

Ministry of Education

**Operational Review Report
Conseil scolaire de district du Nord-
Est de l'Ontario**

July 2009

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Executive Summary

This report details the findings and recommendations of the Operational Review of the Conseil scolaire de district du Nord-Est (CSDNE) conducted by the Operational Review Team composed of external consultants from Deloitte & Touche LLP and Ministry of Education staff. The Operational Review was conducted over three days beginning April 19, 2009.

Introduction

The Ministry plans to perform Operational Reviews of the 72 district school boards across the province over the next three years. The initiative supports Ministry goals and will increase confidence in public education. 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.

The Operational Review Team reviewed the school board's operations in four functional areas: Governance and School Board Administration; Human Resource Management and School Staffing/Allocation; Financial Management; and School Operations and Facilities Management. The purpose of this was to assess the extent to which the school board has implemented the leading practices set out in the "Operational Review Guide for Ontario School Boards". The review also provides, where appropriate, recommendations on opportunities for improvement. Appendix A provides an overview summary of the Operational Review scope and methodology.

The review found that the CSDNE is well managed. Noted strengths of the Board include a clearly articulated strategy for student success and a strong and aligned leadership that communicates effectively and shares a common vision. Management monitors student enrolment and staffing levels, invests in students and implements effective fiscal policy in an environment of declining economy. The following is a summary of the findings and recommendations identified in each of the functional areas reviewed. Details can be found in subsequent sections of the report.

Governance and School Board Administration

The CSDNE has adopted a sound governance structure, which includes a board of trustees and an administrative council. The division of roles and responsibilities between the board of trustees and the administrative council is clear and respected. The board of trustees establishes policies to guide the administrative council. Due to its geographic setting, the board of trustees has a chair and two vice-chairs who represent the south and north territories.

The Board is committed to providing comprehensive programs and services that foster student success, as its primary goal is to help children achieve their best possible results. The school board has also created an annual strategic plan (also referred to as the “strategic framework”) based on “the three Rs”: Relationships, Results and Recruitment. Upon finalization of the strategic plan, members of the administrative council then collaborate on an action plan, which includes a description of all activities and the persons responsible for them. The action plan is the school board’s operational plan, to which department managers refer when setting their departmental priorities.

The Board generally uses the same decision-making process. First, the board of trustees, a committee or the administrative council identifies the need for a resolution or a decision on a particular issue. With the assistance of the administrative council, the concerned department manager is responsible for assessing the situation and choosing the best course of action. A resolution may then be submitted to the concerned committee and then to the board of trustees for approval and a final decision.

The trustees closely monitor the policy review process. Each year, the administrative council submits a policy review and development schedule to the policy committee. This schedule is then approved and reviewed during the year to ensure it is being followed.

The school board has taken steps to implement a succession plan. As a first step, Board employees were surveyed about their desire to stay with the school board and to advance within the organization. Employees then received personalized plans based on their current position and desired position, including the qualifications required for the new position. As a result, the Board now has a comprehensive and well-considered succession plan for the school board’s key managers and administrators.

Trustees recognize the importance of creating ties with the community, other school boards, parents and students. The board of trustees creates an annual marketing plan to cement the links between the board and the communities it serves.

Recommendation

- The board of trustees, with the assistance of the Director of Education, should prepare a multi-year plan that includes primary objectives, timetables and performance measures. This would guide the Board’s annual plan, individual school plans and departmental plans, and enable the Director of Education to report on the success of the Board’s initiatives.

Human Resources Management and School Staffing/Allocation

The human resources (HR) department has demonstrated a good level of operational effectiveness overall. It has implemented many of the leading practices:

- The HR department has a mission statement that describes the department's role within the Board and the community, and the department's areas of strategic activity.
- The HR manager develops an annual plan that is reviewed and approved by the Director of Education. The annual plan includes initiatives to achieve the results outlined in the Board's annual strategic framework. This process ensures that the HR department's priorities are aligned with the school board's priorities.
- On an annual basis, the HR manager creates a policy review plan that is approved by the Director of Education and the policy committee. When there is a need to create or modify a policy, the Director submits the request first to the HR committee and then to the policy committee for approval.
- Staff recruitment and hiring are centrally managed on an annual basis through the HR department. The Board has policies on the recruitment and hiring of management, administrative, teaching and support staff. The policies define the selection criteria and explain the job posting process, selection processes and procedures, and some administrative procedures.
- The Board has eight policies that outline the assessment procedure for management, administrative, teaching, support and supply staff, lunchtime supervisors and the Director of Education. The assessment process is clear for all employees. Assessment policies in effect are available to all staff on the Board's website.
- The Board has developed efficient payroll and HR management processes. Payroll is managed with the assistance of an Excel file and the BAS system. Personnel files and job classifications are updated on a regular basis.
- The Board has an annual staffing process. The HR department estimates staffing needs using a formula that takes into account Ministry policies and Board guidelines.

Recommendations

- The department should develop a comprehensive attendance management program, including policies and procedures to address specific categories of absenteeism. This will provide management with a consistent and structured approach to improve attendance, including positive reinforcement for employees and standardized practices across all employee groups
- Management should conduct periodic audits of the insurance company that manages the school board's medical and dental claims (administrative services

only), in order to ensure that claims from the Board are processed according to the plan's terms and conditions.

- Management should develop a formal plan for conducting exit interviews. Like staff surveys, these interviews will provide input for HR policy and process and program improvement.
- The Board should compare its staffing costs with those of other similar school boards. This would provide insight into the competitiveness of the Board's job offers.

Financial Management

The finance department has demonstrated positive results by implementing many of the leading practices used, namely:

- The finance manager has implemented an annual planning procedure and monitors the key priorities that guide the finance department throughout the year.
- An annual policy development and review plan is implemented through the finance and policy committees. This process ensures that policies are kept up-to-date.
- The annual budget process at the Board is transparent, clearly communicated and well documented. It incorporates input from all key stakeholders. When establishing the budget, the administrative council ensures that annual priorities are included, especially those related to student achievement.
- The Board uses an integrated financial system (BAS) to record, track and report financial data. The system integrates general ledger, accounts payable, accounts receivable, budget and purchasing modules. The financial system facilitates variance analysis and management reporting
- Interim financial reports are prepared and submitted to the administrative council and trustees three times a year, which enables management and the board of trustees to track variances. The report shows the variance between the planned budget and the current budget. During board of trustee meetings, the finance manager explains the variances in detail in order to help the trustees understand the reasons behind them.
- The Board has an account at the Caisse Populaire Desjardins that is governed by an agreement negotiated by the cluster of 11 French-language school boards. This consortium launches a call for tenders every three years. The Board receives a prime rate on the average bank balance. The finance department has

consolidated cash balance management with a single institution. Board schools do their banking with the Caisse Populaire.

- The Board has an approved purchasing policy for the acquisition of quality goods and services, for all of its schools and departments. In compliance with this policy, the Board has implemented a comprehensive selection process that includes criteria such as quality, product efficiency or ease of use, adaptability, operating and maintenance costs, and the supplier's track record and after-sales services.

Recommendations

- Management should consider formalizing an internal audit function. This would include a broader audit of financial and management controls and adherence to board policies. Management could start by identifying options for the mandate and scope of this function and the estimated cost for each option.
- Management and the board of trustees should consider including external advisors to contribute to the effectiveness of the finance committee with a mandate to conduct internal auditing.
- Finance staff should implement electronic funds transfer (EFT) payments for all appropriate suppliers, to gain greater efficiency and minimize the risk of payments being altered prior to clearing the bank. Management may want to consider EFT capability when tendering banking services in the near future.

School Operations and Facilities Management

The plant department has adopted a great number of leading practices in its caretaking and maintenance operations. The following significant practices are noted:

- Due to the Board's small size, the facilities department is part of the finance department; as such, it follows the same annual planning and policy review processes.
- One of the CSDNE's distinctive features is the fact that it shares some schools with neighbouring school boards. Four of the 12 schools are shared. School sharing is a good means of facilities management as it reduces these schools' operating costs.
- To ensure policy monitoring, a Board representative conducts annual inspections of all schools for cleanliness, health, safety and maintenance requirements. Custodians or principals directly inform the facilities coordinator of maintenance requirements.

- The school board has created cleanliness and maintenance standards, and each custodian receives a clear description of daily tasks to carry out. Custodians are responsible for monthly cleanliness inspections, which are signed by the school principal.
- The finance manager and the facilities coordinator collaborate on the creation of the annual renewal plan for Board schools. This plan includes projects ranked by priority and classified into four groups: health and safety, repairs, improvement and accessibility. The strategic framework and annual student achievement priorities provide a basis for the plan.
- The Board has implemented a process for monitoring renewal and maintenance projects. Custodians and principals identify their needs as they arise during the year.
- Health and safety issues are jointly managed by the finance and HR managers. The Board has an approved health and safety policy that is current as of November 2007. The board of trustees is responsible for implementing and maintaining a joint health and safety committee (JHSC) to promote health and safety and prevent incidents leading to occupational injuries and illnesses.
- The Board has implemented processes for capital planning. The capital operational plan includes a list of prioritized projects per school for the upcoming four years. The ten-year capital plan is reviewed and approved by the board of trustees each year.
- The Board has opened eight new schools since it was founded, and has thus acquired solid expertise in construction. The Board has developed a school plan that is reused for new schools. The Board undertakes renewal projects at least every two years. For major projects, the Board conducts consultation sessions between the board of trustees, staff, students and the public.

Recommendations

- The Board should consider developing a three- to five-year preventive maintenance plan that includes a financing plan. This would enable the Board to forecast critical needs to be addressed in the upcoming years.
- The Board should consider developing procedures to track its inventory and maintain a database on the age, location and state of the equipment.
- The Board should develop a system-wide, multi-year energy management plan, with appropriate consumption reduction targets. The Board should also ensure that it has tracking mechanisms in place to monitor consumption and energy

costs for periodic reporting to the individual schools, the administrative council and the trustees.

- Management should ask the utility companies to provide consolidated billing in electronic format. This would support more efficient monitoring and forecasting of energy consumption, and reduce the workload in the accounts payable department.
- As part of its energy conservation planning, management should investigate the costs/benefits of implementing a more sophisticated building automation system to track and remotely control energy consumption in individual schools.

1. Background and Overview

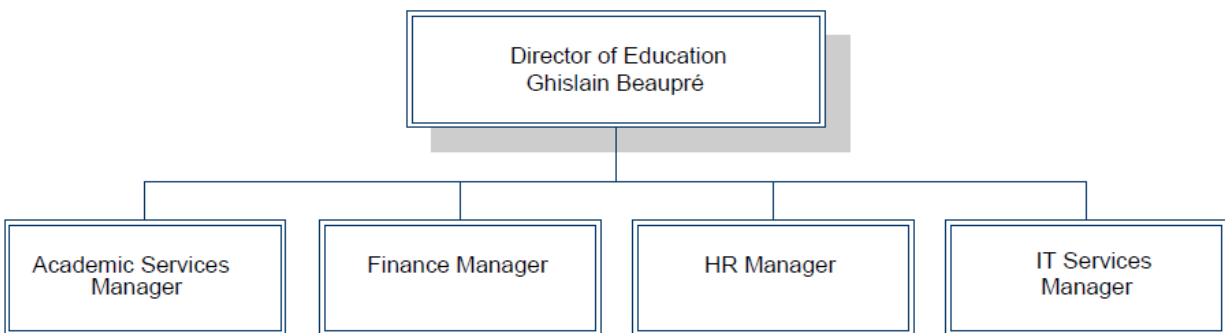
1.1 School Board Profile and Structure

The CSDNE was founded on January 1, 1998 upon the creation of the French-language school boards. Based in North Bay, the Board serves the districts of Algoma, Nipissing, Cochrane and Timmins. Its schools are located in Iroquois Falls, Kapuskasing, North Bay, Sturgeon Falls, Temiskaming Shores and Timmins. Due to its geographic situation, and in order to support the Board’s operations, the school board has a regional office in Timmins.

The CSDNE has twelve schools and covers an area of 46,453 km². The school board’s head office is in North Bay, and the school farthest from it is approximately 700 km away. Distances such as this make communication and face-to-face meetings challenging, especially in the winter. The school board currently serves a population of 1,245 elementary students and 389 secondary students. Due to the school board’s distance from its schools, the trustees, administrative council and school principals must travel to attend training and conferences at the Board or among the twelve French-language school boards.

Due to its small number of students, the CSDNE has entered into school-sharing agreements with the Near North District School Board. Four of the Board’s 12 schools are shared, which has an impact on Board facilities. The Board has opened eight schools since it was founded, some of which were built to replace schools that were deemed to be prohibitive to repair, while others were built to accommodate increasing enrolment.

Table 1 shows the organizational chart of the school board’s administrative council.



1.2 Key Priorities of the School Board

The school board has the following mission: “With the well-being of children at the heart of every decision, the Board seeks to offer superior French-language education and to develop a sense of pride in the Franco-Ontarian community. The Board provides

dynamic educational services based on our common values and a welcoming and safe learning environment for all children. All team members work in partnership with parents and members of the larger communities in order to achieve organizational objectives”¹.

The school board’s 2008/2009 strategic plan is based on the Board’s four overall objectives:

- Relations with employees and other stakeholders
- Student achievement
- Staff recruitment
- Organizational culture

Each of these objectives is supported by success indicators for the year. The annual plan is supported by board improvement plans, one each for the elementary and secondary panels. The goals outlined in the plans are supported by targeted outcomes relating to implementation and monitoring, along with timelines and success metrics. Board objectives and priorities for the upcoming school year are identified during the implementation of the annual plan.

1.3 Student Achievement

The school board has performed below the provincial average in the last few years. However, it is making strides to overcome the gap with the provincial average.

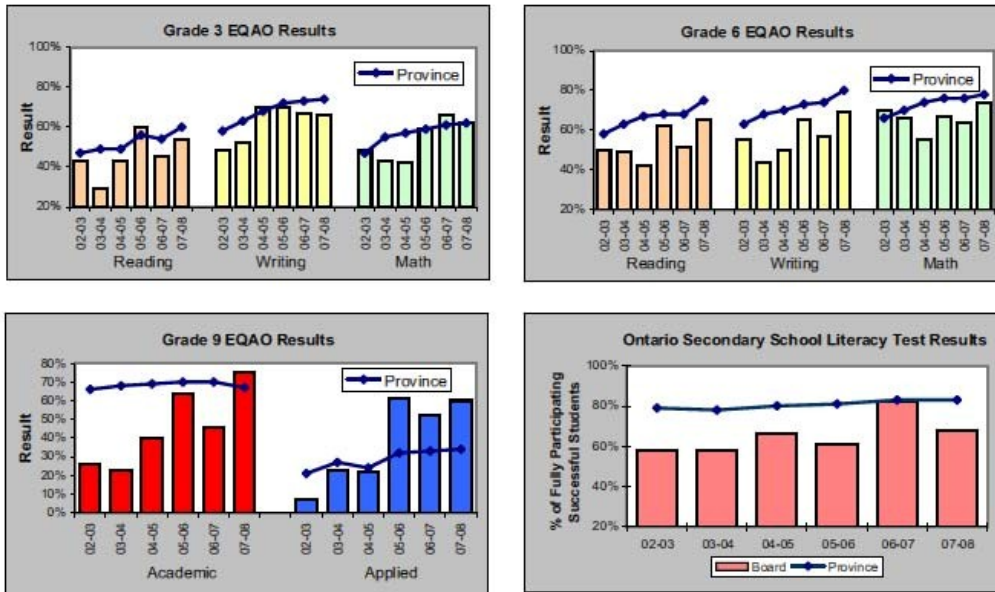
In order to improve student achievement, the school board carried out the following initiatives during the 2007/2008 school year:

- At the secondary level (Grade 7 to Grade 12), the Board has focused on student success, especially in terms of credit recovery and high skills majors.
- At the elementary level (Kindergarten to Grade 6), management has coordinated the creation, administration, grading and electronic compilation of the Board’s reading, writing and mathematics tests.
- The Child Welfare and Ambassadors programs have been implemented within the Board. According to Board analyses, the Child Welfare project has reduced by 29% the challenges that can stand in the way of learning and well-being.
- Language planning and cultural teaching projects

¹ Source: The Conseil scolaire de district du Nord-Est 2008/2009 strategic plan

The following charts illustrate the Board’s EQAO and OSSLT results over the last five years.

CSD du Nord-Est de l’Ontario
EQAO Results
2002-03 to 2008-09



1.4 Fiscal Overview

The Board has consistently presented a balanced budget to the Ministry. This was accomplished in part through the use of some of the working funds reserve or the increase of this reserve, depending on the year.

For 2008/2009, the school board approved a total budget of \$30,723,647 in revenues and \$31,690,343 in expenditures. This budget confirms the CSDNE’s commitment to student academic achievement; in fact, the cost breakdown reveals that 66% of the Board’s financial resources are dedicated to educational activities.

The following tables provide a fiscal overview of the school board:

Summary Financial Data (Revenues)

Revenues	2006-07 Financial Statements	2007-08 Financial Statements	2008-09 Revised Estimates
Legislative Grants	\$23,841,949	\$26,001,590	\$28,021,909
Local taxation	\$1,834,283	\$2,085,146	\$1,854,212

Revenues	2006-07 Financial Statements	2007-08 Financial Statements	2008-09 Revised Estimates
Board Revenues	\$633,450	\$758,972	\$146,432
Other Operating & capital Grants	\$1,672,233	\$2,520,746	\$701,094
Total Revenues (Schedule 9)	\$27,981,915	\$31,366,454	\$30,723,647

Summary Financial Data (Expenditure)

Expenditures:	2006-07 Financial Statements	2007-08 Financial Statements	2008-09 Revised Estimates
Operating expenditures	\$22,498,558	23,789,129 \$	\$26,946,036
Capital expenditures - Before transfers from reserves	\$5,166,192	6,221,066 \$	\$4,744,307
Transfer to (from) Reserves	\$685,548	765,624 \$	\$0
Total Expenditures	\$28,350,298	30,775,819 \$	\$31,690,343
In-year Surplus (Deficit)	-\$368,383	\$590,635	-\$966,696

School Board Reserves and Deferred Revenues

School Board Reserves and Deferred Revenues	2006-07 Financial Statements	2007-08 Financial Statements	2008-09 Revised Estimates
Retirement Gratuities	\$50,000	\$50,000	\$50,000
Reserve for Working Funds	\$0	\$0	\$0
School Activities	\$0	\$0	\$0
WSIB	\$0	\$0	\$0
Other:	NO DATA	No data	no data
Legal fees	\$25,000	\$25,000	\$25,000
Servers	\$20,000	\$20,000	\$20,000
Pupil Accommodation Debt Reserve	\$2,216,608	\$2,516,329	\$2,716,329
GPL Reserve	\$511,751	\$511,751	\$511,751
Total Reserve Funds	\$2,823,359	\$3,123,080	\$3,323,080
Reserve for Working Funds	\$0	\$0	\$0

School Board Reserves and Deferred Revenues	2006-07 Financial Statements	2007-08 Financial Statements	2008-09 Revised Estimates
Special Education Reserve	\$27,930	\$18,153	\$0
Distant School Reserves	\$0	\$0	\$0
Pupil Accommodation	\$0	\$0	\$643,371
Program Improvement Reserve	\$0	\$0	\$0
Improvement of Access to Special Education	\$0	\$0	\$0
Other deferred operating revenue	\$0	\$0	\$0
Proceeds of Disposal Reserve – School Buildings	\$0	\$0	\$0
Proceeds of Disposal Reserve - Other	\$0	\$0	\$0
MECR/BEER Reserve	\$0	\$0	\$0
Reserve for education devcharges	\$0	\$0	\$0
Other deferred capital revenues	\$0	\$0	\$0
Total Deferred Revenues	\$27,930	\$18,153	\$643,371
Total Board Reserves and Deferred Revenues	\$2,851,289	\$3,141,233	\$3,966,451

1.5 Key School Board Statistics

The following table highlights key statistics for the school board. Of note are the decreasing enrolment trend and the size of the Board. These statistics illustrate a unique and challenging operating environment for the school board.

Day School Enrolment

Day School Enrolment	2002-03 Actual	2007-08 Rev. Estimates
Elementary Day School ADE	665	1,151
Secondary Day School ADE	413	368
Total Day School Enrolment	1,078	1,519

Primary Class Size

Primary Class Size	2003-04	2007-08
% of Classes Less Than 20	87%	100%
% of Classes Less Than 23	93%	100%
Average Class Size - Jr/Inter	16.12%	16.2
% of 3/4 Classes 23 & Under	-	100%
% of Combined Classes	13%	10%

Staffing

Staffing	2003-04	2007-08
School Based Teachers	90	165
Teacher Assistants	16	47
Other Student Support	21	25
School Administration	9	12
School Clerical	8	13
School Operations	12	24
Other Non-Classroom	24	31
Total Staffing	179	316
Teacher - Pupil Ratio	1:12	1:09
FTE Staff per 1,000 Pupils (ADE)¹	165.6	208.1
Total Salary & Benefits as % of Net Operating Expenditures	75.10%	78.40%

Special Education

Special Education	2003-04	2007-08
Special Education Incremental Expenditures	\$1,515,569	\$3,522,885
Special Education Allocation	\$1,601,764	\$3,433,988
Spending above Allocation (Reserve)	\$217,941	\$88,897

¹ Note: Impacted by Class Size and Special Education

School Utilization

School Utilization	2003-04	2007-08
Number of schools	11	14
Total Enrolment (ADE)	1,078	1,519
School Capacity (Spaces)	2,187	2,824
% of surplus capacity (insufficient capacity)	49.30%	53.80%
Board Area (Km²)	45,280	45,280
Number of Trustees	12	12

2. Governance and School Board Administration – Findings and Recommendations

The school board’s governance model and administrative organizational framework make a significant contribution in helping the board of trustees, director, senior administration and community stakeholders support both student achievement strategies and effective board operations.

Governance and board administration processes are reviewed to:

- Understand how the governance model delineates the division of duties between the Board of Trustees and the administration and supports operational effectiveness;
- Assess the development of the annual plan (including the goals/priorities) and actions to engage and communicate with key stakeholders and the related reporting against the plan;
- Assess the processes for the generation and maintenance of policies and related procedures;
- Assess whether staffing levels and organization structures provide for clarity of roles and accountability sufficient to carry out the Board’s objectives;
- Identify opportunities to support continual improvement in the effectiveness and efficiency of all processes.

This section provides a summary of the findings and recommendations of our assessment of the board’s adoption of the leading practices relating to the governance and board administration. Our findings are a result of our review of the data provided by the board and our field work, which included interviews with the Chair, the Director and senior staff of the Board.

The following table summarizes the leading practices defined for governance and board administration, and identifies where evidence showed that the practice was adopted in full. Where the evidence was not present or the practice was not completely adopted at the time of the review, a “No” indicates that an improvement opportunity exists.

Establishment of an Effective Governance Model

Leading Practices – Governance and School Board Administration	Evidence of Adoption?
The school board's governance model clearly delineates the division of duties between the board of trustees and the director of education. The board has established clearly defined duties and responsibilities to support on effective working relationship.	Yes

Development of the School Board's Strategic Direction and the Annual Board Improvement Plan

Leading Practices – Governance and School Board Administration	Evidence of Adoption?
The board of trustees develops and communicates a multi-year strategic plan that provides a framework for annual planning.	No
The director of education and senior management develop an annual board improvement plan of their goals/ priorities, incorporating both academic and non-academic departments. The plan is aligned with the board's multi-year strategic plan and has goals that are specific, measurable, achievable, relevant and timely.	Yes
Senior management periodically/ annually report to the board on the status and outcomes of the annual board improvement plan.	Yes

Decision Making Processes

Leading Practices – Governance and School Board Administration	Evidence of Adoption?
The board of trustees and management have established appropriate processes for decision making to address student achievement targets and operational performance.	Yes
The board of trustees and management have appropriate processes for the establishment and regular maintenance of policies for the efficient and effective operation of the board. Policies are posted on the board's web site.	Yes

Organizational Structure and Accountability

Leading Practices – Governance and School Board Administration	Evidence of Adoption?
The organizational structure has clearly defined organizational units that delineate roles and responsibilities, minimize administrative costs and ensure effective and efficient operation.	Yes
The Director has established a formal succession plan to manage retirements and resignations of key managers/administrators.	Yes
A departmental organization chart (supplemented with a Directory of key staff contact information) is publicly available on the board's web site.	Yes

Stakeholder Engagement

Leading Practices – Governance and School Board Administration	Evidence of Adoption?
The board of trustees and management proactively engage internal and external stakeholders on a regular basis and through a variety of communications vehicles (e.g., websites, email, memos, town halls, etc.).	Yes
Key senior staffs from all functional areas are members and participants in sector committees of provincial associations and Ministry workgroups.	Yes

Establishment of an Effective Governance Model

The CSDNE has adopted a sound governance model that includes a board of trustees and an administrative council. Board meetings are in part based on the Morin code. The delineation of roles and responsibilities between the trustees and the administrative council is clear and respected. The board of trustees' role includes establishing policy, which serves as a guide for the administrative council. The board of trustees ensures that the administrative council follows established policy by means of annual board meetings, reports and committees. Trustees are also responsible for budget approval and annual strategic planning.

Due to its geographic situation, the board of trustees has a chair and two vice-chairs who represent the south and north territories. The board of trustees is composed of twelve experienced school trustees. The trustees are appointed for a four-year term with annual election of the chair. Trustees have appropriate experience for their position. To further support Board operations, the Board has established a headquarters in North Bay and a regional office in Timmins.

The board of trustees uses committees to ensure compliance with school board policy. The Board has established eight standing committees and some ad hoc committees to

address temporary issues, such as the construction of new schools. Each trustee represents a Board region and is a member of various Board committees. Currently, the Board has three ad hoc committees. The school board's standing committees are: the plenary committee (monthly board of trustee meetings), the special education advisory committee, the IT services committee, the policy and guidelines committee, the HR committee, the finance committee, the ACÉPO board of directors and the joint committee on transportation. The Director of Education or a department head acts as each committee's resource person, using the committee as a first step in their department's decision-making process. Each standing committee has a detailed description of its mandate, responsibilities and representation, which ensures adequate monitoring of the Board's governance model.

The administrative council is composed of the Director of Education, the academic services manager, the IT services manager, the finance manager and the HR manager. The administrative council develops and implements operating plans and procedures that are consistent with the Board's key goal of improving student success. The Director of Education took on his position this year.

Training for trustees is provided by the Association des conseillères et des conseillers des écoles publiques de l'Ontario (ACÉPO). Elected officials are encouraged to participate in training sessions to meet their individual needs. Training for board members is also offered on an annual basis according to identified needs.

Development of the School Board's Strategic Direction and the Annual Board Improvement Plan

The Board is committed to offering complete programs and services to foster student success. The Board's primary objective is to help children achieve the best possible results. Based on this goal, the Board develops an annual strategic plan (referred to as the "strategic framework") that focuses on the "the three Rs": Relationships, Results and Recruitment. Annual planning begins with principals who work with their staff to identify their priorities and annual plan. Based on these individual school plans, the administrative council then develops its Board plan, which contains general Board objectives for relationships, results and recruitment. This framework is submitted to the board of trustees, which reviews and approves it.

The school board's current annual strategic process is rigorous and includes all Board employees; however, this process is only for an annual plan and does not include a multi-year plan. The Director of Education shared with us his intention to include a multi-year dimension to this plan to ensure a continuity of strategies in the long term. We would encourage the Board to implement this process.

Once the strategic plan is finalized, members of the administrative council work together to reorganize their individual priorities and to develop an action plan. This plan explains in detail the activities related to each of the established strategic priorities and identifies the persons responsible for each activity. This plan is used as an operational plan throughout the school board, and serves as a basis for the development of each annual departmental plan.

The Board's strategic plan is supported by improvement plans that are developed for each elementary and secondary school. The Board's improvement plans are created by the academic services manager in collaboration with school principals. The objectives described in the school board improvement plan are supported by related initiatives that have specific deadlines and success indicators.

The establishment of performance targets and timelines and the assignment of responsibilities are good practices at all levels of planning, since they enable the Director of Education, Board department managers and principals to align the annual plan with expected outcomes.

The Director of Education is responsible for following up on action plans with department managers and preparing a report for the board of trustees three times a year. This report includes a summary of the school board's main activities and a timeline review in order to ensure that everything is completed on time.

Decision-Making Process

The Board's governance model is supported by a collegial, transparent and cooperative relationship between the Director of Education and the Board's chair. This positive relationship promotes open communication and contributes to an effective process for agenda setting and decision making.

The Board generally uses the same decision-making process. First, the board of trustees, a committee or the administrative council identifies the need for a resolution or a decision on a particular issue. With the assistance of the administrative council, the concerned department manager is responsible for assessing the situation and choosing the best course of action. A resolution may then be submitted to the concerned committee and then to the board of trustees for approval and a final decision.

Trustees meet once a month for school board meetings. In addition, the trustees participate in the meetings of committees on which they sit. When setting the agenda for board of trustee meetings, the Director of Education follows the policy on deliberative assembly procedures and creates a first draft to be reviewed and modified with the school board's chair and two vicechairs. Once the agenda has been finalized, it is sent to the rest of the trustees before the board of trustees' monthly meeting.

The trustees closely monitor the policy review process. Each year, the administrative council submits a policy review and development schedule to the policy committee. This schedule is then approved and reviewed during the year to ensure it is being followed. Each department head creates or reviews policies according to this timetable. Any changes to a policy are first presented to the associated committee followed by the policy committee for approval. The policy committee meets on a monthly basis to review new policies and proposed changes to existing policies. This is an example of best practices as it enables close monitoring of the Board's current policies.

Organizational Structure and Accountability

The school board's organizational structure clearly defines the responsibilities of the elected officials, administrative council and school principals. The organization of the school board's administrative team is well established and operating effectively. There is a job description for each Board position in order to clarify roles and responsibilities.

All school board operations are managed by its departments (academic services, finance, HR, and IT services) with the assistance of the Director of Education. Members of the administrative council collaborate to support the Board's day-to-day operations. School operations are managed by the twelve school principals, the academic services manager and the Director of Education.

Given the small size of the CSDNE, there is a risk of conflicts of interests or perceived conflict of interest. The Board has been very proactive in the mitigation of this risk and has put in place policies to prevent them. Guidelines have been established for trustees and for hiring and recruitment procedures. In addition, actual or perceived conflicts of interest are disclosed by trustees at each meeting of the board of trustees.

The Board has undertaken steps to implement a succession plan. Board employees were surveyed about their desire to stay with the school board and to advance within the organization. Employees then received personalized plans based on their current position and desired position, including the qualifications required for the new position. This was implemented in all of the Board's departments and schools. In some cases, the Board identified a need for the succession of a department manager who intended to retire. As a result, the Board now has a comprehensive and well-considered succession plan for the school board's key managers and administrators.

One of the challenges faced by the school board is the hiring of principals. The labour pool is small, and school board teachers are often young and must be trained to take on the position of principals. In addition, the Board has only three vice-principal positions, a position that other school boards use as a source for recruiting principals. In response, the Board strongly encourages management training for teaching staff, and a mentoring structure for new principals has been implemented.

The school board's organizational chart is kept up-to-date. The organizational chart and the contact information for all Board staff at the head office, by department, are available on the Board's website.

Stakeholder Engagement

Trustees recognize the importance of creating ties with the community, other school boards, parents and students. The board of trustees has an annual marketing plan that ensures a link between the board and the communities it serves. Overall, elected officials are very involved in the community. They are active in Francophone and community associations. There is significant involvement of trustees, school principals and members of the administrative council in the community. Communications that describe the board of trustees' activities are sent to each school. Trustees and school councils maintain close ties.

Relationships with other school boards in the same communities are maintained on an ongoing basis by means of purchasing consortia and school sharing. The board of trustees' chair is in contact with neighbouring board chairs.

The board of trustees recognizes that communication is a vital component of its mission and that it needs to communicate with citizens, local organizations, students and their parents in delivering educational services. Various communication channels such as school newsletters, press releases, website postings and emails keep key stakeholders engaged throughout the year.

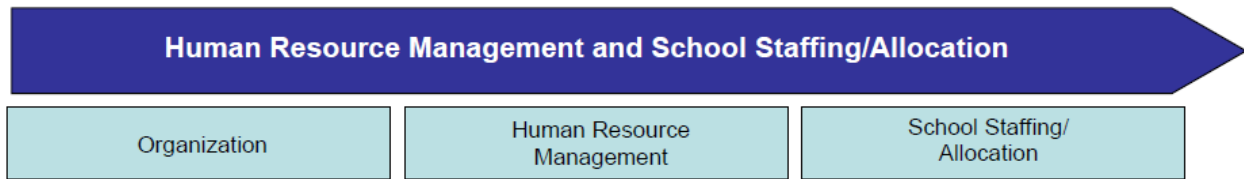
The school board uses its public website to disseminate information relating to its policies, the Director of Education's annual report and its financial reports.

Members of the Board's administrative council are actively involved in various provincial and national forums, including the following: Association des gestionnaires de l'éducation francoontarienne (AGÉFO), Association des directions et directions adjointes des écoles francoontariennes (ADFO), forums on the school efficiency framework, language planning policy and special education, Conseil ontarien des directions de l'éducation de langue française (CODELF), Council of Ontario Directors' of Education (CODE), Council of Senior Business Officials (COSBO), etc. This ensures that the Board learns and shares leading practices from across the sector.

Recommendation

- The board of trustees, with the assistance of the Director of Education, should prepare a multi-year plan that includes primary objectives, timetables and performance measures. This would guide the Board's annual plan, individual school plans and departmental plans, and enable the Director of Education to report on the success of the Board's initiatives.

3. Human Resource Management and School Staffing/Allocation – Findings and Recommendations



Effective management of human resources ensures an adequate number of qualified staff throughout the organization can perform their prescribed duties, Policies and procedures to develop staff are in place, through performance appraisals, professional development and support services. Staff allocations to schools and classrooms meet the Ministry’s class size requirements, and are congruent with the board’s collective agreements and allocation models. The allocation models adopted by the board ensure the most effective teaching and learning practices.

The following is a summary of our assessment of the board’s adoption of the leading practices under the processes identified above. All findings are a result of a review of the data provided by the board and on-site field work, which included interviews with all key HR staff, as well as follow-up and confirmation of information.

3.1 Human Resource Organization

The review of the organization of the HR department assesses:

- Whether appropriate policies and procedures have been established and maintained to support the HR functions and required priorities, and whether they are aligned with the board’s directions;
- Whether an annual plan setting out the goals and priorities and their alignment to the board’s strategic directions has been established;
- Whether the roles and responsibilities of staff support the key functions, activities and practices of HR;
- Opportunities to support continual improvement in the effectiveness and efficiency of all processes.

The following table summarizes the leading practices defined for HR organization, and identifies where evidence was found to indicate that the practice was adopted in full.

Where the evidence was not present or the practice was not completely adopted at the time of the review, a “No” indicates that an improvement opportunity exists.

Development and Reporting of Annual Goals and Priorities

Leading Practices – Human Resource Organization	Evidence of Adoption?
The HR department’s goals and priorities are documented in an annual department plan. They are aligned to the annual board improvement plan, accessible by key stakeholders. The plan incorporates measurable targets, specific timelines and identified responsibilities.	Yes

Organizational Structure and Accountability

Leading Practices – Human Resource Organization	Evidence of Adoption?
The HR department has clearly defined organizational units and delineates the respective roles and responsibilities. A current organizational chart is available.	Yes
Senior HR staff have appropriate designations (e.g., Certified Human resource Professional).	Yes

Monitoring and Communication of Policies

Leading Practices – Human Resource Organization	Evidence of Adoption?
HR management has processes in place to monitor H R policy compliance.	Yes
HR management provides regularly scheduled H R policy awareness, training, and education sessions.	Yes

Development and Reporting of Annual Goals and Priorities

The HR department has developed a mission statement that describes the department’s role in the school board and the community, and that identifies the department’s strategic areas of activity. These strategic areas include: planning for HR needs, recruitment, hiring and retention, compensation and benefits, performance assessment, training, negotiations, labour relations, occupational health and safety, relations with external organizations, and community involvement.

The HR manager develops an annual plan, which is reviewed and approved by the Director of Education. This plan includes the activities that will be carried out to achieve

the overall objectives of the Board's strategic framework. This ensures a link between the Board's priorities and those of the HR department. The HR department's plan includes the following for each objective: strategies, success indicators, the responsible management staff and deadlines. The HR manager meets with the Director of Education to discuss the plan's progress, which ensures that timelines are respected. In addition, the HR manager meets with her team to ensure the implementation of the annual plan.

The department has implemented a leading annual planning practice and monitors the key priorities that guide the HR department throughout the year.

Organizational Structure and Accountability

The HR department is composed of five people (HR manager, HR officer, two clerks and a secretary). Job descriptions have been created and are revised according to the HR department's activities. The Board's organizational chart includes the HR department and is regularly updated.

The HR manager and her team have appropriate professional designations and experience for their positions. The HR manager regularly attends HR conferences and provincial committees that focus on HR management and labour relations issues

Monitoring and Communication of Policy

The HR department is responsible for a very comprehensive list of approximately 40 policies that include: staff hiring and assessment, disciplinary measures, occupational health and safety, attendance and absenteeism, discrimination and harassment, grievance management, criminal background checks, vacations, supply teachers, etc.

On an annual basis, the HR manager creates a policy review plan that is approved by the Director of Education and the policy committee. When there is a need to create or modify a policy, the Director first submits a request to the HR committee and then to the policy committee for approval. When there is a legislative change or a negotiation that impacts one of these policies, the HR manager revises the existing policy or creates a new policy. Most policies have been reviewed at least once since their creation.

HR policies are explained to new teachers during their orientation. All staff members have access to these policies in each school's policy binder or on the school board's website. Staff are informed of new policy implementation by the HR department or school principals. If required, the HR department organizes special training on the policy. School staff meetings are often used as a means to inform staff of new policies. Unions and trustees are also informed of new policy implementation.

Each policy has its own process to ensure compliance. The HR manager is informed of non-compliance with a policy. The school board receives annual reminders of some policies, such as school closures due to bad weather.

The Board offers many training opportunities to its employees. Teachers receive all the training required by the Ministry, according to an annual skills development plan prepared by the academic services manager. School principals, custodians and support staff receive regular training sessions organized by the HR department. Staff are not directly involved in planning training sessions; rather, the identification of training needs and the organization of training sessions are the result of a joint effort between the HR and academic services departments. To resolve this situation, the HR manager intends to implement a formal, centralized process for identifying training needs and providing training sessions for the Board’s staff.

3.2 Human Resource Management

The purpose of reviewing the HR management processes is to assess whether:

- Planning and processes are in place for the recruitment of the appropriate number of qualified staff to support the student achievement targets;
- Appropriate processes are in place to promote the personal and professional growth of all staff;
- There are adequate systems and procedures in place to manage employee compensation plans, labour relations, employee performance and attendance and other support services to foster employee satisfaction;
- Opportunities to support continual improvement in the effectiveness and efficiency of all processes can be identified.

The following table summarizes the leading practices defined for HR Management, and identifies where evidence was found to indicate that the practice was adopted in full. Where the evidence was not present or the practice was not completely adopted at the time of the review, a “No” indicates that an improvement opportunity exists.

Staff Recruitment

Leading Practices – Human Resource Management	Evidence of Adoption?
Recruitment policies and procedures are reviewed annually, and are aligned with staff planning in support of student achievement.	Yes

Leading Practices – Human Resource Management	Evidence of Adoption?
New hire policies and procedures for the respective staff groups are harmonized.	Yes

Labour Relations

Leading Practices – Human Resource Management	Evidence of Adoption?
HR management and the board of trustees have established labour/management committees.	Yes
HR management has established policies and procedures to minimize grievances.	Yes

Employee Performance Evaluation Processes

Leading Practices – Human Resource Management	Evidence of Adoption?
HR management has policies and procedures for an employee evaluation/performance system for all staff.	Yes
HR management maintains and communicates formal disciplinary policies and procedures for all staff.	Yes

Attendance Management Processes/Programs

Leading Practices – Human Resource Management	Evidence of Adoption?
Attendance management process/programs exist that include employee supportive policies and procedures to minimize the cost of absenteeism.	No
Management periodically reports on the effectiveness of the attendance management process/programs to senior management and the board.	No

Management of HR and Payroll Data

Leading Practices – Human Resource Management	Evidence of Adoption?
Payroll processing is segregated from employee data records, and changes to data are adequately controlled.	Yes
HR records are current, including the formal tracking of teacher qualifications and experience.	Yes

Leading Practices – Human Resource Management	Evidence of Adoption?
HR management has implemented an approved pay equity plan, which is reviewed periodically and amended as necessary.	Yes

Management of Board's Benefit Plans

Leading Practices – Human Resource Management	Evidence of Adoption?
HR management periodically conducts independent compliance audits of the board's insurance carrier to ensure adherence to the benefit plans terms and conditions.	No
Employee data is automatically synchronized among the board and external carriers such as TPP, OMERS and the board's benefit provider(s).	Yes
Policies and procedures ensure the board's benefit plans are managed appropriately.	Yes

Monitoring Staff Satisfaction

Leading Practices – Human Resource Management	Evidence of Adoption?
Management has established policies and procedures for staff/professional development and monitors staff take-up, budget, and outcomes.	Yes
Confidential staff satisfaction surveys are performed periodically.	Yes
Confidential exit interviews are performed for all staff.	No

Staff Recruitment

Staff recruitment and hiring are centrally managed on an annual basis through the HR department. The Board has policies on the recruitment and hiring of management, administrative, teaching and support staff. The policies define the selection criteria and explain the job posting process, selection processes and procedures, and some administrative procedures.

The recruitment process is supervised by the HR department. To ensure compliance with policies, the HR department is represented at all Board hiring interviews. For management positions, the HR department fills out a summary of the candidates who were interviewed and selected, in order to assess the response to job offers. On the whole, the school board finds it difficult to recruit qualified French-speaking staff (apart from teaching staff).

Jobs with the school board are disseminated through many channels, including on the Board's website, at the Board's office, on external sites such as "Jobs in Education", and in local newspapers. The HR team is also present every year at the job fairs of Laurentian University's faculty of education.

The selection process is the same for all staff. A selection committee is established for each position; its members vary according to the position and can include: trustees, the Director of Education, members of the administrative council and school principals or vice-principals. A representative from the HR department is always present and can be joined by an AEFO, school council or ADFO representative, depending on the case.

The department head ensures the consistency of the recruitment and selection process by setting official evaluation criteria, which are listed in the recruitment policy and are to be used by the selection committee. A reference check for potential candidates is performed, and each candidate is responsible for submitting his or her personal information and criminal background check. Candidates are selected based on their skills, experience and qualifications, in addition to the job requirements.

Labour Relations

The Board has negotiated various collective agreements with unions that represent teaching and support staff. The HR manager is involved in all negotiations with the unions, a lawyer is present for negotiations with teaching staff, and a principal is present for negotiations with support staff.

The HR manager maintains good relations with union representatives. To avoid certain procedural grievances, she ensures that staff are hired and dismissed in accordance with collective agreements and Board policies. The school board's adjudication procedure for grievances is explained in the collective agreements. Joint committees are established for the negotiation of agreements and the resolutions of grievances. The HR and academic services managers sit on these committees. Members of the administrative council are adequately prepared for the negotiation of collective agreements. The HR manager describes good working relations between the school board and unions.

Employee Performance Evaluation Processes

The Board has eight policies that outline the assessment procedure for management, administrative, teaching, support and supply staff, lunchtime supervisors and the Director of Education. The assessment process is clear for all employees. Assessment policies in effect are available to all staff on the Board's website.

A different process is in place for each Board staff group. In line with the Ministry of Education's "Supporting Teaching Excellence" document, the school board evaluates its

experienced teachers on a five-year cycle. New teaching staff are evaluated twice during the 12 months following their date of hire by the Board as part of the New Teacher Induction Program (NTIP). Teacher performance appraisals are carried out by principals and subsequently filed at the Board.

The HR manager plans assessments every five years for teaching staff and every three years for other staff. She ensures that compliance with the assessment schedule and policies.

The Board has adopted progressive discipline practices to reprimand and prevent staff misconduct. A policy and an administrative guideline explain the process for disciplinary measures. For unionized staff, collective agreements take priority over this policy.

Depending on the case, the first step is a written reprimand from the employee's supervisor. He or she sends the employee a letter that identifies the conduct complained of, the corrective action and the timeline for this action, available assistance, etc. The next step is a suspension with or without pay, and the final step is dismissal. The Director of Education and the board of trustees are involved in the dismissal process. The entire progressive disciplinary process is explained in the policy on disciplinary measures. This process enables a step-by-step approach throughout the school board and for all staff.

Attendance Management Processes/Programs

The school board has an attendance and absenteeism policy but no official absenteeism management program. The HR manager is responsible for the school board's employee attendance.

The Board has implemented a sick leave credit process. Staff can accumulate a bank of sick leave days, enabling them to receive compensation for legitimate absences due to illness or injuries. This program should reduce absences; however, the HR manager stated that she has not noticed any improvements in attendance since its implementation.

The school board does not currently create reports due to a lack of access to data. The HR manager recognizes the need for this data and intends to implement a process to analyze staff attendance data, which will enable the creation of appropriate programs. Absence management is ensured by school secretaries and the HR department.

The Board should develop a comprehensive attendance management program to address specific categories of absenteeism. This would provide management with a consistent and structured approach to improve attendance, including positive reinforcement for employees and standardized practices across all employee groups.

Management of HR and Payroll Data

The management of HR and payroll data is divided between the HR manager's secretary and the HR department's payroll clerk. The secretary is responsible for updating staff records (for pay and salary changes, benefits and other compensation adjustments). The clerk is responsible for payroll. This ensures the appropriate division of duties related to record maintenance and payroll functions. Updates to personnel records for pay and benefit changes or other compensation adjustments are performed by authorized staff only.

All staff records are internally managed by the centralized BAS. Each person hired by the school board is registered in the system. Pay is directly deposited in staff bank accounts by means of electronic fund transfers (EFTs).

Payroll calculations are carried out in an Excel file that is integrated into the BAS system. This is a manual process that requires significant effort from the payroll clerk. The HR manager would like to computerize this process. She is currently waiting for the new BAS module, which will soon be finalized by the centre of excellence. This should reduce the payroll workload.

The HR manager has developed effective processes to ensure that teacher qualifications and experience are formally tracked and updated. For unionized staff, position classifications are updated according to collective agreements. The Board performs updates for academic staff using Qualification Evaluation Council of Ontario (QECO) data. Teacher qualifications are synchronized with the Ontario College of Teachers database via the BAS, on an annual basis.

The Board has developed a policy for non-unionized staff, which explains the position review process. The HR department secretary is responsible for updating the hard copy of staff records on an annual basis. The Board does not have any outstanding grievances or pay equity issues.

Management of the Board's Benefit Plans

The Board provides all permanent employees with benefit plans through a third party. Employees are 100% reimbursed for their medical and dental claims. The Board carries out monthly audits to ensure coherence between the Board's files and the insurance carrier's files; however, there are no audits to ensure the carrier's compliance with claim reimbursements. We would encourage the school board to audit the insurance carrier's reimbursements to employees.

The insurance carrier provides management with annual reports that outline benefits usage and demographics as well as quarterly reports with the relative costs of benefits usage. The HR manager closely reviews invoices for staff benefit plans.

The school board is a member of a consortium for the management of benefits provided by a third party with ten other French-language school boards. During the annual renewal period, the Board closely reviews benefits usage by employee group.

The database officer regularly transmits electronic data files to the Ontario Teachers' Pension Plan (OTTP) to ensure that eligible staff are quickly enrolled and contribute. In addition, both OTTP and the Ontario Municipal Employees Retirement System (OMERS) are notified of new employees as required.

Monitoring Staff Satisfaction

A staff satisfaction survey was sent to teaching staff six years ago. The HR manager is currently implementing a staff satisfaction survey for all school board staff. Survey results will be shared with the trustees and school board employees. Analyzing these results will enable the school board to implement professional development activities and to create and implement policies for future labour relations.

School principals currently conduct informal exit interviews with teaching staff. This information is rarely shared with the HR department. The HR manager intends to implement an online survey to formalize the process. We would encourage the Board to continue implementing processes to monitor staff satisfaction.

Recommendations

- The department should develop a comprehensive attendance management program, including policies and procedures to address specific categories of absenteeism. This will provide management with a consistent and structured approach to improve attendance, including positive reinforcement for employees and standardized practices across all employee groups.
- Management should conduct periodic audits of the insurance company that manages the school board's medical and dental claims (administrative services only), in order to ensure that claims from the Board are processed according to the plan's terms and conditions
- Management should consider developing a formal plan for conducting exit interviews. Like staff surveys, these interviews will provide input for HR policy and process and program improvement.

3.3 School Staffing/Allocation

The purpose of reviewing school staffing/allocation processes is to:

- Assess whether accurate and efficient processes are in place to forecast and plan for staffing needs to support student achievement target strategies;
- Ensure that staff optimization allocation processes are in place, supported by an effective attendance management system;
- Identify opportunities to support continual improvement in the effectiveness and efficiency of all processes.

The following table summarizes the leading practices defined for School Staffing/Allocation, and identifies where evidence was found to indicate that the practice was adopted in full. Where the evidence was not present or the practice was not completely adopted at the time of the review, a “No” indicates that an improvement opportunity exists.

Planning and Processes for Annual Staff Allocation

Leading Practices – School Staffing/Allocation	Evidence of Adoption?
Policies and procedures govern the annual staff allocation process.	Yes

Monitoring and Reporting on Staff Allocation

Leading Practices – School Staffing/Allocation	Evidence of Adoption?
Systems are in place and accessible by both HR and Finance staff to establish and track an approved level of staff.	Yes
Systems and processes monitor adherence to key Ministry and board policy parameters, such as: class size, prep time, collective agreement requirements and other board directions.	Yes
Management periodically reports on the actual allocation of staff, compared to the original approved allocation plan and budget (FTEs by function, department and program, actual versus budget).	Yes
Procedures are in place to enable adjustment of staff allocations for school based staff, if estimates for enrolment and funding change after budget approval.	Yes
Plans for student support services and staffing are based on a student-needs analysis.	Yes

Benchmarking Costs with Other Boards and Funding

Leading Practices – School Staffing/Allocation	Evidence of Adoption?
Staff costs are compared with similar school boards and the funding model to ensure efficient use of resources.	No

Planning and Processes for Annual Staffing and Allocation

The Board has implemented an annual staff allocation process. The HR department estimates teacher allocation needs by using a formula that respects Ministry policies and Board guidelines. Staffing procedures are affected by the following factors: enrolment size and fluctuation, foundation grants, funding for specific projects, budgetary envelopes, Ministry requirements, distances, and available space, the particular needs of each school and community, and preparation time. The staffing procedure is an integral part of the collective agreements for each employee group.

The HR department prepares reports on teaching staff allocation twice a year (in September and during the annual budget planning period). In addition, the student services manager who is in charge of special education prepares reports on the allocation of special education support staff two to three times a year. The staff allocation process takes into consideration the Board's annual priorities through educational programs that are incorporated into the staffing formula. The HR and academic services managers work together to allocate staff for the school board.

Enrolment estimates for the upcoming year is carried out on a school-by-school basis in collaboration with the HR department, the academic services department and school principals. The HR manager, in consultation with the finance manager, inputs the known factors for the upcoming year into established templates and estimates the number of principals, teaching staff, special education staff, student support staff, educational assistants, custodians and cleaning staff that are required for the upcoming year. The HR department submits an allocation proposal to the administrative council, which includes actual costs, grants and salaries. Teacher staffing is reviewed with the AEFO officer according to the processes set out in the collective agreement.

For educational support staff, the Board relies on various formulae, administrative guidelines and policies in order to assess needs. The special education deployment formula enables the Board to determine staffing levels for special education staff for each school. The HR manager prepares a provisional staffing plan; after it is approved by the board of trustees, it is implemented in the schools.

In March, the administrative council reviews staffing for the school board's departments by taking into consideration the Board's projects and objectives. Any proposed changes

to the organizational chart are presented to the board of trustees for approval at the end of March.

In September, at the beginning of the school year, the school principals record the current enrolment in a form. The updated data is reviewed by the administrative council. The administrative council then adjusts staffing levels based on this new information. In general, this new information is submitted to the board of trustees for information purposes.

The small size of the Board and the fact that school principals know their communities well are factors that permit accurate enrolment and staffing estimates.

Monitoring and Reporting on Staff Allocation

The administrative council monitors staffing levels. In September, actual enrolment is compared to the previous enrolment estimates. Required changes to teaching staff are carried out by October 31. Adjustments to special education support staff take place throughout the school year. Each school has a special education representative who first prepares adjustment requests and makes recommendations to his or her school principal. Staffing needs are reviewed by the student services manager, who submits recommendations to the administrative council.

The Board ensures that all Ministry standards are respected by using templates in the staffing process. Collective agreements do not include constraints on reducing personnel in excess of the standards set by the Ministry.

The Board has implemented a monitoring process that contributes to the effective management of staff allocation. Throughout the year, the HR department prepares reports for the board of trustees, which enables elected officials to monitor staffing levels and decisions made throughout the year. Trustees receive reports on enrolment and staffing during the budget planning process, and in the following September.

Benchmarking Costs with Other Boards and Funding

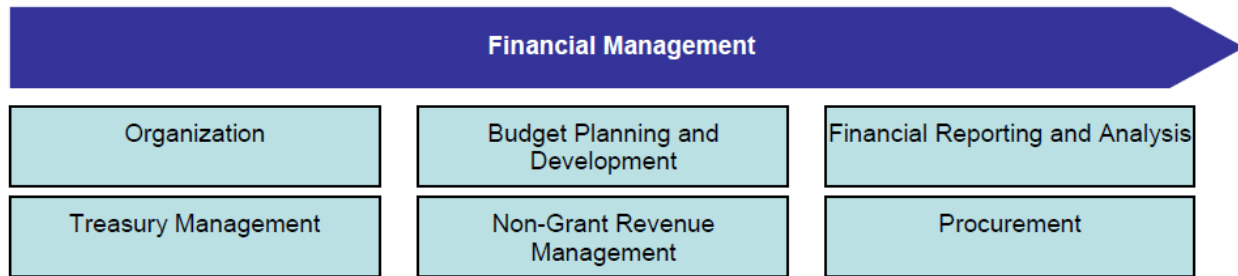
The school board does not directly compare its costs with those of other school boards. However, the HR manager attends provincial negotiation forums and stays updated on negotiation trends at other boards through shared online resources.

We would encourage the Board to compare costs especially when hiring, in order to be more aware of the different salary levels at other school boards. This would also help the Board to ensure that its job offers are competitive.

Recommendation

- The Board should compare its staffing costs with those of other similar school boards. This would provide insight into the competitiveness of the Board's job offers.

4. Financial Management – Findings and Recommendations



The financial management of the school board contributes to the efficient and effective use of fiscal resources. Financial management ensures that the annual budget is developed within the Ministry’s allocation and is aligned with student achievement targets, and that appropriate financial policies and procedures are in place to manage resources.

The financial and related business processes contribute to an appropriate level of transparency in the allocation and use of the budget by the various departments. They also ensure that the reporting of results to the board of trustees and other school board stakeholders reflects the approved goals/priorities relating to student achievement.

The following is a summary of our assessment of the school board’s adoption of the leading practices under the processes identified above. All findings are a result of a review of the data provided by the school board and on-site field work, which included interviews with all key finance management staff, as well as follow-up and confirmation of information.

4.1 Finance Organization

The purpose of reviewing the organization of the finance department is to assess:

- The establishment of policies and procedures to support the key finance functions, activities and required business priorities and their alignment with student achievement targets;
- Financial services branch support of the overall goals/priorities and accountability measures established by the school board;
- The efficiency and effectiveness of the departmental structure and support of the roles and responsibilities for the key functions, activities and practices;

- Identify opportunities to support continual improvement in the effectiveness and efficiency of all processes.

The following table summarizes the leading practices defined for the finance organization, and identifies where evidence was found to indicate that the practice was adopted in full. Where the evidence was not present or the practice was not completely adopted at the time of the review, a “No” indicates that an improvement opportunity exists.

Development and Reporting of Annual Goals and Priorities

Leading Practices – Finance Organization	Evidence of Adoption?
The finance department’s goals and priorities are documented in an annual department plan that is aligned to the annual board improvement plan accessible by key stakeholders. The plan incorporates measurable targets, specific timelines, and identified accountability.	Yes

Organizational Structure and Accountability

Leading Practices – Finance Organization	Evidence of Adoption?
The finance department has clearly defined organizational units and delineates the respective roles and responsibilities. A current organization chart is available.	Yes
Finance department staff have the appropriate finance/accounting designations and experience.	Yes

Monitoring and Communication of Policy

Leading Practices – Finance Organization	Evidence of Adoption?
Management has processes in place to monitor finance policy compliance.	Yes
Management provides scheduled finance policy and procedures awareness, training and skills development educational sessions.	Yes

Development and Reporting of Annual Goals and Priorities

Similar to the HR department, the finance manager develops an annual plan that is reviewed and approved by the Director of Education. (See section 3.1 for content and procedure details.) The finance manager holds regular meetings with department staff to ensure the application of the annual plan.

The finance manager has implemented a leading annual planning procedure and monitors the key priorities that guide the finance department throughout the year.

Organizational Structure and Accountability

The finance department is composed of five individuals: the finance manager, the finance officer, the audit and administration support officer, the clerk and the administrative assistant. The roles and responsibilities of every department member are clearly documented. This structure ensures clear segregation of duties between management reporting and expenditure authorization. Job descriptions (with the exception of the finance manager) were recently revised with the assistance of an external consultant.

The roles and responsibilities of the department's staff are clearly outlined in the job descriptions, and the communication structure is reflected in the organizational chart, which is updated regularly. Department staff have appropriate designations or relevant experience to perform their roles.

Monitoring and Communication of Policy

The finance department is responsible for 14 financial management policies, such as policies on purchasing, tendering, petty cash, school funds management and audit, credit cards, travel, meal and hospitality expenses, etc. An annual policy development and review plan is implemented, using the same process as the HR department, through the finance and policy committees. This process ensures that policies are kept up-to-date.

The finance department ensures that policies are understood and followed by all staff in several ways. During monthly meetings, the finance manager communicates changes or new policies to the administrative council and principals. In some cases, training sessions are required, and they are often provided onsite to staff and through individual sessions to ensure a clear understanding of the policy. The finance department must also ensure compliance with the policies it is responsible for. Processes are in place to ensure policy compliance.

4.2 Budget Planning and Development

The purpose of reviewing budget planning and development processes is to:

- Understand the linkages between the board of trustees' goals and priorities and the operational budgeting process;
- Assess whether sufficient transparency and controls exist in the budget planning and development process;
- Identify opportunities to support continual improvement in the effectiveness and efficiency of all processes.

The following table summarizes the leading practices defined for budget planning and development, and identifies where evidence was found to indicate that the practice was adopted in full. Where the evidence was not present or the practice was not completely adopted at the time of the review, a “No” indicates that an improvement opportunity exists.

Annual Budget Development Process

Leading Practices – Budget Planning and Development	Evidence of Adoption?
The annual budget development process is transparent, clearly communicated, and incorporates input from all key stakeholders including management (with principals), board of trustees and the community.	Yes
The annual budget presented for approval demonstrates that it is linked to the board-approved goals and priorities including student achievement targets. It provides useful and understandable information for all stakeholders.	Yes
Budget planning processes account for all required cost and revenue changes.	Yes

Enrolment Forecasting Linked to Budget Development

Leading Practices – Budget Planning and Development	Evidence of Adoption?
Management has adopted an integrated (at school board and school levels) approach to enrolment forecasting. This supports development of the staffing plan and the annual budget.	Yes

Identification of Risks and Mitigation Strategies

Leading Practices – Budget Planning and Development	Evidence of Adoption?
Management identifies all significant risks during budget planning, and develops strategies to mitigate the risk of spending beyond authorized/budgeted levels.	Yes

Annual Budget Development Process

The annual budget process at the Board is transparent, clearly communicated, and well documented. It incorporates input from all key stakeholders except from the local

community. The Board has attempted to include the local community in the past; however, this process was abandoned due to the geographic situation of the school board and the minimal interest demonstrated by the community.

The budget process extends from January to June every year. From January to March, the administrative council develops teacher staffing levels using grant estimates from the Ministry, as well as staffing levels for support, administrative and senior staff based on needs identified by principals and department heads.

In April, department heads and principals submit their worksheets with their needs estimates to the finance department. The finance manager consults with the facilities coordinator, and uses the ReCAPP software to estimate facility, renewal and maintenance needs for the upcoming year.

Once the needs estimates are completed, the finance department compiles the results and presents a budget draft to the administrative council. Then, it is presented to the finance committee in May using real salaries and Ministry templates for precise estimates. After the two meetings, the finance manager makes the necessary changes to the budget. The final version of the budget is reviewed by the finance committee in June. The board of trustees is invited to the finance committee's budget review meetings in order to avoid surprises or last minute changes by the board of trustees. The final version of the budget is reviewed and approved by the board of trustees and sent to the Ministry of Education in mid-June.

During the budget development process, the administrative council ensures that annual priorities are included in the budget, especially those related to student achievement. Each department head identifies their annual priorities and ensures that they are included in the budget.

Budget revisions, if any, are presented to the board of trustees for approval in November. The revisions are generally in response to changes in the staffing model or funding changes announced by the Ministry. Throughout the year, the finance department provides trustees with budget status reports. Special grants are incorporated into the budget whenever possible and are allocated according to Ministry directives.

Enrolment Forecasting Linked to Budget Development

Enrolment projections are prepared by the finance manager, in collaboration with the academic services manager, the human resources manager and principals. For enrolment estimates, the school board uses enrolment data from the past 10 years. Enrolment estimates are prepared every year and include class and school size. To monitor the accuracy of enrolment projections, a revised budget is presented to trustees in October, comparing actual enrolment against estimates. The Board recognizes the

need to examine enrolment more closely to ensure that forecasting is accurate. The Board intends to implement analysis and template processes that would take into account the environment, for example. The Board is encouraged to implement these processes to reduce the margin of error for enrolment forecasting.

Staffing levels are an integral part of the annual budget. The finance, HR and academic services managers work in collaboration with principals to develop the necessary Board staffing levels for the upcoming year. The HR department is responsible for ensuring that the annual hiring plan takes into account staffing needs.

Identification of Risks and Mitigation Strategies

Due to the size and the geographic situation of the Board, the key risk faced by the school board is the relationship between enrolment and grant revenue. The Board's enrolment can vary significantly from year to year. The Board mitigates the risk of spending beyond authorized/budgeted levels by closely monitoring enrolment forecasts versus actual enrolment. It also ensures that the final expenditure budget incorporates all known cost changes, and that it is balanced against the Ministry grants.

Any identified potential risks are communicated verbally to the board of trustees, and actual risks are communicated in a report prepared for the trustees. The Board's reserve is not included in the budget estimates, but it can be used in emergencies.

4.3 Financial Reporting and Analysis

The purpose of reviewing Financial Reporting and Analysis processes is to:

- Assess whether procedures are in place to ensure that management, the board of trustees and the Ministry receives timely, accurate and complete financial information of all school board activities;
- Identify opportunities to support continual improvement in the effectiveness and efficiency of all processes.

The following table summarizes the leading practices defined for Financial Reporting and Analysis, and identifies where evidence was found to indicate that the practice was adopted in full. Where the evidence was not present or the practice was not completely adopted at the time of the review, a "No" indicates that an improvement opportunity exists.

Integrated System for Variance Analysis and Financial Reporting

Leading Practices – Financial Reporting and Analysis	Evidence of Adoption?
The school board's integrated financial information system provides useful, timely and accurate information for management and stakeholders.	Yes

Interim and Annual Financial Reporting

Leading Practices – Financial Reporting and Analysis	Evidence of Adoption?
Interim financial reports provide sufficient detail (including a comparison of actual to budget and to appropriate benchmarks and with appropriate variance explanations) for a clear understanding of the status of the current year's budget and the outlook for the year.	Yes
Senior management is held accountable for the integrity of financial reporting through formal sign-off and approval procedures.	Yes
Management completes and files all financial reports in accordance with established timelines.	Yes

Audit

Leading Practices – Financial Reporting and Analysis	Evidence of Adoption?
Management maintains an independent internal audit function.	No
Internal audit plans are clearly documented. Internal audit report recommendations are followed up and acted upon by management.	Yes
The Board has an audit committee with external members as advisors.	No
The external auditor's planning and annual reports are presented to the Board's audit committee, and any recommendations are acted upon by management.	Yes

Integrated System for Variance Analysis and Financial Reporting

The school board uses an integrated financial system (BAS) to record, track and report financial data. The BAS system is used by 11 French-language school boards that are supported by the BAS centre of excellence in Ottawa. The system integrates general ledger, accounts payable, accounts receivable, budget and purchasing modules. The financial system facilitates variance analysis and management reporting.

The finance officer sets up the chart of accounts in the financial system, maintains aliases, and manages access rights to the system, which are established by the finance manager. The financial system allows budget holders (i.e., principals and department heads) to print their own budget tracking reports directly.

Interim and Annual Financial Reporting

Interim financial reports are prepared and presented three times per year to the administrative council and elected officials in order to help management and the board of trustees to track variances. The report shows the variance between the budget estimate and the actual budget. During the board of trustee meeting, the finance manager explains the details of the variances to help trustees understand the reasons behind the variances. Each budget is flagged according to priority, and then integrated into the BAS to ensure daily variance management. The finance department also prepares special reports when requested by the board of trustees. For example, when reserves were more significant, the board of trustees required reports on the status and use of funds from those reserves.

Interim financial reports are not currently signed. The Board should consider developing a formal sign-off process for interim financial statements to encourage formal tracking of the reports' findings, which target departments that require closer monitoring.

A budget reporting timeline is developed at the beginning of each school year. Whenever possible, the Board meets the established deadlines for its financial reporting to the Ministry.

Audit

The primary function of the internal auditor is to provide added assurance that internal controls established by management are operating effectively and in compliance with Board policies and procedures. The school board currently does not have an internal auditor. However, scheduled audits of school accounts and enrolment figures are performed every year.

Developing a mandate for the internal audit function would assist the administrative council and the board of trustees in their governance roles. The internal audit function can also help develop performance measures and indicators for programs and services. The function should report to the school board's finance committee. The annual audit plans would be presented and approved by the finance committee, and all reports would be presented to the committee. The school board established the finance committee, which consists of three trustees, the Board's chair and the finance manager. The committee's mandate consists of presenting the finance department's policies, the budget process, and recommendations on the insurance program, transportation management and facilities management to the board of trustees.

The committee reviews significant findings prepared by the external auditors together with management's responses. The finance committee is mandated to review the independence and performance of the auditors, recommend to the Board the

appointment of the external auditors, and recommend any discharge of auditors when circumstances warrant.

The Board is encouraged to widen the mandate of the finance committee to include an audit mandate and to appoint external members to the committee. The professional backgrounds of the external members could include accountants, lawyers or other professionals, depending on the needs of the committee and its mandate. This will ensure that a third-party view is applied to the review of financial statements, the auditor's report and in-year reports produced by management.

Recommendations:

- Management should consider formalizing an internal audit function. This would include a broader audit of financial and management controls and adherence to board policies. Management could start by identifying options for the mandate and scope of this function and the estimated cost for each option.
- Management and the board of trustees should consider including external advisors to contribute to the effectiveness of the finance committee with a mandate to conduct internal auditing.

4.4 Treasury Management

The purpose of reviewing treasury management processes is to assess:

- Whether processes are in place to ensure the optimal use of cash, investments and borrowings within school boards;
- Whether sufficient internal controls exist to support cash management, investments and borrowings;
- Identify opportunities to support continual improvement in the effectiveness and efficiency of all processes.

The following table summarizes the leading practices defined for treasury management, and identifies where evidence was found to indicate that the practice was adopted in full. Where the evidence was not present or the practice was not completely adopted at the time of the review, a "No" indicates that an improvement opportunity exists.

Cash and Investment Management

Leading Practices – Treasury Management	Evidence of Adoption?
There is an efficient cash management process to maximize interest income, using short-term investments where appropriate.	Yes
Cash management activities consolidated with a single financial institution.	Yes
Management periodically reports to the board on the performance of the investment activity, in accordance with the approved investment policy in accordance with the <i>Education Act</i> .	Yes
Management periodically compares the school board's banking terms and conditions to those of similar school boards.	Yes
Management monitors financial risk related to cash/investment management, and has a plan to mitigate associated risks. Management performs regular cash/funding forecasting to ensure that the school board's debt service costs can be met to maturity.	Yes

Management of School-Based Funds

Leading Practices – Treasury Management	Evidence of Adoption?
Management ensures adequate controls are in place to safeguard non-school board funds and coordinate the annual reporting of revenues and expenditures from schools and school councils.	Yes

Cash and Investment Management

The Board has an account at the Caisse Populaire Desjardins that is governed by an agreement negotiated by the cluster of 11 French-language school boards. This cluster of school boards issues an invitation to tender on a three-year cycle. The Board benefits from a prime rate on the average cash balance. The finance department has consolidated cash balance management with a single institution. The Board's schools use the Caisse Populaire's banking services.

The finance manager analyzed financing opportunities and concluded that the prime rate of the Board's financial institution was the best it could receive. The school board does not have any other investments besides the amounts in its high-yield account. The reserve has also been placed in an account with the same prime rate. Due to the prime rate on the Board's bank balance, the finance department does not submit reports on investment activities to the board of trustees.

The finance department receives monthly reports to monitor cash balances. The division of duties is ensured for bank reconciliations, which are performed by the finance officer and authorized by the department manager every month.

The required documents relating to agreements and contracts with financial institutions are filed systematically, and electronic copies are saved to prevent any information loss. Electronic signatures are used for cheques and other official documents. The finance department prepares master lists of cheques, which are then presented to signatories to ensure a control process for cheques signatures.

The school board maintains reserve funds to attend to unforeseen circumstance, such as legal proceedings. Management requires board of trustee approval to move funds from the operating or capital funds to the appropriate reserve.

Management of School-Based Funds

The board of trustees does not have a policy in place to manage school-based funds. Schools organize fund collections according to a timeline suggested and approved by the Director of Education. After the funds are collected, they are deposited at the Board, and the finance department adds them to the respective school's budget. The finance department has clear and defined control processes for fund collections, which apply once the funds are deposited at the Board.

To open bank accounts, schools need the authorization of the finance manager. Each school provides a revenue and expenditure report on a monthly basis. Principals or school secretaries are responsible for collecting funds at the school level. Each school has access to a petty cash drawer with \$400-600 for periodic and pressing purchases. This amount is necessary because of the Board's geographic situation. While we recognize the reality of the geographic situation, the Board is also encouraged to consider using purchasing cards to meet these needs.

4.5 Non-Grant Revenue Management

The purpose of reviewing non-grant revenue management processes is to:

- Assess whether procedures are in place to ensure the timely, complete and accurate recording of the different types of non-grant revenue;
- Assess whether internal controls exist to support appropriate cash handling and cash management;
- Identify opportunities to support continual improvement in the effectiveness and efficiency of all processes.

Non-grant revenue management is a smaller functional area for the school board. The school board receives Education Programs – Other (EPO) funding from the Ministry for specific initiatives, which requires it to focus on the non-grant revenue line.

The following table summarizes the leading practices defined for non-grant revenue management, and identifies where evidence was found to indicate that the practice was adopted in full. Where the evidence was not present or the practice was not completely adopted at the time of the review, a “No” indicates that an improvement opportunity exists.

Policies and Procedures and Planning to Support Non Grant Revenues

Leading Practices – Non-Grant Revenue Management	Evidence of Adoption?
The board has established policies and/or procedures for the application of its fee structures.	Yes

Procedures for all Non-Grant Revenues

Leading Practices – Non-Grant Revenue Management	Evidence of Adoption?
Electronic registration and payment systems are used where appropriate (e.g., ConEd, permitting of facilities, leasing, etc.).	No
Staff monitor all sources of revenue to ensure completeness and compliance with policies. Action plans and processes maximize collections including obtaining credit/risk assessments.	Yes
School board budget identifies revenue and expenditure for each EPO program. Management monitors activity to ensure compliance with terms and conditions.	Yes

Policies and Procedures and Planning to Support Non Grant Revenues

The school board has the following sources of non-grant revenue:

- Aboriginal tuition fees (total of three or four students)
- Investment interest earned during the construction of a school
- Community use of schools, gymnasium rentals
- Daycare operations

The overall revenue is modest, and it covers only the Board's costs. The goal of these initiatives is to finance school activities. The Board is developing a grocery card pilot project with one of its schools; the grocery cards would be sold to parents and school communities. Five percent of all purchases made with the grocery cards will be sent directly to this school to finance the activities of the students selling the cards. These initiatives are proof of the Board's creativity in meeting its needs. The Board is encouraged to establish policies on the use of non-grant revenues.

Procedures for all Non-Grant Revenues

The school board currently does not use automated systems to collect non-grant revenue. However, the sums are very modest, and the collection of those funds is not currently a problem. It is recognized that in this case, electronic registration and payment systems would not help the Board, but rather would lead to an unnecessary cost that the Board should avoid. Funds are collected through cheques mailed to the Board or by EFT. The finance officer is responsible for tracking these funds.

EPO grants received by the school board are allocated to the department heads or principals responsible for the files. The Board is kept informed through memoranda and the Ministry's website. For each new grant, the Board opens a new cost centre in the BAS in order to record all revenue and expenditures. The finance officer closely monitors the account and tracks in-year expenses using the BAS system.

4.6 Procurement

The purpose of reviewing procurement processes is to assess:

- Whether procurement policies and practices are in place to ensure that the school board acquires goods and services through an open, fair and transparent process;
- Whether appropriate internal controls exist to support the procurement and related payment process;
- Whether school board processes ensure the receipt of value for money from all acquired goods and services;
- Identify opportunities to support continual improvement in the effectiveness and efficiency of all processes.

The following table summarizes the leading practices defined for procurement, and identifies where evidence was found to indicate that the practice was adopted in full. Where the evidence was not present or the practice was not completely adopted at the time of the review, a "No" indicates that an improvement opportunity exists.

Procurement Policies and Procedures

Leading Practices – Procurement	Evidence of Adoption?
Approved procurement policies and practices are clearly communicated to staff with purchasing authority, and are periodically reviewed and updated.	Yes
Vendor selection criteria include elements other than lowest cost, such as total cost of ownership, value, and quality and competitive procurement (including the use of public advertising for RFPs and tenders over a defined level).	Yes
Purchasing managers monitor and ensure compliance with the Board's procurement policies and procedures.	Yes

Participation in Buying Consortia

Leading Practices – Non-Grant Revenue Management	Evidence of Adoption?
The procurement strategy includes the participation in consortia/cooperatives for cost savings.	Yes
Management evaluates and develops strategies to increase purchasing power and minimize the cost of goods and services procured.	Yes

Purchasing Levels of Authority

Leading Practices – Non-Grant Revenue Management	Evidence of Adoption?
Purchasing authorization levels are commensurate to job title/role, and are monitored for compliance by a supervisor or department head.	Yes

Policies and Procedures for PCard/Corporate Card Use

Leading Practices – Non-Grant Revenue Management	Evidence of Adoption?
Policies and procedures for the use of PCards and corporate credit cards are documented and communicated to users through regular training and monitoring.	Yes

Accounting for Completeness of Purchase/Payment Cycle

Leading Practices – Non-Grant Revenue Management	Evidence of Adoption?
Automated three-way matching (purchase order, receipt/invoice and inspection) is used.	Yes
Commitment accounting is in place to monitor budget utilization.	Yes
Management has implemented electronic supplier interface for ordering, processing and payment, including the use of supplier portals.	No

Use of Electronic Funds Transfer for Greater Efficiency

Leading Practices – Non-Grant Revenue Management	Evidence of Adoption?
Management maximizes use of electronic funds transfers (EFT) for payments.	No

Procurement Policies and Procedures

The Board has an approved purchasing policy for the acquisition of quality goods and services, for all of its schools and departments. The policy is available on the Board's website, and was last revised in 2000. As stated in the policy, the Board has a comprehensive selection process that includes criteria such as quality, product effectiveness or ease of use, adaptability, operating and maintenance costs, the supplier's track record, after-sales services, etc.

The finance manager ensures that new administrators, school principals, department managers and trustees are informed of purchasing policies during initial orientation. During meetings with school principals, the finance manger reminds them of the purchasing policy's details. The Board ensures policy compliance through the process described in the purchasing policy. The finance manager must approve all expenses over \$3,000. The finance department periodically audits expenses under that amount, especially for the Board's at-risk accounts.

The school board has approved policies in accordance with the direction given by the Ministry in the spring of 2007. The following have been adopted and posted on the school board's website:

- Credit cards (2007)
- Hospitality, meals and travel expenses (2007)

Participation in Buying Consortia

The Board participates in numerous consortia, such as:

- Transportation services with neighbouring school boards
- Videoconferencing services with the 12 French-language school boards
- Research and support relating to labour relations through the Labour Relations office for the 12 French-language school boards
- Liability and property insurance through the Ontario School Board Insurance Exchange (OSBIE) for Ontario school boards
- Group purchasing of administrative services and tendering for collective insurance with the 12 French-language school boards
- Employee benefit services offered by COWAN
- BAS support services through the BAS excellence centre for 11 French-language school boards
- Electricity through Comsatec Inc

For school supplies, such as paper and cleaning products, the Board buys in bulk to reduce costs. The Board does not analyze the savings made through the consortia, except for electricity and transportation. Principals manage purchases, which makes it difficult to get a general overview of the savings achieved through the consortia. The Board is encouraged to create reports on savings from new consortia and to submit them to the board of trustees.

Depending on requests from the board of trustees, the finance department creates reports that analyze the amounts saved, in particular for new consortium initiatives.

Purchasing Levels of Authority

The purchasing policy outlines the following dollar thresholds/requirements for purchasing:

- For purchases under \$100, the petty cash is used.
- For purchases between \$100 and \$1,000, the finance manager determines if quotations should be done verbally or in writing.

- For purchases between \$1,000 and \$5,000, the finance manager obtains quotations and signs purchase orders.
- For purchases between \$5,000 and \$20,000, quotations must be obtained from three suppliers.
- For purchases between \$20,000 and \$100,000, the finance manager sends an invitation to tender to all suppliers on the list.
- For purchases over \$100,000, the Board publishes an invitation to tender in all regional newspapers.

The finance management team ensures adherence to policy requirements.

Policies and Procedures for PCard/Corporate Card Use

The school board has clearly communicated a policy on the use of corporate credit cards, which is current as of February 2007. The Board uses approximately 20 credit cards for administrators, principals and department heads. The use of credit cards is extensively monitored through the implemented procedure, which consists of the following:

- Cardholders receive their monthly statements at their workplace. They fill out a financial statement for the card and send the statement with the original receipts to the supervisor, who then signs it and sends it to the finance manager.
- The finance manager reviews and analyzes the financial statements, and compares the employee's financial statement against the Mastercard statement sent to the Board's office.

Accounting for Completeness of Purchase/Payment Cycle

The Board predominantly relies on the procurement module of its financial system to process its purchase-to-payment cycle. School principals or department managers create an electronic requisition in the BAS system. The requisition is automatically approved if the purchase order is under the approved limit set by the requisitioner. If the requisition is over the approved limit, the system denies the transaction.

The electronic requisition is then reviewed by the finance department for policy compliance, to ensure proper taxes are applied and to isolate requisitions that exceed the available budget. The creation of an electronic requisition in the system generates an accounting commitment. Once the requisition has been approved and submitted online, it automatically encumbers those funds against the budget. A system-generated

warning appears if a purchase order exceeds the budget. In those cases, requisitions are forwarded to the finance department head for further approval.

The goods are shipped directly to the site except when bulk purchases are made by the central Board office. At the receiving location, two-way matching is done between the packing slip and the purchase order. The Board office receives the invoice from the vendor and matches it against the purchase order. These invoices are entered into the system with a hold that is released only after confirmation is received from the schools.

To complete the purchase-to-payment cycle, the finance department reviews the preliminary invoice batch listing for accuracy against actual purchase orders. Following a review of the final invoice listing, an electronic payment is made or cheques are issued to the vendors. Invoices received by the finance department without a matching purchase order are sent to the schools for approval and account details.

The Board's size does not allow for the implementation of an electronic supplier interface for ordering, processing and payment. However, the Board orders through supplier portals whenever possible and when available.

Use of Electronic Funds Transfer for Greater Efficiency

The school board makes a limited use of EFT for payroll, and uses it for only 10-15% of payments to suppliers. Many of the suppliers that work with the Board do not yet have the capability to accept EFT payments. The Board intends to slowly increase the percentage of EFT use. The Board should encourage its suppliers to use EFT to increase the Board's EFT use.

Recommendation:

- Finance staff should implement EFT payments for all appropriate suppliers, to gain greater efficiency and minimize the risk of payments being altered prior to clearing the bank. Management may want to consider EFT capability when tendering banking services in the near future.

5. School Operations and Facilities Management – Findings and Recommendations



Efficient and effective management of the school board’s facilities (particularly schools) is an important factor in student achievement. Along with providing a positive learning environment for students, this function sets and meets standards of cleanliness and maintenance, examines opportunities to increase energy efficiency, and addresses the health, safety, and security requirements of the school board. Management uses cost efficient and effective processes in the design and construction of new facilities.

The following is a summary of the assessment of the school board’s adoption of leading practices under the processes identified above. All findings are a result of the review of data provided by the school board and on-site field work, which included interviews with all key school operations and facilities management staff, as well as follow-up and confirmation of information.

5.1 Operations and Facilities Organization

The purpose of reviewing the organization of operations and facilities is to assess:

- Whether the board of trustees and management have established policies and procedures that support the key departmental functions and activities, strong internal controls and financial management;
- Whether the department supports the overall goals, priorities, and accountability established by the school board in support of student achievement targets and strategies;
- The efficiency and effectiveness of the departmental structure and whether roles and responsibilities support the key functions/activities and the required business practices;
- Identify opportunities to support continual improvement in the effectiveness and efficiency of all processes.

The following table summarizes the leading practices defined for the operations and facilities organization, and identifies where evidence was found to indicate that the practice was adopted in full. Where the evidence was not present or the practice was not completely adopted at the time of the review, a “No” indicates that an improvement opportunity exists.

Development and Reporting of Annual Goals and Priorities

Leading Practices – Operations and Facilities Organization	Evidence of Adoption?
The operations and facilities department’s goals and priorities are documented in an annual department plan that is aligned to the annual board improvement plan and is accessible by key stakeholders. The plan incorporates measurable targets, specific timelines, and identified accountability.	Yes

Organizational Structure and Accountability

Leading Practices – Operations and Facilities Organization	Evidence of Adoption?
The operations and facilities department has clearly defined organizational units and delineates respective roles and responsibilities. A current organization chart is available.	Yes
Senior operations and facilities staff have appropriate designations (e.g. P.Eng.) and relevant field experience.	Yes

Monitoring and Communication of Policy

Leading Practices – Operations and Facilities Organization	Evidence of Adoption?
Management has processes in place to monitor departmental policy compliance.	Yes
Processes exist to monitor new legislation and regulations and implement necessary changes.	Yes
Management provides scheduled policy and procedure awareness, and training to address ongoing skill development and emerging regulatory issues.	Yes

Development and Reporting of Annual Goals and Priorities

Due to the Board's size, the facilities department is part of the finance department. Therefore, the finance manager is also responsible for the facilities department. A facilities coordinator reports to the finance manager on activities related to facilities. During the annual planning process, the finance manager develops a plan for the financial department, maintenance, construction and school transportation that contains the Board's priorities and activities regarding facilities management. See section 4.1 for details on the process.

The finance manager has implemented a leading annual planning practice and monitors the key priorities that guide the facilities department throughout the year

Organizational Structure and Accountability

The finance manager and the facilities coordinator are responsible for overseeing the functions related to renewal and capital planning, maintenance, custodial services, transportation services, and the management of community use of facilities. The school board also has eight custodians and 11.75 cleaners. Following a review of the Board's structure completed by experts, the facilities department decided to assign custodians directly to the Board's schools and to make them in charge of certain maintenance and custodial tasks. This process is currently being implemented, and should allow the facilities coordinator to perform analyses and to develop annual project planning.

The roles and responsibilities for these positions are clearly outlined in the job descriptions, and the communication structure is reflected in the organizational chart, which is updated regularly. Key department staff have related field experience. They are involved in various provincial committees to keep abreast with best practices and new directives.

One of the CSDNE's distinctive features is the fact that it shares some schools with neighbouring school boards. Four of the Board's 12 schools are shared. School sharing is a good means of facilities management as it automatically reduces these schools' operating costs. Board custodians report directly to principals.

Monitoring and Communication of Policy

The school board has various policies and related operating procedures to manage its facilities and operations. The policies cover school facilities reviews, advertising in schools, building safety, community use of facilities, daycare operations and private property use. The HR department is responsible for health, safety and security policies and crisis intervention.

To monitor policy compliance, each school is inspected by a Board representative every year for cleanliness, health, safety, security and maintenance needs. In regards to

maintenance needs, custodians and school principals notify the facilities coordinator directly of their needs.

The finance manager is responsible for communicating policy and regulatory changes to the administration, school principals, custodians and community on an as-needed basis.

5.2 Custodial and Maintenance Operations

The purpose of reviewing all processes relating to custodial and maintenance operations is to assess:

- Whether custodial and maintenance services are responding effectively and efficiently to maintaining an optimized learning environment for students;
- Whether the department has the appropriate organizational structure to effectively manage service delivery;
- Whether appropriate internal controls exist to effectively manage custodial and maintenance operations and expenditures;
- Identify opportunities to support continual improvement in the effectiveness and efficiency of all processes.

The following table summarizes the leading practices defined for custodial and maintenance operations, and identifies where evidence was found to indicate that the practice was adopted in full. Where the evidence was not present or the practice was not completely adopted at the time of the review, a “No” indicates that an improvement opportunity exists.

The Board’s Staffing Model Supports the Board’s Cleaning Standards and Maintenance Requirements.

Leading Practices – Custodial and Maintenance Operations	Evidence of Adoption?
The board has adopted cleaning standards and has developed a standard set of processes and tools to monitor, manage, and report on results.	Yes
Management’s custodial/maintenance allocation model optimizes use of staff.	Yes

Development of Annual/Multi-Year Maintenance Plan

Leading Practices – Custodial and Maintenance Operations	Evidence of Adoption?
Using stakeholder input, management develops an annual and multi-year (three to five years) maintenance plan that addresses preventative and deferred maintenance priorities. Outcomes improve the learning environment for students. The plan optimizes the use of available funding (Annual Renewal Grant and Good Places to Learn funding) and is approved by the board.	No

Training to Support Skills Development and Safety

Leading Practices – Custodial and Maintenance Operations	Evidence of Adoption?
A monitored annual training plan for staff to address ongoing skill development and emerging regulatory issues.	Yes

Standardization of Cleaning and Maintenance Supplies

Leading Practices – Custodial and Maintenance Operations	Evidence of Adoption?
An inventory system tracks and controls major cleaning and maintenance equipment.	No
Common standards ensure efficient procurement of supplies to minimize costs and promote energy and operating efficiency.	Yes

Project Management, Monitoring and Support Systems

Leading Practices – Custodial and Maintenance Operations	Evidence of Adoption?
A work-order system and process that records, monitors, and evaluates projects ensuring the effective use of resources.	Yes
Management regularly evaluates the overall effectiveness and efficiency of its maintenance and custodial service practices.	Yes

The Board's Staffing Model Supports the Board's Cleaning Standards and Maintenance Requirements

The Board created a cleanliness and maintenance standards guide, and each custodian has a detailed description of daily tasks to be carried out. Each custodian is responsible

for monthly cleanliness inspections, which are then signed off by the principal. The facilities coordinator and the finance manager are responsible for annual health, safety and security inspections. Even though complaints to the Board are rare, they are processed on a case-by-case basis by the finance manager. A monitoring procedure is implemented until the problem is resolved, and the nature of the complaint determines whether it is recorded or not.

The Board has developed a custodial allocation model for the optimum use of resources to implement the school board's cleaning standards and practices. Custodial staff allocation is based on buildings' square footage, student population, number of classrooms, outside footage, etc. This formula is optimized through split shifts and custodian sharing in shared schools.

Development of Annual/Multi-Year Maintenance Plan

The finance manager and the facilities coordinator work together to develop the annual renewal plan for the Board's schools. This plan includes projects that are prioritized and classified in four groups: health and safety, repair, improvement and accessibility. The strategic framework and the annual student achievement priorities are used as the basis for developing the plan. The board of trustees' priority is to ensure that maintenance projects improve learning environments and make schools a better place. The plan is approved by the board of trustees.

The department is currently reviewing its maintenance plan's development process. An external consultant was hired to assist with the implementation of a three-year plan that will be approved by the board of trustees in June. To ensure that the maintenance plan has a preventative approach, the Board is encouraged to develop a three-year plan for the upcoming years.

The school board develops annual renewal and maintenance plans using data from external consultants such as architects and from the ReCAPP software whenever possible. The school board's structure has changed greatly since the 2003 inspection, because the school board opened eight new schools. A complete update of ReCAPP was completed by the school board in 2006 to include new schools. The annual planning allows the Board to receive feedback, to identify capital needs and to develop annual maintenance programs. Urgent facility problems are reported directly to the finance manager and the facilities coordinator. These procedures ensure the development of a maintenance plan that prioritizes urgent and long-term needs for the Board's facilities.

Training to Support Skills Development and Safety

The finance manager supports the skills development of its custodial staff. Once hired, each custodian is trained by the facilities coordinator. The HR manager and the facilities

coordinator plan annual training sessions for custodians according to identified needs, such as training on WHMIS, workplace inspections, elevated work and ergonomics, lockouts and labelling, drinking water flushing, checking and using fire extinguishers, etc. Some of the training sessions, such as WHMIS training, are also offered to other staff members.

The facilities coordinator also participates in annual training sessions, such as classes on contract negotiations, health and safety workshops, and training from the Partenariat des Conseils Franco-ontariens en Santé et Sécurité (PACFOSS).

The Board does not have any facilities staff, such as architects, electricians, plumbers, etc., and therefore does not have a professional development plan for this category.

Standardization of Cleaning and Maintenance Supplies

Custodial supplies and maintenance equipment are managed by the facilities coordinator, and by principals and custodians in some cases (the school board is currently transferring this responsibility from the facilities coordinator to custodians). There is currently no inventory procedure for school custodial supplies. The Board is encouraged to implement an inventory procedure for maintenance equipment in schools to ensure that purchased maintenance equipment is the most effective and efficient.

The Board buys in bulk whenever possible. The Board has templates for comparing supplier prices in order to standardize Board purchases. The Board is currently changing the role of custodians in schools. They will now be responsible for the purchase and management of maintenance supplies. In order to implement these changes, a very successful pilot project was initiated this year. To further the project, the facilities coordinator is currently creating a binder with a list of available products, their prices (negotiated by the Board), their effectiveness, etc. This practice is adapted to the Board's geographic situation, because it allows the Board to purchase locally for its dispersed schools all while benefiting from competitive prices.

Project Management, Monitoring and Supporting Systems

The Board has implemented processes to ensure the monitoring of renewal and maintenance projects. Custodians and principals identify needs as they arise throughout the year. A work order system is used in some schools. The Board receives all orders and prioritizes them according to the urgency of the required work. Some projects are added to the annual plan, while others are added to the multi-year plan. The planning is done separately for each school because of the schools' dispersed geographic locations.

Vandalism is rare within the Board's facilities. To minimize these incidents, the department has installed cameras outside its schools.

Custodians are in the Board’s facilities during the day, and cleaners are there during the evening. In order to ensure that the work is being completed, school principals or the facilities coordinator periodically verify whether cleaners are present.

The Board meets the requirements for the duty to accommodate (modified work) and seeks to reduce accident rates and improve work conditions by purchasing equipment that facilitates daily tasks.

Recommendations:

- The Board should consider developing a three- to five-year preventive maintenance plan that includes a financing plan. This would enable the Board to forecast critical needs to be addressed in the upcoming years.
- The Board should consider developing procedures to track its inventory and maintain a database on the age, location and state of the equipment.

5.3 Energy Management

The purpose of reviewing all related energy management processes is to assess:

- Whether adequate planning and communication exist to support the reduction of energy consumption;
- Whether school board structure and processes are in place to ensure that energy is procured for the lowest cost;
- Identify opportunities to support continual improvement in the effectiveness and efficiency of all processes.

The following table summarizes the leading practices defined for energy management, and identifies where evidence was found to indicate that the practice was adopted in full. Where the evidence was not present or the practice was not completely adopted at the time of the review, a “No” indicates that an improvement opportunity exists.

Energy Management Plan

Leading Practices – Energy Management	Evidence of Adoption?
Management has established a multi-year energy management plan that incorporates measures to be implemented and the tools to monitor and manage the plan.	No

Leading Practices – Energy Management	Evidence of Adoption?
Purchasing practices support energy conservation objectives (e.g. Energy Star products, leveraging consortia membership).	Yes
Successful conservation initiatives are shared across all schools and with other school boards.	No

Tracking and Reporting Energy Conservation

Leading Practices – Energy Management	Evidence of Adoption?
Management provides formal annual reporting on the conservation savings achieved against the plan.	No
A comprehensive system exists to budget expenditures, track consumption and identify opportunities for further savings.	No
Billing for all board facilities is consolidated from each utility.	No
Centralized technology that automates energy regulation and conservation (e.g., light control, desktop power) is used wherever practical.	No

Energy Management Plan

The department manager does not have a written energy management plan. However, during maintenance or renewal projects, there is an emphasis on replacing aging building components (more efficient lights, waterless urinals, switches, etc.) to optimize energy savings. In addition, the Board ensures that all energy efficiency possibilities are explored during the construction of new schools, including maximizing natural light in the building design.

The Board hired a group of external consultants to analyze energy consumption for all facilities within the Board. Once the data is analyzed, the Board will implement incentive programs to reduce energy consumption. Students will participate in implementing these projects. The Board is encouraged to continue with this initiative to implement a long-term energy management plan.

The Board has also incorporated energy management into its school curriculum, and all its facilities participate in a recycling program.

The school board's purchasing policy does not require the purchase of new energy efficient equipment. However, the Board often buys Energy Star products. The Board has recently started participating in a consortium for the purchase of electricity.

The school board should continue to expand its existing energy management initiatives, and establish a system-wide, multi-year energy management plan, with appropriate consumption reduction targets.

Tracking and Reporting Energy Conservation

Monitoring reports on energy consumption are currently not being produced for the board of trustees. However, the finance manager intends to implement a detailed plan to monitor measurable results. We would encourage the school board to implement reports that track annual costs of utilities for all sites, including electricity, heating and water/sewage, along with the cost per square foot. The finance manager is also encouraged to track the consumption of energy and water to effectively monitor the results of conservation initiatives.

The Board does not have consolidated billing across its multiple sites. Given the geographic diversity of the Board, schools are attached to different utility companies. As a result, the Board will not likely be able to consolidate utility billing across all sites. However, the finance manager is encouraged to explore opportunities to consolidate utility billing to reduce administrative work.

Recommendations:

- The Board should develop a system-wide, multi-year energy management plan, with appropriate consumption reduction targets. The Board should also ensure that it has tracking mechanisms in place to monitor consumption and energy costs for periodic reporting to the individual schools, the administrative council and the board of trustees.
- Management should ask the utility companies to provide consolidated billing in electronic format. This would support more efficient monitoring and forecasting of energy consumption, and reduce the workload in the accounts payable department.
- As part of its energy conservation planning, management should investigate the costs/benefits of implementing a more sophisticated building automation system to track and remotely control energy consumption in individual schools.

5.4 Health, Safety and Security

The purpose of reviewing all the Health, Safety and Security processes is to assess:

- Whether adequate planning and communication exist to support the provision of a safe teaching and learning environment;

- Whether school board structure and processes are in place to implement safety precautions;
- Identify opportunities to support continual improvement in the effectiveness and efficiency of all processes.

The following table summarizes the leading practices defined for health, safety and security, and identifies where evidence was found to indicate that the practice was adopted in full. Where the evidence was not present or the practice was not completely adopted at the time of the review, a “No” indicates that an improvement opportunity exists.

Development, Monitoring, and Tracking of Policies and Plans for Health, Safety and Security

Leading Practices – Health, Safety and Security	Evidence of Adoption?
The maintenance of health, safety and security policies and the development of appropriate plans ensure compliance with statutory health, safety and security requirements.	Yes
The security code policy includes alert codes that reflect the situation and threat level, and identify departmental responsibilities.	Yes
Security incidents are tracked by type of incident (e.g. property damage, intrusion, etc.).	Yes
Operations management follow Ministry guidelines, policy and legislation on healthy schools.	Yes
Safe school teams responsible for school safety (e.g. PPM 144) are implemented in every school.	Yes
Water and air quality standards are monitored and issues are reported for corrective action.	Yes

Development, Monitoring, and Tracking of Policies and Plans for Health, Safety and Security

The health and safety portfolio is managed jointly by the finance manager and the HR manager. The Board has an approved health and safety policy that is current as of November 2007. The board of trustees is responsible for implementing and maintaining a joint health and safety committee (JHSC) to promote health and safety and prevent incidents leading to occupational injuries and illnesses. The committee members are: the HR manager, a school principal, the facilities coordinator and a member from each union.

The JHSC has implemented health, safety and security plans and strategies in schools. These plans are reviewed every three or four years and according to need. This document explains the alert codes that reflect the situation and threat level, and identifies specific departmental responsibilities. School principals are responsible for school safety.

Health and safety training is provided to all new Board employees. In addition, training is provided to new school principals and site managers on laws and regulations related to legal liability and health and safety issues. The Board ensures that water and air quality standards are monitored for students. The finance department does not produce water and air quality reports, except when a problem is brought to the attention of the board of trustees.

Bullying is not a major issue for the school board, but it is tracked on an incident basis. The Board has implemented a policy to promote an anti-bullying environment in schools. Incidents involving students are reported to the Board. WSIB reports are filled out for incidents involving staff.

5.5 Capital Plans, Policies and Procedures

The purpose of reviewing capital plans, policies and procedures is to:

- Assess whether school capital assets are being utilized effectively and efficiently;
- Assess how well management is planning for future capital requirements, based on enrolment forecasts and the capacity/maintenance issues of the existing asset base, relative to the funding available from the Ministry (i.e. NPP funding);
- Assess whether management is appropriately prioritizing the maintenance and renewal expenditures in light of the available Ministry funding and multi-year capital programs;
- Identify appropriate controls and transparency within the current planning process;
- Identify opportunities to support continual improvement in the effectiveness and efficiency of all processes.

The following table summarizes the leading practices defined for capital plans, policies and procedures, and identifies where evidence was found to indicate that the practice was adopted in full. Where the evidence was not present or the practice was not completely adopted at the time of the review, a “No” indicates that an improvement opportunity exists.

Development of Annual and Multi-Year Capital Plans

Leading Practices – Capital Plans, Policies and Procedures	Evidence of Adoption?
The school board has an approved annual and multi-year capital program that includes the related funding plan.	Yes
The school board has an approved pupil accommodation review policy.	Yes

On-going Monitoring and Maintenance of Data to Support Capital Planning

Leading Practices – Capital Plans, Policies and Procedures	Evidence of Adoption?
The school board maintains accurate and up-to-date inventories of school capacity and utilization.	Yes
Capital forecasts and related funding plans are assessed annually and adjusted to meet current needs and changes to original assumptions such as enrolment projections and capital grants.	Yes
The accuracy of capital forecasts and related funding plans is assessed annually to reflect current needs and changes to original assumptions, such as enrolment projections.	Yes
An accurate and up-to-date assessment of facility conditions is maintained, based on industry standards (using ReCAPP methodology).	Yes

Development of Annual and Multi-Year Capital Plans

The school board has capital plans in place. A 10-year plan and a 15-year plan were prepared for the Ministry. Using these plans, the Board prepares a short-term plan with projections for the next four or five years. The operational capital plan has a four-year priority project list for each school. The 10-year capital plan is reviewed and approved by the board of trustees every year. Data from different sources are used, such as Statistics Canada reports, school histories, ReCAPP software, consultant reviews, etc.

The board of trustees regularly hires consultants to examine the Board's capital needs. An ad hoc committee was created, and the administrative council, the board of trustees and the parents committee are also consulted to determine capital needs. Accessibility in schools is one of the Board's priorities. An accessibility report is prepared and presented to the board of trustees on an annual basis.

For capital renewal plans, the Board relies on the ReCAPP system, school inspections and the needs communicated by school principals. An annual plan of renewal work is

prepared and submitted to the finance committee and board of trustees. The renewal plan and capital plans are aligned to ensure that major maintenance projects are not scheduled in a school that will soon be closed, for example.

The Board is expanding and uses mobile classrooms (the Board currently has five). The Board is encouraged to develop a mobile classroom policy to ensure that they are only temporary solutions.

The school board has an approved pupil accommodation review process. The Board completes a pupil accommodation review process each year to determine renewal needs for the upcoming year.

On-going Monitoring and Maintenance of Data to Support Capital Planning

The Board maintains a detailed inventory of school capacity, which includes the number of students and schools, by using the Student Facilities Inventory System (SFIS). The facilities coordinator is responsible for monitoring and updating the data entered into the Ministry's facility inventory system. The Board just developed a method of calculating the net operating costs for each school. Once the data is ready, the Board will develop a financial profile of its schools, which should include a comparison of total grants and expenses for classroom and nonclassroom costs for each school. The Board will soon implement processes to encourage the community to use school facilities.

The department follows a specific process to update the database in the ReCAPP software. Given the number of new Board schools that were built, a consultant was hired in 2006 to update the database. Consultants also perform school condition analyses, and the facilities coordinator performs annual inspections. All these data are used to plan the required projects in the coming years.

The Board uses the following facilities grants: Good Places to Learn, capital transitional adjustment, prohibitive to repair funding, Best Start, and Primary Class Size grants. These programs, along with the Distant Schools Allocations, are required to keep Board schools open.

5.6 Construction Management

The purpose of reviewing all related construction management processes is to assess and identify:

- Whether processes are in place to ensure that school boards complete construction projects on-time, on-budget and with due regard to economy;
- Identify opportunities to support continual improvement in the effectiveness and efficiency of all processes.

The following table summarizes the leading practices defined for construction management, and also identifies where evidence was found to indicate that the practice was adopted in full. Where the evidence was not present or the practice was not completely adopted at the time of the review, a “No” indicates that an improvement opportunity exists.

Cost Effective Practices in the Design and Construction of Facilities

Leading Practices – Construction Management	Evidence of Adoption?
Management uses cost-effective designs, standard footprints, energy conservation and economical construction practices to minimize construction, maintenance and operation costs.	Yes
Management maintains standard policy and procedures to rationalize construction projects, including benchmarking against other school board construction costs and design standards (including coterminous boards).	Yes

Monitoring and Reporting on Progress of Construction Projects

Leading Practices – Construction Management	Evidence of Adoption?
An effective management process monitors and controls construction projects and their costs. This includes periodic project status updates and post-construction project evaluation.	Yes

Maintaining Current Approved Professional Service Providers

Leading Practices – Construction Management	Evidence of Adoption?
Management evaluates and updates the approved list of contractors, architects and related professionals periodically, ideally in five-year cycles.	Yes

Cost Effective Practices in the Design and Construction of Facilities

The Board has opened eight new schools since its inception, and therefore has construction experience. The Board created a school plan model, which is re-used for new schools. As soon as a school has been approved, the Board hires an architect and consultants to help study prospective land. The Board always consults with specialists and external consultants during the design phase to ensure that the design complies with legislation. In-depth studies are conducted to estimate construction project costs.

With such precautions in place, the last three schools were built on time and within budget.

The Board undertakes renewal projects at least every two years. During major projects, the Board holds consultative sessions with the board of trustees, staff, students and the community. The finance manager recently completed a review that compares costs per square foot against those of other school boards. This analysis is used to explain variances between school boards and to ensure that the Board receives the necessary Ministry grants. The Board has leading design and construction processes, which could be supported by implementing policies such as a site acquisition policy.

Monitoring and Reporting on Progress of Construction Projects

The Board has detailed processes to monitor construction project budgets. Architects are responsible for managing project costs, in collaboration with the facilities coordinator and the finance manager. The architect provides detailed monthly reports on project costs, which include budget variance comparisons and the project's progress.

As soon as a budget variance arises, the architect contacts the finance manager who proposes a solution and communicates the variance amount. Then, the finance manager works with the architect to reduce items in the budget in order to respect the original total budget. A change order process is implemented, and any budget changes, which are rare, must be approved by the board of trustees. During construction projects, the finance manager provides the board of trustees with verbal reports during meetings. In the case of serious problems, the finance manager provides the board of trustees with a written report. At the end of the year, the finance manager prepares a construction project summary report.

Loans required by the department are available from the Ministry on a long-term basis. The finance manager first obtains project approval from the Ministry. If the Ministry is unable to provide funding for pre-approved projects, the Board obtains the authorization of the board of trustees and borrows the necessary funds while it waits for the next provincial funding round. This system allows the Board to ensure timely bill payments.

Maintaining Current Approved Professional Service Providers

The school board has an updated list of suppliers that includes available professional service providers. The BAS system has a list of pre-approved suppliers. The supplier list is reviewed every three years when the Board goes into a new invitation to tender cycle. If no supplier is available to meet a particular need, the Board follows its purchasing policy to determine the steps required for an invitation to tender.

The Board has a formal supplier approval process that is explained in its purchasing policy. When the Board issues an invitation to tender, a criteria list is used to select the best supplier.

Appendices

Appendix A: Overview of the Operational Review

Operational Review Objectives

In order to perform an effective and consistent operational review, the Ministry has worked with independent consultants to develop a Sector Guide that defines consistent standards and leading practices against which the operational reviews and analysis will be based.

Recognizing the unique characteristics of each DSB, the specific purpose of the Operational Reviews is to:

- Strengthen management capacity in school boards by developing recommendations that support improvement in non-academic operations;
- Highlight existing successful business practices used by school boards, to the sector and to school board communities;
- Leverage “Best Practices” across the education sector;
- Provide support and assistance to ensure that school boards are financially healthy, well managed, and positioned to direct optimum levels of resources to support student achievement;
- Provide the Ministry with important input on DSB capacity/capabilities for consideration in the ongoing development of policy and funding mechanisms.

Operational Review Summary Scope

The scope of the Operational Review consists of the following functional areas which have been divided into key processes as shown below. The processes represent the end-to-end lifecycle of activities performed by school boards under each functional area.

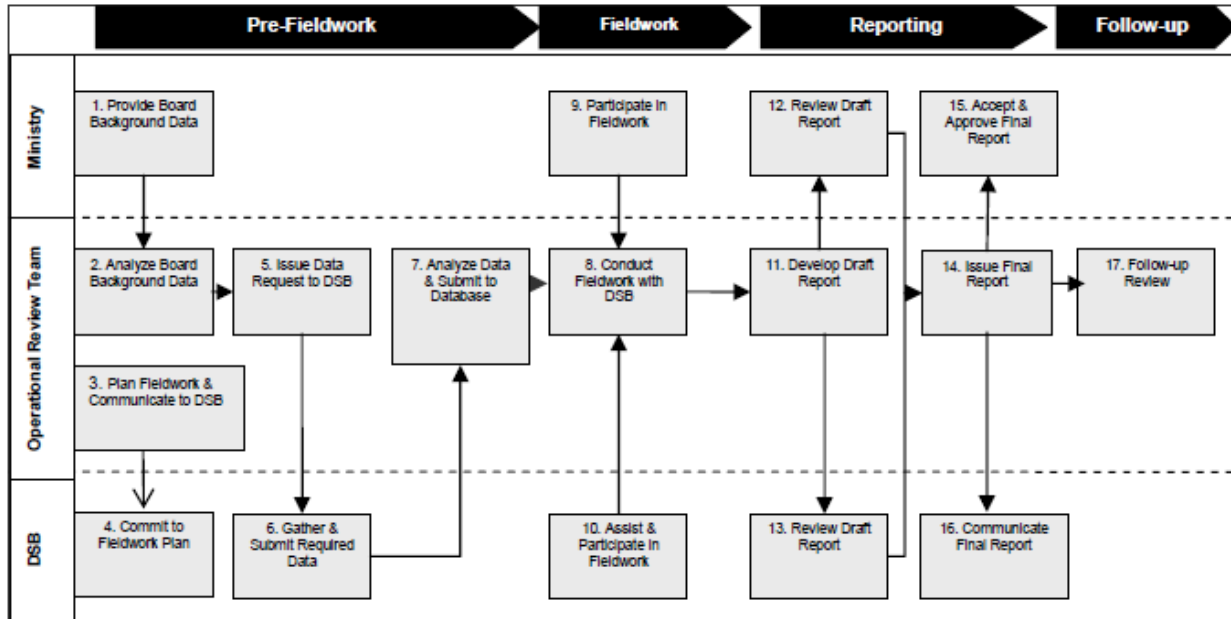
Each of the processes was examined based on its activities and its adoption of sector agreed leading practices, including alignment and support of student achievement strategies.



Operational Review Summary Approach

The high level Operational Review approach is shown below. The timing for the end-to-end process will vary depending on school board size and complexity.

Observations and assessments are made by the Operational Review Team based on a set of agreed upon leading practices designed for each functional area. The onsite reviews allow the team to validate ministry and board data; provide a better understanding of the environmental conditions and allow the team to review materials that support the existence leading practices.



The Table below defines the key phases and activities which comprise the Operational review Methodology.

Phase: Pre-Fieldwork

Key Activity	Description
Provide School Board Background Data	The Ministry collects and maintains significant quantities of board data. The Operational Review team has developed a standardized data request from the Ministry to provide background data for each board.
Analyze School Board Background Data	Before the start of the fieldwork, the Operational Review team reviews board background data to understand the financial and operating characteristics. This review identifies specific issues and focus areas.
Plan Fieldwork and Communicate to Board	The Ministry and the Operational Review team develop a review schedule that is communicated to school boards before the start of the next review cycle.
Commit to Fieldwork Plan	Boards are required to commit to the Operational Review schedule. The Ministry and the review team will attempt to accommodate scheduling conflicts.
Issue Documentation Request to School Board	Before the start of fieldwork, a request for supporting documentation is generated to gather operating and other information for each focus area. The review team uses this information to enhance its understanding of the board before the start of field work.
Gather and Submit Required Documentation	Upon receipt of the request for supporting documentation, each school board compiles the requested data. School boards have at least three weeks to complete this process prior to the start of the fieldwork.

Key Activity	Description
Analyze Data and Submit to Database	The review team analyzes the data provided by each school board and adds the results to a sector-wide database to compare the results for each school board.

Phase: Fieldwork

Key Activity	Description
Conduct Fieldwork with School Board	The fieldwork is conducted for each school board according to the previously agreed upon review cycle. The time required for fieldwork ranges between five and 10 days, based on the size of the school board.
Participate in Fieldwork	Ministry staff support the review team in the performance of fieldwork, to ensure continuity and knowledge transfer of school board operations.
Assist and Participate in Fieldwork	School board staff participate in the fieldwork. The number of participants involved will vary depending on the size of the board.

Phase: Reporting

Key Activity	Description
Develop Draft Report	Based on the results of the fieldwork and data analysis, the operational review team writes a draft report. The draft report contains a synopsis of findings and, where
Review Draft Report (Ministry)	The Ministry reviews the draft report and provides feedback to the review team.
Review Draft Report (School Board)	The review team meets with board senior staff to review and obtain feedback.
Prepare Final Report	The review team incorporates the feedback from the both the Ministry and the board and prepares a final report.
Accept and Approve Final Report	The final report is issued to the Ministry for approval and release.
Communicate Final Report	The Ministry issues a final report to the board.

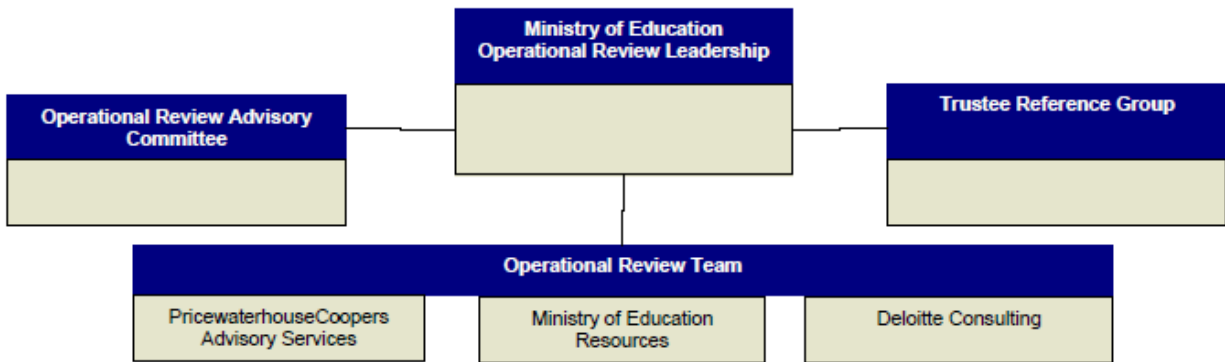
Phase: Follow-up

Key Activity	Description
Follow-up Review	Eight to 12 months after the release of the final report, the review team conducts a follow-up review to determine the extent the school board's adoption and implementation of the recommendations.

The Operational Review Team

The Ministry has assembled an Operational Review Team to ensure that these reviews are conducted in an objective manner. The Operational Review Team is designed to leverage the expertise of industry professionals and consulting firms to review specific aspects of each school board.

Management consultants from PricewaterhouseCoopers and Deloitte were hired to complete the Operational Reviews. The Ministry assigned an internal consultant with school board experience to provide the Review Team with valuable insight into school board operations in Ontario. The team has also received guidance and feedback from an Advisory Committee and a Trustee Reference Group convened by the Ministry of Education.



Limitations of this Review

The purpose of this report is to document the results of the Operational Review of the Conseil scolaire de district du Nord-Est. The review has been conducted using the methodology as previously described. The review is not of the nature or scope that constitutes an audit made in accordance with generally accepted auditing standards.

Appendix B: Summary of Recommendations

Governance and School Board Administration

No.	Recommendations
1.	The board of trustees, with the assistance of the Director of Education, should prepare a multi-year plan that includes primary objectives, timetables and performance measures. This would guide the Board's annual plan, individual school plans and departmental plans, and enable the Director of Education to report on the success of the Board's initiatives.

Human Resources Management and School Staffing/Allocation

No.	Recommendations
2.	The department should develop a comprehensive attendance management program, including policies and procedures to address specific categories of absenteeism. This will provide management with a consistent and structured approach to improve attendance, including positive reinforcement for employees and standardized practices across all employee groups.
3.	Management should conduct periodic audits of the insurance company that manages the school board's medical and dental claims (administrative services only), in order to ensure that claims from the Board are processed according to the plan's terms and conditions.
4.	Management should develop a formal plan for conducting exit interviews. Like staff surveys, these interviews will provide input for HR policy and process and program improvement.
5.	The Board should compare its staffing costs with those of other similar school boards. This would provide insight into the competitiveness of the Board's job offers.

Financial Management

No.	Recommendations
6.	Management should consider formalizing an internal audit function. This would include a broader audit of financial and management controls and adherence to board policies. Management could start by identifying options for the mandate and scope of this function and the estimated cost for each option.
7.	Management and the board of trustees should consider including external advisors to contribute to the effectiveness of the finance committee with a mandate to conduct internal auditing.
8.	Finance staff should implement EFT payments for all appropriate suppliers, to gain greater efficiency and minimize the risk of payments being altered prior to clearing the bank.

No.	Recommendations
	Management may want to consider EFT capability when tendering banking services in the near future.

School Operations and Facilities Management

No.	Recommendations
9.	The Board should consider developing a three- to five-year preventive maintenance plan that includes a financing plan. This would enable the Board to forecast critical needs to be addressed in the upcoming years.
10.	The Board should consider developing procedures to track its inventory and maintain a database on the age, location and state of the equipment.
11.	The Board should develop a system-wide, multi-year energy management plan, with appropriate consumption reduction targets. The Board should also ensure that it has tracking mechanisms in place to monitor consumption and energy costs for periodic reporting to the individual schools, the administrative council and the board of trustees.
12.	Management should ask the utility companies to provide consolidated billing in electronic format. This would support more efficient monitoring and forecasting of energy consumption, and reduce the workload in the accounts payable department.
13.	As part of its energy conservation planning, management should investigate the costs/benefits of implementing a more sophisticated building automation system to track and remotely control energy consumption in individual schools.