

2.7 Corner Brook/Deer Lake/St. Barbe School Board

District #3 - Corner Brook/Deer Lake/St. Barbe School Board has the fifth largest student population of the 11 school boards in the Province. For the 2002-03 school year the Board provided an educational program to 7,511 students in 29 schools located throughout the western half of the Province from Gallants in the south to Bellburns on the Northern Peninsula and east to Hampden.

At 30 June 2003, the Board had an accumulated deficit of \$10.9 million, including \$9.8 million in accrued severance pay. The Board has incurred annual operating deficits in four of its six complete fiscal years of operation since it was created in 1997; however, it never requested prior approval of the Minister of Education as required by the *Schools Act, 1997*. At 30 June 2003, the Board had a bank indebtedness of \$1.4 million - the highest of any school board.

Contrary to the *Schools Act, 1997*, the Board is paying three of its four executive personnel a total of \$38,702 annually in excess of the pay rates approved by Government. Furthermore, contrary to the *Schools Act, 1997*, the Board has not requested approval of the Minister of Education for the executive personnel employment contracts. As a result, the Board is not complying with government policy, not complying with the *Schools Act, 1997* and is utilizing funds that could be available for other purposes to top-up executive salaries.

The Board has contravened the *Schools Act, 1997* by entering into financing arrangements to purchase photocopiers, computers and telephones totalling \$223,681 without the prior approval of the Minister of Education.

Contrary to Government policy, for 2003 and 2002 the Board spent a total of \$16,400 for teacher and support staff retirement receptions and retirement gifts.

The Board is contravening the *Public Tender Act* in that it does not always call public tenders for purchases greater than \$10,000 and it does not always obtain either three quotes or establish a fair and reasonable price for purchases \$10,000 and less.

A bussing employee of the Board is in a conflict of interest in that the employee has been awarded bussing contracts totalling \$85,544, for the period September 2002 to June 2003, of which only \$43,555 was awarded through a public tender process.

The Board did not always do a good job monitoring payments under tendered contracts. We identified 5 instances of overpayments totalling \$10,958. In one of these instances the Board paid \$2,300 for a computer which it did not receive. We also identified 2 instances of underpayments totalling \$1,837.

The Board's 4 executive staff each receives a mileage allowance of \$252 (800 Kms @ 31.5 cents) per month without any supporting documentation. The allowance is provided in lieu of claims for local travel; however, this practice is not consistent with Government's travel policies. Three of the 4 individuals also receive a car allowance of \$85 per month and all 4 are reimbursed at 31.5 cents per kilometre in accordance with Government policy for travel outside the Corner Brook area including Pasadena and Benoit's Cove.

Travel claims do not always have complete documentation to support the amounts claimed. We identified 10 instances where travel claims did not have all of the required documentation. We also identified 3 instances where one Board member and two teaching staff received duplicate payments totalling \$476 for travel claims - once by the Board and again by another entity.

2.8 Lewisporte/Gander School Board

District #6 - Lewisporte/Gander School Board has the fourth largest student population of the 11 school boards in the Province. For the 2002-03 school year the Board provided an educational program to 7,756 students living in 104 communities through 33 schools located in an area from Norris Arm in Notre Dame Bay to Charlottetown, Bonavista Bay.

At 30 June 2003, the Board had a total accumulated deficit of \$16.1 million. The Board has incurred annual operating deficits in three of its six complete fiscal years of operation since it was created in 1997; however, it has never requested prior approval of the Minister of Education as required by the *Schools Act, 1997*.