

NATIONAL COUNCIL ON EDUCATION *Annual Report*

2010-2011



CONTENTS PAGE

	PAGE NO.
MINISTER'S MESSAGE	1
CHAIRMAN'S MESSAGE	2-3
EXECUTIVE DIRECTOR'S REPORT	4-7
CORPORATE GOVERNANCE	8
- Role & Functions of the National Council on Education	8-11
- Meet the Council Members	12
- Organogram	13
- Council Focus	14-15
- Policy & Planning Committee	17
- Finance & Administration Committee	18
- Education Transformation Monitoring & Advisory Committee	19
- School Governance & Public Relations Committee	20
- Audit Committee	21
- Strategic Objectives 2009-2012	22
REVIEW OF OPERATIONS	
- Executive Management Team and Staff	23
- Public Education	24-26
- Public Education Performance Scorecard	27
- Strategic Planning	28
o Core Values	29
o Compliance	
- Strategic Planning Performance Scorecard	30
- Policy & Planning	31-32
- Policy & Planning Performance Scorecard	33
- Education Transformation Programme	34
- School Governance	35-44
o Call for Volunteers	36
o Successes	37
o Training Seminar for School Board Members	38
- Revised Procedure for the appointment of School Boards	38
- School Governance Performance Scorecard	41-45
- Finance & Administration	46
o Regulatory Compliance Reporting	47
o Human Resource Management	48
- Finance & Administration Performance Scorecard	49-50
SUMMARY PERFORMANCE SCORECARD	51
FORECAST & PROJECTIONS OF KEY FINANCIAL & OPERATING MEASURES FOR THE NEXT FISCAL YEAR	53
STRATEGIC AREA OF FOCUS FOR THE NEXT FISCAL YEAR	54
STATEMENT OF EMOLUMENTS	55-57
FINANCIAL STATEMENTS	

Minister's Message



I take this opportunity in congratulating the National Council on Education on the completion of another successful year of service to the education sector. The year witnessed the end of tenure of a new Council appointed in 2008. This Council served at a critical juncture in the development of the education sector, characterized by heightened interest in education as an agent of social transformation. The Council served well and strategically positioned the organization in a very complex and challenging educational landscape.

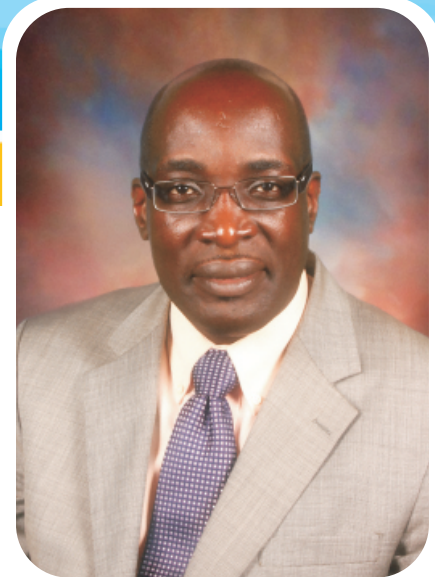
Improving the quality of educational services must remain high on the policy agenda as we strive to transform the culture of our schools. Transformational leadership is therefore, critical at all levels of the system. This is necessary to reduce performance gaps and eliminate the deficits students are currently experiencing. Careful selection of school boards equipped with the necessary expertise, skills and know-how will assist in ensuring that this goal is achieved. We need to engage high performing boards which use student achievement data to inform the development of programmes and strategies to improve student performance over time. High performing boards engage high performing principals and teachers who are sensitive to students' needs and are guardians of their future.

I, therefore, urge the Council to continue to work assiduously in sensitising community members of the importance of schooling and its positive implications for personal and national development. The Council must also continue to be a conduit for ideas on improving the quality of educational services, as well as identifying workable solutions to emerging issues within the educational landscape.

Let us continue to be judicious and expeditious in delivering quality educational services, recognizing that education is the most effective means for realizing meaningful change and ensuring the well-being of every citizen in our country.

Hon. Andrew Holness, M.P.
Minister of Education

Chairman's Message



The end of the 2010/2011 fiscal year symbolized a major milestone in the history of the National Council on Education. It marked the end of a three-year tenure of a new Council which was appointed in January, 2008. This period was characterized by a high level of change as we sought to transform the way we conduct business. This transformation peaked in the year under review as we witnessed the materialization of some of the programmes and supporting strategies we sought to develop to ensure the effective implementation of the Council's legislative mandate. Recognizing that “education is a human right with immense power to transform”, we continued to scan the external environment with a view to identifying emerging issues within the educational landscape. This was geared at improving the quality of educational offerings through the provision of sound policy advice.

At the beginning of the fiscal year we embarked upon a major consultation with key stakeholders in the Kingston metropolitan area to discuss the critical subject of how education can be effectively financed. This was in keeping with our strategic objective of increasing the awareness of key stakeholders and the general public regarding the role and functions of NCE as well as to garner support for the education sector. Although the national unrest negatively impacted the turnout, the discussion held was a rich one and resulted in the forging of a partnership with the St. Elizabeth Homecoming Foundation (SEHF). The conversation of effectively financing education was therefore, extended to the parish of St. Elizabeth in November 2010. I extend sincere appreciation to those private sector firms that provided monetary support in making these fora reality.

Chairman's Message Cont'd

A recurring issue was the poor performance of our students in the Caribbean Secondary Education Certificate (CSEC) Examinations. In response to this challenge Council developed a detailed paper on the issue. Steps have been taken to forge partnerships with the Caribbean Examinations Council (CXC) and the University of the West Indies (U.W.I), to address this regional problem. Our aim is to identify an educational framework which is more responsive to the needs of our students and one in which they can become empowered to better advance the course of lifelong learning and become more productive citizens.

We also successfully re-established our website in order to expand our reach and to share good practices on teaching and learning with a view to advancing the skills and knowledge of our practitioners. Our quarterly newsletter also continued to be a major source of information within the sector.

As we demit office, I would like to thank the other members of Council for their hard work and dedication. This was critical to our achieving those objectives we had set out to do. To the Secretariat, I say thank you for a job well done. To our school Board Chairmen and members who have volunteered their time and resources, I say thank you. Let us continue to leverage the support of the community as we strive to engender shared stewardship in the management of our educational resources. Let us continue to work together at improving the delivery of educational services in our country recognizing that “when the right to education is assured, the whole world gains” (Annan,1999).

Mr. Ruel B. Reid
Chairman

Executive Director's Report



I am pleased to present to you, the annual report for the period 2010-2011. The year was a robust one, filled with activities as we strive to consolidate the Council's position as the national organization designed to address a wide range of issues which impact the education process. During the period we witnessed the end of tenure of the Council's board of directors appointed in 2008. In recognition of its achievement, the Council hosted a special press luncheon and awards function on December 8, 2010. The function served a dual purpose of highlighting the Council's major achievements during its three year tenure which ended on December 31, 2010, as well as recognizing staff members who served the organization for over ten years. The strategy of recognizing staff for its commitment and dedication to the organization is part of a new thrust of inculcating a culture of appreciation within the organization. Five staff members received long service awards. The function was covered by a number of media houses inclusive of the Gleaner, The Jamaica Observer, Kool 97 FM and the Jamaica Information Service. The Honourable Minister of Education gave the Keynote address.

During the year we forged partnerships with private and public sector bodies with a view to increasing the awareness of education as an agent of social transformation. It is in this regard, that we hosted two public fora on the topical issue of “effective financing of education”. The aim was to extend this conversation to the general public recognizing that community thinking about educational direction can be an excellent guide for policy recommendations.

Performance Overview

Critical to the Council's *raison d'être*, is ensuring that schools are governed effectively. In keeping with this mandate the Council piloted the “revised procedures for school board appointment” in Regions V and III. The aim was to increase community involvement in the governance of our schools. This was pursued as a strategic priority with a view to creating shared stewardship and responsibility in the management of educational resources at the local level. The National Council on Education extends sincere appreciation to those persons who responded to the call for volunteers. The Council wishes to thank the out-going school board members as well as those who continue to serve our schools for their unstinting service in advancing the quest of educating our nation's children.

Executive Director's Report Cont'd

The prudent management of the Council's financial resources remained a priority. This was reflected in the establishment of the Audit Committee and the preparation of monthly financial reports. The performance-driven culture was also consolidated by fine-tuning the performance scorecard for each department and modifying the monitoring and evaluation results framework. This facilitated a more clinical approach to the reporting process.

Some major achievements during the period included, the:

- (i) consolidation of strategic partnership with the United Nations Children's Fund (UNICEF) by securing a grant of approximately J\$5.8M to, inter alia, conduct a survey on the status of effective governance in public educational institutions and develop an operations manual to guide the work of school boards. The survey is intended to provide baseline data on the status of effective governance in schools and for the Council to effectively monitor the impact of its plans and programmes on the education sector.
- (ii) development of a comprehensive issues paper on the “Poor Performance of Students in the CSEC Examinations”. The paper, which was presented to the Honourable Minister of Education, highlighted a number of factors impacting student performance and recommended a range of strategies to address these factors.
- (iii) implementation of the communication strategy to keep the public informed of the developments in the education sector through the dissemination of quarterly newsletters and the re-establishment of the Council's website.
- (iv) hosting of sensitization sessions on the “role and functions of the Jamaica Teaching Council (JTC) and the introduction of a licensing regime for teachers who practise in Jamaica”. This was done through a strategic partnership forged with the JTC.

PROSPECTS FOR 2011-2012

In the year ahead the Council will continue to remain true to its mission and vision of ensuring:

“ through its efforts and those of its partners the learners of Jamaica will have access to services which will ultimately enable them to realize their full potential and become productive, culturally aware, ethical and worthwhile citizens who are globally competitive”.

Recognizing that education is a key instrument in bringing about meaningful changes in the lives of our citizens, the Council will also continue to place strong emphasis on improving the school governance framework through the standardization of the appointment process, training of school board members and advocating for greater community involvement in the management of public educational institutions.

Other strategies which will be pursued include:

- (i) publishing and analyzing data on student performance at various levels of the education system to inform the policy planning process.
- (ii) forging partnerships at the local, regional and international levels to garner support for the Council's plans and programmes.
- (iii) keeping the public informed of emerging issues within the educational landscape through the publication of the quarterly newsletters and newspaper articles as well as the hosting of public fora on topical issues on education.
- (iv) strengthening of internal capacity through the sharing of effective practices and on the job training.
- (v) developing cost-effective methods of training school boards.
- (vi) developing a comprehensive programme to recognize committed and dedicated service in the field of education.

Executive Director's Report Cont'd

CHALLENGES

The Council continues to grapple with limited administrative and technical capacity which impacts its ability to respond to unplanned demands. We also received a relatively flat budget as the economy continues to experience recession.

CONCLUSION

Looking back on the past year, the Council has made ardent strides in promoting consensus in educational policies to facilitate a coherent and consistent system of education. I would like to thank the Chairman and Council members for their untiring support and the guidance provided during the year under review. I would also like to thank the small but committed staff who has worked tirelessly during this period of tremendous change and uncertainty. Let us continue to work together recognizing that *“Education is not only an end in itself, it is a key instrument for bringing about the changes in the knowledge, values, behaviours and lifestyles required to achieve sustainability” (UNESCO, 1999).*

Ms. Merris Murray
Executive Director

CORPORATE GOVERNANCE

ROLE AND FUNCTIONS OF THE NATIONAL COUNCIL ON EDUCATION

The National Council on Education Act, 1993, prescribes the legal authority of the Council. The Council operates within a legal framework which includes the Public Bodies Management and Accountability (PBMA) Act, the Education Act and Regulations, 1980, as well as the Financial Administration and Audit (FAA) Act. The NCE has a seven-point legislative mandate as outlined below.

LEGISLATIVE FUNCTIONS OF THE COUNCIL

- Advising the Minister on policy matters relating to education in Jamaica;
- Nominating candidates for appointment to Boards of Management of public educational institutions;
- Assisting in the preparation of plans and programmes for developing and maintaining an effective and efficient educational system;
- Monitoring and evaluating the implementation of these programmes and making appropriate recommendations to the Minister;
- Managing the National Education Trust Fund in conformity with the National Council on Education Act;
- Stimulating the development of education in Jamaica;
- Performing such other functions relating to education as may be assigned to it by the Minister pursuant to the National Council on Education Act.

CORPORATE GOVERNANCE

LEGISLATIVE FUNCTIONS (cont'd)

In the execution of the foregoing functions, the Council may:

- (a) Design and implement training programmes for the benefit of members of Boards of Management;
- (b) Undertake research in connection with its functions and publish or otherwise disseminate the findings of such research;
- (c) In recognition of service in the field of education in Jamaica, make such awards as it thinks fit to persons selected by the Council in accordance with criteria approved by the Minister;
- (d) Do anything or enter into any transaction which, in the opinion of the Council, is necessary to ensure the proper performance of its functions.

CORPORATE GOVERNANCE

LEGISLATIVE FUNCTIONS (cont'd)

STRUCTURE OF THE COUNCIL

NCE's structure was developed based on an inter-sectoral model of governance. This approach was necessary given the complex nature of the educational landscape. Consisting of not less than twenty-one nor more than twenty-five members representing a number of sectors, the Council is strategically positioned to address a wide range of emerging educational issues. This distinctive composition allows for the distillation of a wide cross-section of views and ideas among key partners within the sector. The tenure of the present Council which ended in December 2010 has been extended until a new Council is named.

The members of Council are defined as follows:

- (1) Two persons appointed by the Governor-General in his own discretion
- (2) The following persons appointed by the Governor-General, acting on the advice of the Prime Minister after consultation with the Leader of the Opposition;
 - (a) One representative of each of the following bodies;
 - i. The political party forming the Government;
 - ii. The political party forming the Opposition;
 - iii. The University of the West Indies;
 - iv. The University Council of Jamaica;
 - (b) Two persons from each of the following categories, being persons nominated by organizations representing such categories
 - i. Religious bodies;
 - ii. The business sector;
 - iii. Teachers;

CORPORATE GOVERNANCE

LEGISLATIVE FUNCTIONS (cont'd)

- (c) One person from each of the following categories, being persons nominated by organizations representing such categories:
 - i. Parents of children of school age;
 - ii. Students;
 - iii. The media;
 - iv. Professional bodies;
 - v. The agricultural sector;
 - vi. Trade unions;

- (d) Not more than six other persons appearing to the Governor-General to be persons knowledgeable and experienced in matters relating to education, sports or culture.

The Chairman and Deputy Chairman are appointed from amongst the foregoing members by the Governor-General, acting on the advice of the Prime Minister after consultation with the Leader of the Opposition.

NB: The Permanent Secretary of the Ministry of Education will no longer be an ex officio member of the Council based on a recent Cabinet Decision. The necessary adjustments would be made to the NCE Act.

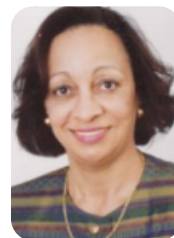
CORPORATE GOVERNANCE

MEET THE COUNCIL MEMBERS

1. Mr. Ruel B. Reid Chairman
2. Mr. Robert Gregory Vice-Chairman
3. Mr. Sylvester Anderson
4. Mrs. Marie Berbick-Graham
5. Dr. The Honourable Rae A. Davis, OJ, CD
6. Professor Hyacinth Evans
7. Mr. Byron Farquharson
8. Mrs. Marie Hitchins
9. Professor Zellynne Jennings-Craig
10. Miss Kemesha Kelly
11. Professor Maureen Samms-Vaughan CD
12. Ms. Prunella Vassell

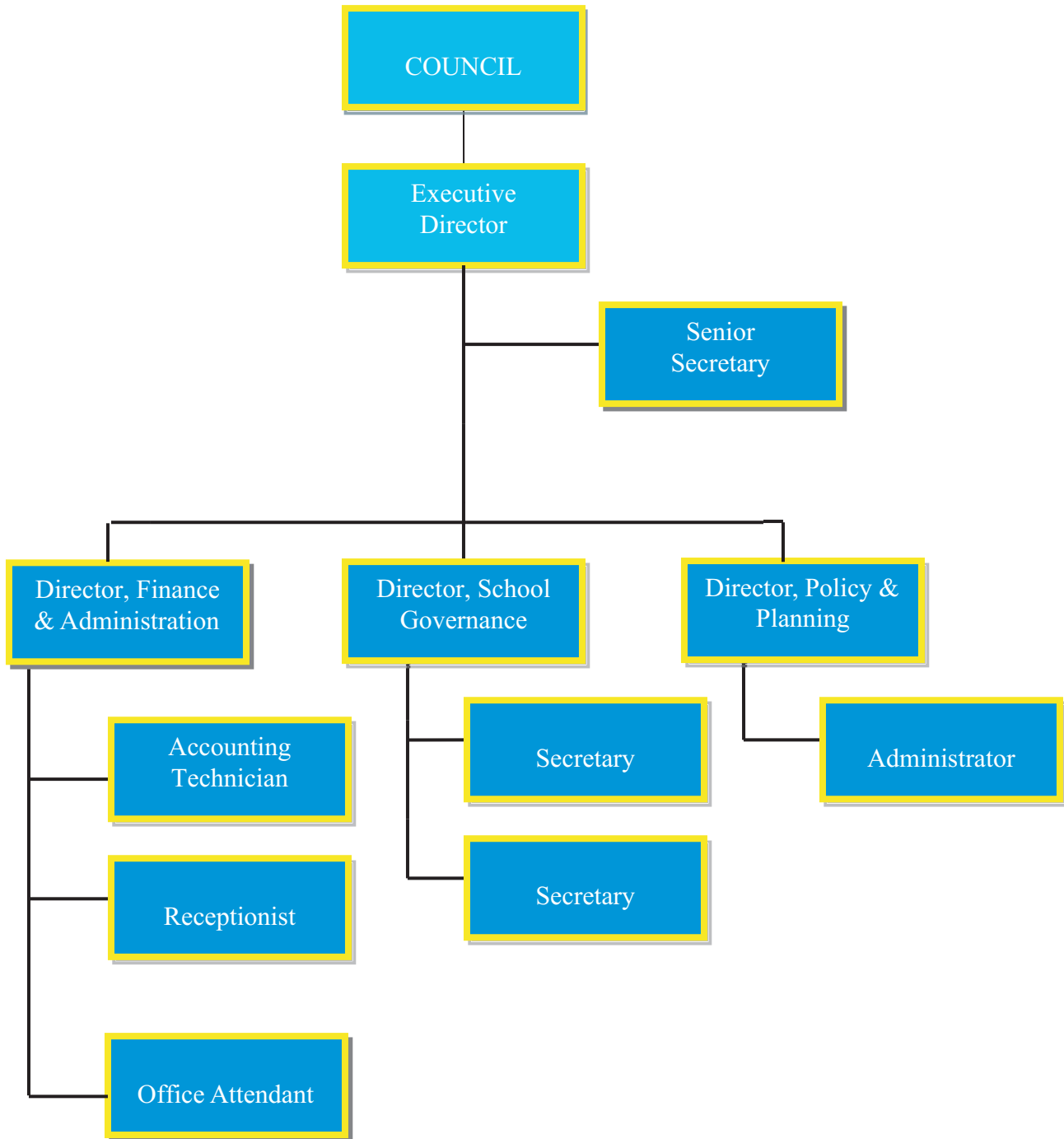
MISSING

13. Dr. Grace-Camille Munroe
14. Ms. Marva A. Phillips
15. Dr. Dorothy Raymond
16. Dr. Dahlia Repole CD
17. Reverend Philip Robinson
18. Mr. Everton Jones
19. Mrs. Desrene Williams-Taylor
20. Dr. Don Wilson



CORPORATE GOVERNANCE

ORGANOGRAM



CORPORATE GOVERNANCE

DUTIES AND STANDARDS OF CARE OF COUNCIL MEMBERS AND DIRECTORS

The NCE Act states that the Council is responsible for guiding the operations of the Secretariat. This is done through the employment of an executive director who, in turn, engages administrative officers. Being a public sector organization the Council is also required under the PBMA Act, to take the necessary steps to ensure the efficient and effective management of the organization and by extension, the accountability of all persons involved in the supervision of the Council's resources. In keeping with the foregoing requirements, the Council has taken steps to ensure the development of adequate control systems to support the effective monitoring and evaluation of the organization's plans and programmes. Each Council member and Officer are also required to display honesty and good faith in the exercise of their powers and duties.

BOARD FOCUS AND ACTIVITIES

The strategic planning process, developed and approved in the previous financial year, which saw the continuation of the Council's rolling three year corporate plan, was again adopted. As a follow on, the Council approved and submitted, to the Honourable Minister, the draft operational plan and budget for the fiscal year, 2011/2012.

As was done in previous years the Council pursued the organization's activities within the context of ensuring good corporate governance practices, as prescribed by its legal and regulatory framework. The thrust is to develop internal policies to ensure the effective management of the institution. To date, a new procedure for appraising staff members was approved. The plan is to establish an overall Human Resource Management (HRM) Procedural Manual to ensure improved accountability. Additionally, standard operating procedures and policies will be developed to guide the day to day management of the Secretariat.

CORPORATE GOVERNANCE

In an effort to strengthen the Council's proactive strategy, regular updates were provided by Committees organized according to the legislative functions of the organization. Quarterly and half-yearly reports were also submitted for review on a consistent basis with a view to monitoring the organization's performance against planned targets as well as its financial situation.

COUNCIL MEETINGS

Section 8 (1) under the Schedule of the NCE Act, empowers the Council to meet at such times as may be necessary or expedient for the transaction of business. In keeping with this mandate the Council met on a bi-monthly basis. Six meetings were held and attendance by the members was generally satisfactory.

CORPORATE GOVERNANCE

STRUCTURE OF COMMITTEES

An important aspect of the Council's accountability framework is the establishment of committees. Section 10 of the Schedule of the NCE Act empowers the Council to establish and appoint committees. There are currently five standing committees as well as an ad hoc Project Steering Committee established to co-ordinate UNICEF funded project activities. The Committee currently has a tenure of one year and three months which can be extended should the need arise. The standing committees are as follows:

CORPORATE GOVERNANCE

POLICY AND PLANNING COMMITTEE

This Committee was established to carry out the following functions:

1. Plan and implement the Council's research agenda;
2. Develop policy initiatives;
3. Design and implement programmes that promote the goals of the NCE;
4. Conduct conferences, colloquia and seminars;
5. Plan and implement training programmes;
6. Monitor and evaluate education plans and programmes.

MEMBERSHIP OF THE POLICY AND PLANNING COMMITTEE

- | | |
|--|---|
| (i) Dr. The Honourable Rae A. Davis,
Chairman, OJ, CD | (v) Dr. Grace-Camille Munroe |
| (ii) Mr. Sylvester Anderson | (vi) Dr. Dahlia Repole, CD |
| (iii) Professor Hyacinth Evans | (vii) Professor Maureen Samms-Vaughan, CD |
| (iv) Professor Zellynne Jennings-Craig | (viii) Mrs. Marie Hitchins |
| (ix) Ms. Kemesha Kelly | |

SECRETARIAT SUPPORT

Mrs. Kareen Edwards-Brown, Director of Policy & Planning
Miss Patrice Hobbs/Administrator

CORPORATE GOVERNANCE

FINANCE AND ADMINISTRATION

In keeping with the NCE Act, 1993 and the Financial and Administration and Audit (FAA) Act, the Finance and Administration Committee is headed by the Deputy Chairman.

The Committee is mandated to carry out the following functions of Council:

1. Monitor the accounting systems and procedures as they relate to proper records and control;
2. Manage the staff pension scheme;
3. Manage an investment portfolio;
4. Monitor the management of the budget;
5. Ensure that annual audits are performed.

MEMBERSHIP OF THE FINANCE AND ADMINISTRATION COMMITTEE

- | | |
|----------------------------------|---------------------------|
| (i) Mr. Robert Gregory, Chairman | (iii) Mrs. Marie Hitchins |
| (ii) Mr. Everton Jones | (v) Dr. Dorothy Raymond |
| (iv) Miss Prunella Vassell | |

SECRETARIAT SUPPORT

Miss Taneisha Taylor, Director of Finance and Administration

Mrs. Doreen Lewis, Accounting Technician

Miss Trina Kelly, Secretary

Miss Sadie Longmore, Office Attendant/Messenger

CORPORATE GOVERNANCE

EDUCATION TRANSFORMATION MONITORING AND ADVISORY COMMITTEE (ETMAC)

This Committee was established based on a directive from the Honourable Minister of Education. The Committee has the following functions.

1. Provide oversight of the work of the Education Transformation Programme.
2. Monitor outputs of the Education Transformation Programme against stated objectives and agreed targets.
3. Provide technical advice and guidance to the Education Transformation Programme.
4. Examine and approve operational plans and projects.
5. Advise the Minister regarding the status of the plans and programmes as well as challenges or constraints in their implementation.
6. Recommend corrective action to be taken to mitigate challenges/constraints.

MEMBERSHIP OF ETMAC

- | | |
|-----------------------------|--|
| (i) Mr. Ruel Reid, Chairman | (vi) Mrs. Audrey Sewell, Permanent Secretary |
| (ii) Miss. Jean Hastings | (vii) Miss Kemesha Kelly |
| (iii) Mr. Wesley Barrett | (viii) Dr. Grace-Camille Munroe |
| (iv) Mr. Byron Farquharson | (ix) Mrs. Marie Hitchins |
| (v) Mrs. Miranda Sutherland | (x) Mrs. Desrene Williams-Taylor |
| (xi) Mr. Sylvester Anderson | |

SECRETARIAT SUPPORT

Mrs. Kareen Edwards-Brown, Director Policy and Planning
Miss Sharon Chen, Senior Secretary

CORPORATE GOVERNANCE

SCHOOL GOVERNANCE & PUBLIC RELATIONS COMMITTEE

This Committee was established to carry out the following functions:

1. Nominate for the purpose of appointment as members of the Boards of Management of government- owned, government-leased and, since January 2008, denominational and trust institutions, such number of persons as may be prescribed;
2. Design and implement training programmes for the benefit of School Board Members;
3. In recognition of service in the field of education, make such awards as it thinks fit, to persons selected by the Council in accordance with criteria approved by the Honourable Minister of Education.

MEMBERSHIP OF THE SCHOOL GOVERNANCE AND PUBLIC RELATIONS COMMITTEE

- | | |
|--------------------------------|-----------------------------------|
| (i) Mr. Byron Farquharson | (v) Dr. Dorothy Raymond |
| (ii) Mrs. Marie Berbick-Graham | (vi) Mrs. Desrene Williams-Taylor |
| (iii) Ms. Prunella Vassell | (vii) Ms. Marva Phillips |
| (iv) Dr. Don Wilson | (viii) Rev. Philip Robinson |

SECRETARIAT SUPPORT

Miss Pauline Mullings, Director, School Governance and Public Relations

Mrs. Patrice Goodlitt, Secretary

Miss Amal Davis, Secretary

CORPORATE GOVERNANCE

AUDIT COMMITTEE

The primary function of the Audit Committee is to assist the General Council in fulfilling its oversight responsibilities by reviewing:

1. The financial reports and other financial information provided by the Council to any governmental body or the public;
2. The Council's systems of internal control regarding finance, accounting, legal compliance and ethics that the Council and Management have established;
3. The Council's auditing, accounting and financial reporting processes generally.

MEMBERSHIP OF THE AUDIT COMMITTEE

(i) Miss Prunella Vassell, Chairman

(iii) Miss Andrene Hawthorne

(ii) Mr. Sylvester Anderson

(iv) Miss Kerry-Ann Lewars-Jackson

(v) Miss Mary Bruce

SECRETARIAT SUPPORT

Miss Taneisha Taylor, Director, Finance and Administration

Mrs. Doreen Lewis, Accounting Technician

Miss Trina Kelly, Secretary

CORPORATE GOVERNANCE

STRATEGIC OBJECTIVES (2010 - 2011)

During the 2010-2011 fiscal year, six strategic objectives were pursued. These objectives were developed and endorsed by Council in 2009. Each objective is aligned to a sub-committee to facilitate effective monitoring and evaluation of performance targets as outlined in the Corporate Plan.

	STRATEGIC OBJECTIVE	RESPECTIVE COMMITTEE
1.	To ensure that the Council operates in an efficient and cost effective manner in carrying out its mandate.	Finance Committee
2.	To ensure that systems are in place to support the strengthening of the human resource capacity of the Council's Secretariat to meet emerging needs of a dynamic education system.	Finance Committee
3.	To facilitate the delivery of timely, accurate and relevant information to support effective planning, policy development and decision-making within the Education System.	Policy & Planning Committee
4.	To increase the awareness of key stakeholders and the general public regarding the role and functions of the NCE and garner more support for the education sector as a whole.	School Governance and Public Relations Committee.
5.	To ensure that plans and programmes of the Education Transformation Project are effectively monitored.	Education Transformation Advisory and Monitoring Committee.
6.	To ensure that systems are in place to facilitate good corporate governance and promote greater levels of transparency and accountability within the organization.	Audit Committee

REVIEW OF OPERATIONS

EXECUTIVE MANAGEMENT

The Secretariat is the administrative arm of the Council. Headed by an Executive Director, it is mandated to manage the day to day affairs of the organization. In the 2010-2011 fiscal year, the Secretariat continued to pursue its planned activities based on its core operational functions in keeping with the Council's legislative mandate. Teamwork, collaboration and strategic partnerships remain a major strategy given the organization's small size and the extensive nature of its mandate.

EXECUTIVE MANAGEMENT TEAM AND STAFF



REVIEW OF OPERATIONS

REPORT PUBLIC EDUCATION

OVERVIEW

Sensitizing the general public of the importance of education as a major vehicle of social and economic transformation, continues to remain at the forefront of the Council's corporate action. Emphasis has been placed on the implementation of a sustained public education programme because of its critical role in supporting the Council's responsiveness to the demands of the external environment as well as building confidence in the education sector. The Council's goal, for the fiscal year under review was to improve the awareness of the role and functions of the organization and the importance of education as an agent of change. It sought to achieve this objective mainly through the following corporate actions:

- (i) Implementing the public education strategy developed during the last fiscal year.
- (ii) Publishing the quarterly newsletter “The Illuminator”.
- (iii) Publishing of articles in the leading newspapers.
- (iv) Re-establishing the Council's website.
- (v) Building media relations to communicate programme activities and relevant issues impacting the education system.

PUBLIC FORUM ON FINANCING EDUCATION



The Council exceeded its target of hosting an annual forum on emerging issues within the educational landscape. On June 17 and November 15, 2010, the Council successfully hosted two fora on “Financing Education”. The latter was held in the Parish of St. Elizabeth in collaboration with the St. Elizabeth Homecoming Foundation (SEHF). This partnership was forged with SEHF as a result of the Council's successful hosting of the

REVIEW OF OPERATIONS

REPORT PUBLIC EDUCATION (cont'd)

forum in June, 2010, in Kingston. The forum in St. Elizabeth focused specifically on that parish. It also had a different format from the one held in Kingston. Mr. Ruel Reid, the Council's Chairman, led the discussions as the Keynote Speaker. The panellists were selected from resource personnel within the local community as well as established national organizations.

The Council extends sincere appreciation to the following sponsors for making these events possible:

- (i) Scotia Foundation Ltd.
- (ii) National Commercial Bank
- (iii) M & M Construction Ltd.
- (iv) Dispute Resolution Foundation
- (v) Fimi Wireless Investments Limited
- (vi) Victoria Mutual Building Society
- (vii) Opti-care Limited (Family Vision)
- (viii) Carlong Publishers (Caribbean) Limited
- (ix) AAMM Co-operative Credit Union
- (x) Juici Patties Limited

Detailed reports outlining the main recommendations of the fora have been prepared. To date one has been shared with our parent Ministry as we await comments from the SEHF regarding the report on the forum held in St. Elizabeth.

REVIEW OF OPERATIONS

REPORT PUBLIC EDUCATION (cont'd)

Quarterly Presentations to Targeted Groups

An important strategy pursued during the period under review was quarterly presentations to targeted groups. These presentations were designed, to, not only increase awareness and understanding of the importance of education as an agent of change, but also to enhance and strengthen stakeholder relationships. The aim was to build the credibility of the organization and improve its public profile. Among the groups targeted were:

- (i) **The United States Agency for International Development (USAID)**
Presentations were made to USAID's Basic Education Project meeting held on May 20, 2010, as well as its Leadership Conference on July 18-21, 2010. Information was shared regarding the new directions in the governance of public educational institutions well as the role and functions of school boards. The Council received an overwhelming positive response based on the evaluation reports.
- (ii) **Council of Community Colleges of Jamaica (CCCJ)**
The NCE presented on the topic “the Role of the College Board in Ensuring Sustainability of an Institution” at the CCCJ's annual conference held in January 2011. This presentation was also well- received based on feedback from the evaluation reports.
- (iii) **Jamaica Teaching Council (JTC)**



The Council partnered with the JTC to host a number of consultations, sensitizing key stakeholders on the role and functions of the JTC and the imminent introduction of a licensing regime for teachers who practise in Jamaica. Consultations were held in Regions I, II, IV and V. Consultations for Regions III and VI are scheduled to be held in the next fiscal year.

REVIEW OF OPERATIONS

PERFORMANCE SCORECARD 2010-2011

PUBLIC EDUCATION

RESPONSIBLE OFFICERS: EXECUTIVE DIRECTOR & THE DIRECTOR OF SCHOOL GOVERNANCE AND PUBLIC RELATIONS

KEY PERFORMANCE	STATUS	COMMENT
Co-ordinate quarterly presentations to impart information to key stakeholders about the role and functions of the NCE.	Target exceeded	Among the groups sensitized were: (i) USAID- Basic Education Project (ii) USAID Community of Practice Project (iii) Stakeholders at “Safety and Security” meeting held in Region VI. (iv) CCCJ Annual Conference (v) MOE - Regional Education Entity Retreat.
Host annual education forum.	Target exceeded	2 fora held in June and November 2010 on “Effective Financing of Education”.
Publish quarterly newsletters for dissemination to key stakeholders.	Target partially achieved	Three editions of the “Illuminator” published.
Publish quarterly articles in leading newspapers to increase the Council's visibility in the Education Sector.	Target exceeded	Articles published on: (i) The poor performance of students on the CSEC Examinations (February 23, 2011) in the Sunday Gleaner. (ii) Education Fora – “Effective Financing of Education on November 17 and 19, 2010 in the Gleaner and JIS Voice of Jamaica. (iii) Press release and articles published on the press luncheon highlighting the achievements of Council.
Participate in quarterly media interviews to inform the general public about the importance of education as an agent of change.	Target exceeded	NCE participated in 8 interviews conducted by the media. These included interviews regarding the education fora, press luncheon highlighting the achievements of the Council, the piloting of the revised procedures and the hosting of special education conference.
Upgrade the Council's website to facilitate the dissemination of information to the general public.	Target achieved	Council's website re-established and can be accessed at www.nce.org.jm

M & E FRAMEWORK

KEY PERFORMANCE INDICATORS	STATUS	COMMENT
The #/% of persons who are aware of the role and functions of the NCE as a result of targeted intervention executed by the Council.	Over 1,000 persons sensitized about the organization's role and functions.	Since the baseline has been established for 2009/2010 a 5% increase per annum will be targeted thereafter.
The #/% of public relations activities implemented during the year.	Approximately 8 media interviews conducted.	Now that the baseline has been established for 2009/2010 a targeted will be set to maintain the same level of public relation activities.

REVIEW OF OPERATIONS

REPORT STRATEGIC PLANNING

OVERVIEW

Sound corporate governance remains a strategic priority of the organization. Consequently, efforts were made to ensure compliance with the various regulatory requirements inclusive of the Public Bodies Management & Accountability Act (PBMA) which stipulates the standards of corporate governance for the public sector. The major corporate action pursued during the period under review included, submitting periodic reports, revising the 2009-2010 three-year rolling corporate plan, developing an operational plan for the upcoming fiscal year, hosting of an annual board retreat and monthly Directors' and quarterly staff meetings. These meetings are important for reviewing the organization's performance based on planned corporate targets and taking corrective actions where necessary.

CORPORATE PLAN 2011-2012

Developing annual operational plans and budgets are routine activities which fall under the strategic planning corporate objective. The three-year corporate plan for 2009-2010 was revised and a new operational plan for 2010-2011 was developed. The operational plan included strategic priorities for the upcoming fiscal year supported by performance targets, which were reflected in performance scorecards. The scorecard is an important tool which is used to monitor the organization's performance. Each strategic objective is assigned a scorecard which is reported on, on a quarterly basis. An important aspect of the strategic planning process is observing those core values identified as critical to realizing the organizational goals.

REVIEW OF OPERATIONS

STRATEGIC PLANNING CORE VALUES

CORE VALUES	STATEMENT
BALANCE	Exploring and taking into consideration the views of all our stakeholders to ensure a sense of balance in what we do.
INTEGRITY	Ensuring that whatever we do is done with the utmost level of transparency, honesty and national pride.
INNOVATION	Adopting/adapting new knowledge, techniques and ideas to improve our business processes and achieve efficiency gains.
EXCELLENCE	We will strive for excellence in all we do by aligning organizational efforts with a model of proven quality performance.
COMMITMENT	We will conduct our affairs with the highest level of dedication and determination. We take our work seriously and accept personal responsibility for our actions.

OUR VISION

“The National Council on Education envisions that through its efforts and those of its partners the learners of Jamaica will have access to services which will ultimately enable them to realize their full potential and become productive, culturally aware, ethical and worthwhile citizens who are globally competitive”.

OUR MISSION

“To provide leadership in stimulating, advising and promoting consensus in the development of educational policies to support the nation's pursuit of a comprehensive, coherent and consistent system of education”.

REVIEW OF OPERATIONS

PERFORMANCE SCORECARD 2010-2011

STRATEGIC PLANNING

RESPONSIBLE OFFICERS: EXECUTIVE DIRECTOR & THE DIRECTOR,
POLICY AND PLANNING

KEY PERFORMANCE TARGETS	STATUS	COMMENT
Organization business processes defined.	Target not achieved	This activity is quite involved and requires a longer planning time. However steps have been taken to document some processes which will be codified. This activity has been rolled over into the next fiscal year.
Corporate Plan adjusted and targets developed for 2011-2012.	Target achieved	Corporate plan updated and approved by the Audit Committee. Operational plan and budget for 2011/2012 approved by Council in November 2010.
90% of targets in the operational plan achieved.	Target not achieved	78% of the targets have been achieved based on a total of 62 annual targets. This is as a result of a number of unplanned activities to which the Council has had to respond.
Quarterly and half-yearly reports submitted on time in accordance with the PBMA Act.	Target achieved	2 Quarterly and a half-yearly report prepared and submitted on time in accordance with PBMA.
Outstanding Annual Reports for the period 2008/2009 and Report for 2009/2010 submitted to the MOE.	Target achieved	Annual reports completed and submitted to MOE.
Annual Board Retreat held to evaluate the Council's performance against targets.	Target achieved	Target modified . Press Luncheon held instead of a retreat to highlight the achievements of Council during its three-year tenure which ended in December 2010.

M & E FRAMEWORK

KEY PERFORMANCE INDICATORS	STATUS	COMMENT
The #/% of statutory reports prepared and presented on time.	Target 75% achieved	This target was partially achieved due to the delay in the completion of the Annual Report for 2009/2010. All other reports prepared and submitted on time.
Annual budget and corporate plan prepared and presented to the MOE on time.	Target achieved	

REVIEW OF OPERATIONS

POLICY AND PLANNING

OVERVIEW

A primary legislative mandate of the NCE is to advise the Minister of Education on policy matters relating to emerging issues within the educational landscape. In keeping with this mandate, the Council responded to the following issues:

- (i) The poor performance of Jamaican students on the Caribbean Secondary Education Certificate (CSEC) Examinations.
- (ii) Effective financing of public education.

A detailed issues paper was developed on the first topic while public fora were held with the general public on the second.

Performance of Jamaican students on CSEC Examinations

The national debate on the low performance of students on the CSEC Examinations commenced with the Council's Chairman, whom, after writing several articles in the Daily & Sunday Gleaner Newspaper, requested that the Policy & Planning Committee conduct a detailed review on this issue. The performance of students on the CSEC Examinations was identified in the Taskforce on Educational Reform Report, 2004, as an indicator of achieving the goal of creating human & social capital, capable of contributing to the development of the country. To date, only 19 per cent of the targeted 60 per cent students in the age cohort has passed 5 Subjects, inclusive of Mathematics and English. The issues paper was, therefore, developed in response to the growing concerns about the low performance of students on the CSEC Examinations as well as to identify the factors which impact students' performance with a view to arriving at workable solutions. The paper was completed and submitted to the Honourable Minister of Education, Andrew Holness, in November 2010.

REVIEW OF OPERATIONS

In February 2011, the Council's Chairman extended an invitation to Professor Nigel Harris, Pro-Vice Chancellor of the University of the West Indies, Mona, and Chair of the Caribbean Examinations Council (CXC), to explore a possible educational framework which is more responsive to students' need and the role, that CXC could play in making this a reality. CXC was seen as the gateway to extend the conversation to our regional partners who may also, very likely, experiencing similar challenges. The following persons also attended the meeting:

- (i) Professor Gordon Shirley, Pro Vice Chancellor and Principal, UWI
- (ii) Dr. Didacus Jules, Registrar and Chief Executive Officer, CXC
- (iii) Dr. Barbara Bryan, Head of Educational Studies
- (iv) Mr. Robert Gregory – Vice Chairman, NCE
- (v) Dr. The Honourable Rae A. Davis, Chairman, Policy and Planning Unit, NCE
- (vi) Professor Zellynne Jennings-Craig, Head, School of Education and member of Council
- (vii) Ms. Merris Murray – Executive Director, NCE
- (viii) Mrs. Kareen Edwards-Brown – Director, Policy and Planning Unit, NCE

Under the corporate action to **monitor the education system at critical points and undertake research to inform policy decisions and facilitate improved student outcomes'** public/private partnerships were forged. In continuing the debate on financing education, NCE partnered with the St. Elizabeth Homecoming Foundation (SEHF) to host a public forum on financing education in Jamaica with particular emphasis on the parish of St. Elizabeth. The community was engaged in meaningful discussion on how to provide a system that could ensure equal access & equity for all children. A detailed report was prepared outlining tenable solutions and corresponding strategies for financing public education in Jamaica.

REVIEW OF OPERATIONS

PERFORMANCE SCORECARD 2010-2011

POLICY AND PLANNING

RESPONSIBLE OFFICER: DIRECTOR POLICY & PLANNING

KEY PERFORMANCE TARGETS	STATUS	COMMENT
To respond to various data requests from both public and private stakeholders. Six requests processed per quarter.	Target exceeded	Most requests were from Teachers' College Students doing research. This target was exceeded by five requests.
To assist with the establishment and maintenance of an active website for the Council.	Target achieved	Website established launch date is to be determined.
Conduct research on 2 topical areas in Education as indicated by the P & P Committee or any other areas or interest. Discussion/issues paper presented to Council for approval and final submission to the MOE.	Target achieved	A detailed issues paper on the poor performance of students in the CSEC Examination prepared and approved by Council and submitted to the HME in November 2010. A detailed report on the "Effective Financing of Public Education" was also completed and submitted to the HME and the PS.
Liaise with universities and colleges to acquire access to research. At least 2 research papers acquired for the fiscal year.	Target exceeded	7 Research Papers acquired.
Assist in the preparation of documents for the hosting of general council meetings (GCM) and arrange for at least 4 presentations to be made.	Target achieved	Meetings held during the year and four presentations made
Co-ordinate the PP meeting every two months.	Target achieved	Five meetings held during the year.
To assist in the preparation of the quarterly and half-yearly reports according to the PBMA Act.	Target achieved	Report submitted on time
To assist in the preparation of the Annual Report according to the PBMA Act	Target partially achieved	The 2009/2010 Annual Report although submitted during the fiscal year was not done within the stipulated time frame

REVIEW OF OPERATIONS

EDUCATION TRANSFORMATION PROGRAMME

OVERVIEW

In 2009, the Council was commissioned by the Honourable Minister of Education to establish a special committee to monitor the implementation of the Education System Transformation Programme (ESTP). Consequently, a specific strategic objective was developed to assist this committee in executing its work. The Committee continues to meet on a quarterly basis and timely reports are provided to the HME. Performance targets for this area of the Council's work are co-ordinated by the Policy and Planning Unit.

PERFORMANCE SCORECARD 2010 - 2011

EDUCATION TRANSFORMATION

RESPONSIBLE OFFICER: DIRECTOR POLICY & PLANNING

KEY PERFORMANCE TARGETS	STATUS	COMMENT
Host quarterly meetings and invite, as required, relevant persons to present on various areas of the Education System Transformation Programme.	Target achieved	Meetings held and 2 presentations made.
Prepare report on the progress of the ESTP for submission the HME.	Target not achieved	Report placed on hold pending completion of the M & E framework
STATUS OF KEY PERFORMANCE INDICATORS		
KEY PERFORMANCE TARGETS	STATUS	COMMENT
Monitoring and Evaluation (M&E) framework in place.	Target partially achieved	Draft M & E Framework in place. Finalization awaits completion of the National Education Strategic Plan 2011-2020.

REVIEW OF OPERATIONS

REPORT SCHOOL GOVERNANCE

OVERVIEW

The NCE is responsible for recommending to the Honourable Minister of Education nominees to serve on the boards of approximately one thousand and twenty (1020) public educational institutions. In an effort to execute this mandate more efficiently, a number of activities were pursued. These included:

- (i) Piloting of the “revised procedures for school board appointment” in Regions III and VI;
- (ii) Developing a pool of volunteers to serve on school boards;
- (iii) Developing a comprehensive database which provides ready access to information on membership of school board, school type, ownership status, contact details, appointment and expiry dates, location according to educational regions and political constituencies. This database can be accessed via the Council's newly established website.

Piloting of the Revised Procedures for School Board Appointment

The revised procedures for school board appointment which were launched and piloted in Region V, in the previous financial year, were also piloted in Regions III and VI to inform the development of a Cabinet Submission. This process involved:

- (i) **Hosting Sensitization Sessions for Potential School Board Volunteers**
Persons were solicited to serve on the school boards by way of sensitization sessions. A total of nine (9) sessions were held in Regions III and VI, with over three hundred persons participating. The sessions included sensitization of members of the **Review Panel** as well as the staff of both regional offices on the “revised procedures”. This was done with a view to apprising them of the procedures and to solicit their support in advocating for new volunteers to serve on the school boards.

Solicitation was also carried out by way of letters, posters/flyers and placement of an advertisement in the Sunday Gleaner. Although the requirement for the formal submission of an application form was waived for existing board members, persons were, nonetheless encouraged to complete the application exercise to facilitate the updating of the Council's database.

REVIEW OF OPERATIONS

REPORT SCHOOL GOVERNANCE (cont'd)

(i) Establishment of a Pool of Volunteers

A comprehensive “pool of volunteers” for persons available to serve was developed. This information is represented on a “Volunteer Data Form” which outlines the:

- (a) Name of the individual
- (b) Name of school board on which he/she has volunteered to serve
- (c) Order of choices
- (d) Qualification of the individual
- (e) Occupation
- (f) Specialized training
- (g) Position on the Board for which the persons have volunteered to serve
- (h) Status of the applicant whether he/she is a new or existing member of a Board.

PILOTING OF THE REVISED PROCEDURES FOR SCHOOL BOARD APPOINTMENT

Educational Region	# Applications Processed	# New Volunteers	# New Volunteers Appointed	% of New Volunteers of Total NCE Nominees
III	234	160	100	33%
VI	495	178	123	31%

The Council encountered difficulties in mobilizing volunteers in Region III due to poor weather conditions resulting from the passage of tropical storms Tomas and Nicole as well as the Region's remote terrain.

REVIEW OF OPERATIONS

REPORT SCHOOL GOVERNANCE (cont'd)

(iii) Establishment of Review Panels

Seventeen three-member panels were established to facilitate the selection of nominees to serve on school boards in Regions III and VI. Each panel consisted of the Regional Director, the Member of Parliament for the requisite constituency and an independent third member from the community or a local parent-teacher association representative. The independent third person is selected by the Regional Director. The Review Panel is required to select persons from the “Pool of Volunteers” to serve on boards. Once this exercise is complete, a schedule, outlining the nominees, the names of the schools and the positions in which they have been recommended to serve, is prepared for each constituency. The schedule is signed by each member of the Review Panel and submitted to Council for processing. This schedule is submitted to the Honourable Minister as supporting documentation to facilitate the appointment of the new boards.

Successes

1. Increased participation of qualified persons to contribute to the effective governance of schools. New volunteers in Region V, constituted 20% of the total cohort of school board members appointed.
2. Timely appointment of Boards.

Challenges/Constraints

The Council experienced challenges/constraints in respect of the piloting of the revised procedures as follows:

- (i) Low response to the “Call for Volunteers” in some constituencies, particularly deep rural areas.
- (ii) Securing appointments with Members of Parliament because of their busy schedules.
- (iii) Inability to place some “new” volunteers due to limited spaces on school boards on which they requested to serve.

REVIEW OF OPERATIONS

REPORT SCHOOL GOVERNANCE (cont'd)

Status of Board Appointment According to Regions

Region V

The tenure of school boards in Region V ended on March 31, 2010. Consequently, the new boards were due for appointment on April 1, 2010. The tenure of this cycle is scheduled to end March 31, 2013. Approximately 45 per cent of the school boards were appointed within one month of the termination of the previous tenure. Two hundred, representing 20 per cent of the total cohort of nominated board members in the region, were new volunteers.

Region III

School boards in Region III were due for appointment on January 1, 2011, based on the cyclical appointment process. As at March 31, 2011, 108 boards were appointed, while 17 remained outstanding. Twenty-nine boards in St. Mary, Region III were transferred to Region II and of the 29 boards, 12 were appointed while 17 remained outstanding.

Rationalization of Educational Regions

Under the transformation process, in which the regional administrative framework has been adjusted so that regions would no longer cut across parish boundaries, thirty-one schools, located in the parish of St. Mary, were transferred from Region III to Region II which operates under a different cyclical arrangement. The schools impacted includes those in Western and Central St. Mary Constituencies. The transferred schools have been appointed to coincide with Region II's cycle. Both Members of parliament of both constituencies were sensitized regarding the revised Procedures

REVIEW OF OPERATIONS

REPORT - SCHOOL GOVERNANCE (cont'd)

School Board Training

In keeping with the Council's legislative mandate to design and implement training programmes for the benefit of members of school boards, two sensitization sessions were conducted for Board Chairmen or their representatives in Regions V and IV. As a result of severe fiscal constraints, experienced by Council during the financial year, sensitization sessions, instead of training workshops were held.

Region V

Seventy Board Chairmen or their representatives were sensitized in the following areas:

- i. Role and Responsibilities of School Boards of Management;
- ii. Legislative Framework of the Education System in Jamaica;
- iii. Managing Schools' Finances;

Region IV

Eighty-one participants were sensitized in the following areas:

- i. Legislative Framework of the Education System in Jamaica;
- ii. Managing Schools' Finances;
- iii. Programme for Alternative Student Support (Pass).

Low cost venues were selected and presentations were made by the Legal Officer and other resource persons from the Ministry of Education.

REVIEW OF OPERATIONS

REPORT SCHOOL GOVERNANCE (cont'd)

UPDATING OF SCHOOL BOARD DIRECTORY

The School Board Directory was updated to include the newly appointed Boards of Management in Regions 111 and VI and changes in other regions made during the year. The Directory which is a comprehensive database of school board members can be accessed through the Council's website.

NATIONAL AWARD

The Council prepared a submission, nominating Mr. Joel Slack, former Chairman of Turnberry All Age School, and member of the Board of the Moneague College, to receive an award for dedicated and committed service to education in the Prime Minister's Medal of Appreciation Award for Education 2011.

REVIEW OF OPERATIONS

PERFORMANCE SCORECARD 2010-2011

SCHOOL GOVERNANCE

RESPONSIBLE OFFICER: DIRECTOR OF SCHOOL GOVERNANCE & PUBLIC RELATIONS

KEY PERFORMANCE TARGETS	STATUS	COMMENT
School Boards trained to integrate good governance practices throughout the institutions. Consultants engaged to conduct training.	Target achieved	Due to fiscal constraints this target was modified as resource persons from the Ministry of Education's Head and Regional Offices made the presentations.
Conduct workshops to facilitate the training of Board Members in the following Regions: Region V - 3 workshops Region IV - 2 workshops	Target achieved	As a result of financial constraints this target was adjusted to conduct two workshops, instead of three, in respect of Region V. Only newly appointed Chairmen were sensitized.
	Target achieved	The format of workshops was adjusted to sensitize newly appointed chairmen or their representatives.
Develop a revised training manual to support the training of school board members.	Target rescheduled	This target has been rescheduled due to challenges encountered in identifying a suitable consultant to carry out this activity in keeping with the approved budget. Requests for proposals were issued twice during the year. It was therefore agreed that this activity be modified.
Draft training manual developed and presented to SGPR Committee.	Target rescheduled	
Manual piloted in 2 Review Sessions	Target rescheduled	
TOR for "Train the Trainers" and "On-line Training" programmes completed and submitted, Request for Proposals issued and consultant selected	Target rescheduled	

REVIEW OF OPERATIONS

PERFORMANCE SCORECARD 2010-2011

SCHOOL GOVERNANCE

RESPONSIBLE OFFICER: DIRECTOR OF SCHOOL GOVERNANCE & PUBLIC RELATIONS

KEY PERFORMANCE TARGETS	STATUS	COMMENT
Strategy to recognize exemplary voluntary service in the field of education completed and submitted for approval by SGPR Committee.	Target achieved	Strategy prepared and approved by the SGPR Committee.
Letter requesting the inclusion of a special award for Board Members in the Prime Minister's Medal of Appreciation for Service to Education and other National Award Programmes.	Target achieved	Letter prepared and submitted to HME.
Criteria developed to identify possible nominees.	Target not achieved	Due to competing demands the criteria was not documented.
Conduct nomination exercise and select awardees.	Target achieved	This target was modified and a submission prepared nominating a Board member for recognition in the Prime Minister's Medal of Appreciation for Service to Education.
Certificates of appreciation to Board Members who served for one term prepared.	Target modified /achieved	This target was modified due to limited budget. "Thank you" letters were sent instead. This target will be pursued in the upcoming financial year.
Pilot the "revised procedures" for the cyclical appointment of school boards by Regions.	Target achieved	Revised procedures piloted in Regions III and VI.
Recommendations for School Boards approved by Review Panels in Region V.	Target achieved	Recommendations approved 9 panels in Region V and 8 in Region III.
Recommendations for School Boards approved by SGPR Committee	Target achieved	Target adjusted to have the Council's Chairman sign off on the Panels' recommendations.

REVIEW OF OPERATIONS

PERFORMANCE SCORECARD 2010-2011

SCHOOL GOVERNANCE

RESPONSIBLE OFFICER: DIRECTOR OF SCHOOL GOVERNANCE & PUBLIC RELATIONS

KEY PERFORMANCE TARGETS	STATUS	COMMENT
Nominations of 162 School boards in Region V duly appointed by the HME by the end of the first quarter.	Target partially achieved	85% of the school boards were appointed within the first quarter of the financial year.
Principals, MPs, Regional Offices, Churches, trusts and internal auditors notified for the appointments	Target achieved	All stakeholders notified
Sensitize stakeholders in Region III about the implementation of the "Revised Procedures"	Target achieved	2 stakeholder consultations held with 50 participants.
Meeting held with Regional Director	Target achieved	Meeting held on May 18, 2010.
Meeting held with existing Chairmen and Vice Chairmen.	Target achieved	Meeting held on July 2, 2010 at the St. Hilda's Diocesan High School.
Meeting Held with Review Panel in region III.	Target achieved	Meeting held on November 19, 2010 at the Runaway Bay HEART Hotel.
Letters disseminated and recommendations received.	Target achieved	
Flyers and posters disseminated to key stakeholders	Target achieved	

REVIEW OF OPERATIONS

PERFORMANCE SCORECARD 2010-2011

SCHOOL GOVERNANCE

RESPONSIBLE OFFICER: DIRECTOR OF SCHOOL GOVERNANCE & PUBLIC RELATIONS

KEY PERFORMANCE TARGETS	STATUS	COMMENT
Recommendations for School Boards approved by Review Panels in Region III.	Target achieved	A total of 154 applications were processed for Region III. NB. Existing board members were not required to submit an application.
News releases/advisories issued.	Target partially achieved	Advertisement was not placed in the Newspaper due to financial constraints. Other low-cost advertisements were utilized.
Pool of volunteers for Region III established.	Target achieved	
Recommendations processed and submitted to the SGPR Committee for nomination.	Target achieved	Recommendations processed, however submission was made to Council's Chairman for approval.
152 School boards in Region III duly appointed by the end of the 4th quarter.	Target partially achieved	Due to the rationalization of educational regions, 29 schools were transferred from Region III to Region II. Of the remaining 123 schools, 112 schools were appointed by the end of the 3rd quarter of the financial year. Additionally, boards of 2 new schools were also processed within the specified period.
Disseminate information on the members of School Boards which have been appointed.	Target achieved	Regional Directors, Members of Parliament, Principals, Chairmen, other board members, churches, trusts and the internal auditor informed of the appointments.
School Board Directory updated with the names of School Board members for Regions IV, V, and III.	Target achieved	Directory updated to include the newly appointed Boards of Management in Regions IV, V & III as well as changes made during the year in respect of other regions
Develop and design evaluation/appraisal system to measure the effectiveness of School Board training. System developed and report prepared.	Target not achieved	This target has been rescheduled.

REVIEW OF OPERATIONS

STATUS OF KEY PERFORMANCE INDICATORS AS OUTLINED IN THE M & E FRAMEWORK

SCHOOL GOVERNANCE

PERFORMANCE INDICATOR	STATUS	COMMENTS
#/% Schools with structured mechanisms to evaluate school performance	Baseline to be determined	Baseline for these indicators will be determined in the next fiscal year with the implementation of the baseline study on effective governance in schools which will be financed by UNICEF.
#/% of Schools with approved strategic/corporate plans	Baseline to be determined	
#/% of schools with functioning boards	Baseline to be determined	
#/% of Boards of Management appointed on time.	Baseline to be determined	
#/% of Boards of Management achieving awards for excellent performance	Baseline to be determined	

REVIEW OF OPERATIONS

REPORT FINANCE & ADMINISTRATION

Highlights of achievements of the Finance and Administration Department for the Fiscal Year 2010/2011.

FINANCIAL OVERVIEW

During the year, budgetary support for mandated activities of the Council continued to be impacted by the limited fiscal space within which the Government operates. Efficiency, therefore, became paramount as the Council conducted its business.

The Council completed the fiscal year ended March 31, 2011 with unaudited results showing current assets of approximately \$11.2M, a decrease of 14 per cent in comparison to \$12.7M at the end of the fiscal year 2010. Interest income received during the year was approximately \$0.6M compared with \$1.3M for 2009/2010.

Operating expenses decreased by 6.5 per cent from approximately \$23.0M to \$21.7M, in comparison to the fiscal year ended March 31, 2010. This was due mainly to cost containment initiatives implemented during the year which allowed for the achievement of objectives whilst being efficient and effective. The Council collaborated with several other agencies on occasions, to complete its activities, approval was granted for funds to be vired across objects to achieve other objectives. One such objective was the completion of the Council's website which in part, is aimed at increasing public awareness of the Council's activities.

The operating budget increased by 21 per cent from \$15.9M in 2009/2010 to \$19.2M in 2010/2011. The Council also solicited additional budgetary support from international donor partners. Financial support amounting to approximately \$5.8M was obtained from the United Nations Children's Fund (UNICEF). This was for activities relating to School Governance and Public Relations.

REVIEW OF OPERATIONS

REPORT- FINANCE & ADMINISTRATION (cont'd)

REGULATORY COMPLIANCE & REPORTING

In keeping with the requirements of the PBMA Act, several statutory activities were pursued during the year. These included the completion of the previous year's audited Financial Statements and Quarterly Contracts Awards (QCA) Reports, filed with the Office of the Contractor General (OCG). In addition, monthly fiscal and accrual, reports were also provided to the Ministry of Education, and an annual report on payees or suppliers of goods and services during the tax year was also prepared for the Tax Audit and Assessment Department (TAAD). Several other reports were requested by the Ministries of Education and Finance and the Public Service as well as other departments of Government.

The Council's Pension Plan for employees remained compliant with the requirements of the Financial Services Commission (FSC). Individual Member's Statements and a Plan Performance Report for the year were obtained from service provider, Sagicor Life Jamaica.

During the year, the Audit Committee remained vibrant and continued its monitoring of corporate governance and financial activities of the Council. In addition to reviewing and ensuring compliance with statutory and other reporting timelines, the committee also reviewed the results of the external audit for the Fiscal Year ending March 31, 2010.

There was no reported incidence of fraud or other irregularities.

The Audit Committee's functions complement the Finance and Administration Committee. During the year, the Finance and Administration Committee approved an investment policy for the Council, in addition to providing continued guidance on financial strategies and policies.

The Council tendered for External Auditing services for the Fiscal Years ending 2011-2013.

REVIEW OF OPERATIONS

REPORT FINANCE & ADMINISTRATION REPORT (cont'd)

HUMAN RESOURCE MANAGEMENT

In addition to managing the Council's finances, the department also has responsibilities for Human Resource Management (HRM).

As the Council sought to align its new output-focused thrust with its corporate goals, the performance-based culture, which was adopted last year, resulted in the completion of, a comprehensive instrument of performance evaluation. Formal appraisals, based on last years outputs were conducted for all members of staff during the year. Central to the appraisal system are:

- The setting of departmental performance target based on the Corporate Plan
- A mid year review and report
- An annual performance appraisal
- Payment of performance increments

The output of the performance appraisal will also be used as a basis for assessing training needs for the upcoming year.

STAFF DEVELOPMENT

Based on the Memorandum of Understanding (MOU) II and sponsored by the Government of Jamaica, Senior Officers participated in Human Resource Training at MIND. The Council also sponsored one employee's participation in the annual Association for Supervision and Curriculum Development (ASCD) Conference in California. Training was also accessed through the Jamaica Employers' Federation's Annual Convention.

The Council maintained its staff complement during the year. Additionally, a Project Administrative Assistant was temporarily employed to assist with UNICEF funded activities.

REVIEW OF OPERATIONS

PERFORMANCE SCORECARD 2010-2011

FINANCE & ADMINISTRATION

RESPONSIBLE OFFICER: DIRECTOR OF FINANCE AND ADMINISTRATION

STRENGTHENING THE HUMAN RESOURCE CAPACITY

Targets established for 2010-2011 for each support staff	Target achieved	Targets established based on operational plan for 2010/2011 financial year
Appraisal instrument completed by supervisor and support staff.	Target achieved	Formal appraisals were conducted for all members of staff at the end of the fiscal year.

Compliance of Pension Plan with FSC Requirements

Approved Certified Financials Returns.	Target achieved	Prior year returns were filed with the Plan Administrators.
At least one (1) Members' Meeting to be held per Plan year.	Target not achieved	Individual members' information, handbook and reports were received from Plan Administrators after Plan year end.

Audit and Control Systems Strengthened

Audit Committee Reports presented to General Council.	Target achieved	Four (4) meetings were held as planned.
Completed audit report for 2009/2010 and recommendations tabled at General Council Meeting.	Target achieved	The report was reviewed by the Audit Committee. Audit reports are now current.

Financial Reporting Systems Improved

Financial management system improved	Target rescheduled	Target pending based on implementation of shared services system.
Operational Budget for 2011/2012 prepared, approved and submitted within stipulated timeframe.	Target achieved	

REVIEW OF OPERATIONS

PERFORMANCE SCORECARD 2010-2011

FINANCE & ADMINISTRATION

RESPONSIBLE OFFICERS: DIRECTOR OF FINANCE AND ADMINISTRATION

KEY PERFORMANCE TARGETS	STATUS	COMMENT
FINANCIAL REPORTING SYSTEM IMPROVED		
Financial reports prepared on a monthly basis.	Target achieved	Six (6) Finance meetings were held as planned to facilitate review of activities
Bank reconciliation reports prepared by the 15th working day of each month.	Target achieved	Reconciliation completed on schedule
Annual statutory returns prepared and filed on time	Target achieved	Returns were filed between January and March 2011.
Successful relocation of Secretariat offices.	Target rescheduled	Target rescheduled based on non completion of renovation of new location.

(The targets for Finance and Administration were consolidated to facilitate ease of reporting.)

REVIEW OF OPERATIONS

SUMMARY OF ACHIEVEMENT BASED ON PERFORMANCE TARGETS

STRATEGIC AREA OF FOCUS	ANNUAL TARGETS	TARGETS ACHIEVED	TARGETS PARTIALLY ACHIEVED	TARGETS NOT ACHIEVED	PERCENTAGE TARGETS ACHIEVED
PUBLIC EDUCATION	6	5	1	0	84%
STRATEGIC PLANNING	6	4	0	2	67%
POLICY & PLANNING	8	7	1	0	88%
SCHOOL GOVERNANCE	31	22	3	2	81% Based on 27 Annual targets as 4 have been Rescheduled
EDUCATION TRANSFORMATION	2	1	0	1	50%
FINANCE & ADMINISTRATION	12	9	0	1	90% Based on 10 Annual Targets as 2 have been rescheduled
OVERALL PERFORMANCE	65	48	5	6	82% Based on 59 Annual Targets

NB: Targets do not include Performance Indicators

REVIEW OF OPERATIONS

MODIFICATION OF CORPORATE PLAN 2010-2011

Unlike the previous fiscal year there were no major adjustments to the Corporate Plan for 2010-2011. There were some targets which were not achieved due to limited organizational capacity. These targets have been carried over into the 2011-2012 fiscal year. Every effort will be made to ensure the attainment of these targets.

FORECAST AND PROJECTIONS OF KEY FINANCIAL AND OPERATING MEASURES FOR THE NEXT FISCAL YEAR

Function/Programme	2011-2012 Recurrent Estimates of Expenditure	2011-2012 Estimates of Capital Expenses	2011-2012 Approved Estimates of Expenditure	2011-2012 Approved Capital Expenses
	J\$ M	J\$ M	J\$ M	J\$ M
Compensation of Employees	11.800		12.000	
Travelling Expenses and Subsistence	2.200		2.200	
School Governance Training	0.100		0.100	
Other Travel	0.100		0.100	
Rental of Property, Machinery and Equipment	1.200		1.200	
Public Utility Service	0.667		0.667	
Retirement Benefit	0.733		0.733	
Relocation Expenses	-		-	
Purchases of Equipment (Capital Goods)	-	0.955	0.000	-
SUB-TOTAL	16.800	0.955	17.000	-
PURCHASES OF GOODS AND SERVICES FOR TECHNICAL ACTIVITIES				
School Governance	0.550		0.550	
Policy and Planning	0.550		0.550	
Education Transformation	0.170		0.170	
Public Relations	0.200		0.200	
Finance and Administration	0.500		0.500	
Other Goods and Services	0.350		0.350	
SUB-TOTAL	2.320		2.320	-
TOTAL	19.120	0.955	19.320	-

STRATEGIC AREA OF FOCUS FOR NEXT FISCAL YEAR

PROSPECTS FOR 2010-2011

In the year ahead the NCE will continue to pursue its mission and vision of ensuring:

“ through its efforts and those of its partners the learners of Jamaica will have access to services which will ultimately enable them to realize their full potential and become productive, culturally aware, ethical and worthwhile citizens who are globally competitive.”

It will continue to place strong emphasis on improving the governance framework in the education system through standardization of the appointment process for school boards.

Other key areas include:

- a. developing policy papers in response to emerging issues within the education landscape;
- b. implementing cost-effective training programmes for school boards;
- c. monitoring and evaluating the effectiveness of the National Education Strategic Plan as well as the Education System Transformation Programme (ESTP);
- d. recognizing committed and dedicated service in the field of education;
- e. conducting a baseline study on effective governance in public educational institutions;
- f. developing standard operating procedures and redefining internal controls to ensure greater efficiency gains and improved customer satisfaction.

STATEMENT OF EMOLUMENTS

NATIONAL COUNCIL ON EDUCATION

DIRECTORS' COMPENSATION

Position of Director	Fees (\$)	Motor Vehicle Upkeep/Travelling or Value of Assignment of Motor Vehicle (\$)	Honoraria (\$)	All Other Compensation including Non-Cash Benefits as applicable (\$)	Total (\$)
1 Chairman	N/A	100,520.00	38,250.00	N/A	138,770.00
1 Vice Chairman	N/A	10,220.00	49,500.00	N/A	59,720.00
Director 1	N/A	9,800.00	41,625.00	N/A	51,425.00
Director 2	N/A	*	8,250.00	N/A	8,250.00
Director 3	N/A	2,520.00	13,500.00	N/A	16,020.00
Director 4	N/A	5,390.00	31,875.00	N/A	37,265.00
Director 5	N/A	*	4,125.00	N/A	4,125.00
Director 6	N/A	58,800.00	32,250.00	N/A	91,050.00
Director 7	N/A	7,350.00	22,875.00	N/A	30,225.00
Director 8	N/A	7,700.00	14,625.00	N/A	22,325.00

STATEMENT OF EMOLUMENTS

Position of Director	Fees (\$)	Motor Vehicle Upkeep/Travelling or Value of Assignment of Motor Vehicle (\$)	Honoraria (\$)	All Other Compensation including Non-Cash Benefits as applicable (\$)	Total (\$)
Director 9	N/A	8,575.00	22,875.00	N/A	31,450.00
Director 10	N/A	78,155.00	48,500.00	N/A	126,655.00
Director 11	N/A	*	15,000.00	N/A	15,000.00
Director 12	N/A	*	32,250.00	N/A	32,250.00
Director 13	N/A	420.00	2,625.00	N/A	3,045.00
Director 14	N/A	1,050.0	2,625.00	N/A	3,675.00
Director 15	N/A	630.00	4,125.00	N/A	4,755.00
Director 16	N/A	1,260.00	6,750.00	N/A	8,010.00
Director 17	N/A	630.00	2,625.00	N/A	3,255.00
Director 18	N/A	5,670.00	52,125.00	N/A	57,795.00
Director 19	N/A	4,620.00	18,750.00	N/A	23,370.00
Director 20	N/A	**	**	N/A	N/A
Total		303,310.00	465,125.00		768,435.00

* Travelling not claimed during the Financial Year

** No meetings were attended during the Financial Year

STATEMENT OF EMOLUMENTS

SENIOR EXECUTIVE COMPENSATION

Position of Senior Executive	Year	Salary (\$)	Gratuity or Performance Incentive (\$)	Travelling Allowance or Value of Assignment of Motor Vehicle (\$)	Pension or Other Retirement Benefits (\$)	Other Allowances (\$)	Non-Cash Benefits (\$)	Total (\$)
Executive Director	2010/2011	2,743,546	N/A	796,500	N/A	N/A	N/A	3,540,046
Director – School Governance & Public Relations	2010/2011	1,725,362	N/A	420,000	86,268	N/A	N/A	2,231,630
Director-Finance/Administration	2010/2011	1,303,653	N/A	420,000	65,182	N/A	N/A	1,788,835
Director Policy and Planning	2010/2011	1,415,242	N/A	420,000	70,762	N/A	N/A	1,906,004

Note

1. The Executive Director is employed on a contractual basis for three (3) years and is entitled to gratuity payments of 25% of annual salary.
2. Pension benefit is the employer's contribution paid on behalf of the employee

NATIONAL COUNCIL ON EDUCATION

FINANCIAL STATEMENTS

MARCH 31, 2011



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INDEPENDENT AUDITORS' REPORT

To the Members of
National Council on Education

Report on the Financial Statements

We have audited the financial statements of National Council on Education ("the Council"), set out on pages 3 to 16 which comprise the statement of financial position as at March 31, 2011, the statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and for such internal controls as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether or not the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

To the Members of
National Council on Education

Report on the Financial Statements, continued

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Council as at March 31, 2011, and of its financial performance, changes in equity and cash flows for the year then ended in accordance with International Financial Reporting Standards.

A handwritten signature of the KPMG firm, written in a cursive, stylized font.

Chartered Accountants
Kingston, Jamaica

September 26, 2011

NATIONAL COUNCIL ON EDUCATION

Statement of Financial Position
March 31, 2011

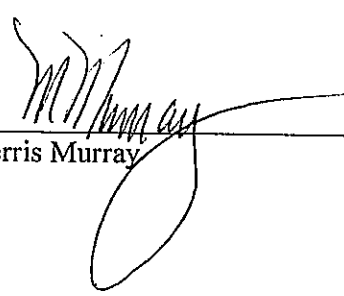
	<u>Notes</u>	<u>2011</u>	<u>2010</u>
CURRENT ASSETS			
Cash and cash equivalents	4	2,107,083	4,199,500
Accounts receivable	5	390,325	187,103
Resale agreement	6	8,791,541	8,206,398
Income tax recoverable		<u>115,365</u>	<u>110,237</u>
		11,404,314	12,703,238
CURRENT LIABILITY			
Accounts payable	7	(4,119,089)	(4,116,602)
NET CURRENT ASSETS		7,285,225	8,586,636
PROPERTY, PLANT AND EQUIPMENT	8	<u>980,615</u>	<u>1,034,337</u>
		<u>\$ 8,265,840</u>	<u>9,620,973</u>
Financed by:			
CAPITAL GRANT	9	980,615	1,034,337
ACCUMULATED SURPLUS		<u>7,285,225</u>	<u>8,586,636</u>
		<u>\$ 8,265,840</u>	<u>9,620,973</u>

The financial statements on pages 3 to 16, were approved by the Council on September 26, 2011 and signed on its behalf by:



 Mr. Ruel Reid

Chairman



 Ms. Merris Murray

Executive Director

The accompanying notes form an integral part of the financial statements.

NATIONAL COUNCIL ON EDUCATION

Statement of Comprehensive Income
Year ended March 31, 2011

	<u>Notes</u>	<u>2011</u>	<u>2010</u>
Revenue:			
Subvention received		19,204,817	15,967,494
Interest		675,752	1,431,473
Miscellaneous		213,009	800
Donations		<u>235,000</u>	<u>-</u>
		20,328,578	17,399,767
Grants designated as capital therefore deferred	9	(<u>230,556</u>)	(<u>859,540</u>)
		20,098,022	16,540,227
Expenses:			
Staff costs, including statutory costs	10	14,305,418	14,698,115
Local consultancy		150,599	499,847
Travel		29,500	31,305
Conferences		574,147	223,681
Office rental		948,464	948,464
Telephone		551,359	471,844
Audit fees		300,000	350,000
Depreciation		284,278	175,657
Printing and stationery		789,418	971,246
Workshop		1,103,245	755,345
Entertainment		169,799	245,412
Advertising and public relations		124,124	437,798
Internet services		37,606	55,006
Website development		344,503	-
Board fees		981,740	1,720,790
Staff welfare		405,324	-
Other		<u>584,187</u>	<u>900,056</u>
		<u>21,683,711</u>	<u>22,484,566</u>
Loss before transfer		(<u>1,585,689</u>)	(<u>5,944,339</u>)
Transfer from capital grant of amount equivalent to depreciation charge	9	<u>284,278</u>	<u>175,657</u>
Loss, being total comprehensive loss for the year		\$(<u>1,301,411</u>)	(<u>5,768,682</u>)

The accompanying notes form an integral part of the financial statements.

NATIONAL COUNCIL ON EDUCATIONStatement of Changes in Equity
Year ended March 31, 2011

	<u>Accumulated surplus</u>
Balance at March 31, 2009	14,355,318
Losses, being total comprehensive loss for year	<u>(5,768,682)</u>
Balance at March 31, 2010	8,586,636
Losses, being total comprehensive loss for year	<u>(1,301,411)</u>
Balance at March 31, 2011	<u>\$ 7,285,225</u>

The accompanying notes form an integral part of the financial statements.

NATIONAL COUNCIL ON EDUCATION

Statement of Cash Flows
Year ended March 31, 2011

	<u>2011</u>	<u>2010</u>
Cash flows from operating activities:		
Loss for year	(1,301,411)	(5,768,682)
Adjustments to reconcile loss for year to net cash provided by operating activities		
Capital grant transfer	(284,278)	(175,657)
Interest income	(675,752)	(1,431,473)
Depreciation	<u>284,278</u>	<u>175,657</u>
	(1,977,163)	(7,200,155)
Decrease/(increase) in current assets:		
Accounts receivable	(193,593)	-
Resale agreement	(585,143)	(1,186,106)
Income tax recoverable	(5,128)	(9,000)
Increase/(decrease) in current liability:		
Accounts payable	<u>2,487</u>	<u>96,753</u>
Net cash used by operating activities	<u>(2,758,540)</u>	<u>(8,298,508)</u>
Cash flow from investing activities:		
Interest received	666,123	1,459,770
Additions to property, plant and equipment	<u>(230,556)</u>	<u>(859,540)</u>
Net cash provided by investing activities	<u>435,567</u>	<u>600,230</u>
Cash flow from financing activities:		
Capital grants, being cash provided by financing activities	<u>230,556</u>	<u>859,540</u>
Net decrease in cash and cash equivalents	(2,092,417)	(6,838,738)
Cash and cash equivalents at beginning of year	<u>4,199,500</u>	<u>11,038,238</u>
Cash and cash equivalents at end of year	<u>\$2,107,083</u>	<u>4,199,500</u>

The accompanying notes form an integral part of the financial statements.

NATIONAL COUNCIL ON EDUCATION

Notes to the Financial Statements

March 31, 2011

1. Identification

National Council on Education ('the Council') was established under the National Council on Education Act in March 1993 and became operational in July 1995. It is a statutory body responsible to the Ministry of Education. The Council is domiciled in Jamaica with its registered office at 6b Oxford Road, Kingston 5.

The main functions of the Council are as follows:

- To advise the Minister on policy matters relating to education in Jamaica.
- To appoint suitable persons to Boards of Management in public educational institutions.
- To assist in the preparation of plans and programmes for developing and maintaining an effective educational system.
- To monitor and evaluate the implementation of programmes and make appropriate recommendations to the Minister.

2. Statement of compliance and basis of preparation

(a) Statement of compliance:

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and their interpretations adopted by the International Accounting Standards Board (IASB).

New standards and interpretations that became effective during the year:

Certain new standards, amendments to published standards and interpretations, came into effect during the current financial year. None of these had any effect on the Council's financial statements:

(b) Basis of preparation:

These financial statements have been prepared using the historical cost basis and are presented in Jamaica dollars, which is the functional currency of the Council.

The preparation of the financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, and contingent assets and contingent liabilities at the reporting date and the income and expenses for the year then ended. Actual amounts could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

There are no significant assumptions and judgments applied in the financial statements applied in the financial statements with a risk of material adjustment in the next financial year.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements and comply with IFRS.

NATIONAL COUNCIL ON EDUCATION

Notes to the Financial Statements (Continued)

March 31, 2011

3. Significant accounting policies

(a) Cash and cash equivalents:

Cash and cash equivalents comprise of cash balances and fixed deposit and are:

- short-term, highly liquid investments that are readily convertible to known amounts of cash;
- are subject to an insignificant risk of changes in value;
- held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

(b) Accounts receivable:

Accounts receivable are stated at amortised cost less impairment losses.

(c) Resale agreements:

Resale agreements (“reverse repos”) are transactions whereby the Council makes funds available to institutions by entering into short-term agreements with those institutions. On delivering the funds, the Council receives the securities, or other documents evidencing a claim on the securities, and agrees to resell the securities, or surrender the documents evidencing the claim, on a specified date and at a specified price. Resale agreements are accounted for as short-term collateralised lending. The difference between sale and purchase consideration is recognised as interest income on an accrual basis over the period of the transaction.

(d) Accounts payable:

Accounts payable are stated at amortised cost.

(e) Property, plant and equipment and depreciation:

Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses [note 3 (i)]. Cost includes expenditures that are directly attributable to the acquisition of the assets. The cost of replacing an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the asset will flow to the council and its cost can be reliably measured. The cost of day-to-day servicing of property, plant and equipment is recognised in the statement of comprehensive income.

Property, plant and equipment are depreciated on a straight-line basis at annual rates estimated to write off the assets to their residual values over their expected useful lives. The depreciation rates are as follows:

Office equipment	10%
Computer	20%
Leasehold improvement	20%

The depreciation methods useful lives and residual values are reassessed at the reporting date.

NATIONAL COUNCIL ON EDUCATION

Notes to the Financial Statements (Continued)
March 31, 2011

3. Significant accounting policies (continued)

(f) Capital grants:

Where property, plant and equipment are received as gifts from, or acquired out of funds granted by, donors or the Government of Jamaica, the amount of the grant, determined by the cash received or, in the case of gifts in kind, the fair value of the asset received, is credited to deferred credit. An amount equivalent to the depreciation charged on such property, plant and equipment for each financial year is transferred from deferred credit to income.

(g) Subvention:

Government grants are accounted for as received.

(h) Pension costs:

Pension costs comprise the contributions which the Council makes to the fund maintained under the plan established to provide pensions to retired employees (note 14). Contributions to the fund are made on the basis provided for in the rules of the plan and are charged as an expense when due.

(i) Impairment:

(i) Calculation of recoverable amounts:

The carrying amounts of the Council's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, an asset's recoverable amount is estimated at each reporting date. An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the statement of comprehensive income.

The recoverable amount of the Council's loans and receivables is calculated as the present value of expected future cash flows, discounted at the original effective interest rate inherent in the asset. Receivables with a short duration are not discounted.

The recoverable amount of other assets is the greater of their net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

(ii) Reversals of impairment:

An impairment loss in respect of loans and receivables is reversed, if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised. For all other assets, an impairment loss is reversed, if there has been a change in the estimate used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised.

NATIONAL COUNCIL ON EDUCATION

Notes to the Financial Statements (Continued)
March 31, 2011

3. Significant accounting policies (continued)

(j) New standards and interpretations not yet adopted:

Certain new standards, amendments to standards and interpretations are not yet effective for the year ended March 31, 2011. Management has assessed that the following will be relevant in preparing the financial statements:

- *IFRS 9, Financial Instruments*, is effective for accounting periods beginning on or after January 1, 2013. The standard retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortised cost and fair value. It eliminates the existing IAS 39 categories of held to maturity, available-for-sale and loans and receivables. For an investment in an equity instrument which is not held for trading, the standard permits an irrevocable election, on initial recognition, to present all fair value changes from the investment in other comprehensive income. The standard includes guidance on classification and measurement of financial liabilities designated as fair value through profit or loss and incorporates certain existing requirements of IAS 39 *Financial Instruments: Recognition and Measurement* on the recognition and de-recognition of financial assets and financial liabilities. The Council is assessing the impact that the standard will have on the 2014 financial statements.
- *IAS 24, Related Party Disclosure, revised* (effective for accounting periods beginning on or after January 1, 2011) introduces changes to the related party disclosure requirements for government-related entities and amends the definition of a related party. The standard also expands the list of transactions that require disclosure. The Council is assessing the impact the amendment will have on the 2014 financial statements.
- *Disclosures – Transfer of Financial Assets (Amendments to IFRS 7)* is effective for accounting periods beginning on or after July 1, 2011. The amendment requires disclosure of information that enable users of financial statements to understand the relationship between transferred financial assets that are not derecognized in their entirety and the associated liabilities and to evaluate the nature of and risks associated with, the entity's continuing involvement in these derecognized assets. The Council is assessing the impact the amendment will have on the 2012 financial statements.
- *IFRS 7 Financial Instruments: Disclosures* – The standard is amended to add an explicit statement that the interaction between qualitative and quantitative disclosures better enables users to evaluate an entity's exposure to risks arising from financial statements. Existing disclosures relating to maximum exposure to credit risk, financial effect of collateral held as security and other enhancements in respect of a financial instrument have been amended. Certain disclosures relating to carrying amount of financial assets that are not past due or are not impaired as a result of their terms having been renegotiated and description of collateral held as security for financial assets that are past due have been removed. The amendment is effective for accounting periods beginning on or after January 1, 2011. The Council is assessing the impact that the standard will have on the 2012 financial statements.

NATIONAL COUNCIL ON EDUCATION

Notes to the Financial Statements (Continued)
March 31, 2011

3. Significant accounting policies (continued)

(j) New standards and interpretations not yet adopted (continued):

- *IAS 1 Presentation of Financial Statements* – IAS 1 is amended to state that for each component of equity a reconciliation from opening to closing balances is required to be presented in the statement of changes in equity, showing separately changes arising from items recognized in profit or loss, in other comprehensive income and from transactions with owners acting in their capacity as owners. The amendment is effective for accounting periods beginning on or after January 1, 2011. The Council is assessing the impact that the standard will have on the 2012 financial statements.
- *IFRS 13 Fair Value Measurement* defines fair value, establishes a framework for measuring fair value and sets out disclosure requirements for fair value measurements. It explains how to measure fair value and is applicable to assets, liabilities and an entity's own equity instruments that, under other IFRSs, are required or permitted to be measured at fair value or when disclosure of fair values is provided. It does not introduce new fair value measurements, nor does it eliminate the practicability exceptions to fair value measurements that currently exist in certain standards. The standard is effective for annual periods beginning on or after January 1, 2013. The Council is assessing the impact that the standard will have in its 2014 financial statements.

4. Cash and cash equivalents

Cash and cash equivalents comprise of cash balances and fixed deposit.

	<u>2011</u>	<u>2010</u>
Current account	1,631,854	3,739,657
Fixed deposit	<u>475,229</u>	<u>459,843</u>
	<u>\$2,107,083</u>	<u>4,199,500</u>

5. Accounts receivable

	<u>2011</u>	<u>2010</u>
Security deposit	143,706	143,706
Interest receivable	53,026	43,397
Advance	<u>193,593</u>	<u>-</u>
	<u>\$ 390,325</u>	<u>187,103</u>

6. Resale agreements

The fair value of underlying securities used to collateralise resale agreements is \$8,780,286 (2010: \$8,197,474).

NATIONAL COUNCIL ON EDUCATION

Notes to the Financial Statements (Continued)
March 31, 2011

7. Accounts payable

	<u>2011</u>	<u>2010</u>
Accrued vacation leave	3,244,515	3,210,938
Stale-dated cheques	226,226	334,780
Other	<u>648,348</u>	<u>570,884</u>
	<u>\$4,119,089</u>	<u>4,116,602</u>

8. Property, plant and equipment

	<u>Furniture & fixtures</u>	<u>Computer equipment</u>	<u>Leasehold improvements</u>	<u>Total</u>
Cost:				
March 31, 2009	1,488,008	2,412,410	387,707	4,288,125
Additions	<u>35,656</u>	<u>823,884</u>	<u>-</u>	<u>859,540</u>
March 31, 2010	1,523,664	3,236,294	387,707	5,147,665
Additions	<u>16,754</u>	<u>213,802</u>	<u>-</u>	<u>230,556</u>
March 31, 2011	<u>1,540,418</u>	<u>3,450,096</u>	<u>387,707</u>	<u>5,378,221</u>
Depreciation:				
March 31, 2009	1,390,245	2,159,718	387,707	3,937,670
Charge for the year	<u>12,947</u>	<u>162,710</u>	<u>-</u>	<u>175,657</u>
March 31, 2010	1,403,192	2,322,428	387,707	4,113,328
Charge for the year	<u>15,186</u>	<u>269,093</u>	<u>-</u>	<u>284,278</u>
March 31, 2011	<u>1,418,378</u>	<u>2,591,521</u>	<u>387,707</u>	<u>4,397,606</u>
Net book value:				
March 31, 2011	<u>\$ 122,040</u>	<u>858,575</u>	<u>-</u>	<u>980,615</u>
March 31, 2010	<u>\$ 120,472</u>	<u>913,865</u>	<u>-</u>	<u>1,034,337</u>
March 31, 2009	<u>\$ 97,763</u>	<u>252,692</u>	<u>-</u>	<u>350,455</u>

9. Capital grant

	<u>2011</u>	<u>2010</u>
Balance at beginning of year	1,034,337	350,455
Grants designated as capital during the year	230,556	859,539
Grant transferred to income equivalent to depreciation charge	(284,278)	(175,657)
	<u>\$ 980,615</u>	<u>1,034,337</u>

NATIONAL COUNCIL ON EDUCATION

Notes to the Financial Statements (Continued)
March 31, 2011

10. Staff costs

Staff costs are as follows:

	<u>2011</u>	<u>2010</u>
Salaries	10,805,404	11,001,173
Statutory contributions – employer	516,963	458,189
Pension contributions – employer	684,532	650,525
Health insurance	73,740	58,290
Motor vehicle upkeep and subsistence	2,191,203	2,147,808
Other	<u>33,576</u>	<u>382,130</u>
	<u>\$14,305,418</u>	<u>14,698,115</u>

As at year-end, the Council had 10 (2010: 11) employees.

11. Taxation

The Council is exempt from income, property, transfer and consumption taxes and stamp duties.

12. Lease commitment

The Council occupies its office facilities under an operating lease. The lease is for a period of 3 years which commenced on April 1, 2005 and expired on March 31, 2007. However, the Council occupied the building as at the year end. The Council vacated the premises as at July 2011.

Operating lease rentals are payable as follows:

	<u>2011</u>	<u>2010</u>
Less than one year	<u>\$143,706</u>	<u>948,464</u>

13. Financial risk management

The Council has exposure to the following risks from its use of financial instruments: credit risk, liquidity risk and market risk. This note presents information about the Council's exposure to each of the above risks, the Council's objectives, policies and processes for measuring and managing risk, and the Council's management of capital. Further quantitative disclosures are included throughout these financial statements.

The Board of Directors has overall responsibility for the establishment and oversight of the company's risk management framework.

The Council does not make use of derivative instruments as part of its overall risk management activities at this time.

NATIONAL COUNCIL ON EDUCATION

Notes to the Financial Statements (Continued)
March 31, 2011

13. Financial risk management (continued)

(a) Credit risk:

Credit risk is the risk that a loss may occur from the failure of another party to perform according to the terms of a contract, and arises, principally, from amounts from accounts receivable, resale agreements, and cash and cash equivalents.

Cash and cash equivalents and resale agreements

These are held with reputable financial institutions and collateral is held for all resale agreements.

Exposure to credit risk

Exposure to credit risk is primarily in respect of reimbursables from the Government of Jamaica. Interest receivable is due from reputable financial institutions. The maximum credit exposure, the total amount of loss the Council would suffer if every counter party to the Council's financial assets were to default at once, is represented by the carrying amount of financial assets shown on the statement of financial position and is as follows:

	<u>2011</u>	<u>2010</u>
Resale agreements	8,791,541	8,206,398
Cash and cash equivalents	2,107,083	4,199,500
Accounts receivable	<u>390,325</u>	<u>187,103</u>
	<u>\$11,288,949</u>	<u>12,593,001</u>

No financial asset was considered impaired or past due at the reporting date.

There has been no change to the Council's exposure to credit risk or the manner in which it manages and measures the risk.

(b) Liquidity risk:

Liquidity risk, also referred to as funding risk, is the risk that the Council will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity problems may result from an inability to sell a financial asset quickly at, or close to, its fair value. Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents, and ensuring the availability of funding through an adequate amount of committed facilities.

The Council manages this risk by holding adequate cash resources to meet financial commitments when they fall due. The Council's only financial liability is in respect of accounts payable which are all due within twelve months.

There has been no change to the company's exposure to liquidity risk or the manner in which it manages this risk.

NATIONAL COUNCIL ON EDUCATION

Notes to the Financial Statements (Continued)

March 31, 201113. Financial risk management (continued)

(c) Market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual security or its issuer or factors affecting all securities traded in the market. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

(i) Foreign currency risk:

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign currency rates. The Council has no foreign currency exposure.

(ii) Interest rate risk:

Interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. Cash and cash equivalents are held for the short-term and, accordingly, would substantially reflect prevailing interest rates in the financial markets. The Council has no interest bearing financial liability. Interest rates on cash and cash equivalents are fixed and therefore, have no exposure to cash flow or fair value risk.

There has been no change to the Council's exposure to market risks or the manner in which it manages and measures the risk.

(d) Fair values

Fair value amounts represent estimates of the consideration that would be currently agreed upon in an arm's length transaction between knowledgeable and willing parties who are under no compulsion to act and is best evidenced by a quoted market price, if one exists.

The fair values of resale agreements, cash and cash equivalents, accounts receivable, and accounts payable are assumed to approximate their carrying values because of their short-term nature.

14. Pension plan

Effective October 1, 1998, the Council commenced operation of a contributory, defined contribution pension plan for employees who are eligible in accordance with the rules of the plan.

The plan is set up under a trust, with its assets held separately from those of the Council. The trustees have contracted a life insurance company to administer the plan and manage the trust fund assets.

Contributions by the Council for the year amounted to \$684,532 (2010: \$650,525).

The expenses of the plan are borne by the Council.

The plan is subject to periodic actuarial reviews at intervals of not more than three years. The latest actuarial valuation of the Plan carried out at September 30, 2008 disclosed that the Plan had a surplus of \$1,213,000. The next valuation is due September 30, 2011.

NATIONAL COUNCIL ON EDUCATION

Notes to the Financial Statements (Continued)
March 31, 2011

15. Related parties

- (a) The statement of financial position includes balances with related parties, in addition to those separately stated thereon, or in the notes thereto, as follows:

	<u>2011</u>	<u>2010</u>
	\$	\$
Accounts payable:		
Key management personnel	<u>2,862,246</u>	<u>2,722,869</u>

- (b) The statement of comprehensive income includes income earned from, and expenses incurred in, transactions with related parties, as follows:

	<u>2011</u>	<u>2010</u>
	\$	\$
Key management personnel emoluments	<u>7,216,560</u>	<u>7,129,921</u>

- (c) Identity of related parties:

The Council has a related party relationship with its directors, senior officers and other government agencies. The directors and senior officers are collectively referred to as "key management personnel".

- (d) Related parties:

A party is related to an entity, if:

- (i) directly, or indirectly through one or more intermediaries, the party:
 - (a) controls, is controlled by, or is under common control with, the entity (this includes parents, subsidiaries and fellow subsidiaries);
 - (b) has an interest in the council that gives it significant influence over the entity; or
 - (c) has joint control over the council;
- (ii) the party is an associate of the council;
- (iii) the party is a joint venture in which the council is a venturer;
- (iv) the party is a member of the key management personnel of the council or its parent;
- (v) the party is a close member of the family of any individual referred to in (i) or (iv);
- (vi) the party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or
- (vii) the party is a post-employment benefit plan for the benefit of employees of the council, or of any entity that is a related party of the council.

A related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged.