



## School Capital Planning: Department of Education and Early Childhood Development

### **Overall Audit Conclusions:**

- Lack of attention by Department to school capital planning has led to inadequate processes

### School Capital Planning Process

### **Process Details:**

- School boards submit business cases for priority capital requests
- Reviewed and scored by School Capital Construction Committee
- Scores submitted to Tangible Capital Asset Committee for review
- Subsequently submitted to Executive Council for final decisions, which is outside our audit scope

### **Conclusions:**

- Little importance placed on long-term, collaborative planning
- Decisions are ad hoc and often unsupported by committee analysis

### **Examples:**

- No staff members dedicated to capital planning process
- No documented processes available
- No multi-year capital planning process
- New school and closure decisions are interdependent but made separately
- No support for committee scores from one of two year decisions were made
- Limited information on condition of 388 NS schools
- Multiple decisions made by Executive Council without supporting evidence

### **Recommendations**

1. Department and school boards should work together to create a long-term plan
2. Department should work with Finance to develop appropriate forms

## Examples of poor process and decisions

### Eastern Passage High School

- Approved for \$21M despite no evidence of need
- Not submitted as priority of school board
- Cole Harbour and Auburn Drive will be at less than 50% under current grade allocation
- No current plan to address underutilization
- Cole Harbour has received \$12M in recent renovations
- Both schools have advantages for high school programming; skilled trades centre and automotive shop
- No consideration was given to impact on school system

#### **Recommendation**

3. Immediately review EPHS decision.

### Unsupported Approvals

- \$62.5M for new schools in Tatamagouche and Bridgetown, and renovations to Wolfville and Truro schools approved despite being scored lower than other projects
- Concerns with Tatamagouche and Bridgetown included insufficient analysis of renovations and other options for the region
- Wolfville proposal included a less expensive option which should have been considered
- Top ten schools as scored by committees were approved plus the projects above which ranked between 19 and 28
- No support for why they were approved over higher ranked projects

#### **Recommendation**

4. Follow clear and open process to evaluate all submissions

### Public-private Partnership Schools

- Original leases signed in 1998 and 1999; 17 years to prepare
- \$700M already spent, up to \$200M more to purchase all 39 schools
- Process for decisions was late, disjointed and inadequate
- Decisions not all completed in time for first notifications, requiring extensions with developers
- Analysis of decisions to June 1, 2016 did not consider operating expenses and used a 30-year lease term
- No lease rates had been received from one developer

#### **Recommendation**

5. Manage P3 decisions in more timely and comprehensive manner.