



**FINANCE & OPERATIONS COMMITTEE MEETING**  
**Tuesday, January 23, 2018 – 12p.m.**  
**NLESD Headquarters**  
**95 Elizabeth Avenue, St. John's, NL (Skype)**

**1. Call to Order**

A meeting of the Finance and Operations Committee of the Newfoundland and Labrador English School Board was called to order at 12:05p.m. on Tuesday, January 23, 2018.

Members Present:        Thomas Kendell, Chair  
                                  Winston Carter, Committee Member  
                                  Keith Culleton, Committee Member  
                                  Wayne Lee, Committee Member  
                                  Corey Parsons, Committee Member  
                                  Peter Whittle, Committee Member

NLESD Staff Present:    Tony Stack, Director/CEO (Interim)  
                                  Terry Hall, Assistant Director of Education – Finance and Business  
                                  Administration/Student Transportation  
                                  Lucy Warren, Associate Director of Education – Programs and  
                                  Operations (Interim)  
                                  Jim Sinnott, Director of Facilities and Custodial Management  
                                  Kayla Freake, Internal Auditor (NLESD)  
                                  Susan Clarke, Administrative Assistant (Finance/Recorder)

Regrets:                    Goronwy Price, Board Chair  
                                  Ray Bennett, Committee Member

**2. Approval of Agenda**

It was moved by Winston Carter, seconded by Wayne Lee that the agenda be adopted as presented. *Carried.*

**3. Approval of Minutes – November 6, 2017**

It was moved by Peter Whittle, seconded by Winston Carter that the minutes of November 6, 2017 be adopted as presented. *Carried.*

**4. New Business – Motion**

**4.1 Quarterly Budget/Financial Update period ending September 30, 2017**

The Quarterly Budget for the period ending September 30, 2017 was tabled by Terry Hall, Assistant Director of Education – Finance and Business Administration/Student Transportation.

**Budget Highlights**

**Total Revenues**

Revised Budget (total)	\$ 771.4 Million
Revised Budget (net of block funding from DEECD)	\$ 88.8 Million
Revenue earned to September 30, 2017 (net)	\$ 22.2 Million

**Total Expenses**

Revised Budget (total)	\$ 771.4 Million
Revised Budget (net of items block funded by DEECD)	\$ 88.8 Million
Incurred/encumbered to September 30, 2017 (net)	\$ 18.7 Million
% Budget remaining (net)	79%

Expenses are expected to remain within budget for the 2017’18 fiscal year, although certain expenditures may exceed the approved budget allocation and budget transfers within these categories may be required.

**Budget Adjustments**

There were no budget adjustments during this quarter.

The attached schedules summarize the operating results compared to the revised budget for the period ending September 30, 2017.

**Motion:**

**Moved by Peter Whittle, seconded by Wayne Lee that the Finance and Operations Committee recommend to the Board, approval of the revised Quarterly Budget Status Update for the period ending September 30, 2017. Carried.**

**4.2 Internal Audit Policy**

Kayla Freake, Internal Auditor for NLESD provided a brief description and background regarding the proposed Internal Audit Policy.

Safeguarding of District assets and ensuring integrity in its process and results is critical in any organization but is especially important in a public entity dealing with public funds.

The Newfoundland and Labrador English School District (“NLESD”) has established an Internal Audit Division to conduct independent reviews and appraisals of the NLESD’s various operations and systems of control. The reviews help to ensure that NLESD’s resources are used efficiently and effectively towards helping the NLESD achieve its mission and strategic goals, as directed by the Board.

In order for District Internal Auditors to be effective, a policy is required to ensure the role and scope of the function is documented and understood.

It is important to note that the existence of the internal audit function and formal policy documents does not automatically signal inappropriate use of assets or fraudulent activity. Rather the function is intended to review and ensure processes and controls exist to mitigate the opportunity for such activities to exist or at least go undetected.

**Motion:**

**Moved by Corey Parsons, seconded by Winston Carter that the Finance and Operations Committee recommend to the Board, approval of the Internal Audit Policy and related documents. *Carried.***

**4.3 Agree on summary of 1.6km discussion points as prepared by Peter Whittle (November 26, 2017)**

On November 26, 2017 the Finance and Operations Committee discussed the request from the Board to review the merits of the 1.6km Family Responsibility Zone that we use as the metric for busing of students to schools in the Newfoundland and Labrador English School District and determine a position to bring to the Provincial Government.

The Committee decided that the best approach for NLESD would be to study the issue and consult stakeholders for potential solutions to the issues currently experienced recognizing that the unique geography, population distribution and climate changes faced in the province makes any one size fits all solution impractical. The safety of our children is of paramount concern.

Recommended to:

- Examine courtesy seating policies at School Boards across Canada, particularly in Northern climates.
- Meet with Municipalities NL to discuss challenges faced in different municipalities, the unique urban/rural challenges and seek solutions from the municipal point of view.
- Meet with Department of Transportation and Works to discuss snow clearing issues and the safety issues facing children inside the parent responsibility zone.
- Meet with Newfoundland and Labrador Federation of School Councils for any input or solutions that this organization may have considered.
- Meet with NLESD/DEECD officials with regards to the issue and culture of safety at our schools.
- Develop a cost model that reflects what the costs associated with decreasing the size of the Parental Responsibility Zone by .2km from current all the way to 100% bussing.
- Develop a comprehensive Challenges and Answers document that examines the issue from a cost, safety and responsibility viewpoint.
- Review other opportunities for consideration that may alleviate safety concerns in both rural and urban regions.
- Propose that stakeholders develop a safety educational campaign geared towards the public, parents and school aged children.

- Review the parameters of the AG's ongoing Safety Audit. What might the AG's office recommend to government related to the Parental Responsibility Zone.

**Item for information purposes only and will be discussed with the full Board at the upcoming Board meeting.**

#### **4.4 Costing re: School Board Consultations**

It was noted that there was no formal plan or policy in place for participation of Trustees in the recent School Board Consultations for schools proposed for closure at the end of this school year. Noted that cost for this does come out of the overall Trustee travel budget.

There was a discussion on whether the cost of Trustees attending in person was warranted and/or beneficial in these circumstances or if attendance via technology would have been or be sufficient.

Although all were in agreement regarding the cost factor involved, it was noted that the communities involved in these consultations did indicate their appreciation that Trustees took the time to attend in person. The number of Trustees that did attend the consultations was relatively small.

The ultimate decision on who attends these consultations does lay with the full Board. Some feel that a policy needs to be developed and implemented for these situations. However, it was noted that from a legal perspective the Board does have to ensure that it does not interfere with the Schools Act in these instances.

Agreed to add this item to the second day of Board meetings (Sunday) for evaluation by the Board.

**Item was for information purposes only and will be evaluated at the upcoming Board meeting sessions.**

#### **4.5 School Based Budgeting**

Discussion was held surrounding the changes in the way that budgets are allocated and dealt with in regards to purchases that can be made directly by schools. Many Custodians in Central Region feel that they are being impeded in their day to day duties by not being able to purchase small maintenance items directly when required such as nails, replacement shovels, etc.

It was indicated that for the most part a P.O. will be issued for purchases within a 24 to 48 hour time-frame by the Purchasing Department. It is felt that things are not as bad as presented but agreed that it is not as convenient as it was at one time when purchasing small items for schools.

The ongoing Auditor General investigation and pressure from them to ensure that NLESD's own purchasing guidelines are strictly adhered to is a major factor in these restrictions. If we go outside of our own established guidelines, we do run the risk of compromising the Organization's overall integrity.

Custodians always have the flexibility of approaching their Operations Managers when purchases are of an urgent nature.

Concerns were also brought forward over the fact that maintenance request items that are noted at the end of the school year are not always taken care of over the summer months as they were in the past.

When the merger took place, the majority of summer maintenance positions in Central Region were eliminated. This fact has had an impact on any summer maintenance in schools being performed other than the normal cleaning that takes place. Subsequent to the cuts in 2013, the eliminated summer maintenance positions were replaced by a smaller number of 12 month staff to ensure maintenance is addressed year round. Schools wanting improvements over the summer (e.g. painting classrooms) can still discuss same with their Operations Managers.

**Item for information purposes only.**

#### **4.6 Impact of Cameras on Buses**

Discussion was held surrounding the possibilities of considering installation of cameras inside and outside of school buses. It is felt by some that it would be beneficial to have cameras installed to reduce instances of bullying on buses and to assist with any traffic violations outside buses.

There are ongoing talks between NLESD and the Privacy Commission regarding use of cameras in schools and on buses. Privacy Commission feels that cameras should only be used as a last resort and should be turned off or taken out after a situation has been identified and resolved. The Commission is in the process of auditing schools and buses where cameras have been installed and will release a final report on its recommendations when the audit has been completed.

The District feels that when it is felt that these cameras need to be installed in schools and/or buses that they should be active at all times and that they would provide a deterrent to any individuals who may be causing issues. Also to be taken into consideration is the cost factor involved in purchasing and installing these cameras.

The District does still have authority to have cameras installed in schools and on buses where it is deemed necessary. If the Privacy Commission's report indicates that they are against use of cameras in schools and on buses, this issue will have to be taken to the Board for discussion and possible action. Once the report has been released, it will be presented to the Board for their review.

**Item for information purposes only.**

5.       **Date of Next Meeting**  
The next meeting will be held at the call of the Chair.
  
6.       **Adjournment**  
Motion to adjourn by Wayne Lee at 1:34pm. *Carried.*