School Boards’ Management of Financial and Human Resources
2017 Value-for-Money Audit

Why We Did This Audit
• Ontario’s 72 school boards receive $23 billion annually from the Ministry of Education (Ministry) to provide elementary and secondary education to almost two million students. Boards are responsible for student achievement and well-being.
• We wanted to assess whether a sample of school boards in southern Ontario were using their resources in a manner that achieves desired education outcomes.

Why It Matters
• Financial resources are limited, so school boards need to use available funding cost-effectively to ensure all students receive the supports they need to achieve a high level of academic performance and acquire valuable life skills.
• A well-trained, motivated and effectively managed teaching and support staff is essential to student achievement and well-being.

What We Found
• Overall, the four school boards we visited properly used funding restricted by legislation (e.g. special education) for the purposes for which it was provided. However, funding provided for specific purposes (e.g. funding for students at risk of low academic achievement and language grants) but not restricted by legislation was not always used for the provincial priorities described by the Ministry in the boards’ funding documentation.
• School boards have discretion on how they can spend Ministry funding provided for students at risk of low academic achievement (e.g., those from low-income households). For the 2015/16 school year, we noted that one of the four boards we visited spent only half of the $46.5 million it received for at-risk students, and used the remaining funds to support shortfalls in funding for teacher salaries and special education.
• Ontario school boards are struggling to effectively manage employee attendance. From the 2011/12 to 2015/16 school years, boards experienced added financial pressures because of an increase in sick days by their employees. A study of over 50 boards found that for the five-year period (the 2011/12 school year to the 2015/16 school year), total sick days increased by 29% (from an average of nine days to 11.6 days per employee), and the overall sick leave paid as a percentage of payroll increased 25%. This occurred following a centrally negotiated contract that changed sick-leave policy so that employees could no longer bank their sick days.
• All four school boards we visited had long lists of students waiting to be assessed or served by specialists in the areas of psychology, and speech and language. For example, at three of the four boards, 24% of the students on wait lists for psychological services had been waiting for more than a year.
• We noted that wait times to see specialists for assessments varied significantly among schools within the same school board. This is because students were not reassigned to specialists with lighter workloads. Timely specialist assessments allow boards to devise long-term plans for services to best meet students’ unique needs.
• Each of the school boards we visited had a multi-year strategic plan that outlined its goals. Although most boards had performance indicators and targets for goals relating to student achievement, they typically did not have indicators and targets for goals relating to student well-being and stewardship of board resources.
• None of the four school boards we visited completed the two mandatory appraisals for all of their new teachers within 12 months of hiring, as required under the Education Act, 1990. The completion rates ranged from 64% to 89% for the four boards visited. The lack of timely appraisals delays feedback being provided to new teachers who may need more professional development.

Conclusion
• School boards used restricted funding as intended by the Ministry but did not use all unrestricted funding provided for specific provincial education priorities (e.g., students at risk of low academic achievement) on those priorities.
• The school boards we visited did not have effective attendance-support programs to manage the increase in employee sick days.
• Students with special needs were not provided with the most suitable services on a timely and equitable basis because of long wait times for special needs assessments.
• School boards had not set measurable targets for all their strategic goals and were not publicly reporting on them annually.

To view the report, please visit www.auditor.on.ca