

Ministry of Education

**Simcoe Muskoka Catholic 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 Simcoe Muskoka Catholic District School Board Operational Review follow-up review took place on September 18, 2012, approximately a year and a half after the release of the initial Operational Review Report. The PricewaterhouseCoopers Operational Review team conducted a teleconference with the Associate Director of Education (Business & Finance) 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 initial Operational Review in April 2011. Of particular note are the steps taken to strengthen the school board's recruiting practices, the audit function of the school board, and purchasing procedures.

There were 28 recommendations made in the original 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 Simcoe Muskoka Catholic 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.	In Progress

2. 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.	In Progress

3. Succession Plan

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.	Not Implemented

#1 Strategic Plan

The Board's strategic plan was developed in 2000 after an extensive consultation process and is presently being reviewed by the leadership team. The Board recognizes the importance of updating the strategic plan, and over the past year has initiated an effort to develop a new, updated strategic plan. This effort is still in progress and expected to continue into the next year. Senior administration indicated that the main principles and components of the plan have not changed over the years. The existing strategic plan has five strategic directions, and these have been designed to provide a solid foundation to respond to everyday issues, and to position the Board to meet future challenges. The Board acknowledges that it needs a clear plan to direct the school board as the Board responds to new opportunities that will be presented in the coming years.

#2 Annual Operating Plan

The school board's senior administration recognizes the importance for all departments to develop annual operating plans that are aligned with the Board's multi-year strategic plan. Given that the Board's strategic plan is currently being reviewed and updated, senior administration has decided to defer implementing this recommendation. It should be noted that senior administration has already developed Board Improvement Plans per Ministry requirement, and also have individual department plans. However, additional work needs to be done to bring the detail of individual department plans to level that is required in the recommendations (i.e. aligned to the Board strategic plan, and contain goals that are specific, measurable, achievable, relevant and timely). Senior administration indicated that it is working with a local college to develop a training program for strategic management and implantation to support the process of developing annual operating plans for all departments. The school board is targeting the spring of 2013 to complete the implementation of this recommendation.

#3 Succession Plan

The school board's senior administration recognizes the importance of developing a formal leadership development and succession plan for key management positions in all academic and non-academic areas. However, this recommendation has not made much progress since the initial Operational Review due to resource and capacity constraints. The school board's internal auditors have also pointed out the lack of a succession plan for senior administrators as a risk to the school board.

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.	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 Appraisals

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
Management should continue implementing a formal attendance support program.	Implemented

1. Recruitment

The school board has a long tradition of including trustees on hiring panels for many levels of school staff. After the Operational Review was completed, the school board reviewed its recruitment and hiring processes with the intention of clarifying the roles of trustees and school board staff. After reviewing the existing processes and referencing relevant policies, the Board clarified its role and responsibilities in the recruiting process.

As a result, trustees provide strategic policies to govern staffing and recruitment, but no longer sit on hiring panels with the exception of hiring the Director of Education.

2. Labour Relations

Trustees do not participate in negotiations during the collective bargaining process. Trustees do set policy for senior administration to implement, and through the policy setting, trustees establish a priority framework for bargaining. Trustees have indicated that given the provincial framework for negotiations, there is much less trustee involvement required.

3. Performance Appraisal

At the time of the Operational Review, the school board established formal performance appraisal processes for teachers (occasional, new, and experienced), custodians, and maintenance staff. The school board was in the process of implementing principal performance appraisals, in line with Ministry guidelines. Other staff groups, such as office/clerical, EAs and non-union staff did not have performance evaluation processes in place.

Since the Operational Review, the school board has implemented performance appraisal programs for the principal group. Other staff groups, such as office/clerical, EAs and non-union staff still do not have a performance appraisal program in place. The school board is encouraged to fully implement this recommendation.

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.

The school board engaged an outside consultant to conduct a needs assessment, and implemented a series of *in service* training programs for staff to understand the program. Since the program was implemented, the school board witnessed a measurable decrease in expenses due to staff leaves. Senior administration tracks leaves by employee group, and focus on leave days by type of leave, as well as expenses associated with leaves.

5. Financial Management

1. Interim Financial Reporting

Operational Review Recommendation	Implementation Update
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.	Implemented

2. Internal Audit

Operational Review Recommendation	Implementation Update
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.	Implemented

3. Audit Committee

Operational Review Recommendation	Implementation Update
Management and the Board should continue recruiting external advisors on the Board's audit committee in accordance with Ministry direction.	In Progress

4. Purchasing

Operational Review Recommendation	Implementation Update
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.	Implemented

1. Interim Financial Reporting

The finance department has presented a new “dashboard” format to supplement the interim financial reports to the trustees. Over the past year, staff consulted with trustees

and refined the format, which now relies more on visual elements. The new format has been well received by trustees, who report that they now have an even better understanding of the financial position of the school board than before.

2. Internal Audit

The school board is part of the Barrie Region Internal Audit Team. The Barrie Region Internal Audit Team has conducted risk assessments and has identified several areas of key risks. An internal audit plan has been presented and the school board is now in the process of implementing the internal audit plan.

3. Audit Committee

The Board has established an Audit Committee comprised of trustees. At present, the Board is still in the process of recruiting external advisors. The school board reported that due to the geographical region, it has proven difficult to identify and recruit qualified and willing candidates from the community to fill role of external advisors to the Audit Committee. The Board will continue its search, and views this as an important step to strengthen the governance structure of the school board.

4. Procurement

The 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 *Purchasing Methods and Competitive Procurement Thresholds*. The section outlines the dollar threshold, type of purchase, purchase methodology and procurement requirements in detail. 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, after receiving the written details of the purchase request.

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 and Planning 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 Stewardship Policy (Policy LE-17), which states that the Board "endorses environmental stewardship in all areas of the Board. This policy embraces Catholic social teaching and our moral responsibility to be stewards of the earth and care for God's creation. It also covers the Ministry of Education's academic requirements. The environmental programs extend into all areas

of the Board's operational practices and will be an important consideration in decision making."

In addition, the school board's purchasing procedure also explicitly states that "reducing the Board's impact on the environment will be considered when goods and services are being procured." The policy also states that the Board will "support a healthier working environment for employees and for citizens in general through the purchase of environmental preferable goods and services; and increase demands for environmentally responsible goods and services, which may ultimately enhance their quality and cost competitiveness."

2. Multi-year Energy Management Plan

The Plant department established a position (Energy & Environmental Specialist) to lead the school board's energy management responsibilities. This position reports to the Controller of Plant. The Plant department reported that it lacks the capacity to fully implement this recommendation, but has taken initial steps to address certain aspects. Specifically, the Plant department has started gathering data on energy costs. There is also a multi-year plan that lists all projects related to energy management. However, the Plant department has not been able to analyze all the data collected and use the information to develop an energy management plan that includes baselines and targets.

3. Energy Consumption Monitoring

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

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.	No	

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.		