

Chapter 15

Prairie Spirit School Division No. 206—Maintaining Facilities

1.0 MAIN POINTS

By January 2023, Prairie Spirit School Division No. 206 implemented all six outstanding recommendations from our 2016 audit.

Prairie Spirit:

- Established service objectives (e.g., expected facility condition index [FCI] levels) for both facilities and significant components
- Used its maintenance IT system to set inspection frequency and track maintenance requested and maintenance completed
- Tracked expected maintenance costs and major capital projects based on short-, medium-, and long-term maintenance priorities, including both the estimated dollar value and expected year of maintenance
- Completed facility inspections at least annually and significant component inspections based on established frequencies
- Provided periodic comprehensive reporting to its Board about key risks impacting Prairie Spirit's facilities

Effective maintenance processes help to enhance the future viability and safety of schools, improve the quality of space, protect against loss of facility value, and limit future repair costs.

2.0 INTRODUCTION

2.1 Background

Prairie Spirit School Division No. 206 is a public school division that operates 47 schools in the area surrounding Saskatoon.¹ Prairie Spirit educates about 11,500 students each year.²

In 2021–22, Prairie Spirit spent about 22% of its total annual expenses on plant operations and maintenance—its second largest expense after salaries and benefits (see **Figure 1**). Buildings make up the largest portion of Prairie Spirit's capital assets, representing 90%. Maintenance is the process of keeping existing facilities in good condition to meet service objectives.

¹ Prairie Spirit School Division No. 206 *Annual Report 2021–22*, p. 37.

² *Ibid.*, p. 34.

**Figure 1—Capital and Maintenance Expenses**

Information on Capital and Maintenance Expenses	2022 Actual	2021 Actual
	(in millions)	
Plant Operations & Maintenance Expenses	\$31.1	\$24.1
Total Expenses	\$139.4	\$129.4
% of Total Expenses related to Plant Operations and Maintenance Expense	22.3%	18.6%
Buildings – Net Book Value ^A	\$180.0	\$182.9
Tangible Capital Assets – Net Book Value	\$198.8	\$203.0
% of Tangible Capital Assets Related to Buildings	90.5%	90.1%

Source: Prairie Spirit School Division No. 206, *Annual Report 2021–22*.

^A Includes net book value of buildings, short-term buildings, asset retirement obligations, and assets under construction.

Planning for and completing required maintenance is essential to the ongoing operation of the school division. Improper or untimely facility maintenance can lead to potential health and safety problems for students, staff, and the public. It can also result in reduced quality of space, loss of facility value or service life (i.e., replacing a facility earlier than intended), and higher future repair costs. Doing timely required maintenance may reduce or potentially eliminate the need for, and the extent of, major repairs.

2.2 Focus of Follow-Up Audit

This chapter describes our second follow-up of management's actions on the six remaining recommendations we made in our *2016 Report – Volume 1*, Chapter 12, about Prairie Spirit School Division No. 206's processes to maintain its facilities.³ By February 2019, Prairie Spirit had fully implemented one recommendation and partially implemented the remaining six recommendations.⁴

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

To carry out our follow-up audit, we examined Prairie Spirit's reports and documents relating to maintaining its facilities. We reviewed Prairie Spirit's maintenance IT system and procedures, and tested a sample of maintenance items. We also interviewed staff responsible for maintaining facilities.

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 January 31, 2023, and Prairie Spirit School Division No. 206's actions up to that date.

³ *2016 Report – Volume 1, Chapter 12*, pp. 127–150.

⁴ *2019 Report – Volume 1, Chapter 33*, pp. 311–317.

3.1 Facility and Component Records Updated

We recommended Prairie Spirit School Division No. 206 set out, in writing, what minimum information it expects staff to gather and record about its facilities and significant components. (2016 Report – Volume 1, p. 134, Recommendation 1; Public Accounts Committee agreement September 14, 2016)

Status—Implemented

Prairie Spirit School Division No. 206 used its maintenance IT system to set out what key information it expected staff to gather and record about its facilities and significant components.

By January 2023, Prairie Spirit entered information on all its facilities and related significant components (e.g., 3,712 assets considered significant components) into its maintenance IT system. Having complete and accurate records about its facilities and significant components provides a foundation for setting preventative maintenance requirements.

Since each of Prairie Spirit's facilities has different significant components, it decided to use its IT system, versus a formal policy, to outline its expectations of information for staff to gather and document. Within the IT system, each facility and significant component has an associated checklist outlining the information staff (or contracted third parties) must document about work performed, frequency of inspections, and the minimum documentation needed related to the asset. We found Prairie Spirit tailored these checklists to the specific facility and prompted staff to document all key information about the facility or significant component.

Our testing of 30 preventative maintenance tasks found that in 28 instances, staff recorded adequate information on the significant component or facility in its IT system, including completion dates. The remaining two items related to third-party inspections performed on significant components. In both instances we saw evidence the inspection occurred (billing, chemical analysis reports), but the inspection report was not present. In one instance, the inspector performed two inspections on the same day at different facilities and Prairie Spirit staff saved the related inspection report under only one facility instead of one for each. In the other instance, the inspection report was missing, but review of all other quarterly inspections of the component in the past year had the appropriate inspection reports attached.

Having documented processes about minimum maintenance information to track enables knowledge transfer in the event of staff turnover, and assists staff in understanding and following consistent processes. It can also hold those responsible accountable for their actions with clearly laid out expectations.

3.2 Service Objectives and Maintenance Plan Established

We recommended Prairie Spirit School Division No. 206 establish service objectives for each type of facility and significant related components. (2016 Report – Volume 1, p. 137, Recommendation 3; Public Accounts Committee agreement September 14, 2016)

Status—Implemented



Prairie Spirit School Division No. 206 established service objectives for its key facilities and significant components.

For facilities, Prairie Spirit set a target facility condition index (FCI) rating of good.⁵ Prairie Spirit operates 47 schools.

Prairie Spirit tracks and provides semi-annual reporting to its Board on the actual FCI of the schools in the division. This reporting provides two-year trend information on FCI, as well as provides ratings separately for schools and for division buildings. Overall, Prairie Spirit's facility condition for schools improved from November 2019 when it was 19.03% (i.e., poor) to 3.19% in May 2022 (i.e., good).

Prairie Spirit also established a target for maximizing useful life of significant components. To maximize useful life, staff must perform regular inspections and maintenance. Prairie Spirit set inspection frequency and assigned preventative maintenance work using its maintenance IT system.⁶ We found it reasonable Prairie Spirit uses its IT system to establish frequency of inspections and preventative maintenance as each building has different significant components.

Playground inspections remain the only significant component Prairie Spirit has yet to track in its IT system, with 2019 as the most recent playground inspection data. Playgrounds were closed to students in 2020–22 due to the pandemic, and Prairie Spirit made playground equipment repairs during this time. We saw evidence Prairie Spirit input all playground equipment into its IT system in 2022 and established deadlines as to when the next inspections must occur.

Having service objectives for types of facilities and significant components helps Prairie Spirit determine what future maintenance to do and when.

We recommended Prairie Spirit School Division No. 206 develop a maintenance plan for all of its facilities and their significant components, including short-, medium-, and long-term maintenance priorities and planned preventative maintenance strategies. (2016 Report – Volume 1, p. 140, Recommendation 4; Public Accounts Committee agreement September 14, 2016)

Status—Implemented

By January 2023, Prairie Spirit School Division No. 206 developed an overall maintenance plan for all of its facilities and significant components.

Prairie Spirit tracks planned maintenance and major capital projects (e.g., renovations or new school construction) by year based on short-, medium-, and long-term priority.⁷ This information is tracked separately, broken down by project, including the cost estimate of the project and the year Prairie Spirit expects to incur the expenditure. For example, Prairie

⁵ The facility condition index (FCI) is the amount of deferred maintenance divided by the current replacement value. Deferred maintenance is the amount of maintenance postponed or phased for future action. The Ministry of Education's facility condition index classification is as follows: Good FCI between 0–5%, Poor FCI between 10–30%, and Critical FCI greater than 30%.

⁶ Preventative maintenance is repairs and inspections intended to assist in systematic correction of emerging failures before they occur or before they develop into major defects.

⁷ Short-term: small projects planned to be addressed within the fiscal year (e.g., replacing flooring in a classroom).

Medium-term: larger projects planned to be addressed within the next 3–5 years (e.g., roof replacement, gymnasium renovation). Long-term: large projects such as the replacement of or major renovation to an existing school.

Spirit planned to spend \$1.1 million on maintenance and \$18.7 million on capital projects in 2022–23.⁸

Having an overall maintenance plan assists Prairie Spirit in determining the cost of its maintenance needs over the short-, medium-, and long-term, and resources required. It demonstrates Prairie Spirit's plan to reduce or potentially eliminate the need for, and the extent of, major future repairs. A maintenance plan also helps Prairie Spirit determine the impact on its facilities of delaying maintenance (deferred maintenance).⁹

3.3 Tracking Inspections and Completed Maintenance

We recommended Prairie Spirit School Division No. 206 provide staff with written guidance on the nature, extent, and frequency of inspections of all of its facilities and related significant components. (2016 Report – Volume 1, p. 135, Recommendation 2; Public Accounts Committee agreement September 14, 2016)

Status—Implemented

We recommended Prairie Spirit School Division No. 206 track maintenance completed on facilities and significant components. (2016 Report – Volume 1, p. 143, Recommendation 5; Public Accounts Committee agreement September 14, 2016)

Status—Implemented

Prairie Spirit School Division No. 206 uses its maintenance IT system to provide staff with written guidance on the nature, extent, and frequency of inspections at its facilities and related significant components. Additionally, it uses this IT system to track maintenance completed on significant components.

As noted in **Section 3.1**, Prairie Spirit chose to use its maintenance IT system, rather than draft a policy, to outline its expectations around maintenance of facilities and significant components. Each facility or significant component has a related checklist in the IT system that staff must complete when performing inspections, which helps ensure staff document all required information. Additionally, Prairie Spirit uses the same IT system to document its completion of any preventative maintenance activities (e.g., includes documentation of work completed and completion date).

Inspections of facilities and significant components are used to determine whether any maintenance issues need addressing.

Prairie Spirit established an inspection frequency for facilities of at least annually. Our analysis of inspection data found that staff inspected all schools at least once per year since 2019.

⁸ Prairie Spirit School Division No. 206 financial records.

⁹ Deferred maintenance is postponed work or scheduled for future action.



Additionally, Prairie Spirit established inspection frequencies for its significant components. The following are some examples of inspection frequency based on the type of significant component:

- Curb stops: annually
- Boiler: monthly
- Fire suppression sprinkler systems: annually
- Personal care lifts: monthly

Our analysis of inspection data showed that since 2019, Prairie Spirit staff completed inspections of significant components in accordance with established inspection frequencies.

Prairie Spirit also established maintenance frequencies in its IT system. For example, staff must oil gymnasium floors annually and service dust collectors annually. Testing outlined in **Section 3.1** confirmed staff record completed maintenance in the IT system.

Tracking inspection and maintenance requirements, as well as completed inspections and maintenance, for all significant components provides sufficient information about the condition of them to develop appropriate future maintenance plans.

3.4 Comprehensive Maintenance Reports Provided to Board

We recommended Prairie Spirit School Division No. 206 provide its Board with periodic comprehensive maintenance reports (e.g., condition of facilities, timely completion of maintenance, deferred maintenance and its anticipated impact) to inform decision making. (2016 Report – Volume 1, p. 145, Recommendation 6; Public Accounts Committee agreement September 14, 2016)

Status—Implemented

Prairie Spirit School Division No. 206 provides its Board with periodic comprehensive maintenance reports.

Beginning in 2020, the Board receives reports semi-annually, providing it with information on:

- General risks impacting buildings (e.g., overall facility condition index), the associated risk rating, and the strategy Prairie Spirit is implementing to reduce associated risks (e.g., use recent stimulus funding to address major repair work at facilities, maintain preventative maintenance schedule).
- Facility condition index score presented at both the school level and division wide. Overall, the FCI at the school level was 3.19% and at a division-wide level was 3.03% (i.e., good) at May 2022.

- Comparative information on the number of service requests made versus completed, including the average number of days to complete a service request.
- Comparative information on the number of preventative maintenance tasks requested versus tasks completed. Overall, Prairie Spirit completed 59% of its preventative maintenance tasks by October 2022 (98% for the period September 1, 2020 to August 31, 2021).¹⁰
- Project status updates on both major and minor capital projects.

Providing the Board with complete information allows it to evaluate whether Prairie Spirit sufficiently maintains its facilities and significant components and whether it is focusing its maintenance efforts in the right areas.

¹⁰ Prairie Spirit had only completed 59% of its preventative maintenance tasks, as it was not the end of the division's fiscal year. As a result, staff have 10 more months to complete these and any new preventative maintenance tasks.

