

**Ministry of Education**

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

**June 2011**

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## 1. Introduction

The Ministry is in the process of conducting Operational Reviews of the 72 district school boards across the province. The Ministry's goal is to enhance management capacity within school boards by encouraging good stewardship of public resources and by the leveraging and sharing of best practices. By identifying opportunities for continual improvement, school board administration and operations will be aligned to support the government's highest priority: student achievement.

In accordance with the stated objectives of the Operational Reviews, the Ministry has also engaged school boards to participate in a status and implementation update as part of the Operational Review cycle. Occurring approximately 12 months after the issuance of the final Operational Review report, the purpose of the update is to discuss with each school board the progress made in implementing the recommendations contained in the final report. It will also provide school boards with an opportunity to communicate to the Ministry their thoughts on the process, benefits that have been derived, and areas where some adjustments to the process would be beneficial.

As the recommendations vary between school boards, both in terms of quantity and scope, the following criteria were developed to help focus the review team, and the school board, on specific recommendations:

- Is the recommendation linked to the 12 Areas of Opportunity identified in the 2008 Sector Summary Report (seven) and the 2009 Sector Summary Report (five)?
- Does the recommendation represent a move toward more Strategic Planning on the part of Boards?
  - The departments that are responsible for the business functions perform significant activities in support of Student Success. The update should profile whether or not the school board is establishing links between the academic and non-academic functions through its strategic goals and priorities.
- Does the recommendation represent an area of potential risk to the board?
  - As an example, financial systems that are antiquated and require staff with very specialized knowledge could potentially disrupt the operations of the school board should those business skills be lost.
- Is the recommendation deemed to have positive Return on Investment?

- For example, implementation of an attendance management system may have greater potential for savings to the school board than introducing an electronic funds transfer system.
- Does the recommendation reflect updates to the Leading Practices?

For each of the selected recommendations, the school board was asked to provide the following information to the Operational Review team:

- Description of action(s) taken/not taken by the board to address recommendation(s).
- Supporting documentation
- If implemented, describe benefits derived, if possible, and date of implementation.

Details of the prioritization of the recommendations can be found in Appendix A of this report.

The scope of the follow up review also includes high-level consideration of whether the school board demonstrates adoption of those leading practices that were added to the 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 Wellington Catholic 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 PricewaterhouseCoopers Operational Review team conducted a teleconference with a senior administrative official 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 December 2009. Of particular note are the steps taken to implement a formal three-year strategic plan, benefits carrier audit, budget risk mitigation strategy and interim financial reporting procedures. In certain areas the Plant and Operations department indicated that time constraints have prevented more progress to be made even though the department is supportive of the operational review recommendation.

Following the Operational Review, management reported to the findings of the Operational Review report to the Board of Trustees.

There were 23 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 Wellington Catholic District School Board. The selected recommendations and the corresponding criteria are listed in Appendix A.

Overall, senior administration has made progress on most of the recommendations chosen for follow-up. The board has indicated that the areas of recommendations that require additional time for implementation are mostly within the Plant and Operations department. However, the school board has adopted most of the new leading practices added in the 4<sup>th</sup> edition of the Leading Practices Sector Guide released in September 2010.

### 3. Governance and School Board Administration

#### #1 Strategic Planning

Operational Review Recommendation	Implementation Update
The Board, using a consultative process, should develop and communicate a multi-year strategic plan that provides a framework for annual planning.	Implemented

#### #2 Succession Planning

Operational Review Recommendation	Implementation Update
The school board should continue aligning its leadership development programs and activities with the Ministry leadership initiatives. The board should develop a formal Succession and Talent Development Plan in line with the Leadership Succession Planning and Talent Development Ministry Expectations and Implementation Continuum. As a first step in the development of a formal Succession and Talent Development Plan, the school board should undertake data collection, identification of skills and competencies, and professional learning needs.	In progress

#### #1 Strategic Planning

The Board has struck a Strategic Planning Committee in the spring of 2010 following the operational review. The Strategic Planning Committee is comprised of board staff including teachers, administrative staff and senior administration. The Strategic Planning Committee has developed a draft three-year strategic plan. The three-year strategic plan includes both academic and administrative areas. The draft was scheduled to be tabled during a meeting of the Board of Trustees in late February 2011. Once approved, the board intends to review and update the plan on an annual basis.

#### #2 Succession Planning

The board has started the process to develop a formal Succession and Talent Development Plan, in line with the Ministry's *Ontario's Leadership Strategy*. Most of the work to date has focused on the academic and program side. The board acknowledges that there is still much work to be done on succession planning on the school administrative and operations areas. There is currently no formal succession plan for the administrative side of the school board.

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

### #1 Performance Appraisals

Operational Review Recommendation	Implementation Update
The HR department should continue developing formal procedures for the performance appraisal of all staff groups at the school board.	In progress

### #2 Attendance Management

Operational Review Recommendation	Implementation Update
Management should finalize its attendance management program, and develop a mechanism to assess and report on the effectiveness of the attendance management process/programs to senior administration and the Board.	In progress

### #3 Pay Equity

Operational Review Recommendation	Implementation Update
Management should continue updating the pay equity plan for all employee groups of the school board.	In progress

### #4 Benefits Plan Compliance

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.	Implemented

### #1 Performance Appraisals

Since the operational review, formal performance appraisal procedures have been developed for non-affiliated staff piloted with Human Resources staff. The procedures are currently being reviewed and will be fully implemented once Executive Council approves the procedures. The HR department continues to work with appropriate Superintendents to finalize the development of performance appraisal procedures for educational assistants, professional student services personnel, early childhood educators and occasional teachers.

## **#2 Attendance Management**

The HR department has developed a draft attendance support program. The draft program is currently reaching the final stages of design. Once the program features have been confirmed, the details will be submitted to Executive Council for final review. The current schedule calls for formal training to be introduced to Principals, Vice-Principals and Supervisors in May 2011, testing of report generation to occur between June and August 2011, and full implementation to take place in September 2011.

## **#3 Pay Equity**

The HR department has conducted ongoing pay equity negotiations with the OSSTF (Office, Clerical and Technical bargaining unit). The job evaluation phase is expected to be completed by May 2011, followed by negotiation of the actual pay equity plan. If the board is unable to complete negotiations by June 30, 2011, negotiations will continue in September 2011.

## **#4 Benefits Plan Compliance**

In May 2010, the Board engaged the services of a third-party consultant to conduct a compliance audit of the Board's benefit plans, contract reviews and claims procedures. The audit revealed some inconsistencies between plan design and contractual language. The HR department has since reviewed the plan language regarding contract, drug formulas, dispensing fee levels, drug levels, benefit carriers, and general claims audit procedure. The school board plans to continue conducting compliance audits on a three year cycle going forward.

## 5. Financial Management

### #1 Annual Department Plan

Operational Review Recommendation	Implementation Update
The Finance department's annual planning should be enhanced by establishing a distinct finance department annual operating plan. This plan should be aligned with the board's annual operating plan. The department plan should establish specific and measurable targets and indicators and assign responsibilities for key activities. This would enable management to track and report on the progress of its defined priorities and goals throughout the year.	In progress

### #2 Budget Risk Mitigation

Operational Review Recommendation	Implementation Update
During the budget development process management should document all significant risks and strategies to mitigate the risks of spending beyond authorized/budgeted levels.	Implemented

### #3 Interim Financial Reporting

Operational Review Recommendation	Implementation Update
The school board should establish approval procedures for interim financial statements, and implement a formal sign-off process for these statements by senior management.	Implemented

### #1 Annual Department Plan

The Finance department has developed a process whereby each employee develops three goals/achievements for the upcoming fiscal year. These goals are aligned with the strategic pillars of the entire organization. The goals are specific, measurable, attainable, realistic and time-based (SMART). Each SMART goal is developed within the parameters of the operating budget and has measurable attributes such as specific achievements and time-lines. This effort indicates that the board is making progress in adopting the leading practice of developing an annual department plan for the finance function. The board will benefit from building on this effort and establishing an overarching finance department plan that is based on individual employee goals, and that is aligned to both the board-wide operating plan and three-year strategic plan.

## **#2 Budget Risk Mitigation**

A formal budget risk assessment was completed during the 2010-11 budget process and was presented to the Board of Trustees in a formal presentation of the final budget. The 2011-12 budget process will include this type of formal presentation and analysis as well.

## **#3 Interim Financial Reporting**

The Finance department has implemented enhanced interim financial reporting processes since the operational review. Each month, a financial reporting package is presented to the Board at the Corporate Services meeting. The financial package contains a year-to-date expenditure and variance analysis, internal audit updates, financial indicators, school budget summaries and a community facility usage report. The entire package is received by motion and is signed off by the Director and the Superintendent of Corporate Services.

## 6. School Operations and Facilities Management

### #1 Annual Department Plan

Operational Review Recommendation	Implementation Update
<p>Facilities management should consider enhancing its annual departmental planning, by establishing a distinct facilities department plan aligned with the school board's annual strategic action plan. The department plan should establish specific and measurable targets and indicators, and assign responsibilities for key activities. This would enable management to track and report the progress of its defined priorities and goals throughout the year.</p>	<p>Not implemented</p>

### #2 Multiyear Maintenance and Renewal Plan

Operational Review Recommendation	Implementation Update
<p>Management should establish a multi-year maintenance and renewal plan that includes the funding available to support it. This would provide the senior administration, the Board and its stakeholders with a clear forecast of the school board's critical needs over the next several years.</p>	<p>Partially Implemented</p>

### #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>	<p>Not implemented</p>

### #4 Environmental Education Policy

Operational Review Recommendation	Implementation Update
<p>The school board should develop an environmental policy that would provide framework for the school board's activities in the area of environmental management and education and increase the communication opportunities.</p>	<p>Not implemented</p>

## **#1 Annual Department Plan**

The Plant and Operations department reported that it supports the recommendation to enhance its annual department plan, but has not been able to make significant progress due to time constraints. The school board should make efforts to continue to enhance its annual departmental plan to include specific and measurable targets and indicators, and assign responsibilities for key activities. This would enable management to track and report the progress of its priorities and goals throughout the year as well as ensure the department efforts are aligned to the overarching three-year strategic plan and its board- wide operating plan.

## **#2 Multi-year Maintenance and Renewal Plan**

The Plant and Operations department has created a list of potential projects from sources such as the RECAPP database, energy efficiency opportunities, and school requests. Based on this information, the department balanced these requirements against funding that is available to create a “multi-year plan”. The focus is more on the annual items, but the plan does include items that will be considered in future years.

Currently, the process is limited within the Plant and Operations department with communication of major items such as Energy Efficient School funding being discussed in general terms with Senior Administration.

## **#3 Energy Management Plan**

The Plant and Operations department reported that it supports the recommendation but has not been able to make significant progress due to time constraints. The department should continue in its effort to develop 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. Such a plan would help the department and the school board in general, to identify potential savings as well as enables such as capital investments and skills.

## **#4 Environmental Education Policy**

The Plant and Operations department reported that it supports the recommendation but has not been able to make significant progress due to time constraints. The school board should continue in its effort to create an overarching environmental policy that addresses both environmental education and responsible energy management practices and conservation. Raising awareness and influencing energy conservation

and behaviours through various communication and education strategies and channels to all diverse stakeholders is encouraged to obtain buy-in and promote the multi-year energy management plan, once developed.

## 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's governance model has been modeled after the Carver Policy Governance Model. The Director is the sole employee to the Board of Trustees, and all other staff report to the Director. Both the Board of Trustees, the Director of Education and senior administration are aware of their delineated duties and responsibilities.

### 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.	Yes
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

Senior administration reports that the school board has been adopting all three additional new leading practices under the HR function.

Trustees restrict their hiring decisions to that of the recruitment of the Director of Education and provide policy direction to govern the staffing and recruitment for the rest of the administration and school board's staff.

The school board has processes in place to identify and remove discriminatory biases and systemic barriers in staff recruitment, selection, hiring, mentoring, promotion and succession planning processes.

The Board of Trustees has provided the school board with a policy and priority framework within which bargaining takes place. This has been the case for the past two decades. Trustees do not participate on any negotiating committees.

## 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 all purchasing authorization levels are commensurate to job roles and responsibilities, and are monitored for compliance by a supervisor or department head.

## 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
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.	Yes

The board has not yet developed a formal Facility Partnership Policy and is encouraged to do so in line with the Ministry's *Facility Partnerships Guideline* and the 2010: B1

memorandum dated February 11, 2010. The Ministry will provide more information in this regard upon request of the board.

The Facilities department has a dedicated project manager to oversee major construction and maintenance projects.

The school board has retained the services of an independent cost consultant for school construction projects in the past.

## 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.	The Board, using a consultative process, should develop and communicate a multi-year strategic plan that provides a framework for annual planning.	Yes	SP
2.	The school board should continue aligning its leadership development programs and activities with the Ministry leadership initiatives. The board should develop a formal Succession and Talent Development Plan in line with the Leadership Succession Planning and Talent Development Ministry Expectations and Implementation Continuum. As a first step in the development of a formal Succession and Talent Development Plan, the school board should undertake data collection, identification of skills and competencies, and professional learning needs.	Yes	TAO

## HR Management and School Staffing/Allocation

Ref.	Recommendation	Follow-up Yes/No	Criteria
3.	The HR department should continue developing formal procedures for the performance appraisal of all staff groups at the school board.	Yes	TAO
4.	Management should finalize its attendance management program, and develop a mechanism to assess and report on the effectiveness of the attendance management process/programs to senior administration and the Board.	Yes	TAO
5.	Management should continue updating the pay equity plan for all employee groups of the school board.	Yes	AR3
6.	Management should conduct independent compliance audits of the school board's insurance carrier to ensure adherence to the benefit plan's terms and conditions.	Yes	TAO

## Financial Management

Ref.	Recommendation	Follow-up Yes/No	Criteria
7.	The Finance department's annual planning should be enhanced by establishing a distinct finance department annual operating plan. This plan should be aligned with the board's annual operating plan. The department plan should establish specific and measurable targets and indicators and assign responsibilities for key activities. This would enable management to track and report on the progress of its defined priorities and goals throughout the year.	Yes	SP
8.	During the budget development process management should document all significant risks and strategies to mitigate the risks of spending beyond authorized/budgeted levels.	Yes	NLP
9.	The school board should establish approval procedures for interim financial statements, and implement a formal sign-off process for these statements by senior management.	Yes	TAO

## School Operations and Facilities Management

Ref.	Recommendation	Follow-up Yes/No	Criteria
10.	The Plant and Operations management should consider enhancing its annual departmental planning by establishing a distinct department annual operating plan, which would be aligned with the board's annual operating plan. The department plan	Yes	SP

Ref.	Recommendation	Follow-up Yes/No	Criteria
	should establish specific and measurable targets and indicators and assign responsibilities for key activities. This would enable management to track and report the progress of its defined priorities and goals throughout the year.		
11.	Management should establish a multi-year maintenance and renewal plan that includes the funding available to support it. This would provide the senior administration, the Board and its stakeholders with a clear forecast of the school board's critical needs over the next several years.	Yes	TAO
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.	Yes	NLP
13.	The school board should develop an environmental policy that would provide framework for the school board's activities in the area of environmental management and education and increase the communication opportunities.	Yes	NLP