

Ministry of Education

**Grand Erie District School Board
Follow-up Report to the Operational
Review**

October 2012

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1. Introduction

The Ministry has conducted 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.

2. Status and Implementation Update

Introduction

The Grand Erie District School Board (GEDSB) Operational Review follow-up review took place on June 18, 2012, approximately 14 months after the release of the initial Operational Review Report. The PricewaterhouseCoopers Operational Review team conducted a teleconference with senior administrators of the school board. In advance of the teleconference, the PricewaterhouseCoopers team selected several key recommendations from the Operational Review Report and asked the school board to provide an implementation status along with any related supporting material.

Summary of Recommendation Status

The school board has made progress in implementing the recommendations since the completion of its original Operational Review in April 2011. Of particular note are the steps taken to strengthen the school board's annual operating planning capabilities, the audit function, and purchasing procedures of the school board.

There were 28 recommendations made in the original Operational Review report. The Operational Review team focused on 14 of the recommendations in the follow-up review. The opportunities presented a cross section of strategic planning initiatives, some from 12 areas of opportunity identified in the Operational Review sector reports as well as those that were of specific risk to the Grand Erie District School Board. The selected recommendations and the corresponding criteria are listed in Appendix A.

Overall, senior administration has fully implemented or has made progress on most of the recommendations chosen for follow-up.

3. Governance and School Board Administration

1. Strategic Plan

Operational Review Recommendation	Implementation Update
Using a consultative process, the school board should establish a multi-year (minimum three years) strategic plan in line with the provisions of Bill 177. Once the strategic plan is finalized, it should be communicated to all stakeholders. The multi-year strategic plan should include both academic and operational priorities and provide a framework for annual planning.	Implemented

2. Annual Operating Plan

Operational Review Recommendation	Implementation Update
The school board should develop an annual board-wide operating plan. The annual operating plan should be aligned with the school board's strategic plan, incorporate both academic and non-academic departments, and contain goals that are specific, measurable, achievable, relevant and timely.	Implemented

3. Leadership Development

Operational Review Recommendation	Implementation Update
The school board should continue to align its leadership development programs and activities with the Ministry's leadership initiatives. It should also develop a formal leadership development and succession plan for key management positions in all academic and non-academic areas.	Implemented

1. Strategic Plan

At the time of the Original Operational Review, the school board had an existing five-year strategic plan for the period between 2005 to 2010. The school board was undergoing a review of the five-year strategic plan, and it was under that context that the operational review team recommended that the school board establish a new and/or update their strategic plan in line with the provisions of Bill 177.

The review of the school board's strategic plan has since been completed and a new strategic plan for the period between 2011 to 2015 has been established. The new strategic plan is in line with the provisions of Bill 177 and has been communicated to all stakeholders. The school board has aligned the annual budget and annual operating plans to meet the overarching objectives of the multi-year strategic plan.

2. Annual Operating Plan

The Director of Education has approved annual operating plans developed for the school board's key functional areas. Each operating plan describes the key operational initiatives for the current year, what actions need to be carried out and how success is measured. At the end of each year, the school board will be able to evaluate what is needed to keep moving in the right direction and using the the multi-year strategic plan as the guide. The operating plan aligns with the school board's multi-year strategic plan, incorporates both academic and non-academic departments, and contains goals that are specific, measurable, achievable, relevant and timely.

3. Leadership Development

The school board's annual operating plan includes an action plan on staff leadership which is focused on ensuring opportunities for all staff are available. This includes the integration and extension of the school board's existing mentorship program. This initiative is under the responsibility of a Superintendent and the Leadership Development and Training and Development Officer.

To date, all leadership sessions have been filled and in many cases, waiting lists were used. For instance, the Aspiring Leaders and Operational Leaders groups have shown a significant increase in interest and participation. All new principals and vice-principals participated in the mentorship program.

4. Human Resource Management and School Staffing/ Allocations

1. Recruitment

Operational Review Recommendation	Implementation Update
The school board should review its existing recruitment and hiring processes including the composition of hiring panels, to clarify the roles of trustees and school board staff in the recruitment and hiring process. Trustees should provide strategic policies to govern staffing and recruitment, but should not sit on hiring panels with the exception of hiring the Director of Education.	Not Implemented

2. Labour Relations

Operational Review Recommendation	Implementation Update
Trustees should provide the school board with a policy and priority framework for bargaining and not participate directly in negotiations.	Implemented

3. Performance Appraisal

Operational Review Recommendation	Implementation Update
HR management should develop formal employee evaluation/performance policies and procedures for all staff groups.	In Progress

4. Attendance Support

Operational Review Recommendation	Implementation Update
Once the attendance support program is in place, management should report on the effectiveness of the attendance support process/programs to senior administration and the Board.	In Progress

1. Recruitment

The school board has a historical practice of including trustees to sit on hiring panels for many levels of school staff recruitment.

After the original Operational Review was completed, the school board did review its recruitment and hiring processes with the intention of clarifying the roles of trustees and school board administrative staff. After reviewing the existing processes and referencing

relevant policies, the Board of Trustees decided that no changes in policies and procedures were necessary.

As a result, trustees continue to sit on hiring panels of school staff beyond the hiring of the Director of Education.

2. Labour Relations

Trustees do not participate in collective bargaining negotiations. Trustees do set policy for senior administration to be implemented, and through the policy setting, trustees establish a priority framework for bargaining.

The superintendent of human resources consult closely with the Board of Trustees *in camera*, and through this mechanism, the senior administration team receives regular updates and feedback on priorities and collective bargaining direction.

2. Performance Appraisal

At the time of the original Operational Review, two staff groups did not have performance appraisal policies and procedures – the Continuing Education (non-credit) staff group, and the Early Childhood Educator (ECE) staff group.

In June 2012, an agreement was reached with the ECE staff group to establish appropriate performance appraisal tools and procedures. The school board is now working with ECE bargaining representatives to implement the performance appraisal framework. The HR department plans to reach out to other school boards to obtain samples in order to accelerate the process.

For the Continuing Education staff group, the work is still in progress.

4. Attendance Support

The school board has implemented an attendance support program. The school board administration tracks key attendance support metrics including attendance rates by staff category, and is able to monitor the effectiveness of the attendance support program over time. Senior administration receives regular reports on attendance issues.

Trustees are aware of attendance matters and attendance rates, but do not receive formal reports from management regarding the effectiveness of the school board's attendance management programs. Senior administration should provide formal reports or periodic updates on the attendance management program to the Board. This will help the Board understand any board-wide attendance issues and success or opportunities of improvement for the program.

5. Financial Management

1. Interim Financial Reporting

Operational Review Recommendation	Implementation Update
<p>Management should take into account the recommendations made by the Interim Financial Reporting Committee (IFRC) on frequency (a minimum of three reports) and format of interim financial reporting to the Board. Management should continue to discuss with trustees how the existing format of interim financial reports can be enhanced to align with IFRC recommendations.</p>	<p>In Progress</p>

2. Internal Audit

Operational Review Recommendation	Implementation Update
<p>Management should work with the regional audit team to ensure annual audit plans are clearly documented. Audit report recommendations should be followed up and acted upon by management. Where management chooses not to implement an audit recommendation and accepts the risks associated with an audit finding, the reasons should be clearly documented and agreed to by the audit committee.</p>	<p>In Progress</p>

3. Audit Committee

Operational Review Recommendation	Implementation Update
<p>Management and the Board should continue recruiting external advisors on the Board's audit committee in accordance with Ministry direction.</p>	<p>Implemented</p>

4. Purchasing

Operational Review Recommendation	Implementation Update
<p>In order to align the school board's purchasing policy and procedures with the SCG, management should include a statement outlining circumstances under which the school board will use competitive versus non-competitive procurement methods in the revised policy and procedures.</p>	<p>Implemented</p>

5. Purchasing Authority

Operational Review Recommendation	Implementation Update
In order to align the school board’s purchasing policy and procedures with the SCG, management should include purchasing authorization levels in the revised policy and procedures.	Implemented

1. Interim Financial Reporting

The finance department presents monthly interim financial statements to the Board. In addition, the finance department presents a budget variance analysis three times a year to the Board.

The finance department has reviewed the recommendations of the Interim Financial Reporting Committee and determined that certain data sources are not easy to compile into a single report. In addition, trustees have indicated that the existing format of the interim financial statements is appropriate for their review. As a result, the finance department is still evaluating when to fully implement the recommended changes.

The school board should still continue to consider using the recommended IFRC reporting format which would provide trustees with financial information that they should be aware of.

2. Internal Audit

The school board is part of the London Region Internal Audit Team (RIAT). The London Region experienced a delay in appointing its Internal Audit Team Manager, and as a result the school board’s initial risk assessment was carried out later than originally expected.

The results of the risk assessment identified some priority risk areas: Succession Planning, Terminations and Retirements. The Internal Audit Team will make a presentation of progress later in the school year.

The school board should continue to work with the Regional Internal Audit Team to continue to develop and monitor priority areas. In addition, any recommendations or priority area should be followed-up and acted upon by senior management.

3. Audit Committee

The Board has established an Audit Committee comprised of three Trustees and two independent members from the community. The primary role of the audit committee is to assist the Board of Trustees in fulfilling its duties related to governance and oversight.

The duties of the audit committee fall under the following key areas: the financial reporting process, internal control framework, risk management practices, performance and function of the school board's internal and external auditors and the school board's compliance with its obligations under legislation.

The Committee meets at least three times a year, plus *ad hoc* meetings as required. A formal training course is provided to all committee members to clarify roles and responsibilities of audit committees for the school board sector.

4. Procurement

The school board's updated purchasing policy includes a section outlining circumstances under which the school board will use competitive versus non-competitive procurement methods in the revised policy and procedures. The section is titled *Dollar Thresholds that Require a Quotation or Tender*.

When supplies and services that are acquired on behalf of the Board are expected to exceed specific estimated dollar thresholds, a competitive bid process is to be followed.

The purchasing supervisor will issue the competitive bid document on behalf of the school or department, who will provide the written details of the purchase request.

5. Purchasing Authority

The school board's purchasing procedure includes purchasing authorization levels and has delegated purchasing authorities to trustees, the Director of Education, the Manager of Facilities Services, Managers, Academic Superintendents, Principals and other staff of the school board.

6. School Operations and Facilities Management

1. Green Clean Program

Operational Review Recommendation	Implementation Update
The school board should formalize the green clean initiatives in a formal green clean program aligned with the components identified in the Ministry's Green Clean Program Resource Guide.	In Progress

2. Multi-Year Energy Management Plan

Operational Review Recommendation	Implementation Update
Using the data from energy consumption and information from external energy reviews, the school board should establish a multi-year energy management plan that incorporates quantifiable measures and the tools to monitor and manage the plan. In line with the <i>Green Energy Act, 2009</i> , energy management planning should include the development of policies, guidelines, goals (conservation targets), and priorities for energy management and resource conservation. The plan should include short-term and long-term opportunities, with milestones, roles, responsibilities and budgets with a process for ensuring community support.	In Progress

3. Energy Consumption Monitoring

Operational Review Recommendation	Implementation Update
As part of the energy management planning, the school board should establish a comprehensive system to budget expenditures, track and regulate consumption, and identify opportunities for further savings.	In Progress

1. Green Clean Program

The Plant Services department has developed procurement guidelines aligned with the Ministry's Green Clean Program Resource Guide. Many of the school board's cleaning products and equipment are already green certified.

The Board has also established a formal Environmental Education and Stewardship Policy (Policy SO18), which states that the Board "encourages and supports environmental education and stewardship in our schools and administrative departments" and "recognizes the importance of the environment to the long-term well-being of our students and staff."

In addition the school board's purchasing procedure also explicitly states that "purchasing staff, in consultation with the end user / department, will strive to source promote and support environmentally sensitive products and services." Plant Services staff recognize that full implementation of the Green Clean Program is a long-term process, and will continue to make progress in this area over time. The school board should continue in its efforts to finalize a formal green clean program.

2. Multi-year Energy Management Plan

The Plant department established a position to lead the school board's energy management responsibilities. The supervisor of energy and environmental conservation reports to the Division Manager-Maintenance and Energy, and is responsible to:

- Develop, implement, operate and monitor the Board's Energy Management Program including creation of annual energy management/conservation plans with the Green Energy Act;
- Set annual goals, targets and strategies to conserve energy; conduct audits, measure and track energy conservation performance of board facilities;
- Promote awareness of energy conservation and environmental issues; act as a resource to staff on energy related matters;
- Monitor the Board's utility usage/costs;
- Coordinate and monitor all waste and recycling collection for the Board; conduct waste audits and develop plans to reduce waste; and
- Provide resources and information for funding opportunities; assist schools staffs with grant and bursary applications regarding environmental issues/projects.

The school board is making progress to accomplish these goals and should continue to develop an energy management plan which should be Board of Trustee approved.

3. Energy Consumption Monitoring

The school board currently monitors electricity, gas and water consumption. The school board has invested in building automation systems and continues to build upon its systems to track consumption in real time.

The Plant Services department is targeting full real time monitoring for electricity and gas by end of the calendar year. Full time monitoring of water consumption is anticipated next year. In addition, the school board is encouraged to utilize the Ministry's Utility Consumption Database (UCD) to help the department collect and analyze energy

consumption data. The school board should contact the Ministry for assistance with the UCD, if required.

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)

Governance and School Board Administration

No.	Recommendation	Follow-up Yes/No	Criteria
1.	Using a consultative process, the school board should establish a multi-year (minimum three years) strategic plan in line with the provisions of Bill 177. Once the strategic plan is finalized, it should be communicated to all stakeholders. The multi-year strategic plan should include both academic and operational priorities and provide a framework for annual planning.	Yes	SP
2.	The school board should develop an annual board-wide operating plan. The annual operating plan should be aligned with the school board’s strategic plan, incorporate both academic and non-academic departments, and contain goals that are specific, measurable, achievable, relevant and timely.	Yes	SP
3.	Once the school board develops a new strategic plan and an annual board-wide operating plan, management should periodically report to the board of trustees on the status and outcome of the board strategic plan and the annual operating plan.	No	
4.	The school board should continue to align its leadership development programs and activities with the Ministry’s leadership initiatives. It should also develop a formal leadership development and succession plan for key	Yes	TAO

No.	Recommendation	Follow-up Yes/No	Criteria
	management positions in all academic and non- academic areas.		

Human Resources Management and School Staffing/Allocation

No.	Recommendation	Follow-up Yes/No	Criteria
5.	HR management should document the department's goals and priorities in an annual department plan incorporating measurable targets, specific timelines and identified accountability. They should be aligned to the annual board operating plan and accessible by key stakeholders.	No	
6.	The school board should review its existing recruitment and hiring processes including the composition of hiring panels, to clarify the roles of trustees and school board staff in the recruitment and hiring process. Trustees should provide strategic policies to govern staffing and recruitment, but should not sit on hiring panels with the exception of hiring the Director of Education.	Yes	TAO
7.	Trustees should provide the school board with a policy and priority framework for bargaining and not participate directly in negotiations.	Yes	TAO
8.	HR management should develop formal employee evaluation/performance policies and procedures for all staff groups.	Yes	TAO
9.	HR management should document formal disciplinary policies and procedures and communicate them to principals and supervisors.	No	
10.	Management should continue implementing a formal attendance support program.	Yes	ROI
11.	Once the attendance support program is in place, management should report on the effectiveness of the attendance support process/programs to senior administration and the Board.	No	
12.	Management should conduct exit interviews with all staff leaving the school board to obtain input for HR policy, as well as process and program improvement. Management should continue finalizing the procedures for conducting exit interviews with Board Office Staff.	No	

Financial Management

No.	Recommendation	Follow-up Yes/No	Criteria
13.	The Finance department should enhance its planning process by developing an annual departmental operating plan which is aligned with the school board's annual operating plan. The departmental plan should reflect specific and measurable targets and indicators, and assign responsibilities and timelines for key activities.	No	
14.	Management should take into account the recommendations made by the Interim Financial Reporting Committee (IFRC) on frequency (a minimum of three reports) and format of interim financial reporting to the Board. Management should continue to finalize the format of interim financial reports in line with the IFRC recommendations and continue to provide such reports to the Board.	Yes	TAO
15.	Management should work with the regional audit team to ensure annual audit plans are clearly documented. Audit report recommendations should be followed up and acted upon by management. Where management chooses not to implement an audit recommendation and accepts the risks associated with an audit finding, the reasons should be clearly documented and agreed to by the audit committee.	Yes	TAO
16.	Management and the Board should continue recruiting external advisors on the Board's audit committee in accordance with Ministry direction.	Yes	TAO
17.	Management should finalize the alignment of the purchasing policy and procedure with the SCG.	No	
18.	In order to align the school board's purchasing policy and procedures with the SCG, management should include a statement outlining circumstances under which the school board will use competitive versus non-competitive procurement methods in the revised policy and procedures.	Yes	TAO
19.	Once an approved purchasing policy and procedure that aligns to the requirements of the SCG is in place, management should ensure that purchasing activities are monitored for compliance with the Board's procurement policy and procedures.	No	
20.	In order to align the school board's purchasing policy and procedures with the SCG, management should include purchasing authorization levels in the revised policy and procedures.	Yes	TAO

School Operations and Facilities Management

No.	Recommendation	Follow-up Yes/No	Criteria
21.	The Plant Services department should enhance its annual planning activities by developing an annual departmental operating plan which is aligned with the school board's annual operating plan. The departmental plan should reflect specific and measurable targets and indicators, and assign responsibilities and timelines for key activities.	No	
22.	The school board should formalize the green clean initiatives in a formal green clean program aligned with the components identified in the Ministry's Green Clean Program Resource Guide.	Yes	TAO
23.	Management should consider various factors in addition to square footage for the custodial/maintenance allocation model to optimize the use of staff.	No	
24.	Using the data from energy consumption and information from external energy reviews, the school board should establish a multi-year energy management plan that incorporates quantifiable measures and the tools to monitor and manage the plan. In line with the <i>Green Energy Act, 2009</i> , energy management planning should include the development of policies, guidelines, goals (conservation targets), and priorities for energy management and resource conservation. The plan should include short-term and long-term opportunities, with milestones, roles, responsibilities and budgets with a process for ensuring community support.	Yes	TAO
25.	Once the formal energy management plan is established, the school board should ensure that its procurement policies and practices support the objectives and targets of the plan. Management should also consider documenting the energy efficiency requirements in procurement policies and procedures and/or the environmental policy.	No	
26.	Once a formal energy management plan is in place, management should provide formal annual reporting on the conservation savings achieved against the multi-year energy management plan.	No	
27.	As part of the energy management planning, the school board should establish a comprehensive system to budget expenditures, track and regulate consumption, and identify opportunities for further savings.	Yes	TAO
28.	The school board should consider establishing an integrated health plan/strategy that would reflect the existing policies and procedures regarding the health of both students and	No	

No.	Recommendation	Follow-up Yes/No	Criteria
	employee groups and aim to promote health and wellness across the school board. Management should also consider coordinating the development, implementation and monitoring of the plan centrally.		