

**Ministry of Education**

**St. Clair Catholic District School Board  
Follow-up Report to the Operational  
Review**

**December 2011**

**Table of Contents**

- 1. Introduction ..... 1**
- 2. Status and Implementation Update ..... 3**
  - Introduction ..... 3
  - Summary of Recommendation Status ..... 3
- 3. Governance and School Board Administration..... 4**
  - #1 Annual Operating Plan..... 4
  - #2 Succession and Talent Management Plan ..... 4
- 4. Human Resource Management and School Staffing/Allocations ..... 6**
  - #1 Attendance Support ..... 6
  - #2 Benefits Management..... 7
  - #3 Staffing Plan ..... 7
- 5. Financial Management..... 8**
  - #1 Budget Risk Management ..... 9
  - #2 Internal Audit..... 9
  - #3 Audit Committee ..... 9
  - #4 Supply Chain Management ..... 9
- 6. School Operations and Facilities Management..... 10**
  - #1 Annual Operating Plan..... 11
  - #2 Green Clean Program..... 11
  - #3 Energy Management Plan ..... 11
  - #4 Consolidated Billing ..... 12
- 7. School Board Adoption of New Leading Practices ..... 13**
  - Governance and School Board Administration ..... 13
  - HR Management and School Staffing/Allocation ..... 13
  - Financial Management ..... 14
  - Operations and Facilities Management ..... 14
- Appendix A – Selection of Recommendations ..... 16**

## 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.

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 St. Clair Catholic District School Board Operational Review follow-up review took place on October 19, 2011, approximately 15 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 board to provide an implementation status along with any related supporting material.

### **Summary of Recommendation Status**

The school board has made some progress in implementing the recommendations since the completion of its original Operational Review in July 2010. Of particular note are the steps taken to implement an attendance support program, strengthening the audit function of the school board, and establishing annual operating plans for all departments.

There were 26 recommendations made in the original report. The Operational Review team focused on 13 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 sector reports as well as those that were of specific risks to the St. Clair 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 some progress on most of the recommendations chosen for follow-up.

### 3. Governance and School Board Administration

#### #1 Annual Operating Plan

Operational Review Recommendation	Implementation Update
Using its multi-year Implementation Program as a framework, 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

#### #2 Succession and Talent Management Plan

Operational Review Recommendation	Implementation Update
The school board should continue to align its leadership development programs and activities with the Ministry leadership initiatives. It should develop a formal Succession and Talent Development Plan in line with the Leadership Succession Planning and Talent Development Ministry Expectations and Implementation Continuum.	In Progress

#### #1 Annual Operating Plan

The school board has developed a list of current-year goals and objectives which describes measurable targets, timelines and key owners. Management uses the plan to track priorities and progress throughout the year. Each department worked on a plan to set departmental direction for the current school year and then planned what needed to be done in the future. They also identified the financial requirements for major initiatives and built these into the budget process so that these initiatives could be addressed as part of the budget cycle.

In addition, the school board pointed out that it is currently updating its belief statements, which form the foundation for the school board’s next multi-year strategic plan. A cross- functional team of administrators meet regularly to seek input from various stakeholder groups. As staff monitor and develop their annual operating plans for the next school year, they are conscious of the direction being set by the belief statements and the strategic planning process.

#### #2 Succession and Talent Management Plan

The Board has discussed the strategies that may be used to help promote succession planning in the system. The Director has made the Board of Trustees aware of a number of known and pending retirements at the senior level. As a result of this

awareness, the Director believes that the school board is better equipped to prepare for succession planning in the near to medium term.

Other work effort to date has focused on developing a broad-based leadership discernment program that will develop future leaders. Many staff groups have received professional development on leadership development.

## 4. Human Resource Management and School Staffing/Allocations

### #1 Attendance Support

Operational Review Recommendation	Implementation Update
Management should continue establishing a comprehensive attendance support program.	Implemented

### #2 Benefits Management

Operational Review Recommendation	Implementation Update
Management should conduct independent compliance audits of the school board's insurance carrier to ensure adherence to the benefit plan's terms and conditions.	Not Implemented

### #3 Staffing Plan and Allocation Process

Operational Review Recommendation	Implementation Update
Management should document policies and procedures which govern the development of an annual staffing plan and allocation process.	In Progress

### #1 Attendance Support

The school board made significant progress in the area of attendance support. A formal attendance support policy was approved in June 2010. The HR department has developed an attendance support program to implement the Board's attendance support policy. The attendance support program is aimed at positively supporting the health of employees and the organization. As a first step, HR has engaged an outside firm to develop a requirements plan to identify specific process, platform and other change management requirements.

Prior to the formal roll out, the school board conducted extensive consultations with all stakeholder groups to ensure a high level of communication and support. A change management program was also implemented to help staff transition to the new program. The school board conducted feedback sessions with a number of administrators and supervisors responsible for the attendance support program. These sessions provided an opportunity for administrators and supervisors to provide useful feedback on the program.



The school board plans to analyze the attendance data collected over the first year of the program's existence. Senior administration indicated that data trends and patterns are being synthesized and analyzed.

A formalized attendance management program will ensure that HR can periodically report on the effectiveness of the attendance management process to senior management and the Board. The Board is encouraged to look at the *Leading Practices in Attendance Support for Ontario School Boards* report released in 2008 by the COSBO Effectiveness and Efficiency (E&E) Committee. This report is available on the School Business Support Branch website at <https://sbsb.edu.gov.on.ca>.

## **#2 Benefits Management**

The school board has not conducted an independent compliance audit of the school board's insurance carrier to ensure adherence to the plan's terms and conditions. Senior administrators indicated the costs required to conduct the audit could not be justified even though the benefits of such an audit were acknowledged and recognized.

## **#3 Staffing Plan**

The school board has drafted formal policies and procedures which govern the development of its annual staffing plan and allocation process. The documents are now undergoing a formal review and approval process.

Senior administration indicated that existing procedures are well established and function well. There are multiple parties involved in creating the annual staffing plan and allocation plan, and management indicated that it will document the complex interactions and interdependencies among these parties.

## 5. Financial Management

### #1 Budget Risk Management

Operational Review Recommendation	Implementation Update
Management should consider enhancing the process of reporting on the school board's budget risks using the format suggested in section 4.2 of this report. A formal risk management plan/report, which is reviewed and updated periodically, would give reviewers a better understanding of the school board's budget risks.	In Progress

### #2 Internal Audit

Operational Review Recommendation	Implementation Update
Once the independent internal audit function is established, the internal auditor should document internal audit plans and prepare reports for presentation to the Audit Committee and management.	Implemented

### #3 Audit Committee

Operational Review Recommendation	Implementation Update
In accordance with the Ministry's internal audit and audit committee strategy, the Board should consider establishing an audit committee that includes external advisors.	Implemented

### # 4 Supply Chain Management

Operational Review Recommendation	Implementation Update
As part of the revision of the school board's purchasing policy and procedures to align with the Supply Chain Guideline, management should clearly indicate the purchasing levels of authority. These levels of authority should be commensurate to job roles and responsibilities and purchases should be monitored for compliance with the established authorization levels.	In Progress

## **#1 Budget Risk Management**

Budget risk is regularly reviewed and documented as part of the school board's interim financial reporting process. Key budget variances and risk mitigation approaches are discussed and documented in the quarterly interim financial reports.

In addition, the Finance department intends to work closely with the Internal Audit function to establish an enterprise risk assessment and risk management plan. The risk assessment plan will identify and document all significant risks during the budget planning process. Senior administration expects to continue to report on the progress of the budget risk mitigation plan throughout the school year and in upcoming years.

## **#2 Internal Audit**

The Board has established an internal audit function through its participation in the regional internal audit initiative. Boards in the region are currently in the process of hiring an internal audit manager for the Regional Internal Audit Team. The immediate next step is to establish the internal audit plan and complete an entity-level risk assessment.

## **#3 Audit Committee**

The Board formally established an Audit Committee comprised of trustees and two external members in January 2011. The newly established Audit Committee has selected its chairperson, formally described the duties of the Audit Committee, met with the Board's external auditor and met with the regional internal audit team. The school board reported that three applications were received for the two available openings on the committee.

## **#4 Supply Chain Management**

The school board's procurement policy is being revised to comply with the BPS Procurement Directive introduced by the province for compliance by all broader public sector organizations. As part of the revision of the procurement policy to comply with the BPS Procurement Directive, the school board will update the school board's purchasing levels of authority. These levels of authority will be commensurate to job roles and responsibilities and purchases will be monitored for compliance with the established authorization levels.

## 6. School Operations and Facilities Management

### #1 Annual Operating Plan

Operational Review Recommendation	Implementation Update
The Facility Services department should establish an annual operating plan that would contain specific and measurable targets and indicators and assign responsibilities and timelines for key tasks. This would enable management to track and report on the progress of its defined priorities and goals throughout the year.	Implemented

### #2 Green Clean Program

Operational Review Recommendation	Implementation Update
The school board should review the Ministry's Green Clean Program Resource Guide and use the guide to develop a formal green clean program as part of its overarching environmental stewardship policy.	In Progress

### #3 Energy Management Plan

Operational Review Recommendation	Implementation Update
<p>Using the results of the energy audits, 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 Green Energy Act, 2009, energy management planning should include the development of policies, guidelines, goals (conservation targets), and priorities for energy management and resource conservation.</p> <p>The plan should include short-term and long-term opportunities with milestones, roles, responsibilities and budgets with a process for ensuring community support.</p>	In Progress

### #4 Consolidated Utilities Billing

Operational Review Recommendation	Implementation Update
The school board should continue identifying opportunities for consolidated billing from utilities.	In Progress

## **#1 Annual Operating Plan**

An annual Facilities department plan has been developed to provide direction and responsibilities for all staff in the department. The plan includes performance measures and targets for its specific goals and priorities, and supports the annual reporting on achievements. The department ensures that the plan is also aligned to the goals and objectives of the board-wide operating plan and the overarching multi-year strategic plan.

## **#2 Green Clean Program**

Since the Operational Review, the school board's Management Advisory Council has reviewed the Ministry's Green Clean Program in January 2011. A team comprised of principals, teachers, custodians and vendors has considered the extent of current use of green clean products by Facility Services. The school board is now considering the potential for expanding green clean initiatives at the school level.

The school board has been working with its suppliers to increase the proportion of green-certified cleaning products used in the school board. Wherever possible, green-certified products are preferred over conventional cleaning products. If green-certified products are not available, the school board has requested vendors to notify the school board as soon as green-certified replacements are available. These measures have resulted in increased usage of green-certified products.

## **#3 Energy Management Plan**

The school board recently completed an energy management plan. The Ministry-funded energy audit results have been used to identify energy upgrades and conservation initiatives. The school board has developed policies, guidelines, goals and priorities with respect to energy management. Staff have also identified short- and long-term opportunities with milestones, roles, responsibilities and budgets. There is also a process for ensuring community support for the school board's energy conservation initiatives.

The Ministry's Utility Consumption Database used for tracking utility consumption is in place and analysis of data has begun in order to facilitate future development of targets. Online data is now available to monitor energy consumption and cost, by location and school. The analysis of the energy consumption data is another way to identify potential energy management upgrade projects for the school board.

The school board is encouraged to continue with their development and implementation of a multi-year energy management plan and the various energy management and conservation initiatives. The energy management plan should incorporate quantifiable measures and the tools to monitor and manage the plan. In line with the *Green Energy*

*Act, 2009*, 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 and a process for ensuring community support. The plan should be approved by the Board of Trustees and annual progress of the plan should also be reported to the Board of Trustees as well.

#### **#4 Consolidated Billing**

The school board has worked with utilities suppliers to increase the proportion of bills that are invoiced electronically and in a consolidated fashion. While some progress has been made, the school board has been constrained by local utilities that are not able to provide consolidated electronic data. The school board indicated that it will continue to push for increased adoption of consolidated data from its suppliers.

## 7. School Board Adoption of New Leading Practices

The following leading practices were added to 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 Student Achievement and School Board Governance Act, Bill 177.	Yes

The board has adopted a governance model that fully reflects the roles and responsibilities mandated by Bill 177. There is delineation of roles and responsibilities between the Board of Trustees and senior administration.

### 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.	Yes

Trustees provide general policy direction to govern the staffing and recruitment for staff, but in general they do not actively participate on hiring panels with the exception of the hiring of the Director of Education. On occasion, trustees participate as observers on principal hiring panels. In the capacity as observer, the trustees provide input for consideration to the hiring panel, but do not make decisions regarding hiring.

In line with Bill 177, 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 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 in hiring and recruitment.

The school board has established a policy on equity and inclusion. The board also has processes in place to identify and remove discriminatory biases and systemic barriers in staffing decisions. There is training on this topic to identify and remove discriminatory biases and systemic barriers in staff recruitment, selection, hiring, mentoring, promotion and succession planning processes. The board's current hiring and recruitment policies and practices also adhere to these principles.

The Board of Trustees does not participate in collective bargaining or engage in negotiations with unions. The Board provides policy and a priority framework within which bargaining takes place, but refrains from engaging in bargaining directly.

## 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 is in compliance with SCG v1.0 and is prepared to make further amendments to its supply chain policies, procedures and processes to ensure compliance to the new Broader Public Sector (BPS) Procurement Directive, released in April 2011.

Senior administration reported that purchasing authorization levels commensurate to job roles and responsibilities are used in practice. However, these purchasing authorization levels need to be reviewed and revised as part of the effort to ensure compliance with the new BPS Procurement and Expense Directives.

## Operations and Facilities Management

New Leading Practice	Adopted?
The school board has an approved facility partnership policy.	No
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



New Leading Practice	Adopted?
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 not developed an approved facility partnership policy. In line with the Ministry’s guidelines, the school board is encouraged to work with community partners in order to share facilities to the benefit of students and the community, and to optimize the use of public assets owned by the school board. The school board is encouraged to consult the Ministry’s guideline on facility partnerships. This guideline is intended to assist boards in establishing more facility partnerships with community partners, specifically in new and existing school facilities where students are being taught. Boards are expected to revise or develop their own facility partnerships policies that are consistent with the guideline.

The Facilities department is in the process of hiring a dedicated project manager to oversee anticipated renewal projects in the future. This dedicated project manager will oversee major renewal projects. The role of the project manager is to be the single point of contact for individual, large-scale construction and maintenance projects. This individual will be responsible for overseeing and monitoring the progress of renewal projects, working with the architect and general contractor to ensure the on-time and on-budget delivery of each project.

The school board has not retained the services of an independent cost consultant for school construction projects in the past. The decision of whether a cost consultant is retained depends on the size and complexity of the project. For major construction projects, the school board is encouraged to consider engaging the services of cost consultants to obtain a third-party perspective on the financial proposals from vendors, and to track and monitor developments in the market.

## 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 5 through the Fourth Edition of the Operational Review Guide.

### Governance and School Board Administration

Ref.	Recommendation	Follow-up Yes/No	Criteria
1.	Using its multi-year Implementation Program as a framework, 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.	Y	SP
2.	The school board should continue to align its leadership development programs and activities with the Ministry leadership initiatives. It should develop a formal Succession and Talent Development Plan in line with the Leadership Succession Planning and Talent Development Ministry Expectations and Implementation Continuum.	Y	TAO

### HR Management and School Staffing/Allocation

Ref.	Recommendation	Follow-up Yes/No	Criteria
3.	Management should continue establishing a comprehensive attendance support program.	Y	TAO

Ref.	Recommendation	Follow-up Yes/No	Criteria
4.	Management should conduct independent compliance audits of the school board's insurance carrier to ensure adherence to the benefit plan's terms and conditions.	Y	TAO
5.	Management should document policies and procedures which govern the development of an annual staffing plan and allocation process.	Y	TAO

## Financial Management

Ref.	Recommendation	Follow-up Yes/No	Criteria
6.	Management should consider enhancing the process of reporting on the school board's budget risks using the format suggested in section 4.2 of this report. A formal risk management plan/report, which is reviewed and updated periodically, would give reviewers a better understanding of the school board's budget risks.	Y	TAO
7.	Once the independent internal audit function is established, the internal auditor should document internal audit plans and prepare reports for presentation to the Audit Committee and management.	Y	TAO
8.	In accordance with the Ministry's internal audit and audit committee strategy, the Board should consider establishing an audit committee that includes external advisors.	Y	TAO
9.	As part of the revision of the school board's purchasing policy and procedures to align with the Supply Chain Guideline, management should clearly indicate the purchasing levels of authority. These levels of authority should be commensurate to job roles and responsibilities and purchases should be monitored for compliance with the established authorization levels.	Y	AR3

## School Operations and Facilities Management

Ref.	Recommendation	Follow-up Yes/No	Criteria
10.	The Facility Services department should establish an annual operating plan that would contain specific and measurable targets and indicators and assign responsibilities and timelines for key tasks. This would enable management to track and report on the progress of its defined priorities and goals throughout the year.	Y	SP
11.	The school board should review the Ministry's Green Clean Program Resource Guide and use the guide to develop a formal	Y	NLP

Ref.	Recommendation	Follow-up Yes/No	Criteria
	green clean program as part of its overarching environmental stewardship policy.		
12.	Using the results of the energy audits, 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 Green Energy Act, 2009, 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.	Y	TAO
13.	The school board should continue identifying opportunities for consolidated billing from utilities.	Y	NLP