

Ministry of Education

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

May 2011

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1. Introduction

The Ministry is in the final stages 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 fourth edition of the Operational Review Guide, released to the sector in September 2010. These were not part of the original review process.

2. Status and Implementation Update

Introduction

The Peel District School Board Operational Review follow-up review took place on February 22, 2011, approximately 14 months after the release of the initial Operational Review report. The Deloitte Operational Review team conducted a teleconference with the Associate Director Operational Support Services, Superintendent of Human Resources Support Services, Director of Human Resources Support Services, Manager of Finance, Superintendent of Staff Development and Student Support Services, a HR staffing officer and others. In advance of the teleconference, the Deloitte team selected recommendations from the Operational Review Report and asked the board to provide an implementation status along with any related supporting material.

Summary of Recommendation Status

The school board has made significant progress in implementing the recommendations since the completion of its review in December 2009. Of particular note is the successful implementation of the finance department's departmental plan as well as a successful recruitment drive for the two external audit committee members.

Following the Operational Review, management reported to the Board regarding the findings of the Operational Review report. The report was shared with the public through a Board report and the school board's website.

There were five recommendations made in the original report. The Operational Review team focused on all five of the recommendations in the follow-up review. The selected recommendations and the corresponding criteria are listed in Appendix A.

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

3. Governance and School Board Administration

#1 Succession Planning

Operational Review Recommendation	Implementation Update
The school board should expand its formal succession plan to include key management positions in non-academic functions. Currently the board has a leadership development program in place to support succession planning for academic staff, as outlined by the Ministry's Ontario Leadership Strategy.	In progress

#1 Succession Planning

The school board has taken steps to established plans and processes to address succession planning for both academic and non-academic staff, as such the implementation of the recommendation is considered in progress. Management have used the development of the three-year strategic plan, a mentorship program for teaching assistants and secretarial staff, expanded professional development (PD) opportunities for business and support staff to help build the succession planning process. The school board has created a plan to move forward which includes further strengthening PD to improve overall succession planning at the school board.

Management encourages staff to enrol in and make use of PD in order to help them move forward in their careers.

Management also informally tracks retirements at the senior levels and within each department supervisors and superintendents monitor staff and track potential retirements within each group. Departments are managed to naturally provide coverage of all essential staff positions in the case of retirements or unforeseen loss of employees. It is reported that for all essential roles, in particular management ones, there is always at minimum one other school board employee who is able to co-manage the responsibilities as required. The awareness of retirements and planned departures are not widely disclosed so to protect the privacy of individuals as well as ensure transparency in the recruitment and hiring processes. The school board is encouraged to continue with its formal succession planning efforts to ensure appropriate staffing over the long term.

4. Human Resource Management and School Staffing/Allocations

#1 Recruitment Policy

Operational Review Recommendation	Implementation Update
Management should develop a recruitment policy and ensure it is reviewed annually to align staff planning with student achievement.	In progress

#2 Discipline Policy

Operational Review Recommendation	Implementation Update
Management should consider developing a policy or procedure governing the formal discipline and dismissal of academic and non-academic staff, to ensure consistency and transparency.	In progress

#1 Recruitment Policy

The school board maintains standard practices outlining hiring and is working to review processes to ensure they are aligned with the school board's co-accountability model. The co-accountability model is structured using five Employee Resource Groups and five External Advisory Boards that report to the school board's Employer Diversity Council whose role is to align school board policies on retaining a diverse staff. The five internal and five external committees focus on a specific group referred to in the Human Rights code. These groups are:

- Women
- Visible Minorities
- Gay, Lesbian, Bisexual and Transgendered Employees
- Native Canadians/Aboriginals
- Persons with Disability

Each group assists the school board in developing a strategic approach to recruiting and maintaining a diverse staff group. The external committees are led by a community leader and include one trustee. The school board is in the process of training committee members and plans to use an internal online social media tool to facilitate conversations and discussions within each committee.

While the co-accountability model supports the Board's goal of attracting and retaining a diverse staff group, the school board should develop a formal recruitment policy or strategy, to ensure transparency in the recruitment process and to provide consistency across the teaching and non-teaching groups. A formal recruitment policy would outline organizational recruitment objectives, ensure that the school board meets its staff recruitment and retention goals, and be applied to all staff. The policies would be reviewed annually, and aligned with staff planning and student achievement.

#2 Discipline Policy

The school board has developed a draft progressive discipline policy (#48) as well as a supporting procedure for supervisory staff. The progressive discipline procedure has yet to be formally implemented and will be presented to the Board's Human Resources and Negotiations Advisory Committee (a committee of the whole) as well as the school board's Leadership Council for approval. Management expects a full roll-out of the procedures in September 2011.

5. Financial Management

#1 Annual Departmental Plan

Operational Review Recommendation	Implementation Update
The department is encouraged to continue along the path of separating the elements of the operational support services plan that are finance related and develop a separate finance branch plan. The goals identified in the annual departmental plan should be consistent with the Board's annual operating plan and strategic direction.	Completed

#2 Audit – External Advisors

Operational Review Recommendation	Implementation Update
Management and the board of trustees should consider formalizing its audit committee to include external advisors to contribute to the finance audit committee's effectiveness.	Completed

#1 Annual Departmental Plan

The Finance department has developed an annual departmental plan, with clear goals and priorities aligned to the school board's strategic plan. The plan includes detailed actions, accountabilities, timelines, allocated resources, and ongoing notes regarding the status for each action or goal.

#2 Audit – External Advisors

In compliance with the Audit Committee Regulation that came into effect in September 2010 and requires the establishment of audit committees in school boards by January 31, 2011, the school board has appointed two external advisors to its Audit committee. The school board received 30 applications for the two positions on the Audit Committee. The overwhelming interest in the positions allowed the school board to select two highly qualified individuals who have now been appointed to serve on the Board's Audit Committee.

6. School Operations and Facilities Management

Operational Review Recommendation	Implementation Update
No Recommendations	

7. School Board Adoption of New Leading Practices

The following leading practices were added or amended for the Fourth Edition of the Operational Review Guide that was released to the sector. Some of these leading practices are a result of the observations and learning from earlier waves of reviews.

School boards that were reviewed prior to September 2010 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 governance model reflects the roles and responsibilities mandated by the <i>Student Achievement and School Board Governance Act</i> , Bill 177.	Yes

There are ongoing reviews of roles and responsibilities within the school board. However, management reported that no areas that have been identified require a detailed review. It is reported that the school board is in overall compliance with Bill 177.

HR Management and School Staffing/Allocation

New Leading Practice	Adopted?
Trustees do not sit on hiring panels (exception hiring the director of education) but provide policies to govern staffing and recruitment.	No
Processes are in place to identify and remove discriminatory biases and systemic barriers in staff recruitment, selection, hiring, mentoring, promotion and succession planning processes. The school board conducts employment system reviews and works towards broadening the diversity of recruitment pools.	Yes
Trustees provide the school board's policy and priority framework within which bargaining takes place	No

The school board recognizes the implications of Bill 177 and that trustees should not sit on staff hiring panels with the exception of the hiring of the Director of Education.

However, the school board reports a long tradition of trustees sitting on hiring committees. It is reported that committees arrive at decisions via consensus and that there has not been a history conflicts or problems as a result of the existing structure. Committee membership is formalized and management suggests that the involvement of trustees in the hiring process encourages a strong collaborative relationship with the Board. The Director of Education should review existing practices and the composition

of interview panels, and develop formal hiring policies and procedures to clarify the roles of trustees and school board staff. Trustees should provide strategic policies to govern staffing and recruitment. They should not sit on hiring panels, with the exception of the hiring of the Director of Education.

The school board maintains processes to identify and remove discriminatory biases and systemic barriers in staff recruitment, selection, hiring, mentoring, and promotion of staff. The implementation of the co-accountability model continues to help management improve processes to ensure there are no biases and/or barriers during staff recruitment.

Labour negotiations are driven by the school board’s 10 separate collective agreements and bargaining parameters are provided by the Board. The Board’s HR and Negotiations Advisory Committee, a committee of the whole, sets parameters for bargaining. In the early stages of negotiations trustees do not play a direct role in negotiations; however, it is reported that in the later stages of negotiations the Chair and Vice-Chair of the Board as well as the Chair of the HR and Negotiations Advisory Committee may join the negotiations. It is recommended that the Director of Education review the role of staff and trustees in the collective bargaining process. Trustees should provide the school board’s policy and priority framework within which bargaining takes place but they should not play a direct role in negotiations.

Financial Management

New Leading Practice	Adopted?
The established policies and procedures that govern all aspects of supply chain management, including both planned (recurring) and unplanned (non-recurring/emergency purchases, comply with the Supply Chain Guideline (SCG) v.1.0.	Yes
In line with the SCG, purchasing authorization levels are commensurate to job roles and responsibilities, and are monitored for compliance by a supervisor or department head.	Yes

The school board has adopted and maintains procurement guidelines that are aligned with the mandatory elements of the Supply Chain Secretariat’s Supply Chain Guideline (SCG) 1.0. Management reports that policies and procedures are being re-examined in light of the release of the new Broader Public Sector (BPS) procurement directive. The school board’s documents clearly articulate levels of purchasing authorization that are commensurate to job roles and all related responsibilities.

Operations and Facilities Management

New Leading Practice	Adopted?
The school board has an approved facility partnership policy.	Yes
A Project Manager is appointed to oversee all aspects of the project including monitoring the budget and project timelines and ensuring management processes are in place for issues such as change orders and other internal approvals. This includes periodic project status updates and post-construction project evaluation.	Yes
An independent Cost Consultant is retained by the school board to review the design, provide objective costing analysis and advice, and report to the school board on options to ensure that the proposed capital expenditure is within the approved budget, prior to tendering a project.	No

The school board has an approved facilities partnership policy and rents space to a number of groups. A long standing partnership is in place between the school board and an extended daycare provider that offers after-school care at multiple school sites.

Management has an effective process in place to monitor and control construction project costs, in line with Ministry requirements. The school board employs project managers that are assigned to all major renewal and new construction projects.

Although the school board does not retain an independent cost consultant, the school board takes steps to ensure that costs are adequately tracked and are within industry benchmarks. Cost containment processes are coordinated through the school board's architecture firm, which uses standard, repeat designs. Given the ongoing building of schools, and the ongoing use of designs, aside from inflationary costs between projects, costs remain consistent and are reasonably aligned to Ministry benchmark averages.

The school board should consider the use of a cost consultant to provide objective costing analysis and advice for future projects as required by the Ministry.

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.	The school board should expand its formal succession plan to include key management positions in non-academic functions. Currently the board has a leadership development program in place to support succession planning for academic staff, as outlined by the Ministry’s Ontario Leadership Strategy.	Yes	SP/ TAO

HR Management and School Staffing/Allocation

Ref.	Recommendation	Follow-up Yes/No	Criteria
2.	Management should develop a recruitment policy and ensure it is reviewed annually to align staff planning with student achievement.	Yes	AR1
3.	Management should consider developing a policy or procedure governing the formal discipline and dismissal of academic and non-academic staff, to ensure consistency and transparency.	Yes	AR1

Financial Management

Ref.	Recommendation	Follow-up Yes/No	Criteria
4.	The department is encouraged to continue along the path of separating the elements of the operational support services plan that are finance related and develop a separate finance branch plan. The goals identified in the annual departmental plan should be consistent with the Board's annual operating plan and strategic direction.	Yes	SP
5.	Management and the board of trustees should consider formalizing its audit committee to include external advisors to contribute to the finance audit committee's effectiveness.	Yes	TAO