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**General Comments**

**OAG Finding :** The ministry’s policy framework is not providing adequate support for its Seismic Mitigation Program

| <b>Recommendations:</b>   | <b>Actions Taken To Date</b>   | <b>Status<br/>(see note)</b> | <b>Actions Planned<br/>(Include Time Frame)</b>   |
|---|--|------------------------------|---|
| <p>We recommend that the ministry:</p> <ul style="list-style-type: none"> <li>• identify how much of the program it can deliver within the available budget, and use this information to confirm future priorities and funding for the structural program;</li> <li>• confirm whether the current levels of funding to school districts for non-structural remediation are sufficient to address non-structural needs; and</li> <li>• consolidate its current risk management activities into a comprehensive risk management framework, including the monitoring of significant external risks.</li> </ul> | <ul style="list-style-type: none"> <li>• Government tracks overall economic factors such as lower interest rates and commodity prices which affect this trend.</li> </ul>  | <b>I</b>                     | <p>Cost Control</p> <ul style="list-style-type: none"> <li>• In addition to regular quarterly cost estimates, the Ministry will regularly track capital cost factors to help manage major material and building costs for B.C. schools.</li> </ul>  |
|   | <ul style="list-style-type: none"> <li>• The ministry is working closely with the Ministry of Finance to identify future structural program priorities related to the current \$1.5 billion allocated to the program.</li> </ul>   | <b>P</b>                     | <p>Seismic Assessments</p> <ul style="list-style-type: none"> <li>• The Ministry will work closely with APEGBC, school districts and the Ministry of Finance, to update the assessment of seismic safety in public schools. We anticipate that new assessments will confirm the number and cost of seismically vulnerable schools requiring remediation in the Ministry’s capital plan, while ensuring students remain safe.</li> </ul> |
|   | <ul style="list-style-type: none"> <li>• Additionally, we are working with school districts to best integrate seismic upgrading into existing capital plans, and proceed with future projects in the context of long-term capital planning. At present, several school districts have either completed or are developing long-range facility plans.</li> </ul> | <b>P</b>                     | <p>Risk Management</p> <ul style="list-style-type: none"> <li>• Over the next three years, structural and non-structural</li> </ul>   |

**Note: Status of Implementation**

- I - Recommendation has been fully or substantially implemented**
- P - Recommendation has been partially implemented**
- AA - Alternative action has been undertaken, general intent of alternative action addresses OAG finding**
- NA - No substantial action has been taken to address this recommendation**

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|--|--|----------|--|
|  | <ul style="list-style-type: none"> <li>The ministry has developed its existing Capital Project Procurement Process to manage risk on all capital and seismic projects. Working with school districts, the ministry is revising its project procurement process to better manage project scope and budget.</li> </ul> | <b>I</b> | seismic risk assessment and remediation will be integrated into the ministry's new Capital Asset Management Service. The system will inventory, identify risks and costs, prioritize projects and report on completed work. Implementation will be staged for all school districts over the three years, with stage one districts integrated within 18 months. |
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**OAG Finding:** The ministry has processes for setting program priorities, but has not decided on a program delivery model and has not yet integrated the seismic program with other capital funding decisions

| <b>Recommendations:</b><br>We recommend that the ministry:   | <b>Actions Taken To Date</b>   | <b>Status</b><br>(see note) | <b>Actions Planned</b><br>(Include Time Frame)  |
|--|--|-----------------------------|---|
| <ul style="list-style-type: none"> <li>• make it a matter of urgency to implement a program delivery model and commit sufficient resources to it; and</li> <li>• fully evaluate all options before deciding on how the program will be delivered.</li> </ul> <p>We recommend that the ministry and boards of education work together to ensure future seismic projects are integrated into a long-term capital planning framework.</p> | <ul style="list-style-type: none"> <li>• Reviewed a number of delivery options for the Seismic Mitigation Program.</li> <li>• The current program uses a co-managed approach to capital projects – Ministry oversight with Board delivery.</li> <li>• The Ministry is increasing its capacity to better support the Seismic Program.</li> <li>• Working with boards and will provide additional resources to enhance boards’ ability to effectively deliver seismic capital projects - e.g. Ministry supporting VSB Seismic project management.</li> </ul> | <p><b>P</b></p>             | <ul style="list-style-type: none"> <li>• The ministry will provide funding to help boards oversee and manage approved seismic projects, as well increase their capacity to manage the seismic building program. It will also increase its audit capacity, develop risk reduction strategies and improve its communications with partners and the public.</li> <li>• Beginning in 2009/10, school boards will be required to develop long range facility plans upon which to base the development of annual capital plans. Boards are required to integrate seismic upgrading into long-term facility planning for the school district.</li> </ul> |

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**OAG Finding:** The ministry has processes for monitoring and evaluating the performance of structural remediation projects but not for non-structural projects

| <b>Recommendation:</b><br>We recommend that the ministry:   | <b>Actions Taken To Date</b>  | <b>Status<br/>(see note)</b> | <b>Actions Planned<br/>(Include Time Frame)</b>  |
|---|---|------------------------------|--|
| <ul style="list-style-type: none"> <li>• require boards of education to collect information about the progress and status of non-structural mitigation programs; and</li> <li>• use this information to assess whether the status and rate of progress of non-structural mitigation is acceptable and whether funding is adequate.</li> </ul> | <ul style="list-style-type: none"> <li>• The ministry is working with boards of education to improve planning and reporting for non-structural upgrading of schools, allowing progress checks and cost monitoring</li> <li>• The ministry will consider incorporating this process into the Capital Asset Management Service (CAMS) currently under development.</li> </ul> | P                            | <ul style="list-style-type: none"> <li>• All non-structural seismic projects are being integrated into CAMS. The system will inventory, identify risks and costs, prioritize projects and build reporting structures for managing non-structural risks. Implementation will be staged for all school districts over the next three years.</li> </ul> |

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**OAG Finding:** The ministry has not established the basis for an effective accountability relationship with stakeholders and the public

| <b>Recommendation:</b>  | <b>Actions Taken To Date</b>   | <b>Status<br/>(see note)</b> | <b>Actions Planned<br/>(Include Time Frame)</b>   |
|---|--|------------------------------|---|
| <p>We recommend the ministry work in partnership with boards of education to:</p> <ul style="list-style-type: none"> <li>develop and implement an information plan that will inform the public about seismic hazard, risk and the constraints around the program; and</li> <li>give the public opportunities to provide input on future program objectives and priorities.</li> </ul> | <ul style="list-style-type: none"> <li>All materials pertinent to the program, including the original feasibility studies, current status of high-priority schools, contact information and the Auditor General’s report are posted on a Seismic mitigation website at <a href="http://www.bced.gov.bc.ca/capitalplanning/seismic/">http://www.bced.gov.bc.ca/capitalplanning/seismic/</a></li> <li>Information provided to the public, as well as the status of seismic projects, is updated on a regular basis.</li> </ul> | <p>I</p>                     | <ul style="list-style-type: none"> <li>The ministry agrees that good governance includes public participation and will work to include public input in the policy development process.</li> <li>The ministry will continue to increase public knowledge of current seismic program information through education partner groups, school districts and ministry electronic communication tools.</li> </ul> |

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