

# **Audit and Accountability Fund**

## **Program Guidelines for District School Boards**

### **OVERVIEW**

The government is taking a modernized approach to education reform by better utilizing technology, protecting front-line teachers and reprioritizing tax dollars to make the greatest impact in the classroom. To support this modernization effort, the government has recently established the *Audit and Accountability Fund* where school boards can apply for funding to undertake independent third-party line-by-line reviews of their operations and service delivery with a goal of finding administrative efficiencies.

Funding is available for up to ten school boards that apply by June 28, 2019.

The Ministry of Education is also receptive to receiving joint submissions from school boards.

The Ministry of Education expects to announce which school boards would receive financial support under the *Audit and Accountability Fund* by July 12, 2019.

The reviews must be completed no later than October 31, 2019 (extensions to this date may be considered depending on the scope of the review).

### **SCOPE**

School board line-by-line reviews should focus on operating expenditures and resource allocation to maximize benefits or outcomes, from a value-for-money perspective.

This could include an in-depth review of all school board operations, like the one the Provincial Government initiated in July 2018. This type of review would have a clear definition of “program spending” and would examine all school board programs, including external (i.e., public-facing) programs and internal functions (i.e., related to program administration) to identify savings opportunities. Alternatively, the line-by-line review could focus on a subset of the school board’s operations should there be specific areas of concern (e.g., back office operations review to identify opportunities for increased efficiencies or identified financial pressures). Service delivery modernization or a review of core services is also in scope.

The following list includes specific scope limitations:

1. The review must not result in involuntary front-line job losses;

2. The review must respect the moratorium on school closures;
3. The review must respect current central and local collective bargaining provisions;
4. The review should limit the introduction or increase of service fees to students and parents; and
5. The review should not include the existing school board trustee governance structure or executive compensation framework.

## **REVIEWERS / COMPETITIVE PROCUREMENT PROCESS**

School boards must retain the services of independent third-party reviewers to conduct these reviews. School boards should retain these services following the school board's competitive procurement policy as well as the recently issued directive to school boards from the Deputy Minister in March 2019 where a series of Interim Measures were put in place as part of the centralized procurement initiative.

According to these measures, school boards are expected to use an existing Vendor of Record (VOR) arrangement. There are two existing MGCS VORs that school boards can access: OSS-00515254 - Internal Audit Services (Expiry date: Oct 31, 2019); Tender 7434 - Management Consulting Services (Expiry date: June 15, 2022).

Should a VOR not be used, then a Procurement Rationale Report Form must be submitted by the school board to [EDUProcurementReporting@ontario.ca](mailto:EDUProcurementReporting@ontario.ca). It must also be submitted along with the application documentation.

## **ELIGIBILITY CRITERIA**

The following criteria must be met to qualify for funding under the *Audit and Accountability Fund*:

1. Application must be received by June 28, 2019.
2. Proposal reflects types of reviews as noted in the scope section;
3. Proposal is supported by the Board of Trustees;
4. Work must be performed by an independent third-party reviewer compliant with the school board's competitive procurement policy;
5. Work must result in a report that identifies specific, actionable recommendations based on the analysis and findings that aim to maximize relevance, affordability, value-for-money, efficiency and effectiveness of programs while minimizing administrative costs;

6. The school board must agree to publish the final review report on the school board(s) website or, in the alternative, provide a copy to the Ministry of Education.
7. Proposal must be selected by the Minister of Education from the pool of applications.
8. Review must be completed by October 31, 2019 (unless specified otherwise).

## FUNDING

Generally, a school board can expect to receive up to \$150,000 to procure a line-by-line review. However, the minister may approve additional funding on a case-by-case basis based on the scope of the review, the proposed savings targets, and the size of the engagement, or for a group of school boards submitting joint applications.

School boards may submit applications for reviews that will cost more than the expected funding. However, funding under the program will be provided on a reimbursement basis up to the lesser of:

1. actual costs incurred, supported by invoices submitted to the ministry, and
2. the funding amount approved by the Minister.

School boards will be required to sign a transfer payment agreement to receive the funds. Once the school board selection is finalized, the transfer payment agreements will be sent to the participating boards.

## APPLICATION PROCESS

The application process consists of a two-part email submission process as follows:

*Part I:* School boards interested in applying should notify the ministry of their intent to apply by **June 14, 2019**.

*Part II:* School boards must submit completed applications using the attached form by **June 28, 2019**.

Participating school boards must:

- a. submit no more than one application per school board;
- b. where multiple school boards prefer to make a joint submission, submit one application for the group of participating school boards;

Both the expression of interest and completed application forms must be submitted electronically to [Doreen.Lamarche@ontario.ca](mailto:Doreen.Lamarche@ontario.ca).

## **IMPORTANT DATES**

June 1, 2019	Application period opens
June 14, 2019	Deadline for school boards to indicate intention to participate
June 28, 2019	Deadline for school boards to submit completed applications
July 12, 2019	Notification to school boards of funding and review approvals
October 31, 2019	Deadline for completion of final report and public posting of the final report or submission to the ministry

## **CONTACT INFORMATION**

School boards can direct Audit & Accountability Fund questions to [Doreen.Lamarche@ontario.ca](mailto:Doreen.Lamarche@ontario.ca) or (416) 326-0999.