year-end reports for a number of years. The finance department has appointed a lead staff member to help manage all non-grant revenues which has allowed the school board to ensure appropriate use and control of these funds.

The school board has implemented the Supply Chain Guideline recommendations. The school board's procurement policy includes details addressing competitive versus non-competitive procurement which can be found in policy Po69.

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 reflects the school board's occupational health and safety policies and administrative procedures and ensures the school board is in compliance with associated occupational health and safety statutory requirements.	In progress
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.	In progress
Develop, implement and monitor a health strategy and/or plan that reflects 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 nearly completed its green clean program as part of the overarching Environmental Education policy and was part of the Ministry's green clean pilot program. This policy has been approved by the development committee of the Board and is expected to be presented to the Board by the end of June. The school board is working of finalizing documentation for the rollout of the policy in the 2010-11 school year.

The school board has many components of an Occupational Health and Safety (OHS) policy; however, it does not have an overarching OHS policy. The school board is currently developing OHS policies for each department and is encouraged to ensure these align with an overarching school board OHS policy.

The school board has all the major components of a security strategy in place and is currently consolidating the elements of the strategy centrally into one document. This

consolidation will provide a central resource and once completed the school board will be able to address any gaps in the policies or procedures to strengthen its overarching security policy.

Management closely monitors the *Ontario Green Energy Act* to determine its implication on 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 operate classrooms in other sites including licensed childcare centres.

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 further support the effective and positive relationship between the trustees and senior administration, the Board should develop a document clearly defining the delineation of the roles and responsibilities between the board of trustees and senior school board staff.	Yes	SP / TAO
2.	The Board should develop a policy review cycle to ensure that all policies are up-to-date. Management should consider extending this practice to include administrative procedures.	Yes	SP / TAO
3.	The Board should establish a formal succession plan to manage the retirements and resignations of key managers/administrators.	Yes	SP / TAO

HR Management and School Staffing/Allocation

Ref.	Recommendation	Follow-up Yes/No	Criteria
4.	Management should develop recruitment policies and procedures, and ensure they are reviewed annually to align staff planning with student achievement.	No	
5.	Management should document its current hiring practices and develop hiring policies and procedures. Management should also review its current decentralized hiring practice where schools are responsible for the hiring process.	No	
6.	Management should document its practice of progressive disciplinary action to ensure clear communication to all employees.	No	
7.	The school board should ensure that its attendance management program is utilized by all its functional areas.	Yes	TAO / ROI
8.	Management should periodically report to Board and senior management on the effectiveness of its attendance management program.	Yes	TAO / ROI
9.	Management should consider developing a formal plan for periodic staff surveys. This would improve communication with staff and provide input for professional development plans and HR policy.	No	
10.	Management should consider developing a formal plan for conducting exit interviews. These interviews would provide input for HR policy, as well as process and program improvement.	No	

Financial Management

Ref.	Recommendation	Follow-up Yes/No	Criteria
11.	The Financial Services department should document the budget planning process, to provide additional transparency for all stakeholders and clarity for staff regarding roles and responsibilities.	No	
12.	The Board should develop a formal audit plan of non- academic areas of the school board to be reviewed by its external auditors.	No	
13.	Management and the Board should include at least two external members on the Board's audit committee to advise and contribute to the committee's overall effectiveness.	Yes	TAO

Ref.	Recommendation	Follow-up Yes/No	Criteria
14.	Management is encouraged to report to the board on the performance of the school board's investment activity.	No	
15.	Management should review and update its procurement policies to ensure they meet the current procurement needs of the school board. Management should explicitly indicate in all its procurement policies and procedures that evaluation criteria other than the lowest price are used for vendor selection.	No	
16.	Management should review its current practices with regard to P-Card usage, to ensure its P-Card program effectively meets school board objectives with the least amount of risk.	Yes	ROI
17.	Management should investigate opportunities to use on-line receipting in its financial system.	Yes	AR1 / AR3
18.	Finance staff should implement electronic funds transfer (EFT) payments to all appropriate suppliers, to gain greater efficiency and minimize the risk of payments being altered prior to clearing the bank.	No	

School Operations and Facilities Management

Ref.	Recommendation	Follow-up Yes/No	Criteria
19.	The department should develop an annual departmental work plan that aligns with the objectives in the Board's annual district goals and multi-year strategic plan. The departmental work plan should set targets, timelines and assigned responsibilities for key activities.	Yes	SP/ TAO
20.	Management should consider establishing a multi-year maintenance and renewal plan, including the funding available to support the plan.	Yes	AR3/ TAO
21.	Management should establish a multi-year energy management plan that incorporates measures to be implemented and the tools to monitor and manage the plan.	Yes	TAO
22.	Management should provide formal annual reporting on the conservation savings achieved against its energy management plan..	No	
23.	The school board should continue to ask utility companies to provide consolidated billing in an electronic format	No	
24.	The department should develop cost-effective designs, standard footprints, energy conservation and economical construction	No	

Ref.	Recommendation	Follow-up Yes/No	Criteria
	practices to minimize construction, maintenance and operation costs.		