

Chapter 24 Carlton Trail College—Equipping the Board with Competencies to Govern

1.0 MAIN POINTS

Carlton Trail College's Board of Directors improved its processes to govern.

By September 2020, the Board evaluates its effectiveness at least annually. The Board also regularly assesses desired versus existing competencies, and develops training plans to build competencies where there are identified gaps. This assessment is also done when there are changes to board membership, with updates to the training plan as required. The Board also developed guidance on making recommendations of potential new board members to the Ministry of Advanced Education to ensure timely appointments.

Regular evaluation of board effectiveness, being aware of gaps in competencies, and addressing gaps timely decreases the risk of weakened or ineffective board governance.

2.0 INTRODUCTION

2.1 Background

Carlton Trail College is one of seven Saskatchewan regional colleges established under *The Regional Colleges Act*. It offers a wide variety of programs such as technical institute courses in business, healthcare, human services and trades and technology (e.g., practical nursing, early childhood education, office administration, welding), Adult Basic Education, and industry training.¹ The College maintains three offices in east-central Saskatchewan and employs over 40 administrative and program-delivery staff, along with instructional staff.² During 2019–20, the College delivered 158 courses to over 1,500 students.³

Management of the College is responsible for the day-to-day operations of the organization. Its Cabinet-appointed Board oversees the College. The Board can establish policies for the College's administration, personnel, operations, and courses, with the oversight of the Ministry of Advanced Education.⁴

2.2 Focus of Follow-Up Audit

This chapter describes our first follow-up audit of management's actions on the recommendations we made in 2018.

Our *2018 Report – Volume 2*, Chapter 21 concluded, for the 12-month period ended June 30, 2018, Carlton Trail College had, other than in the areas reflected in our

¹ www.carltontrailcollege.com/about-us/our-focus (23 September 2020).

² www.carltontrailcollege.com/about-us/our-story (14 September 2020).

³ Adapted from information provided by Carlton Trail College. Due to COVID-19, the College cancelled delivery of some courses scheduled between March and June 2020.

⁴ *The Regional Colleges Act*, s. 12, 13.



four recommendations, effective processes to equip the Board with competencies to govern. Competencies necessary to govern refer to individual board members' knowledge, skills, and experiences and include areas such as leadership skills, industry experience, financial expertise, legal expertise, and information technology expertise.

To conduct this audit, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate the College's progress toward meeting our recommendations, we used the relevant criteria from the original audit. The College agreed with the criteria in the original audit.

In performing this follow-up audit, we examined the Board's policies and procedures, as well as the minutes and agenda packages from the Board and committee meetings. We also interviewed relevant staff.

3.0 STATUS OF RECOMMENDATIONS

This section sets out each recommendation including the date on which the Standing Committee on Public Accounts agreed to the recommendation, the status of the recommendation at September 21, 2020, and the College's actions up to that date.

3.1 Effectiveness of Governance Evaluated Annually

We recommended Carlton Trail College's Board reassess how often it evaluates the effectiveness of its governance. (2018 Report – Volume 2, p. 114, Recommendation 2; Public Accounts Committee has not yet considered this recommendation as of November 2, 2020)

Status—Implemented

Carlton Trail College's Board determined that it should evaluate the effectiveness of its governance annually.

Since our 2018 audit, the Board updated its Board Evaluation Policy. The revised policy requires the Board to assess its performance annually by either coordinating the evaluation internally, or using an outside facilitator.

We found doing annual assessments consistent with good practice. In addition, we found the Board conducted annual governance self-assessments in both 2019 and 2020 consistent with its policy.

Regularly assessing governance practices provides Board members with valuable insight into the level of engagement and efficacy of the Board as a whole.

3.2 Strategy to Identify and Address Competency Gaps Established

We recommended Carlton Trail College's Board set clear requirements on how often to reassess desired versus existing competencies. (2018 Report – Volume 2, p. 114, Recommendation 1; Public Accounts Committee has not yet considered this recommendation as of November 2, 2020)

Status—Implemented

We recommended Carlton Trail College's Board have a strategy to address identified gaps in board competencies. (2018 Report – Volume 2, p. 116, Recommendation 3; Public Accounts Committee has not yet considered this recommendation as of November 2, 2020)

Status—Implemented

Consistent with its Charter and Development Policy, Carlton Trail College's Board reassesses desired versus existing competencies each year. The Board develops plans to actively address identified gaps in competencies (e.g., use of focused training and professional development).

The Board's Charter and Development Policy require the Board to develop an annual plan for its professional growth. To identify its competency gaps, the Board assesses the skills and competencies of Board members annually. It incorporates skill areas ranked as low (e.g., IT, risk management) into the Board's annual work plan.⁵

We found the Board assessed its existing competencies in September 2019 after the appointment of three new members in August 2019. The Board updated this assessment again in March 2020 to help it identify areas of professional development for inclusion in its 2020–21 work plan.

The Board also monitored and updated its work plan during the year for training and professional development completed by Board members. To help address competency gaps, the Board provided new board members with orientation, and occasionally engaged third parties to assist in areas with knowledge gaps (e.g., legal matters).

Having clear requirements on how often to specifically assess board competencies enables timely identification of gaps in competencies of boards. As well, having plans to address identified gaps helps ensure the Board, as a whole, has key skills to govern well.

3.3 Guidance on Timely Board Member Recruitment Developed

We recommended Carlton Trail College's Board develop guidance on making timely recommendations of potential board members to the Ministry of Advanced Education. (2018 Report – Volume 2, p. 117, Recommendation 4; Public Accounts Committee has not yet considered this recommendation as of November 2, 2020)

Status—Intent of Recommendation Met

⁵ The annual work plan sets out specific actions to improve the Board's governance of the College in areas such as professional development, board meeting effectiveness, and risk management.



Carlton Trail College's Board followed its updated guidance and made timely recommendations of potential board members to the Ministry of Advanced Education.

Since our 2018 audit, the Board updated its Recruitment Policy. The revised policy requires it to begin the recruitment process for new members at least six months prior to the end of a Board member's term. The policy also outlines the steps the Board is to complete, including:

- Confirming whether board members wish to serve a second term
- Advertising for new board members in the College's region
- Engaging with potential new members to determine suitability and desire to serve on the Board
- Identifying suitable candidates for recommendation to the Ministry of Advanced Education⁶

We found the Board monitored the terms of its members through discussions at its meetings to ensure it could begin recruitment timely. The Board identified it will begin the recruitment process in fall 2020 for an upcoming vacancy in May 2021.

We also found the Board made timely recommendations to the Minister of Advanced Education when vacancies occur. For example, when the previous Board Chair submitted notice of his resignation in May 2020, the Board, within one month of receipt of the notice, recommended to the Ministry of Advanced Education a new chairperson and a replacement board member.

Having a clear timeline of when to start the recruitment process of potential board members avoids delays in appointing new members, and reduces the risk of members serving past their terms. Also, timely recruitment helps stagger terms of board members, which provides for a better continuity of entity knowledge.

⁶ Per Section 7 of *The Regional Colleges Act*, board members cannot serve more than two consecutive three-year terms.